

MINUTES OF THE BOARD OF SUPERVISORS

ISLE OF PALMS SPECIAL DISTRICT

October 10, 2018

Board President Ken Wright opened the meeting; calling it to order at approximately 1830 hours with a Roll Call of all Board members present [Agenda Item 1]. Other Board members/officers present were Secretary Brad Radloff, Member Tim Pacheco, and Member David Touring. Vice President Paul Raudenbush was available remotely via Bluetooth speaker/phone. A quorum was established with four Board members present at the meeting. Board Attorney Wayne Flowers of Lewis, Longman & Walker (LLW), along with Joe Wagner, P.E. of Wood, PLC as representative for the District's Engineer of Record to administrate upcoming dredging efforts, were also present. A total of 7 homeowners from the District attended.

Agenda-Specific Public Comments [Agenda Item 2]-

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. There were no public comments on any agenda items from attending homeowners (however, any who wished to comment later, during the meeting, did so as discussions proceeded on each agenda item).

OTHER AGENDA ITEMS

3. Approve the Minutes of the September 12, 2018 Board meeting.

MOTION: To approve the minutes of the September 12, 2018 Board meeting, by KWright.

The motion was seconded by TPacheco and PASSED unanimously by all Board members.

4. Treasurer's Report. PRaudenbush provided an update to the Treasurer's Report for this meeting and reported the District's bank balance at \$1,097,212.93, as of 9-30-18. In addition, there were two bill(s)/invoice(s) needing the Board's approval for payment: (1) from LLW for \$900.00 and (2) from the District's Auditor for \$4,700.00. As a special note, there is a dual signature requirement that is in place for all checks/bill payments.

MOTION: To approve the payments to LLW and Auditor, as described above, by BRadloff and KWright, respectively.

Said motions were seconded by KWright and TPacheco, respectively, and PASSED unanimously by all Board members.

5. Harbor Waterway and other dredge spoil sites discussion. This item started off with a discussion from DTouring regarding possible alternatives (to using the HWSD spoil site) and included meeting with Contractors to get an idea where they would put the spoils if left up to them and how much would they charge for that part of the dredging. Apparently the Contractors hold that sort of information “close to the vest” so that they don’t like to divulge their pricing and where they go with spoils ahead of an official bid request. Various ideas were discussed pursuant to just going ahead and requesting bids, from anybody that we can, to see what we get, to know better what we might expect, including possibly prequalifying bidders, as suggested by PRAudenbush. Then, there was discussion as to whether it would be a good idea to put a bid package out there for the main purpose of just seeing what we get (not necessarily being ready to award a contract) to which WFlowers suggested that it would not be a good idea to put a bid out just to speculate but also, on the other hand, provisions *can* be included in the bid indicating that all bids could be thrown-out by the District, as it sees fit. This brought up the question as to whether or not Wood is currently under contract with the District to put together a bid document and administrate bid proceedings, to which Mr. Wagner indicated that Wood is not. After some discussion about bid preparation, language, and included requirements, etc. AND about certain members of the Board preparing said bid document, etc. BRadloff suggested requesting a quote from Wood to prepare said document since Wood has done seven in the past year already and our District won’t have to create a new wheel, so to speak, when it comes to all the nuances in the language needed for the document. KWright suggested that we request a quote from Wood to act as our agent to administer our bid proceedings and the Board should be ready to act on Wood’s proposal and whether Wood should go ahead and start the bid process. Other discussions ensued revolving around ideas and experiences of bidding processes.

PRAudenbush presented an analysis that he prepared (pre-sent via email) based upon estimates provided by Stanley Pipes of HWSD (also present during this meeting along with another member of HWSD’s Board, Mr. David Prysock). The intent of PRAudenbush’s analysis was to look at the cost to purchase, permit, maintain, and use (based upon his calculations of potential capacity) over a period of time, two to three dredging cycles in this case. Discussion ensued regarding such things as the potential liabilities associated with owning such a site and real costs to maintain it, including regulatory compliance. PRAudenbush’s analysis indicated that it was slightly less expensive to purchase our own site (in particular, the Reed Island-North Spoils Site), by his calculations, but that it was not a significant difference and the associated potential liabilities, along with the possibility of unknown costs (e.g., outfall for water release) might over-shadow said small savings. Further to the discussion regarding possibly purchasing the North portion of Reed Island, KWright indicated that he learned from attending the HWSD Board meeting the night before, that the North portion has apparently been released from certain COJ encumbrances and will become available for sale (for either HWSD or IOPSD or anybody). Some discussion ensued (with the help of

