

**MINUTES OF A BOARD OF SUPERVISORS MEETING
NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT 07/27/22**

Pursuant to the foregoing Notice, the Board of Supervisors of Northern Palm Beach County Improvement District met at approximately 8:00 a.m. on July 27, 2022, in the Administrative Building and Emergency Operations Center, 359 Hiatt Drive, Palm Beach Gardens, Florida.

1) ROLL CALL

There were present Board Vice President L. Marc Cohn and Supervisors Adrian M. Salee, Gregory Block and Ellen T. Baker; Executive Director Dan Beatty; and General Counsel Kenneth W. Edwards of Caldwell Pacetti, et al.

Also present were Director of Finance & Administration Katie Roundtree; District Engineer Kim Leser; District Clerk Susan Scheff; Director of Operations Ken Roundtree; Capital Construction/Permits Administrator Tim Helms; Programs & Facilities Maintenance Administrator Jared Kneiss; Technical Assistant/Records Management Specialist Kathleen Maloney-Pollack; Stormwater Technician Matthew Lee; Field Technician II Justin Helms; Former Operations Manager-Road Right-of-Way Jorge Santos; Mark E. Raymond, Esquire; Andy LaFear of Synovus Bank; Ray Spear of The Grassroots Corporation; Jonathan Ricketts of J.T.R., Inc.; and Brian LaMotte of WGI, Inc.

2) ESTABLISHMENT OF A QUORUM

Mr. Cohn announced that there was a quorum and that it was in order to consider any business to properly come before the Board.

3) ADDITIONS OR DELETIONS TO THE AGENDA

Mr. Beatty reported that no additions or deletions to the Agenda were necessary.

4) COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA

Mr. Cohn called for any comments from the public for items not on the Agenda to which there was no response.

5) CONSENT AGENDA

Mr. Cohn called for any comments from the public on the Consent Agenda to which there was no response.

A **motion** was made by Mr. Salee, seconded by Mr. Block and unanimously passed approving the following Consent Agenda Items:

- a) Unit No. 2C – Alton
Consider Change Orders to J.W. Cheatham, LLC – Parcel G, Phase III (CO Nos. 3 & 4)
- b) Unit No. 53 – Arden
Consider Change Order to Centerline Utilities – Pods G-North and H-South (CO No. 6)
- c) General
Consider Purchase Order to Data Flow Systems, Inc.
- d) Payment Requests

copies of which are contained in applicable Northern files.

7) REGULAR AGENDA

a) **UNIT OF DEVELOPMENT NO. 2C – ALTON Status Report**

Mr. Beatty began by showing the Board the unit map and then displayed a site plan which delineated the final phase of Parcel G. He then showed aerial photos of the construction taking place within Parcel G, also known as Artistry, noting that the curbs and asphalt are in and construction of the infrastructure elements are nearly complete. He reported that construction is going well and is on schedule.

This item was presented for information only and no Board action was required.

b) **UNIT OF DEVELOPMENT NO. 5 – HENRY ROLF Consider Award Resolution for Loan (2022-04)**

Ms. Roundtree explained that in March of this year, the Board authorized the issuance of a Request for Proposals (RFP) for a multi-unit maintenance loan for Unit of Development Nos. 5, 15 and 20. She stated that during the budgeting process, Staff found that the Unit 15 project could be funded from budgeted

maintenance funds and will not require a loan. She also stated that the Unit 20 project is still in the design phase and not yet ready to go out to bid.

Ms. Roundtree reported that Staff issued an RFP for a \$2,400,000 loan for the Unit of Development No. 5 culvert repair project, as the project is fully designed and ready to be put out to bid. She stated the RFP was sent to ten banks on May 31, 2022, and Northern received four responses, with interest rates ranging from 3.53% to 5.75%. She further stated that each response had similar terms with only slight variations and none of the responses included prepayment penalties. Ms. Roundtree explained that Staff may be seeking grant funding for this project and, if successful, could pay down some of the loan early and reduce assessments for the affected residents. She stated that Staff and Bond Counsel are recommending award of the Unit of Development No. 5 Loan to Synovus Bank with a rate of 3.53%, adding that Mr. Raymond will review the Resolution and acknowledging that Andy LaFear of Synovus Bank is also in attendance.

