

**MINUTES
NORTH PALM BEACH HEIGHTS
WATER CONTROL DISTRICT**

March 18, 2010 at 7:00 p.m.

**Jupiter Library
705 Military Trail
Jupiter, FL 33458**

The March 2010 business meeting of the North Palm Beach Heights Water Control District (“District”), having been duly advertised and posted, was held on March 18, 2010 at the Jupiter Library, 705 Military Trail, Jupiter, FL 33458. The meeting was called to order at 7:01 p.m. and roll call was taken:

Present

Jeff Iravani
Brett Carpenter
Wally Baldwin
Lee Hintemeyer
Lynn McCullough

Approval of January 2010 Business Meeting Minutes:

A motion was called to approve the January Business Meeting minutes and the motion carried and the minutes were approved as written.

Report by Mr. Baldwin, District Attorney:

1. All businesses are current with 2010 drainage fees with the exception of Pep Boys of Jupiter. Their annual payment is \$200 per year and they are past due beginning in 2007 through the present. Mr. Baldwin spoke with the manager at Pep Boys and advised that them that the District has the authority to close their drainage lines. According to the manager, the invoices are forwarded to the corporate office but there is no response. The total outstanding balance is \$800. Mr. Baldwin suggested sending a certified letter stating that failure to remit payment will result in the closure of their drainage lines. The District would consult with the engineer as to the viability of taking that course of action. Mr. McCullough asked Mr. Baldwin to send the letter expressing that they are behind, the District made several attempts to collect; the District is trying to get the invoice to the right person to handle it for payment, who it should go to, etc.

2. Nolan Holt & Miner is conducting its annual audit and they have been provided with correspondence advising as to the status of the litigation.
3. With regard to the District's suit with Regency Center and the Chasewoods, the agreement has been tweaked to where everybody is on board with the agreement and it will be signed and recorded in the public record. The final item regards the past due payment for fees from each of the Defendants. Mr. Baldwin spoke with Lee Cohen, attorney for both Chasewoods. One development has agreed to 75 cents on the dollar offer to settle. Mr. Cohen is having trouble contacting the other client and getting a response so that is still pending. Regency Center's past due fees total a little over \$8,000. They were paying under the payment plan but then litigation was initiated and payments stopped. Mr. Baldwin sent a letter to their counsel itemizing payments received and outstanding balance and requesting that they agree to pay and become current so the agreement can be executed. Mr. Baldwin hopes to have the agreement executed by the next meeting. Mr. Baldwin stated that the negotiations had focused on the actual wording of the agreement and since that has been worked out, the attention shifted to the past due payments. The parties do acknowledge they owe fees and doesn't believe anyone will have any objections regarding the past due payments. In the event of nonpayment under the agreement, Mr. Baldwin stated that the District has the right to file a lien against the common elements of the homeowner's association, as well as the entirety of the privately-held Regency Center's property and get a Court Order for payment. Mr. McCullough stated that he believes once the agreement is signed, the entities will abide by it but if they do not, he wants the Board to aggressively pursue it in defense of the property owners. Mr. McCullough requested that the agreement have a deadline for past due money but Mr. Baldwin stated that the agreement has language releasing the parties from liability for past due fees so the agreement will not be recorded until they the District is fully compensated. Mr. Baldwin will suggest that defense counsel forward past due fees to his office, and will hold the money in escrow until the agreement is fully executed and then upon recording the agreement, the funds will be distributed to the District. Mr. Baldwin is waiting for legal descriptions and will do follow up to make sure that they are accurate as to the properties bound under the agreement. In the interim, if the parties are agreeable to the monies due and payable to the District, they will need some sort of written agreement regarding the escrow of the money which should be fairly simple.

Report by Jeff Iravani, District Engineer:

1. The first quarter canal cleaning was completed and the second quarter was started. Aquagenics did finish the first quarter cleaning within two months and a couple of days so they have made progress getting their staff together.
2. The District had completed restoring the canal behind 6 residences at NC-3 at Barbara Street on either side of Harriet Street. While it was being done, they

started requesting the residents to provide the fence permits for the District's records. They are getting digital copies of permits now.

3. There was some debris on Barbara Street and asked the resident to remove it, which they did.
4. Additional repairs on NC-4 have been started. Right now, they are working between Lucerne and Dimond on NC-4.
5. A Barbara Street resident had a complaint that the canal behind her, which is NC3, is shallow. The kids go across. She wanted the District to excavate to make it deeper. Mr. Iravani looked at it. For some reason, that area of the canal was never excavated to the full section. There is an area that can be excavated and enlarged. Since money will be spent on washouts, the District received a bid for \$6900 and there is a contract for \$6400. Since this is not urgent, he will leave it up to the Board, maybe it can be done after the rainy season.
6. The reshaping of the swales has started.
7. There were several fences that had been hit and damaged. Some have been repaired and there is some work to be done.
8. There was a big storm last week. After that, when inspecting the canals, it was discovered that there were some washouts and runoffs from the FDOT right-of-way. Basically, in the back field behind the sound barrier walls, they haven't put any sod or any kind of silt fence so silt and soil was washed out. The main one is at Barbara Street, and there is some sediment in the culvert at NC2. He sent the FDOT an e-mail to advise that the District wanted to clean the culverts and they needed to provide either vegetative cover for that area or put a silt fence so this won't happen again.

