

Minutes

**Regular Meeting of the
Captiva Erosion Prevention District**
‘Tween Waters Inn, Wakefield Room
15951 Captiva Drive, Captiva, Florida 33924
March 9, 2011 @ noon

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

Absent: Rene Miville (non-excused).

Consultants Present: Kathleen Rooker (CEPD Senior Administrative Consultant); John Bralove (CEPD Administrative Consultant).

I. Call to Order

The meeting was called to order by Commissioner Mullins at 12: 08 p.m.

II. Roll Call

The roll was called and the results are outlined above.

III. Approval of February Minutes

Mr. Jensen moved and Mr. Kaiser seconded a motion to dispense with the reading of the minutes from the February 9, 2011 meeting and approve them. The motion passed without dissent.

IV. Public to be Heard

Mr. W. B. (Ben) Jones of 16850 Captiva Drive addressed the Commissioners. He requested that his assessment/apportionment be reconsidered because of the seawall on his property which is 30 feet deep with rip rap on top of it. Mr. Mullins reminded Mr. Jones that the assessment was tentative and mentioned the process leading up to the final assessment. Mr. Mullins mentions that CEPD is accumulating appeals and contacting the engineer and economist about them. Mr. Mullins also said that Mr. Jones' appeal is now part of the record, but asked Mr. Jones to also put his appeal in writing.

V. Financial Report

Mr. Jensen reported on the Capital Project Budget. He mentioned that two checks were issued in February to Lee County totaling in excess of \$161,000 were not reflected in the summary on Page 8 since the summary was through January 31, 2011.

Mr. Mullins brought up the issue that the last letter from Karen Hawes mentioned, i.e., Captiva may owe Lee County as much as \$1.3 million. He said that CEPD rejects the County's claim, that the County's calculations appear flawed, and that a final number will not be available until DEP and FEMA reconciliations are completed. CEPD has asked for another meeting with the County about this matter but has not heard back from them.

Mr. Mullins alerted Commissioners that absent resolution of the claim with the County, CEPD will need to figure out how to come up with the money, that CEPD needs to be prepared to meet the financial shortfall, and that a budget resolution may be necessary in April. Ms. Holzheimer suggested a private follow-up meeting with the County would be a good idea and Mr. Mullins responded that this is what he is trying to do.

Mr. Jensen asked about what had happened to the idea of paying down the existing loan? Mr. Mullins replied by mentioning there were three outstanding issues related to paying it down: 1) Lee County's claim; 2) the completion of the DEP and FEMA reconciliations; and 3) the DEP grant of approximately \$740,000 that has dried up (see Agenda Item VI.B). Ms. Rooker reminded the Commissioners that Mr. Mullins was authorized to pay down the loan by up to \$750,000 but there was no mandate to do so.

Ms. Holzheimer asked why the Board was looking at January financial statements rather than February statements. It was explained that the bank statements, upon which many of the accounting entries are dependent, have just come in. More complete quarterly statements will be presented and online access to the bank statements is in the process of being updated to allow access to designated staff.

VI. Report of the Senior Administrative Consultant

a) Report on Washington Summit

Ms. Rooker reported on what she had learned last week at the Washington Summit, much of which was outlined in her report contained in the agenda materials. She reported on her meeting with the Army Corps of Engineers and their funding cutbacks and restrictions. She also reported on her meeting with Representative Mack's staff, to whom she presented Dr. Stronge's latest survey information. She reviewed her list of next steps and next things titled "What to Do" that were contained in the agenda materials. Ms. Rooker emphasized the need for the impacted organizations to band together on a more regional or even national level, such all coastal states who are interested in beach nourishment, to improve their clout and influence. Mr. Mullins suggested that a blog should be created.

b) DEP and Local Funding Challenges

Ms. Rooker reported on a communication she received from Vince George of the Florida Department of Environmental Protection indicating that the \$724,857 in contract #O2LE2 will be re-appropriated because of budget issues. The department has requested that CEPD cease work covered by this contract. Commissioners discussed the impact of this cut-back and what will happen to expenses already incurred.

c) Blind Pass Update

Ms. Rooker highlighted the findings of this report submitted by Steve Keehn of Coastal Planning and Engineering, including the 3 possible causes, short-term solutions, and long-term solutions. Mr. Mullins asked whether this report should be circulated. He also said that in light of Commissioners not having enough time to thoroughly review the report, should a Board Briefing be scheduled. He also asked whether CEPD should be spending money on Blind Pass given so many other issues on CEPD's plate.

Ms. Holzheimer wondered about how much interest Lee County really had in Blind Pass and raised concern over the impact of CP &E's recent acquisition. She also cautioned that Captivans see CEPD responsible for Blind Pass. She also said that the possibility that Blind Pass may be closing due to problems back in Pine Island and the sound are not being looked at by the County.

Mr. Mullins also cautioned that CEPD should not take on responsibility without the authority and that CEPD needed more backing from citizens like those from the Bayous Preservation Association. He outlined a scenario as to what to do and suggested that it might be time to back-off and let Lee County and Sanibel come back to CEPD and ask for help.

