

HARBOUR WATERWAY
SPECIAL DISTRICT
Agenda

Tuesday
August 13, 2019
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 July 09, 2019*
 - ii. Special Meeting with Councilman Al Ferraro – Thursday, July 18; 7:00 pm*

- III. District Business**
 - a. Reed Island Spoil Site
 - i. Reed Island – COJ Park Development*
 - ii. Marine Base concrete disposal*
 - iii. Pollution Insurance for spoil site*
 - b. Spoil Site License Agreement
 - i. Reed Island Management, LLC – Spoil site development*
 - ii. Isle of Palms – 300,000 cubic yards*
 - c. 2019 Dredging Project – Start date on or before August 31, 2019
 - i. Brance Dredging Contract*
 - d. Waterway Rules & Regulations

- IV. Financial**
 - a. HWSD 2019 non-Ad Valorem Assessment
 - b. HWSD FY 2018-19 Audit - complete
 - c. Approval to disburse funds

- V. District Schedule**
 - a. Next Scheduled Board Meeting
 - i. September 10, 2019 – Resurrection Episcopal Church*

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

- VII. Comments and Questions from Audience**

- VIII. Adjournment of HWSD Meeting**

HARBOUR WATERWAY SPECIAL DISTRICT

Meeting Minutes

Tuesday, August 13, 2019

I. Introduction

The Harbour Waterway Special District (HSWD) meeting of the Board of supervisors was held at the Resurrection Episcopal Church on August 13, 2019. The meeting was called to order by Michael Levi. In attendance were Robert Birtalan, Michael Levi, Ricardo Fornos, David Prysock and District Manager Stanley Pipes. It was noted that there was a quorum present. Caroline Birtalan was present as recording secretary.

II. Administrative

Approval of minutes from July 9, 2019 – Motion made to approve the minutes as written; motion passed.

III. District Business

Reed Island Spoil Site

Site development of Cell B has been completed. Cell A is in the beginning stages of development. A major factor in building up the levees to our desired height is finding and excavating enough sand for the levees. If sand becomes scarce, additional steps will need to be taken to complete the levees.

COJ Park Development

Approximately 90% of all nature trails were cut and cleared at the end of June. Within the upcoming weeks, the trails will need to be cut and maintained again.

Marine Base Concrete Disposal

District manager Stanley Pipes was contacted by Lance Young with a project opportunity. The project is to depose up to 10,000 cubic yards of concrete from the Marine Base on Blount Island. All rebar and containments will be removed prior to disposal. The concrete will be crushed into a size suitable for a roadway around the spoil site or larger blocks could be used as a live wall for the breakwater.

Pollution Insurance

Kelly White went over the proposals for pollution insurance for the board. Pollution insurance will cover any spills from the spoil site into the St. Johns River or surrounding marsh. Three quotes for pollution insurance were presented to the board, details of all the quotes were explained and then reviewed by the board. A motion was made to move forward with acquiring pollution insurance from James River Insurance; Motion passed.

Spoil Site License Agreement

Isle of palms License Agreement - No news to report.

Waterway Rules and Regulations - No news to report.

2019 Dredge Project

Brance dredging Contract- A motion was made to negotiate the dredging contract up to 110,000 cubic yards; motion passed.

IV. Financial

The FY 2019/2020 Pro Forma Budget was discussed and reviewed by the board.

HWSD has collected 100% of the total 2018 non-Ad Valorem Assessment, except for the parcels that pay quarterly.

Approval to disburse funds- A motion was made to approve the disbursements for meeting place, administrative, legal services, annual audit, District Manager, and 2019 Dredge Project – signage totaling \$9,858.72; motion passed.

A motion was made to approve future anticipated expenses for \$73,247.00

Total available funds in the HWSD general fund account after disbursements and future anticipated expenses including the 2019 Dredging Project is \$138,620.00.

V. District Schedule

Next scheduled Board Meeting- The next meeting is scheduled for September 10, 2019 at Resurrection Episcopal Church.