Mr. Raymond reviewed the Award Resolution's general provisions and authorizations, noting that it is for a ten-year term. He stated that that he prepared the Resolution and it complies with all applicable legal requirements. He further stated that Mr. Edwards has reviewed and approved the Resolution. Mr. Raymond noted that if the Board has any questions, he would be happy to answer them and otherwise a motion was in order to adopt the Resolution as presented.

Mr. Cohn called for any comments from the public to which there was no response.

A **motion** was made by Mr. Salee, seconded by Mr. Block and unanimously passed awarding the Unit of Development No. 5 loan to Synovus Bank in the amount of \$2,400,000 and approving Resolution No. 2022-04.

c) UNIT OF DEVELOPMENT NO. 53 – ARDEN

i) Status Report

Mr. Beatty began by showing the Board the unit map and site plan. He then showed aerial photos of the construction taking place within Pod H and Pod G, but he explained that there are also a couple of photos of Pod D and Pod I which will be the subject of the next item for Board consideration.

Ms. Baker asked if the sidewalks go in after the homes, and Mr. Beatty advised that sidewalks are constructed by the builder as the homes are constructed.

This item was presented for information only and no Board action was required.

ii) Consider Award of Contract to Centerline Utilities, Inc. - Pods D-Southeast, D-Southwest & I-North

Ms. Leser reported that this item is for consideration of an Award of Contract to Centerline Utilities for development of Pods D-Southeast, D-Southwest and I-North in Unit 53. She explained that the project consists of a base bid which includes water, sewer, and drainage improvements (public improvements) for these three pods. She stated that the bid proposal also includes private improvements consisting of earthwork, roadway and street drainage, which will be awarded and funded by the Landowner.

Ms. Leser reported that three bids were received on July 13, 2022, opened publicly, and certified using a spreadsheet with the Public Improvement Bids ranging from \$4,500,877.00 from Centerline Utilities, Inc. to \$5,550,732.00 from MJC Land Development. She explained that, although the Engineer's opinion of probable cost of \$2.7 million for the Public Improvement Project was significantly less than the bids received, the estimate is in line with the bids received for Arden Pods G-North and H-South in June 2021, noting that the higher bid submittals can be attributed to the rising costs of materials and construction services. Ms. Leser stated that based on a review of the qualifications presented in the bid package and it being the lowest bid, Staff is recommending award of this contract and Purchase Order No. 22-788 to Centerline Utilities Inc. in the amount of \$4,500,877.00.

Mr. Cohn called for any comments from the public to which there was no response.

A **motion** was made by Mr. Salee, seconded by Mr. Block and unanimously passed approving award of this contract and Purchase Order No. 22-788 to Centerline Utilities Inc. in the amount of \$4,500,877.00.

e) GENERAL

i) Employee Recognition

Mr. Beatty stated that the first item is employee recognition information that he would like to make the Board aware of and then asked Jorge Santos to approach the dais. He explained to the Board that Mr. Santos joined Northern in 2016 as Right-of-Way Manager, performed his duties phenomenally well and has recently retired. He presented Mr. Santos an award in appreciation of his service.

Mr. Beatty also acknowledged new employees Kathleen Maloney-Pollock, Justin Helms and Matthew Lee, and briefly reviewed recent employee certifications and training.

This item was presented for information only and no Board action was required.

ii) Consider Extension of Grant Application and Management Services Agreement

Ms. Roundtree stated that Northern has had a contract with RMPK Funding for the past year and a half for Grant Application and Management Services, and Staff is recommending the Agreement be extended for another one-year term from October 1, 2022 through September 30, 2023.

Mr. Cohn called for any comments from the public to which there was no response.

A **motion** was made by Mr. Salee, seconded by Mr. Block and unanimously passed approving approve an extension through September 30, 2023, of the Grant Application and Management Agreement with RMPK Funding, Inc.

iii) Grant Funding Update

Ms. Roundtree referred back to the previously approved Agreement with RMPK Funding and stated that she wanted to give the Board an update on what Staff and RMPK has been working on during the past year or so. She reported that there have been three main grant programs that Northern has applied for, some with success and some not.

