

WEST COAST INLAND NAVIGATION DISTRICT BOARD MEETING

FRIDAY, DECEMBER 6, 1991

SARASOTA COUNTY SOUTH COUNTY ANNEX

AGENDA

ADMINISTRATION

1. CALL TO ORDER AND ROLL CALL
- ✓ 2. APPROVAL OF THE MINUTES OF SEPTEMBER 20, 1991
- ✓ 3. APPROVAL OF BILLS TO BE PAID FOR OCTOBER & NOVEMBER, 1991
- ✓ 4. APPROVAL OF TREASURER'S REPORTS FOR AUGUST & SEPTEMBER
5. APPROVAL OF DELETIONS OR ADDITIONS TO AGENDA

DEPARTMENT OF NATURAL RESOURCES COMMENTS:

OLD BUSINESS:

1. LAKE LA VISTA REVIEW INLET MGT. PROPOSAL
- ✓ 2. LEASE ON WCIND R.O.W. AT VENICE AVE. - TONY SZAFRANIC

NEW BUSINESS:

- ✓ 1. BLUE SEAS DOCK LEASE AGREEMENT RENEWAL
- ✓ 2. DNR REQUEST FOR FUNDS TO BUILD BOAT DOCKS AT DON PEDRO STATE PARK
- ✓ 3. TOWN OF LONGBOAT KEY REQUEST FOR FUNDS FOR NAVIGATION SIGNS
- ✓ 4. WCIND INVESTMENT PROGRAM REVIEW

NEXT MEETING TIME: 10:30 a.m.

SUGGESTED DATES: JANUARY 31, 1992, CHARLOTTE COUNTY

ADJOURNMENT:

WEST COAST INLAND NAVIGATION DISTRICT

BOARD MEETING

DECEMBER 6, 1991

SARASOTA COUNTY SOUTH COUNTY ANNEX

MINUTES OF DECEMBER 6, 1991

A regular meeting of the West Coast Inland Navigation District was held on Friday, December 6, 1991, at 10:30 A.M. at the Sarasota County South County Annex, 4000 S. Tamiami Trail, Venice, Florida, in Room 228.

COMMISSIONERS PRESENT: Kent G. Chetlain, Chairman
 Ray Judah, Vice-Chairman
 Bill Burdick, Treasurer

COMMISSIONERS ABSENT: Wayne L. Derr, Secretary

STAFF PRESENT: James M. Armstrong, Executive Director
 Marcia Seman, Secretary
 Philip Perrey, Counsel

GUESTS PRESENT: Grant Lawrence, First National Bank
 Paul Hocking, First National Bank

ADMINISTRATION:

With Chairman Chetlain presiding, Commissioner Burdick moved for approval of the minutes of the meeting of September 20, 1991. Seconded by Commissioner Judah. Motion carried unanimously. Commissioner Burdick moved to approve bills to be paid for October and November, 1991. Seconded by Commissioner Judah. Motion carried unanimously. Commissioner Judah moved to approve the Treasurer's Reports for August and September, 1991. Seconded by Commissioner Burdick. Motion carried unanimously.

Approval of Deletions or Additions to Agenda: Mr. Armstrong said the Annual Audit was complete and a copy was in each Commissioner's meeting folder. Also, the Certification Sheet Annual Financial Report of the WCIND for Fiscal Year Ended 9-30-91 will need to be approved and signed today by the Chairman. There were no problems with the general Audit at all except the auditors found a problem with an advertisement in the Sarasota Herald Tribune regarding the TRIM millage. The paper printed the millage wrong. It should have been .030, and they printed .03. The Department of Revenue also found the error, and they wrote us a letter. The other newspapers had the advertisement correct. Commissioner Judah moved to approve the Annual Audit and the Certification Sheet Annual Financial Report. Seconded by Commissioner Burdick. Motion carried unanimously.