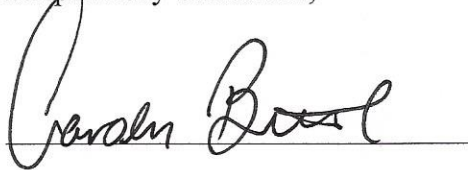
VI. Other Business

VII. Comments and Questions

VIII. Adjournment

The meeting was adjourned at 8:22 PM. The next monthly Board of Supervisors Meeting is Scheduled for September 10, 2019.

Respectfully Submitted,



Caroline B. Birtalan
Recording Secretary



Robert P. Birtalan
Secretary / Treasurer

HWSD 2019 DREDGING PROJECT APPENDIX A

ACCEPTANCE REACH & REQUIRED BOTTOM DEPTH

August 13, 2019
ARC Job # 19-08-07

CHANNEL	STATION	CHANNEL WIDTH	CHANNEL LENGTH	CUBIC YARDS AVAILABLE			WORK SCHEDULE	
				-5 MLW	OVERDEPTH -6 MLW	TOTAL	COMPLETION DATE	DAYS
ACCEPTANCE REACH 1								
CHANNEL 1A EXTENSION	-10+00	100	1000	3,393	2,223	Start Date: 5,616	9/26/2019	
CHANNEL 1A	0+00	100	2200	21,386	7,954	29,340	10/31/2019	35.0
TOTAL ACCEPTANCE REACH 1				24,779	10,177	34,956		
ACCEPTANCE REACH 2								
CHANNEL	STATION	CHANNEL WIDTH	OVERDEPTH -8 MLW	-7 MLW	TOTAL			
CHANNEL 1A	22+00	75	556	3,806	4,362		11/4/2019	4.4
CHANNEL 1B	24+00	75	2,500	15,571	18,071		11/22/2019	18.1
TOTAL ACCEPTANCE REACH 2				19,378	22,433			
ACCEPTANCE REACH 3								
CHANNEL	STATION	CHANNEL WIDTH	OVERDEPTH -7 MLW	-6 MLW	TOTAL			
CHANNEL 2A	00+00	50	1,484	5,976	7,459		11/29/2019	7.5
TOTAL ACCEPTANCE REACH 3				17,776	29,893			
ACCEPTANCE REACH 3								
CHANNEL 2B	08+50	50	869	4,059	4,928		12/4/2019	4.9
CHANNEL 2C	13+00	50	584	1,759	2,343		12/7/2019	2.3
Turning Basin Mass Volume	16+50	50	803	2,355	3,158		12/10/2019	3.2
CHANNEL 2D	25+11.78	50	1,666	3,627	5,293		12/15/2019	5.3
TOTAL ACCEPTANCE REACH 3				17,776	15,722			
CHANNEL 3A	00+00	50	1,371	1,836	3,207		12/18/2019	3.2
CHANNEL 3B	08+00	50	1,936	1,908	3,844		12/22/2019	3.8
TOTAL ACCEPTANCE REACH 3				3,744	7,051			
TOTAL MATERIAL AVAILABLE (cu yds)				7647	65,677	21,944		87,621

