

House Bill No. 927

An act relating to the Captiva Erosion Prevention District; codifying and reenacting the district's charter, chapter 71-730, Laws of Florida, as amended; providing legislative intent; validating the district as a beach and shore preservation authority under the provisions of chapter 161, Florida Statutes; providing definitions; defining the boundaries of the district; providing for the general powers of the district; providing for the election of the district governing board; providing for a district beach and shore preservation program; providing for benefit categories or zones; providing for the levy and collection of ad valorem taxes on all taxable property within the district; providing for issuance of general obligation bonds; providing for the levy of special assessments against land specially benefited within the district; providing for the issuance of bonds and other evidence of indebtedness with referendum approval; providing for refunding bonds; providing for additional power to contract; providing for severability; providing for effect in cases of conflict; providing for repeal of prior special acts relating to the Captiva Erosion Prevention District; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Pursuant to chapter 97-255, Laws of Florida, this act constitutes the codification of all special acts relating to the Captiva Erosion Prevention District. It is the intent of the Legislature in enacting this law to provide a single, comprehensive special act charter for the district, including all current legislative authority granted to the district by its several legislative enactments and any additional authority granted by this act. It is further the intent of this act to preserve all district authority and powers.

Section 2. Chapters 71-730, 76-403, 81-413, and 88-449, Laws of Florida, relating to the Captiva Erosion Prevention District, are codified, reenacted, amended, and repealed as herein provided.

Section 3. The Captiva Erosion Prevention District is re-created as an independent special shore preservation district and the charter for such district is re-created and reenacted to read:

Section 1. Legislative Finding; Validation of District.—The Captiva Erosion Prevention District is hereby declared to be a valid and existing beach and shore preservation district re-created and reestablished under the provisions of section 161.32, Florida Statutes, and shall exercise powers and duties of a beach and shore preservation authority and independent special district in the geographic area defined in Section 3, as provided for by this act.

Section 2. Definitions.—In construing this act, where the context does not clearly indicate otherwise, the word, phrase, or term:

(1) “District” means the Captiva Erosion Prevention District.

(2) “County” means Lee County, Florida.

(3) “District Board” means the duly elected Board of Commissioners constituting the governing body of the District.

(4) “Erosion Prevention Projects” or “Project” shall mean and shall include any seawalls, groins, breakwaters, bulkheads, fills, and other works, structures, equipment or other facilities used for beach renourishment or erosion control as defined by s. 161.021(3), Florida Statutes, and in each case necessary or useful in the protection of the lands, including beaches, within the District from tidal action and other causes of beach and coastal erosion.

(5) “Cost” as applied to the construction, reconstruction or improvement of Erosion Prevention Projects shall include the cost of construction and reconstruction; the cost of improvement of property; the cost of all labor, materials, machinery and equipment; the cost of all lands and interests therein, real or personal property, rights, easements and franchises of any nature whatsoever; financing charges; interest prior to, during, and for a period of not to exceed 1 year after completion of construction; the cost of plans, specifications, surveys, and estimates of costs and revenues; the cost of engineering, financial and legal services; the cost of preparing special assessment rolls and levying special assessments; and all other expenses necessary or incidental to such construction, reconstruction or improvement or related to the issuance of bonds in connection with the financing thereof; and administrative expenses and all other expenses as may be necessary or incidental to accomplishing the purpose of this act.

(6) “Notice by Publication” shall mean publication of a notice or resolution of the District Board in a newspaper of general circulation in the County not less than 10 days before any meeting, hearing or other act for which notice to the public or notice to affected persons is required by this act.

(7) “Notice by Mail” shall mean mailing by United States mail a notice or resolution of the District Board or advisory committee to the persons affected, at their addresses shown on the County tax rolls, not less than 10 days before any meeting or hearing.

(8) “Gulffront Lands” shall mean real property contiguous to or abutting the waters or beaches of the Gulf of Mexico in the County, publicly or privately owned, upon fair and equitable principles, which is specifically benefitted by the construction, maintenance or operation of any Erosion Prevention Project or restoration of eroded beaches.

