

Minutes

Regular Meeting of the Captiva Erosion Prevention District

'Tween Waters Inn, Crow's Nest
15951 Captiva Drive, Captiva, Florida 33924
November 10, 2010 @ Noon

Commissioners Present: Mike Mullins (Chairman); Dave Jensen (Treasurer); Harry Kaiser (Secretary); Doris Holzheimer (Vice Chair).

Commissioners Absent: Rene Miville

Consultants Present: Kathleen Rooker (CEPD Senior Administrative Consultant); John Bralove (CEPD Administrative Consultant); Robert Gray, Partners in Progress, Inc.

I. Call to Order

The meeting was called to order by Commissioner Mullins at 12:03 p.m.

II. Roll Call

The roll was called and the results are detailed above.

III. Approval of September Minutes

Mr. Jensen moved and Mr. Kaiser seconded a motion to dispense with the reading of the minutes from the October 19 Special Meeting and the October 20 Regular Meeting and approve them. The motion was approved without dissent.

IV. Public to be Heard

There were not comments from the public.

V. Financial Report

Mr. Jensen asked for feedback from the other Commissioners with regard to his reporting in the past year and whether they would like to change anything. There were no comments from the Commissioners at this time.

Ms. Rooker reported that the audit for the previous fiscal year had started and the auditors were coming into the office On November 22 to begin their fieldwork. She talked about the outstanding invoices from the Blind Pass project and mentioned that they would be discussed later in the agenda. Ms. Holzheimer asked what the outstanding balance was from

the last apportionment. The data was not available.

Mr. Mullins summarized the financial performance for last year compared to what was budgeted. He stated that more attention should be focused this year on the balance sheet and asked that information of outstanding balance from the last apportionment be provided quarterly. Ms. Rooker discussed DEP payments, funding, and grants. Mr. Mullins asked that sub-accounts be established for reserves so that more detailed information could be provided if required.

Ms. Rooker discussed the September and October bills from Coastal Planning and Engineering and the rather informal nature that C. P. & E. had with respect to hourly billing for work done. She reported that a 50% reduction was negotiated on the September and October invoices, thus saving CEPD \$7,018. An understanding with C. P. & E. was reached, she reported, to make sure that the processes and procedures for authorization of hourly work were more formal in the future.

Mr. Mullins talked about the need to recreate the apportionment data that had just been compiled by Dr. Stronge to verify his current data. Ms. Rooker reported that CEPD's accountant, Joann Paul, will perform this recreation at the first of the year. She will imbed formulas in Dr. Stronge's model so that when new figures are input, accurate data will be automatically generated.

VI. Report of the Senior Administrative Consultants

a) Schedule of Meetings for 2011

Ms. Rooker reviewed the proposed meeting schedule for the new calendar year, which showed Regular Board Meetings scheduled for the 2nd Wednesday in each month with the exception of June and September, where there are conflicts. She also presented proposed Budget Hearing dates. She warned that the Budget Hearing dates might change depending on when the Lee County Board of County Commissioners held their hearings. Starting times were also discussed. The following schedule was set:

January 12, 2010	Regular Board Meeting	noon
February 9, 2011	Regular Board Meeting	2:00 p.m.
March 9, 2011	Regular Board Meeting	noon
April 13, 2011	Regular Board Meeting	noon
May 11, 2011	Regular Board Meeting	noon
June 15, 2011	Regular Board Meeting	noon
July 13, 2011	Regular Board Meeting	noon
August 10, 2011	Regular Board Meeting	noon
September 8, 2011	Regular Board Meeting	3:00 p.m.
September 8, 2011	Tentative Budget Hearing	5:01 p.m.
September 22, 2011	Final Budget Hearing	5:01 p.m.
October 12, 2011	Regular Board Meeting	noon

November 9, 2011
December 14, 2011

Regular Board Meeting
Regular Board Meeting

noon
noon

b) Directors and Officers Insurance Renewal Application

Ms. Rooker reported that the application for renewal of this coverage needed approval of the Board and the Chair's signature. Questions were raised about the amount of the coverage (\$10 million), the premium, where the number came from on the application about CEPD's assets, and who chooses the attorney in case of litigation. After the questions were answered and additional discussion, Mr. Jensen moved and Mr. Kaiser seconded to approve the application. The motion passed without dissent and Chairman Mullins signed the application.

