Regular Board Meeting
of the
Captiva Erosion Prevention District

'Tween Waters Inn, Wakefield Room
15951 Captiva Drive
Captiva, Florida 33924

Wednesday, April 9, 2014
10:00 A.M.

April, 2014 CEPD Regular Board Meeting
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Agenda

Regular Meeting of the
Captiva Erosion Prevention District
Tween Waters Inn, 15951 Captiva Drive, Captiva, Florida 33924
April 9, 2014 @10am

1. Call to Order

2. Roll Call

3. Approval of Meeting Minutes

4. Public to be Heard

5. Financial Report

6. Old Business
   a) 2013/14 Beach Renourishment Project Apportionment Plan - Draft
   b) 2013/14 Renourishment Project

7. New Business
   a) Rules of Procedure Rule 2.04-Bank Accounts Section (d) Project Reserve Fund

8. Administrator Report
   a) CAC Beach and Shoreline Grant Requests
   b) Public Records Request
   c) W.B. Jones Email

9. Public to be Heard

10. Commissioner Comments

Adjourn

Minutes

Regular Meeting of the
Captiva Erosion Prevention District
'Tween Waters Inn, 15951 Captiva Drive, Captiva, Florida 33924
March 12, 2014 @ 1:00 P.M.

Commissioners Present: Jim Boyle, Chairman; Doris Holzheimer, Vice Chair; Dave Jensen, Treasurer; Harry Kaiser, Secretary; Mike Mullins, Commissioner

Staff Present: Kathy Rooker, Administrator; John Bralove, CEPD Assistant to the Administrator; Bob White, Hans Wilson and Associates

1. **Call to Order**
   Chairman Boyle called the meeting to order at 1:00 P.M

2. **Roll Call**
   The roll was called and the results are outlined above.

3. **Approval of Meeting Minutes**
   Commissioner Holzheimer pointed out that on Page 2 of the minutes, under "Permit Status," it should read "Commissioner Holzheimer" rather than "Ms. Holzheimer." Commissioner Mullins moved and Commissioner Kaiser seconded a motion to dispense with the reading and approve the minutes, as amended, from the February 12, 2014 Regular Board Meeting. The motion passed unanimously.

4. **Public to be Heard**
   Ben Jones spoke from the audience about the revetment in front of his house and why this revetment should be considered in the allocation of the cost of the project to his property. Chairman Boyle said Mr. Jones had brought his concern to the Board at a previous meeting and CP&E's engineer had provided an explanation. Commissioner Mullins moved and Commissioner Boyle seconded a motion to perform a careful analysis of the situation and provide a thorough engineering reply to Mr. Jones. Commissioner Kaiser said a letter should be provided to Mr. Jones and the Chair agreed. Chairman Boyle called for the vote and the motion passed unanimously.

5. **Financial Report**
   Treasurer Jensen provided the Financial Report. Regarding the General Fund, he said the ad valorem taxes collected were close to the budget. Regarding the Capital Project Fund, parking lot revenue was holding up.

   Treasurer Jensen continued by saying the special assessment collections were in line with the budget. He said collections were $40,000 behind meeting the 12-month budget with 7 months left in the fiscal year. Ms. Rooker said this was the last year for collection of non-ad valorem taxes for the 2006 Project.

6. **Old Business**

a) **Renourishment Project Completion**

Chairman Boyle went over the summary by contractor of the 2013/14 Project construction costs, comparing the bid price, actual cost, and the budget. All categories were favorable and the final totals showed CEPD finishing $224,832 under budget.

Commissioner Mullins commented that no posts and ropes had been installed in front of the dunes by his house and to the north. Ms. Rooker responded that the Board had approved a scope of work that included posts and rope for high access areas to keep people off the newly planted dune. She said the scope of work was clear that CEPD would not post and rope the entire island. Commissioner Mullins said he would like to have someone get more posts and rope for him as well as to the north of him. Chairman Boyle said that CEPD is purchasing more signs for the higher traffic areas and would get some more posts and rope.

Relative to sand put on the beach, Chairman Boyle said the bid called for 725,000 cubic yards on Captiva; the pay volume came to 740,000; and the survey work that still is being done looks like it will come to about 750,000.

b) **Permit Status**

The Chair called Commissioners' attention to the Agenda Materials containing the formal application to the DEP. It is being sent today and the DEP has 30 days to respond. Commissioner Jensen said he did not know if this were the time to bring it up, but asked about the easement problem as CEPD looks to the next project. Is it an issue CEPD needs to consider? The Chair responded that it is up to the Board to decide what they want to do. He mentioned the previous discussion he had with the Army Corps when he, Col. Dodd, and a civilian employee of the Corps looked at the 'Tween Waters stretch. Chairman Boyle said he was told that if CEPD wanted credit for the road frontage in front of 'Tween Waters, as it had received in the past, CEPD would need to have public parking along this stretch. Col. Dodd said he did not see how CEPD could do that. Commissioner Jensen asked if CEPD could get a briefing from Steve Keehn as to what was happening up north relative to this issue. The Chair said Mr. Keehn could come to a Board meeting. However, Chairman Boyle explained, he had not planned to have a discussion of the easement issue at this point since it was not on the agenda. He said it could be brought up under Commissioners' Comments.

c) **June Special Meeting Date**

Chairman Boyle suggested a meeting date of Thursday, June 5, at 5:00 P.M for the Special Meeting to discuss with the public the special assessment and finalize it. He thought an evening meeting would allow more people to attend. Commissioner Kaiser said this might be too close to Memorial Day. Chairman Boyle said Memorial Day was a little earlier this year and CEPD needed to have the meeting in early June to allow the information to be transmitted to the Tax Collector by August 31 in order to appear on the 2014 tax bill. He explained that in order to meet this target, Dr. Stronge will be at the April Board meeting to present the first draft of the apportionment and allow the Board to discuss it. This first cut will assume CEPD pays down the loan by $3 million. The Board will then have the opportunity to see a second draft at the May meeting, which Dr. Stronge will also attend. At this meeting the Board will make a final decision about the tentative assessment. He added that both drafts will be sent to Board members a week in advance of the meetings to allow time for review.

Chairman Boyle continued that the Board needs to approve a tentative assessment roll at the May meeting so that assessment letters can be sent to all taxpayers by May 21. This mailing would allow for taxpayers to have their assessment letters in enough time to review them and submit any written appeals or objections prior to the tentatively scheduled June 5 meeting. Commissioner Mullins asked what version of the tax roll will be used for the assessment. Ms. Rooker responded that it was the October 2013 certified roll. Commissioner Mullins said he was concerned about people like himself who had successfully appealed their appraised value after October. Ms. Rooker responded that CEPD will receive an updated list of the value adjustments at the end of this month once they are finalized. She added that those who received value adjustments that are not on the list can present evidence from the tax office and Dr. Stronge will incorporate the adjustments. Commissioner Mullins moved and Commissioner Jensen seconded a motion to set the date for the Special Meeting for June 5 at 5:00 P.M. The motion passed unanimously.

7. New Business

a) Resolution 2014-3 Approving Hard Bottom Survey Scope of Work

The Chair said that without objection, the Board would move to Agenda Item 7b. There was no objection.

When the Board returned to this Agenda Item (7a), Chairman Boyle reported that the DEP has requested a dive effort to confirm that there is no further growth of the minor amount of coral, hard bottom, and certain grasses around the sand borrow site since the last survey done about 10 years ago. The Scope of Work proposed in this Agenda Item responds to this request. It is 4 days and will cost $31,162. He added the DEP is requiring this prior to considering CEPD's permit. Ms. Rooker explained that CEPD had established a buffer to protect this small hard bottom area but the DEP position is that since this was 10 years ago, conditions might have changed. Therefore, CEPD needs to verify that the area has not changed.

