



**Board Meeting Minutes
of the Regular Meeting of the
Captiva Erosion Prevention District**

South Seas Island Resort, Alpha Cone Room
September 26, 2019 @ 3:00 P.M.

Commissioners Present: Mike Mullins (Chair); Harry Kaiser (Secretary); Dave Jensen (Commissioner); Michael Lanigan (Vice Chair); Bob Walter (Treasurer)

Consultants Present: Carolyn Weaver (Administrator); Joe Wagenti (Deputy Administrator); Hans Wilson (Hans Wilson & Associates)

1. Call to Order

Chairman Mullins called the meeting to order at 3:01 pm.

2. Roll Call

The Chair called the roll and the results are outlined above.

3. Approval of August 12, 2019, Meeting Minutes

Commissioner Kaiser moved to approve the minutes.
Commissioner Jensen seconded the motion

Motion rescinded after discussion. Minutes will be revised and submitted for approval at the October board meeting.

Approval of September 12, 2019 Tentative Budget Hearing Meeting Minutes

Commissioner Jensen moved to approve the minutes.
Commissioner Kaiser seconded the motion

Motion carried unanimously

4. Public Comment

Ms. Weaver talked about Commissioner Jensen's retirement, and thanked him for his 25 years of service to the Board of the CEPD.

Motion by Commissioner Kaiser to recognizes Dave Jensen's 25 years of service
Commissioner Lanigan seconded the motion.

Motion carried unanimously

5. Financial Report ending August 31, 2019

Ms. Weaver gave a report on the current financial status.

Commissioner Walter wanted an explanation on the residual budget column.

Chairman Mullins questioned if we were done collecting special assessments (pg 18) and to get clarification on that section from the CPA.

Need to separate parking improvements from parking maintenance. CEPD consultants will discuss that with the CPA.

Chairman Mullins and Ms. Weaver discussed the current RFP's and that they will be addressed in the next board meeting.

6. ACTION ITEMS

a. Financial Information

ACTION REQUESTED: Motion to remove Commissioner Jensen from financial institutions (Bank of the Islands, SanCap Bank, AMEX) and approve another commissioner(s)

WHY ACTION IS NECESSARY: To update our contacts due to Commissioner Jensen resignation.

WHAT THE ACTION ACCOMPLISHES: Keeps the bank accounts current with proper signatories and keeps CEPD compliant.

Commissioner Kaiser moved to remove Commissioner Jensen.

Chairman Mullins seconded the motion.

Discussion: none

Motion carried unanimously

ACTION REQUESTED: Motion to close CEPD American Express and open Chase MC/VISA

WHY ACTION IS NECESSARY: To maintain a valid credit card for purchases after Commissioner Jensen resignation.

WHAT THE ACTION ACCOMPLISHES: Allows Administration to purchase necessary items that cannot be paid by check.

Commissioner Lanigan moved to close the account.

Commissioner Mullins seconded the motion.

Discussion ensued.

Ms. Weaver explained that we need to cancel the current AMEX card.

Discussion ensued about liability and whether Administration should be on the

card. Chairman Mullins asked Brian Cottrell about CEPD liability in the consultants use of the card. He proposed that our new insurance does not include consultants. He suggested as an alternative we can set up a text message to keep the board apprised of the purchases, as well as purchasing additional coverage to handle administration.

Commissioner Walter suggested instead of additional insurance coverage, the Board agree for a new card with a limit of \$2000- \$3000. Ms. Weaver explained the type of charges usually on the card. Chairman Mullins and Commissioner Walters will be the cardholders. Commissioner Walters suggested that CEPD consultants can start using reimbursement program and travel advances. Commissioner Walter discussed staying with American Express, the Chairman agreed. Chairman to be the main account holder

Motion carried unanimously

ACTION REQUESTED: Motion to approve paying off the Fifth/Third 2013-2014 Renourishment loan.

WHY ACTION IS NECESSARY: To pay off the remaining monies due on the 2013-2014 Renourishment Project.

WHAT THE ACTION ACCOMPLISHES: Pays off the remaining \$700,000 (due May, 2020) and saves the 1.87% fixed rate interest.

Commissioner Jensen moved to pay off the renourishment loan.

Commissioner Kaiser seconded the motion.

Discussion: Chairman Mullins discussed the CEPD's commitment through special assessment and the TDC. The Chairman explained why we should not pay down this loan.

Motion did not carry; denied.

ACTION REQUESTED: Motion to approve Investment proposal

WHY ACTION IS NECESSARY: To approve the moving of excess funds into investment funds instead of our current checking account

WHAT THE ACTION ACCOMPLISHES: Allows the District to receive higher interest on our funds (from 0.3% to a minimum of 1.9%) which creates additional revenue of \$30,000-60,000 annually.

