

## **Minutes**

Regular Meeting of the Captiva Erosion Prevention District  
'Tween Waters Inn, Wakefield Room  
15951 Captive Drive, Captiva, Florida 33924  
October 12, 2011

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

Staff Present: Kathleen Rooker, CEPD Administrator; JoAnn Paul-Young, CEPD Accountant; John Bralove, CEPD Assistant to the Administrator

### **1. Call to Order**

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

### **2. Roll Call**

The roll was called and the results are outlined above

### **3. Approval of September Minutes**

Mr. Kaiser moved and Mr. Boyle seconded a motion to dispense with the reading of the minutes from the September 8 Board Briefing, the September 8 Regular Board Meeting, the September 8 Tentative Budget Hearing, and the September 22 Final Budget Hearing and approve them. The motion passed without dissent.

### **4. Public to be Heard**

None

### **5. Financial Report**

Mr. Jensen reported that CEPD paid off the loan that the Board had approved at the last meeting on the afternoon of that meeting, that money that had been paid to CEPD through the Lee County Tax Collector's office had been transferred to the Capital Improvements Account, and that the budgeted reserve accumulation had also been transferred to the Capital Improvements Account. He also talked about parking lot revenue and ticket sales saying that revenue finished the year at just under \$170,000,

which was 10% higher than the previous year. He also reported that the total number of tickets sold for the year was down 2.3%. There was some discussion as to why revenue was up but tickets sold were down.

## **6. Report of the Administrator**

### **a) TDC Meeting Oct. 14**

Mr. Rooker reported that she was making a presentation to the TDC on October 14 as a representative of the Coastal Advisory Council asking the TDC to pay for a county-wide economic impact of beaches study. She referred to an outline of her presentation that she had emailed to the Commissioners.

### **b) FY 2010/2011 Annual Audit**

Ms. Rooker reported that Ms. Paul-Young and Ms. Rooker had already met with the auditors and that the audit would begin the end of October. She estimated that the audit report would be issued the end of March or perhaps earlier.

### **c) D & O Insurance Renewal**

Mr. Rooker distributed quotes she had received the day before for Directors and Officers Insurance for \$10 million, \$5 million, and \$3 million. The rates to maintain the current amount of coverage of \$10 million had gone up only about \$15. She reported that the new policy goes into effect mid-January and no decision as to the amount of coverage needs to be made now. Mr. Mullins requested that CEPD determine that this insurance is not redundant with what the state provides. Mr. Jensen asked what "Discovery" meant on the second page of the handout. Ms. Rooker said she would find out about this.

### **d) Captiva Holiday Village**

Ms. Rooker distributed a mock-up of the ad that would run in the Captiva Holiday Village Program. Ms. Rooker commented that CEPD had paid for the rights to the photo that was being used in the ad and could use it again whenever it wanted.

### **e) DEP Local Government Funding Request Update**

Ms. Rooker reported on the Bureau of Beaches and Coastal Systems Local Government Funding Request (LGFR) for FY 2012/13. She explained that DEP had changed the project description and that DEP had failed to award evaluation points for having an active agreement with the Army Corps of Engineers. The ACOE has written the DEP that there is an active agreement. She also outlined how CEPD was working with Lee County to clarify the project so as to not eliminate north Sanibel from the project. Mr. Boutelle of

the County has communicated with the DEP and a copy of this communication was in the Agenda Materials. She indicated that other agencies were experiencing the same inconsistencies and unusual interpretations of statutes by the DEP as CEPD was experiencing.

## **7. Old Business**

### **a) CP&E Hourly Services Contract**

Ms. Rooker explained that this item was carried over from the last meeting. She explained that this contract was for ad-hoc, hourly work that CP&E performs outside of contracted project work for which there is a Scope of Work (SOW) contract. She said that Mr. Keehn of CP&E does not charge CEPD for every phone call and every little conversation. Mr. Mullins explained his concern that CEPD had not done a consultant qualification recently and he wanted to make sure that CEPD was in compliance with state law. He requested that CEPD set a date by which CEPD completed the qualification process. Ms. Rooker suggested that a dollar limit be placed on this contract; Ms. Holzheimer suggested that the Board could approve the contract now until the Contracting for Professional Services procedures are implemented.

Mr. Boyle requested that the Commissioners discuss Agenda Item 8(e), Contracting for Professional Services Procedures, and then come back to this item. The discussion then turned to this item, and after discussion Mr. Mullins set a deadline of May 1, 2012 to have the Contracting for Professional Services qualification process in place and potential consultants qualified. Commissioners were asked to read and provide feedback on the draft provided in the Agenda Materials. In the meantime, a Request for Information can be sent out.

The discussion then turned back to the CP&E contract. Mr. Boyle moved and Mr. Kaiser seconded a motion to approve the CP&E contract up to \$10,000 as contained in the Agenda Materials. The motion passed without dissent.

### **b) Lee County Response to CEPD General Counsel**

Ms. Rooker referred the Commissioners to the Agenda Materials for this item, including the letter from Karen Hawes, County Manager, dated October 3, 2011. Ms. Hawes has requested a meeting with the Board at the November 9 Board Meeting. The County's participants would be headed by Commissioner Manning. The County, she proposed, would do a presentation to discuss cost sharing of Captiva beach projects and how both entities "can move forward in a positive fashion in anticipation of a new agreement for the next nourishment event." Ms. Rooker said that she has confirmed this date with Ms. Hawes. Ms. Holzheimer requested that any materials related to this subject be sent out in advance. Mr. Boyle requested a copy of the Interlocal Agreement.