Commissioner Mullins asked if there were a way to get the DEP to back off this request and the Chair responded that CEPD had attempted to dissuade them but they had not relented. When asked who could do this work, the Chair explained the company doing the work needed to be certified. He added the current permit expires in November 2014 and a delay in getting this work done will delay the permit approval.

Commissioner Mullins asked if this were the permit that allows emergency renourishment. Commissioner Boyle responded that any dredging work requires a permit but that it would be a good idea to get Nicole Sharp on the phone to respond. When Ms. Sharp came on the speaker phone, Commissioner Mullins explained his question: Why does CEPD need to renew the permit that expires in November in such a hurry when there is an emergency permit in effect? He thought CP&E had secured an emergency permit on CEPD's behalf. Ms. Sharp said the only permit CEPD has is the one that expires in November. She went on that in the past, CEPD was able to apply for an emergency CCL permit that would allow placement of sand above the mean high water line and not go through the more rigorous process. However, the rules had changed in the last six months so that there is no such thing as a CCL permit. There is currently no emergency permit. Commissioner Mullins asked if CEPD's Emergency Plan had been updated to reflect these new rules. Mr. Keehn came on the phone and confirmed that the Emergency Plan had been updated about two years ago. Commissioner Mullins asked him, given the DEP changes, does CEPD have to update the plan again? Mr. Keehn responded the

permit renewal application in progress will ask for all the permissions needed. Between now and then, Mr. Keehn said, there are two authorities under which CEPD can act: (1) use the the current permit until it expires, which would allow CEPD to place sand both on the beach and in the water; and (2) acting as the appropriate government authority, declare an emergency and within 30 days place sand only on the dry beach.

Commissioner Jensen asked Ms. Sharp about the consequences of not renewing the permit by the November 2014 deadline. She responded there is more of a risk the DEP could make it more complicated to get a permit if a storm were to hit if the permit is allowed to expire. She added permits for repeat projects such as CEPD's get expedited treatment. The Chair said it was not worth the risk for a barrier island with only one evacuation road and asked for a motion to approve CP&E's proposal for the Scope of Work for a Borrow Area Hard Bottom Survey and fee of $31,162. Commissioner Jensen offered such a motion and Commissioner Kaiser seconded it. The motion passed unanimously. The Chair asked Ms. Rooker to read Resolution 2014-3 approving the expenditure not to exceed $31,162 for the CP&E Scope of Work for a Borrow Area Hard Bottom Survey. Commissioner Jensen offered the Resolution and Commissioner Kaiser seconded it. The Resolution passed unanimously.

b) Cost Charged to Project Assessment

Chairman Boyle said there were 3 proforma schedules to look at: #1 assumes that CEPD would pay down the loan amount by $2.5 million from $9.6 to $7.1 million; #2 assumes a pay down of $3.0 million to $6.6 million; and #3 assumes a pay down of $3.5 million to $6.1 million. He said CEPD has scheduled a meeting with Steve Boutelle and County Commissioner John Manning during the first week of April to discuss raising the County's cap on the ILA for their portion of the project from $6.1 million to between $6.7 to $6.9 million since CEPD did not receive Army Corps funding. The numbers in the schedules could change if the cap is raised. He also explained that the Capital Bank Balances shown in the lower left portion of the schedules do not include CEPD's CD and balances from the SBA accounts, the total of which is $460,000.

Commissioner Mullins suggested a different approach: ask the County for the same percentage as in the ILA but apply it to the $7.5 million that CEPD did not receive from the Army Corps. The Chair responded that this is not what the ILA calls for. Commissioner Mullins said the CEPD should set a higher expectation with the County; the County should do more. Chairman Boyle said CEPD should respect its legal agreement. Commissioner Mullins asked that it go on the record that he thinks CEPD lost $7.5 million despite all the lobbying that was paid, CEPD is at a net negative below that, and CEPD should look for an opportunity to over reach with the County.

Returning to the proforma schedules, Chairman Boyle said Dr. Stronge will be asked to base his work on a $3.0 million pay down of the loan. Some of the assumptions on which the schedules were based were explained and discussed, including a 2% cost of collections fee. Ms. Rooker explained that the Tax Collector discounts payments received if taxes are paid In November (4%), December (3%), January (2%) and February (1%) and these discounts apply to money collected on behalf of CEPD. The 2% tends to offset the Tax Collector's discounts. Commissioner Mullins asked whether CEPD can submit to the Tax Collector a figure that offsets these discounts. Ms. Rooker said the enabling legislation allows CEPD to charge interest on the loan and up to 2% for the cost of collecting. She explained that the only other thing CEPD could do is add to the cost of the project the interest CEPD pays up front ($169,161) - the first year's

interest CEPD has to pay before any principle repayment. After additional discussion of these and related issues, Chairman Boyle suggested that Nancy Stroud be consulted as to what CEPD can do. It was suggested that CEPD's accountant also be consulted.

Chairman Boyle returned the discussion to the schedule showing the financial implications if CEPD paid down the loan by $3.0 million.

Commissioner Mullins asked about the Rules of Procedure that require a 20% set aside for the next project. Chairman Boyle said CEPD will look into this. Commissioner Jensen said he did not know what the Rules of Procedure required, but Commissioners in the past always talked about having at least $1 million in reserves going into the next project. Chairman Boyle said Dr. Stronge will prepare by the end of March an assessment roll based on a $3 million pay down. This will be the starting point of the discussion with Dr. Stronge at the April Board Meeting. Commissioner Mullins read from the Rules of Procedure regarding the 20% set aside. Commissioners agreed that the wording was not clear. There were additional questions about expenses in the proforma displays and the timing and schedule of the assessment process.

Commissioner Mullins said when the 2010 preliminary apportionment was done, some organizations did not receive an assessment. He said at some point CEPD needs to determine whether Dr. Stronge is planning to send these properties, like the Captiva Civic Association, Island Water, and the Gulf Way access property, assessments. He thought all properties should pay something and this is a good time to deal with this issue. Chairman Boyle said he did not think the Board could decide today on the Gulf Way access because it is a complicated issue. However, he said, there are some things that Commissioner Mullins has brought up that the Board could decide on if it wants – for example the CCA. He asked whether it was the feeling of the Board to levy an assessment against them for the beach because the Board could request that Dr. Stronge put it in his calculation. Commissioner Mullins said the general rule in the past had been that everyone pays something. He said he thought the CCA should pay something. The Chair asked if Commissioner Mullins wanted to make a motion. Commissioner Mullins moved and Commissioner Jensen seconded a motion to put a value on the Civic Association property and give them some assessment. Chairman Boyle asked whether the CCA had a value assigned to it and Commissioner Mullins said it did not. Ms. Rooker said part of the calculation in the enabling legislation is based on the property value the Property Appraiser assigns. CEPD does not set the value. Commissioner Jensen agreed with Commissioner Mullins that all properties should pay something but the motion should include all properties, not just the Civic Association. Commissioner Mullins withdrew his motion and Commissioner Jensen agreed to withdraw his second. Chairman Boyle said according to the enabling legislation there must be a value assigned to the property by the Property Appraiser and if there is no value assigned, there is nothing that can be done. He said CEPD will get Nancy Stroud and Dr. Stronge involved in this and research what CEPD can legally do. He added that he agreed with the general principal that CEPD should assess anybody CEPD is legally capable of assessing.

