



**ENVIRONMENTALLY ENDANGERED LANDS (EEL) PROGRAM
PROCEDURES COMMITTEE (PC) MEETING
September 16, 2010
Attendance List**

PROCEDURES COMMITTEE MEMBERS

Ralph McCoig
Pat Pasley
Rocky Randels
Diane Stees
Amy Tidd
Kim Zarillo

EEL PROGRAM STAFF

Laura Clark
Mike Knight
Katrina Morrell

GUESTS

Mark Bush, SMC
Ross Hinkle, SMC
Linda Mannier, District 3 Commission Office
Jack Masson, Director, Parks & Recreation Department
Paul Schmalzer, SMC
Doug Sphar, REAC

*Protecting and Preserving Biological Diversity
Through Responsible Stewardship of Brevard County's Natural Resources*

*September 16, 2010
Approved November 18, 2010*



**ENVIRONMENTALLY ENDANGERED LANDS (EEL) PROGRAM
PROCEDURES COMMITTEE (PC)
September 16, 2010
Meeting Minutes**

CALL TO ORDER:

Rocky Randels, Chairman, called the meeting to order at 1:03 PM.

PUBLIC COMMENT:

None.

MINUTES:

The minutes of the August 10, 2010 Joint Meeting of the Selection and Management Committee (SMC) and Procedures Committee (PC) were presented for review and approval.

Several members of the Committee stated that they had not yet had a chance to do a complete review of the draft minutes. Clarification was provided that the draft minutes had been mailed to the Committee the previous evening.

Rocky suggested consideration of pending approval of the minutes until the group had sufficient time to review them.

Mike Knight, EEL Program Manager said that that Rocky's suggestion would be acceptable, or, if the group preferred, they could delay consideration of the minutes until the next meeting. He added that Paul Schmalzer had e-mailed a number of questions related to the minutes.

Rocky stated that it might be best to delay consideration of approval of the minutes until the next meeting so that everyone would have an opportunity to review them completely.

Paul stated that part of the concern was there had been issues with the headings on some of the attachments and that Kim's original memo had been referenced in the minutes, but it had not been included as an attachment.

Mike suggested that the minutes could be redistributed, including the handouts.

Kim Zarillo asked if it would be possible to get a copy of Paul's comments included when the information was redistributed and she expressed her concern that everything had not been included.

Ross Hinkle stated that it would be very helpful if everything could be redistributed in one package.

Mike confirmed there were some problems with some of the attachment document names and headings, and he said those things would be fixed.

Mike stated that one of the issues might be that in the past, there have been some circumstances where revised language was presented after the motions, but that it was preferred to take that language out of the minutes and include it as an attachment to the document.

Kim stated she found it more helpful to have the language within the context of the minutes because she had had a difficult time trying to go back through old minutes and compare old and new handouts to see what had actually changed going back to the June 3rd meeting.

Mike stated he needed clarification as to how the Committees wanted to handle it. He stated that for the current meeting, the information would be on the screen so the Committees could make changes and the new document could go into the minutes as an attachment.

Kim stated her preference for having the new language within the minutes, after the motion.

Mike said he could cut and paste the new language into the minutes.

Kim stated that she felt it would be beneficial to have the original language included in the minutes, followed by the discussion, the motion, and then the new language.

Mike stated that he thought it would be confusing to have the language imbedded in the minutes and also provided as attachments.

Kim stated that currently the discussion in the minutes references the handout, but the language in the handout is not included as part of the minutes, or as an attachment, so it is difficult to determine the starting point.

Diane Stees said that language in the minutes might state that they were making a motion on page 3 of the handout, but no one reading the minutes would know what was in page 3 of the handout unless the information was imbedded in the minutes or included as an attachment.

Kim agreed and said that if the text before the discussion could be imbedded in the minutes as a starting point it would make the process a lot easier to follow.

Ross Hinkle stated that he felt it was important to provide distinction between the different stages in the language development process.

The group agreed that it would be beneficial to have references to the starting point language, followed by the discussion, then the motion language, and then the updated language provided with clear distinction.

The group discussed different personal preferences regarding having original and post discussion/motion language provided as part of the minutes. Some members had a preference for having the information imbedded in the document and some members preferred that the language be presented as attachments.

Diane suggested that attachments be referred to as "Attachment 1, Attachment 2,..." The group concurred.

Mike stated that if you cut and paste information into a document you run the risk of losing things, but if that's what the Committees wanted, that's what staff would do.

Rocky stated that it was important to bear in mind that they were leaving a trail for the people who will follow and if they don't know how the Committee got to a particular sentence, it might not have as much meaning.

Diane stated that if the group has significant discussion on an item, and decided not to change it, she felt that was worth mentioning, to show that the item was addressed and that the Committee did not feel that they needed to make a change. She added that sometimes the reasons you

decide not to change something are as important as the items you want to change.

Rocky agreed.

Amy Tidd stated that she felt having the information presented both ways meant double work, and that she felt imbedding could lead to cut and paste errors.

Pat Pasley stated that she thought that they had been making progress with the revisions and things had been going well, but it seemed to her that they were stepping backwards now, and she wasn't sure how that had happened.

Paul stated that he did not believe they were taking any steps back, they were just trying to clarify the documentation.

Diane stated that the reason they wanted to be sure that the documentation was clear is because there now seem to be so many critics.

