



**BLUEWATERS  
COMMUNITY DEVELOPMENT  
DISTRICT**

**MIAMI-DADE COUNTY  
REGULAR BOARD MEETING  
OCTOBER 9, 2017  
6:15 P.M.**

Special District Services, Inc.  
6625 Miami Lakes Drive, Suite 374  
Miami Lakes, FL 33014

[www.bluewaterscdd.org](http://www.bluewaterscdd.org)  
305.777.0761 Telephone  
877.SDS.4922 Toll Free  
561.630.4923 Facsimile

**AGENDA**  
**BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT**  
Somerset Academy Silver Palms-Cafeteria Room  
23255 S.W. 115<sup>th</sup> Avenue  
Miami, Florida 33032  
**REGULAR BOARD MEETING**  
October 9, 2017  
6:15 p.m.

- A. Call to Order
- B. Proof of Publication.....Page 1
- C. Establish Quorum
- D. Re-Election of Officers (as required)
  - Chairperson
  - Vice Chairperson
  - Secretary/Treasurer
  - Assistant Secretaries
- E. Approval of Minutes
  - 1. June 12, 2017 Regular Board Meeting & Public Hearing Minutes.....Page 2
- F. Additions or Deletions to Agenda
- G. Comments from the Public for Items Not on the Agenda
- H. Old Business
  - 1. Discussion Regarding Parking Enforcement and Annual Estimated Costs
- I. New Business
  - 1. Discussion Regarding Hurricane “Irma” and Post Storm Community Clean-Up
  - 2. Consider Resolution No. 2017-05 – Adopting Amended FY 2016/2017 Final Budget.....Page 8
- J. Administrative & Operational Matters
  - 1. Discussion Regarding Community Stormwater Management & Drainage
  - 2. Annual Audit – Consider and Approve 2-Year Renewal Option – Grau & Associates.....Page 13
  - 3. Discussion Regarding Board Vacancies in Seat #1 and Seat #4
- K. Board Member & Staff Closing Comments
- L. Adjourn

# MIAMI DAILY BUSINESS REVIEW

Published Daily except Saturday, Sunday and  
Legal Holidays  
Miami, Miami-Dade County, Florida

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE:

Before the undersigned authority personally appeared MARIA MESA, who on oath says that he or she is the LEGAL CLERK, Legal Notices of the Miami Daily Business Review f/k/a Miami Review, a daily (except Saturday, Sunday and Legal Holidays) newspaper, published at Miami in Miami-Dade County, Florida; that the attached copy of advertisement, being a Legal Advertisement of Notice in the matter of

BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT -  
FISCAL YEAR 2017/2018 REGULAR MEETING SCHEDULE

in the XXXX Court,  
was published in said newspaper in the issues of

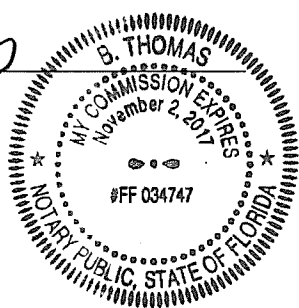
09/21/2017

Affiant further says that the said Miami Daily Business Review is a newspaper published at Miami, in said Miami-Dade County, Florida and that the said newspaper has heretofore been continuously published in said Miami-Dade County, Florida each day (except Saturday, Sunday and Legal Holidays) and has been entered as second class mail matter at the post office in Miami in said Miami-Dade County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and subscribed before me this  
21 day of SEPTEMBER, A.D. 2017

(SEAL)

MARIA MESA personally known to me



## BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT FISCAL YEAR 2017/2018 REGULAR MEETING SCHEDULE

NOTICE IS HEREBY GIVEN that the Board of Supervisors (the "Board") of the Bluewaters Community Development District (the "District") will hold Regular Meetings in the Somerset Academy Silver Palms Cafeteria Room, 23255 SW 115th Avenue, Miami, Florida 33032, at 6:15 p.m. on the following dates:

October 9, 2017  
November 13, 2017  
December 11, 2017  
February 12, 2018  
March 12, 2018  
April 9, 2018  
May 14, 2018  
June 11, 2018  
July 9, 2018  
September 10, 2018

The purpose of the meetings is for the Board to consider any District business which may lawfully and properly come before the Board. Meetings are open to the public and will be conducted in accordance with the provisions of Florida law for Community Development Districts. Copies of the Agenda for any of the meetings may be obtained from the District's website or by contacting the District Manager at 305-777-0761 and/or toll free at 1-877-737-4922, prior to the date of the particular meeting.