Mr. Armstrong said that two gentlemen from the First National Bank of Venice were in the audience and were prepared to discuss the WCIND Investment Program Review. Mr. Armstrong suggested that this subject be taken up now instead of under New Business. Mr. Armstrong said there were two changes that he was proposing to the investment program. The first change would be to open a Repurchase Agreement Account with the First National Bank of Venice. The advantages are that we will earn a higher rate of interest on all monies in the account. The funds are automatically invested in government securities as the account balance reaches a preset amount. The account is totally liquid, and this bank is located two blocks from the WCIND office. The costs of this operation are less, further increasing our net on those funds, and the account is guaranteed 110% by federal securities. Change two, which we will be suggesting, is we will enter into an Investment Management Account with First National Bank's Trust and Financial Services Group. The advantages are twofold: We would like to diversify the funds that we have invested. At present, all our funds are in the State Administrative Pool. The second advantage is that this account is locally managed by professionals with an impressive track record. This account is also totally guaranteed with federal securities. Both changes are completely within all Florida statutes governing Special District Financial Investments which we must adhere to.

We are presently banking with Southeast Bank, which filed for bankruptcy, and is now First Union. We looked at all aspects of our present banking costs and find that we will save money with a repurchase agreement checking account. Mr. Armstrong has investigated other clients that use this system, and they were highly complimentary of this operation. He also looked at First Union's Capital Management Group. These people are located in Tampa, and their fees are not as competitive as those of First National in Venice. Mr. Armstrong suggests approval of the above two changes by resolution of the Board as we have to do by state law. Some funds will be retained within the State Administrative Pool. The results of both groups will be monitored and we'll make appropriate changes as needed. We would need to sign the appropriate signature cards along with the resolution. Mr. Armstrong passed out copies of the First National proposal. He has discussed the proposals with Counsel Perney. Mr. Armstrong has spent a lot of time investigating various proposals, and he feels the First National program is the best for WCIND.

Mr. Armstrong said the repurchase account would work the same way as the State Administrative Pool. It is totally liquid. The funds, as they come in, will have parameters set. For example, suppose we set the parameter at \$25,000. Any funds that exceed that amount will immediately be swept into the repurchase agreement account and invested in securities that will yield a higher rate than a normal checking account these days. If we go below that amount, money will be pulled out of those securities and put back into the checking account to satisfy current needs.

Another advantage is that most of our funds are collected between now and March. As the funds in the Repurchase Account get above a pre-determined amount, they would immediately be invested into the investment program where they would earn an even higher yield. The State Administrative Pool has been good, but they have made mistakes which take numerous phone calls to correct. Also, we are continually transferring money in and out by wire. Mr. Armstrong said he had no way of checking the numbers from the State Pool.

Mr. Grant Lawrence from First National Bank of Venice was asked to come forward to answer any questions. Commissioner Chetlain asked what the funds are invested in. Mr. Lawrence said, regarding the repurchase funds, they are being collateralized with 110% of U.S. Government Securities that would be specifically entitled in WCIND's name. The latest current rate was 5.01%. The bank is offering WCIND the best of three different rate scenarios: local ready fund rate, four week average of the 91 day T-Bill rate, or the four week average of the 91 day New York CD rate. We would benefit from the highest yield. All funds are liquid and are accessible by check the same day. There is no waiting period and no notification. We would just write the checks. When checks are presented for payment, the money is swept from the account secured by government securities and placed into our checking account to be used immediately.

Commissioner Chetlain asked Counsel Perrey if we were violating any state requirement about advertising for bids. Counsel Perrey said banking services did not come under Chapter 287. Commissioner Chetlain felt that Mr. Armstrong has pointed out all the advantages. Commissioner Judah said Mr. Armstrong has been a fiscally prudent administrator and has done very well to investigate all the possibilities he presented today.

Commissioner Burdick moved to adopt a resolution to enter into a Repurchase Agreement Account with First National of Venice. Commissioner Judah seconded. Motion carried unanimously. Commissioner Burdick moved to adopt a resolution to enter into an Investment Management Agreement with First National Bank of Venice's Trust and Financial Services Corporation. Commissioner Judah seconded. Motion carried unanimously. Commissioner Burdick moved to adopt a resolution to utilize the State Administrative Pool for surplus funds. Seconded by Commissioner Judah. Motion carried unanimously.

Counsel Perrey said he had reviewed Florida Statute 218.345 regarding investment of surplus funds. It must be done by resolution, which we have just done. He read some sections of the statute out loud. Everything we are doing follows the requirements of this particular statute and makes sense. The bank's agreements are broad and general. Counsel Perrey would recommend that we add a provision in all agreements that says the parties

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recite and agree that at all times business will be conducted as authorized by provisions of Florida Statute 218.345. Commissioner Judah moved to adopt a resolution incorporating the counsel's recommendation into our agreements with First National Bank of Venice. Commissioner Burdick seconded. Motion carried unanimously.

