

MINUTES OF THE MEETING

GOVERNING BOARD SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

HAINES CITY, FLORIDA

APRIL 26, 2016

The Governing Board of the Southwest Florida Water Management District (District) met for its regular meeting at 10:00 a.m. on April 26, 2016, at the Haines City Lake Eva Banquet Hall. The following persons were present:

Board Members Present

Michael A. Babb, Chair
Randall S. Maggard, Vice Chair*
Jeff Adams, Secretary
Ed Armstrong, Treasurer
H. Paul Senft, Member
George Mann, Member
Wendy Griffin, Member
Bryan Beswick, Member
Michael A. Moran, Member
Kelly Rice, Member
John Henslick, Member

*Attended via telephone

Board Members Absent

Tommy Bronson, Member

Staff Members

Robert R. Beltran, Executive Director
Brian Armstrong, Assistant Executive Director
David T. Rathke, Chief of Staff
Karen West, General Counsel
Kurt Fritsch, Inspector General
John J. Campbell, Division Director
Ken Frink, Division Director
Mark A. Hammond, Division Director
Alba E. Más, Division Director

Board's Administrative Support

Cara Martin, Board & Executive Services Manager
Lori Manuel, Administrative Assistant

A list of others present who signed the attendance roster is filed in the permanent records of the District. This meeting was available for viewing through Internet streaming. Approved minutes from previous meetings can be found on the District's Web site (www.WaterMatters.org).

PUBLIC HEARING (Audio – 00:00)

1. Call to Order

Chair Michael Babb called the meeting to order and opened the public hearing. Secretary Adams stated a quorum was present.

2. Invocation and Pledge of Allegiance

Board Member Senft offered the invocation. Chair Babb led the Pledge of Allegiance to the Flag of the United States of America.

Chair Babb introduced each member of the Governing Board. He noted that the Board meeting was recorded for broadcast on government access channels, and public input was only taken during the meeting onsite.

Chair Babb stated that anyone wishing to address the Governing Board concerning any item listed on the agenda or any item that does not appear on the agenda should fill out and submit a "Request to Speak" card. To assure that all participants have an opportunity to speak, a member of the public may submit a speaker's card to comment on agenda items only during today's meeting. If the

speaker wishes to address the Board on an issue not on today's agenda, a speaker's card may be submitted for comment during "Public Input." Chair Babb stated that comments would be limited to three minutes per speaker, and, when appropriate, exceptions to the three-minute limit may be granted by the chair. He also requested that several individuals wishing to speak on the same issue/topic designate a spokesperson.

3. Additions/Deletions to Agenda

Section 120.525, Florida Statutes, allows the District to change the published agenda for good cause shown, as determined by the presiding officer.

Mr. Robert Beltran, Executive Director stated the following changes have been made to the agenda:

The following item was deleted from the consent agenda:

Operations, Lands & Resource Monitoring Committee

20. Draft - Memorandum of Agreement Between the District & USACOE for Mapping Services General Counsel's Report

The following item was added to the General Counsel's Report under discussion:

General Counsel's Report

60. Oakford - Settlement Proposal

Chair Babb said there is good cause to amend the published agenda as allowed by Section 120.525, Florida Statutes. A motion was made to approve the amendments to the published agenda, as amended, which was seconded. The motion carried unanimously. (Audio 00:04:29)

4. Public Input for Issues Not Listed on the Published Agenda

Chair Babb noted at this time, the public is given an opportunity to comment on any topic not listed on the agenda. Chair Babb stated he had no Request to Speak card.

CONSENT AGENDA

Chair Babb asked that before the Board considers action on the Consent Agenda whether there is anyone in the audience who wishes to address the Board regarding an item listed on the Consent Agenda.

Resource Management Committee

5. Lake McCoy BMPs Project - Cooperator Change (N637)

Staff recommended approval of the change in cooperator from Highlands Soil and Water Conservation District to Highlands County.

6. Stormwater Improvement – Water Quality - 14th Avenue North – City of St. Petersburg – Scope Change (N659)

Staff recommended the Board approve revision to the resource benefit of the 14th Avenue North Stormwater Improvement project to remove an estimated 226 lbs/year of TN, and 26 lbs/year of TP; and revision of the measurable benefit to treat approximately 44 acres of urban stormwater runoff.