Pat said that she didn't think you could ever satisfy everyone and sometimes you needed to just hit the highlights and move on.

Kim stated her understanding that future minutes would at least have the actual pre-discussion and post-discussion (or post-motion) language imbedded in the document and also perhaps the post language as an attachment.

Mike stated that's what he was hearing. He said that the post motion language may only reflect the portion of the language which was changed by the discussion or motion, but that an attachment would be provided that included all the new language revised so far, for the item being discussed.

Diane said she thought it would be beneficial to include a reference in the minutes which indicated that a section of the minutes would relate to "Pre-Motion Number 1, 2, and/or 3" as well as "Post-Motion Number 1, 2, and/or 3". The group concurred.

The new format will be implemented beginning with the August 10, 2010 SMC/PC minutes.

AGENDA ITEMS

Land Acquisition Manual Revisions: Exchange / Transfer of Land

Internal County Exchanges and Transfers of Land

For review and consideration at 9/16 PC Mtg.

Blue Highlights: Represent committee input from the last meeting.

Gray Highlights: Represent additional staff edits following the last meeting.

LAM Page 4-31: New language to be added as a second paragraph under the existing "Exchange" heading.

In some cases, it may be appropriate for the EEL Program to exchange or transfer lands with other County departments in order to further the goals of the EEL Program. Any exchange or transfer that involves the movement of funding from one department to another must be considered as a land sale and must follow the Land Sale Procedures as defined on Page (#TBD). To ensure that all lands being considered for exchange or transfer are consistent with the intent of the voter-approved EEL referendum, and the Board-approved land selection criteria, the following steps will be followed:

Step 1: Conceptual Exchange / Transfer presentation by staff to SMC. (for consideration of a 1st majority vote)

The Conceptual presentation would include the following information:

1. A brief history of the initial acquisition and sale/purchase history of all properties associated with the exchange/transfer.
2. Justification for the exchange / transfer detailing how it will further the EEL Program goals and mission.
3. An overview of the conservation value and current habitat conditions. The SMC would have the option of conducting a site visit prior to their consideration of a 1st Majority Vote.

Step 2: Exchange / Transfer Proposal

Staff will prepare an Exchange / Transfer Proposal for consideration by the Selection and Management Committee for consideration of a 2nd Majority Vote. All Exchange / Transfer Proposals must be carefully evaluated by the SMC, and must receive an extraordinary majority vote (at least five (5) out of seven (7) affirmative votes) in support of the proposal in order to authorize staff to prepare a Board Agenda Request for consideration by the Board of County Commissioners.

The proposal will include at a minimum, the following information:

1. An overview of the current use of the property, the existing management, and required management obligations related to the property.
2. An overview of the anticipated management needs of the property, including the estimated initial and annual management costs, priorities, and management partnership opportunities.
3. An overview of public access and environmental education opportunities.

Step 3: Bring exchange/transfer concept to BOCC for direction

EEL Staff will prepare an Agenda Request to present the land exchange / transfer to the Board for consideration. Upon consideration of the recommendation from the SMC, the Board will determine the most appropriate course of action for the disposition of the property including

whether or not appraisals are necessary for the purpose of asset tracking and method of exchange / transfer, in accordance with County Ordinance Chapter 2, Article VIII and Florida Statutes 125.35 and 125.38.

Step 6: Initiation of Asset Transfer Process

Upon approval of the Exchange / Transfer Proposal by the Board of County Commissioners, staff will initiate the process for the transfer of the county property between the appropriate county departments.

Discussion prior to Motion #1

An updated version of the Internal County Land Exchange/Transfer Draft Language which contained new language from the August 10, 2010 SMC/PC meeting discussion, and new language which had been provided by staff at the Committees' request, was reviewed by the group.

Mike explained that changes from the August 10th language had been highlighted in two formats in order to provide identification of all changes that had been made to the document since the last review. He stated that the language provided by Committee members was highlighted in blue, and the suggested language provided by staff was highlighted in grey.

Rocky clarified that the group would be discussing information beginning on page 4-31 of the Land Acquisition Manual.

Mike stated that the language in the handout was all new language for the manual.

Mike stated that page 4-30 of the LAM contains a large primary heading called "Common Methods of Land Acquisition", and the next page includes a sub-heading called "Exchange". He said that since none of the language in the existing manual relating to the exchange of land was being removed, it would be his suggestion that the new language be placed into the manual with a new heading, after the sub-heading called "Exchange".

Paul asked if the new language would have a new sub-heading.

Mike said that he was not suggesting the inclusion of a new sub-heading before the new language because anything that was considered an exchange or transfer with a third party, (i.e. was not internal government), in his opinion, would fall under land purchase rules.

Paul stated that instances have occurred in the past where the SMC has received requests for exchanges from third parties who were not government agencies.

Mike agreed.

Paul stated that it was his recollection that the SMC had declined to approve moving forward with any of the exchanges because they weren't good biologically or economically, but that issue of consideration of land exchange with a private citizen has arisen.

Mike agreed that was correct, and he stated that in his opinion, what would happen in the case of a request for land exchange from a private citizen would be that if the SMC was interested, the

request would be treated as any other land purchase, and that part of the contract would contain part of the mechanism for swapping out the land, so it would follow those same procedures that land acquisition would follow.

Ross said that made sense.