Chairman Boyle said he wanted to respond to Commissioner Holzheimer's concern raised at an earlier meeting about a backup plan for Dr. Stronge's work. He said Ms. Rooker and he had a conference call with him about 10 days ago. Dr. Stronge agreed to document every step of the assessment process and model and provide CEPD with a copy of the documentation. The Chair said in a later conversation he had with Dr. Stronge, Dr. Stronge's long-term plan was to create a partnership with one of his graduate students, but this might not work out. If this does not

work out, Chairman Boyle reported, he asked Dr. Stronge to give the Board a number to buy the business and the model. Commissioner Mullins said he thought anything CEPD bought was in the public domain and that CEPD already has the model. Commissioner Mullins went on to say that he thought Dr. Stronge's value was as an expert whose opinion was less likely to be refuted than if the opinion came from CEPD.

Chairman Boyle returned to Agenda Item 7a.

8. Administrator Report

a) FEMA Update

Ms. Rooker reported she had attended a meeting in Washington on February 12 with FEMA staff, including FEMA's Chief of Policy, Greg Burns (CEPD's lobbyist), and representatives of Charlotte County. She said it was a positive meeting. At that meeting, CEPD presented documentation to support the District's argument that the Atlanta Division was interpreting the definition of a damaged beach incorrectly, especially regarding the northern part of Sanibel. The Chief of Policy told CEPD he would follow up with Atlanta as to whether they were following policy as written by FEMA or not. The Chief also talked about the appeal process and CEPD learned there was an opportunity to appeal a judgment twice if CEPD were not to get a favorable ruling. Part of this process includes the issue going back to the Chief of Policy. However, she said, the appeal process can take a very long time – several years. Ms. Rooker continued that CEPD has heard back from the Atlanta Division after the Chief of Policy got in touch with them. They have requested additional documents, which CEPD has provided. She said she did not expect to hear back from Atlanta for many months. Commissioner Kaiser asked how much money was involved. Ms. Rooker replied that the original determination was $1.7 million but she had provided documentation that the cost had gone up since then. Ms. Rooker added it was important to ensure that FEMA interpret policy correctly so that all coastal communities, not just CEPD, not lose out.

Commissioner Mullins asked whether CEPD is able to recoup administrative costs in going after something like this or even for the completed project. Ms. Rooker said CEPD can recoup some administrative costs from FEMA for a project but probably not for this appeal. Commissioner Mullins asked whether the same was true for the state and county. Ms. Rooker said neither the state nor Lee County allow for recouping administrative costs.

9. Public to be Heard

There were no comments from the public.

10. Commissioner Comments

Commissioner Mullins said he had comments about the DEP. He said some time ago, DEP was going to classify certain beaches a certain way and as a result CEPD would run into issues with the Federal DEP when it tries to do a renourishment. Ms. Rooker asked if he meant the change for the turtles. Commissioner Mullins said this indeed was what he was talking about and had this been resolved? Ms. Rooker responded that it had not. Commissioner Mullins asked whether the DEP had been more streamlined. Ms. Rooker responded that CEPD will find out soon based on the permit application. Commissioner Mullins said he was strongly in favor of starting the process of getting the "new form" easements now and this should be put on the agenda for the next appropriate meeting, maybe in September. He said he thought CEPD should also increase access where it can.

He suggested that perhaps a survey be done to find out what the community wants. He added that the Community Panel's survey asked some questions about this and the general sense of that response was homeowners were not in favor of increasing parking because it meant more people. He said he is comfortable that CEPD use the Panel's survey as its answer to say that the District is not going to do anything more to increase access. But, he said, he thought it ought to be something that CEPD deliberately votes upon.

Commissioner Kaiser commented that the beach access issue up north was a huge problem, especially because of the Army Corps' new interpretation of beach access. He thought relative to Captiva's easements, it started off as very simple. Now people want beach access for weddings and other events. He said there are going to be huge problems with places such as Osprey Way. CEPD needed to start controlling beach accesses and how they are used. Owners do not want people illegally using the property and parking all over. He said since CEPD is involved with the beach, it should look at all the avenues and decide what it wants to do. Chairman Boyle said that in terms of enforcement, it was the County Sheriff's jurisdiction. Commissioner Mullins brought up the issue of drones being used for photo shoots over accesses and this may be an issue in the future.

Commissioner Jensen asked about the reserve requirement that had been brought up earlier. Commissioner Mullins said CEPD should figure out what it wants and change the Rules of Procedure. Ms. Rooker read what was involved in changing the Rules of Procedure. Chairman Boyle suggested it go on next month's agenda. Ms. Rooker asked for suggestions for new wording.

Adjourn

There being no further business, Chairman Boyle adjourned the meeting at 4:02 P.M.

CEPD - GENERAL FUND
Budget Performance - Summary
For the One and Six Months Ended March 31, 2014

	(A) Actual - Mar '14	(B) Budget - Mar '14	(C) Variance - Mar '14	(D) Actual YTD	(E) YTD Budget	(F) YTD Variance	(G) Annual Budget	(H) Residual Budget
Ordinary Income/Expense								
Income								
Ad Valorem Tax	6,897.06	44,939.63	(38,042.57)	334,075.32	359,517.00	(25,441.68)	359,517.00	25,441.68
Interest income - Other	19.71	0.00	19.71	172.32	0.00	172.32	0.00	0.00
Other Income	400.00	91.67	308.33	2,000.00	549.98	1,450.02	1,100.00	0.00
Total Income	7,316.77	45,031.30	(37,714.53)	336,247.64	360,066.98	(23,819.34)	360,617.00	25,441.68
Gross Profit	7,316.77	45,031.30	(37,714.53)	336,247.64	360,066.98	(23,819.34)	360,617.00	25,441.68
Expense								
Administrative expenses	5,489.05	5,479.15	9.90	33,003.55	32,875.10	128.45	65,750.00	32,746.45
Capital outlay	0.00	333.33	(333.33)	0.00	2,000.02	(2,000.02)	4,000.00	4,000.00
Reserves	6,638.75	6,638.75	0.00	39,832.50	39,832.50	0.00	79,665.00	39,832.50
Cost of collecting Ad Valorem	137.95	916.67	(778.72)	7,412.19	5,499.98	1,912.21	11,000.00	3,587.81
Legal and professional fees	11,693.07	16,683.50	(4,990.43)	75,345.80	100,101.00	(24,755.20)	200,202.00	124,856.20
Total Expense	23,958.82	30,051.40	(6,092.58)	155,594.04	180,308.60	(24,714.56)	360,617.00	205,022.96
Net Ordinary Income	(16,642.05)	14,979.90	(31,621.95)	180,653.60	179,758.38	895.22	0.00	(179,581.28)
Transfer to Capital Fund	0.00	0.00	0.00	(136,665.00)	0.00	(136,665.00)	0.00	0.00
Net Income	(16,642.05)	14,979.90	(31,621.95)	43,988.60	179,758.38	(135,769.78)	0.00	(179,581.28)

N . Residual Budget figures **ONLY** represent Budgeted Revenue uncollected and Budgeted Exp res not incurred

CEPD - GENERAL FUND
Profit Loss Budget Performance - Detail
For the One and Six Months Ended March 31, 2014