Ms. Roundtree explained that the first program was the Florida Department of Environmental Protection (DEP) Resilient Florida Grant Program that applies to impacts of flooding and sea level rise. Two pre-applications were submitted for the Unit 5 and Unit 20 projects. She stated that funding was denied for both because at the time the program was only available for municipalities or counties. She reported that the Legislature has since extended the program's availability to special districts, so Northern will be resubmitting those applications for this year's grant cycle. Northern will also be submitting for new pump station generators as well.

Ms. Roundtree stated that the second grant program is the Hazardous Mitigation Grant Program which was also with DEP. She explained that this program was tied in with COVID relief. Staff submitted for the U5 and U20 projects but was unsuccessful.

Ms. Roundtree stated that the third grant program is DEP's Florida Recreation Development Assistance Program, and Northern has been successful with obtaining grants under this program. The program's purpose is to provide financial assistance for acquisition or development of land for public outdoor recreation. She explained that Northern submitted applications in October of 2021 for Unit 9A, Abacoa preserve fencing repair and the Unit 43, Mirasol boardwalk replacement. Staff was notified just this past month that both applications have been approved. She reviewed the terms and stated that Staff will be pursuing more project submittals for that grant program during its next grant cycle.

Ms. Roundtree advised that she has been talking with Northern's grant writer about working on some legislative funding projects. He advised that he would be willing to help Staff, but noted that those types of requests are generally more successful if a project impacts a large group of people and the applicant is willing to chip in 50%.

This item was presented for information only and no Board action was required.

iv) Discuss Funding Opportunities for Conversion of Septic Sewer Systems to Sewer Line Systems

Mr. Beatty stated that Ms. Baker made Northern aware that there are potential funding opportunities offered by the State of Florida for conversion of septic sewer systems to sewer line systems. He reported that Northern has two units that remain on septic tank systems. The first is Unit 3 which is comprised of four different neighborhoods: Steeplechase, Horseshoe Acres, Square Lake and Woodbine, noting that Woodbine is already on a sewer collection system. He stated that the other is Unit 34, Hidden Key. He explained the two ways to apply for funding, one of which is by applying for a DEP grant and the other by working with Northern's grant writer and local Legislative Representatives to introduce a local bill to the Florida House of Representatives for potential funding.

Mr. Beatty stated that he sent an email to the two formalized Property Owners Association and /or Homeowners Association (POAs/HOAs) in Steeplechase and Horseshoe Acres to inquire about their interest. He advised that Square Lake does not have a POA or HOA and the roads are owned by the County, noting that Northern has no property interest in that neighborhood. He advised that Hidden Key has no formal POA/HOA, so Staff would have to poll all of the affected residents. Mr. Beatty reported that the Steeplechase POA's response expressing that they are not interested is included in the materials, and Horseshoes Acres has not yet responded to his inquiry.

Mr. Beatty asked if Ms. Baker wished to speak at this time or would she prefer Mr. Edwards review the process for forming a sub-unit in order to move forward should there be interest.

Ms. Baker thanked Mr. Beatty and stated that she had done some work with a local attorney on this matter. She stated that septic systems are a problem for the environment, and she explained that there is approximately \$100 million available through the State and its agencies for various environmental projects, including septic tank to sewer conversion. She further stated that in the last State budget year there were many municipalities, as well as a special district, awarded money towards environmental projects. She expressed her interest in continuing to pursue this, noting it would give Northern the opportunity to do some new things. She thanked the Board for their time.

Mr. Edwards stated that he looked at this issue from a broader perspective, explaining that it comes down to a policy decision as to whether the Board wishes to become more proactive in initiating activities versus being more reactive and waiting to be approached by interested parties. He noted that this is a bit outside of Northern's current practice, since Northern would be initiating inquiries to its residents with regard to possible improvements that they may want to consider and suggesting that there may be other sources of funding to implement these projects. He explained that he had been unaware of the availability of these funds but noted that it would lead to an expansion of what Staff has been doing with the grant program.