Paul reiterated that the situation has come up, and the group needed to be sure that they didn't eliminate a mechanism to deal with it.

Mike agreed.

Kim asked if she understood correctly that the existing language on exchange will stay as it is now, and the new language on internal county exchanges and transfers of land would come after that.

Mike agreed. He stated that a sub-heading could be added if the Committees wanted to call it that, or they could just go into the procedural aspect, although this part of the manual generally referred to different methods of acquisition.

Mike said that this part of the manual wasn't intended to deal with procedure; this was just his first jump at finding a logical place to enter the information being discussed. He said that the information could be entered wherever the group wanted it to go.

Mike also stated that it was his suggestion to add a new primary heading equal to the one on "Common Methods of Land Acquisition" after that section for the new Land Sale language.

Paul stated he thought that was a good place for the land sale language.

Jack Masson, Director of Parks and Recreation, asked for an example of a previous transfer or exchange that involved shifting, or transferring of County funding.

After brief discussion, Mike confirmed there hadn't been any.

Mike stated that if everyone was okay with the headings, they would move to the section outlined in grey, which was the wording that he had added at the Committees' request at the last meeting.

Mike stated that one item related to the transfer of land between departments would be that if the EEL Program paid a million dollars for property which was swapped with land that another department had paid a half a million dollars for, the acquisition cost information would transfer with the asset and the records would indicate that the EEL Program paid a half a million dollars for the new property, instead of paying a million dollars for the land that was swapped, because all that would really happen would be an asset transfer from one department to another.

Paul stated that he had a concern with the language in grey at the beginning of the document which read "Any exchange or transfer that involves the movement of funding from one department to another must be considered as a land sale and must follow the Land Sale Procedures as defined on Page (#TBD)." He stated that he felt that what they were most concerned about was acquisition funding, but there could be cases where mitigation or management funds were involved, and he suggested clarification of the language for funding to ensure that when lands which include mitigation funding come to the EEL Program, those monies would come to the Program as well.

Mike said that was a good point. He asked if inserting the word “acquisition” before “funding” would address the concern.

Paul stated he thought that would work.

Rocky stated that the LAM, which had been written in 1990 and revised in 1997, was intended to be a living document.

Paul emphasized that there is language in the existing LAM which relates to both the possible exchange, and the sale of land, and that although it might not have been as fully developed as the new language will be, there was sufficient language that the Program was able to do the exchange with Parks & Recreation for the W. W. James and Pittsburg Partners properties, and for the purchase and eventual sale of the TICO property. He stated that he agreed that the language would benefit from clarification, but he emphasized that items are considered and addressed within the current LAM document.

Diane reminded the group that if a page number was going to be used as a reference, the title or section heading from the appropriate language should also be included.

Ralph asked if the Board would have the opportunity to provide direction on whether or not appraisals should be ordered.

Mike said that they would, and he stated that language specific to that topic would be addressed a little later in the meeting.

The group discussed Step 1.

Mike stated that at the last meeting, concerns had been received that the process only included one review for approval by the SMC, before it was submitted to the Board for their consideration. This had been an issue, because the process for land acquisition is multi-step process.

Mike stated that the steps have been revised to indicate that staff will do a preliminary review with the SMC which includes only basic information, and that if the SMC passes a 1st Majority Vote (which can come with, or without a site visit), staff will then compile a comprehensive, formal Exchange / Transfer Proposal. The Proposal will include historical information regarding the acquisition history of all properties involved in the potential exchange / transfer, an overview of the current use of the property, the existing management and required management obligations (because it could be possible that the site is not being managed in accordance with the requirements), an overview of the anticipated management needs, estimated initial and annual management costs, priorities, information on potential management partnership opportunities, and an overview of public access and educational opportunities.

Diane asked for clarification on what would happen if appraisals which had been completed years apart were used for comparison.

Mike stated that the Board will have the opportunity to order new appraisals if they choose to do so.

Mike said that after the exchange with Parks & Rec. was approved by the SMC, the County Manager at that time had determined that the exchange did not need to be formally submitted to the Board, because they felt that that the mechanism already existed to simply transfer assets if the Department Directors and the County Manager agreed that it was a good thing to do for the

County. During recent discussions, the Committees felt that this was something that should be tied to Board action to ensure that properties transferred into the Program had full protection under the EEL Program referendum. In addition, there was concern that if two Department Directors plus the County Manager could approve land being transferred in to the Program, there could be the potential that they might also have approval to also transfer land out of the Program.

Diane stated that she is concerned that the Commission did not follow their rules at the last SMC appointment, and so she would like the exchange of land process to be protected. She stated that she did not want to see misuse in the future and that it was important for everyone to look closely at things.

Ross stated that he felt that before any exchange could be made, the SMC is charged with the responsibility of determining appropriate conservation value, not necessarily monetary value. He stated that the SMC's concern is focused on optimizing biodiversity, providing passive recreation and educational value, and those things would be their focus.

Diane asked if they were eliminating the potential transfer / exchange of lands that were acquired with State funds or other partnership monies.

Kim, Paul, and Ross stated that any time partnership funds were received; approval would need to be received from the partnering agency.

Diane stated that seemed appropriate, but that it was possible that everyone else might not recognize the requirement, and she suggested consideration of including language which provided that clarification.