7. Stormwater Improvement – Water Quality – Lake Magdalene Best Management Practices – Lake Magdalene Special Dependent District – Scope Change (N631)

Staff recommended the Board approve the revision to drainage basin size from 490 acres to 80 acres, which is the measurable benefit in the cooperative funding agreement.

8. Stormwater Improvement – Water Quality - Rosery Road BMPs – Town of Belleair – Scope Change (N661)

Staff recommended the Board approve to revise the resource benefits in the cooperative agreement to 50 pounds of TN per year, 7 pounds of TP per year and 9,484 pounds of TSS per year.

9. FARMS- FLM, INC. - Blossom Grove - Phase 4 - (H737), Manatee County

Staff recommended the Board:

- 1) Approve the FLM, Inc. - Blossom Grove - Phase 4 project for a not-to-exceed project Reimbursement of \$426,282 with \$426,282 provided by the Governing Board.
- 2) Authorize the transfer of \$426,282 from fund 010 H017 Governing Board FARMS Funds to the H737 FLM, Inc. - Blossom Grove - Phase 4 project fund.
- 3) Authorize Assistant Executive Director to sign the agreement.

Finance/Outreach & Planning Committee

10. Revise Board Policy 190-2, Information Security

Staff recommended the Board approve the changes as presented in the exhibits to this item.

11. Budget Transfer - Brooksville Data Center Reconfiguration Project

Staff recommended the Board transfer \$159,000 previously budgeted for fuel and petroleum products to the Brooksville Data Center reconfiguration project to support the removal of all computer equipment from Building 1 in Brooksville.

12. Budget Transfer Report

Staff recommended the Board's approval of the Budget Transfer Report covering all budget transfers for March 2016.

Regulation Committee

13. Individual Water Use Permits Referred to the Governing Board – None

Operations, Lands and Resource Monitoring Committee

14. Federal Energy Regulatory Commission's Issuance of Certificate to Authorize the Construction of an Interstate Natural Gas Pipeline – Approval and Consent of Friendly Condemnation Proceeding and Action for Immediate Possession by Sabal Trail Transmission, LLC, of the Permanent and Temporary Easement Areas Necessary for the Pipeline to Cross District-Owned Lands in Citrus, Lake, and Marion Counties

Staff recommended the Board approve and consent to immediate possession by Sabal Trail of the permanent and temporary easement areas on District-owned lands in order for pipeline construction activities to begin.

15. Federal Energy Commission's Issuance of Certificate to Authorize the Construction of an Interstate Natural Gas Pipeline – Conveyance of Non-Exclusive Permanent and Temporary Easements to Florida Southeast Connection, LLC, for a Pipeline to Cross District-Owned Lands in Polk County – SWF Parcel Number 20-597-106X and 20-597-107X

Staff recommended the Board:

- Accept the offer and enter into a contract for the sale and purchase of the easement areas with Florida Southeast Connection, LLC; and
- Execute the instruments necessary to convey the permanent and temporary easements to Florida Southeast Connection, LLC, for the natural gas transmission pipeline to cross the District's Lake Marion Creek tracts in Polk County.

16. Approval of Resolution Requesting Disbursement of Funds from the Land Acquisition Trust Fund for Land Management

Staff recommended the Board approve Resolution 16-02, Requesting Disbursement of Funds from the Land Acquisition Trust Fund for Land Management.

17. Cooperative Agreement Between Department of Agriculture and Consumer Services Florida Forest Service and Southwest Florida Water Management District

Staff recommended the Board approve and accept the proposed Cooperative Agreement between the District and the Department of Agriculture and Consumer Services Florida Forest Services Division.

18. Approve Sale of Surplus Lands – Chito Branch Reserve (Chito East), SWF Parcel No. 11-709-146S

Staff recommended the Board:

- Accept the Offer.
- Approve the Contract for Sale and Purchase.
- Approve release of mineral interests.
- Authorize execution of the instruments necessary to convey the property.

19. Approve Designation of a Special Use Area Within the Lake Hancock Tract for Department of Agriculture and Consumer Services Florida Forest Service's Operation Outdoor Freedom, Parcel No. 20-503-102

Staff recommended the Board approve the designation of a Special Use Area within the Lake Hancock Tract for FFS Operation Outdoor Freedom, Parcel No. 20-503-102 at no cost.