Note: Estimated average cubic yards dredged per 10 hour day =

999

Harbour Waterway Special District
Statement of Net Position
June 30, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 56,081	\$ 843,750	\$ 899,831
Certificate of deposit	250,000	-	250,000
Assessments receivable	1,275	-	1,275
Accounts receivable-tipping fees	-	281,250	281,250
Prepaid insurance	1,228	-	1,228
Total current assets	<u>308,584</u>	<u>1,125,000</u>	<u>1,433,584</u>
Capital Assets			
Office equipment, net of accumulated depreciation of \$372	3,351	-	3,351
Land-Reed Island-Parcel No. 160258	95,017	-	95,017
Land-Reed Island-Parcel No. 160259	300,000	-	300,000
Net Capital Assets	<u>398,368</u>	<u>-</u>	<u>398,368</u>
Other Noncurrent Assets			
Tax Certificates	235	-	235
Accounts receivable-tipping fees	-	562,500	562,500
Total assets	<u>\$ 707,187</u>	<u>\$ 1,687,500</u>	<u>\$ 2,394,687</u>
Liabilities			
Current liabilities			
Accounts payable	\$ 4,593	\$ -	\$ 4,593
Accrued interest payable	3,110	-	3,110
Accrued wages & taxes payable	11,637	-	11,637
Revenue notes payable - current portion	38,328	-	38,328
Total current liabilities	<u>57,668</u>	<u>-</u>	<u>57,668</u>
Non-current liabilities			
Revenue notes payable - non-current	375,694	-	375,694
Unearned revenue, tipping fees	-	1,687,500	1,687,500
Total liabilities	<u>433,362</u>	<u>1,687,500</u>	<u>2,120,862</u>
Net Position			
Net Investment in Capital Assets	398,368	-	398,368
Unrestricted	(124,543)	-	(124,543)
Net Position	<u>273,825</u>	<u>-</u>	<u>273,825</u>
Total Liabilities and Net Position	<u>\$ 707,187</u>	<u>\$ 1,687,500</u>	<u>\$ 2,394,687</u>

**Harbour Waterway Special District
Statement of Activities
For the Year Ended June 30, 2019**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Operating revenues			
Assessment income	\$ 199,068	\$ -	\$ 199,068
Total operating revenues	<u>199,068</u>	<u>-</u>	<u>199,068</u>
Operating expenditures			
Personnel Costs	31,179	-	31,179
Dredging & Spoil Site	7,199	-	7,199
Legal service	24,786	-	24,786
Audit fee	3,381	-	3,381
Legal advertising	559	-	559
Office supplies	1,020	-	1,020
Interest expense	20,041	-	20,041
Insurance	4,786	-	4,786
Depreciation expense	372	-	372
Other administrative	3,100	-	3,100
Total operating expenditures	<u>96,423</u>	<u>-</u>	<u>96,423</u>
Change in net position	102,645	-	102,645
Net position, beginning of year	<u>171,180</u>	<u>-</u>	<u>171,180</u>
Net position, end of year	<u>\$ 273,825</u>	<u>\$ -</u>	<u>\$ 273,825</u>

Harbour Waterway Special District
Governmental Fund Balance Sheet/Statement of Net Position
June 30, 2019

	General Fund	Adjustments	Statement of Net Position
Assets			
Current assets			
Cash and cash equivalents	\$ 56,081	\$ -	\$ 56,081
Certificate of deposit	250,000	-	250,000
Assessments receivable	1,275	-	1,275
Prepaid insurance	1,228	-	1,228
Total current assets	308,584	-	308,584
Capital Assets			
Office equipment, net of accumulated depreciation of \$372	3,351	-	3,351
Land-Reed Island-Parcel No. 160258	95,017	-	95,017
Land-Reed Island-Parcel No. 160259	300,000	-	300,000
Net capital assets	398,368	-	398,368
Other Noncurrent Assets			
Tax Certificates	235	-	235
Total assets	\$ 707,187	\$ -	\$ 707,187
Liabilities			
Current liabilities			
Accounts payable	\$ 4,593	\$ -	\$ 4,593
Accrued interest payable	3,110	-	3,110
Accrued wages & taxes payable	11,637	-	11,637
Revenue notes payable - current portion	38,328	-	38,328
Total current liabilities	57,668	-	57,668
Non-current liabilities			
Revenue notes payable - non-current	375,694	-	375,694
Total liabilities	433,362	-	433,362
Fund Balance			
Unassigned	273,825	(273,825)	-
Total Liabilities and Fund Balance	\$ 707,187		
Net Position			
Net Investment in Capital Assets		398,368	
Unrestricted		(124,543)	273,825
Total Liabilities and Net Position		\$ -	\$ 707,187

Harbour Waterway Special District
Statement of Governmental Fund Revenues, Expenditures and
Changes in Fund Balance/Statement of Activities
For the Year Ended June 30, 2019