Mike stated that there wasn't any reason that it couldn't be added; he would just have to come up with something.

Kim stated that she didn't think a transfer or exchange could be accomplished without the agreement of any agency that had provided partnership funding.

Mike said agreed, but he wanted to be sure, so they would go back and do a re-think to confirm.

Rocky asked for clarification on what would happen with a simple donation.

Mike said that was a good question.

Mark Bush mentioned the properties in the South Beach Region donated by the Mellon Foundation.

Paul stated that was a good example, because these properties were not tied to mitigation, and they are within a project area.

Ross said it would be treated like an acquisition.

Paul agreed.

Mike stated that it would have to go through the normal committee process and would not end up for Board review unless the Committee was moving it forward as such.

Kim clarified that the question that needed to be answered is: Does the manual need to address exchange or transfer of lands that may be restricted, even if in County ownership, by joint title, partnership funding, easements or other situations?

Mike stated he was having a hard time envisioning where they could put that in, or what the value would be, but he would be more than happy to look at it. He stated that he felt that someone would have to follow the process of exchange or the process of acquisition, and it would fall into one of those categories.

Paul stated there is existing language regarding purchase and coordination with other agencies within the LAM.

At this point the group pended further discussion of this item to focus on a budget presentation by Stockton Whitten, Assistant County Manager. Information from the presentation will be provided separately in these minutes.

When the discussion resumed, Mike stated that staff would sit down and put their heads together to see if there was anything that is missing related to donations, and he suggested the group move ahead with the draft language. He stated that all the information from the previous draft had been retained, but he had moved things around a little bit when changing from a one step, to a two step process, plus he had added a third item to the Conceptual Presentation to show that an overview of the conservation value and current habitat conditions would be included.

Pat asked if the reference to County departments was the best possible language, and she suggested consideration of using County owned land, rather than departments.

Mike explained that he felt that either would work, but he had chosen departments because the way the County's asset tracking is structured, all assets have a specific department assigned as custodian of that asset.

Pat said she understood and agreed that department would be appropriate.

Mike stated that Step 2 now includes clarification that approval of a 2nd Majority Vote will be required from the SMC before the exchange / transfer is to move forward to the Board for their consideration. He added that the information in the Exchange / Transfer Proposal will involve the details that the SMC requires in order to make a decision on the 2nd Majority Vote.

The group reviewed Step 3, which now relates to moving a proposal for exchange / transfer to the Board for their consideration, if the SMC approves a 2nd Majority Vote. The item also provides clarification that the Board will have the opportunity to request appraisals on the properties, if they choose to, and it and states that the Board will determine the most appropriate course of action for the disposition of the property. This section also states that County policies will be followed.

A typographical error was discovered in the draft language. The step for "Initiation of Asset Transfer Process" will be corrected from Step 6, to Step 4.

Paul suggested consideration of adding clarification at the end of the document that all lands transferred to the EEL Program become part of the EEL Program Sanctuary Network.

Rocky asked for clarification of what that really meant.

Paul stated that this would mean that all properties transferred to the Program are subject to management under the Sanctuary Management Manual, and to the same procedures, restrictions, and conservation guidelines, for any potential use, just as they would be if the Program had purchased them with bond funds.

Rocky said that sounded reasonable. The group agreed.

Paul confirmed that exchange and donation are all means of acquisition, and they should be done for the purpose of the EEL Program as established by the referenda.

Ross stated that the EEL Program will not be used as a means of exchanging / transferring land for other purposes other than as part of the Sanctuary Network.

Amy suggested consideration of using the word “into”, because in an exchange, some land would be transferred out, and some would be transferred in.

Ralph asked if they had ever envisioned land which has established funding for maintenance of the property being exchanged, and if so whether the funding would transfer also.

Mike stated that if mitigation funding was required to be set aside, the funding would transfer to the Program. As an example, if Brevard County Road and Bridge Department had to mitigate as part of a road project, and they set aside a piece of land that was under Natural Resources, normally that would come to the Program, but say it was under Natural Resources, and there was a one-time management fund in an escrow account, if the land was transferred from Natural Resources to the EEL Program, that money would have to follow because it was part of the mitigation permit. He said that as part of the Cochran mitigation donation, property was put into mitigation years ago and the owner was required to donate it to the County. The owner used some of the funds from the management fund to maintain the property for a period, and since there was money left in the fund at the time the property was transferred to the Program, those funds transferred as well. Mike stated that not all mitigation donations were structured the same way, due to changing regulations, and the time frame in which they occurred.

Diane asked if clarification regarding the transfer of mitigation funds should be included in the manual.

Mike stated he would try to address the issue with draft language he was preparing during the meeting as the group reviewed the on screen language.

Diane asked if clarification should be provided that transferred funds had to be used on the same properties the funds were mitigated for before they were transferred.

Mike agreed.

Diane said that she had a couple of minor things to point out:

1. 1st paragraph: change referendum to referenda (plural).
2. Same paragraph, last sentence: Add “as outlined in Chapter 3” along with the heading or subtitle of the language being referenced.
3. Be consistent with capitalization on 1st and 2nd Majority Vote.

A suggestion was received to change “Agenda Request” to “Agenda Report” to reflect the current name of the document.

Clarification was provided that the term “Agenda Request” had been used consistently throughout the LAM, and it was felt that it was best to be consistent with the manual.