Revised Motion for Commissioner Walter and Administration to work together for an updated proposal.

Commissioner Lanigan moved.

Commissioner Kaiser seconded the motion.

Discussion: It was discussed of using various institutions and why working with 5th/3rd would be beneficial. Board requested to provide an updated proposal for the next board meeting.

Motion carried unanimously

b. SOP for Appointing Commissioner

ACTION REQUESTED: Motion to approve new Standard Operating Procedure entitled "Appointing a Commissioner to a Vacant Seat."

WHY ACTION IS NECESSARY: To provide consistency for appointing a Commissioner.

WHAT THE ACTION ACCOMPLISHES: Approves SOP on appointing a Commissioner when a seated Commissioner resigns mid-term. This will maintain consistency for all applicants to the position.

Discussion: There was a great deal of discussion regarding the procedure. Several suggestions were made. The final decision was that the SOP will be updated and distributed for discussion at the next Board meeting.

Chairman Mullins requested that we get the letters of interest. He then introduced two of the candidates, Dick Pyle and Rene Miville, and allowed them each 5 minutes to speak. John Silvia was not in attendance due to back surgery. Chairman reported that Linda Laird has chosen to remove herself from consideration.

Mr. Miville and Mr. Pyle spoke on their qualifications and interest in CEPD. Mr. Miville shared that he'd been here on Captiva for 33 years, back when Steve Cutler started beach nourishment, and then explained how the renourishments work. He was instrumental in creating the emergency response plan. He also worked in 2003 on getting Blind Pass open.

Relationship with decision makers. Team mindset. Very committed

Mr. Pyle also explained his qualification and eagerness to join CEPD.

Chairman Mullins explained the enabling legislation and it was also noted that the remaining commissioners are the ones to vote on the next commissioner.

Commissioner Lanigan stressed that each member should be on the ballot and the Board needs to decide on how to break a tie. He wants each candidate to understand the role on the Board. He also wanted all current Board members to decide on their commitment to the CEPD and if they want to step down, they should do so now while we have many candidates. He also asked that the Board finalize this process by the next board meeting.

All candidates will be invited to speak again at the October 7th Board meeting. (Commissioner Walter stepped out of the meeting at 3:59pm.)

Commissioner Jensen also stated that if any member wants to step down that now is the time to do so.

Commissioner Kaiser explained his tenure at CEPD from 2008 to present and the importance of CEPD to the island.

Commissioner Lanigan proposed an Emeritus position be created for a past commissioner who may want to stay engaged but doesn't have the time to devote to being a member. Administration will look into adding this honorary designation.

Commissioner Jensen discussed the formation of the subcommittee. Chairman Mullins agreed. Both the Emeritus and Subcommittee topics will be added to the October agenda.

Chairman Mullins discussed the need to limit 'excused' absences to maybe 3 meetings and what the ramifications of how many meetings missed. He asked the Board to determine what is excused versus non-excused, and to add that in Appendix A. He asked Ms. Weaver that she make sure they can call in to vote.

Commissioner Lanigan asked for clarification regarding how residency is handled. Ms. Weaver explained if you are a registered voter on Captiva, then you are eligible to be on the Board. Chairman Mullins expressed that the Board needs to follow enabling legislation and Commissioner Jensen agreed.

c. Administrative Changes – Hans Wilson

ACTION REQUESTED: Motion to approve Joe Wagenti as Administrator and Carolyn Weaver as Deputy Administrator and provide compensation commensurate with industry standards.

WHY ACTION IS NECESSARY: To better utilize the skills and experience of each individual in the proper position.

WHAT THE ACTION ACCOMPLISHES: Provides the Board with administrative support that better utilizes the skills and experience of both contractors, while maintaining the duplicity of tasks should either Administrator become indisposed.

Discussion: Mr. Wilson started the decision stating that the Board reserves the right to approve the new administrator, and by contract, the board needs to be consulted for approval.

Commissioner Lanigan wanted clarification on record keeping. Ms. Weaver shared we have about 25 boxes of old records in storage that could be digitized and then destroyed. Chairman Mullins asked about existing storage. It was explained the Board wanted a specific document from 1988 and the difficulty finding that document.

Commissioner Lanigan discussed the reasoning of the raise and if the current work will get done according to the current rate. Mr. Wilson replied it depends on how hard the administration is willing to work. Commissioner Lanigan stated it is an uneasy 'trinity' between the Board, Hans Wilson and Associates (HWA), and the Administration in how to move forward as to special projects and day to day operations. The discussion went into the details of the current contract, the expectation of HWA and the differences between employee and contractor. The scope of the management services agreement was also discussed.

