

**Sebastian Inlet District**  
Regular Commission Meeting  
Wednesday, 4 PM, June 11, 2025  
Sebastian Inlet District Office  
114 Sixth Avenue  
Indialantic, FL, 32903

Minutes

Present at the meeting were: Chairman David Barney, Commissioner Lisa Frazier (Vice Chair), Commissioner Michael Rowland (Secretary/Treasurer), Commissioner John Campbell and Commissioner TJ Marshall. Also, in attendance were: Executive Director James Gray, SID Public Outreach Associate Ed Garland, SID Legal Counsel Shawn Demers, SID Contracts & Budget Director Stacy Busche, Ken Torres (SISP), Alex Kinder (SISP), Jennifer Miller (SISP), Marie Yarbrough (AtkinsRéalis), Justin Bartusek (AtkinsRéalis), Katie Crocker (AtkinsRéalis), William Hodges (ATL), and Kyle Horstman (ATL), Clinton Hodges (ATL), Zach Hodges (ATL), James Towner (AGD), and Joseph Walsh (AGD).

Under Agenda Item I

Call to Order – Chairman Barney called the meeting to order at 4 p.m.

Under Agenda Item II

The Commission discussed the minutes of the regular Commission meeting of May 14, 2025 and approved them without changes or corrections.

Under Agenda Item III

Additions and Deletions

There were no additions or deletions.

Under Agenda Item IV

Presentations

There were no presentations.

Under Agenda Item V

Information and Discussion Agenda

A. Executive Director's Reports

1. Introduction of Stacy Busche – Senior Contracts/Accounting Manager

Mr. Gray introduced Senior Contracts/Accounting Manager Stacy Busche. She shared with the Commission her background and work experience.

2. Update on the Memorandum of Understanding between Indian River County and Sebastian Inlet District for Coordination of Supplemental Downdrift Nourishment and Related Coastal Activities

Mr. Gray said the Indian River County Commission approved the MOU on June 3, which was approved by the District Commission on May 14, 2025. The fully

executed MOU is effective for 10 years with an option to renew for an additional five years.

3. Update on the 2024/2025 North Jetty Revetment Improvements Project – Phase 1  
Mr. Gray said the 2024/2025 North Jetty Revetment Improvements Project is in its final stages. Crews have poured the concrete footer for the reinstallation of the webcam and the sidewalk is poured. Once site restoration is completed, the District anticipates hosting a ribbon-cutting ceremony, likely in late June.  
Commissioner Marshall expressed concern about the effect of the new armor stone on potential sand build-up inside the north jetty and whether monitoring will occur. Mr. Gray said the District monitors and reports on sand movement twice a year, with the next survey anticipated in September 2025. A report will be available a month or two later.
4. Discussion of the Draft FY 2025/2026 Budget  
Mr. Gray said staff's recommendation for developing the FY 2025/2026 Budget should be based on a roll-back rate (RBR). Mr. Gray said, the District is waiting on preliminary estimates from the Brevard and Indian River County property appraisers' offices but provided an initial estimated RBR of 0.1518 mills, well below the maximum levy in the District Charter of 1.5 mills. The preliminary balanced budget includes \$300,000 in interest income, \$3.1 million in anticipated project reimbursement funds and \$2.8 million from the Use of Fund balance. Staff continues to apply the philosophy of a project-based budget. Responding to Commissioner Frazier, Mr. Gray said staff will present a more refined account-balanced budget during the July 9, 2025 Regular Commission meeting.
5. Update on the 2024/2025 Sand Trap Dredging and Beach Placement Project  
Mr. Gray gave a slideshow presentation on the status of the 2024/2025 Sand Trap Dredging and Beach Placement Project, showing a timeline for the development of the project and milestones occurring between its commencement on January 9, 2025, and Jun 11, 2025, when work ended. He cited numerous project challenges, such as construction delays and equipment failures, which resulted in ATL failing to meet its contractual obligations for the dredging portion of the project. There was also apparent dredging outside the permitted area, which is a concern. ATL successfully placed 92,000 cubic yards of sand on downdrift beaches via truck hauling, meeting 100 percent of its goal. However, ATL was unable to place any dredged sand in the District's Dredged Materials Management Area (DMMA), which was set for 35,000 cubic yards, and only 25 percent or approximately 43,000 cubic yards of the anticipated 175,000 cubic yards from the inlet to the south beaches. Ms. Yarbrough gave a presentation explaining how AtkinsRéalis determined volumes of material removed from various sectors of the dredge template and the amount remaining within the template. She said AtkinsRéalis contacted FDEP and USACE when it was determined that ATL may have dredged outside of the permitted area. AtkinsRéalis is working to finalize the dredged quantities and will share the information with the two regulatory agencies. Chairman Barney noted that the template includes not only the perimeter but the depth of the dredging that occurred. Commissioner Rowland said he has never seen such an issue with a dredging contract in 30 years. Commissioner Marshall said Commissioner Rowland's experience was beneficial in helping

determine whether there were precedents set by previous Commissions if similar dredging issues had occurred. Mr. Gray said that dredging immediately outside the permitted template is sometimes observed as the remaining in situ material adjusts. But rarely is the horizontal and vertical extent greater than a few feet.