Ross suggested clarifying the language by using “Land Asset Transfer”.

Kim said if you get land, and the land has a building, everything comes with it.

Mike agreed.

Rocky asked if the group wanted to have the corrections made and the language sent back for additional review, or if they wanted to consider a motion on what had been discussed so far.

MOTION ONE

Kim Zarillo moved to accept all the changes as discussed for LAM Page 4-31 regarding County Exchanges and Land Transfers of land, Steps 1-4.

Diane Stees asked for clarification if the preceding paragraph was included.

Kim stated that it was.

Amy Tidd seconded the motion.

The motion passed unanimously.

Internal County Exchanges and Transfers of Land

EEL Program Land Acquisition Manual

As approved at the 9/16/10 PC Mtg. and for consideration by the SMC on 10/12/10.

Gray Highlights: Represent PC revisions resulting from the 9/16/10 PC meeting.

LAM Page 4-31: New language to be added as a second paragraph under the existing "Exchange" heading.

In some cases, it may be appropriate for the EEL Program to exchange or transfer lands with other County departments in order to further the goals of the EEL Program. Any exchange or transfer that involves the movement of acquisition funding from one department to another must be considered as a land sale and must follow the Land Sale Procedures as defined on Page (#TBD and appropriate LAM page / section heading). In the event that land being transferred to the EEL Program was originally part of a mitigation permit, and has a balance of management funding, it is understood that the remaining funds would be transferred to EEL along with the property.

To ensure that all lands being considered for exchange or transfer are consistent with the intent of the voter-approved EEL referenda, and the Board-approved land selection criteria (Chapter 3 of the EEL Land Acquisition Manual), the following steps will be followed:

Step 1: Conceptual Exchange / Transfer presentation by staff to SMC. (for consideration of a 1st Majority Vote)

The Conceptual presentation would include the following information:

4. A brief history of the initial acquisition and sale/purchase history of all properties associated with the exchange/transfer.
5. Justification for the exchange / transfer detailing how it will further the EEL Program goals and mission.
6. An overview of the conservation value and current habitat conditions. The SMC would have the option of conducting a site visit prior to their consideration of a 1st Majority Vote.

Step 2: Exchange / Transfer Proposal

Staff will prepare an Exchange / Transfer Proposal for consideration by the Selection and Management Committee for consideration of a 2nd Majority Vote. All Exchange / Transfer Proposals must be carefully evaluated by the SMC, and must receive an extraordinary majority vote (at least five (5) out of seven (7) affirmative votes) in support of the proposal in order to authorize staff to prepare a Board Agenda Request for consideration by the Board of County Commissioners.

The proposal will include at a minimum, the following information:

4. An overview of the current use of the property, the existing management, and required management obligations related to the property.
5. An overview of the anticipated management needs of the property, including the estimated initial and annual management costs, priorities, and management partnership opportunities.
6. An overview of public access and environmental education opportunities.

Step 3: Bring exchange/transfer concept to BOCC for direction:

EEL Staff will prepare an Agenda Request to present the land exchange / transfer to the Board for consideration. Upon consideration of the recommendation from the SMC, the Board will determine the most appropriate course of action for the disposition of the property including whether or not appraisals are necessary for the purpose of asset tracking and method of exchange / transfer, in accordance with County Ordinance Chapter 2, Article VIII and Florida Statutes 125.35 and 125.38.

Step 4: Initiation of Land Asset Transfer Process

Upon approval of the Exchange / Transfer Proposal by the Board of County Commissioners, staff will initiate the process for the transfer of the county property between the appropriate county departments. All lands transferred into EEL management become formally designated as part of the EEL Sanctuary Network.

Paul reminded everyone that the language also needed review and approval from the SMC.

EEL Program Funding Presentation

Assistant County Manager Stockton Whitten thanked the group for allowing him to attend the meeting and to provide a little information on the thought process regarding the defeasement of EEL Program bonds that had been discussed during the planning for the FY 2010/2011 budget.

He explained that funds collected each year from the ad valorem tax are split between paying the bond debt and operations. He also clarified that the tax rates for bond debt, and for operation, are established separately on a year to year basis and that they had not been set any higher than they were because the Program had funding in reserves.

Stockton stated that revenue from the 1990 Referendum will not be collected after FY 2010/2011, which will have a huge effect on the funding available for the EEL Program. He added that the current economic situation has caused a significant decrease in the taxable value of property.

Ralph asked if there were any options available.

Stockton stated that if the Property Appraiser's forecasted, additional annual reduction in property values of 17%, 10%, and 7% comes to pass, the ad valorem tax revenue collected for the EEL Program will not be enough to pay the payments on the bond debt, much less provide funding for operations, and it is felt that there is no other option than to defease \$4 million associated with unspent bond referendum proceeds.

Additional Discussion

Rocky stated that he didn't think anyone would ever have predicted the current economic situation, but that he understood that if your revenue is based on property values, and property values decline while expenses stay the same or go up, then you have to do some shifting.

Pat asked for clarification of where the additional revenues came from.

Stockton explained that the term additional revenues represents the funds collected annually through the ad valorem tax, which are not are not used to pay the bond debt.

Paul stated that in the scenario which had been presented, the 2004 levy was under the cap allowed by the voters.

Kim stated that if the 1990 and 2004 millages could be increased to the maximums, that would help the situation.

