

Naples, Florida, September 8, 1976

LET IT BE KNOWN, that the Pelican Bay Improvement District Board met in regular session at 4:05 p.m. in Building "F" of the Courthouse Complex with the following members present:

PRESIDENT: Salvatore Scuderi

TREASURER: Viola Barclay

SECRETARY: Douglas Brown

ABSENT: Chet Lanning  
Robert Diefenthaler

ALSO PRESENT: Virginia Magri, Recording Secretary; Mr. Harmon Turner, Consulting Engineer for Pelican Bay; Mr. Tracy Bolesky, Attorney for Pelican Bay; Mr. Werner Buntmeyer, Vice President, Coral Ridge-Collier Properties; Mr. A. E. Price, Stottler Stagg & Associates; Mr. <sup>Malcolm McLoon, Stottler Stagg, Assoc.</sup> ~~Charles Mochle, Vice President,~~ ~~Brevard Engineering~~; Messrs. Grover Erickson, Charles Penn and Gary Armstrong, Coral Ridge-Collier Properties and Mr. Jim Smith, Attorney for Coral Ridge-Collier Properties.

AGENDA

1. Call to Order
2. Roll Call
3. Minutes of Prior Meeting
4. Well report
5. Budget
6. Old Business
7. New Business

MINUTES OF AUGUST 6, 1976 - APPROVED AS SUBMITTED

Mr. Scuderi moved, seconded by Mr. Brown and carried unanimously, that the minutes of August 6, 1976 be approved as submitted.

BUDGET FOR FY '76-77' APPROVED - TO BE ADVERTISED FOR PUBLIC HEARING OCTOBER 13, 1976

Mr. Buntmeyer distributed for the Board's consideration a proposed budget for fiscal year '76-77' in the amount of \$18,340.00. He said that the proposed budget gives sufficient money and that Coral Ridge Properties would be willing to make the funds available, noting that in the event something unforeseen should arise they could discuss the possibility of making additional funds available.

Mr. Bolesky reported that the Act says that if the budget is approved by the Board it must be advertised two (2) consecutive times, the first being 15 days prior to a public hearing.

Mr. Scuderi moved that the budget as recommended by Mr. Buntmeyer be approved. Motion seconded by Mr. Brown and carried. Mr. Scuderi directed that the budget be advertised in accordance with the recommendation of the Attorney.

PROPOSED BUDGET

PELICAN BAY IMPROVEMENT DISTRICT

October 1, 1976 - September 30, 1977

<u>Expenditures</u>	<u>Budget 1975/6</u>	<u>Actual thru 7/14</u>	<u>Estimate Balance '76</u>	<u>Estimate Total '76</u>	<u>Recommended 1976/7</u>
1. Meeting Exp.	\$ 6,500.00	\$ 5,000.00	\$ 1,000.00	\$ 6,000.00	\$ 6,500.00
2. Office Exp.	500.00	7.00	-	7.00	200.00
3. Secretarial Exp.	720.00	225.11	60.00	285.11	500.00
4. Attorney's fees	3,600.00	1,944.12	510.00	2,454.12	3,600.00
5. Consulting Eng. fees	3,600.00	824.66	217.00	1,041.66	3,600.00
6. Accounting Services	1,800.00	675.00	178.00	853.00	1,200.00
7. Advertising	-	63.23	17.00	83.23	120.00
8. Insurance	-	69.00	-	69.00	120.00
9. Travel Exp.	-	231.04	61.00	292.04	500.00
10. Miscellaneous	2,000.00	-	-	-	1,000.00
11. Contingencies	1,000.00	-	-	-	1,000.00
	<u>\$19,720.00</u>	<u>\$ 9,039.16</u>	<u>\$ 2,043.00</u>	<u>\$11,085.16</u>	<u>\$18,340.00</u>

Pelican Bay Improvement District Board  
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September 8, 1976

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WELL REPORT

Mr. Al Price reported that there is a problem with the well. He said that a letter of non-conformance was sent to Mr. Harmon, President of McGregor Pump on September 1, 1976. Mr. Price recalled that the contract called for the cost to be \$30,367, the drilling of a well that was about 750' to be cased 80' down with 14" diameter steel casing; cased 300' down with 3/8" P.V.C. casing. He said that they did issue two change orders; 1) Changing the location of the well and 2) Changing the 12" P.V.C. casing to 14" steel casing at a cost of \$880 additional or a new total of \$31,247.00.

Continuing, Mr. Price said that the contract says that payment will be made if completed in thirty (30) days. He noted that the "Notice to Proceed" was issued June 28; therefore, the work should have been completed by July 28.

Mr. Price reported that McGregor had difficulty keeping the hole open. Therefore, various representatives from Coral Ridge Properties, the Board of Pelican Bay Improvement District and the Consulting Engineers met on July 26, 1976 and at that meeting they came up with a composite opinion that Mr. Harmon should discontinue drilling. He said that somehow they never really got the drilling of the contractor to correspond with the Red Book specifications. Mr. Price said that the contractor used 4" diameter casing instead of 6" diameter casing.

Mr. Price said that he wrote to Mr. D.H. Boggess, U.S.G.S. pertaining to the quality of the water obtained at 625'.

(See letter at conclusion of minutes).

