

**BOARD OF SUPERVISORS MONTHLY MEETING
OF THE SAN CARLOS ESTATES WATER CONTROL DISTRICT
MONDAY, JUNE 19, 2023 6:00 P.M.**

BONITA SPRINGS CHAMBER OF COMMERCE, 25071 CHAMBER OF COMMERCE DR, BONITA SPRINGS FL 34135

1. **Call Meeting to Order:** Jim Bradford called the meeting to Order at 6:04 PM.
2. **Roll Call of the Board of Officers:** Present are Supervisors Jim Bradford (Jim), Chair; Jennifer Finazzo (Jennifer), Vice-Chair; Supervisor John Cellucci (John), Attorney Richard Pringle (Richard); Engineer Ron Edenfield (Ron), Audrey Medeiros, Manager and Superintendent of Operations, and Secretary/Treasurer Chris Lawson (Chris) and 14 guests.
3. **Receive Engineer's Report on District Works:**
17 open permit applications under review; 0 new permits; 1 closed permit; 3 inspections on different lots

Jim commented that there are some driveways that are softer than others and the wear appears to not be as substantive as it should be. Ron agreed and stated that the transition to 18" culverts has created some issues and he plan to come back to the Board with alternative solutions. The discussion continued regarding the culverts – cleaning, realignment, etc. Ron would like to conduct a survey of the culverts in the District and set lines, elevations, flow lines for each roadway to control it from that perspective.

4. Manager's Report

Audrey relayed the activities she performed setting up govdeals.net and the sale of the surplus equipment. Some of the surplus equipment was sold but not all. Audrey recommends disposal of the remaining items.

She purchased the equipment under budget by about \$1,000. In addition, her computer is set up and the two District computers are being maintained as a mirror image for the District records.

5. Chair's Report:

Jim introduced Peter Debaz to the assembly. He has been assisting Jim with FEMA and researching grant opportunities and grant applications that they have been working on. Peter discussed the Lee County Joint Local Mitigation Strategy. There is a federal program called the Hazard Mitigation Grants program which is connected to the Ian response and is distributed through the State Department of Emergency Management. This program in Lee County alone has been funded with \$340,000,000 that is exclusively earmarked for mitigation of future flood issues in Lee County. Ron, Peter, and Jim have been attending the meetings. The projects that have been worked on have been approved on the local level and are now pending for State approval. However, to participate, the District must adopt the strategy.

Jim then discussed the projects that have been applied for with FEMA. None have been approved but they are in the process of review and approval.

He requested to add three additional items to the agenda: Interlocal Agreement between the City of Bonita Springs, San Carlos Estates Water Control District, and Lee County; Change of location for future meetings; Adopt the San Carlos Estate sign located at the front of the community installed by the former HOA

6. **Treasurer’s Report:** Bills were presented for payment. The current income and expenses, check detail, and income and expense year-to-date comparison reports were presented to the Board for the month of May, 2023. The Board had no questions.

7. **Attorney’s Report:**

Richard brought the resolution for the Joint Local Mitigation Strategy for the Board to adopt. He provided the Settlement Agreement for the Gallagher matter as well as the changes to the language to the Use and Access Permit application which are on the Agenda. He has drafted a letter for the CIP PH II assessment billing which will be sent to the Supervisors which was the request for the CIP PH II landowners to make their proportionate contribution to the reimbursement of the maintenance budget for the funds that the District paid out earlier to pay off the CIP PH II note. Action has already been taken and no further Board action is needed. The interlocal agreement with the City of Bonita Springs and Lee County has a short time window to get it done for this tax year.

8. **Amendments to the Meeting Agenda**

Disposal of surplus equipment is added to the Agenda.

