

HARBOUR WATERWAY
SPECIAL DISTRICT
Agenda

Tuesday
December 11, 2012
7:00 pm

Resurrection Episcopal Church
12355 Fort Caroline Rd.
Jacksonville, FL. 32225

- I. Introduction**
 - a. Call to Order
 - b. Roll Call / Quorum

- II. Administrative**
 - a. Approval of Minutes
 - i. Minutes from November 13, 2012*

- III. District Business**
 - a. Dredging Permit amendment to use Bartram Island as the spoil site – Status
 - b. Permit Exemption from the FDEP for Dredging - Received
 - c. 60 day Notification to JPA of intent to use spoil site – Received by JPA on 11/30/12
 - d. ARC Marine Survey – Scheduled for the Week of December 17
 - e. Dredge America – Introductions and Dredging Agreement

- IV. Financial**
 - a. Non-Ad Valorem Assessment for 2012 - Update
 - b. Resolution 2012-08 - Florida League of Cities & BB&T– Loan Agreement
 - c. Resolution 2012-09 – Roy Miller and Associates
 - d. November 30, 2012 Amended Budget - Status
 - e. Approval to disburse funds for Legal and Administrative Services

- V. District Schedule**
 - a. Next Scheduled Board Meeting
 - i. January 8, 2013 – Resurrection Episcopal Church*
 - b. Date of Public Hearing & Meeting to Adopt Rules of Procedure
 - i. Hearing scheduled for January 8, 2013*

- VI. Other Business**
 - a. Legal and Compliance Issues
 - b. Other Business

- VII. Comments and Questions from Audience**

- VIII. Adjournment of HWSD Meeting**

HARBOUR WATERWAY SPECIAL DISTRICT

TUESDAY, DECEMBER 11, 2012

MEETING MINUTES

Introduction

The Harbour Waterway Special District (HWSD) meeting of the Board of Supervisors was held at the Resurrection Episcopal Church, at 7:00 PM on December 11, 2012. The meeting was called to order at 7:00 PM by Chairman William Hibbard. In attendance were Paul Stroup, Robert Birtalan, William Hibbard, Robert Schleef and Stanley Pipes. It was noted that there was a quorum. HWSD Attorney Wayne Flowers was present. Kathryn Boucher was present as recording secretary.

Administrative

Approval of Minutes from November 13, 2012 – Motion to approve the minutes as amended; motion passed.

District Business

Dredging Permit amendment to use Bartram Island as the spoil site – Paul Stroup advised that Paula Johnson with the Corp stated the permit package has been sent to her supervisor and should be approved soon.

Permit Exemption from the FDEP for Dredging – Permit exemption has been received.

60 day Notification to JPA of intent to use spoil site – Received by JPA on 11/30/12. Dan McDougall and Stanley Pipes had a meeting with JaxPort. There may be a week when the dredging project would have to be put on hold due to another project using the spoil site. HWSD is approved to pump into the spoil site beginning March 1st.

ARC Marine Survey – Survey is scheduled for the Week of December 17. Rick Sawyer, Vice President Arc Marine, was sending people out to take sediment samples this week. ARC will do pre and post dredge surveys and assessments. William Hibbard asked for a sixth sample to be done in the middle of Mill Cove for reference.

Dredge America – Introductions and Dredging Agreement – Dan McDougall was present at the meeting. There was a discussion of possible locations for pipe fusing. A draft of the Dredge America agreement is available to the board, but more changes will be made, with the finalized version ready in a week or so. An additional board meeting will be scheduled to discuss and sign the contract on December 20th. Dan McDougall explained the process of the hydraulic dredge, in which a swinging ladder dredge operates as

a vacuum. More information is available on dredgeamerica.com. Residents wanting to get their boats out to the river will be accommodated.