From time to time one or two Board members may participate by telephone; therefore, a speaker telephone will be present at the meeting location so that Board members may be fully informed of the discussions taking place. Said meeting(s) may be continued as found necessary to a time and place specified on the record.

If any person decides to appeal any decision made with respect to any matter considered at these meetings, such person will need a record of the proceedings and such person may need to insure that a verbatim record of the proceedings is made at his or her own expense and which record includes the testimony and evidence on which the appeal is based.

In accordance with the provisions of the Americans with Disabilities Act, any person requiring special accommodations or an interpreter to participate at any of these meetings should contact the District Manager at 305-777-0761 and/or toll free at 1-877-737-4922 at least seven (7) days prior to the date of the particular meeting.

Meetings may be cancelled from time to time with no advertised notice.

BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT

www.bluewaterscdd.org  
9/21

17-134/0000259552M

BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT  
PUBLIC HEARING & REGULAR BOARD MEETING  
JUNE 12, 2017

**A. CALL TO ORDER**

District Manager Neil Kalin called the June 12, 2017, Regular Board Meeting of the Bluewaters Community Development District to order at 6:34 p.m. in the Cafeteria Room of Somerset Academy Silver Palms located at 23255 SW 115<sup>th</sup> Avenue, Miami, Florida 33032.

**B. PROOF OF PUBLICATION**

Mr. Kalin presented proof of publication that notice of the Regular Board Meeting had been published in the *Miami Daily Business Review* on September 26, 2016, as part of the District's Fiscal Year 2016/2017 Regular Meeting Schedule, as legally required.

**C. ESTABLISH A QUORUM**

Mr. Kalin determined that the attendance of Chairman Warren Matthews and Supervisors Lorna Burnett and Kent Calero constituted a quorum and it was in order to proceed with the meeting.

Staff in attendance included: District Manager Neil Kalin of Special District Services, Inc.; District Counsel Susan Delegal & Vanessa Steinerts of Billing, Cochran, Lyles, Mauro & Ramsey, P.A.

Also present was: Jasson Apolinario of Homestead, Florida.

**D. DISCUSSION REGARDING APPOINTMENTS TO FILL VACANCIES (SEATS 3 & 4)**

Mr. Kalin advised that Jasson Apolinario, a resident in the District and also a Qualified Elector, had expressed interest in serving on the Bluewaters Community Development District (hereinafter the "District") Board of Supervisors (hereinafter the "Board"). A discussion ensued after which;

A **motion** was made by Mr. Calero, seconded by Mr. Matthews and unanimously passed to *appoint* Mr. Apolinario to serve the remainder of the unexpired 4-year term of office in Seat #3 and such term of office shall expire in November 2020.

**E. ADMINISTER OATH OF OFFICE AND REVIEW BOARD MEMBER DUTIES & RESPONSIBILITIES**

Mr. Kalin, Notary Public in the State of Florida, administered the Oath of Office to Mr. Apolinario and he was advised that the Statement of Financial Interests 2016 Form 1 must be completed and mailed to the Supervisor of Elections' Office within the County of residency within thirty (30) days of taking office. In addition, Mr. Kalin reviewed Government in the Sunshine Law, Public Records Law, Code of Ethics and Financial Disclosure for Public Officials.

BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT  
PUBLIC HEARING & REGULAR BOARD MEETING  
JUNE 12, 2017

**F. ELECTION OF OFFICERS**

Mr. Kalin stated that since there had been changes on the Board it would be in order to re-elect officers to the District's Board. Mr. Kalin suggested the following slate of officers for election:

- Chairperson – Warren Matthews
- Vice Chairperson – Lorna Burnett
- Secretary/Treasurer – Neil Kalin
- Assistant Secretaries – Jasson Apolinario, Kent Calero, Gloria Perez and Armando Silva

A discussion ensued after which:

A **motion** was made by Ms. Burnett, seconded by Mr. Calero and passed unanimously to *elect* the officers as stated above.