Section 3. Boundaries of District.—The territorial boundaries of the District shall be all of Captiva Island, Florida, more particularly described as follows:

Commence at the corner common to sections 2,3, 10 & 11, T. 46 S., R. 21 E., Lee Co., Florida; thence run Easterly along the South line of said sec. 2 to its intersection of the centerline of Blind Pass and the Northerly limits of the City of Sanibel, said intersection is the P.O.B. of the parcel

or tract herein described. From said P.O.B. run Southwesterly along said centerline of Blind Pass and Northerly limits of the City of Sanibel to a point in the Gulf of Mexico which lies 300' from the M.H.T. line of Captiva Island; thence run Northwesterly along the Meanders of a line in the Gulf of Mexico that lies 300' from and parallel to said M.H.T. line of Captiva Island to its intersection with the centerline of Redfish Pass; thence run Easterly along said centerline of Redfish Pass to a point 300' from the M.H.T. line of the Easterly shore of Captiva Island in the waters of Pine Island Sound; thence run Southeasterly along the meanders of a line in the waters of Pine Island Sound that lies 300' from and parallel to the M.H.T. line of Captiva Island to its intersection with the centerline of Roosevelt Channel; thence run Southerly along the Meanders of said centerline of Roosevelt Channel to its intersection with aforementioned centerline of Blind Pass and the Northerly limits of the City of Sanibel; thence run Southwesterly along said centerline of Blind Pass and North-erly limits of the City of Sanibel to the P.O.B.

Section 4. Powers of the District.—The District may:

- (1) Sue and be sued.
- (2) Adopt and use a common seal and alter the same at pleasure.
- (3) Purchase, hold, lease, sell, or otherwise acquire and convey such real and personal property, and interests therein, as may be necessary or proper to carry out the purposes of this act.
- (4) Make rules for its own government and proceedings.
- (5) Contract for services of engineers, attorneys, accountants, financial or other consultants, and such other agents and employees as the District Board may require or deem necessary to accomplish the purposes of this act in accordance with the competitive bidding requirements for beach and shore preservation authorities created under chapter 161, Florida Statutes.
- (6) Develop and execute a logical and suitable program for comprehensive beach and shore preservation as defined by section 161.021(2), Florida Statutes, relating to the use and maintenance of the beaches and sand dunes which may be important to their preservation and enjoyment.
- (7) Construct, reconstruct, or improve Erosion Prevention Projects in and for the District.
- (8) Borrow funds from time to time necessary to carry out the purposes of this act.
- (9) Exercise the power of eminent domain in the manner as provided by general law for beach and shore preservation authorities created under chapter 161, Florida Statutes.
- (10) Exercise jurisdiction, control, and supervision over the construction of any Erosion Prevention Project, constructed or to be constructed by any person, firm, or corporation, public or private, within the District and to

make and enforce such rules and regulations for the maintenance and operation of any such Projects as may in the judgment of the District Board be necessary or desirable for the efficient operation of such Project and for accomplishing the purposes of this act.

(11) Restrain, enjoin, or otherwise prevent any person, firm, or corporation, public or private, from establishing or constructing any Erosion Prevention Project within the District without the prior written approval of the District Board. Application for such approval shall be made in writing to the District Board in accordance with rules and regulations promulgated by the District Board for that purpose.

(12) Restrain, enjoin, or otherwise prevent the violation of any provision of this act or of any resolution, rule, or regulation adopted pursuant to the powers granted by this act.

(13) Make and enter into all contracts and agreements as the District Board may determine necessary or incidental to the performance of its duties and to the execution of its powers under this act, including, but not limited to, contracts with the United States of America, the State of Florida, counties, municipalities, and other political subdivisions.

(14) Pay from funds available to the District under this act all reasonable and necessary expenses incurred in carrying out the purposes of this act, including reimbursement of actual travel expenses of members of the District Board or their properly designated agents incurred in connection with the performance of their official duties upon approval by the District Board.

(15) Receive and accept from any source, including, but not limited to the United States of America, the State of Florida, counties, municipalities, and other political subdivisions, grants for or in aid of the construction, maintenance, or operation of any Erosion Prevention Project or part thereof and to receive and accept aid or contributions from any source of either money, property, labor, or other things of value to be held, used, and applied only for the purposes for which such grants or contributions may be made and to carry out the purposes of this act.

(16) Pursuant to section 161.36, Florida Statutes, enter upon private property for purposes of making surveys, soundings, drillings, and examinations, and such entry shall not be deemed a trespass.

Section 5. Election of the District Board.—

(1) The business and affairs of the District shall be conducted and administered by a board of five Commissioners who shall constitute the Captiva Erosion Prevention District Board and shall be qualified electors residing within the District. The members of the Board shall each serve a period of 4 years unless removed for cause by the Governor of Florida and shall receive no compensation.

