

**GREATER BOCA RATON BEACH & PARK DISTRICT**  
MINUTES OF A REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
SUGAR SAND PARK - 300 SOUTH MILITARY TRAIL, BOCA RATON  
**May 30, 2017**

The MEETING was called to order by CHAIRMAN Robert K. Rollins, Jr. at approximately 5:30 p.m.

**COMMISSIONERS PRESENT:** Craig F. Ehrnst  
Steven M. Engel  
Robert K. Rollins, Jr.  
Susan Vogelgesang  
Erin A. Wright

**CHANGES TO AGENDA:** None

**PUBLIC REQUESTS:**

Tom Thayer

4821 N. Dixie Highway, Boca Raton

Mr. Thayer complimented District staff on the detailed and timely posting of the Board meeting minutes on the website. Referencing Ocean Breeze, he stated that Lennar has an option with Redus (a subsidiary of Wells Fargo) as long as the deed restrictions are valid. Lennar, being a residential developer, has no value in their option unless an entity like the District "bails them out". In his opinion, a better deal should have been negotiated as it appears Lennar is making a \$7 million profit. He cautioned that Ocean Breeze is a complicated condo and homeowner association development. He extended an invitation to the Boca Raton Federation of Homeowners meeting on Tuesday, June 6, at 8:30 a.m. Ms. Dorothy Jacks, PBC Property Appraiser will be in attendance as well as a legislator to summarize the recent legislative session.

From a historical perspective, Chairman Rollins offered that the District paid the following amounts to acquire large expanses of open space: Sugar Sand Park (132 acres) a little over \$15 million; Red Reef Park (67 acres) \$20 million; Ocean Strand (15 acres) \$18 million; in comparison to Ocean Breeze (214 acres) \$24 million.

Commissioner Engel stated that the District had to take into consideration the possibility of Lennar increasing the original MCZ offer of \$1,000 per unit to the 1,600 Boca Teeca residents if they would vote to lift the deed restriction. Even if Lennar tripled the MCZ offer, and paid Wells Fargo \$18 million for the property, it would still be profitable for them. Lennar is financially able to hold onto the property for a long period of time until they get the deed restriction lifted. He noted that the Ocean Breeze property is larger than the City's Municipal Golf Course property which the City is auctioning off at \$73 million and for which there is no appraisal.

Regina Eklund

5201 NW 2<sup>nd</sup> Avenue, Boca Raton

Ms. Eklund, a Boca Teeca resident, expounded on Commissioner Engel's comments regarding MCZ's offer by stating that her condominium never received any money from MCZ. She raised several questions which were responded to by Chairman Rollins (*in Italics*). If the Ocean Breeze Agreement for Sale & Purchase had been signed and if the deposit was submitted (*Yes*); if the District would maintain the property until the closing (*No, only after the closing*); if the three

questions raised by Mayor Haynie at the May 8<sup>th</sup> joint meeting were answered (*No, the questions will be answered prior to the July 24<sup>th</sup> joint meeting*); if the District had any indication as to when the City will enter into a contract for the sale of the Municipal Golf Course (*No*); if the District would commit to the property remaining as a 27-hole golf course and that the deed restrictions will be honored (*Further discussion is required; however, it is not the intention of the District to purchase the property and use it for anything other than a golf course*).

### **REGULAR BUSINESS:**

#### **1. Sugar Sand Park Playground Certificate of Payment, Application No. 14**

At the May 30<sup>th</sup> Board meeting, District Construction Consultant Mike Fichera reviewed the items in the change order contained in the subject pay application. He previously examined all of the back-up receipts, and verified the fact that all of the work was ordered for the contractor to complete. Pay Application No. 14 indicates a payment due of \$503,000; the change order amount is \$539,000; the difference is the portion held by the District for retainage (2 ½%). The contractor, Clifford Moore of NuJak Construction; Daniel Brewer of Brewer & Barretta Architects and Claudio Liapilli, Structural Engineer/Special Inspector were in attendance to explain the reasons for the substantial increase in costs incurred over the final months of the project.

Mr. Fichera described the process of communication in the initiation of the change order: both the Special Inspector and the Architect would contact the Contractor directly. The changes were based on safety and structural integrity issues.

Commissioner Engel remarked that the project is six months behind and 50% over budget. He questioned "how did this come to pass?"

Mr. Fichera and the three principals cited the following reasons for the \$500,000 overrun: the accelerated schedule to open the park [additional labor was hired to complete the project]; rotted creosote posts had to be replaced [one by one as the project progressed]; the addition of substantial structural enhancements [large quantities of bolts/screws/screening were required]; a lack of plans/permits for the original structure [it was a community built project]; the addition of a third story with ramps and overlooks [added to the existing playground structure]; the desire to preserve as much as possible of the original structure; unforeseen conditions [a huge electrical box was discovered and had to be relocated]; and the project was bid twice [added 120 days].

Mr. Moore detailed the scope of the project and acknowledged that the project became more of a time and material contract due to the many unknown variables that came about.

