

MINUTES OF THE BOARD OF SUPERVISORS

[Special Board Meeting]

ISLE OF PALMS SPECIAL DISTRICT

September 16, 2020

[As a result of the COVID-19 Pandemic and necessary restrictions related to public gatherings, this Board meeting was held at a different location than normal (San Pablo Public Library), in the conference room of the Raymond James Bldg. at 245 Riverside Ave., where attendees could practice adequate physical distancing, but the meeting could also have been attended via Teams-based conferencing. The call-in phone number was (904) 348-0303 and the Conf. ID code was 809721327#]

Board President Ken Wright opened the meeting; calling it to order at approximately 1610 hours with a Roll Call of all Board members present for the meeting. Other Board members/officers present were Vice President Paul Raudenbush, Secretary Brad Radloff, and Member Josh Reichert. Member Dave Touring was able to join the meeting via call-in/speaker. A quorum was established with four Board members present at the meeting. Board Attorney Wayne Flowers of Lewis, Longman & Walker (LLW) was also present at the meeting. There was an indication that others called-in to the meeting but only two chose to identify themselves as “Donna” and “Doug Oosting” (initially, the callers had difficulty with the Conf. ID code but was worked out within minutes after it was brought to the attention of the Board). The meetings (as a public gathering) are normally held in a Community Meeting Room of the Pablo Creek Regional Library at 13295 Beach Boulevard, Jacksonville, FL 32246 but due to safety restrictions still in place at the library, the meeting was held at an alternate indoor venue, as described above.

Agenda-Specific Public Comments -

As a result of a Florida Statute, *public comments of Agenda items only* (no general items) are to be taken prior to addressing the Meeting Agenda. However, since this meeting was basically a “workshop” meeting to discuss bids submitted to the Board for consideration and potentially awarding the bidder with a contract to conduct the dredging, no agenda specific to this meeting was prepared. Nevertheless, the floor was open to any attendees/call-ins during the meeting, if they so desired.

MEETING ACTION ITEMS

1. Treasury Item. KWright indicated that an invoice from Wood that had been overlooked from the last meeting and was brought to this meeting for review and possible motion to pay. The invoice was for professional services through August 14, 2020 and totaled \$4,689.57.

MOTION: To pay Wood's invoice, as described above, by KWright.

The motion was seconded by PRAudenbush and PASSED unanimously by the Board members present.

2. Discuss PRAudenbush's spread-sheet/workbook showing his cost, revenue, and loan payment projections over time. PRAudenbush had sent his spread-sheet to the Board members ahead of time for their review prior to the meeting, so he began the discussion by going-over the spread-sheet and walking the Board members through his assumptions in order to seek any feedback and/or suggestions from the Board. The discussion included validating the data (as much as possible, at this point) and making it, therefore, as usable as possible. The spread-sheet seemed very complete and only minor adjustments were suggested/indicated, such as the payment schedule for the use of HWSD's spoil site. Also, as part of the discussion, potential lenders were discussed and what their terms, in general, might be (e.g., % loan amount, % income-to-debt service, quarterly payment schedule, an estimated interest rate, and closing costs/lawyer's fees - WFlowers suggested that he should be able to come up with a reasonable estimate of closing costs/lawyer's fees) and the need to put out a Request for Interest (RFI) from lenders. According to the spread-sheet, it appears that a loan amount of \$3.3 million would be required to begin the project but that number might be more or less, depending upon the loan-to-value percentage dictated by a particular lender, and that the loan could possibly be paid-off in about eight years.

One concern discussed by the Board was potential liability should the project go bad in some way. It was determined that because the dredging contractor is conducting the work, they would be liable. However, as most lawyers know, law suits usually include all parties that may be perceived as having responsibility. As such, the question arose as to what coverage the District's insurance included and to what limits, just in case it became necessary. KWright suggested that he would look into or otherwise query the question and report back at the next meeting.

3. Discussion of the Contractor's submitted bid package and possible issuance of a Notice to Award. Discussion of the bid package submitted by Florida Dredge and Dock (FLDD) began with the Board's understanding of how the dredging would specifically be accomplished or what their "means and methods" (M&M) are for the project. It was decided that the M&M provided in the FLDD's bid package was very brief with few details

covering the Board's concerns (e.g., how will they maintain navigability during dredging, how and when will the additional individual dredging be done, and how will dredged spoils be handled that might be incidentally be deposited, if FLDD intends on using the Palm Cove Marina spoil site for water off-loading). Much discussion ensued over the Board's understanding (or misunderstanding) of the how FLDD intends on handling the water generated by the hydraulic method of dredging, as Lance Young briefly explained during the September 9, 2020 Board meeting. Further discussion included FLDD bid package and whether it met the qualifications of the bid solicitation (i.e., checking FLDD's references and previous project experience and obtaining more specific details of their M&M) before issuing a Notice to Award. So, at this time, the Board decided that rather than issuing a "Notice of Award", a "Notice of Intent to Award" should be sent to FLDD in the form of a letter that indicates an award will be issued contingent upon answering a series of questions outlined in the letter. The Board decided on three questions to put in the letter to FLDD and included: 1) specifics on how FLDD will handle dredging operations in relation to maintaining unimpeded access and navigability, 2) whether or not any IOPSD spoils will end up in the Palm Cove Marina spoil site, during the off-loading of water, and (if so) how are those going to be handled, and 3) how does FLDD intend to do the additional individual dredging and will it be all in one pass of a reach or two.

MOTION: To issue a letter as a "Notice of Intent to Award" to FLDD, along with a request for additional information (as described above), and the issuance of a "Notice of Award" being contingent upon receipt by the Board of satisfactory answers to the requested additional information, by KWright.

The motion was seconded by PRAudenbush and PASSED unanimously by the Board members present.

KWright indicated that would prepare and send the letter needed for the Motion above.

4. Discussion of the District's requirements from Wood for the administration of the dredging project relative to services needed and what level of services. The District has not yet authorized Wood's proposal for engineering services to administrate the contract during dredging. Pursuant to issuing such authorization, discussion ensued that helped to clarify the terms and possible level services needed/expected from Wood. Wood's proposal is a cost-plus maximum and is considered to be more services and fees than what is likely to be needed. PRAudenbush indicated that he would "close the gap," with Charlene at Wood, regarding their engineering proposal, and report to the Board at the next meeting in October.
5. Issuing a Request for Interest (RFI) from Lenders. Both PRAudenbush and WFlowers agreed that a Motion should be made to issue a RFI for lenders to provide a loan for the necessary portion of the total dredging costs.

MOTION: To issue a RFI for lenders to provide a loan to the District for the applicable portion of the total costs for the dredging project and to publish Notice(s) in appropriate source(s) to advertise the RFI, by PRaudenbush.

The motion was seconded by KWright and PASSED unanimously by the Board members present.

PRaudenbush and WFlowers indicated that they would get together to prepare the necessary RFI as was done previously by the District.

General Public Comment -

There were no other comments from the public at the end of the meeting (comments/questions taken during the meeting).

Adjournment -

KWright adjourned the meeting at 1938 hrs.

Future Meeting Dates -

Meetings are held on Wednesdays at 6:30 PM, normally at the “Pablo Creek Regional Library,” 13295 Beach Blvd. Jacksonville 32246; for the dates listed below **[however, because of the uncertainty revolving around the ever-changing restrictions placed on public gatherings, please check the District’s website (isleofpalmsjax.com) for any updates to the location of the upcoming meeting]:**

October 14, 2020 November 11, 2020 December 9, 2020