(2) The five members of the District Board shall be elected by the qualified electors residing within the District. Members whose current terms expire in November 2000 shall serve until November 2001. Members whose

current terms expire in November 2001 shall serve until November 2002. Subsequent elections of District Board members under this act shall be on the first Tuesday next succeeding the first Monday in November of even-numbered years.

(3) Candidates seeking election to the District Board shall qualify between noon of the 50th day and noon of the 46th day prior to the election. A candidate seeking election to the District Board must qualify by paying a filing fee of \$25 or by obtaining the signatures of at least 3 percent of the qualified electors residing within the District on a petition to be verified by the Lee County Supervisor of Elections. Any candidates seeking election to the District Board will open a depository and appoint a campaign treasurer before accepting any contributions or expending any funds for the purpose of seeking election to the District Board. However, if the only campaign expenditure of a candidate seeking election to the District Board is the fee required for the checking of signatures on the petition for filing, and the candidate accepts no contributions and expends no other campaign funds, it will not be necessary to open a campaign depository.

(4) The costs of all elections or referendums conducted by the Captiva Erosion Prevention District shall be borne by the District. If a vacancy occurs on the Board due to the resignation, death, or removal of a Board member, the remaining members may appoint a qualified person to fill out the remainder of the unexpired term. Notification of all resignations, vacancies, or appointments shall be filed with the Lee County Supervisor of Elections. The Lee County Supervisor of Elections may conduct any referendum or election, if authorized by resolution of the Board.

Section 6. Comprehensive Beach and Shore Preservation Program.—The District shall develop and adopt a comprehensive beach and shore preservation program for the area within its jurisdiction. This program may incorporate all or part of recommendations of the United States Army Corps of Engineers and the state Department of Environmental Protection concerning beach and shore restoration and erosion control and may additionally provide to an appropriate extent for other aspects of beach and shore preservation. In conducting its studies and making its plan for beach and shore preservation, the District Board shall hold sufficient public hearings to ascertain the views and feelings of affected property owners in the various parts of the District regarding the needs to be served and the manner in which they shall best be served. The Board shall give proper and reasonable consideration to all evidence received in the planning of the beach and shore preservation program.

Section 7. Benefit Categories or Zones.—Upon adoption of a reasonably final plan of improvement for beach and shore preservation within the District, the Board shall conduct, through the use of personnel competent and qualified in this field, an economic analysis of the proposed program, determining the nature and extent of benefits expected to accrue from the program and allocating those benefits to their proper recipients by categories or zones of comparable benefits, or follow such other method as may be deemed suitable for the purpose of this act. The District Board shall conduct in the same or similar manner a new economic analysis from time to time to better determine and allocate actual or expected benefits.

Section 8. Ad Valorem Taxes.—The District Board shall have the power to levy and assess an ad valorem tax not exceeding 10 mills on all taxable property in the District to pay for the maintenance, operation, and other corporate purposes of the District, to pay the principal of an interest on any general obligation bonds of the District, and to provide for any sinking or other funds established in connection with any such bonds. That portion of the ad valorem taxes used for operations, maintenance, and other corporate purposes of the District shall not exceed 5 mills during any one year.

Section 9. General Obligation Bonds.—

(1) The District Board, for and on behalf of the District, is authorized to provide from time to time for the issuance of bonds to obtain funds to meet such costs of capital projects as may be required by the beach and shore preservation program; provided, however, that such issuance shall have been first approved at a duly conducted referendum election by the electors of the District as provided by general law.

(2) The total cumulative indebtedness of the District incurred by any and all bond issues, including general obligation, special assessment, refunding, or any other bonds, shall not exceed \$27,500,000. Hereafter, this figure shall be adjusted annually based upon the percentage increase in the Consumer Price Index in the preceding year.

Section 10. Special Assessments.—

(1) The District may provide for the construction or reconstruction of an Erosion Prevention Project or Projects and for the levying of special assessments upon benefitted property. The initial proceeding hereunder shall be the passage at any lawful meeting of the District Board of a resolution ordering the construction or reconstruction of such Projects under and subject to the provisions of this section, indicating the location and either giving a description of the Projects by their material, nature, character, and size or giving two or more such descriptions with the direction that the material, nature, character and size shall be subsequently determined in conformity with one of such descriptions. The resolution ordering any such Project may give any short and convenient designation to each Project ordered thereby, after which it shall be sufficient to refer to such Project and property by such designation in all proceedings and assessments, except in the notices provided by subsections 6 and 10.