**20. ~~Draft – Memorandum of Agreement Between the District & USACOE for Mapping Services~~
General Counsel's Report**

~~Staff recommended the Board approve and authorize the Executive Director to sign the Memorandum of Agreement with the United States Army Corps of Engineers for aerial mapping services.~~

21. Administrative, Enforcement and Litigation Activities that Require Governing Board Approval

- a. Interagency Agreement Between the SWFWMD and FDEP Concerning Applications for Projects Involving Artificial Recharge or the Intentional Introduction of Water into Underground Formations

Staff recommended the Board approve the Interagency Agreement Between the Southwest Florida Water Management District and the Florida Department of Environmental Protection Concerning Applications for Projects Involving Artificial Recharge or the Intentional Introduction of Water into Underground Formations.

- b. Initiation of Litigation – Well Construction Violations – Gary Woodward – WCP Nos. 844121, 844642, and 844747 – Charlotte County

Staff recommended the Board authorize the initiation of litigation against Well Contractor to obtain compliance with District rules, and seek assessment of civil penalties, including applicable fines and suspension of license, as well as taxable costs and attorney's fees.

- c. Amendment to Settlement Agreement – Unauthorized Construction – SWFWMD v. Danny J. Suggs, et al. (5th Judicial Circuit, Case No. 2003-CA-724); In re: Danny J. Suggs (U.S. Bankruptcy Court, Middle District of Florida, Case No. 3:12-bk-6997-PMG and Adversary Proceeding No. 13-ap-272) – Sumter County

Staff recommended the Board approve an amendment to the settlement agreement with Danny Suggs and Suggs Associated regarding the sequence of events in which the terms of the settlement agreement are to be effectuated, and to delegate authority to the Executive Director to execute such amendment once it has been executed by the Suggs Associated Defendants.

22. Rulemaking – None

Executive Director's Report

23. Approve Resolution No. 16-06, Commending David W. Dunbar for His Service as a Member of the Southwest Florida Water Management District Governing Board

Staff recommended the Board approve resolution as presented.

24. Approve Governing Board Meeting Minutes - March 29, 2016

Staff recommended the Board approve the minutes as presented.

A motion was made and seconded to approve the Consent Agenda as amended. Motion carried unanimously. (Audio 00:05:10)

Chair Babb relinquished the gavel to the Resource Management Committee Chair Senft who called the Committee meeting to order. (Audio 00:05:21)

Resource Management Committee

Discussion

25. Consent Item(s) Moved for Discussion – None

26. Regional Water Supply Entity Governance and Amendment to Resolution 15-07

Mr. Brian Armstrong, Assistant Executive Director, provided a presentation that included: history of the regional water supply authority; Resolution 15-07 goals and funding; and the entity governance agreement.

Mr. Armstrong outlined the terms of the agreement as related to participation in the entity. He reminded the Board the District is not a signatory to this agreement.

He stated Resolution 15-07 (Resolution) was previously approved at the April 2015 Governing Board meeting. The Resolution assisted in promoting regional cooperation between Polk County and the municipal utilities within Polk County. The Resolution appropriated 10 million dollars in FY2015 for the future development of an alternative water supply project; 10 million dollars in FY2016 contingent upon execution of the Entity's Project Plan Agreement(s) no later than June 30, 2015; and 10 million dollars in FY2017, contingent upon Board acceptance and approval of the Entity's governance by April 30, 2016. An additional 10 million dollars will be available in FY2018, contingent upon selection and approval of the project by April 30, 2017.

Mr. George Lindsey, Polk County Commissioner/Chairman of Polk Regional Water Cooperative, introduced representatives from the signatories of the local agreement. These include: City of Bartow; City of Fort Meade; City of Winter Haven; City of Lake Wales; City of Lakeland; City of Davenport; City of Frostproof; City of Dundee; City of Lake Alfred; City of Mulberry; City of Eagle Lake; City of Auburndale; City of Polk City; City of Haines City and Polk County. He added that the Town of Lake Hamilton, although an active participant, has deferred action until a later date. The agreement allows other entities to join within the two year formation.

Commissioner Lindsey provided an overview of the local agreement and the structure of the Project Board which will consist of separate Project Boards and the voting rights associated with these boards.

Board Member Senft read a letter from Agricultural Commissioner Adam Putnam into the record. Commissioner Putnam commended the District, Polk County and its municipalities for the efforts related to the Polk Regional Water Cooperative.

