

RESOLUTION NO. 2012-10

A RESOLUTION OF THE HARBOUR WATERWAY SPECIAL DISTRICT, DUVAL COUNTY, FLORIDA, APPROVING AMENDMENT TO FISCAL YEAR 2012-2013 BUDGET, TO PROVIDE DREDGING SERVICES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Harbour Waterway Special District ("HWSD"), was established through City of Jacksonville Ordinance No. 2010-725-E ("Ordinance") and given responsibility therein for maintenance of the system of canals located within the boundaries of the HWSD; and

WHEREAS, the Board of Supervisors ("Board") of the HWSD in its budget for Fiscal Year 2012-2013 included funding for a dredging project ("Project") to be initiated during the 2012-2013 Fiscal Year; and

WHEREAS, after receiving bids for the project and exploring loan funding for the Project, the Board has determined that an amendment to it Fiscal Year 2012-2013 budget is required to fund the complete Project;

WHEREAS, Section 5 of the Ordinance provides a process for approval by the City of Jacksonville of amendments to the HWSD's annual budget and consistent with that process the amendment to the HWSD's Fiscal Year budget was submitted to the City of Jacksonville on November 30, 2012 by the Board's Treasurer.

NOW THEREFORE, BE IT RESOLVED by the Board of Supervisors of the HWSD:

Section 1. Attached hereto Exhibit "A" is the HWSD's amended budget for Fiscal Year 2012-2013, which is hereby approved and adopted by the Board.

Section 2. The Board ratifies the submission of the attached amended budget for Fiscal Year 2012-2013 by the Board's Treasurer on November 30, 2012.

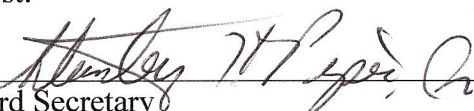
Section 3. This Resolution shall become effective upon adoption.

Passed and Adopted this 11th day of December, 2012.



William Hibbard
Board Chair

Attest:



Board Secretary

HARBOUR WATERWAY SPECIAL DISTRICT
Dependent Special District

11554 Starboard Drive, Jacksonville, Florida 32225-1015

November 30, 2012

Director / Council Secretary
Cheryl Brown
117 W. Duval Street, Suite 425
Jacksonville, FL. 32202

Office of the Council Auditor
Kirk Sherman
117 West Duval Street, Suite 200
Jacksonville, FL. 32202

Re: Harbour Waterway Special District - **Amended Budget** for Fiscal Year July 1, 2012 to June 30, 2013

Dear Ms. Brown and Mr. Sherman:

In accordance with Ordinance 2010 – 725 E, please find enclosed the District's amended budget for Fiscal Year 2012 / 2013 for purposes of disclosure and information only.

The amended budget reflects new information regarding the cost our February 2013 dredging project and loan proposals to finance a portion of the dredging project. Specifically, the loan amount increased from \$350,000 to \$676,000 and the total dredging cost increased from \$1,141,000 to \$1,431,400.

Should you have any questions regarding the enclosed, please contact me at (904) 642-0097.

Sincerely,



Stanley H. Pipes, Jr.
Supervisor and Secretary/Treasurer

Enclosures

**HARBOUR WATERWAY SPECIAL DISTRICT
Dependent Special District**

**Amended Budget
Fiscal Year 2012 / 2013**

November 30, 2012

HARBOUR WATERWAY SPECIAL DISTRICT

AMENDED FISCAL YEAR 2012 - 2013 BUDGET

30-Nov-12

DESCRIPTION	ORIGINAL FY 2012/13 BUDGET	AMENDED FY 2012/13 BUDGET	VARIANCE
REVENUES			
Net Assessments - (See Note 1)	\$ 209,405	\$ 203,615	\$ (5,790)
Interest Income	\$ 300	\$ 300	\$ -
Loan Proceeds	\$ 350,000	\$ 650,000	\$ 300,000
Carry Forward Surplus	\$ -	\$ -	\$ -
Total Revenues	\$ 559,705	\$ 853,915	\$ 294,210
EXPENDITURES			
Administrative			
Legal Services	\$ 12,000	\$ 12,000	\$ -
Annual Audit	\$ 2,500	\$ 2,500	\$ -
Postage	\$ 500	\$ 500	\$ -
Printing & Binding	\$ 500	\$ 500	\$ -
Legal Advertising	\$ 2,500	\$ 2,500	\$ -
Office Supplies	\$ 500	\$ 500	\$ -
Web Site Hosting Fee	\$ 250	\$ 250	\$ -
Insurance	\$ 4,100	\$ 4,100	\$ -
Interest Expense on Loan (See Note 2)	\$ 7,015	\$ 5,332	\$ (1,683)
Other Administrative Expenditures	\$ 1,200	\$ 1,200	\$ -
Total Administrative Expenses	\$ 31,065	\$ 29,382	\$ (1,683)
Canal Maintenance & Dredging Operations			
Dredging Contractor	\$ 515,000	\$ 805,400	\$ 290,400
Reserve	\$ 13,640	\$ 19,133	\$ 5,493
Total Canal Maintenance & Dredging Operations	\$ 528,640	\$ 824,533	\$ 295,893
TOTAL EXPENDITURES	\$ 559,705	\$ 853,915	\$ 294,210
EXCESS REVENUES / (EXPENDITURES)	\$ -	\$ -	\$ -

