

**MINUTES OF MEETING  
NORTH SPRINGS IMPROVEMENT DISTRICT**

The regular meeting of the Board of Supervisors of the North Springs Improvement District was held Wednesday, June 1, 2011 at 5:00 p.m. in the district office, 10300 N. W. 11 Manor, Coral Springs, Florida.

Present and constituting a quorum were:

Steve Mendelson	President
David Gray	Secretary
Vincent Morretti	Assistant Secretary

Also present were:

Doug Hyche	District Manager
Dennis Lyles	District Counsel
Rod Colon	Director of Operations
Brenda Schurz	District Clerk
Kay Woodward	Accountant
Dan Daly	CSID Director of Operations
Marcy Sneir	Heron Bay Commons
Rhonda Mossing	MBS Capital Markets, LLC
Kevin Mulshine	MBS Capita Markets, LLC

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Hyche called the meeting to order at 5:00 p.m.

**SECOND ORDER OF BUSINESS**

**Approval of the Minutes of the May 4,  
2011 Meeting**

Mr. Hyche stated the next item is approval of the minutes of the May 4, 2011 meeting.

On MOTION by Mr. Mendelson seconded by Mr. Gray with all in favor the minutes of the May 4, 2011 meeting were approved as presented.

**THIRD ORDER OF BUSINESS**

**Audience Comments and Supervisors Requests**

There not being any, the next item followed.

**Bond Issue for R.O. Plant**

Mr. Hyche stated Rhonda Mossing is here to explain the bonding and how it works with the R.O. plant and timing issues.

Ms. Mossing stated we were here last year when we were doing the bond issue and we are back again because you are ready to issue more bonds for your R.O. plant. We have before you today a proposal from MBS Capital Markets. Last year the firm name was Prager Sealy & Co. and Prager Sealy & Co. is splitting and Prager and Sealy are going their separate ways and all the Sealy people, Brett Sealy, Doug Sealy, Kevin Mulshine who is here with me today, Ed Bulleit, myself, are all going together with the new company named MBS Capital Markets and we are asking you to consider our agreement today to be your investment bankers under the new name. All the same people, all the same players that you are used to working with to work with you on your bonds for the upcoming bond issue you are looking to issue for the R.O. plant. It is just a break-up of the company, Prager Sealy has split off the players you are used to working with and it is the same agreement that you saw last year that we brought before you. Dennis has looked at the agreement, we worked with him last week on it and updated and fine tuned it a little bit to coincide with this bond issue that you are looking at this year as well as the proposed special assessment bond issue that we will be looking at for the Wedge at the same time. We would like to get started on that because the timetable that you also have before you today shows that we need to get

started now in order to be able to issue these bonds sometime around the September/October time period so that you will have your money in place when you are ready to award the contract to begin construction on the R.O. plant. The timetable in front of you shows that there is quite a bit of work that needs to be done during this period over the next three to four months with the preparation of the credit package that needs to go to the rating agencies to try to get a bond rating for the issuance of bonds and of course the bond rating will lead to a better interest rate. We also need to put together the bond documents for the issuance and we need to work with the engineers on the engineer's report and all of this has to come together in order for us to be in a position to issue the bonds in September. We would like to ask for your consideration of the agreement today so that we can get started on that.

Mr. Gray asked what is our lawyer's recommendation?

Mr. Lyles responded as Rhonda said we have already had a couple of conference calls and circulated some documents not so much related to the ultimate bond issue but related to putting the financing team together with this new corporate structure that exists. I have on your behalf requested and received certifications signed by the former appointed underwriting team which was Prager Sealy & Co. that (a) they are no longer in this business in Florida and they withdraw from any claims they might have in terms of representation of this district and (b) there are no monies owed to them now or in the future for any activities that have or will occur in connection with any previous or future bond issues. I have reviewed the form of agreement to hire MBS Capital Markets, LLC to work on this bond issue for the R.O. plant and I can tell you the fee structure has been kept the same as previous bond issues they have worked on for this district. I am satisfied with the proposed agreement that they have submitted. I have already begun some of the preliminary work with the team. Next month I think we will be back in front of you with appointment of bond counsel for that part of the work but for this early stage we are ready to go ahead and have the board approve the agreement

with MBS Capital Markets and authorize staff with MBS to go forward with the work necessary to close hopefully in September on the bonds for the R.O. plant. I have confirmed with the manager that he has also directed that this activity occur and we have all been doing this in anticipation of this meeting today and putting the proposal in front of the board and hopefully getting a green light to go forward after any questions are answered. My review is complete of the matters that are before you and my recommendation as counsel is to approve the engagement letter with MBS Capital Markets, LLC and let us put this bond issue together.