OLD BUSINESS:

Lake LaVista Review Inlet Management Proposal: Mr. Armstrong said the county asked WCIND to enter into this project with the City of Anna Maria, and we have signed an agreement with the City of Anna Maria to provide an inlet management plan for the Lake LaVista Inlet. We had 28 responses to our request for proposals, and after sending them a Scope of Services 7 then sent back their proposals. The City of Anna Maria will make a short list of 3 companies and ask those three to come before the full council, and they will hire a consultant to do the Lake LaVista Management Plan. We should be happy about how this has worked out.

Lease on WCIND R.O.W. at Venice Avenue: Mr. Armstrong said this is an on-going situation. We finally have the agreement from the lessee. Mr. Armstrong showed a drawing to refresh everyone's memory. The City of Venice asked us to do something to eliminate all the itinerant parking behind the building in question. We own all the property up to the waterway, and everyone uses the parking area. Putting up "No Parking" signs didn't help at all. They were torn down. This agreement requires the owner to maintain the property and put up a fence which will protect the bulk of the property. He will have use of 37 feet behind the building. The City of Venice contributed to this problem by permitting the building to be built there without adequate parking. The City applauds this effort. It costs us nothing. The tenant has the expense of maintaining the property, putting up the fence, and leasing it from us for \$1.00 per year.

Commissioner Judah had a question about property taxes on this land. Counsel Perrey said it would be exempt because it is owned by a governmental entity. It's on the roll but not taxed. This is a situation similar to the property owned by WCIND adjacent to the Wharf Restaurant. In response to a question by Commissioner Chetlain, Mr. Armstrong said this property is very important to the Corps of Engineers for mobilization for canal bank treatment. It is a right of way owned by us fee simple.

Commissioner Judah moved to approve the lease agreement. Commissioner Burdick seconded. Motion carried unanimously. The C.O.E. can use the property any time it needs it.

NEW BUSINESS

Blue Seas Dock Lease Agreement: Mr. Armstrong said that a five-year lease on our dock at the Wharf Restaurant to the Blue Seas charter boat is coming up for renewal in March. Commissioners have a copy of the lease extension agreement prepared by Counsel Perrey. The same lease stays in existence except for two items: The rate will be raised to \$1260 per month, and secondly, this lease will not be renewed after the next five years. We will then have to advertise that property for lease to the highest bidder. In response to a question, Mr. Armstrong said that the lessee is properly insured. Commissioner Judah motioned to approve the lease extension agreement. Commissioner Burdick seconded. Motion carried unanimously.

DNR Request for Funds to Build Boat Docks at Don Pedro State Park:

Mr. Armstrong said the original DNR request was for \$97,000. He wrote back saying there was no money in this year's budget, and that the budget was complete. They have returned with a revised estimate - this for \$63,000. Mr. Armstrong feels the docks can be built for less than that amount. He will look into that. Does this Board wish to grant these funds up to \$63,000? We have funds that could be used. This is not an easy place to get to. Twelve boat slips would make this park more accessible. This is a good request, but the timing is not normal, being after the budget was completed. We could use some funds from inlet pass maintenance and replenish those at a later date. Charlotte County did not seem to be interested in providing funds.

Commissioner Judah wondered if we would be setting a precedent in providing funds for state-owned lands, and he would prefer it to be a budgeted item. Mr. Armstrong said we have provided funds for state projects in the past. There would be no remuneration from Charlotte County. DNR feels WCIND should fund projects for the state. We have done so in the past, but when the new legislation was passed most of those big projects were omitted because of the new legislation saying we couldn't do all of those wild studies. We can build these boat docks for the state, but we don't have to.

Commissioner Chetlain would like to see the funds come out of Charlotte County's future allocation. Commissioner Burdick explained that this never was a county project. It always was a state project, and he would look favorably at this. As to taking the funds from a future allocation, Commissioner Burdick could not commit his Board to that. Mr. Armstrong said that the Marine Advisory Committee in Charlotte County wasn't too happy about taking funds from their allocation for a state project. The only funds we could use this year would have to come from the Gulf Coast Pass Maintenance Funds.