(2) The District Board shall divide the District's lands into major categories and zones to appropriately determine the benefit to lands from the construction, maintenance and operation of Erosion Prevention Projects and beach restoration. The Legislature finds and determines that all Gulffront Lands in the District are directly and specially benefitted by the construction, operation, and maintenance of Erosion Prevention Projects in the category and zone in which such Gulffront Lands are situated. The District may also determine that categories or zones that do not constitute Gulffront Lands may be benefitted by the construction, maintenance, and operation of Erosion Prevention Projects.

(3) As soon as may be practicable after the passage of the resolution described in subsection (1), the engineer for the District shall prepare, in duplicate, plans and specification of each Erosion Prevention Project ordered thereby and an estimate of the Cost thereof. Such Cost may include the printing and publishing of notices and proceedings, costs of abstracts of title, and any other expense necessary or proper in conducting the proceedings and work provided for in this section, including the estimated amount of discount, if any, upon the sale of assessment bonds or other obligations issued hereunder for which such special assessments are to be pledged.

(4) If the resolution shall provide alternative descriptions of material, nature, character, and size, such estimate shall include an estimate of the cost of the improvement of each such description.

(5) The District shall cause to be prepared, in consultation with the engineer, a tentative apportionment of the estimated total cost as between the District and the Gulffront Lands and other lands that may be specially benefitted and subject to special assessment under the resolution, such apportionment to be made in accordance with the provisions of this section relating to the apportionment of cost in the preliminary assessment roll. Such tentative apportionment of estimated cost shall not be held to limit or restrict the duties of the engineer in the preparation of such preliminary roll. One of the duplicates of such plan, specification, and estimates and such tentative apportionment shall be filed with the District Board and the other duplicate shall be retained by the engineer in his or her files, all of which shall be open and subject to public inspection, upon request.

(6) The District Board, upon the filing with it of such plans, specifications, estimates, and tentative apportionment of cost, shall give Notice by Publication that at a regular meeting of the District Board on a certain day and hour, not earlier than ten (10) days from the publication of the notice, the District Board will hear objections of all interested persons to the confirmation of such resolution. This notice shall state in brief and general terms a description of the proposed Projects with the location thereof and shall also state that plans, specifications, estimates, and tentative apportionment of cost thereof are on file in the office of the District and the engineer of the District. It shall be the duty of the District Board to provide Notice by Mail to any person, firm, or corporation whose specially benefitted lands shall be affected at such address as shown on the last available tax roll, at least ten (10) days before the time for the hearing as stated in such notice.

(7) At the time named in such notice, or to which an adjournment may be taken by the District Board, the District Board shall receive any objections of interested persons to the confirmation of such resolution with such amendments, if any, as may be desired by the District Board and which do not cause any additional lands to be specially assessed.

(8) All objections to such resolution on the ground that it contains items which cannot be properly assessed against property, or that it is, for any default or defect in the passage or character of the resolution or the plans or specifications or estimate, void or voidable in whole or in part, shall be made in writing, in person or by attorney, and filed with the District Board at or before the time of such hearing.

(9) Promptly after the completion of the Project, the District shall cause to be prepared a preliminary assessment roll, which roll shall be filed with the District and contain the following:

(a) A description of the lands within the District which will benefit from the Erosion Prevention Project and the amount of such benefits to each lot or parcel of land. Such lots and parcels shall include all property, whether publicly or privately owned. There may also be given, in the discretion of the District, the name of the owner of record of each lot or parcel of such lands, where practicable.

(b) The total Cost of the Project, and the amount of all other expense relating to the Project whether direct or incidental.

(c) An apportionment between the benefitted lots and parcels, uniform in each category or zone, by one of the following methods:

1. Upon an ad valorem basis as to lands in a specific zone or category.
2. Upon a front-foot basis of lineal feet of land in a specific zone or category.
3. Upon an area or square-foot basis as to all lands in a specific zone or category.
4. Upon any other fair and equitable basis according to the special benefits received by the lands in a specific zone or category.