On MOTION by Mr. Mendelson seconded by Mr. Gray with all in favor the investment banking agreement with MBS Capital Markets, LLC was approved.

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2011-05  
Approving the Proposed General Fund  
and Debt Service Budgets for Fiscal Year  
2012 and Setting the Public Hearing**

Mr. Hyche stated item four is consideration of Resolution 2011-05 approving the proposed general fund and debt service budgets for fiscal year 2012 and setting the public hearing.

Mr. Gray asked everything is in line with our previous discussions, right?

Mr. Hyche responded yes.

On MOTION by Mr. Mendelson seconded by Mr. Gray with all in favor Resolution 2011-05 was approved.

**FIFTH ORDER OF BUSINESS**

**Consideration of Bids**

**A. Parkland Golf and Country Club Pod 15 Landscape Buffer and Water Features**

Mr. Hyche stated item five is consideration of bids.

Mr. Colon stated the first item is Parkland Golf and Country Club Pod 15, part of the PGCC bond funds. We put an ad in the newspaper for a request for bids and had seven companies pick up plans and during the opening of the public bid we had three companies show up and we are recommending that we go with the lowest bid, which is Lanzo Construction Co.

Mr. Gray stated all the bids seem to be in the same range.

On MOTION by Mr. Gray seconded by Mr. Mendelson with all in favor the contract for the Parkland Golf and Country Club Pod 15 landscape buffer and water features was awarded to Lanzo Construction Co., Florida in the amount of their low bid of \$2,875,000.

**B. County Line Road Buffer, Phase II**

Mr. Colon stated this is coming out of the Heron Bay bond money. It is basically a landscape buffer that will border County Line Road. After completion of County Line Road it is all going to be turned over to the county.

Mr. Mendelson asked are they going to maintain it?

Mr. Colon responded yes and we are recommending the lowest bid, which is B.G. Katz.

On MOTION by Mr. Mendelson seconded by Mr. Gray with all in favor the contract for County Line Road buffer, phase II was awarded to B.G. Katz Nurseries in the amount of their low bid of \$272,700.

**C. RFQ No. 2011-1 Ranking Results by Evaluation Committee**

Mr. Hyche stated the next item is RFQ 2011-1 ranking results by evaluation committee.

Mr. Colon stated the evaluation committee held a public meeting and went over the responses. We had four engineering firms that responded to the RFQ. The ranking sheet is in front of you and there were five criteria we ranked them on and the highest ranking was Leigh Robinson Kerr, number two was Miller Legg, number three was Keith & Associates. Based on the scoring we are recommending that we enter into negotiations with the number one ranked firm.

Mr. Lyles stated what staff has done through the evaluation committee and the criteria that are in the backup is evaluate the firms, their presentations, all their qualifications and experience. What they are asking you to do today formally is to rank them number one, two and three and under the consultants competitive negotiations act staff will attempt to negotiate a fair and equitable contract with the top ranked firm. So far, we don't have a price. If we can't come to terms with number one we will go to number two, if we can't come to terms with them we will go to number three. The formal action before you today is rank them in the order that the evaluation committee came up with unless you have questions about it or would like to change the ranking in some way.

Mr. Colon stated the number one ranked firm was actually part of the legislation that brought two of the Wedge pieces into Broward County during the annexation of the Wedge. We felt based on that and their scoring they were ranked number one.

On MOTION by Mr. Gray seconded by Mr. Mendelson with all in favor the rankings of the evaluation committee were accepted with Leigh Robinson Kerr & Associates being ranked number one, Miller Legg being ranked number two and Keith & Associates being ranked number three and staff was authorized to enter into contract negotiations with the number one ranked firm and to bring the contract back to the board for consideration.