Commissioner Ehrnst asked Mr. Moore if he, his family or anyone else he knows has a conflict of interest relative to the playground project; if the independent vendors are due any additional payments and that no double billing of time sheets occurred. Mr. Moore replied "No Sir".

Mr. Brewer stated that his company prepared the drawings; they did not participate in estimating the cost. His firm was not involved in the administration of the contract.

Mr. Liapilli commented that a lot of changes were unanticipated and could not be avoided. The existing posts would not line up and connections had to be customized. It was a difficult project to inspect.

**MOTION** was made by Commissioner Vogelgesang and seconded by Commissioner Engel to approve NuJak Construction Pay Application No. 14.

*Discussion:*

Commissioner Ehrnst stated he would vote “no” due to the lack of a proper audit and project oversight.

**MOTION PASSES 4-1**

**2. Swim & Racquet Center Update**

The District is now in possession of a complete Project Manual and completed drawings; the project is ready to be bid. Mr. Koski proceeded to review the bid process, and sought approval to advertise the project. The project will be phased to permit the tennis and swimming facilities to remain in operation for the most time possible during the course of construction.

**MOTION** was made by Commissioner Vogelgesang and seconded by Commissioner Engel to authorize Mr. Koski to advertise the Notice to Bid for the Swim & Racquet Center Project.

**MOTION UNANIMOUSLY APPROVED**

**3. Update on the City/District Interlocal Agreement for Ocean Breeze**

The City Attorney is in the process of preparing an interlocal agreement for the financing of Ocean Breeze. A joint City/District meeting will be held in July at which time the interlocal agreement will be discussed.

Mr. Koski informed that he received the executed copy of the Ocean Breeze Sale & Purchase Agreement from Lennar and will transmit copies to the Board.

**4. Update on the Master City/District Interlocal Agreement**

Mr. Koski and Assistant Director Briann Harms met with City Assistant Manager Mike Woika last week to discuss the subject agreement which was furnished to the District on May 2, 2017. The District is concerned about two major items: 1) to insure that the independence of the District remained. The District should have full and complete control on the scope and quality of operation and maintenance services provided by the City on District owned and funded facilities; and 2) how the District pays for operation and maintenance. In addition, the inclusion of the District under the jurisdiction of the Palm Beach County Ethics Commission will be omitted from the agreement

*Board Commentary:*

Commissioner Engel remarked that the District is not a City agency, but a state agency governed by a different set of rules. In addition, not all District constituents are City residents; some live outside the City limits. He felt that it was the obligation of the District to have final say with regard to purchase and replacement decisions for capital items.

Commissioner Rollins stated he did not see the need for a “master” interlocal agreement as the one in force for 22 years works well. He felt that the master interlocal agreement takes away the District’s ability to provide input and make decisions on how its facilities are utilized and maintained. Other key issues of concern are: the structure of user fees; the disbursement of funds generated when equipment is sold; provisions regarding “other properties” and if it addresses the

Ocean Breeze property: the commencement of DeHoernle Park Phase II; how residents in annexed areas will pay for use of the parks; and the definition of a “non-resident”.

Commissioner Ehrnst commented that the user fee structure, and having input regarding the completion of DeHoernle Park Phase II, are issues that should be included in the interlocal agreement.

Mr. Koski will incorporate some of the Board comments received into the master interlocal and will provide red-lined copies at the June 19<sup>th</sup> meeting for discussion.

**APPROVAL OF INVOICES:**

**MOTION** was made by Commissioner Vogelgesang and seconded by Commissioner Engel to approve the invoices as presented totaling \$1,596,615.32.

**MOTION UNANIMOUSLY APPROVED**

**REPORTS AND DISCUSSION ITEMS:**

**Executive Director**

*Ocean Breeze*

Mr. Koski has received and will review the title insurance for the subject property. The District has a 40 day due diligence period. He will provide costs for preliminary soil tests and a certified survey of the entirety of the property being acquired as well as a topographic survey.

*Patch Reef Park*

The consulting engineer has surveyed the property and will be undertaking geo-technical soil borings to determine the level of drainage structure that may be necessary.

**District Counsel**-None

**Commissioners**- None

**FUTURE AGENDA ITEM**


June 19 Board Meeting:

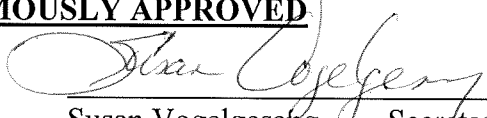
- Ocean Breeze – Approval of engagement of architect to assist in the planning and developing process.
- Ocean Breeze - Approval of Surveys and Soil Testing
- Review and discuss Master Interlocal Agreement

**ADJOURNMENT:**

**MOTION** was made by Commissioner Engel and seconded by Commissioner Wright to adjourn the meeting at 7:25 p.m.

**MOTION UNANIMOUSLY APPROVED**

  
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Robert K. Rollins, Jr. Chairman  
GBRB&PD Minutes: May 30, 2017

  
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Susan Vogelgesang Secretary-Treasurer  
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