Stockton agreed that the millage rates were not currently set at the maximum amounts, but there is a possibility that the Board will decide to levy the maximum at some time in the future.

Paul stated that because the 1990 millage will no longer be collected the following year, the 2004 millage could be increased without an overall tax increase.

Mark Bush asked if anyone knew at what point the Program would not be in a position to obtain additional land.

Mike stated that if funds become severely restricted, the primary focus of the Program will be to ensure that EEL Program lands continue to receive prescribed fire, because of the liability that comes with having natural areas near urban areas. He stated that biological preservation and management of lands is first and foremost, and that access and education are important, but they are secondary goals of the Program.

Paul stated that you cannot protect biological diversity on fire maintained systems by going an extended period of time without burning the landscapes and that they did not want to see education centers closed or citizens denied access, but he was hoping that some of the things which had been discussed in recent meetings related to partnerships and volunteers would be workable.

Rocky said that he realized Stockton probably had additional meetings in his schedule for the day and he asked Stockton what decision he would hope to get from the Committee as a recommendation to the Board.

Stockton said that he believed that the Board is moving forward with the recommendation of the County Manager to defease \$4 million of the 2004 bonding proceeds, so he didn't necessarily need a recommendation; he had just provided the information to let everyone in on their thought process as they move through the budget proposal. Stockton added that there were a couple of misstatements regarding the use of the word "exhaust" in the presentation, and he would be sure that everyone got a revised copy. Copies of the original and revised presentations are provided as attachments to these minutes.

Kim stated that interest rates were very low and she asked if there was a possibility of refinancing or restructuring the debt.

Stockton said that he would ask that question. He stated his understanding that what Kim was referring to was to restructure without defeasing the \$4 million or just getting a lower interest rate and that he wasn't sure that was an option because the bonds are not callable.

Paul asked for clarification of the amount of total cash reserves that are not committed to paying bond debt at the present time.

Mike said there were \$8 million; \$4 million from 1990 and \$4 million from 2004.

Stockton stated the last payment for the 1990 referendum bonds will be budgeted when the Board approves the budget on September 28th and that he understood that the Program has properties going through the land acquisition process at this time.

Katrina Morrell, EEL Program Education Coordinator, asked if the monies that were listed in the presentation as being saved as a result of defeasing the \$4 million dollars would be added back into the funds for operations increasing the totals shown as available for operations for the next three years.

Stockton said that was correct, as long as the Board was willing to adjust the operating millage.

Katrina said that based on her understanding, the Program's funding situation in the next few years would still be bleak.

Stockton said that based on the projections of additional property value decreases of 17%, 10%, and 7%, the situation was dire.

Ross asked if Stockton felt that the projections were based on a worst case scenario.

Stockton said that he hoped so, but the information had come from the Property Appraiser's Office, and that was what they had to work with.

The group thanked Stockton for coming to the meeting and providing the information.

Public Comment

Doug Sphar, REAC Committee, stated that he understood that the year 2024, when 2004 referendum ends, seems like a long time away, and he knew that this wasn't the time to go for another referendum, but it was important to not wait until 2023 to establish an ongoing vision for the EEL Program.

Additional Discussion

Mike stated that the Parks and Recreation Department (P&R) has had several referendums. He said that when those referendums were structured, the referendums did allow for ongoing levy for maintenance in perpetuity, but that the EEL Program referendums do not provide that continued funding, due to the way they were structured.

Paul stated that the option of continued funding had not been available during the 1990 or the 2004 EEL Program referendums.

Ross clarified that the SMC had tried to set up an endowment to cover management in perpetuity, but that had not come to fruition. He said that he realized that the Program still has acquisition goals, but the majority of the acquisition has been accomplished, and over the next five to ten years, it is important to develop a vision to stabilize the management.

Paul stated that it is hoped that the economic situation will improve during the remaining 14 years of the 2004 referendum.

Kim said that in the next two years, the operating budget is going to have to change dramatically.

Diane asked if it would be possible to request recommendations from The Nature Conservancy regarding establishment of funding for management in perpetuity, as well as possible options for refinancing the debt and she stated that she felt it could be beneficial to hear options from more than one source.

Rocky said that it was certainly worth investigating.

Mike said that staff could make that request. He added that the EEL Program Sanctuary Management Manual which was approved by the Board in 1997, includes a financial plan that the SMC worked on, which provided for an endowment. He explained that the decision of the Board at that time, was to not establish the endowment and to use the excess ad valorem monies to fund ongoing operations of the Program, with the intention of re-evaluating in 2011. Mike added that part of the recommendation from the SMC at that time was to slowly bring the Program into the General Fund, but that had also not been accepted by the Board.

Ross stated that they had not known that property values would be down the way that they are, but everyone had understood that the Program would need funding for long term management.

Rocky stated that he thought perhaps this should be an item of discussion at a future meeting, and he suggested that the Committee consider moving on in the agenda.

Land Acquisition Manual Reformatting

Mike stated that he and Pat have been meeting with representatives from FIT recently, and it appears they are eager to assist with this project. He explained that his initial concern was that it was important that everyone realize that the Program did not have monies to fund a project and if there would be costs involved that would be an issue. Mike said that he and Pat have an initial meeting tomorrow with a group at FIT, and he suggested consideration of having them come to a joint meeting of the committees.