(10) The preliminary roll shall be advisory only and shall be subject to the action of the District Board as hereinafter provided. Upon the filing with the District Board of the preliminary assessment roll, the District Board shall provide Notice by Publication stating that at a meeting of the District Board to be held on a certain day and hour, not less than ten (10) days from the date of publication of the notice, which meeting may be a regular, adjourned or special meeting, all interested persons may appear and file written objections to the confirmation of such roll. Such notice shall describe the Erosion Prevention Project and the location thereof. Such meeting of the District Board shall be the first regular meeting following the completion of the notice herein required, unless the district Board shall have provided for a special meeting for such purpose.

(11) At the time and place stated in such notice, the District Board shall meet and receive the objections in writing of all interested persons as stated in such notice. The District Board may adjourn the hearing from time to time. After the completion thereof the District Board shall either annul or sustain or modify in whole or in part the preliminary assessment as indicated on such roll, either by resolution confirming the preliminary assessment against any and all lands described therein, or by resolution canceling, increasing, or reducing the same, according to the special benefits which the District Board decides each lot or parcel of lands has received or will receive on account of such Project. If any lands which may be chargeable under this section shall have been omitted from the preliminary roll or if the preliminary assessment shall not have been made against it, the District Board

may place on such roll an apportionment to such property. The District Board shall not confirm any assessment in excess of the special benefits to the property assessed, and the assessments so confirmed shall be in proportion to the special benefits. If the assessment against any lands shall be sustained or reduced or abated by the court, the county property appraiser shall note that fact on the assessment roll opposite the description of the property affected thereby. The amount of the special assessment against any lot or parcel which may be abated by the court, unless the assessment upon the entire District is abated, or the amount by which such assessment is so reduced, may be, by resolution of the District Board, made chargeable against the District at large; or, in the discretion of the District Board, a new assessment roll may be prepared and confirmed in the manner hereinabove provided for the preparation and confirmation of the original assessment roll.

(12) Any assessment may be paid without interest at the office of the District on or before 60 days from the date of the publication of the notice. All assessments shall be payable in equal annual installments over a period not to exceed 20 years, with interest to the extent permitted by then existing applicable law, at a rate per annum equal to 2 percent per annum over the interest rate on any bonds issued to finance the Project or Projects for which such special assessments have been levied, at the time specified by resolution of the District Board.

(13) All assessments shall constitute a lien upon the property so assessed from the date of confirmation of the resolution ordering the Project of the same nature and to the same extent as the lien for general county taxes falling due in the same year or years in which such assessment or installments thereof fall due, and any assessment or installment not paid when due shall be collectible in the same manner and at the same time as such general taxes are or may be collectible, with the same attorney's fees, interest, and penalties and under the same provisions as to forfeiture and the right of the District to purchase the property assessed as are or may be provided by law in the case of county taxes; provided, that no such sale of any property for general county taxes or for an installment or installments of any such assessment and no perfecting of title under any such sale shall divest the lien of any installment of such assessment not due at the time of the sale. Collection of such assessments, with such interest and with a reasonable attorney's fee and costs, but without penalties, may also be made by the District by proceedings in a court of equity to foreclose the lien of assessments as a lien for mortgages is or may be foreclosed under the laws of the State; or by an action in rem against the lands upon which such special assessments are liens; provided that any such proceedings to foreclose shall embrace all installments of principal remaining unpaid with accrued interest thereon, which installments shall, by virtue of the institution of such proceedings, immediately become and be due and payable. Nevertheless, if, prior to any sale of the property under decree of foreclosure in such proceedings, payment be made of the installment or installments which are shown to be due under the provisions of the resolution passed pursuant to subsection (11), with interest as required by subsection (12), and by this subsection, and all costs, including attorney's fees, such payment shall have the effect