	(A) Actual - Mar '14	(B) Budget - Mar '14	(C) Variance - Mar '14	(D) Actual YTD	(E) YTD Budget	(F) YTD Variance	(G) Annual Budget	(H) Residual Budget
Ordinary Income/Expense								
Income								
Ad Valorem Tax								
Ad Valorem taxes	6,897.06	44,939.63	(38,042.57)	334,075.32	359,517.00	(25,441.68)	359,517.00	25,441.68
Ad Valorem penalties collected	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Ad Valorem Tax	6,897.06	44,939.63	(38,042.57)	334,075.32	359,517.00	(25,441.68)	359,517.00	25,441.68
Interest income - Other	19.71	0.00	19.71	172.32	0.00	172.32	0.00	0.00
Other Income	400.00	91.67	308.33	2,000.00	549.98	1,450.02	1,100.00	0.00
Total Income	7,316.77	45,031.30	(37,714.53)	336,247.64	360,066.98	(23,819.34)	360,617.00	25,441.68
Gross Profit	7,316.77	45,031.30	(37,714.53)	336,247.64	360,066.98	(23,819.34)	360,617.00	25,441.68
Expense								
Administrative expenses								
Advertising	0.00	308.33	(308.33)	2,160.80	1,850.02	310.78	3,700.00	1,539.20
Board meeting expenses	0.00	50.00	(50.00)	0.00	300.00	(300.00)	600.00	600.00
Copier lease expense	154.94	200.00	(45.06)	1,015.60	1,200.00	(184.40)	2,400.00	1,384.40
Dues and subscriptions	0.00	20.83	(20.83)	0.00	125.02	(125.02)	250.00	250.00
Equipment rental	0.00	333.33	(333.33)	0.00	2,000.02	(2,000.02)	4,000.00	4,000.00
General insurance	2,224.33	708.33	1,516.00	4,310.33	4,250.02	60.31	8,500.00	4,189.67
Newsletter expense	12.27	216.67	(204.40)	1,147.42	1,299.98	(152.56)	2,600.00	1,452.58
Office expense	310.50	316.67	(6.17)	2,092.31	1,899.98	192.33	3,800.00	1,707.69
Postage	0.00	41.67	(41.67)	532.29	249.98	282.31	500.00	0.00
Rent expense	2,772.90	1,425.00	1,347.90	9,705.15	8,550.00	1,155.15	17,100.00	7,394.85
Repairs	0.00	250.00	(250.00)	725.00	1,500.00	(775.00)	3,000.00	2,275.00
Telephone	0.00	333.33	(333.33)	668.64	2,000.02	(1,331.38)	4,000.00	3,331.36
Travel and per diem	0.00	833.33	(833.33)	7,195.35	5,000.02	2,195.33	10,000.00	2,804.65
Utilities	14.11	133.33	(119.22)	818.92	800.02	18.90	1,600.00	781.08
Website & Computer maintenance	0.00	308.33	(308.33)	2,631.74	1,850.02	781.72	3,700.00	1,068.26
Total Administrative expenses	5,489.05	5,479.15	9.90	33,003.55	32,875.10	128.45	65,750.00	32,778.74
Capital outlay								
Equipment purchases	0.00	333.33	(333.33)	0.00	2,000.02	(2,000.02)	4,000.00	4,000.00
Total Capital outlay	0.00	333.33	(333.33)	0.00	2,000.02	(2,000.02)	4,000.00	4,000.00
Reserves								
Operating Reserves	6,638.75	6,638.75	0.00	39,832.50	39,832.50	0.00	79,665.00	39,832.50
Total Reserves	6,638.75	6,638.75	0.00	39,832.50	39,832.50	0.00	79,665.00	39,832.50
Cost of collecting Ad Valorem								
Property tax appraiser fees	0.00	291.67	(291.67)	4,405.94	1,749.98	2,655.96	3,500.00	0.00
Tax collector commissions	137.95	625.00	(487.05)	3,006.25	3,750.00	(743.75)	7,500.00	4,493.75
Total Cost of collecting Ad Valorem	137.95	916.67	(778.72)	7,412.19	5,499.98	1,912.21	11,000.00	4,493.75
Consulting and Professional Fees								
Consulting	10,400.00	11,322.83	(922.83)	62,400.00	67,937.02	(5,537.02)	135,874.00	73,474.00
Professional Fees	1,293.07	5,360.67	(4,067.60)	12,945.80	32,163.98	(19,218.18)	64,328.00	51,382.20
Total Legal and professional fees	11,693.07	16,683.50	(4,990.43)	75,345.80	100,101.00	(24,755.20)	200,202.00	124,856.20
Total Expense	23,958.82	30,051.40	(6,092.58)	155,594.04	180,308.60	(24,714.56)	360,617.00	205,961.19
Net Ordinary Income	(16,642.05)	14,979.90	(31,621.95)	180,653.60	179,758.38	895.22	0.00	(180,519.51)
Transfer to Capital Fund	0.00	0.00	0.00	(136,665.00)	0.00	(136,665.00)	0.00	0.00
Net Income	(16,642.05)	14,979.90	(31,621.95)	43,988.60	179,758.38	(135,769.78)	0.00	(180,519.51)

NOTE: Residual Budget figures reflect **only** Budget Revenue uncollected and Budgeted expenditures not yet incurred.

CAPTIVA EROSION PREVENTION DISTRICT
CAPITAL PROJECTS
BUDGET PERFORMANCE - SUMMARY
For the One and Six Months Ended March 31, 2014

	(A) Actual - Mar '14	(B) Budget - Mar '14	(C) Variance - Mar '14	(D) YTD Actual	(E) YTD Budget	(F) YTD Variance	(G) Annual Budget	(H) Residual Budget
Ordinary Income/Expense								
Income								
Contributions from Property Owners	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contrib P.O. - Loan Proceeds	0.00	800,000.00	(800,000.00)	0.00	4,800,000.00	(4,800,000.00)	9,600,000.00	9,600,000.00
Grant Income	0.00	893,416.66	(893,416.66)	6,109,088.00	5,360,500.04	748,587.96	10,721,000.00	4,611,912.00
Interest Income	48.61	41.67	6.94	544.28	249.98	294.30	500.00	0.00
Parking Lot Revenue	18,496.05	10,000.00	8,502.99	58,970.91	60,000.00	(734.79)	120,000.00	61,029.09
Transfer from General Fund	0.00	0.00	0.00	136,665.00	0.00	136,665.00	0.00	0.00
Reserves - General	6,638.75	6,638.75	0.00	39,832.50	39,832.50	0.00	79,665.00	39,832.50
Special Assessments	5,114.16	32,976.42	(27,862.26)	360,702.76	197,858.48	162,844.28	395,717.00	35,014.24
Total Income	30,297.57	1,743,073.50	(1,712,768.99)	6,705,803.45	10,458,441.00	(3,752,343.25)	20,916,882.00	14,347,787.83
Expense								
Advertising	0.00	83.33	(83.33)	0.00	500.02	(500.02)	1,000.00	1,000.00
Annual memberships & fees	0.00	83.33	(83.33)	500.00	500.02	(0.02)	1,000.00	500.00
Bank service charges	0.00	0.00	0.00	42.62	0.00	42.62	0.00	0.00
Blind Pass project	0.00	675.00	(675.00)	0.00	4,050.00	(4,050.00)	8,100.00	8,100.00
Cost of Assessment Collections	0.00	150.00	(150.00)	2,018.91	900.00	1,118.91	1,800.00	0.00
Engineering (CP)	41,493.06	11,166.67	30,326.39	49,396.50	66,999.98	(17,603.48)	134,000.00	84,603.50
Insurance	0.00	0.00	0.00	12,904.42	12,808.00	96.42	12,808.00	0.00
Parking lot expenses	3,543.05	3,945.00	(401.95)	19,208.16	23,670.00	(4,461.84)	47,340.00	28,131.84
Project Management Support	8,335.58	10,930.17	(2,594.59)	54,941.30	65,580.98	(10,639.68)	131,162.00	76,220.70
Renourishment 2013/14	72,611.77	67,993.66	4,618.11	19,881,739.65	19,893,241.04	(11,501.39)	20,301,203.00	419,883.35
Rent	687.24	450.00	237.24	2,284.75	2,700.00	(415.25)	5,400.00	3,115.25
Storage of records	186.70	169.00	17.70	933.50	1,014.00	(80.50)	2,028.00	1,094.50
Website Development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	126,857.40	95,646.16	31,211.24	20,023,969.81	20,071,964.04	(47,994.23)	20,645,841.00	622,649.14
Net Ordinary Income (Loss)	(96,559.83)	1,647,427.34	(1,728,987.17)	(13,318,166.36)	(9,613,523.04)	(3,614,643.32)	271,041.00	13,725,138.69
Other Expense								
Debt Service - Interest	0.00	15,000.00	(15,000.00)	0.00	90,000.00	(90,000.00)	180,000.00	180,000.00
Net Income	(96,559.83)	1,632,427.34	(1,713,987.17)	(13,318,166.36)	(9,703,523.04)	(3,524,643.32)	91,041.00	13,545,138.69

*( )TE Residual Budget figures **ONLY** reflect Budgeted Assessments to be collected and Budgeted Cos( )/et incurred.