Commissioner Lanigan stated his opinion that he is uncomfortable on how we are working together and may be limited in direction due to the nature of the contract. He doesn't see tasks changing but only sees titles changing.

Chairman Mullins stated that the July 30th meeting was provided for the general budget for this year and HWA was late in providing the request.

Motion to recess until after the budget meeting (5:01pm)

Commissioner Kaiser made the motion to recess the meeting. Commissioner Mullins seconded the motion.

Motion carried unanimously

Meeting Re-called to Order (5:24 pm)

d. Tentative Apportionment – Dr. William Stronge

Dr. Stronge referred to his written memorandum and discussion ensued on the common elements throughout Captiva. He went into the land use codes and how Gulf Way is different in that it is a Right of Way and not a common element. He explained the benefit-based method and how properties on the beach pay a higher rate. Commercial properties pay a higher millage rate than residential. He explained the big difference in storm protection in that Commercial value is quite small compared to residential. Proposed a new study that is in the current proposal. Dr. Jackson studied all properties that are renting.

Dr. Stronge explained that instead of using surveys to determine beach usage, that we should extend the homestead exemption to single family properties. Commissioner Lanigan requested to find out the limit of days a homeowner can rent. The answer is they cannot rent more than 30 days for more than 2 years in a row; if so, then homestead exemption is lost.

Commissioner Jensen, in regards to Sunset Captiva, asked if a large portion of storm assessment is still proposed and is commercial properties getting a true assessment.

Dr. Stronge explained the possibility of phasing properties; average rate of erosion (determined by engineer). Zone 1 versus zone 2, etc. This process was done for two renourishments, but it took the engineer to get involved in order to determine the conditions are different from one zone to the next.

*Commissioner Walter stepped out at 6:03pm, Commissioner Kaiser left the meeting at this time as well.

Commissioner Lanigan is in favor of phasing due to stark differences in the zone millage rate.

Commissioner Mullins is convinced going to ad valorem can be chaotic. He also wanted it noted that the referendum and tentative apportionment are separate events.

Commissioner Lanigan wanted more clarification on the Gulf Way and its real use of being 40' wide. He also stressed the Board needs to resolve this issue as in the scheme of the entire apportionment is not a lot of value either way. He also wants the Board to look into more storm assessments and having private beach access has any weight to their assessment.

Commissioner Mullins explained the penalization process of condo owners.

Discussion resume regarding Section c. Administrative Changes – Hans Wilson

ACTION REQUESTED: Execute Resolution 2019-08

WHY ACTION IS NECESSARY: To increase the funding to Hans Wilson & Associates.

WHAT THE ACTION ACCOMPLISHES: To bring the financial contracts for CEPD Administration more in line with those of other Special Districts.

Commissioner Jensen moved

Commissioner Kaiser seconded the motion

Discussion held with Chairman Mullins, Commissioner Lanigan, and Mr. Wilson discussed the general communication between the Board and HWA.

Ms. Weaver explained both Administration positions, the reasoning of the switch, and TDC funding.

Commissioner Jensen asked about guaranteed funding from the TDC and it was explained it is not guaranteed annually, but it will go in for funding each year. He also wanted to consider employing administrators again and felt the Board should not go that route.

Commissioner Lanigan of the description of duties and the rates as compared to other positions. He discussed using a baseline of previous administration; Mr. Wilson explained further description of duties. Commissioner Lanigan expressed his intent to vote no.

Chairman Mullins discussed the HWA contract from inception and overall displeasure; Mr. Wilson took exception to that and left the meeting at 6:45 pm. Chairman Mullins explained his relationship with Ms. Rooker and Mr. Grant. He then went into the reasoning of upgrading to the deputy administrator position. He expressed moving forward with Ms. Weaver and Mr. Wagenti, including a meeting between administration and the Chairman, which will be done.

Motion did not carry

e. New Insurance Proposal

ACTION REQUESTED: Motion to approve updated insurance

WHY ACTION IS NECESSARY: To combine our existing policies

WHAT THE ACTION ACCOMPLISHES: Provides coverage that is tailored to our needs and saves costs without cutting on coverage.

Motion for \$2M coverage and rejecting the \$3M and \$5M

Commissioner Jensen moved
Chairman Mullins seconded the motion
Discussion ensued.

Motion carried (Mullins, Jensen, and Lanigan approved)

7. Old Business

- a. Tentative Apportionment – Dr. William Stronge
This topic was discussed earlier due to the late hour.

All remaining items from the agenda were moved to the October 7, 2019 Board meeting.

Meeting adjourned at 7:00 p.m.