

Minutes of the Briefing Meeting of the Captiva Erosion Prevention District

11513 Andy Rosse Lane, Unit 4, Captiva, Florida

September 8, 2011 @ 1PM

Commissioners Present: Mike Mullins (Chairman), Harry Kaiser (Secretary), Dave Jensen (Treasurer), Jim Boyle

Consultants Present: Kathleen Rooker

I. **Call to Order**

Chairman Mullins called the meeting to order at 1:05PM.

II. **Roll Call**

The roll was called and the results are detailed above.

III. **5/3 Bank Loan**

The present interest rate on the 5/3 bank loan is at 3.6%. The rate will reset to a rate that is likely to be lower on May 1, 2012. The District's deposits with Wells Fargo are collecting very low interest. Commissioners reviewed and discussed the District's financials and current state of the banking market. Commissioners were in agreement that paying off the 5/3 loan at this time would be beneficial to the District. The District would not incur an early pay off penalty. Further discussion on the subject will take place at the regular board meeting.

IV. **Lee County Response to Close of 2005-2008 Renourishment Project**

Commissioners read a letter from Lee County Manger Karen Hawes alleging that any construction expenses subsequent to July 2006 for the last beach nourishment project are beyond the scope of the interlocal agreement and would not be part of the project expense. Ms. Hawes suggests that CEPD request that the Lee County Board of Commissioners amend the interlocal.

The project expenses and agreement were discussed by the commissioners. Clearly the agreement makes neither mention of July 2006 nor any cutoff date for project expenses. The Project was unusual because of the occurrence of hurricanes during construction. The District has sufficient documentation that since 2006 the Army Corps was aware that there was a short fall of sand placed on the beach and that they began plans to return to Captiva to correct the problem. The hurricanes before and during construction were blamed by the engineer for the shortfall. Unfortunately it took until 2008 for the Army Corps to return to complete the project.

Commissioners agreed that the District has met the conditions of the interlocal and will not seek to amend it. A draft copy of a response to Lee County Manager Hawes prepared by CEPD General Counsel, Nancy Stroud was discussed. Commissioners agreed to the contents.

V. **FY 11/12 Millage Rates and Proforma Budgets**

The impact of various millage rates including rates of .2522, .2557, and .2823 were considered by Commissioners. Budgets that supported each millage rate were discussed. There was much discussion about the importance of building reserves during a time of reduced government

funding for projects. Commissioners pointed out that any increase in millage rate should be used to build reserves.

VI. Commissioner Comments

Chairman Mullins shared his recent phone conversation with Clerk of Courts Charlie Green. Mr. Green would be willing to help the CEPD retrieve bed tax data and was disappointed that other Lee County Government officials would not provide that information. Additionally, Commissioner Mullins and Mr. Green discussed an additional penny tax on Captiva transient rentals.

VII. Public to be Heard
No public present

Meeting adjourned 2:40PM