Kim stated that more than one PC member could not attend the meeting because of Sunshine Laws, but whatever was discussed, it should be clear that they understand that this is not a re-

writing of the manual, just a re-formatting of some of the information, with no intent to change the meaning.

Pat stated that Tony Catanese is her neighbor and one day when she was out exercising, she asked him for his support and she stated he is 100% behind the project. She said that Dr. Catanese got Dr. Bragdon to take a look at it and pull a committee together because Dr. Bragdon's concern was the person Mike had been talking to probably wouldn't have enough knowledge about the EEL Program so he was bringing in another person who has written a Master's paper on the Program. Pat said that she thought this was a wonderful opportunity for the Program.

Kim stated that it was great that there were people who were willing to assist with the project, and she reiterated that we didn't need someone to completely rewrite the manual, because we don't need that much help.

Pat said that, because a lot of the work will be easy, she thought that it might be good if the group was willing to come up with a first draft that the Committees could review, rather than sitting down and reviewing individual sections. She confirmed that she has explained that the Committees have to approve all changes to the LAM, but that perhaps by the next meeting, they could have a first draft ready for review. Pat stated that she felt that decision trees and process trees would be beneficial in providing clarification.

Diane mentioned that the group was discussing a project related to the acquisition of land when it seemed possible that the Program was nearing the end of the land acquisition phase.

Kim stated that it was her hope that the Program maintained its goals for acquisition, because the economy could change.

Diane agreed and said that the reformatted LAM would be a good model for the next referendum.

Ross stated that he has given the EEL Program's LAM to a lot of folks in other states, and they really like it. He said that the Program has a lot of merit, and that he believes that reformatting or cleaning up the LAM a little bit would be a good way to set a point in the history of the Program.

Kim said that it was her understanding from what she was hearing that the goal for the meeting tomorrow was to get confirmation that FIT was willing to participate in the project and to come back with a first draft for review at the next meeting.

Pat agreed and said that she was going to take the documents she had prepared during her review of the first part of the LAM to the meeting with FIT, and even if they didn't use them, they could provide an example of a footprint for where to start.

Rocky asked if staff needed a vote from the Committee while there was still a quorum of members in attendance at the meeting.

Mike said he did not think so.

Additional Discussion

Diane suggested consideration of having a lessons learned exercise. She said they are doing this exercise at KSC for the Space Shuttle Program and that they were also taking some of their department documents and making them better right now, even with only two shuttle mission left, because the documents will be pulled off the shelf to be a model for the next vehicle is coming.

EEL Program Procedures Committee Meeting

September 16, 2010

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Approved November 18, 2010

She suggested having Committee members gather at one of the EEL Program Management and Education Centers to spend an afternoon discussing and brainstorming, with the goal of a final report.

Rocky said that he believed the exercise would be worthwhile.

Mike asked how the group would envision the event.

Ross suggested providing lunch.

Diane suggested that everyone might bring a dish to share.

Pat mentioned that next year will be the EEL Program's 20th anniversary.

Paul confirmed that the SMC was appointed in August 1990 and the referendum was in September of 1990.

Mike mentioned that the Program has various plans to mark the 20th anniversary.

SMC Appointment Process Flow Chart and Land Sale Process Flow Chart

Kim stated that she thought that perhaps the text for SMC Membership Criteria should move forward to the Board, before the flow charts, just so the Committees could address the items requested by the Board.

Mike confirmed that these agenda items could not be presented for a vote because there was no longer a quorum in attendance at the meeting. He said that perhaps it would be beneficial to address the flow charts as part of the reformatting of the manual.

Additional Discussion

Mike said that while he had been working on the SMC Appointment Process Flow Chart, he had discovered what he believed was a potential issue with the most recent SMC Membership Criteria Language. He stated that he also believed that there was an easy way to address the issue, by adding the word "or" in the language of Page 2-17, 6d, immediately following "...without additional review or new rankings".

The group discussed the suggestion. During the discussion, clarification was provided that since the Procedures Committee needed to meet in the near future for consideration of approving the revised August 10th SMC/PC meeting minutes, the suggestion could be reviewed at that meeting.

NEXT MEETING:

To be determined.

ADJOURNED:

The meeting was adjourned at 3:50 PM.

SUMMARY OF MEETING MOTIONS:

- 1. Motion to accept all the changes as discussed for LAM Page 4-31 regarding County Exchanges and Transfers of land, Steps 1-4.**

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EEL'S Bonds



**EEL'S Procedure Committee
Presentation**

September 16, 2010

EEL's Referendum Language

1990

Shall Brevard County issue bonds, in a principal amount not exceeding Fifty-five Million Dollars and No Cents (\$55,000,000.00), to finance the cost of **acquiring, protecting and maintaining** environmentally endangered lands, and making improvements as appropriate for passive recreation and environmental education, such bonds being payable from an annual ad valorem tax not exceeding **one-quarter of one mill**, levied for a period of twenty (20) years and bearing interest at a rate not exceeding the maximum rate permitted by law; as described in Brevard County Resolution 90-245? ²

EEEL's Referendum Language

2004

Shall Brevard County issue bonds to finance the **acquisition, improvement and maintenance** of environmentally endangered land and water areas for the protection of habitat, public open space, and water resources, and for providing passive recreational opportunities, provided the bonds do not exceed Sixty Million Dollars (\$60,000,000) bearing interest not exceeding the maximum legal rate and maturing in twenty (20) years payable from the levy of ad valorem taxes not exceeding **.2085 mills?**