NOTES:

	Number	Assessment Per Unit	Total Gross Assessment
1 Non Ad-Valorem Assessment 2012 / 2013			
Residential Parcels	\$ 105	\$ 2,000	\$ 210,000
Marina	\$ 1	\$ -	\$ -
Easements	\$ 7	\$ 714	\$ 5,000
TOTAL GROSS ASSESSMENTS	\$ 113		\$ 215,000
Less Discount and Collections			\$ (11,385)
TOTAL NET ASSESSMENTS			\$ 203,615

2 \$676,000 loan at 2.80% for dredging operations beginning 2/1/2013

**HARBOUR WATERWAY SPECIAL DISTRICT AND
HARBOUR WATERWAY ASSOCIATION
CONSOLIDATED DREDGING BUDGET**

Description	Proposed FY 2012/13
<i>Canal Maintenance & Dredging Operations</i>	
Marine Surveyor	10,500
Laboratory Sampling Analysis	1,500
Navigational Aid Maintenance	2,000
Spoil Site Tipping Fee	312,500
Dredging Contractor	1,104,900
<i>Total Canal Dredging Operations Budget</i>	<u>\$ 1,431,400</u>

NOTE:

Habour Waterway Special District will fund \$805,400, and
Harbour Waterway Association will fund \$626,000.

HARBOUR WATERWAY SPECIAL DISTRICT

February, 2013 DREDGING PROJECT

DREDGE AMERICA _ BID SCHEDULE

ITEM	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	ESTIMATED AMOUNT
BASE WORK					
0001	MOBILIZATION	1	Lump Sum	\$ 175,690.00	\$ 175,690.00
0002	DEMOBILIZATION	1	Lump Sum	\$ 150,460.00	\$ 150,460.00
0003	DREDGING				
0003A	FIRST 21,000 cu yds (Channel 1)	21,000	Cubic Yards	\$ 11.82	\$ 248,220.00
0003B	All over 21,000	41,500	Cubic Yards	\$ 11.82	\$ 490,530.00
TOTAL BASE WORK:					\$ 1,064,900.00
OTHER WORK					
0004	SPOIL SITE	1	Lump Sum	40000	\$ 40,000.00
0005					
0006					
TOTAL OTHER WORK:					\$ 40,000.00
TOTAL BASE WORK + OTHER WORK:					\$ 1,104,900.00

NOTE 1: Award will be made as a whole to one bidder.

NOTE 2: Bidders shall furnish unit prices for each item listed in the Schedule requiring a unit price. If the bidder fails to insert a unit price in the appropriate blank for required item(s), but does furnish an extended total, or an estimated amount for such item(s), the HWSD shall deem the unit price to be the quotient obtained by dividing the extended amount for that line item by the quantity. IF A BIDDER OMITTS BOTH THE UNIT PRICE AND THE EXTENDED TOTAL OR ESTIMATED AMOUNT FOR ANY ITEM, ITS BID SHALL BE DECLARED NONRESPONSIVE AND THEREFORE INELIGIBLE FOR AWARD.

NOTE 3: Any bid may be rejected if the Contracting Officer determines that it is unreasonable as to price. Unreasonableness of price includes not only total price of bid, but the price for individual line items as well.

Harbour Waterway Special District
Branch Banking and Trust Company (BB&T)
Florida Municipal Loan Counsel Bank Loan Program.

SOURCES AND USES OF FUNDS

SOURCES:

	12/11/2012	3/1/2013	TOTAL
LOAN DELIVERY DATES:			
LOAN / BOND PROCEEDS:	\$ 350,000.00	\$ 326,000.00	\$ 676,000.00

USES:

HWSD 2013 DREDGING PROJECT FUND DEPOSIT:	\$ 324,500.00	\$ 325,500.00	\$ 650,000.00
COST OF ISSUANCE:	\$ 25,500.00	\$ -	\$ 25,500.00
ADDITIONAL PROCEEDS:	\$ -	\$ 500.00	\$ 500.00
TOTAL	\$ 350,000.00	\$ 326,000.00	\$ 676,000.00

NOTES: COSTS OF ISSUANCE

	Amount
Financial Advisor Fee	\$ 5,000.00
FMLC Upfront Fee	\$ 3,000.00
Bond Counsel Fee	\$ 12,500.00
Bank Counsel Fee	\$ 5,000.00
Total Fees	\$ 25,500.00