Mr. Edwards reported that the initial issue with implementation would be funding, and he explained the typical process of developer funding prior to unit formation. He further explained that in order to create a sub-unit, it would require at least 4/5 vote of the Board or getting 51% of the landowners to request formation of a sub-unit. He indicated that there may be a third option but stated that it calls for interpretation of the law and could lead to unwanted issues.

Mr. Edwards then reviewed the upfront costs typically involved in the unit formation, etc., noting that Ms. Baker has made him aware of one State grant instance where an allowance was made for upfront costs. He explained that these various grants are for a one-time payment. He continued to explain the sub-

unit formation process involved, including the determination of benefits required of special districts before beginning the bond process, the Chapter 197 notice to landowners, and acquiring the necessary property rights for the project. He then reviewed the importance of resident buy-in with regard to getting the initial funds needed in order to have a shovel-ready proposal for the grant application process.

Ms. Baker made reference to a recent Mangonia Park septic to sewer conversion project granted via local bill for \$1.5 million and stated there were about 12 local bills brought forward. She further stated that she has spoken to the Palm Beach County Legislative Delegation, and has some legislators who appear willing to support such a legislative bill.

Mr. Block asked Mr. Edwards his opinion, based on all of the background and infrastructure that would need to be in place before initiating this type of project, if Northern would not be the low-cost leader because other municipalities or agencies would be able to do this with less overhead or would everyone have to go through the same process. Mr. Edwards advised that he does not know what the process is for those other entities, but he believes they would have to follow the same steps with regard to property interest and resident buy-in. He did note that some agencies have made their residents convert from septic tank to a sewer system, but that is not an avenue that Northern could do. He followed up by completing his review of the steps involved in the process.

Mr. Salee advised that Hidden Key is on the shoreline and inquired about the current status of its sewage disposal, and Mr. Beatty advised that he is not aware of reports regarding any Health Department violations or other significant issues. He discussed the neighborhood in more detail and explained that there is no available property within the neighborhood for the construction of a traditional lift station. He further reviewed the alternative process that would be required in that area for a potential conversion.

Mr. Cohn asked if there were any additional comments before moving on.

Mr. Beatty asked for some direction from the Board as to how to proceed.

Mr. Cohn stated that there are a lot of components to this, but he expressed his belief that the request needs to come from the potentially affected landowners and since Steeplechase specifically declined, he does not believe Northern should make any effort to move forward with them.

Ms. Baker stated that she is a resident of Steeplechase and, although its Board has said no, she does not believe the residents have been polled.

A **motion** was made by Ms. Baker, seconded by Mr. Salee allowing Mr. Beatty to pursue an answer from Horseshoe Acres and Hidden Key. The motion was treated as having passed with Mr. Block abstaining.

Ms. Baker stated that, in her capacity as a resident, she would like to talk to the Steeplechase Board with regard to why they said no.

There was no public comment on the motion.

Mr. Cohn stated that Mr. Beatty now has his direction to see if there is any interest in this project. He stated that he is concerned about taking the lead to force a community to do this if their Board has chosen not to proceed. He acknowledged that Ms. Baker has every right as an individual and a resident of Steeplechase to inform their Board of the opportunities available to them, but he does not believe Northern should force the issue with Steeplechase or the other potentially affected communities.

Ms. Baker agreed that Mr. Beatty should take the lead on the community inquiries. She stated that she believes Northern should be more proactive than reactive so that it grows, as she believes Northern is running out of land for new projects.

Mr. Beatty asked if he is being directed to poll the individual residents of each of those neighborhoods, and he reviewed the potential costs of a mass mailing.

A general discussion followed with regard how to best handle moving forward, concerns about pushback by residents over private ongoing costs, the plan that needs to be put in place to in order to ask for the payment of upfront costs, and the possibility of attending annual meetings to make a presentation.

Ms. Baker briefly reviewed some of her research of the final assessments of a couple of these projects.

Mr. Block acknowledged his appreciation of Ms. Baker's efforts before stating his belief that it is not Northern's bailiwick to do this, noting that Northern does not know what the costs are to solicit residents or POAs. He further stated that he abstained from voting because he does not know what the costs are and acknowledged Staff's time to commit to doing this research. He believes there are other agencies in a position to affect better results.