Financial

Non-Ad Valorem Assessment for 2012 – As of today \$160,267 has been collected, which represents 80.5% of the total assessment billed. Properties with a mortgage have paid to take advantage of the discounts for early payment. Three homes are in default from prior tax assessments, and are not expected to make payments until the properties are sold.

Resolution 2012-08: Florida League of Cities and BB&T Loan Agreement – HWSD is issuing taxable privately placed bonds to finance the dredge project. The bonds are being purchased by BB&T. Two bonds will be issued: the series 2012 will close tomorrow for \$350,000 less fees and expenses, then in February HWSD will close on the 2013 series bond for \$326,000, coming to a total of \$676,000. Loan payments will be around \$147,000 with principal and interest over a 5 year term. The interest rate is 2.8% for the series 2012. There is a floating rate for the series 2013 bond, which will be set at the closing in February. The proposed amount of the loans has increased from what was in the budget presented to the city, due to the decision by the Board to dredge the maximum amount allowed by JaxPort. An amended budget was filed with the city of Jacksonville on November 30th, which will automatically be approved after 70 days of “no action”; the 2nd series bond will close after that date. The board was presented with the commitment letter and loan agreement. There is a 1% prepayment penalty, which can be avoided with a refinance through BB&T or if there are excess assessment revenues. There is a limit on additional debt that can be acquired. The loan funds will go into a project fund account, to be administered by BB&T. All proceeds need to be used by November 30th, 2013. Additional fees could come from the loan council in the event of a default. The loan agreement grants immunity for all officers and board members. HWSD Attorney Wayne Flowers has read and approves of the signing of the loan agreement. Bonds issued will have lower rates than those loans offered by a bank. The loan is in the form of a private placement bond, which is issued by HWSD, purchased by BB&T, and serviced by the Florida League of Cities. Motion to approve motion 2012-08, in which the board approves both series 2012 and 2013 notes; motion passed unanimously.

Resolution 2012-09 – Roy Miller and Associates will charge about \$3,000 plus expenses to do the annual audit, which will be a compliance audit. Motion made to pass resolution 2012-09; motion approved unanimously.

November 30, 2012 Amended Budget – The budget that was previously approved by the City of Jacksonville had to be revised. The loan amount was increased and the assessment proceeds were adjusted due to properties in default. Loan repayment amounts and timing were adjusted. There was an increase in the cubic yards to be dredged, with the dredging budget changed to the maximum figures. The revised budget provides ending balances for in HWA in the amount of \$20,000 for the HWA and an ending balance of \$40,000 for the HWSD for operating expenses after all expenses for the

dredging project. The total dredging budget is at \$1.4 million. Motion was made to ratify resolution 2012-10, which approves the amended budget that was submitted to the city; motion passed.

Approval to disburse funds for Legal and Administrative Services – Payments now officially come from HWSD, instead of the HWA. Motion made to approve disbursement of \$2,090.79; motion passed.

District Schedule

Next Board Meeting: December 20, 2012 to discuss the dredging contract at Resurrection Episcopal Church

Next Scheduled Regular Board Meeting: January 8, 2013 at Resurrection Episcopal Church

Date of Public Hearing & Meeting to Adopt Rules of Procedure: Scheduled for January 8, 2013

Other Business

Legal and Compliance Issues – Nothing new to report

Other Business –The Rules of Procedures to be discussed in January was explained. An invoice will be received from the JaxPort in the amount of \$300,000 as pre-payment for the estimated spoil volume.

Comments and Questions from the Audience

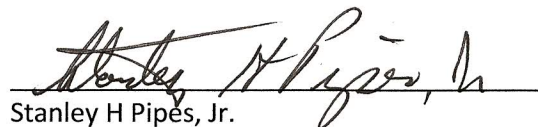
Adjournment

The meeting was adjourned at 8:17 PM. The next monthly board of supervisors meeting is scheduled for January 8th, 2013.

Respectfully submitted,



Kathryn Boucher
Recording Secretary



Stanley H Pipes, Jr.
Secretary / Treasurer