#### Under Agenda Item VI

##### Consent Agenda

A. Authorized Work for Commission Review

No items.

B. Recommended for Approval

No items.

#### Under Agenda Item VII

##### Public Comment on Consent Agenda Items

There were no Consent Agenda items and no comments.

#### Under Item VIII

##### Board Vote on Consent Agenda

There were no Consent Agenda items and no vote.

#### Under Agenda Item IX

##### Public Outreach Activities

Mr. Garland gave an update on the District's outreach activities. He gave a presentation at the Marine Resources Council on June 3 and said the District will participate in a quarterly beach cleanup event on June 24.

#### Under Agenda Item X

##### Park Matters — Ken Torres

Ms. Miller gave the SISF monthly update. She said ATL fixed all items damaged during dredging operations. She also noted that SISF is working with BCSO to find solutions to recent vehicle burglaries occurring on the north side of the state park. Also, about 200 turtle nests have been documented at the state park so far during this nesting season.

#### Under Item XI

##### Legal Counsel Update — Shawn L. Demers, Gray Robinson

A. Executive Director Evaluation

Mr. Demers shared the Commissioners' evaluations of Mr. Gray. The Commissioners' combined averages recommended a 2.5 percent Costs of Living increase and a 2.3 percent salary increases for Mr. Gray. Commissioner Frazier said she is a fiscal conservative and recommended a three percent raise. Commissioner Rowland lauded Mr. Gray's experience and the many roles he plays and recommended a seven percent salary increase. Commissioner Marshall said he was not expecting to receive the evaluation form. As a new Commissioner, he would like to have received documentation or historical information about the District's evaluation process. There was nothing to indicate that he

would be voting on Mr. Gray's evaluation and salary increase. Chairman Barney agreed that the Commission should include historical information in the future. Mr. Demers said he is open to modifying the review process and discussing the evaluation forms with individual Commissioners to improve the review process. Mr. Marshall suggested that the Commission discuss the evaluation process in the fall in advance of Mr. Gray's annual review in May. Commissioner Campbell, echoing Commissioner Marshall, said he wasn't expecting to receive the evaluation form, but that he said the evaluation format is normal in the business world. He said he assumed the average would be assessed and that he was comfortable with a 4.8 percent increase for Mr. Gray. Chairman Barney said he researched salaries for similar positions and noted that Mr. Gray was short-staffed for three months and has been overseeing multiple projects. He requested that a Commissioner to make a motion.

Commissioner Rowland made a motion for a seven percent overall salary increase for Mr. Gray. The motion died for lack of a second. Commissioner Campbell made a motion in favor of a 4.8 percent increase based on the assessed average of the Commissioner's evaluation recommendations. Commissioner Rowland seconded the motion. **The motion carried 5-0.**

B. ATL Diversified Industries, Inc. – Proposal

Mr. Demers discussed a series of letters between ATL, its attorney, the District and himself regarding ATL's outstanding performance issues on the 2024/2025 Sand Trap Dredging and Beach Placement Project (copies of all correspondence are included in the meeting agenda packet). He said the District didn't receive the response it had been seeking from ATL since the last Commission meeting. He noted that during the May 14, 2025, Commission meeting, the Commission approved a time extension under Change Order 3 to give ATL the opportunity to share options for completing the project. The District has since received a more conciliatory correspondence from a new attorney representing ATL. Mr. Demers said he will have follow-up conversations with ATL's counsel. There is still an opportunity to mitigate for damages and to continue a relationship with ATL in the future.

C. ATL Fully Executed Change Order 3 \_ 5-28-25

Mr. Demers discussed Change Order 3 in conjunction with Item XI B. Mr. Marshall requested that ATL provide more specific information in its letter to the District regarding its proposed revised costs to complete the Sand Trap Dredging and Beach Placement Project. Mr. Demers said he will be speaking to ATL's legal team to determine if there could be something for the Commission to vote on during its July 9 meeting. Mr. Gray noted that the District is still awaiting survey information from ATL following its request nearly two months ago. Commissioner Marshall recommended the District's counsel send a letter to ATL's legal counsel formally requesting the survey data as an official record. Mr. Gray explained the process for reviewing and processing the survey data.

Under Item XII

Public Comment Period

Mr. (Clint) Hodges said ATL completed the dredging survey for the Sand Trap Dredging and Beach Placement Project and he has requested that the draft be sent to Ms. Yarbrough for review. He said

ATL's commitment to the District has not changed and that the company would like to complete the project in the fall.

Under Item XIII

Commissioner Items

Chairman Barney — Would like to discuss development of a Commissioner orientation guide during the July 9, 2025 Regular Commission Meeting.

Vice Chair Frazier— Nothing.

Secretary/Treasurer Rowland — Nothing.

Commissioner Campbell — Nothing.

Commissioner Marshall — Nothing.

Under Item XIV

Unfinished Business

No Unfinished business.

Under Item XV

New Business

Under Item XVI

Adjournment — Chairman Barney adjourned the meeting at 5:36 p.m.

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Secretary/Treasurer

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Date

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7/9/25