**G. ADDITIONS OR DELETIONS TO THE AGENDA**

There were no additions or deletions to the agenda.

**H. COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA**

There were no comments from the public for items not on the agenda.

**I. APPROVAL OF MINUTES**

**1. April 10, 2017, Regular Board Meeting**

Mr. Kalin presented the minutes of the April 10, 2017, Regular Board Meeting and asked if there were any corrections and/or revisions. There being none, a **motion** was made by Mr. Calero, seconded by Mr. Matthews and passed unanimously approving the minutes of the April 10, 2017, Regular Board Meeting, as presented.

*At approximately 6:45 p.m., Mr. Kalin recessed the Regular Meeting and simultaneously opened the Public Hearing.*

**J. PUBLIC HEARING**

**1. Proof of Publication**

Mr. Kalin presented proof of publication that notice of the Public Hearing had been published in the *Miami Daily Business Review* on May 23, 2017, and May 30, 2017, as legally required.

**2. Receive Public Comment on the Fiscal Year 2017/2018 Final Budget**

Mr. Kalin opened the public comment portion of the public hearing to receive comments on the 2017/2018 fiscal year final budget and non-ad valorem special assessments. In

BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT  
PUBLIC HEARING & REGULAR BOARD MEETING  
JUNE 12, 2017

addition, Mr. Kalin stated that since the overall assessments were not increasing, letters to the property owners were not required. There being no comments from the public on the 2017/2018 fiscal year budget and assessments, Mr. Kalin closed the public comment portion of the Public Hearing.

**3. Consider Resolution No. 2017-03 – Adopting a Fiscal Year 2017/2018 Final Budget**

Mr. Kalin presented Resolution No. 2017-03, entitled:

**RESOLUTION NO. 2017-03**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT APPROVING AND ADOPTING A FISCAL YEAR 2017/2018 FINAL BUDGET INCLUDING NON-AD VALOREM SPECIAL ASSESSMENTS; AND PROVIDING AN EFFECTIVE DATE.**

Mr. Kalin read the title into the record and stated that the resolution provides for approving and adopting the fiscal year 2017/2018 final budget and the non-ad valorem special assessment tax roll. For review purposes, a copy of the tax roll was provided at the meeting. A discussion ensued after which;

A **motion** was made by Mr. Calero, seconded by Mr. Matthews and unanimously passed to approve and adopt Resolution No. 2017-03, *as presented*; thereby setting the 2017/2018 final budget and non-ad valorem special assessment tax roll.

*At approximately 6:59 p.m., Mr. Kalin closed the Public Hearing and simultaneously reconvened the Regular Meeting.*

**K. OLD BUSINESS**

**1. Staff Report as Required**

There was no Staff Report at this time.

**L. NEW BUSINESS**

**1. Update Regarding Debt Service (Principal & Interest) Payment – May 1, 2017**

Mr. Kalin advised that the Debt Service payment, which was due on May 1, 2017 in the amount of \$271,175, had been made on time and in full.

**2. Consider Resolution No. 2017-04 – Adopting a Fiscal Year 2017/2018 Meeting Schedule**

Mr. Kalin presented Resolution No. 2017-04, entitled:

BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT  
PUBLIC HEARING & REGULAR BOARD MEETING  
JUNE 12, 2017

**RESOLUTION NO. 2017-04**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT, ESTABLISHING A REGULAR MEETING SCHEDULE FOR FISCAL YEAR 2017/2018 AND SETTING THE TIME AND LOCATION OF SAID DISTRICT MEETINGS; AND PROVIDING AN EFFECTIVE DATE.**

Mr. Kalin provided an explanation for the document. A discussion ensued after which;

A **motion** was made by Mr. Calero, seconded by Mr. Matthews and passed unanimously to approve and adopt Resolution No. 2017-04, *as presented*; thereby setting the 2017/2018 regular meeting schedule and authorizes the publication of the annual meeting schedule as required by law.