Pelican Bay Improvement District Board  
September 8, 1976

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Mr. Price said that they have cited the contractor because they do not have the correct diameter of the well; also, there is a piece of 4" well in there which may be detrimental. He noted that there were also extensive grouting operations to hold the 4" down in the hole and this may or may not influence the flow characteristic of the hole. Mr. Price said that they recommend they move to a new hole and that is the situation as it stands now.

Mr. Price said that the contractor had requested payment and a time extension. He noted that they are well past their thirty (30) days. He said that they have asked for \$21,700 as a progress payment; however, it clearly spells out in the Red Book specifications that if the contractor abandons the hole he will get no reimbursement - the expenses are on him. Mr. Price said that they are down to 600' and are trying to measure the flow that is coming out. He said that McGregor has not abandoned the hole and he would assume that the contractor's position would be that if the water flows out of there and it is of sufficient quantity, he would like to be paid for the hole. Mr. Price added, that in all fairness, he must say that it is difficult for the contractor. Mr. <sup>McLouth</sup> ~~Moohle~~ said that they intend, unless directed otherwise, to deny the request for payment and also to deny the request for an extension of time. He said that they do intend to meet with the contractor and attempt to work out some of the problems.

Mr. Turner commented that he has been in contact with Mr. Harmon and asked him to come to the meeting today if he wished.

He noted that a representative from McGregor Pump is in attendance today but is not prepared to make a presentation. Mr. Turner said that he believes the Board should have some comment from the developers.

Mr. Bunttemeyer said that he would like to ask Mr. Price if he agrees that a new well should be drilled because that point was not clearly made. Mr. Price said that his interest in the well is water of sufficient quality and quantity to set out and do the job that they intended it to do. In direct answer to Mr. Bunttemeyer, Mr. Price said that the well was not drilled according to specification. Additionally, Mr. Bunttemeyer said that they do not have an 8" well and Mr. Price agreed. Mr. Price said that it would be a cleaner job to completely plug the hole and move over and do the work in strict conformance with the specifications. Also, Mr. Bunttemeyer said that he does not know the circumstances that surround the construction of the well and he believes that the developer should meet with the contractor to obtain this information.

Mr. Bunttemeyer requested that Mr. Price and Mr. Turner talk to the well driller and that Mr. Turner come up with a recommendation for the Board.

Mr. Scuderi asked Mr. Price to see what he can do to call a meeting with the contractor and coordinate this with Mr. Turner, following which a Special Meeting will be called. Mr. Turner

advised that he has talked to McGregor Pump and they would be willing to meet next week.

Referring to Mr. <sup>McLouth's</sup> ~~Moehle's~~ comment that he would deny payment and a time extension, Mr. Buntmeyer said that the engineer's determination should be delayed until the meeting takes place. Mr. Turner said that he would recommend that until the meeting, the payment be denied. Mr. Scuderi voiced the same opinion.

Mr. Scuderi requested Mr. Bolesky to prepare a legal opinion as to the course of action under the terms of the contract.

BILLS APPROVED FOR PAYMENT

Mrs. Barclay presented the following bills for payment:

Harmon Turner	\$ 65.19
BCC	32.84
Naples Daily News	4.20
Plus various mileage vouchers	

Mr. Scuderi moved, seconded by Mr. Brown and carried, that the bills be approved for payment.

TREASURER'S REPORT - ACCEPTED

Mr. Scuderi moved, seconded by Mr. Brown and carried, that the Treasurer's Report for the period July 15, 1976 through September 8, 1976 be accepted.

Pelican Bay Improvement District Board  
September 8, 1976

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TREASURER'S REPORT  
FOR THE PERIOD JULY 15, 1976 THROUGH SEPTEMBER 8, 1976  
PELICAN BAY IMPROVEMENT DISTRICT  
NAPLES, FLORIDA

	JULY 15, TO SEPT. 8, 1976	YEAR TO DATE
CASH BALANCE - BEGINNING OF PERIOD	\$ 2,066.43	\$ 1,105.59
CASH RECEIVED:		
Coral Ridge Properties	<u>3,000.00</u>	<u>13,000.00</u>
	<u>5,066.43</u>	<u>14,105.59</u>
EXPENDITURES:		
Meeting Expenses	1,000.00	6,000.00
Office Expenses	-	7.00
Secretarial Expenses	44.19	269.30
Attorney's Fees	401.32	2,345.44
Consulting Engineer's Fees	754.40	1,579.06
Accounting Services	60.00	735.00
Classified Advertising	4.23	67.46
Insurance	-	69.00
Travel Expenses	<u>42.15</u>	<u>273.19</u>
	<u>2,306.29</u>	<u>11,345.45</u>
CASH BALANCE - END OF PERIOD		
Cash in Bank	2,740.14	
Petty Cash	<u>20.00</u>	
	<u>\$ 2,760.14</u>	<u>\$ 2,760.14</u>

Respectfully submitted,

Viola S. Barclay, Treasurer

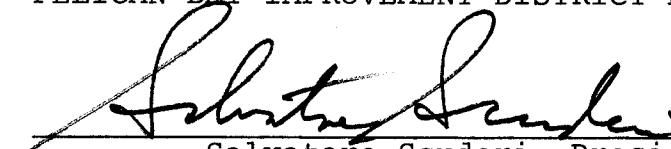
ENGINEER REPORTS TO BE FORTHCOMING

Mr. Turner asked the engineer how long it would be before their reports are ready and was advised by Mr. <sup>McLoth</sup>~~Moelle~~ that they have an update to the water surface planning; they are in the final process; they met with Coral Ridge last week and are reviewing the SWFRPC reply at this time and they hope to have the draft report at the next meeting for the Board's review.