Mr. Mullins brought up the special analysis that Ms. Paul-Young had done comparing the top 80 properties' 2007 actual apportionment bill to the 2010 estimated high and low apportionment for the same properties. He stated that he was concerned because of the potentially large increases over 2007. Mr. Kaiser said that it was therefore important that CEPD keep costs for the next project down. Mr. Mullins commented that he thought CEPD was doing everything it could such as meeting with Collier County, talking to dredgers, and seeing if properties incorrectly assessed in 2007 could be re-billed.

### **c) Project Timeline**

Ms. Rooker handed out enlarged copies of this timeline. She mentioned that it is a construction timeline, it will change after the discussion with the County on November 9, and other factors will trigger changes. In response to questions, Ms. Rooker said that CEPD has been coordinating with CP&E and the Army Corps of Engineers so as not to duplicate work; it would be around February 2012 when the Board would have to determine the ACOE's involvement; and CEPD must demonstrate strong need in order to be high on the priority list. Toward this end, Mr. Mullins said that CEPD should urge businesses to inform CEPD about any erosion events.

Ms. Rooker reminded the Commissioners of the need to provide CEPD's economic information to state and federal legislators to show the cost benefit – that is why CEPD is going to the TDC [see Agenda Item 6(a)]. She also said that the District needs to be ready to move forward with the project. She also said that contacting people at the federal level was also important. Mr. Mullins asked Doug Meurer, Assistant County Manager, who was in the audience, about how CEPD gets on Lee County's list for lobbying. Mr. Meurer responded by saying it may be good topic for discussion in November, it is a group effort, much depends on how the Board of Natural Resources ranks it, when are we going forward, and what discussion has to be had.

## **8. New Business**

### **a) CEPD Banking**

Ms. Paul-Young reported on CEPD's concerns with the Wells Fargo account and suggested an improvement in cash management. She recommended that CEPD reduce its balance in the Wells Fargo account to eliminate insurance charges on balances in excess of \$250,000. She talked about looking at short-term certificates of deposit at a fixed rate that might earn a higher rate of return than Treasury Bills with staggered or layered maturity dates to coincide with CEPD cash flow needs. Mr. Mullins said that he did not think CD's paid a higher rate of return than treasury bills for the same

duration. He said that CEPD would do a point-to-point comparison and analysis of investments and also reduce fees at Wells Fargo.

**b) Resort Business Group Meeting Report and Community Plan (Apportionments)**

Ms. Rooker referenced the Agenda Materials for this item. There was no discussion.

**c) Partners in Progress Contract**

Ms. Rooker called the Commissioners attention to the Consumer Price Index page that Partners in Progress, Inc.'s Bob Gray had provided as back-up to cost of living increase of 4.6%. She said that by contract this was an automatic increase effective June 1. What was up for discussion is the performance increase, which can be up to 3%. Commissioners expressed concern that the cost of living request was too high. Mr. Kaiser asked what the total dollar increase would be. Mr. Mullins said he would get this information from Mr. Gray and speak to him about the total increase.

Ms. Rooker reported that PIP would like to expand the services it provides to CEPD in light of the upcoming project and CEPD's continuous effort to be better and better each year. She said that Mr. Gray wanted to expand the PIP contract to add another high-level person. She discussed the job description for this position that was contained in the Agenda Materials. Commissioners asked questions about various details of the position. Mr. Boyle expressed a concern that what was being looked for as Ms. Rooker was discussing it was not reflected in the job description. There was consensus that an additional, high-level person be added. Mr. Mullins said that some of the details and concerns raised will be clarified and topic will be brought back to the Commissioners for discussion and approval at the November or December meeting.

Ms. Rooker said that Mr. Gray wanted the board's "blessing" so that he can begin the search. Mr. Boyle and Mr. Jensen thought the job needed more clarity. Mr. Mullins said he had no problem with the search beginning while the job description is under further development. It was determined that Ms. Rooker would follow-up with Ms. Holzheimer and Mr. Boyle at the Board Briefing meeting tomorrow to develop the job description further.

**d) Lobbyist and Public Relations Consultants**

There was no discussion of this agenda item.

**e) Contracting for Professional Services Procedures**

See Agenda Item 7(a).

#### **f) 2012 Board Meeting Calendar**

Ms. Rooker presented a proposed meeting schedule for 2012. It was decided to move the proposed October 10 meeting to October 17 so as not to conflict with the ASBPA meeting. It was also determined that Board Briefing meetings would continue to be scheduled on Thursdays at 1:00 pm. It was also decided that the December 14, 2011 meeting that had been cancelled should be held.

#### **g) Lee County Delegation**

Ms. Rooker reported that the Lee County Delegation meeting this year was November 8. She suggested that she attend again this year to promote beach nourishment in general but also to talk about CEPD's upcoming project. She also mentioned that she would use the opportunity to send out the information in advance of the meeting to include not only information on the project but economic data on the value of beaches as well. The Commissioners approved.

Ms. Rooker urged Commissioners to make a concerted effort to talk to local and state officials. If nothing else, she suggested they introduce themselves and then hand off the contact to Ms. Rooker. Mr. Mullins suggested that CEPD express its concern over the apparent attack on special district with state legislators.

### **9. Commissioner Comments**

Ms. Holzheimer asked about the status of a new office lease. She said that she thought it was important that the District stay on Captiva. Mr. Kaiser and Mr. Boyle concurred. Mr. Mullins said that this would be one of the criteria CEPD will look at.

Ms. Holzheimer asked whether the public records request of two years ago was completed. There has been no more contact with the attorneys.

Mr. Jensen reported that the work that Partners in Progress was doing on Standard Operating Procedures was getting toward the end of its allocated budget.

**Adjourn** – The meeting was adjourned at 2:43 pm.