CAPTIVA EROSION PREVENTION DISTRICT
CAPITAL PROJECTS
BUDGET PERFORMANCE- DETAIL
For the One and Six Months Ended March 31, 2014

	(A) Actual - Mar '14	(B) Budget - Mar '14	(C) Variance - Mar '14	(D) YTD Actual	(E) YTD Budget	(F) YTD Variance	(G) Annual Budget	(H) Residual Budget
Ordinary Income/Expense								
Income								
Contributions from Property Owners	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contrib P.O. - Loan Proceeds	0.00	800,000.00	(800,000.00)	0.00	4,800,000.00	(4,800,000.00)	9,600,000.00	9,600,000.00
Grant Income - Local	0.00	510,083.33	(510,083.33)	6,109,088.00	3,060,500.02	3,048,587.98	6,121,000.00	11,912.00
Grant Income - State	0.00	383,333.33	(383,333.33)	0.00	2,300,000.02	(2,300,000.02)	4,600,000.00	4,600,000.00
Interest Income	48.61	41.67	6.94	544.28	249.98	294.30	500.00	0.00
Parking Lot Revenue	18,496.05	10,000.00	8,496.05	58,970.91	60,000.00	(1,029.09)	120,000.00	61,029.09
Transfer from General Fund	0.00	0.00	0.00	136,665.00	0.00	136,665.00	0.00	0.00
Reserves - General	6,638.75	6,638.75	0.00	39,832.50	39,832.50	0.00	79,665.00	39,832.50
Special Assessments								
Special Assessments Principal	4,917.46	31,995.92	(27,078.46)	355,074.93	191,975.48	163,099.45	383,951.00	28,876.07
Special Assessments - Interest	196.70	980.50	(783.80)	5,627.83	5,883.00	(255.17)	11,766.00	6,138.17
Special Assessments - Refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Special Assessments	5,114.16	32,976.42	(27,862.26)	360,702.76	197,858.48	162,844.28	395,717.00	35,014.24
Total Income	30,297.57	1,743,073.50	(1,712,775.93)	6,705,803.45	10,458,441.00	(3,752,637.55)	20,916,882.00	14,347,787.83
Expense								
Advertising	0.00	83.33	(83.33)	0.00	500.02	(500.02)	1,000.00	1,000.00
Annual memberships & fees	0.00	83.33	(83.33)	500.00	500.02	(0.02)	1,000.00	500.00
Bank service charges	0.00	0.00	0.00	42.62	0.00	42.62	0.00	0.00
Blind Pass project	0.00	675.00	(675.00)	0.00	4,050.00	(4,050.00)	8,100.00	8,100.00
Cost of Assessment Collections	0.00	150.00	(150.00)	2,018.91	900.00	1,118.91	1,800.00	0.00
Engineering (CP)	41,493.06	11,166.67	30,326.39	49,396.50	66,999.98	(17,603.48)	134,000.00	84,603.50
Insurance	0.00	0.00	0.00	12,904.42	12,808.00	96.42	12,808.00	0.00
Parking lot expenses								
Equipment	239.08	1,250.00	(1,010.92)	781.33	7,500.00	(6,718.67)	15,000.00	14,218.67
Parking maintenance	1,816.30	1,470.00	346.30	11,317.44	8,820.00	2,497.44	17,640.00	6,322.56
Portable toilets	561.22	625.00	(63.78)	4,489.76	3,750.00	739.76	7,500.00	3,010.24
Sales tax expense	926.45	600.00	326.45	2,619.63	3,600.00	(980.37)	7,200.00	4,580.37
Total Parking lot expenses	3,543.05	3,945.00	(401.95)	19,208.16	23,670.00	(4,461.84)	47,340.00	28,131.84
Project Management Support								
Professional Fees	2,735.58	5,291.67	(2,556.09)	26,941.30	31,749.98	(4,808.68)	63,500.00	36,558.70
Project Consultant	5,600.00	5,638.50	(38.50)	28,000.00	33,831.00	(5,831.00)	67,662.00	39,662.00
Project Manual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Project Management Support	8,335.58	10,930.17	(2,594.59)	54,941.30	65,580.98	(10,639.68)	131,162.00	76,220.70
Renourishment 2013/14								
Bidding, Negotiation & Award	0.00	1,250.00	(1,250.00)	0.00	7,500.00	(7,500.00)	15,000.00	15,000.00
Construction Services (Cap/San)	72,611.77	33,310.08	39,301.69	341,565.85	199,860.52	141,705.33	399,721.00	58,155.15
Bond Attorney Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Captiva Biological Assessment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contingency	0.00	4,166.67	(4,166.67)	0.00	24,999.98	(24,999.98)	50,000.00	50,000.00
Dune Vegetation	0.00	13,750.00	(13,750.00)	125,044.83	82,500.00	42,544.83	165,000.00	39,955.17
Econ Study & Apportionment Plan	0.00	1,666.67	(1,666.67)	0.00	9,999.98	(9,999.98)	20,000.00	20,000.00
Long Range Plan Update	0.00	83.33	(83.33)	0.00	500.02	(500.02)	1,000.00	1,000.00
Mobilization, Dredging & Fill	0.00	0.00	0.00	19,387,757.59	19,485,279.00	(97,521.41)	19,485,279.00	97,521.41

*E: Residual Budget figures **ONLY** reflect Budgeted Assessments to be collected and Budgeted Cos /et incurred.

CAPTIVA EROSION PREVENTION DISTRICT
CAPITAL PROJECTS
BUDGET PERFORMANCE- DETAIL
For the One and Six Months Ended March 31, 2014

	(A) Actual - Mar '14	(B) Budget - Mar '14	(C) Variance - Mar '14	(D) YTD Actual	(E) YTD Budget	(F) YTD Variance	(G) Annual Budget	(H) Residual Budget
Monitoring - Sea Turtle	0.00	2,583.08	(2,583.08)	26,951.38	15,498.52	11,452.86	30,997.00	4,045.62
Post Construct Survey & Report	0.00	10,350.50	(10,350.50)	0.00	62,103.00	(62,103.00)	124,206.00	124,206.00
Pre Construction Survey/7yr Monitor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre, During, & Post Construct Survey	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prelim Plans/Permits/FDEP NTP	0.00	0.00	0.00	420.00	0.00	420.00	0.00	0.00
Tilling	0.00	833.33	(833.33)	0.00	5,000.02	(5,000.02)	10,000.00	10,000.00
Total Renourishment 2013/14 Design Phase	72,611.77	67,993.66	4,618.11	19,881,739.65	19,893,241.04	(11,501.39)	20,301,203.00	419,883.35
Rent	687.24	450.00	237.24	2,284.75	2,700.00	(415.25)	5,400.00	3,115.25
Storage of records	186.70	169.00	17.70	933.50	1,014.00	(80.50)	2,028.00	1,094.50
Website Development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	126,857.40	95,646.16	31,211.24	20,023,969.81	20,071,964.04	(47,994.23)	20,645,841.00	622,649.14
Other Income/Expense								
Debt Service -Interest	0.00	15,000.00	(15,000.00)	0.00	90,000.00	(90,000.00)	180,000.00	180,000.00
Total Other Income/Expense	0.00	15,000.00	(15,000.00)	0.00	90,000.00	(90,000.00)	180,000.00	180,000.00
Net Ordinary Income (Loss)	(96,559.83)	1,632,427.34	(1,728,987.17)	(13,318,166.36)	(9,703,523.04)	(3,614,643.32)	91,041.00	13,545,138.69
Net Income	(96,559.83)	1,632,427.34	(1,728,987.17)	(13,318,166.36)	(9,703,523.04)	(3,614,643.32)	91,041.00	13,545,138.69