\* \* \* \* \*

There being no further business, Mr. Scuderi moved, seconded by Mr. Brown and carried, that the meeting be adjourned. Time 4:45 p.m.

PELICAN BAY IMPROVEMENT DISTRICT BOARD

  
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Salvatore Scuderi, President

**STOTTLER STAGG & ASSOCIATES**  
architects, engineers, planners, inc.

660 astronaut boulevard  
city of cape canaveral, florida 32920  
phone 305 783-1320

affiliate firm  
**BREVARD ENGINEERING COMPANY**  
consulting engineers — land surveyors

July 26, 1976

Mr. Alva R. Harmon, President  
McGregor Pump Co., Inc.  
6034 McGregor Blvd.  
Ft. Myers, Florida 39901

RE: Pelican Bay Improvement District, Test/Production Water  
Well, Revised Drilling Schedule - S/S Project No. 75142 X-1

Dear Mr. Harmon:

On July 23, 1976, various representatives from Coral Ridge Properties, Inc., the Board of the Pelican Bay Improvement District, Alsay-Pippin Corporation, Gee & Jenson, and Stottler Stagg & Associates, Consulting Engineers, were assembled in a meeting to discuss the next drilling sequence for the subject Test/Production Well.

Attendees at the meeting were as follows:

Mr. Werner Buntmeyer, Vice President, Mr. Pat Ward and Mr. Gary Armstrong of Coral Ridge Properties;

Mr. Harmon Turner, P.E., Staff Engineer of the Pelican Bay Improvement District Board;

Mr. H. L. Pippin of Alsay-Pippin Corporation;

Mr. John F. McKune, P.E. of Gee & Jenson, Consulting Engineers.

Mr. Albert E. Price, P.E. of Stottler Stagg & Associates, Consulting Engineers.

After a presentation of the current status of the subject Test/Production Well by the Stottler Stagg & Associates representative, the meeting was opened to discussion. After conclusion of the discussion, the assembled representatives agreed on the following plan of action:

1) As most of the small bore test hole previously drilled has now fallen in, the Well Contractor will be instructed to open a new hole from 128' to 235 feet (surface casing already down to 128 feet) and the hole will be cased with 6" diameter Schedule 40 P.V.C. pipe by the use of "packers" (minimum grout will be used).

2) An open hole of approximately 6" diameter will be drilled to a depth approximating 625 feet.

3) Water samples will be obtained at 10 to 20 foot intervals from levels of 235 feet to 625 feet. The samples will be analyzed for chlorides and total dissolved solids.

4) If the well samples (in step 3 above) prove to be acceptable, the well will be subjected to a pumping test as specified in original Specifications to prove out the quantity of flow.

5) If the pumping test (in step 4 above) proves acceptable, then a series of test/observation holes (3 to 6 holes) will be appropriately sited and drilled around the perimeter of the well to determine draw down of the surface aquifer with a second pumping test.

6) If the pumping test (in step 5 above) indicates only minimal influence on the shallow aquifer, then the Pelican Bay Improvement District will petition the Collier County Water Management Board and the Collier County Board of County Commissioners for permission to use this aquifer for a source of water.

7) If permission is granted (in step 6 above), then the 6" diameter P.V.C. casing will be withdrawn and a permanent 8" diameter P.V.C. casing will be grouted to a depth of approximately 235 feet. The well will be drilled to 635 feet with an 8" diameter hole, developed, and pumping test performed per original Specifications.

8) If the well proves acceptable (in step 7 above), this concludes the Well Contractor's Contract.

If, for any reason, the aquifer noted above cannot be used for a source of water, then the Well Contractor will be advised to continue drilling and casing operations (casing will be 8" P.V.C. Schedule 80 pipe) to approximately 945 feet in depth to allow the Owner to utilize the aquifer at that level. The total estimated cost for an operable tested well at this depth is \$59,352.75.

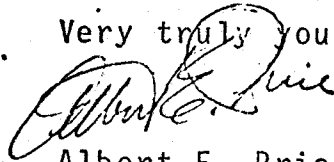
Costs for steps 1 to 7 above will be at unit prices as noted in the original Bid Proposal. The cost of the 6" P.V.C. casing will be \$10.00 per lineal foot in place. Grouting will be at the unit prices called for in the original Bid Proposal.

Mr. Alva R. Harmon  
July 26, 1976

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Per our telephone conversation this date, you have advised that work on steps 1 and 2 above will be started immediately.

Very truly yours,



Albert E. Price, P.E.

AEP/nm

cc: Werner Buntmeyer, V.P. Coral Ridge Properties  
Harmon Turner, P.E.  
Thomas O'Donnel, U.S. Geological Survey

**STOTTLER STAGG & ASSOCIATES**

architects, engineers, planners, inc.