**M. ADMINISTRATIVE & OPERATIONAL MATTERS**

**1. Financial Risk Management Policy for Fiscal Year 2016/2017 – Review/Update**

Mr. Kalin advised that as the District’s Manager, Special District Services, Inc. (“SDS, Inc.”), to satisfy annual audit requirements, takes certain measures and implements procedures to identify and mitigate financial mismanagement/fraud risks as follows:

- a. Each month the District’s operating/checking bank account is reconciled by an authorized person who has not deposited funds to, processed expenditures or written checks from, that particular operating/checking account; and
- b. Each expenditure from the District’s operating/checking account requires a minimum of two (2) approvals from authorized staff and/or District officials and the respective approvals are provided by persons other than the preparer of the expenditure; and
- c. All financial transactions are logged and maintained by the District Manager for record keeping purposes; and
- d. A designated member of the Board (by an electronic approval procedure) has an opportunity to review the District’s expenditure(s) prior to the payment(s) being released; and
- e. The District engages an independent firm, pursuant to Chapter 218.391, Florida Statutes, to audit the prior year’s financial activities (October 1<sup>st</sup> through September 30<sup>th</sup>) from which an independent fiscal year annual audit is prepared; and

BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT  
PUBLIC HEARING & REGULAR BOARD MEETING  
JUNE 12, 2017

- f. Within sixty (60) days of the end of each fiscal year (September 30<sup>th</sup>) the District's Board of Supervisors reviews, pursuant to Chapter 189.418(5), Florida Statutes, the prior year's budget relative to actual revenues and expenditures and adopts by resolution an amended/revised final budget.

**2. Statement of Financial Interests 2016 Form 1 – Reminder to File by July 3, 2017**

The Board was reminded of the importance of completing and mailing to the Supervisor of Elections within the County of residency their individual 2016 Statement of Financial Interests Form 1. The deadline for submittal is July 3, 2017.

**N. BOARD MEMBER & STAFF CLOSING COMMENTS**

Mr. Matthews requested that Staff take measures, as soon as possible, to commence enforcement of the parking rules within the District. Mr. Calero asked the District Manager to place the parking issue on all future agendas until the matter has been resolved.

Mr. Matthews suggested that the Board consider a porter/janitorial service to manage the litter/debris within the District boundaries. Mr. Kalin stated that he would sit down with the current lawn and landscape service contractor and attempt to work out a revised debris removal schedule that would complement the current in-place schedule. In addition, Mr. Kalin advised that he would contact the Townhome Association Management Company to discuss the potential to piggy-back on the Association's current janitorial service. A report on this matter will be provided at an upcoming meeting.

Ms. Burnett asked for an update on the potential for the installation of a bus stop adjacent to the community. Mr. Kalin stated that District Staff had made a request to Miami-Dade County ("County") for a bus stop; however, the County has indicated that the bus stop is one on a long list of installations. Mr. Kalin will revisit the request with the County and make a report at an upcoming meeting.

Mr. Calero, a Board Member since 2011, addressed the other Board Members and Staff by stating that due to family commitments and employment workloads, he could no longer serve on the Board of Supervisors. Consequently, Mr. Calero submitted his resignation with an effective date of June 19, 2017. A discussion ensued after which;

A **motion** was made by Ms. Burnett, seconded by Mr. Apolinario and passed unanimously to *accept* the resignation of Kent Calero with an effective date of June 19, 2017.

Mr. Calero was thanked for his time and service to the community.

**O. ADJOURNMENT**



BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT  
PUBLIC HEARING & REGULAR BOARD MEETING  
JUNE 12, 2017

There being no further business to come before the Board, a **motion** was made by Mr. Matthews, seconded by Ms. Burnett and unanimously passed to adjourn the Regular Board Meeting at 7:38 p.m.