Interlocal Agreement between the City of Bonita Springs, San Carlos Estates Water Control District, and Lee County

Change of meeting location for future meetings

Adopt the sign at front of neighborhood for San Carlos Estates

9. **Public Input on Business Agenda Items (3-minute limit)**

None

10. **Business Agenda Items (Agenda Items Requiring Action)**

a. **Meeting Minutes Approval – 05/15/2023**

b. **Financial Report and Bank Statement Approval –05/31/2023 Financial Reports and 05/31/2023 Bank Statement; 06/30/2023 Bills and 06/30/2023 Financial Reports as of 06/19/2023**

c. **Changes to the language of the Access Use and Permit Application and the Right of Way Improvement Agreement, the Right of Way Use Permit Application packet cover letter, and possibly other documentation of the District**

Richard explained the changes and need to include the new language. He would like to add it to the agreement with landowners for permitting and the permit application regardless of use. If this document meets the Board’s approval, Richard would like to place the language in all the appropriate District documents so that everyone would understand clearly that the District has the control and authority over the District’s right of ways and always has. Nothing is being changed, just clarified. A request to modify the language to strike “or unauthorized use.” Richard had no issue making that change. Richard would work with Ron to update the documents which would then be uploaded to the website. A general discussion followed.

d. **Gallagher Settlement Agreement**

Mr. Lombardo is attending the meeting on behalf of Mr. Gallagher. Richard and Mr. Lombardo have been working on the Settlement Agreement for a period and this version is the product of those discussions. Mr. Lombardo requested a change to the agreement. The Board provided their

comments in response. Richard posed the question to the Board if they wanted to approve the settlement agreement as written or some other version. The Board offered a counter proposal to the Settlement Agreement. The matter is tabled with the recommendations of the Board. It is continued to the July 17, 2023 meeting.

e. Policy and Procedure Update

The updates include the change to the meeting agenda, job descriptions, treasurer functions, and the credit card purchase program. Richard will finalize the policy and procedure manual and furnish Audrey to post on the website.

f. Contracts – Canal and perimeter road cleaning; roadway trimming; culvert cleaning, auditor

Jim said that we need to send out bids for work needed within the District. Jim stated that we need to get three bids for jobs and then we will space them out monthly for review and discussion by the Board. Ron asked if we had sample contracts and Chris said that she has provided him with what we have from the past. Ron said that the scope needs to be better clarified in the contract.

Chris brought forward the renewal agreement for the audit services for the three-year period beginning with the FYE 09/30/2024. The Board agreed to renew their agreement.

g. Hurricane Ian – Damage issues/resolution/repairs/FEMA/Payments for repairs

No additional discussion needed. Jim discussed with Ron about some paperwork needed and they had a brief discussion about that paperwork pertinent with the USDA funding which would be diverted from FEMA.

h. Employee Job Description(s)

Audrey discussed how she and Chris reviewed the job descriptions and have reached an agreement about the duties that each will perform. Audrey will handle the phone, record-keeping after attending the Records Management training in November 2023, and website maintenance. The Treasurer will continue the meeting agenda, written meeting minutes, and there is a transition period for the functions.

i. Streamline website update

John discussed the work conducted by himself and Audrey with the creation of the new website. We are now compliant with the auditor's comments regarding a compliant website. The website is now live. The old website will phase out by the end of the fiscal year to allow sufficient time for the landowners and residents to become aware of the new website. The new website address has been placed on the old website directing people to use the new website. The address is/will be on the sign at the front of the neighborhood. Jim commended John for all his work on the website. No Board action required.

j. Cancel CenturyLink landline and VOIP and email address services update

CenturyLink is not cancelled until the phone number is ported over to the new phone service. John informed the Board and audience that that every member and employee of the Board has their own District email address as directed by the auditors. He is now working to change the phone service to a VOIP service and cancel CenturyLink. The cost of the new email addresses and the phone service would offset the cost of CenturyLink so that this change is at no additional cost to the District.