** : Residual Budget figures **ONLY** reflect Budgeted Assessments to be collected and Budgeted Cost et incurred.

CAPTIVA EROSION PREVENTION DISTRICT
RESERVE ACCUMULATIONS
FISCAL YEAR ENDING 9/30/2014

	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14
Beginning Balance	$ 687,523	$ 683,389	$ 682,050	$ 691,918	$ 685,847	$ 697,532	$ 711,612	$ 711,612	$ 711,612	$ 711,612	$ 711,612	$ 711,612
Reserves Transferred In												
Parking Revenue Operating Reserves	-	55	12,023	9,992	15,861	18,496						
Total Reserves Transferred In	-	55	12,023	9,992	15,861	18,496	-	-	-	-	-	-
NonProject Costs Expended												
Advertising			-	-	-	-						
Bank service charges	-		-	-	43	-						
Insurance	-		-	12,904	-	-						
Parking Lot Expenses	3,827	1,073	1,968	2,264	3,946	3,543						
Project Manual			-	-	-	-						
Rent	307	321	-	707	-	687						
Storage of records			187	187	187	187						
Total NonProject Costs Expended	4,134	1,394	2,155	16,062	4,176	4,417	-	-	-	-	-	-
Increase (Decrease) in Reserves	(4,134)	(1,339)	9,868	(6,071)	11,685	14,079	-	-	-	-	-	-
Total Accumulated Reserves	$ 683,389	$ 682,050	$ 691,918	$ 685,847	$ 697,532	$ 711,612	$ 711,612	$ 711,612	$ 711,612	$ 711,612	$ 711,612	$ 711,612

CAPTIVA ISLAND

2013-14 BEACH NOURISHMENT PROJECT

FINAL APPORTIONMENT PLAN

PREPARED

FOR:

THE CAPTIVA EROSION PREVENTION DISTRICT

APRIL 2014

Prepared by:

William B. Stronge, Ph.D.

Stronge Consulting, Inc.

and

Coastal Planning & Engineering, Inc,

Boca Raton, FL 33431

Summary of the Benefit Analysis

The enabling legislation of the CEPD requires that special assessments used to finance an erosion control project be levied against benefitting properties in proportion to the benefits received by the properties from the project. The benefits from the 2013-14 nourishment of Captiva's beaches were presented in Captiva Island 2013-14 Beach Nourishment Benefit Analysis that was prepared in October 2010. The results are given in TABLE 1. The benefits considered are the same as those that were used to determine assessments for the previous beach nourishment projects undertaken on Captiva since 1989.

TABLE 1
Benefits of the 2013-14 Beach Renourishment Project
Dollars

Benefit	Amount	Percent
Storm Protection		
Roads	$ 12,521	0.1
Other Public Property	$ 670,282	6.5
Other Private Property	$ 2,427,279	23.5
Sub-Total	$ 3,110,082	30.1
Recreation		
Day Visitors	$ 2,862,870	27.7
Single Family Properties	$ 1,164,598	11.3
Multi-family Properties	$ 1,885,656	18.3
Interval Properties	$ 356,302	3.5
Commercial Properties	$ 938,646	9.1
Sub-Total	$ 7,208,073	69.9
Total	$ 10,318,154	100.0

Note: Items may not add to totals because of rounding errors. Public property includes the two public beaches and land seaward of the Erosion Control Line. The Table is from the 2010 Benefit Analysis Report cited in the text (p.9)

The 2013-14 nourishment of Captiva's beaches will yield benefits of $10,318,154 each year over the fifteen year life of the project.

The benefits from the nourishment project are twofold: storm protection and recreation. Table 1 shows that the recreation benefits are considerable larger than the storm protection benefits, $ 7,208,073 in recreation compared to $ 3,110,082 This is the usual case with a renourishment, since the project adds sand to an existing beach that already provides significant protection to upland properties. The benefits from the original 1989 beach restoration were evenly divided between storm protection and recreation because much of the shoreline had little or no beach.

The benefits in TABLE 1 also distinguish between publicly owned and privately owned properties. The share of the project costs accounted for by the benefits to roads and other public properties are covered by a grant from Lee County. The County grant also covers the cost share for the benefits received by day visitors who use Captiva's beaches for recreational purposes.

TABLE 2
Annual Benefits to Private Property Owners on Captiva
2013-14 Beach Nourishment

Benefit	Amount	Percent
Storm Protection for Private Properties	$ 2,427,279	35.8
Recreation for Single-Family Residences	$ 1,164,598	17.2
Recreation for Multi-family Residences	$ 1,885,656	27.8
Recreation for Interval properties	$ 356,302	5.3
Recreation for Commercial Properties	$ 938,646	13.9
Total	$ 6,772,481	100.0

Note: items may not add to totals because of rounding.

TABLE 2 shows the annual benefits received by private property owners on Captiva. These amount to $6,772,481. The percentages in the TABLE show how the cost of the project, less government grants, will be shared by the property owners on Captiva. Of course, properties that do not receive storm protection benefits will not pay a share of the cost for storm protection.

All residential and commercial properties will pay a share of the cost for providing recreational benefits.[1]

TABLE 3
Annual Private Property Storm Protection Benefits
By Beach Zone
2013-14 Nourishment Project

Beach Zone	Amount	Percent
Upper South Seas	$ 342,001	14.1
Lower South Seas	$ 634,185	26.1
Village	$ 450,930	18.6
Tween Waters Road	$ 378,989	15.6
Upper Gold Coast	$ 232,692	9.6
High Erosion Gold Coast	$ 388,482	16.0
Total	$ 2,427,279	100.0

Note: Items may not add to totals because of rounding.

Details on the private storm protection benefits are given in TABLE 3. Storm protection benefits will only be received by beachfront properties, and the beachfront properties are grouped into beach zones. The beach zones were selected on the basis of erosion conditions in the different beach areas. The zones are the same as those used in the Apportionment Plan for the 1997 Beach Nourishment Project although the borders were adjusted to match recent erosion trends. The Upper South Seas zone contains the South Seas Golf Course and the ten single family properties to the south.[2] The remaining beachfront properties in South Seas Plantation as well as Hagerup Beach and the property immediately to its south were also included in the Lower South Seas zone. The Village zone consisted of beachfront properties below the first property south of Hagerup Park and north of the point where Captiva turns east at the end of the Tween Waters road segment. The Tween Waters Road zone included the beachfront properties

[1] Commercial properties include those owned by for-profit utilities and other miscellaneous properties owned by for-profit enterprises.
[2] Ono these properties, vacant in 2010, has been absorbed by a neighboring property by 2014.

straddling the one-mile stretch of road on front of Tween Waters Inn. The Upper Gold Coast zone runs south from the southern end of the Tween Waters road section. The High Erosion Gold Coast zone runs from the southern end of the Upper Gold Coast zone to Blind Pass Inlet. Further information on the beach zones will found in Appendix A.

The percentages in TABLE 3 show how the portion of the project cost due to private storm protection will be shared by the property owners in the six beach zones. The largest shares of storm protection benefits are in the Lower South Seas zone (26.1 percent) and the Village zone (18.6 percent). Benefits received by the private properties in the Upper Gold Coast zone are relatively low because the zone has been accretional in recent years.