Mr. Cohn suggested that Mr. Beatty look into whether the potentially affected neighborhoods hold an annual meeting and offer to make a presentation. He further stated that he agrees with Mr. Block to not do any more than that.

Mr. Block asked if the Board is agreeing to direct Mr. Beatty to look into finding out if there is a meeting that Staff may attend to talk to each of the community representatives.

Mr. Beatty reviewed the inquiries made to Steeplechase and Horseshoe Acres thus far. He advised the Board of his belief that Square Lake and Hidden Key do not have formal POAs so the probability of their having an annual meeting is unlikely.

Mr. Cohn recommended tabling moving forward with the process unless asked to do so by the affected entities.

Mr. Block agreed and asked about making a motion and Mr. Beatty stated that a motion had previously been made.

Mr. Cohn stated that he does not want to spend additional money on something with a low probability of success.

Ms. Baker stated her interest again in being proactive and asked about Staff getting involved in pursuing other local bills that could be done.

Mr. Beatty advised that Ms. Roundtree has been in touch with Northern's grant writer about pursuing more of these opportunities, especially those that will be easier to accomplish administratively. He then expressed his desire to receive the direction of the Board.

Mr. Cohn proposed tabling this issue until there is a better understanding as to what to do next due to the substantial cost, the unknown result and the lack of a formal group to contact in some cases with regard to interest.

Mr. Block added that there is no need for action until there is interest generated by the affected homeowners.

A discussion followed with regard to how to proceed as there was already a motion and a vote, noting that it is up to the Board as to how to proceed.

Mr. Edwards advised that the motion could be brought back by seeking reconsideration of the motion or a supplemental motion to readdress how it was done, since there already was a vote on the topic, noting that there could be a split.

Mr. Edwards recommended that a party that is for reconsideration propose the motion.

Mr. Cohn made a motion, seconded by Mr. Block to table this issue until such time that more clear direction is generated. Mr. Cohn and Mr. Block voted Aye and Ms. Baker and Mr. Salee voted No.

Mr. Edwards advised that since the vote was split, the prior motion continues in effect.

Mr. Cohn asked what the prior motion was, and Ms. Scheff advised that the prior motion was to have Mr. Beatty pursue Horseshoe Acres and Hidden Key to see if there is any interest.

Mr. Beatty stated that he will follow up with Horseshoe Acres and will figure out how to reach out to the residents of Hidden Key. He will report back to the Board at the next meeting.

7) MISCELLANEOUS REPORTS

a) ENGINEER

Ms. Leser had nothing to report.

b) ATTORNEY

Mr. Edwards had nothing to report.

c) EXECUTIVE DIRECTOR

Mr. Beatty stated that the Public and Community Relations Report is included in the Board materials for review.

8) RECEIVE AND FILE

The following items were presented to be received and filed:

- U14 – Easement;
- Assessment Collection Status;
- Northern Quarterly Financial Report; and
- Proof of Publication of Meeting Notice

copies of which are contained in Northern's records.

9) COMMENTS FROM THE BOARD

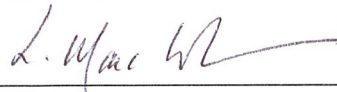
Ms. Baker stated that she was riding her bike along Village Boulevard and had a question with regard to sidewalk maintenance. Mr. Beatty informed her that the City of West Palm Beach is responsible for the sidewalks in that area, but he reviewed Northern's standard procedure when a sidewalk begins to buckle.

Mr. Salee asked if Northern has heard anything with regard to State Road 7. Mr. Beatty stated that he has not heard anything further. He noted that Northern currently has the Alum project out to bid and he expects to have a recommendation with respect to that project at the August Board Meeting.

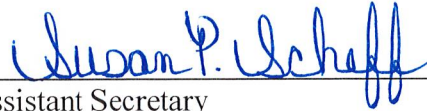
10) ADJOURN

A **motion** was made by Mr. Salee, seconded by Mr. Block and unanimously passed to adjourn the meeting.

There being no further business to come before the Board, the meeting was adjourned.



Vice President



Assistant Secretary