k. State of Florida Card Purchasing Program – BOA Credit Cards for District

Participation in this program is at the recommendation of the auditor to stop the practice of reimbursements to individuals. The program is in place. The District has a line of credit in the amount of \$10,000. There will be three active cards – Manager, Treasurer, and Chair. John questioned about the use by the Supervisors should a trip to Tallassee, for example, is needed. The answer is yes. The Board told Richard to draft a Resolution for the use of the cards and bring it to the July 17, 2023 meeting. The matter is continued to the next meeting.

l. 2023/2024 Budget Discussion

The proposed budget was reviewed and discussed with the Board. A request for changes to the proposed budget based on District projects planned or desired between now and the July meeting.

m. Additional principal amount to pay on Bank of America CIP PH I loan – up to but no more than \$88,197.38

The Treasurer requested the Board to approve an additional paydown of the CIP PH I loan up to \$88,197.38 depending on the receipts in July. The funds were collected as part of the assessment for this intended purpose. Jim agreed that retaining the funds serves no purpose and the funds should be used for the purpose collected.

n. Bonita/Estero Rail to Trail Project

The pending proposed project was discussed. No Board action required.

o. Adopt the Lee Count Joint Local Mitigation Strategy

Discussion already occurred.

p. Change of location

The Chamber of Commerce will no longer allow evening meetings. A new location will be needed. Jim will see if the Gulf Shore Life Church will allow the District to use its facilities. He will let Richard know so that the proper notifications can be published in a timely published.

q. Disposal of Surplus Assets

Jim requested an inventory of the assets to be disposed of. Richard stated that since the assets were auctioned, the District has a lot more flexibility with the disposal per Florida Statutes 274.06.

Motions approved by Board noted Business Agenda Items (Agenda Items Requiring Action):

- Add topics to agenda - John made the motion to add the following four items to the meeting agenda: Disposal of surplus equipment; Interlocal Agreement between the City of Bonita Springs, San Carlos Estates Water Control District, and Lee County; Change of meeting location for future meetings; Adopt the sign at front of neighborhood for San Carlos Estates. Jennifer seconded the motion. Motion passed 3-0.
- Approve the May 15, 2023 Monthly Meeting Minutes: Jennifer made the motion to approve the May 15, 2023 monthly meeting minutes. John seconded the motion. Motion passed 3-0.
- Approve the May 31, 2023 Bank Statements: Jennifer made the motion to approve the May 31, 2023 bank statements John seconded the motion. Motion passed 3-0.
- Approve the May 31, 2023 Financial Reports: Jennifer made the motion to approve the May 31, 2023 financial reports. John seconded the motion. Motion passed 3-0.

- Approve the June 2023 bills and Financial Reports presented at the meeting: Jennifer made the motion to approve the June 2023 bills and financial reports presented at the meeting. John seconded the motion. Motion passed 3-0.
- Changes to the language of the Access Use and Permit Application and the Right of Way Improvement Agreement, the Right of Way Use Permit Application packet cover letter, and other documentation of the District – Jim made the motion to approve with the one change. John seconded the motion. Motion passed 3-0.
- Gallagher Settlement Agreement – Jim made the motion to table the matter at the July 17, 2023 meeting. Jennifer seconded the motion. Motion passed 3-0.
- Policy and Procedure Update – John made the motion to approve the changes made in the policy and procedure manual. Jennifer seconded the motion. Motion passed 3-0.
- Contracts – John made the motion to accept the renewal contract and agreement for audit services with Tuscan and Company PA for the next three fiscal years beginning FYE 2024. Jennifer seconded the motion. Motion passed 3-0.
- Employee Job Descriptions – Jim made the motion to adopt the employee job description. John seconded the motion. Motion passed 3-0.
- Cancel CenturyLink Landline – John made the motion to cancel CenturyLink service after the phone number is ported over to the new service. Jennifer seconded the motion. Motion passed 3-0.
- Additional principal amount to pay on Bank of America CIP PH I loan – up to but no more than \$88,197.38 - Jim made the motion to pay up to \$88,197.38 as an additional principal paydown to the CIP PH I loan if the funds are available and instruct Bank of America to modify the August 1, 2023 payment. Jennifer seconded the motion. Motion passed 3-0.
- Adopt the Lee Count Joint Local Mitigation Strategy - John made the motion to adopt the Lee Count Joint Local Mitigation Strategy. Jennifer seconded the motion. Motion passed 3-0.
- Adopt the sign at front of neighborhood for San Carlos Estates - John made the motion adopt the sign at the front of the neighborhood for San Carlos Estates which is in the District right of way and take over the upkeep. Jennifer seconded the motion. Motion passed 3-0.
- Interlocal Agreement with the City of Bonita Springs and Lee County – John made a motion to authorize the Chair to negotiate with the attorney and engineer and execute an Interlocal Agreement with the City of Bonita Springs and Lee County. Jennifer seconded the motion. The motion passed 3-0.
- Change of meeting location for future meetings – John made the motion to give the Chair the authority to negotiate a space for the July meeting. Jennifer seconded the motion. Motion passed 3-0.
- Disposal of surplus assets – John made the motion to dispose of the remaining unsold surplus assets. Jennifer seconded the motion. Motion passed 3-0.