Mr. McCullough asked about the purpose of re-shaping; is it to run runoff from the west to the east to the storm catch basin on the Heights? Mr. Iravani confirmed that some of it goes to the Heights, some to the canals. The reason they are doing it is because some of the swales have humps in them so the water doesn't go from A to B like it is supposed to go. By the sloping, it just stays in the swale. Most of the year, there is grass in there so you don't really see it. Mr. Iravani said it doesn't matter if there is standing water in the swale, it doesn't have to be straight. The Town is covering everything, whether it is working or not. Mr. McCullough stated that he cannot see what they are going to accomplish by doing this from Francis to Marion because at the end of Marion and Heights, there are no storm drains there so it doesn't make sense. Mr. McCullough is concerned that they are going to end up with more standing water, which is what he witnessed upon his inspection. Mr. McCullough will monitor the situation, along with Mr. Iravani, who has been talking with Dave Brown and Dave Rotar about the situation. A discussion continued about the various sections where it

made sense to do this, but also how property would have to be removed such as mailboxes, palm trees and the Supervisor was surprised no residents have complained about the situation yet.

Mr. McCullough advised Mr. Iravani that Aquagenics had been paid and the check had cleared regarding Angela's e-mail asking why they hadn't been paid yet. Mr. Iravani will speak with Angela and clear up any misunderstandings.

Items by the Board Members:

None.

Miscellaneous Items by the Chairman:

Mr. McCullough advised Mr. Iravani that he received notification about the Solid Waste Authority 2010 Hurricane Debris Management Meeting scheduled for April 27, 2010, in case Mr. Iravani would like to attend.

1. Mr. McCullough asked if the Board members received an e-mail about the revised cross sections.
2. Mr. McCullough spoke to Nolen, Holt & Miner. They are about to wrap up the annual audit. Mr. McCullough reviewed the management report, which did not have any issues. The annual report should go to press next week and then the District can mail it out. Mr. McCullough is getting ready to put together the second quarter accounting package, which will be forwarded to Karen Stedman in mid April.
3. Mr. McCullough received notice from the Tax Coordinator for Palm Beach County asking for additional information. The tax bills are going to have more detail per new legislature, F.S. 200.069, Notice of Proposed Property Taxes. Basically, the bill is going to state the assessment and what it is for. If there is a project name, that will be added to the bill. The District's assessment is strictly debt and maintenance and that will be elaborated: debt will be bond financing repayment and maintenance will be canal maintenance and District operating fees.
4. The annual bond payment to Bank of New York is due on April 1, 2010 in the amount of \$750,000, leaving two more payments, March 2011 and March 2012.
5. Mr. McCullough will meet with Karen Stedman to develop the annual budget after the audit and tax season, at the end of April, beginning of May. Mr. McCullough would like to have it put together for the May meeting but it doesn't usually happen that early because of tax season. If the budget is ready, then it will be reviewed at the May meeting. If

not, then there will be a June budget meeting in order to have the landowners present. After approval and the paperwork is complete, it will be submitted to the tax role people in July so their file will be up-to-date for the fall.

6. The Annual Florida Association of Special Districts Conference is coming up in June in Clearwater/St. Pete.

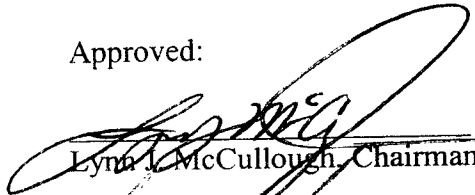
7. Mr. McCullough asked Mr. Hintemeyer to keep the June meeting date on his radar screen for meeting room availability. He also asked Mr. Hintemeyer to keep him apprised of phone messages. Mr. McCullough will be out of town for a week but can be reached by phone if need be.

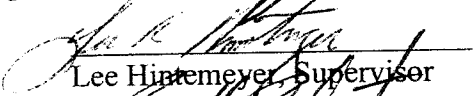
Items by the Public:

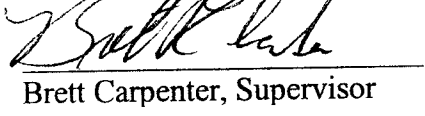
There were no members of the public present.

A motion was made to adjourn the meeting at 7:36 p.m. and it carried unanimously.

Approved:


Lynn J. McCullough, Chairman


Lee Hintemeyer, Supervisor


Brett Carpenter, Supervisor