

**MINUTES OF MEETING  
SEMINOLE IMPROVEMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Seminole Improvement District was held on Tuesday, January 7, 2014 at 4:00 p.m. at the temporary Seminole Improvement District office, located at 4005 Seminole-Pratt Whitney Road, Loxahatchee, Florida.

Present and constituting a quorum were:

Janet Kroll	President
Maurice Berry	Supervisor
Jared Stern (via phone)	Supervisor

Also present:

Ken Cassel	District Manager, Severn Trent Services
Robert Diffenderfer	Lewis, Longman & Walker, P.A.
John Carter	Minto

*The following is a summary of the minutes and actions taken during the January 7, 2014 Seminole Improvement District Board of Supervisors Meeting.*

**FIRST ORDER OF BUSINESS**

**Roll Call**

Ken Cassel called the meeting to order and a quorum was established.

**SECOND ORDER OF BUSINESS**

**Public Comment**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Consent Agenda**

**A. Approval of Minutes of the November 5, 2013 Regular Meeting of the Board of Supervisors**

Mr. Cassel stated each Board member received a copy of the minutes of the November 5, 2013 meeting and requested any additions, corrections or deletions; there were none.

On MOTION by Mr. Berry seconded by Ms. Kroll with all in favor the minutes of the November 5, 2013 Regular Meeting of the Board of Supervisors were approved.
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Approved

**FOURTH ORDER OF BUSINESS**

**Sales of Excess Equipment to Minto**

Mr. Cassel explained there is excess equipment that should not have been transferred to the District since it is not used in the operation of the District. The equipment is to be transferred back to Minto as a sale.

On MOTION by Ms. Kroll seconded by Mr. Berry to authorize the sale of excess equipment not used in the operation of the District to Minto.

Mr. Berry questioned if this transaction would involve the exchange of cash or check; Mr. Cassel suggested payment by check to provide documentation of the transaction.

With all in favor the motion was approved.

**FIFTH ORDER OF BUSINESS**

**Legal Encroachment Agreement – Update on Sluggett Letter**

Mr. Cassel stated a copy of a proposed letter and draft agreement for Mr. Sluggett regarding encroachment on District property, along with back up documentation showing the encroachment, was included in your agenda package for review. The documents were reviewed by the attorney. Discussion followed. Mr. Diffenderfer stated the Encroachment Agreement would deal functionally as an after the fact permit and would not interfere with the Districts' ability to create, maintain and enforce the system.

On MOTION by Mr. Berry seconded by Ms. Kroll with all in favor of authorizing the letter and Encroachment Agreement be sent to Mr. Sluggett as presented.

**SIXTH ORDER OF BUSINESS**

**District Manager's Report**

**A. Financial Evaluation Regarding Use of Funds**

Mr. Cassel provided copies of the previous financial report formats; copies of a reformatted reports; and explained how the accountants are working on changing category titles such as "Unit 1", "Unit 2" to a more acceptable and descriptive title such as "General Fund", "Water Sewer Fund" , or "Debt Service Fund". The next step is to go through line item by line

allocating entries to the correct grouping for tracking purposes. This will be especially important for expenditures to be properly allocated as development moves forward and bonds are issued.

As a result of our research and verification with the auditor of the available data, the Districts' funds are not restricted for any specific use. Any portion of these funds can be used to pay off the outstanding debt. There is a payment scheduled for February 2014 and we have pay off numbers as of that date which are approximately \$2.3 million with US Bank. The District should still have sufficient funds to continue operating the District. Cash on hand is about \$5 million, and the current debit collection of assessments is about 97-98%. The outstanding debt could be paid off with funds remaining to operate the District.

Discussion followed on the exiting bonds and how best to proceed.

On MOTION by Ms. Kroll seconded by Mr. Berry with all in favor to direct the District Manager to pay off the outstanding bonds with US Bank Corp. in the approximate amount of \$2.3 million and to confirm no penalty is associated with the settlement.

**B. Financial Report for Period Ending September 30, 2013**

Mr. Cassel presented the Financial Report for period ending September 30, 2013 in the format used by Severn Trent. Hopefully the report presents the information in a manner acceptable to the Board. Additional customization is possible to provide the information in a meaningful way to you. The Board recognized and appreciated the efforts of the accountants.

On MOTION by Mr. Berry seconded by Ms. Kroll with all in favor the Financial Report for September 30, 2013 was accepted.

**C. Letter sent December 18, 2013 to Joyell Shaw @ Palm Beach County Schools Regarding Payment of District Assessments**

Mr. Cassel explained the issue with Palm Beach County Schools has been unresolved since 2010. It relates back to the Special Assessment utilized to pay off the loan balloon payment since they could not refinance the loan. The School Board believed they should not have to pay it that way thus creating a standoff. A face to face meeting with the School Board will be arranged to discuss the issues and attempt to find resolution to payment of the debt. We are validating the assessment numbers which includes debt service and their regular operational

expenditures. They are objecting to the lump sum debt service balloon payment. Discussion followed.

**SEVENTH ORDER OF BUSINESS**

**Attorney's Report**

Mr. Diffenderfer reported he has an Amendment for the Non-Exclusive Service Agreement with Thomas Messier and Chuck's Doser Service to reflect a change to biweekly payments.

**EIGHTH ORDER OF BUSINESS**

**Engineer's Request**

Mr. Cassel asked for clarification of the Engineering firm(s) currently representing the District and what direction the Board wants to take going forward. The Board would like to consider an RFQ for Engineering Services

**NINTH ORDER OF BUSINESS**

**Supervisor's Request**

Mr. Cassel provided an update on credit from FPL and the continuing work on identifying area lights and tags numbers on the poles to determine which are needed and which should be removed.

**TENTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Berry seconded by Ms. Kroll with all in favor the meeting was adjourned.



Ken Cassel, Asst. Secretary



Janet Kroll, President