8660 astronaut boulevard  
city of cape canaveral, florida 32920  
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affiliate firm

**BREVARD ENGINEERING COMPANY**

consulting engineers — land surveyors

August 24, 1976

Mr. D. H. Boggess  
c/o U. S. Geological Survey  
Room 307  
Federal Building  
Ft. Myers, Florida 33901

RE: Confirmation of Telephone Conversation, D. H. Boggess with  
A. E. Price, August 19, 1976, Relative to Test/Production  
Well, Pelican Bay Improvement District - SS Project 75142 X-1

Dear Mr. Boggess:

This letter will confirm our telephone conversation of August 19, 1976 relative to the decisions reached on the subject Test/Production Well.

The Contractor (McGregor Pump Company, Inc.) is encountering great difficulty in maintaining an open hole below the 625-foot level due to loose material squeezing into the drill hole. The Contractor has inserted 4-inch diameter P.V.C. casing to the 560-foot level and apparently is unable to insert the casing below this point due to frictional resistance to the casing.

The Contractor had been instructed (by letter of July 26, 1976) to drill to the 610 to 625-foot level and secure water samples. A copy of the Orlando Laboratories, Inc., Water Analysis Report is enclosed for water at the 625-foot level.

This analysis report covers the free flowing water encountered at that level. It is evident that this water can be processed by Reverse Osmosis to a suitable potable water. A further check on the quantity of flow indicated that the well was "free flowing" from 40 to 50 gal./min. from the approximately 4-inch diameter test hole. It is reasonable to assume that an eight-inch well drilled to this depth could produce at least 150 to 200 gal./min. free flow. Therefore, if the quality remains as noted on the attached analysis report, and if the 8-inch diameter well will produce 150 to 200 gal./min., then the 8-inch diameter well drilled to 625 feet will produce suitable quantity and quality of water for the Pelican Bay Improvement District for the initial years of development.

During your vacation in July of this year, Mr. Thomas O'Donnel of your office assisted the well drilling contractor in arriving at certain decisions in the drilling of this well. Both Mr. O'Donnel and Mr. Harmon, of McGregor Pump Company, Inc., originally decided to drill to 925 feet and take water samples at that level. They

Mr. D. H. Boggess  
August 24, 1976

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believed that the water might possibly be lower in chlorides and total dissolved solids at that level than at the 625-foot level. This may, or may not, be true. Generally the deeper level water gives higher chlorides and higher total dissolved solids.

In view of the difficulty in maintaining an open hole below the 625-foot level and the added expense in continuing our exploratory drilling operation, we have, therefore, decided that it would be in the client's best interests to drill an eight-inch diameter well to 625 feet and case with 8-inch diameter schedule 40 P.V.C. to the 325-foot level. This well would then be tested for flow by following the pumping requirements contained within the original specification (Red Book) document. If the well proves to have sufficient quantity of flow, this would conclude the contractor's responsibility after he completes the well (valving, etc.) per the original specification.

As our original permit to drill (granted by the Board of County Commissioners) stated that we would case to approximately 300 feet and drill to approximately 750 feet, we are in close agreement to these quantities if we actually do case to 325 feet and drill an open hole to approximately 625 feet.

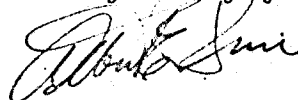
As you pointed out in our telephone conversation of 8/19/76, the fact that we are getting artesian pressure at 625 feet would preclude the possibility of a mixing of the shallow aquifer and deep saline aquifer waters at this well site if we properly grout our 325-foot casing. We should not be required to secure additional approval from the Water Management Board of Collier County and the Board of County Commissioners to stop our drilling at 625 feet rather than 750 feet even though we may have not conclusively determined whether or not we will be drawing our saline water from the Lower Hawthorne Aquifer.

Also, there shouldn't be a requirement for shallow aquifer monitoring wells for this 625-foot well in view of our present artesian pressure at the well hole.

We intend to move our well drilling sites further north to try and locate more favorable geology for our other wells when they are required.

If we do not hear from you by September 1, 1976, we will assume that you agree with this summation of our discussion of 8/19/76 and no reply is necessary.

Very truly yours,



Albert E. Price, P.E.

AEP/nm  
Encl.

cc: Werner Buntmeyer, V.P. Coral Ridge Properties  
Harmon Turner, P.E.  
Gary Armstrong, Coral Ridge Properties



STANDARD WATER ANALYSIS REPORT

**Orlando Laboratories, Inc.**

P. O. Box 8025A • Orlando, Florida 32806 • 305/843-1661

Report to: Brevard Engineering Company

Appearance: Clear

Date: 9 Aug. 76

Sampled by: Client

Report Number: 12064

Identification: Water Sample No ID Given

METHODS

This water was analyzed according to "Standard Methods for the Examination of Water and Wastewater," Latest Edition, APHA, AWWA and WPCF.