of restoring the remaining installments to their original maturities as provided by the resolution passed pursuant to subsection (11), and the proceedings shall be dismissed. It shall be the duty of the District to enforce the prompt collection of assessments by one or the other of the means herein provided, and such duty may be enforced at a suit of any holder of special assessment bonds issued under this act in a court of competent jurisdiction by mandamus or other appropriate proceedings or action. Not later than 30 days after the annual sale of property for delinquent taxes of the County, or if such property or taxes are not sold by the County, then within 60 days after such taxes become delinquent, it shall be the duty of the District Board to direct the attorney or attorneys who the District Board shall then designate to institute action within 3 months after such direction to enforce the collection of all special assessments for Projects made under this section and remaining due and unpaid at the time of such direction, unless theretofore sold at tax sale. Such action shall be prosecuted in the manner and under the conditions in and under which mortgages are foreclosed under the laws of the State. It shall be lawful to join in one action the collection of assessments against any or all property assessed by virtue of the same assessment roll unless the court shall deem such joinder prejudicial to the interest of any defendant. The court shall allow a reasonable attorney's fee for the attorney or attorneys of the District, and the same shall be collectible as a part of or in addition to the costs of the action. At any sale pursuant to decree in any such action, the District may be a purchaser to the same extent as an individual person or corporation, except that the part of the purchase price represented by the assessments sued upon and the interest thereon need not be paid in cash. Property so acquired by the District, including the certificate of sale thereof, may be sold or otherwise disposed of, for cash or upon terms, the proceeds of such disposition to be placed in the fund provided by subsection (14); provided, that no sale or other disposition thereof shall be made unless Notice by Publication shall have been given.

(14) All assessments and charges made under the provisions of this section for the payment of all or any part of the cost of any Erosion Prevention Projects for which bonds shall have been issued under the provisions of this act are hereby pledged to the payment of the principal of and the interest on such bonds and shall when collected be placed in a separate fund, properly designated, which fund shall be used for no other purpose than the payment of such principal and interest.

(15) Each school district and other political subdivision wholly or partly within the District and each public agency or instrumentality owning specially benefitted lands within the District shall possess the same power and be subject to the same duties and liabilities in respect of assessment under this section affecting the real estate of the county, district, political subdivision, or public agency or instrumentality which private owners of such lands possess or are subject to hereunder, and such real estate shall be subject to liens for said assessments in all cases where the same property would be subject had it at the time the lien attached been owned by a private owner.

(16) Any special assessment bonds or program for the financing of the construction, reconstruction, or maintenance of erosion prevention projects,

or any combination of financing for such projects which includes assessments against property within the district shall be authorized only with the approval of a majority of the qualified electors residing in the district voting in a referendum election to be called by the district board in accordance with the provisions of general law.

Section 11. The District issuance of bonds, notes, bond anticipation notes, or other evidence of indebtedness.—

(1) The District may issue general obligation bonds, assessment bonds, revenue bonds, notes, bond anticipation notes, or other evidences of indebtedness to finance all or a part of any proposed improvements authorized to be undertaken under this act or under general or special law. The bonds shall be issued in such denominations, mature on such dates and in such amounts, and may be subject to optional and mandatory redemption as determined by resolutions adopted by the District Board. Bonds of the District may bear interest at a fixed or floating or adjustable rate and may be issued as interest bearing, interest accruing bonds, or zero coupon bonds at such rate or rates, not exceeding the maximum rate permitted by general law, as determined by resolutions by the District Board. Principal and interest shall be payable in the manner determined by the District Board. The bonds shall be signed by manual or facsimile signature of the chair or vice-chair of the District Board, attested with the seal of the District and by the manual or facsimile signature of the secretary of the District Board.

(2) The bonds shall be payable from the non-ad valorem assessments or other non-ad valorem revenues, including, without limitation, user fees or charges or other income authorized to be levied or collected or received pursuant to this act or general law. General obligation bonds payable from ad valorem taxes may also be issued by the District, but only after compliance with s. 10, Art. VII of the State Constitution. Subject to referendum approval, a district may pledge its full faith and credit for the payment of principal and interest on such general obligation bonds and for any reserve funds provided therefor and may unconditionally and irrevocably pledge itself to levy ad valorem taxes on all property in the district to the extent necessary for the payment thereof. The District is authorized, after notice and opportunity to be heard has been afforded to those affected, to impose, charge, and collect non-ad valorem revenues in connection with any of the improvements authorized under this act and to pledge the same for the payment of bonds.

(3) In connection with the sale and issuance of the bonds, the District may enter into any contracts which the District Board determines to be necessary or appropriate to achieve a desirable effective interest rate in connection with the bonds by means of, but not limited to, contracts commonly known as investment contracts, funding agreements, interest rate swap agreements, currency swap agreements, forward payment conversion agreements, futures, or contracts providing for payments based on levels of, or changes in, interest rates, or contracts to exchange cash flows or a series of payments, or contracts, including, without limitation, options, puts, or calls to hedge payment, rate, spread, or similar exposure. Such contracts or arrangements may also be entered into by the District in connection with,

or incidental to, entering into any agreement which secures bonds or provides liquidity therefor. Such contracts and arrangements shall be made upon the terms and conditions established by the District Board, after giving due consideration for the credit worthiness of the counter parties, where applicable, including any rating by a nationally recognized rating service or any other criteria as may be appropriate.