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Operating revenues			
Assessment income	\$ 199,068	\$ -	\$ 199,068
Total operating revenues	<u>199,068</u>	<u>-</u>	<u>199,068</u>
Operating expenditures			
Personnel Costs	31,179	-	31,179
Dredging & Spoil Site	7,199	-	7,199
Legal service	24,786	-	24,786
Audit fee	3,381	-	3,381
Legal advertising	559	-	559
Office supplies	1,020	-	1,020
Interest expense	20,041	-	20,041
Insurance	4,786	-	4,786
Depreciation expense	372	-	372
Other administrative	3,100	-	3,100
Total operating expenditures	<u>96,423</u>	<u>-</u>	<u>96,423</u>
Excess of Revenues Over Expenses	102,645	-	102,645
Fund Balance/Net position, beginning of year	<u>171,180</u>	<u>-</u>	<u>171,180</u>
Fund Balance/Net position, end of year	<u><u>\$ 273,825</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 273,825</u></u>

**Harbour Waterway Special District
Proprietary Fund - Reed Island Enterprise Fund
Statement of Net Position
June 30, 2019**

	<u>Business-Type Activities</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Assets			
Current assets			
Cash and cash equivalents	\$ 843,750	\$ -	\$ 843,750
Accounts receivable-tipping fees	281,250	-	281,250
Total current assets	1,125,000	-	1,125,000
Noncurrent Assets			
Accounts receivable-tipping fees	562,500	-	562,500
Total assets	<u>\$ 1,687,500</u>	<u>\$ -</u>	<u>\$ 1,687,500</u>
Liabilities			
Non-current liabilities			
Unearned revenue, tipping fees	1,687,500	-	1,687,500
Total liabilities	1,687,500	-	1,687,500
Fund Balance			
Unassigned	-	-	-
Total Liabilities and Fund Balance	<u>\$ 1,687,500</u>		
Net Position			
Unrestricted		-	-
Total Liabilities and Net Position		<u>\$ -</u>	<u>\$ 1,687,500</u>

**Harbour Waterway Special District
Proprietary Fund - Reed Island Enterprise Fund
Statement of Cash Flows
For the Year Ended June 30, 2019**

Cash Flows from Business-Type Activities

Receipts from customers	\$ 843,750
Payments to suppliers	-
Payments to employees	-
	843,750
Net Cash Flows from Business-Type Activities	843,750
Net Increase in Cash and Cash Equivalents	843,750
Cash and Cash Equivalents, beginning of year	-
Cash and Cash Equivalents, end of year	\$ 843,750

Reconciliation of Operating Income to Net Cash from Operating Activities

Operating Income	\$ -
Adjustments to reconcile operating income to net cash flows from Business-Type Activities:	
(Increase) in Assets:	
Accounts Receivable-Tipping Fees	(843,750)
Increase in Liabilities:	
Unearned Revenue-Tipping Fees	1,687,500
Net Cash Flows from Business-Type Activities	\$ 843,750

HARBOUR WATERWAY SPECIAL DISTRICT

Motion to Disburse Funds:

Tuesday, August 13, 2019

CURRENT ASSETS				
6/30/2019	BB&T CHECKING ACCOUNT		BEGINNING BALANCE	\$ 899,831.17
	TAX DEPOSITS	July 1 -31		-
TOTAL CHECKING ACCOUNT BALANCE				\$ 899,831.17
CLEARED DISBURSEMENTS				
6/30/2019	Direct Dep	Stanley Pipes	HWSD - District Manager 73.5 hrs - (June billing)	(5,662.73)
7/10/2019	Debit	IRS	HWSD - Quarterly Tax payments	(5,974.30)
7/9/2019	1315	Resurrection Episcopal Church	HWSD - Meeting Place (July 9 & 16, 2019)	(300.00)
7/9/2019	1313	Caroline Birtalan	HWSD - Administrative Services (June 11)	(150.00)
7/9/2019	1314	Lewis Longman & Walker	HWSD - Legal Services (June Billing)	(1,150.00)
7/9/2019	1316	Stanley Pipes	HWSD - Legal Notices & work on COJ Park Property	(1,029.77)
DISBURSEMENTS - SubTotal				(14,266.80)
7/31/2019	BB&T CHECKING ACCOUNT		TOTAL ENDING BALANCE	\$ 885,564.37
	BB&T CERTIFICATE OF DEPOSIT		\$250,000 @ 2.0% for SIX MONTHS	\$ 250,000.00
TOTAL CURRENT ASSETS				\$ 1,135,564.37
OUTSTANDING DISBURSEMENTS / DEPOSITS				
				-
				SubTotal
				-
REQUESTED DISBURSEMENTS				
8/9/2019		Resurrection Episcopal Church	HWSD - Meeting Place (August 13, 2019)	(150.00)
8/9/2019		Caroline Birtalan	HWSD - Administrative Services (July 09 & 18)	(300.00)
8/9/2019		Lewis Longman & Walker	HWSD - Legal Services (July Billing)	(800.00)
8/9/2019		Stanley Pipes	HWSD - District Manager 43.75 hrs - (July billing)	(4,375.00)
8/9/2019		Robert M. Thaggard, CPA	FY 2018-19 Annual Audit	(3,455.85)
8/9/2019		Bob Birtalan	Plaque for AL Ferraro	(29.99)
8/9/2019		Stanley Pipes	Printing for Annual Membership Meeting & postage	(139.59)
8/9/2019		Buchanan Sign & Flag	2019 Dredging Project - Signage "Closed Canal"	(608.29)
				SubTotal
				(9,858.72)
PLANNED DISBURSEMENTS thru DEC, 2019				
8/15/2019		Arc Surveying	2019 Dredging Project - Pre-Dredge Marine Surveys	(5,000.00)
8/31/2019		Roy Miller Accounting Firm	Setup GL for Enterprise Accounting	(1,500.00)
8/31/2019		Pollution Insurance	Add-on policy for pollution insurance (3 year premium)	(23,247.00)
9/1/2019		Stanley Pipes	COJ Property Maintenance- mowing easements & clearing trails	(1,000.00)
10/1/2019		Arc Surveying	2019 Dredging Project - Marine Surveys	(15,000.00)
10/1/2019		FMIT - Insurance	Insurance - General Liability & Errors & Omissions	(6,200.00)
12/15/2019		Stanley Pipes	2019 Dredging Project - Relocate channel marker piling; misc	(2,500.00)
		LG2 Environmental Solutions	Tamarix Survey of COJ Park Property	(3,800.00)
		Equipment Rentals / Labor/ Supplies	COJ Park Development: up to	(15,000.00)
				SubTotal
				(73,247.00)
TOTAL REQUESTED DISBURSEMENT:				\$ (83,105.72)
BALANCE SUBTOTAL				\$ 1,052,458.65
PROJECTED NET REVENUE FROM 2019 ASSESSMENT - after 50% rebate				\$ 92,500.00
Projected 2019 Assessment Collected				\$ -
2019 DREDGING PROJECT - cubic yards dredged				110,000 9.15 (1,006,500.00)
OPERATING EXPENSES - Sep, 2019 thru Jun, 2020				(64,129.74)
PROJECTED DEBT SERVICE				
5/1/2020		Interest Payment	Series 2018 Revenue Note - (Not due until after 2019 assessment)	(18,631.01)
5/1/2020		Principal Payment	Series 2018 Revenue Note - (Not due until after 2019 assessment)	(38,327.90)
2019 DREDGE, OPR EXP; & DEBT SERVICE EXPENSE:				\$ (1,127,588.65)
TOTAL HWSD DISPOSABLE FUNDS				
REED ISLAND MANAGEMENT		First License Payment less Clearing & Grubing expense		\$ 121,250.00
TOTAL AVAILABLE FUNDS - as of June 30, 2020				\$ 138,620.00