Determination	Data Significance	RESULTS		Determination	Data Significance	
			p.p.m.			
Total Dissolved Solids	x.		<u>5200</u>	Total Hardness, as CaCO <sub>3</sub>	x.	<u>1200</u>
Phenolphthalein Alkalinity, as CaCO <sub>3</sub>	x.		<u>0</u>	Calcium Hardness, as CaCO <sub>3</sub>	x.	<u>455</u>
Total Alkalinity, as CaCO <sub>3</sub>	x.		<u>156</u>	Magnesium Hardness, as CaCO <sub>3</sub>	x.	<u>745</u>
Carbonate Alkalinity, as CaCO <sub>3</sub>	x.		<u>0</u>	Calcium, as Ca	x.	<u>182</u>
Bicarbonate Alkalinity, as CaCO <sub>3</sub>	x.		<u>156</u>	Magnesium, as Mg	x.	<u>181</u>
Carbonates, as CO <sub>3</sub>	x.		<u>0</u>	Sodium, as Na	x.	<u>1400</u>
Bicarbonates, as HCO <sub>3</sub>	x.		<u>190</u>	Iron, as Fe	x.	<u>0.08</u>
Hydroxides, as OH	x.		<u>0</u>	Manganese, as Mn	x.	<u>&lt;0.05</u>
Carbon Dioxide, as CO <sub>2</sub>	x.		<u>21</u>	Copper, as Cu	x.	<u>&lt;0.1</u>
Chloride, as Cl	x.		<u>2100</u>	Silica, as SiO <sub>2</sub>	x.	<u>7.0</u>
Sulfate, as SO <sub>4</sub>	x.		<u>1050</u>	Color, PCS		<u>0</u>
Fluoride, as F	x.		<u>2.0</u>	Odor Threshold	x.	<u>0</u>
Phosphate, as PO <sub>4</sub>	x.		<u>0.1</u>	Turbidity, NTU	x.	<u>0.11</u>
pH (Laboratory)	x.		<u>7.2</u>			
pHs	x.		<u>7.1</u>			
Stability Index	x.		<u>7.0</u>			
Saturation Index	x.		<u>0.1</u>			

Signed: Donna Yurbish  
Chemist

(To convert ppm to grains per gallon, divide ppm by 17.1 - p.p.m. = mg/l)

# STOTTLER STAGG & ASSOCIATES

architects - engineers - planners

FLORIDA  
8660 ASTRONAUT BOULEVARD  
CITY OF CAPE CANAVERAL, FLORIDA 32920  
PHONE 305-783-1320

affiliate firm

## BREVARD ENGINEERING COMPANY

consulting engineers - land surveyors

September 1, 1976

Mr. Alva R. Harmon, President  
McGregor Pump Company, Inc.  
6034 McGregor Blvd.  
Ft. Myers, Florida 39901

RE: Pelican Bay Improvement District, Test/Production Water Well,  
Notice of Non-Conformance to Specifications, SS/Project No. 75142 X-1

Dear Mr. Harmon:

As per our telephone conversation of this morning, the Test/Production Water Well now being drilled by McGregor Pump Company, Inc. is considered to be in non-conformance with the Contract Drawings and Specifications governing the construction of said well.

You are hereby advised that it has been deemed in the Pelican Bay Improvement District's best interests for you to pursue the following chronologically ordered sequence in order to provide the Pelican Bay Improvement District with a Test/Production Well in agreement with Contract Drawings and Specifications.

Your requested action sequence is as follows:

1. Discontinue further drilling or other related activity on the existing well site.
2. Plug the existing well hole in conformance with the Drawings and Specifications and agency requirements, including Paragraphs 17-21.10 (2) C and 17-21.10 (4) of the State of Florida Administrative Code. Refer also to AWWA A 100-66 for accepted plugging methods.
3. Move the well drilling rig to a well drilling site sufficiently North (probably between 25 ft. & 50 ft.) of the existing well site to be isolated from any detrimental influence of the existing construction including grouting, and drill an 8" diameter Test/Production Well in strict conformance with the original Contract (Red Book) Drawings and Specifications including the following: The well will be cased to approximately 330 feet in depth with 8 inch diameter schedule 40 P.V.C. pipe installed and grouted; an open 8 inch diameter hole will be drilled to approximately 635 feet; and sufficient 14 inch diameter steel pipe will be installed as a surface casing to provide stability to the adjacent ground (it appears that approximately 125 ft. will be required).

September 1, 1976

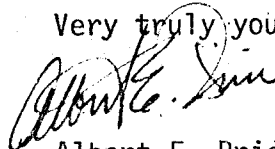
4. Testing of the well will be in agreement with Contract (Red Book) Drawings and Specifications.

If you are unable or unwilling to follow the requested action sequence noted above (and deliver an acceptable completed well) you have the option of plugging the well as noted in step 2 above and then abandoning your well drilling activity as stated in paragraph 18 (Abandonment of Test Hole or Well) of the Contract Drawings and Specifications.

Your attention is directed to the very sensitive nature of development in this area and it is deemed essential that the well be constructed in agreement with the Drawings and Specifications which have been previously approved by the Collier Water Management Board and the Collier Board of County Commissioners.

An early reply on your intended response to this directive would be appreciated.

Very truly yours,



Albert E. Price, P.E.