Mr. Mullins asked that an analysis be done next year prior to renewal that would leave enough time to determine what coverage CEPD is afforded, what CEDP needs and does not need, and whether there is overlap. He asked that Wells Fargo be instructed to give CEPD 120 days notice prior to renewal. Mr. Kaiser will point CEPD to an insurance expert who has no involvement in the outcome who can advise CEPD on such matters. Staff will send the current policy and other pertinent information to Mr. Kaiser. Ms. Holzheimer recommended that a calendar be established to track Board issues and schedules like this one.

c) DEP Visit

Ms. Rooker reported on the visit to Blind Pass on Friday, October 29 by Vince George and Robert Neil. She said that both were pleased with the flow of water through the pass and Neil expressed no concern about the sandbar that has formed again outside of the pass as long as it does not hook up with Sanibel. Ms Rooker reported that Mr. George mentioned that any additional work done on Blind Pass would be constitute a new project requiring new permitting and other procedures.

Mr. Mullins suggested that CEPD get Lee County to agree that CEPD has fulfilled its sand commitment to Sanibel as outlined in the interlocal agreement. Discussion among the Commissioners followed about how to settle disputes and accounts with Lee County.

Ms. Holzheimer asked Ms Rooker whether Mr. George had any insight regarding the departure of Mike Sole and also suggested that CEPD needed to pay particular attention to relationships and keep up-to-date in light of personnel changes at the county and state levels as a result of Mr. Sole' departure and the last election. She asked that staff report more regularly about this. Ms. Rooker reported that Mr. George mentioned that CEPD's ranking in terms of priority funding was quite high, that politics still plays a role in funding, and that inlet plans that had been postponed are now being worked on again.

d) Parking Lot and Lodging Revenue

Mr. Bralove reported on parking lot revenue and ticket sales for the last fiscal year, both of which were down about 5%. There was discussion as to why and reasons listed included the colder than usual winter weather and the oil spill discouraging people in the spring and

summer months. Questions were raised as to whether CEPD might have a claim against BP.

Mr. Bralove presented parking lot ticket sales data compared to Dr. Stronge's survey that estimated the number of visits to Hagerup Beach as 69,046 per year. Mr. Bralove noted that a ticket sold is the equivalent of one car parking at the Hagerup lot, and that if a conservative estimate of 2 - ½ persons per car is assumed, Dr. Stronge's survey data is off by 43,129 or 62.5%. If the assumption is more than 2 -½ persons per car, then the discrepancy is even higher.

Mr. Rooker presented data on lodging expenditures from Dr. Stronge's survey and from 2009 transient rentals as reported by the Florida Department of Revenue. This data showed a variation of only 4.4% from Dr. Stronge's estimates.

e) Lee County Legislative Delegation Agenda

Ms. Rooker asked the Commissioners whether CEPD should be on the agenda. The response was "yes" – keep the funding for beach and shore protection on the agenda for the December 15 meeting. Ms. Holzheimer suggested that Ms. Rooker talk to Debbie Flack. Mr. Mullins worried about talking about a \$15 million project. Commissioners advised that the District talk about how the referendum passed by over 75%.

f) Sanibel Captiva Community Bank CD Renewal

Ms. Rooker reported that CEPD will not know the renewal rate that the bank is offering until November 15. Mr. Mullins remarked that he was not sure about locking up a CD when the rate between longer-term CD's and shorter-term investments such as a money market accounts was relatively small. Ms. Rooker suggested that CEPD might negotiate a better than advertised rate and Mr. Mullins suggested that she talk to Craig Albert at the bank. The question arose as to whether the FDIC insurance amount was still \$250,000. No one knew the answer and that question will be addressed.

Note: According to the FDIC website, "On July 21, 2010, President Barack Obama signed the Dodd-Frank Wall Street Reform and Consumer Protection Act into law, which, in part, permanently raises the current standard maximum deposit insurance amount (SMDIA) to \$250,000. The FDIC insurance coverage limit applies per depositor, per insured depository institution for each account ownership category."

VII. Old Business

a) Lee County Manager Letter in reference to Blind Pass

Ms. Rooker reported on the latest letter received from Lee County Manager Karen Hawes dated November 3. She stated that the letter essentially denies CEPD's request for a sit-down meeting and a report about Blind Pass costs. It was also non-responsive to other points and requests that CEPD has made. Ms. Rooker had a telephone conversation with Nan Gonzales, Commissioner Manning's assistant. CEPD received a report the next day on current obligations, current encumbrances, and future obligations from the DEP financial manager, which the Commissioners viewed. Ms. Rooker reported that some of the numbers did not seem reasonable with respect to future obligations.