Staff recommended the Board accept and approve the Entity's governance, and approve of the Amendment to Resolution No. 15-07.

A motion was made and seconded to approve the staff's recommendation. Motion carried unanimously. (Audio 00:27:20)

27. Peace River Manasota Regional Water Supply Authority (Authority) Out-of-Cycle Funding Request for Phase 3B Pipeline Preliminary Design (N823)

Mr. Mark Hammond, Resource Management Division Director, provided a presentation that included: map of existing line and the proposed Phase 3B pipeline; estimated costs associated with the pipeline; and a map of authority and customer water transmission systems consolidated pipe sizes.

Mr. Hammond explained that the estimated costs of the projects is 26,962,000. However, the project costs has been reduced due to half a million dollars of legislative appropriations that were received and some non-eligible land costs associated with the project. The total cost to the District is approximately \$12,000,000. This project is a third party review project so there is a 30 percent design clause associated with it. The funding is contingent upon entering into an agreement between the Authority and Sarasota County by June 15.

Staff recommended the approval of the expenditures for preliminary design costs for the project from February 1, 2016 to September 30, 2016 as eligible costs for reimbursement in FY2017, contingent upon the Authority and Sarasota County entering into an agreement(s) by June 15, 2016 to implement the project and the District's Governing Board appropriating funds in its FY2017 budget for the project.

A motion was made and seconded to approve the staff's recommendation. Motion carried unanimously. (Audio 00:36:37)

28. Tampa Augmentation Project (TAP) Feasibility Study (N751)

Mr. Jason Mickel, Water Supply Section Manager, provided a presentation that included: overview of the TAP feasibility study; Option 1 for transmitting reclaimed water; Option 2 recharge recovery system; project budget and schedule.

Chair Babb asked about the pilot project that is included in the study.

Mr. Brad Baird, City of Tampa Administrator of Public Works & Utility Services, responded that the City of Tampa (City) is planning on doing a pilot wetland at the Howard Curren facility. The City was planning on doing a rapid infiltration basin (RIB), however, it was decided that the hydrogeology and soil conditions will be reviewed prior to deciding on the RIB. Discussion ensued.

Treasurer Armstrong expressed his concern regarding the possible outcome of the project that could allocate ownership of water supply to a member government. Discussion ensued.

Chair Babb stated because of the importance of this topic, he asked Mr. Hammond to provide suggestions for workshops on this issue. Mr. Hammond responded in the affirmative.

Mr. Beltran reassured the Board the District works very closely with the Tampa Bay Water Authority and the individual members to ensure there are appropriate discussions prior to presenting anything. In addition, he updated the Board on a round table discussion that occurred at the Florida Water Resources Conference. He stated the term "reclaimed water" is being replaced by the term "purified water". He added that four out of the five utilities present were within this District's region. This is representative of the innovative work done in this region.

Staff recommended the Board approve staff entering into a cooperative funding agreement with the City of Tampa for the TAP Feasibility Study based on the scope of work presented; and authorize the Executive Director to sign the agreement.

A motion was made and seconded to approve the staff's recommendation. Motion carried unanimously. (Audio 00:46:03)

Submit & File Reports - None

Routine Reports

29. Minimum Flows and Levels Status Report

30. Significant Water Resource and Development Projects

Committee Chair Senft adjourned the meeting and relinquished the gavel to the Finance Committee Chair Armstrong who called the Committee meeting to order. (Audio 00:47:51)

Finance Committee

Discussion

31. Consent Item(s) Moved for Discussion - None

32. Resolution No. 16-04 Declaring April 2016 as "Water Conservation Month"

Ms. Terri Behling, External Affairs Manager, provided a presentation recognizing April as Water Conservation Month.

Ms. Behling explained that water conservation is included in the District's Strategic Plan; conservation target goals have been included in the Southern Water Use Caution Area (SWUCA) and in the Central Florida Water Initiative (CFWI) areas. She stated the District is a national leader in per capita. She stated the District has an average of 107 gallons per person/per day; the State of Florida has an average of 137 gallons per person/per day and the nation is 143 gallons per person/per day. Through efforts by the District and its cooperators, there has been a reduction in use of 200 million gallons per day since 1987. From 2010 through 2014, the District has spent \$3,900,000 on 37 projects. The District has also shared investment of more than one hundred million dollars (\$100,000,000) through Cooperative Funding Initiative (CFI) and the Facilitating Agricultural Resource Management Systems (FARMS) programs.