AEP:p1

cc: Mr. Salvatore C. Scuderi  
Mr. Werner Buntmeyer  
Mr. Harmon Turner, P.E.  
Mr. Tracy Bolesky  
Mr. Gary Armstrong  
Mrs. Virginia Magri

Naples, Florida, September 28, 1976

LET IT BE KNOWN, that the Pelican Bay Improvement District Board met in Special Session at 4:07 p.m. in Building "F" of the Courthouse Complex with the following members present:

PRESIDENT: Salvatore Scuderi

TREASURER: Viola Barclay

SECRETARY: Douglas Brown  
Chet Lanning

ABSENT: Robert Diefenthaler

ALSO PRESENT: Virginia Magri, Recording Secretary; Mr. Harmon Turner, Consulting Engineer for Pelican Bay; Mr. Tracy Bolesky; Attorney for Pelican Bay; Messrs. A. E. Price and Charles Moehle, Stottler Stagg & Associates; Messrs. Charles Penn and Grover Erickson, Coral Ridge-Collier Properties and Mr. Harmon, McGregor Pump.

AGENDA

1. Call to Order
2. Roll Call
3. Minutes of Prior Meetings
4. Well report

APPROVAL OF MINUTES OF SEPTEMBER 8, 1976 - DEFERRED

Approval of the minutes of September 8, 1976 was deferred until the next meeting.

WELL REPORT - CHANGE ORDERS #3 & #4 AUTHORIZED

As directed at the previous meeting, Mr. Turner reported that the consulting engineers, developer and well driller had a meeting, along with a representative of the U.S.G.S and it was determined that the well driller should put in a new well. He said that the consulting engineer was asked to prepare whatever might be necessary in the way of a Change Order to procedure the new well. Continuing, Mr. Turner reported that in discussing this with the contractor he felt that some of the work previously done should be paid for (\$21,780.50) and it would be deducted from the cost of the new site.

Mr. Turner said that they have talked to the engineer and that because the property owners are now to the point where they need to have a well for reports which have to be made in the near future it has been felt that unless there is a good reason for not doing so, they would like to continue with the present contractor; otherwise, they would be delayed from 2-3 months to readvertise for bids and such.

It was noted by Mr. Turner that the contractor would not charge for those items necessary to set up a new well site because the equipment is already in the area and the estimated cost for the new well site would be \$16,457.00 bringing the total contract price to \$38,237.

As requested at the previous meeting, Mr. Bolesky offered the following opinion:

OPINION 1976-2

This opinion was requested by the Board of Directors of Pelican Bay as to their position under a certain contract dated June 28, 1976 between said Board and McGregor Pump Co., Inc., assuming a breach of said contract by McGregor.

As attorney for the Board I have investigated the facts surrounding the alleged breach by the driller (McGregor) of the contract. There appears to be three areas of breach by the driller.

The first breach is that the contract was not completed within 30 days of the Notice to proceed as required by the contract. The time started to run from the June 28, 1976 (notice to proceed) till the September 1, 1976 (stop order by engineer). The contract provides for liquidated damages for such breach in the Spec. Provisions, Section 13. The sum specified is liquidated damages of \$50.00 per day.

The second alleged breach was that the well was allegedly drilled to a depth not specified in the contract. From the facts the contract specifications are for a well not to exceed 750'. From the facts, it appears that the driller went to a depth of approximately 925'. The courts have had an exact problem in the case of Orr v. Forde, 282, p. 429, and the court said that a well drilled below a certain depth specified, in contract, was not a part of the contract and thus the driller should not be paid for going outside the contract.

The third alleged breach is that the contract required a well of 8" PVC and the driller has installed 8" PVC to a depth of 295' and 6" PVC from the 295' mark to 330'. although the contract specifically called for 8" PVC. The courts have had a similar problem and in the case of Ylijarvi v. Brockphaler, 7N. W2 314 which held that where one of the conditions of the contract was to dig and bore a well using casing of certain size, the driller has no right to use a smaller size casing. Therefore, since the owner did not get what he bargained for, he had a good defense to suit brought by the driller.

From my investigation of this case, the drillers' contentions are that even though he has breached the contract in part, he still should be paid for a part of the work he has performed. My opinion is that this contention has merit only if the contract is one which is divisible.

The Florida Courts have held that ... Fla. Jur.,  
Contracts 108-109

"...If the consideration to be paid is single and entire the contract must be held to be entire, although the subject of the contract may consist of several distinct and wholly independent items ..."

"...Where the part to be performed by one party consists of several distinct and separate items, and the price to be paid by the other is apportioned to each item to be performed, it will generally be held that such contract is severable. A contract may be divisible as to some of its covenants and indivisible as to others. But the mere fact that the subject of the contract is sold by weight or measure and the value is ascertained by the price affixed to each yard or pound or bushel of the quantity contracted for, will not be sufficient to render the contract severable ...."

Based on the above, it is this writer's opinion that the contract is not divisible.

The question has further been asked of this writer as to whether or not the Board has the power to modify the contract and, if so, how. The power to modify the contract is found in Test Production Water Well, Section 8, page 3 -

"The owner and the contractor may negotiate a supplemental agreement to the contract at mutually satisfactory unit prices or by a lump sum agreement for the extra work addition or deletion as ordered."

Or, the Board may proceed under Article 11 - Changes in Work - General Provisions, page 19 -

"Without invalidating the agreement, Owner may, at any time or from time to time, order additions, deletions or revisions in the work; these will be authorized by Change Orders."