**SIXTH ORDER OF BUSINESS**

**Staff Reports**

**A. Manager – Utility Billing Work Orders**

Mr. Hyche stated the utility billing work orders are enclosed in your package.

**B. Attorney**

Mr. Lyles stated the Sabra Land Trust acquisition is moving forward. We have another title company in line to give the necessary type of title commitment and ultimately title opinion to resolve this issue of the divorce that is plaguing the owner of the property and as you know we are not going to go forward with the purchase price until that exception is cured so another title company has stepped in and we expect to have a full and complete title-commitment and title opinion through Commonwealth Title Company. They are a prominent, recognized firm so that should be on track. I am not here to ask you for another extension of time this month.

On the other hand our annexation bill regarding the Wedge property has been the subject in the last two weeks of a meeting. I told you last month we expected it to be signed by this month and it is not signed it is still going through review by the governor's staff. The governor's general counsel has met with our counsel in Tallahassee and we hope we satisfied those questions. We have two more meetings in the next two days with the governor's top policy people. Apparently one of the points they are arguing with us about is that we didn't have a referendum in the Wedge property by the voters there to approve coming into NSID. The governor has adopted some new rules that he is applying to any bills that come before him for signature and there are hundreds this year. The problem as we tried to explain is that there are no residents in the Wedge. Our position is we have had what is tantamount to a referendum because 100% of the landowners have submitted formal, written petitions to come into the district. We hope we are going to carry the day but it is a whole new team of people up there, they have only been there for a period of three or four months

and we have a meeting scheduled with the policy people and another staff person over the next two days. Right now the bill hasn't even been transmitted to the governor. Once it goes there he will have the usual 15 days but until they get all this worked out they are not sending it to the governor for signature. Different governor and different staff have resulted in different kinds of questions and issues so they are earning their money in Tallahassee for us because we have a flat fee, they can't come back and ask us for any more money. We are handling it and we think we have the right answers to the questions but there are no guarantees.

**C. Engineer**

**Consideration of Change Order No. 5 Water Treatment Plant Chemical Feed System Improvements for a Net Increase in the Amount of \$245,820**

Mr. Hyche stated change order no. 5 for the water treatment plant chemical feed system improvements for a net increase in the amount of \$245,820 is for the extension on the chemical building to house our sodium hydroxide.

Mr. Colon stated this was going to be built in the R.O. building anyway and we decided to put it in our chemical building now because we feel it will be a lot cheaper to add an extension to the building since the contractor is already there. It is a new facility but I feel it is cheaper to do it now rather than later.

Mr. Gray asked so the change order isn't really an increase in what we were going to spend it is just an acceleration?

Mr. Colon responded that is right.

On MOTION by Mr. Mendelson seconded by Mr. Gray with all in favor change order no. 5 with Century Building Restoration USA, Inc. for the water treatment plant chemical feed system improvements was approved for a net increase of \$245,820.

**Project Status Report**

Mr. Hyche stated the project status report is in the package.

**SEVENTH ORDER OF BUSINESS**

**Approval of Financials and Check Registers**

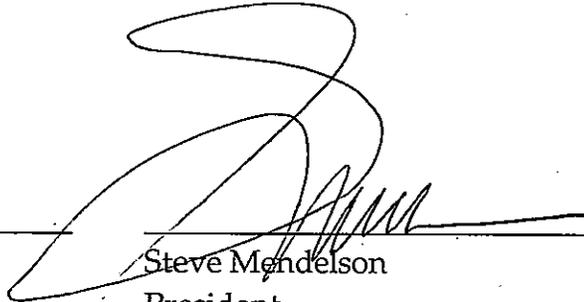
Mr. Hyche stated the next item is approval of the financials and check registers.

On MOTION by Mr. Gray seconded by Mr. Mendelson with all in favor the check registers were approved.

On MOTION by Mr. Mendelson seconded by Mr. Gray with all in favor the meeting adjourned at 5:16 p.m.



David Gray  
Secretary



Steve Mendelson  
President