Commissioner Judah expressed his displeasure with funding for state projects. Commissioner Chetlain wondered about taking funds out of Charlotte County's next year's allocation. Commissioner Burdick said it would not be proper to commit future funds.

Commissioner Judah motioned to postpone a decision until the Board meets again on January 31, 1992. Commissioner Burdick seconded. Motion carried unanimously.

Town of Longboat Key Request For Funds For Navigation Signs:

Mr. Armstrong said this request was for \$5,500 to put up speed zone signs in several areas of Longboat Key. Again, this is out of the budget year, but there is no problem with funds. Commissioner Judah moved to approved the request. Commissioner Burdick seconded. Motion carried unanimously.

Commissioner Chetlain opened the meeting to the public.

Mr. John Maslak from Grove City in Charlotte County stepped forward to speak. He was concerned about the contracts totaling \$248,000 between Charlotte County and Coastal Engineering. If DER doesn't agree with the inlet management plan for Stump Pass, what then? If the plan isn't acceptable to DER, what are we looking for down the road as to the money Charlotte County is paying? Is this management plan already completed? Commissioner Burdick said this issue was being raised at the wrong meeting. Mr. Maslak should be before the Charlotte County Board of Commissioners meeting, not the WCIND meeting. However, he is optimistic about receiving all the necessary permits, and the maintenance plan should be in their office in a couple of weeks.

Mr. Armstrong said the inlet management plan for Stump Pass is complete and is going to be brought to Charlotte County for review, and then it will be sent to DNR. It will become a part of the Stump Pass project, but no one knows what DER or DNR will do. If Charlotte County has signed contracts with a consultant, they will owe the money regardless of approval or not of the plan.

Commissioner Chetlain summarized by saying that this project would have been completed had the time not run out on the initial permits. Mr. Armstrong said the cost benefit analysis was done in 1984. Public hearings were held. Everyone at the early meetings was all for dredging Stump Pass and agreed with the studies made by the COE. The Corps of Engineers very definitely did cost benefit studies.

A gentlemen from the audience asked the location of the boat docks to be built on Don Pedro. Mr. Armstrong said it was where the old Cape Haze bridge used to go across - probably 150 yards south of that and over on the island itself. You will have to go out of the ICW and through a maze of islands to get to the boat docks.

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There was some question about the depth of the water in that area. Commissioner Judah asked if they could get some aerial maps and specific depths. Commissioner Burdick asked if DNR could come to the next meeting and bring studies and reports.

Mr. Armstrong wanted to bring another matter before the Board. This would be an Addendum to the Policy Guidelines for the Waterway Development Program. He proposed to add to the guidelines a reference to WCIND funds used for specific purchase of equipment - such as boats, radios, and computers, etc. We need to add that in no instance shall funds obtained from sale of equipment or property that was funded by WCIND be transferred to another entity without WCIND's approval.

The Commissioners were set to vote on a motion incorporating this addition to the guidelines when Counsel Perrey raised a point of order. He thought that perhaps this was an amendment of WCIND's rules and would require a formal process. Commissioner Chetlain wondered if an action was valid if the subject was not on the meeting Agenda. It was decided to postpone action until the January meeting, and in the meantime Counsel Perrey would confer with Mr. Armstrong.

Mr. Maslak took the floor again. The original contract for Stump Pass and Coastal Engineering was granted in 1989. The inlet management plan was added to it by amendment as of 10-9-90 for an additional sum of \$75,000. Later on there was another amendment for \$40,000.

Commissioner Judah moved to continue the subject of the Addendum to the Policy Guidelines at the January meeting. Commissioner Burdick seconded. Motion carried unanimously.


Commissioner Judah wondered if it would be convenient to always meet at the South County Annex in Venice. The central location would benefit all. Commissioner Judah moved to hold all Board Meetings at this location. Seconded by Commissioner Burdick. Motion carried unanimously.

The next meeting date is January 31, 1992 at the South County Annex in Venice, Florida.

ADJOURNMENT: 11:50 A.M.



KENT G. CHETLAIN, CHAIRMAN



RAY JUDAH, VICE-CHAIRMAN