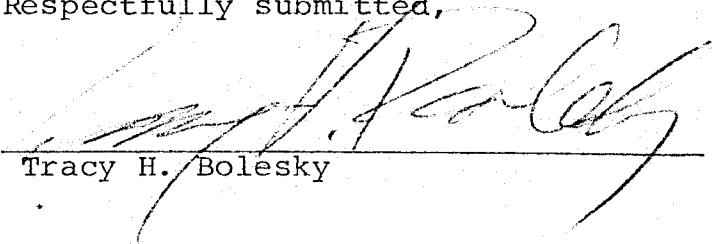
Or, the Board may terminate the contract pursuant to General Conditions, Article 16, page 30, B. 16.2 -

"If Contractor ... or if he otherwise violates any provision of the contract documents, then owner may, without prejudice to any other right or remedy and after giving contractor and his surety seven days written notice, terminate the services of contractor and take possession of the project and of all materials, equipment, tools, construction equipment, and machinery thereon, owned by contractor and finish the work by whatever method he may deem expedient ...."

It is this writer's opinion that the Board has three options:

1. The Board may modify the contract with contractor.
2. The Board may by Change Order, require additional work.
3. The Board may terminate the contract and finish the well as the Board sees expedient.

Respectfully submitted,



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Tracy H. Bolesky

THB:eob

Mr. Moehle addressed the Board and reported that they have encountered geologic conditions which were unknown and not predicted at the time. He said that the pilot hole that was drilled did not give any results or information between 235' and 435' because of circulation. Because of this, he said, they feel that there is a possibility that the new well may have to have a screen installed

in it to be a good well, which would mean additional money from \$5,000 - \$15,000, depending on the requirements of the screening. He expressed concern that if they go into the hole the second time and don't have the information they will have the same problem as the first time.

Mr. Moehle presented two change orders for the Board's consideration; #3 Changing the location of the well and #4 Position of well. Replying to Mr. Scuderi, Mr. Moehle said that it is their recommendation to retain the present well contractor to put in the new well.

Referring to the screening, Mr. Turner said that he mentioned to Mr. Buntmeyer the possibility of having to put in screen and said that Mr. Buntmeyer indicated that they have had this trouble before and they did understand the possibility.

Referring to the proposed new location approximately 200 feet north of the present well hole, Mr. Moehle said that he has not determined from the developers whether or not that would interfere with any type of development but said it should be understood that they are not sticking to 200'.

Mr. Lanning expressed concern about supervision on the job. Mr. Moehle reported that they did not have a full-time inspector; they visited the site on the average of once a week and sometimes once a day. Mr. Scuderi said that he feels that the engineering firm has an obligation to the Board to see that the contract is fulfilled according to the specifications. Mr. Moehle said that they have been coordinating with Mr. Turner and it was his understanding that this was the line of communication.

Mr. Moehle said that a resident supervisor should be considered by the Board and Mr. Turner said that he did not feel that 100% supervision is necessary. Mr. Harmon said that he needs someone that can give him a yeah or nay when they encounter changes in lithology.

Following lengthy discussion re costs, U.S.G.S. participation, and responsibility of engineer, Mr. Lanning moved that Mr. Scuderi be authorized to sign Change Orders #3 and #4 to proceed with the operations. Upon Mr. Bolesky finding the documents in accord, Mr. Brown seconded the motion which carried unanimously.

Mr. Turner said that the engineering contract does not call for them to have somebody at the well site every day; however, assuming that they will have the well completed in one month, he said that the engineering firm has agreed to have their man stop there every day for \$750. Mr. Erickson indicated a willingness to pay this extra expense. Therefore, Mr. Lanning moved that Stottler Stagg be paid a fee of \$750 for daily inspection and a daily report to be furnished to Mr. Turner for a period of one (1) month. Mr. Scuderi requested that Mr. Bolesky draw up the necessary papers to bind the developer for \$750. The motion was seconded by Mr. Scuderi and carried unanimously.

Mr. Scuderi expressed concern of how the engineer can represent to the Board that the well has been drilled to specifications without on-site inspection and without their own knowledge. Mr. Price said that there were some discussions about the specs and Mr. Harmon's inability to follow the specs and said that he would like to have

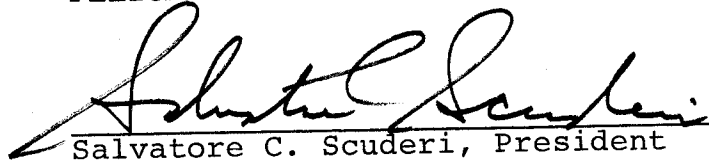
Mr. Harmon comment if there is anything in the spec that he cannot accomplish. He asked for assurance from Mr. Harmon that he can accomplish every step of the spec. Mr. Harmon said that it would be unwise to say that he can follow the specs to a tee. He said that the test hole bore out the fact that you cannot write specific specs for a well. He said that there is no way to guarantee but that he will do it to the best of his ability. He said that he has the equipment and the people with the expertise.

Mr. Scuderi advised Mr. Harmon that if there is a dispute between the U.S.G.S. and the engineer, he is to follow the engineer. Also, Mr. Price was directed to obtain a new permit from the County Engineer to show that the site has been changed.