Staff recommended the Board approve and sign Resolution No. 16-04 declaring April 2016 as "Water Conservation Month".

A motion was made and seconded to approve the staff's recommendation. Motion carried unanimously. (Audio 01:01:00)

33. Resolution No. 16-03 Declaring May 15-21, 2016 as "Water Reuse Week"

Ms. Behling provided a presentation recognizing the third week of May as Water Reuse Week to assist in promoting the use of reclaimed water.

Ms. Behling explained that reuse is included in the District's Strategic Plan. She stated in the Heartland region there is a target of seventy-five (75) percent utilization to wastewater flows and

75 percent offset efficiency by 2040. Within the Center Florida Water Initiative (CFWI) there is a 90 percent utilization of wastewater and as of January, the City of Bartow was at 100 percent utilization.

The District is a leader in water reuse. She stated the District is at 44 percent reuse utilization compared to 29 percent for the state of Florida and 7 percent for the nation. Since 1987, the District has funded over \$435,000,000 for reuse projects, partner funded over \$566,000,000 in projects with a combined total investment of over \$1,000,000,000.

Ms. Behling stated, like conservation, reuse projects are important in the SWUCA and the CFWI. There are over 87 reclaimed projects in the CFWI Regional Water Supply Plan and 5 are identified within the current CFWI Solutions Plan.

Staff recommended the Board approve and sign Resolution No. 16-03 declaring May 15-21, 2016 as "Water Reuse Week".

A motion was made and seconded to approve the staff's recommendation. Motion carried unanimously. (Audio 01:04:31)

34. Investment Strategy Quarterly Update

Mr. John Grady, Public Trust Advisors, provided a presentation on the investment strategy quarterly update as of March 31, 2016. Mr. Grady outlined changes that occurred with the market. GDP growth was slower in the last quarter from 3.9 percent in the second quarter down to 1.4 percent in the fourth quarter. Housing and jobs continue to be positive. Since October 2013, the District portfolio has had combined gross earnings of \$7,900,000. For this quarter, the District portfolio has a combined gross earnings of \$1,100,000.

This item was presented for the Board's information, and no action is required.

Submit & File Reports – None

Routine Reports

35. Treasurer's Report and Payment Register

36. Monthly Financial Statement

37. Monthly Cash Balances by Fiscal Year

38. Comprehensive Plan Amendment and Related Reviews Report

39. Development of Regional Impact Activity Report

40. Significant Activities Report

Committee Chair Armstrong adjourned the meeting and relinquished the gavel to the Regulation Committee Chair Moran who called the Committee meeting to order. (Audio 01:09:07)

Regulation Committee

Discussion

41. Consent Item(s) Moved for Discussion - None

42. Denials Referred to the Governing Board

If any denials are requested to be referred to the Governing Board, these will be presented at the meeting.

Submit & File Reports – None

Routine Reports

43. Overpumpage Report

44. Individual Permits Issued by District Staff - None

Committee Chair Moran adjourned the meeting and relinquished the gavel to the Operations, Lands and Resource Monitoring Committee Chair Maggard who called the Committee meeting to order. (Audio 01:09:40)

Operations, Lands and Resource Monitoring Committee

Discussion

45. Consent Item(s) Moved for Discussion – None

Committee Chair Maggard recognized and thanked District Staff for their work on the following Consent agenda item:

17. The Cooperative Agreement Between Department of Agriculture and Consumer Services Florida Forest Service and Southwest Florida Water Management District

46. Exchange of Real Property Interests Between the District and Hillsborough County – Alafia River Corridor, Little Manatee River Corridor, and the Lower Hillsborough Wilderness Preserve – SWF Parcel Nos. 11-709-150S, 11-709-151S, 11-709-152S, 11-058-120, 13-300-791S and 13-300-792S

Mr. Ken Frink, Director of Operations, Lands and Resource Monitoring, provided a presentation that included: history of the process; statute reference; terms of the exchange; location maps and benefits to the District of this process.

Staff recommended the Board:

- Approve the Exchange and Restoration Agreement between the District and Hillsborough County which includes the terms of a conservation easement to be conveyed to the County.
- Authorize staff to execute any other documents necessary to complete the transaction.