11. Public Input (3-minute limit)

Stephen Parrish informed the Board that he has seen iguanas in the District and that an infestation would be disruptive to native fauna and flora. They will be destructive to the canal banks making holes. He felt that the District needed to take some action.

David Nadig expressed concern over the change of the permit application wording that the District proposes.

12. Supervisor Comments –

None

13. Adjournment: Jim made the motion to adjourn the monthly meeting. Jennifer seconded the motion. Motion passed 3-0. Meeting adjourned at 8:53 pm.

**SAN CARLOS ESTATES WATER CONTROL DISTRICT
PRELIMINARY STATEMENT OF ACTIVITIES
For the Nine Months Ended June 30, 2023 (Unaudited)**

| Revenues | Original Budget | Actual Amount | Variance (\$) | % |
|---|---------------------|---------------------|--------------------|------------|
| Fund Balance Carry Forward as of 10/01/2022 | \$ 1,037,679 | | | |
| Bank Interest | \$ 15,000 | \$ 26,872 | \$ 11,872 | 179% |
| CIP PH 1 LCTC Other Income | \$ 400 | \$ 703 | \$ 303 | 176% |
| CIP PH 1 Payoff Receipts | \$ 5,967 | \$ - | \$ (5,967) | 0% |
| CIP PH 1 Tax Revenue | \$ 562,325 | \$ 546,783 | \$ (15,542) | 97% |
| General Maintenance LCTC Other Income | \$ 1,100 | \$ 1,654 | \$ 554 | 150% |
| General Maintenance Tax Revenue | \$ 595,652 | \$ 574,274 | \$ (21,378) | 96% |
| Other Income | \$ 23,750 | \$ 23,360 | \$ (390) | 98% |
| Other Income - CIP PH 1 Bank refund | \$ - | \$ 1,652 | \$ 1,652 | N/A |
| Use and Connection Permit Fee | \$ 9,000 | \$ 7,550 | \$ (1,450) | 84% |
| Total Revenues | \$ 1,213,194 | \$ 1,182,847 | \$ (30,347) | 97% |