TABLE 4
Annual Recreational Benefits Received By Captiva Private Properties
By Type of Property
2013-14 Nourishment Project

Type of Property	Amount	Percent
Single-Family	$ 1,164,598	26.8
Multi-Family	$ 1,885,656	43.4
Interval Units	$ 356,302	8.2
Commercial	$ 938,646	21.6
Total	$ 4,345,203	100.0

Note: items may not add to totals because of rounding.

The portion of the project cost due to recreational benefits will be shared by four different types of properties according to the percentages shown in TABLE 4. The grouping of properties is the same as was used in the Apportionment Plan for the 1997 Beach Nourishment. The properties were grouped on the basis of the frequency of beach use by their residents, guests or customers. Surveys of beach users since 1986 substantiated the differences in intensity of beach use by these property types. The percentages in TABLE 4 show how the portion of the project

cost due to recreation will be shared by the property owners of the four property types. Multifamily properties will receive the largest share of benefits (43.4 percent) and interval properties will receive the smallest share (8.2 percent).

TABLE 5
Annual Benefits Received By Captiva Private Properties
By Type of Property
2013-14 Nourishment Project

Type of Property	Benefit	Percent Share
Storm Protection		
Upper South Seas	$ 342,001	5.0
Lower South Seas	$ 634,185	9.4
Village	$ 450,930	6.7
Tween Waters Road	$ 378,989	5.6
Upper Gold Coast	$ 232,692	3.4
High Erosion Gold Coast	$ 388,482	5.7
Subtotal Storm Protection	$ 2,427,279	35.8
Recreation		
Single-Family	$ 1,164,598	17.2
Multi-Family	$ 1,885,656	27.8
Interval Units	$ 356,302	5.3
Commercial	$ 938,646	13.9
Subtotal Recreation	$ 4,345,203	64.2
Total	$ 6,772,481	100.0

A summary of the benefit analysis as it applies to private properties is given in TABLE 5. Once the project cost is determined, the benefit shares become the cost shares assigned to the properties in the different benefit categories. The cost of the 2013-14 Captiva Beach Nourishment Project to be apportioned among Captiva property owners is $6,600,000. This reflects the receipt of substantial grants from Lee County and the State of Florida towards the cost of the project. The benefit shares in TABLE 5 are used to apportion the $6,600,000

cost among the different benefit (storm protection and recreation) categories. The results are presented in TABLE 7.

TABLE 6
Cost Shares for Captiva Private Properties
By Benefit Category
2013-14 Nourishment Project

Type of Property	Benefit Share	Cost Share
Storm Protection		
Upper South Seas	5.0	$330,000
Lower South Seas	9.4	$620,400
Village	6.7	$442,200
Tween Waters Road	5.6	$369,600
Upper Gold Coast	3.4	$224,400
High Erosion Gold Coast	5.7	$376,200
Subtotal Storm Protection	35.8	$2,362,800
Recreation		
Single-Family	17.2	$1,135,200
Multi-Family	27.8	$1,834,800
Interval Units	5.3	$349,800
Commercial	13.9	$917,400
Subtotal Recreation	64.2	$4,237,000
Total	100.0	$6,600,000

Just (Market) Values for the 2013-14 Fiscal Year

The Lee County Property Appraiser values all properties on Captiva every year as part of the property tax collection process. A preliminary tax roll is established in August and the certified final roll is established in October. This assessment program used property values and other characteristics of properties to determine assessments for benefitting properties. The values used are from the certified roll, unless the Board receives information that values have been adjusted by the Value Adjustment Board or by the courts. Additional characteristics of the properties on Captiva were obtained from the NAL File submitted electronically by the Property Appraiser to the Florida Department of Revenue in accordance with state law.

Tabulations of the "just" (market) values from the Property Appraiser's file were made for the Captiva private properties in each of the benefit categories listed in TABLE 7 above.. These are presented in TABLE 8 (next page). The cost shares are divided by the just values and the results are present as millages in the TABLE. (Millages are thousandths, or tenths of percentages.) The basic millage rates associated with the 2010 tentative apportionment are presented in the rightmost column of the TABLE. The 2014 millages are half the 2010 millages or less because the actual cost to be apportioned in 2014 ($6,600,000) is less than half the $15,000,000 assumed in 2010.

Just (or Market) values have changed on the island since 2010. The just values of the properties receiving storm protection benefits increased by 0.62 percent, and the just values of the properties receiving recreation benefits declined by 1.84 percent. Within the storm protection category, just values rose in the Upper South Seas, Tween Waters Road and High

1000x Costshare ÷ just value gives you millage rate

TABLE 8 Basic Millage Rates for the 2013-14 Beach Renourishment Project				
Benefit	Cost Shares	Just Values	Millage Rates 2014	Millage Rates 2010
Storm Protection				
Other Upper South Seas	$330,000	$44,546,424	7.4080	20.5421
Lower South Seas	$620,400	$214,216,620	2.8961	6.36377
Village Properties	$442,200	$38,323,575	11.5386	22.2713
Tween Waters	$369,600	$177,943,986	2.0771	5.1995
Upper Gold Coast	$224,400	$157,773,652	1.4223	3.1744
High Erosion Gold Coast	$376,200	$70,853,682	5.3095	11.4032
Sub-Total	$2,362,800	$706,034,660	NA	NA
Recreation				
Single-Family	$1,135,200	$686,238,197	1.6542	2.8615
Multi-Family	$1,834,800	$473,328,686	3.8764	13.9812
Interval Units	$349,800	$64,800,260	5.3981	15.3569
Commercial	$917,400	$65,757,100	13.9513	31.4134
Sub-Total	$4,237,200	$1,290,124,243	NA	NA
Total	$6,600,000	NA	NA	NA

NA = not applicable

Erosion Good Coast reaches, and they declined along the other reaches.[3] Within the recreation category, just values rose for multifamily and interval properties and they declined for single family and commercial properties. A number of single family properties have been transferred to the multi-family category by the Lee County Property Appraiser since 2010. These properties

[3] There were some properties misclassified as gulf-front along the Tween Waters reach in 2010 whose classification was corrected for the 2014 roll. Some of this correction may have contributed to the increase in the Road section just value.

have more than one residential unit. The result has been a decline in the value of the single family category and an increase in the value of the multi-family category. The Rauschenberg properties on Captiva have also been transferred by the Property Appraiser out of the single family category. In this case, they have been given an institutional land use.

Adjusted Millage Rates for the 2014 Assessments

The millage rates given in TABLE 8 are labeled "basic" because they do not take into account certain adjustments directed by the CEPD Board to fine tune the results of the benefit models.

Storm Protection Adjustments

In the storm protection category, five bayside parcels were included in the Tween Waters Road reach because they were subdivided from gulf-front parcels and given ownership of a portion of the land seaward of the road. Since land losses are the major source of storm damages experienced by properties in the reach, it was assumed that 50% of the losses experienced by the parent properties that were subdivided were lost to their bayside offspring. The bayside properties were grouped into a new reach, Reach 3C.

An additional adjustment involved two properties at the south end of the High Erosion Gold Coast reach. These properties extend from the bay to the gulf and have their structures (homes) on the bay. The engineer determined that their storm losses would be due to land losses seaward of the road. Their just values were replaced by one half of their land values in the High Erosion Gold Coast Reach.[4]

The effects of these adjustments to storm protection benefits are summarized in TABLE 9. (next page) The adjustments only affect the millages for the Tween Waters Road and the High Erosion Gold Coast reaches. The millage for the new 3C reach is very small, and there is a small increases in the millage for the 3B reach. The millage for the High Erosion Gold Coast reach increases by one-half mill.

[4] As in previous apportionments, storm prevention benefits for Chapel By The Sea and the Cemetery were calculated and included in the apportionment. A storm protection benefit ws also calculated for a privately owned Right of Way parcel that provides gulf-front access in the Upper Gold Coast reach.