(4) In connection with the sale and issuance of the bonds, or entering into any of the contracts or arrangements referred to in subsection (3), the District may enter into such credit enhancement or liquidity agreements, with such payment, interest rate, security, default, remedy, and any other terms and conditions as the District Board shall determine.

(5) Notwithstanding any provisions of law relating to the investment or reinvestment of surplus funds of any governmental unit, proceeds of the bonds and any money set aside or pledged to secure payment of the principal of, premium, if any, and interest on the bonds, or any of the contracts entered into pursuant to subsection (3), may be invested in securities or obligations described in the resolution providing for the issuance of bonds.

(6) The bonds shall be sold in any manner not inconsistent with general law, shall show the purpose for which they are issued, and shall be payable out of the money pledged therefore. The funds derived from the sale of said bonds or any of them shall be used for the purpose of paying the cost of the services or improvements and such costs, expenses, fees, and salaries as may be authorized by law.

(7) Non-ad valorem assessments or any portion thereof levied to pay principal on bonds issued pursuant to this act with respect to improvements financed therewith shall not exceed the benefits assessed regarding such works or improvements. If the bonds are sold at a discount, the amount of the discount shall be treated as interest, not as principal. Premiums payable upon the redemption of bonds shall also be treated as interest. Interest to accrue on account of issuing bonds shall not be construed as a part of the costs of the works or improvements in determining whether or not the costs of making such improvements are equal to, or in excess of, the benefits assessed. If the property appraiser and tax collector deduct their fees and charges from the amount of non-ad valorem assessments levied and collected, and if the landowners receive the statutorily permitted discount for early payment of such non-ad valorem assessments, the amount of such fees, charges, and discount shall not be included in the amount of non-ad valorem assessments levied by the District in determining whether such assessments are equal to, or in excess of, the benefits assessed.

Section 12. Refunding Bonds.—The District may, whenever in the judgment of the District Board it is advisable and in the best interests of the landowners in the District, issue bonds to refund any or all of the then outstanding bonded indebtedness of the District. The principal amount of refunding bonds may be in any amount not in excess of the benefits assessed against the lands with respect to which the refunded bonds were issued less the principal amount of the refunded bonds previously paid from non-ad valorem assessments. The proceeds of such refunding bonds shall be used

only to pay the principal, premium, if any, and interest on the bonds to be refunded, any discount or expense of the sale of the refunding bonds, and to provide a debt service reserve fund for the refunding bonds. The District may also use other available revenues to pay costs associated with the issuance or administration of the refunding bonds. Assessments shall be levied for the payment of the refunding bonds in the same manner as the assessments levied for the refunded bonds and the refunding bonds shall be secured by the same lien as the refunded bonds, and any additional interest which accrues on account of the refunding bonds shall be included and added to the original assessment and shall be secured by the same lien, provided any interest accrued shall not be considered as a part of the cost of construction in determining whether the assessment exceeds the benefits assessed. No proceedings shall be required for the issuance of bonds or refunding bonds other than those provided by this section and by general law. No approval of the qualified electors residing in the District shall be required for the issuance of refunding bonds except in cases where such approval is required by the Florida Constitution.

Section 13. Additional Power to Contract.—The District Board may contract with the County or any county contiguous to the County or municipality or district in such county to aid, assist, supervise, or direct an erosion prevention program of such county, municipality, or district. Provided, however, that the funds of the District collected in the County as herein provided shall not be used in connection with the performance of such services. The District Board is authorized to accept reasonable compensation from the contiguous counties, municipalities, or districts of such counties in connection with the performance of such services.

Section 4. Chapters 71-730, 76-403, 81-413, and 88-449, Laws of Florida, are repealed.

Section 5. In the event any section or provision of this act is determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of each other section and provision of this act.

Section 6. In the event of a conflict of the provisions of this act with the provisions of any other act, the provisions of this act shall control to the extent of such conflict.

Section 7. This act shall take effect upon becoming a law.

Approved by the Governor May 22, 2000.

Filed in Office Secretary of State May 22, 2000.