Total Revenues and cash carry forward¹²³ \$ 2,250,873

| Expenditures | | | | |
|--|---------------------|-------------------|---------------------|------------|
| Administration | \$ 79,308 | \$ 46,793 | \$ (32,515) | 59% |
| Auditor | \$ 13,500 | \$ 13,500 | \$ - | 100% |
| Bank Fees | \$ 3,000 | \$ 2,480 | \$ (520) | 83% |
| CIP PH 1 Lee County Tax Collector Commissions | \$ 1,123 | \$ 1,115 | \$ (8) | 99% |
| CIP PH 1 Lee County Tax Collector Discounts | \$ 16,870 | \$ 18,801 | \$ 1,931 | 111% |
| CIP PH 1 Loan Interest | \$ 36,445 | \$ 18,556 | \$ (17,889) | 51% |
| CIP PH 1 Loan Principal Paydown | \$ 517,140 | \$ 218,236 | \$ (298,904) | 42% |
| Drainage | \$ 134,800 | \$ 4,325 | \$ (130,475) | 3% |
| Drainage attributable to Hurricane Ian | \$ - | \$ 153,290 | \$ 153,290 | N/A |
| Engineer | \$ 88,000 | \$ 65,479 | \$ (22,521) | 74% |
| Engineer attributable to Hurricane Ian | \$ - | \$ 21,979 | \$ 21,979 | N/A |
| Gate | \$ 2,000 | \$ 466 | \$ (1,534) | 23% |
| Gate attributable to Hurricane Ian | \$ - | \$ 11,175 | \$ 11,175 | N/A |
| General Maintenance Lee County Tax Collector Commissions | \$ 5,957 | \$ 5,559 | \$ (398) | 93% |
| General Maintenance Tax Collector Discounts | \$ 17,870 | \$ 19,985 | \$ 2,115 | 112% |
| Insurance (FMIT) | \$ 16,000 | \$ 12,769 | \$ (3,231) | 80% |
| Lee County Property Appraiser | \$ 5,800 | \$ 5,957 | \$ 157 | 103% |
| Lee County Property Appraiser CIP PH I | \$ - | \$ 769 | \$ 769 | N/A |
| Legal | \$ 44,000 | \$ 15,843 | \$ (28,157) | 36% |
| Legal Attributable to Hurricane Ian | \$ - | \$ 2,250 | \$ 2,250 | N/A |
| Miscellaneous | \$ 11,000 | \$ 14,686 | \$ 3,686 | 134% |
| Miscellaneous Attributable to Hurricane Ian | \$ - | \$ 385 | \$ 385 | N/A |
| Roads | \$ 55,000 | \$ 625 | \$ (54,375) | 1% |
| Roads attributable to Hurricane Ian | \$ - | \$ 12,031 | \$ 12,031 | N/A |
| Swale Mowing | \$ 125,400 | \$ 88,350 | \$ (37,050) | 70% |
| Total Expenditures | \$ 1,173,213 | \$ 755,403 | \$ (417,810) | 64% |

Revenues over(under) expenditures \$ 39,981 \$ 427,444 \$ 387,463

Fund Balance/Cash Carry Forward¹²³ \$ 1,077,660

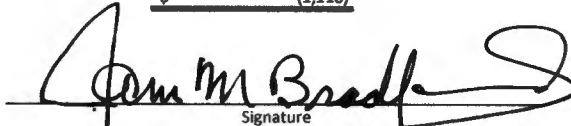
Total Expenditures and reserves¹²³ \$ 2,250,873

*1 - Assigned Funds: \$45,000 Short-Term Emergency Funds \$ 85,000
 *2 - Assigned Funds: \$90,000 Operating Funds for Post-year-end Expenses \$ 90,000
 *3 - Balance Unassigned Funds \$ 907,660

| | JUNE | MAY |
|---------------------------------------|---------------------|---------------------|
| Cash Balances | | |
| Bank of America - General Maintenance | \$ 189,572 | \$ 215,568 |
| Bank of America - CIP PH I | \$ 300,515 | \$ 295,517 |
| | <u>\$ 490,087</u> | <u>\$ 511,085</u> |
| Investments | | |
| Northern Trust Bank | \$ 16,164 | \$ 16,157 |
| Florida Prime | \$ 958,871 | \$ 954,689 |
| | <u>\$ 975,035</u> | <u>\$ 970,846</u> |
| Total Cash and Investments | <u>\$ 1,465,123</u> | <u>\$ 1,481,931</u> |
| Hurricane Ian Funding From Reserves | \$ 200,000 | |
| Hurricane Ian Expenditures | \$ 201,110 | |
| Net Total | <u>\$ (1,110)</u> | |

Submitted for approval on August 21, 2023

Approved by:


Signature