A motion was made and seconded to approve the staff's recommendation. Motion carried unanimously. (Audio 01:16:46)

47. Hydrologic Conditions Report

Mr. Granville Kinsman, Hydrologic Data Manager, presented the hydrologic conditions report. He stated the recent drier-than-normal weather pattern is continuing. Groundwater and lake levels and stream flow are all declining, but remain in the normal to above-normal range within the District. The Hillsborough Reservoir is considered full, but both the Bill Young and Peace River Reservoirs have shown slight declines due to recent operational procedures. The Climate Prediction Center is forecasting above-normal rainfall for May through July. The forecast has firmly shifted to transition to neutral conditions, then La Niña development this winter, which would result in drier-than-normal conditions through spring of next year.

This routine report provides information on the general state of the District's hydrologic conditions, by comparing rainfall, surface water, and groundwater levels for the current month to comparable data from the historical record.

This item is presented for the Board's information, and no action is required.

Submit & File Reports

48. Surplus Lands Biennial Assessment Quarterly Update

Routine Reports

49. Structure Operations

50. Significant Activities

Committee Chair Maggard adjourned the meeting and relinquished the gavel. (Audio 01:23:23)

General Counsel's Report

Discussion

51. Consent Item(s) Moved for Discussion – None

60. Oakford - Settlement Proposal

Ms. Karen West, General Counsel, explained this was a compliance issue for unauthorized construction activities in 2009-2010. During the compliance process, the owners filed for bankruptcy action. The owners agreed to a lien in the bankruptcy settlement to the District in the amount of \$17,700. In addition, damages to accrue in the amount of \$250 per day until the compliance issues were resolved. The final amount of the settlement is \$179,787.91. This includes \$17,700 in penalties and interest; \$1,837 in interest and \$127,250 in damages. The property was foreclosed on and has a partial property sale pending. The proposed purchaser is requesting a warranty deed and the title must be cleared in order to close on the property.

The current owner has offered the District \$25,000 in order to release the lien on a third of the property. The lien will still apply to the remainder of the property.

Board Member Henslick cited a possible conflict of interest and recused himself from voting.

Staff recommended the Board accept the \$25,000, authorize the Executive Director to execute a satisfaction of lien on a portion of the property and authorize any other documents that may be required.

A motion was made and seconded to approve the staff's recommendation. Motion carried with ten votes in favor and Board Member Henslick abstaining from the vote. (Audio 01:27:15)

Ms. West also updated the Board that the District received an order from the Second District Court of Appeal that dismissed the appeal by the Skyway Trap and Skeet Club against the District and denial of the attorney fees.

Submit & File Reports – None

Routine Reports

52. April 2016 - Litigation Report

53. April 2016 – Rulemaking Update

Committee/Liaison Reports

54. Environmental Advisory Committee (EAC)

Board Member Griffin provided an update of the meeting that occurred on April 19. She stated the members of the EAC asked that an item be presented at a future Governing Board meeting on seagrass monitoring and funding.

55. Other Committee/Liaison Reports

Board Members were provided a written summary of the April 13 Well Drillers Advisory Committee meeting.

Executive Director's Report

56. Executive Director's Report

Mr. Robert Beltran, Executive Director, stated the District and Tampa Bay Water (TBW) have been able to foster a positive relationship that is allowing for communication that is beneficial to both the District and TBW.

Mr. Beltran also made the Board aware that the District is considering the potential release of some water from the Lake Hancock project as conditions are changing. This situation is being monitoring closely by staff.

Chair's Report

57. Chair's Report

Chair Babb thanked Mr. David Dunbar for his service on the Board.

58. Other

The May 24 meeting is in the Tampa office, the June 28 meeting is in the Brooksville Office, and the July 26 meeting will be in the Tampa Office.

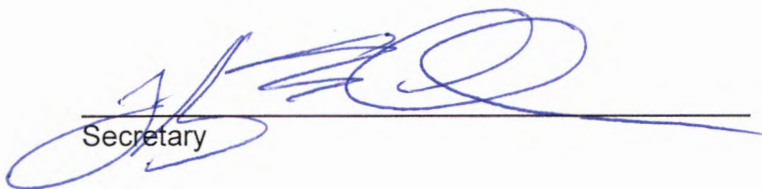
59. Employee Milestones

This item was presented for the Board's information, and no action was required.

The meeting was adjourned at 11:30 a.m.


Chair

Attest:


Secretary