2010/11 Fiscal Year Budget Proposal 1990 Referendum

Operating Tax Rate of 0.0370

- Tax Revenues of \$1.034 million

Debt Tax Rate of 0.0574

- Tax Revenues of \$1.638 million
- Additional Revenues of \$3.9 million
- Debt Payment of \$5.394 million

2010 / 11 Fiscal Year Budget Proposal 2004 Referendum

Operating Tax Rate of 0.0359

- Tax Revenues of \$1.003 million

Debt Tax Rate of 0.1300

- Tax Revenues of \$3.710 million
- Additional Revenues of \$479 K
- Debt Payment of \$3.454 million

Taxable Values

- FY 2011/2012 - 17% Reduction
- FY 2012/2013 - 10% Reduction
- FY 2013-2014 - 7% Reduction

Effect of Reductions in Taxable Values

- FY 2010/2011
 - 1990 Bond Debt Retired and Last Year of Operating Revenues
 - 2004 Utilize all but 0.0426 of the 0.2085 Maximum Tax Rate
 - EEL's Operating Expenses – Fund Balance/Reserve
- FY 2011/2012
 - 2004 Utilize all of the 0.2085 Maximum Tax Rate
 - EEL's Operating Expenses – Exhaust Fund Balance/Reserve

Effect of Reductions in Taxable Values

- FY 2012/2013

- 2004

- Debt is covered from the Maximum of 0.2085
 - Fund Balance/Reserves are Exhausted and EEL's Operating Revenues are \$740,000.

- FY 2013/2014

- 2004

- Debt is covered from the Maximum of 0.2085
 - Fund Balance/Reserves are Exhausted and EEL's Operating Revenues of \$435,004

Effect of Defeasance and/or Refinancing

- \$4 million from the 2004 Bond Referendum
- Year One Savings \$401,816
- Year Two Savings \$393,528
- Year Three Savings \$384,603

EEL's Bonds



**EEL's Procedure Committee
Presentation**

September 16, 2010 (REVISED)

EEL's Referendum Language

1990

Shall Brevard County issue bonds, in a principal amount not exceeding Fifty-five Million Dollars and No Cents (\$55,000,000.00), to finance the cost of **acquiring, protecting and maintaining** environmentally endangered lands, and making improvements as appropriate for passive recreation and environmental education, such bonds being payable from an annual ad valorem tax not exceeding **one-quarter of one mill**, levied for a period of twenty (20) years and bearing interest at a rate not exceeding the maximum rate permitted by law; as described in Brevard County Resolution 90-245? 2

EEL's Referendum Language

2004

Shall Brevard County issue bonds to finance the **acquisition, improvement and maintenance** of environmentally endangered land and water areas for the protection of habitat, public open space, and water resources, and for providing passive recreational opportunities, provided the bonds do not exceed Sixty Million Dollars (\$60,000,000) bearing interest not exceeding the maximum legal rate and maturing in twenty (20) years payable from the levy of ad valorem taxes not exceeding **.2085 mills?**

2010/11 Fiscal Year Budget Proposal 1990 Referendum

Operating Tax Rate of 0.0370

- Tax Revenues of \$1.034 million

Debt Tax Rate of 0.0574

- Tax Revenues of \$1.638 million
- Additional Revenues of \$3.9 million
- Debt Payment of \$5.394 million

2010/11 Fiscal Year Budget Proposal 2004 Referendum

Operating Tax Rate of 0.0359

- Tax Revenues of \$1.003 million

Debt Tax Rate of 0.1300

- Tax Revenues of \$3.710 million
- Additional Revenues of \$650 K
- Debt Payment of \$3.052 million

Taxable Values

- FY 2011/2012 - 17% Reduction
- FY 2012/2013 – 10% Reduction
- FY 2013-2014 – 7% Reduction

Effect of Reductions in Taxable Values

- FY 2010/2011
 - 1990 Bond Debt Retired and Last Year of Operating Revenues
 - 2004 Utilize all but 0.0426 of the 0.2085 Maximum Tax Rate
 - EEL's Operating Expenses – Fund Balance/Reserve
- FY 2011/2012
 - 2004 Utilize all of the 0.2085 Maximum Tax Rate
 - EEL's Operating Expenses – Utilize 0.1005 of maximum millage and operating reserve. Reserves left \$1.551 million
 - EEL's Debt Expenses – Utilize 0.1080 of maximum millage for debt expenses

Effect of Reductions in Taxable Values

- FY 2012/2013
 - 2004
 - EEL's Debt Expenses – Utilize 0.1550 of maximum millage for debt expenses
 - EEL's Operating Expenses – Utilize 0.0535 of maximum millage and operating reserve. Reserves left \$196k
- FY 2013/2014
 - 2004
 - EEL's Debt Expenses – Utilize 0.1650 of maximum millage for debt expenses
 - EEL's Operating Expenses – Utilize 0.0435 of maximum millage and operating reserve. Reserves are exhausted.

Effect of Defeasance and/or Refinancing

- \$4 million from the 2004 Bond Referendum
- Year One Savings \$401,816
- Year Two Savings \$393,528
- Year Three Savings \$384,603