TABLE 9 Adjusted Storm Protection Millages for the 2013-14 Beach Maintenance Project				
	2014 Cost Share	2014 Just Value	Adjusted Millage	Unadjusted Millage
Upper South Seas	$330,000	$44,546,424	7.4080	7.4080
Lower South Seas	$620,399	$214,216,620	2.8961	2.8961
Village	$442,200	$38,323,575	11.5386	11.5386
Tween Waters Road 3B	$359,018	$163,598,824	2.1945	2.0771
Tween Waters Road 3C	$10,584	$14,345,162	0.7378	NA
Upper Gold Coast	$224,401	$157,773,652	1.4223	1.4223
High Erosion Gulf Coast	$376,198	$64,583,265	5.8250	5.3095
Total Storm Protection	$2,362,800	$697,387,520		

Note: cost share items do not add to the total because of slight rounding errors.

Recreation Adjustments

It has been a longstanding policy of the CEPD to assess homesteaded multi-family properties for recreational benefits at the single family rate because beach surveys of recreational users find a very small number of island residents on the beach and also because the longer time a person spends on the island in a year the less frequently will they go to the beach. Recreational use from multi-family properties with homestead exemptions will be less than from multifamily properties that are not homesteaded.

Most institutional properties were also assessed for recreational benefits at the single family rate. Eleven of these properties were owned by the Rauschenberg Captiva LLC, six of which are vacant and five of which have a land use of Non-Profit Services. The developed properties owned by the Rauschenberg Foundation are used to provide housing and workspaces for visiting artists. The properties are assessed at the single family residential rate because the visiting artists can make recreational use of the beach. The vacant properties are also assessed for recreational benefits at the same rate as the developed Rauschenberg properties. This is in line with the treatment of vacant residential properties which are assessed at the developed (single family) and commercial rates. Finally, there are two parcels owned by the Captiva Civic

Association which have the same land use code as the developed Rauschenberg properties (Non-Profit Services) and these are also assessed at the single family rate. [5]

There are also properties on Captiva which have a Miscellaneous land use codes. Four of these were assessed for recreational benefits at the *commercial* rate. Three of these are privately owned utility parcels (one owned by United Telephone and two parcels owned by the Island Water Association). A fourth Miscellaneous parcel was also assessed at the commercial rate, namely, a parcel classified as non-agricultural acreage, which is owned by Plantation Development Ltd.

The effects of these adjustments on the basic recreational millages given in TABLE 8 above are presented in TABLE are presented in TABLE 10. There is an increase in the multifamily recreation millage of about one mill; there are relatively small reductions in the millages for single family and commercial properties.

TABLE 10
Adjusted Recreation Millages for the 2013-14 Beach Maintenance Project

	2014 Cost Share	2014 Just Value	Adjusted Millage	Unadjusted Millage
Single Family 01	$961,831	$686,238,197	1.4016	
Single Family MF-HEX	$148,789	$106,156,702	1.4016	
Single Family INST	$24,588	$17,543,021	1.4016	
Total Single Family	$1,135,200	$812,270,911	1.4016	1.6484
Multi-Family	$1,834,800	$367,171,984	4.9971	3.9768
Interval	$349,800	$64,800,260	5.3981	5.3981
Commercial	$875,600	$65,757,100	13.3157	
Commercial-Utilities	$41,800	$3,139,147	13.3157	
Total Commercial	$917,400	$68,896,247	13.3157	13.9513
Total Recreation	$,237,200	$1,313,817,106	NA	NA

Note: cost share items do not add to the total because of slight rounding errors.

[5] The Captiva Island Yacht Club in the past had an institutional land use code. It now has a commercial land use code and is included in the commercial category and is assessed at the commercial rate. The church and cemetery parcels are classified as institutional but they do not receive recreational benefits and so they do not receive a recreational assessment. They are assessed for storm protection benefits.

Government and Miscellaneous Parcels

There are five government parcels on the island: including the fire station and two Lee County parcels. There are also two State of Florida utility parcels. None of these parcels are proposed for recreational assessments in this report.[6] The assessments of the Lee County parcels are covered by the Lee County grant to the project in line with the Inter-local Agreement between the CEPD and the County.

There are seventeen miscellaneous parcels on the rolls. Of these, there are three private utility parcels and one parcel classified as non-agricultural acreage. These parcels receive recreational benefits and I recommend they be assessed at the commercial rate. [7] The remaining thirteen parcels consist of five right of way parcels[8], five submerged parcels and three sewage disposal parcels.[9] None of these parcels receive recreational benefits and I recommend that they receive no recreation assessment.[10]

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[6] None of these parcels pay ad valorem property taxes.
[7] The two parcels owned by the Island Water Association do not pay property taxes.
[8] The right of way parcels do not include the private beach access parcel in the Upper Gold Coast Reach which is classified as residential by the Property Appraiser and is assessed for recreation at the single family rate. This is in addition to its storm protection assessment. The five right of way parcels pay Lee County property taxes.
[9] The thirteen parcels pay property taxes in the county.
[10] The average value of the thirteen parcels is $891.00.

Distribution of the Assessments

TABLE 11 shows the frequency table of the total assessments (storm protection and recreational assessments) in the program. More than 70 percent of the assessments are less than $5,000. There are 41 assessments out of a total of 1,106 that exceed $25,000 (3.8 percent).

TABLE 11
Frequency Table of the Total Assessments

Range	Number of Assessments	Percent of Total
$0.00	9	0.8
$.01-$4,999.99	776	70.2
$5,000-$9,999.99	191	17.3
$10,000-$24,999.99	89	8.0
$25,000-$49,999.99	34	3.1
$50,000-$99,999.99	4	0.4
$100,000+	3	0.3
	1106	100.0

Proposed Change to the CEPD Rules of Procedure

Rule 2.04 – Bank Accounts

Draft 4/1/14

CHANGE # 1

Existing Language

Rule 2.04 – Bank Accounts

(d) PROJECT RESERVE FUND

The CEPD Board shall set up a Project Reserve Fund to fund startup costs of the next project, based on expenditures from last project. The Project Reserve Fund will have a 20% contingency added to it.

Proposed Language

Rule 2.04 – Bank Accounts

(d) CAPITAL PROJECTS ACCOUNT

The CEPD Board shall set aside a Capital Project Reserve Fund of $1,000,000 for the purpose of funding the startup costs of permitting, design and engineering associated with the next planned beach renouishment project.

Purpose of Change:

The name of record for the Bank Account is the Capital Project Account and not the Project Reserve Fund. Importantly, the existing language is ambiguous in defining the amount of funds to be set aside and the use of those funds. The proposed language specifies the fund amount and the fund purpose.

CHANGE # 2

Existing Language

Rule 2.04 – Bank Accounts

(b) GENERAL FUND

Proposed Language

Rule 2.04 – Bank Accounts

(b) GENERAL OPERATING ACCOUNT

Purpose of Change:

The name of record for the Bank Account is the General Operating Account and not the General Fund.

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FY 14-15

Captiva Erosion Prevention District

Beaches and Shoreline Funding Request

# 1 Project Monitoring and Survey	$60,000
# 2 Beach Park Maintenance	$19,085

Public Records Request

1) ASK4RECORDS.com
2) Manson Construction

CEPD Letter

Ben Jones <wbjones@servr.com> Fri, Apr 4, 2014 at 9:44 PM
To: "mycepd@gmail.com" <mycepd@gmail.com>

Kathleen,
Thanks for the rational for discounting the value of cement revetments in providing any degree of storm protection even as a protection of last resort.
The idea that they have to be exposed before they are of any value seems to be the party line so I do not plan to take any more time in your next meeting.
Please thank the commission for having this analysis done.
Ben Jones