Mr. Pipes) regarding the potential price of the property, possible restrictions on who can use it, and what the next steps are for the COJ, HWSD (as the first potential buyer to step up), and for the IOPSD (if it decides to pursue the purchase in competition with the HWSD). Mr. Pipes indicated that one likely restriction (that would be “deeded”) on the new owner of the North parcel would be that at least 50% of the capacity would have to be sold to a third and that, if the IOPSD owned the site, it would result in a severe reduction of practical use by IOPSD. Mr. Pipes also indicated that they have been working on this property and the one they most recently purchased since 2010 and that it takes quite a bit a time and COJ involvement to procure the properties. Given such information, the general consensus of the Board seemed to be that purchasing the North portion does not make practical sense and that we may want to go ahead and consider the HWSD’s proposal to use their site, once they procure the second parcel. [History: Mr. Pipes, Chairman of the HWSD, also attended the September 2018 meeting and presented a proposal to the IOPSD Board regarding the available capacity at their spoil site on Reed Island and what they would charge for the IOPSD to deposit spoils there. Mr. Pipes provided a handout which outlined current capacities, potential capacities (with the addition of the COJ’s adjoining property), and rates to deposit various volumes of spoils at their site. HWSD’s proposal to the IOPSD was based upon the estimated volume (150,000 cubic yards) suggested by the IOPSD, and at least one use or possibly two, for a total of 300,000 cubic yards. Their proposal indicated that the first possible use averages out to \$6.25 per cubic yard and then if a second use (if HWSD is able to secure the 2nd property from the COJ) becomes available, the overall rate between the two uses would average out to \$3.96 per cubic yard. Mr. Pipes suggested that their site could be ready for use for the first deposit within a year after notification from the IOPSD Board]. At this meeting, Mr. Pipes re-presented their proposal to the District with certain terms such as a payment schedule, based upon paying 50% upfront and then a pay-off over three years of annual payments.

Subsequent to discussions about purchasing a site versus using HWSD’s site, KWright brought up some calculations that he made that might suggest, given the life-time cap (\$1000.00/year) available to the District for funding the dredging effort, in accordance with the Ordinance establishing the District, there may be large short-fall of funds in the short term and that going through the process of raising the cap should be considered. Then much discussion ensued regarding the possibility of doing so, including approaching the COJ Council to amend the Ordinance, etc. There was both agreement on the idea of raising the cap for various reasons and also disagreement by at least two of the Board members.

6. Report any new information re: 12% City share of dredging; Council member discussions re: assisting with possible purchase of remainder of HWSD spoil site. [HISTORY: PRAudenbush contacted the COJ to determine their position on the Ordinance that appears to allow for a 12% contribution from the COJ for the District’s dredging efforts and whether the COJ (in particular, the Parks and Recreation Dept.) would sell the north portion of the spoil site on Reed Island. The COJ’s position according to the OGC was that the 12%, in their opinion, does not apply to the IOPSD because the District already has an avenue for collecting funds to conduct maintenance dredging. The Board decided that a little more homework and contact with the OGC should be done on this, with WFlowers help, to determine whether the Board should go ahead “push-back” a little to be sure the COJ’s position is the original intent of the Ordinance. At the September 2018 meeting, Mr. Pipes was asked if their District was able to benefit from the Ordinance to

which he suggested that they could not since their waterways are not officially available to the public.] At this meeting, Wayne Flowers (LLW) suggested that he checked with the OGC and said they “rebuffed” him on the possibility of obtaining the 12% cost share for the IOPSD. Mr. Wagner still thinks the IOPSD should pursue this issue based upon his knowledge of those that have been able to take advantage of it (like Miller’s Creek but which has some public access, a qualifying factor).

7. New Business. TPacheco brought up planning for the 2019 meeting place and dates. He proposed the same place (at the current library location) for the usual second Weds. of the month being: Jan. 9, Feb 13 (Tim said the 3rd in the meeting but I’m sure he meant the 13th, since the 3rd is a Sun.), Mar. 13, Apr. 10, May 8, Jun. 12, Jul. 10, Aug. 14, Sep. 11, Oct. 9, Nov. 13, and Dec. 11. At this time, DTouring wanted to discuss increasing the number of meetings to semi-monthly, especially in light of the possibility of putting out a bid document sooner than later. However, apparently, trying to do this ahead of time is not as easy as just scheduling it since there may be scheduling conflicts for more than one meeting per month at the current location and, at this time, we have no idea when to schedule any such additional meetings. Ken Wright motioned to have TPacheco schedule the meetings for one per month, as proposed, and PRAudenbush seconded the motion which was passed unanimously by all Board members.

General Public Comment -

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

Adjournment -

KWright adjourned the meeting at 1951 hrs.

Future Meeting Dates -

Meetings are to be held on Wednesdays at 6:30 PM at the “Pablo Creek Regional Library,” 13295 Beach Blvd. Jacksonville 32246; for the dates listed below:

November 14, 2018 December 12, 2018