Harbour Waterway Special District
Branch Banking and Trust Company (BB&T)
Florida Municipal Loan Counsel Bank Loan Program

AMORITIZATION SCHEDULE

PERIOD ENDING	PRINCIPAL	COUPON	INTEREST	DEBT SERVICE	ANNUAL DEBT SERVICE
5/1/2013			5,332.44	5,332.44	5,332.44
11/1/2013			9,464.00	9,464.00	
5/1/2014	128,000	2.80%	9,464.00	137,464.00	146,928.00
11/1/2014			7,672.00	7,672.00	
5/1/2015	131,000	2.80%	7,672.00	138,672.00	146,344.00
11/1/2015			5,838.00	5,838.00	
5/1/2016	135,000	2.80%	5,838.00	140,838.00	146,676.00
11/1/2016			3,948.00	3,948.00	
5/1/2017	139,000	2.80%	3,948.00	142,948.00	146,896.00
11/1/2017			2,002.00	2,002.00	
5/1/2018	143,000	2.80%	2,002.00	145,002.00	147,004.00
	\$ 676,000.00		\$ 63,180.44	\$ 739,180.44	\$ 739,180.44

**HARBOUR WATERWAY SPECIAL DISTRICT
AMENDED BUDGET SUPPLEMENT
FISCAL YEAR 2012/2013**

REVENUES:

Assessments

The District will levy a non ad-valorem assessment on all taxable parcels within the District to fund General Operating Expenditures and HWSO 2013 Dredging Project.

Interest Income

Excess Funds will be invested in the HWSO interest bearing checking account at BB&T, Branch Banking & Trust Company.

Loan Proceeds

The HWSO has applied for a loan in an amount up to \$700,000 to assist in funding the 2013 Dredging Project. It is forecasted the maximum outstanding balance will be \$676,000, subject to the final cost of the HWSO 2013 Dredging Project. Solicitation for bids to dredge the canal system was completed in November, 2012.

Carry Forward Surplus

Excess Funds from prior years. The Carry Forward Surplus for the 2012/2013 FY is zero.

EXPENDITURES:

ADMINISTRATIVE:

Legal Services

The District's legal counsel, Lewis, Longman, & Walker, will provide general legal services to the District, including attendance of monthly meetings, review of agreements, contracts, and resolutions.

Annual Audit

The District is required by Florida Statutes to arrange for an independent audit of its financial records by an Independent Certified Public Accounting Firm. The District was not required to have an audit for fiscal year 2011/2012 as there were no revenues and no expenses paid by the District. The Harbour Waterway Association donated funds and paid for all operating expenses incurred by the District.

Postage

Postage includes mailing of notices to the District, overnight deliveries, correspondence, etc.

Printing & Binding

Printing and Binding includes board meeting packages, printing of bid forms, preparation and storage of the Districts official records.

Legal Advertising

The District is required to advertise monthly Board of Supervisor Meetings, public hearings, and any services required to be advertised for public bidding, i.e. audit services, dredging contracts, and any other advertising that may be required in a newspaper of general circulation.

Office Supplies

This item includes any supplies required during the fiscal year, i.e. paper, file folders, labels, etc.

Web Site Hosting Fee

The Web Site Hosting Fee includes fees required to host, develop, and maintain the HWSD.org website which provides online access to the District's official documents, including meeting minutes, agendas, reports, resolutions, etc.

Insurance

The District's General Liability & Public Officials Errors and Omission Liability Insurance policy is with Florida Municipal Insurance Trust (FMIT) a service provided by the Florida League of Cities, Inc.

Interest Expense

Interest charges on the loan secured for the HWSD 2013 Dredging Project, for budget purposes the projected outstanding loan balance for 2012/2013 FY is \$676,000. Semi-annual interest will accrue with an annual principal and interest reduction equal to \$145,000 or less until the loan is paid out. (See Amortization Schedule)

Other Administrative Expenses

Other Administrative Expenses include fees charged to the HWSD to record, document, and publish all Board of Supervisor meetings and public hearings held by the District.

CANAL MAINTENANCE & DREDGING OPERATIONS:

Dredging Contractor

The HWSD 2013 Dredging Project will require payments to a dredging contractor to remove up to 60,000 cubic yards of material and pump to a spoil site maintained by the Jacksonville Port Authority (JPA) on Bartram Island Cell "F". Dredging operations are anticipated to begin February 1, 2013 and continue for 150 days. A contract with JPA is in place to deposit the spoil material. A contract to dredge a channel 50ft wide by 7,300 feet long through the entire canal system will be awarded in December, 2012. The total cost of the HWSD 2013 Dredging Project is projected to cost \$1,431,400. The Harbour Waterway Association will fund \$626,000 of the HWSD 2013 Dredging Project. (See summary of the forecasted dredging expenses for more details.)

Reserve

Includes a specific amount of funds allocated annually for future operations.