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Secretary/Assistant Secretary

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Chairperson/Vice Chairperson

**RESOLUTION NO. 2017-05**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING AND ADOPTING AN AMENDED FINAL FISCAL YEAR 2016/2017 BUDGET (“AMENDED BUDGET”), PURSUANT TO CHAPTER 189, FLORIDA STATUTES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Board of Supervisors of the Bluewaters Community Development District (“District”) is empowered to provide a funding source and to impose special assessments upon the properties within the District; and,

**WHEREAS**, the District has prepared for consideration and approval an Amended Budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT, THAT:**

**Section 1.** The Amended Budget for Fiscal Year 2016/2017 attached hereto as Exhibit “A” is hereby approved and adopted.

**Section 2.** The Secretary/Assistant Secretary of the District is authorized to execute any and all necessary transmittals, certifications or other acknowledgements or writings, as necessary, to comply with the intent of this Resolution.

**PASSED, ADOPTED and BECOMES EFFECTIVE** this 9<sup>th</sup> day of October, 2017.

**ATTEST:**

**BLUEWATERS  
COMMUNITY DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
Chairperson/Vice Chairperson

Bluewaters  
Community Development District

**Amended Final Budget For  
Fiscal Year 2016/2017  
October 1, 2016 - September 30, 2017**

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- II     **AMENDED FINAL DEBT SERVICE FUND BUDGET**

**AMENDED FINAL BUDGET**  
**BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT**  
**OPERATING FUND**  
**FISCAL YEAR 2016/2017**  
**OCTOBER 1, 2016 - SEPTEMBER 30, 2017**

	FISCAL YEAR 2016/2017 BUDGET 10/1/16 - 9/30/17	AMENDED FINAL BUDGET 10/1/16 - 9/30/17	YEAR TO DATE ACTUAL 10/1/16 - 9/29/17
<b>REVENUES</b>			
Administrative Assessments	83,502	84,227	84,227
Maintenance Assessments	115,213	114,975	114,975
Debt Assessments	419,947	419,052	419,052
Other Revenues	0	0	0
Interest Income	180	605	605
<b>TOTAL REVENUES</b>	<b>\$ 618,842</b>	<b>\$ 618,859</b>	<b>\$ 618,859</b>
<b>EXPENDITURES</b>			
<b>ADMINISTRATIVE EXPENDITURES</b>			
Supervisor Fees	2,000	300	300
Payroll Taxes - Employer	153	23	23
Management	27,744	27,744	27,744
Secretarial/Field Operations	5,400	5,400	5,400
Legal	12,000	7,500	6,530
Legal/Other	3,600	0	0
Assessment Roll	6,000	6,000	6,000
Audit Fees	3,500	3,500	3,500
Arbitrage Rebate Fee	650	650	0
Insurance	7,000	5,950	5,950
Legal Advertisements	750	500	280
Miscellaneous	1,750	1,500	1,083
Postage	650	150	124
Office Supplies	800	375	328
Dues & Subscriptions	175	175	175
Trustee Fees	4,500	4,500	4,500
Continuing Disclosure Fee	500	350	350
Website Management	1,500	1,500	1,500
<b>TOTAL ADMINISTRATIVE EXPENDITURES</b>	<b>\$ 78,672</b>	<b>\$ 66,117</b>	<b>\$ 63,787</b>
<b>MAINTENANCE EXPENDITURES</b>			
Aquatic Maintenance	5,400	5,400	4,800
White Fly Pest Control	2,500	500	250
Lawn & Landscape Maintenance	42,000	36,000	31,320
Irrigation System Maintenance	9,000	3,000	1,626
Electricity For Irrigation System & Signage	3,000	500	404
Community Sign/Landscaping/Lighting	5,700	500	235
Towing Expenses	1,200	0	0
Maintenance Contingency (Includes IRMA Cleanup)	12,000	5,000	0
Miscellaneous Services	25,500	7,500	3,600
Engineering/Inspections	2,000	1,500	0
<b>TOTAL MAINTENANCE EXPENDITURES</b>	<b>\$ 108,300</b>	<b>\$ 59,900</b>	<b>\$ 42,235</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 186,972</b>	<b>\$ 126,017</b>	<b>\$ 106,022</b>
<b>REVENUES LESS EXPENDITURES</b>	<b>\$ 431,870</b>	<b>\$ 492,842</b>	<b>\$ 512,837</b>
Bond Payments	(394,750)	(399,100)	(399,100)
<b>BALANCE</b>	<b>\$ 37,120</b>	<b>\$ 93,742</b>	<b>\$ 113,737</b>
County Appraiser & Tax Collector Fee	(12,373)	(5,961)	(5,961)
Discounts For Early Payments	(24,747)	(22,106)	(22,106)
<b>EXCESS/ (SHORTFALL)</b>	<b>\$ -</b>	<b>\$ 65,675</b>	<b>\$ 85,670</b>
Carryover From Prior Year	0	0	0
<b>NET EXCESS/ (SHORTFALL)</b>	<b>\$ -</b>	<b>\$ 65,675</b>	<b>\$ 85,670</b>