Ms. Rooker agreed to send Commissioners two reports compiled in the late 1990's and early 2000's written by Dr. Mehta that CEPD has in its archives.

d) Beach Tilling (March 16)

Ms. Rooker reminded the Commissioners that beach tilling would take place the evening of March 16 as required by the permit and where the locations are.

e) Newton and Boyle Property visits

Ms. Rooker reported on her trips to the above locations with Lee County staff. She mentioned the seemingly high interest that County staff showed in the Boyle property. Various possible funding scenarios were discussed. Ms. Rooker said there was nothing more for CEPD to do; the ball is in the County's court. Ms. Rooker was asked to follow-up with the County staff.

VII. Old Business – None

VIII. New Business

a) Blind Pass Survey

Mr. Mullins suggested that CEPD might do a survey of Captivans as to what they think CEPD should do about Blind Pass given both the amount of money and time that has been spent on it. The idea to bring more people's input into the decision-making process appealed to Commissioners. Mr. Mullins commented that Commissioners have a fiduciary responsibility to ensure that what CEPD is doing is in keeping with what the taxpayers are looking for.

Mr. Holzheimer cautioned about asking questions and getting information we don't want or need that would make life very difficult. No action was taken at this time until other issues are settled such as where is the money coming from.

b) Date for Proposed April Town Hall Meeting

After discussion Commissioners determined that at Town Hall Meeting in April was not necessary. Rather, a presentation of economic data to Sanibel and Captiva business people, the TDC, Lee County Commissioners, etc. should be substituted, although not necessarily in April. The use of the newsletter was also suggested as were presentations at Chamber Of Commerce lunches, meetings, and realtor meetings. The purpose would be to show the economic impact of beaches and shorelines, share with them the idea that beaches are the economic engine that drives Lee County, and beach maintenance budgets are being reduced.

c) Apportionment Memo from Dr. Bill Stronge

After discussion of the impact of changing Reach 3 from two to three subsets, it was decided to defer the approval of the recommendations in this memo until CEPD staff become more familiar with the model, appeals are accumulated, and the data is recomputed.

d) Authorization to pay Bill Stronge Invoice dated 2/24/11 in the amount of \$17,300

Ms. Holzheimer moved and Mr. Kaiser seconded a motion to pay the above-referenced invoice. The motion passed without dissent.

e) Authorization to pay invoice # 1698 in the amount of \$22,459.28

Approval of this invoice was deferred pending receipt of more information from the County on the forecast of additional expenditures and a CEPD review to determine whether engineering and monitoring costs are in proportion to similar CP&E invoices.

As part of this discussion, it was decided to ask Mr. Miville to update the Board at the next meeting on his talk with Karen Erickson. Also, Mr. Mullins agreed to talk to Tom Campbell of CP&E and perhaps meet with Steve Keehn and Mr. Campbell to determine what impact, if any, the sale of CP&E will have.

f) Approval of FY09/10 Audit of Financial Statements

Mr. Jensen moved and Mr. Kaiser seconded a motion to approve the FY2009/10 audit. The motion passed without dissent. Mr. Mullins stated that this year was the third year that Stroemer and Company has performed the audit. He asked that CEPD start getting three-year quotes. Ms. Rooker responded that she had already asked for one from Stroemer.

g) Correspondence dated 2/23/11 from City of Sanibel referencing Interlocal Agreement

Ms. Rooker reported that she had talked to attorney Nancy Stroud regarding the above letter from Sanibel signed by the Sanibel City Attorney. After hearing what Ms. Stroud said, the Commissioners decided to table any discussion on this matter to a later date after more information becomes available.

h) Report : Economic Impact of Beach Tourism on the Lee County Economy by Bill Stronge, Ph.D

Mr. Mullins reported on the CAC meeting where Dr. Stronge presented economic data on the economic impact of beach on both Captiva and Lee County as authorized by Mr. Mullins. CEPD asked the TDC to review this report and comment on whether they agreed and supported its findings. He asked how much time CEPD should allow for this. Ms. Rooker reported that Tamara Pigott of the TDC is indeed reviewing the report but is currently out of town. But CEPD needs to get the cost data as well. Ms. Holzheimer suggested that this data been given to CEPD's legislators.

Mr. Mullins alerted the Commissioners that he authorized Dr. Stronge to come to this meeting and did not have time to seek authorization from the Board. Mr. Mullins thought that Dr. Stronge's report should be reduced to a few talking points so that CEPD can communicate them easily after TDC vets the report. He also agreed to send a letter to Ms. Pigott to follow-up on the

vetting, receiving information from the Sports Authority Commissioner, and arrange a meeting Ric Hayduk of South Seas Resort and her.

i) Resolution 11-1 to amend Rules of Procedure

Questions were raised as to whether the policy itself applies to all expenditures or only those that are not budgeted and whether the increase to \$1,000 was enough. Mr. Jensen moved and Ms. Holzheimer seconded a motion to approve Resolution 11-1 as is. The motion passed without dissent.

IX. Commissioner Comments

Mr. Mullins mentioned that at a previous meeting it was brought up that if a commissioner is missing meetings on a regular basis, was there a requirement to deal with the issue? Mr. Mullins said he found nothing in the Rules and Procedures. He asked commissioners since it was not addressed in the Rules of Procedure, should there be such a rule and what should it be? Staff was asked to look at what others Boards do, look at some language, and bring the information back to the Commissioners at a future meeting.

X. Adjourn

The meeting was adjourned at 4:34 p.m.