Mr. Mullins suggested that CEPD has made an effort to develop relationships but the County has not been very responsive to this effort. He stated that the interlocal agreement outlines what is done in case of a disagreement. He wants to confirm that the \$138,201.80 for which CEPD has been billed is the last payment. He also wants Ms. Rooker to work with Ms. Hawes directly about the issues brought up by CEPD, and if this is not successful, then involve the Commissioners.

b) Modification of Blind Pass Permit

This item was discussed in VI. c. above.

c) Policy for Beach Activities

The Lee County Parks and Recreation Department has asked for CEPD input on the issue of business activities conducted on Captiva's beach. South Seas Resort has expressed interest and has submitted a request. Mr. Mullins stated that the Commissioners need to discuss the policy issues and that this agenda item needs to be brought up again.

d) Boyle Property

Mr. Mullins asked that a comprehensive analysis be performed on the possible purchase of this property. He stated that he would like to receive more input from the Board about this idea and received it. The consensus was that CEPD continue to explore this opportunity. He tasked Ms. Rooker to define the scope of the analysis, schedule, and other parameters. He also suggested that CEPD might find a grant for this analysis and that the District follow up this agenda item with Barbara Manzo of the Lee County Parks and Recreation Department.

VIII. News Business

a) Referendum Results

Results of the referendum were announced: voters for – 161; voter against – 50; 76.3% approved. Ms. Rooker asked that Commissioners send her notes as to what they think worked. Ms. Holzheimer suggested that CEPD conduct a survey and discussed a draft of a questionnaire that might be part of a newsletter, Beach Briefs, CEPD's website, or a survey of voters. She suggested about 10 questions in order to get verifiable data as to what worked. Mr. Mullins expressed concern about bothering voters and Mr. Jensen did not think a survey was a good idea. Mr. Mullins asked that Ms. Rooker send out a questionnaire to Commissioners.

Ms. Rooker suggested that it would be desirable to have a manual for future referendum initiatives.

b) 2011 Newsletter (schedule, topics, goals)

Ms. Rooker explained that staff had submitted a schedule for the Winter Newsletter that Mr.

Mullins thought was too aggressive. He suggested that out the entire 2011 schedule including topics be laid out. Mr. Mullins talked about how everyone was putting in an extra effort and it is okay for the Newsletter to be a little late, such as a publication date of mid-February. He is also expressed concern about burn out and wants both staff and Commissioners to have ample time to turn things around. He wants CEPD to be more forward thinking about the Newsletter.

He also wants CEPD to be forward thinking on a lot of fronts. Doing so allows CEPD to know what is on our plate, ensures that CEPD does not try to do too much, enable it to work at a more reasonable rate, and normalizes the time and effort of Commissioners. He stated that he is open to suggestions from Commissioners.

Mr. Mullins invited Mr. Gray to comment. Mr. Gray explained that he already had talked to Mr. Rooker about laying out a strategic plan over the next month for this year for the commissioners to react to in a January planning session. He stated that in such a plan, they would identify both what resources CEPD has, what it needs, and where outside resources might be most effectively utilized.

c) Captiva Holiday Village Ad

Mr. Mullins entertained a motion to approve \$750 for a CEPD ad for the Captiva Holiday Village Program. Ms. Holzheimer moved and Mr. Jensen seconded a motion to approve this expenditure. The motion passed without dissent.

d) Purchase of a safe

Ms. Rooker reported that as a result of Standard Operating Procedure discussions with Mr. Gray and Ms. Holzheimer, the need for a secure, fireproof safe was identified. Mr. Mullins said that he had one that he would be willing to donate. Ms. Holzheimer moved and Mr. Jensen seconded to accept Mr. Mullins' donation or if it does not prove suitable, to approve a sum not to exceed \$905 for the purchase of an approximately one cubic foot safe including installation.

e) Partners in Progress Contract Increase

Bob Gray of Partners in Progress, Inc. provided background and history of the contract. The contract calls for an automatic cost of living increase and a Board-discretionary merit increase not to exceed 3% for the first year of the contract that ended May 31, 2010. He stated that the Consumer Price Index for the comparable area in which CEPD does business as of June 1, 2010 was 2.9% and requested a merit increase of 3%, both retroactive to June 1, 2010. Mr. Jensen moved and Ms. Holzheimer seconded a motion approving these two figures and the effective date of June 1, 2010. The motion passed without dissent.

f) TDC Grant Agreements

Ms. Holzheimer moved and Mr. Kaiser seconded a motion to accept three grants from the Tourist Development Council of Lee County:

\$34,749 - 5 Year Performance Survey and Engineering Report
\$31,200 - Sand Borrow Area Expansion and Pipeline Modification
\$12,000 - Performance Survey and Report for Blind Pass

The motion passed without dissent. Chairman Mullins signed the grants.

IX. Commissioners Comments

There were none.

X. Adjourn

Mr. Mullins adjourned the meeting at 4:39 p.m.