FUND BALANCE AS OF 9/30/16	
FY 2016/2017 ACTIVITY	
FUND BALANCE AS OF 9/30/17	

\$213,829
\$65,675
\$279,504

**AMENDED FINAL BUDGET**  
**BLUEWATERS COMMUNITY DEVELOPMENT DISTRICT**  
**DEBT SERVICE FUND**  
**FISCAL YEAR 2016/2017**  
**OCTOBER 1, 2016 - SEPTEMBER 30, 2017**

	<b>FISCAL YEAR 2016/2017 BUDGET 10/1/16 - 9/30/17</b>	<b>AMENDED FINAL BUDGET 10/1/16 - 9/30/17</b>	<b>YEAR TO DATE ACTUAL 10/1/16 - 9/29/17</b>
<b>REVENUES</b>			
Interest Income	0	1,657	1,657
NAV Tax Collection	394,750	399,100	399,100
<b>Total Revenues</b>	<b>\$ 394,750</b>	<b>\$ 400,757</b>	<b>\$ 400,757</b>
<b>EXPENDITURES</b>			
Principal Payments	190,000	190,000	190,000
Interest Payments	160,650	163,115	163,115
Mandatory Extraordinary Principal Payments	44,100	45,000	45,000
<b>Total Expenditures</b>	<b>\$ 394,750</b>	<b>\$ 398,115</b>	<b>\$ 398,115</b>
<b>Excess/ (Shortfall)</b>	<b>\$ -</b>	<b>\$ 2,642</b>	<b>\$ 2,642</b>

FUND BALANCE AS OF 9/30/16
FY 2016/2017 ACTIVITY
FUND BALANCE AS OF 9/30/17

\$364,622
\$2,642
\$367,264

**Notes**

Reserve Fund Balance = \$177,106\*. Revenue Fund Balance = \$190,340\*.  
Revenue Fund Balance To Be Used To Make 11/1/2017 Interest Payment Of \$77,945 and  
Extraordinary Mandatory Principal Payment Of \$45,000.  
\* Approximate Amounts

**Series 2014 Bond Refunding Information**

Original Par Amount =	\$5,220,000	Annual Principal Payments Due:
Interest Rate =	3.4% - 8.4%	May 1st
Issue Date =	August 2014	Annual Interest Payments Due:
Maturity Date =	May 2035	May 1st & November 1st

October 9, 2017

RE: Bluewaters Community Development District Auditor Renewal

At the October 13, 2014 Bluewaters Community Development District Board Of Supervisors meeting, the firm of Grau & Associates was selected to perform the 9-30-2014, 9-30-2015 and 9-30-2016 year end audits of the District with an option to perform the 9-30-2017 and 9-30-2018 audits.

The fees for the 9-30-2014 audit were \$3,300. The fees for the 9-30-2015 audit were \$3,400. And the fees for the 9-30-2016 audit were \$3,500. The proposed fees for the 9-30-2017 audit is \$3,600, which is the budgeted amount for audit fees for Fiscal Year 2017/2018. The proposed fee for the 9-30-18 audit is \$3,600.

Grau & Associates has been the district auditor for the past eight years. Management is pleased with the professionalism and the competence of the Grau & Associates partners and staff; therefore management recommends that the Board approve the renewal option for the Fiscal Year Ending 9-30-2017 and 9-30-2018 audits for Grau & Associates.

Special District Services, Inc.