\* \* \* \* \*

There being no further business Mr. Scuderi moved, seconded by Mr. Brown and carried, that the meeting be adjourned at 5:37 p.m.

PELICAN BAY IMPROVEMENT DISTRICT BOARD

  
Salvatore C. Scuderi, President



CHANGE ORDER

No. 4

Dated September 27, 1976

Owner's Project No. 75142 X-1 Engineer's Project No. SS 75142 X-1  
 Project Pelican Bay Improvement District  
 Test/Production Well  
 Owner Pelican Bay Improvement District

Contractor McGregor Pump Company, Inc. Contract Date June 28, 1976  
 Contract For Construction of Test/Production Well

To: McGregor Pump Company, Inc. Contractor  
 6034 McGregor Boulevard, Fort Myers, Florida 33901  
 You are directed to make the changes noted below in the subject contract:

Owner Pelican Bay Improvement District  
 By *Salvatore C. Scuderi*  
 Salvatore C. Scuderi, President  
 Date 9/28/76

Nature of the Change See Sheet 2 of 3

Enclosures: No enclosures accompany this Change Order

The changes result in the following adjustment of Contract Price and Contract Time:

Contract Price Prior to This Change Order	\$ 31,247.00
Net (Increase) <del>(Decrease)</del> Resulting from this Change Order	\$ 6,990.00
Current Contract Price Including This Change Order	\$ 38,237.00

NSPE 1910-8-B (1970 Edition)

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Nature of Change: Position of Well changed under Change Order #3. New 8" diameter well to be drilled (in new position) to approximately 625 feet and cased to approximately 330 feet with 8" schedule 40 P.V.C. casing. Approximately 128 feet of 16" schedule 40 steel pipe will be installed as surface casing. The 4-inch diameter pilot hole will be drilled and logged prior to drilling of the 8" Test/Production Well to approximately 625 feet. Samples of all material penetrated shall be collected at all changes in formation and at 5 foot intervals to the full extent of the pilot hole (approximately 625 feet). It is agreed by the Contractor that this information is essential to determine any requirement to provide well screening and to determine the design of any well screening if required. No standby time or any other additional charges shall be paid while the samples obtained from the 4 inch pilot hole are being analyzed to determine any screening requirements and/or design. In the event the logging and sampling is not timely accomplished by the Contractor, Owner may terminate the contract. In this event, Contractor shall properly abandon, fill, and plug all test holes and/or wells, being subject to the terms of paragraph 18, page 8 of the Test/Production Water Well Section of the Contract Drawings and Specifications. Well will be constructed, grouted and tested in agreement with Contract Drawings and Specifications for Test/Production Well at Pelican Bay for Pelican Bay Improvement District dated April 1976. The total amount of the current contract price of \$38,237.00 is due and payable in one payment upon final acceptance by the Owner.

Contract Time Prior to This Change Order ..... Not Applicable ..... Calendar Days  
Net (Increase) (Decrease) Resulting From This Change Order ..... Not Applicable ..... Calendar Days  
Current Contract Time Including This Change Order New Contract Time of 30 days... Calendar Days  
allowed with this Change Order beginning September 28, 1976.

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The Above Changes Are Approved:

Stottler Stagg & Associates

ENGINEER  
*Albert J. Stottler*

Date September 27, 1976

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The Above Changes Are Accepted:

McGregor Corp. Inc.  
CONTRACTOR

by *W. J. Harman*

Date Sept 27, 1976

CHANGE ORDER

No 3

Dated September 27, 1976

Owner's Project No. 75142 X-1  
 Project Pelican Bay Improvement District  
 Test/Production Well  
 Owner Pelican Bay Improvement District

Engineer's Project No. SS 75142 X-1

Contractor McGregor Pump Company, Inc.  
 Contract Date June 28, 1976  
 Contract For Construction of Test/Production Well

To: McGregor Pump Company, Inc.  
 6034 McGregor Boulevard, Fort Myers, Florida 33901 Contractor

You are directed to make the changes noted below in the subject contract:

Owner Pelican Bay Improvement District  
 By *Salvatore C. Scuderi*  
 Salvatore C. Scuderi, President  
 Date 9/28/76

Nature of the Change Change location of Test/Production Well to new location at least 200 feet north of present well hole position. Staff Engineer of the Pelican Bay Board and Owner's Representatives will select precise position of new well hole.

Enclosures: None.

The changes result in the following adjustment of Contract Price and Contract Time:

Contract Price Prior to This Change Order	\$ 31,247.00
Net (Increase) (Decrease) Resulting from this Change Order	\$ No Change
Current Contract Price Including This Change Order	\$ 31,247.00

Contract Time Prior to This Change Order ..... 30 ..... Calendar Days.  
Net (Increase) (Decrease) Resulting From This Change Order ..... No Change ..... Calendar Days.  
Current Contract Time Including This Change Order ..... 30 ..... Calendar Days.

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The Above Changes Are Approved:

Stottler Stagg & Associates

ENGINEER

by

Date September 27, 1976

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The Above Changes Are Accepted:

by

Date

MS Gregor Bumpdo Inc  
CONTRACTOR  
Al Harmon Pres  
Sept 27, 1976