

APPROVED

MINUTES OF THE MEETING

GOVERNING BOARD SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

TAMPA, FLORIDA

AUGUST 30, 2011

The Governing Board of the Southwest Florida Water Management District (SWFWMD) met for its regular meeting at 9:06 a.m. on August 30, 2011, at the District's Tampa Service Office. The following persons were present:

Board Members Present

H. Paul Senft, Chair
Hugh Gramling, Vice Chair
Douglas B. Tharp, Secretary
Albert G. Joerger, Treasurer
Michael A. Babb, Member
Jeffrey M. Adams, Member
Carlos Beruff, Member
Bryan K. Beswick, Member
Jennifer E. Closshey, Member
Neil Combee, Member
Todd Pressman, Member
Judith C. Whitehead, Member

Staff Members

William S. Bilenky, Interim Executive Director
Lou Kavouras, Deputy Executive Director
Richard S. Owen, Deputy Executive Director
Bruce C. Wirth, Deputy Executive Director
Kurt P. Fritsch, Acting Deputy Executive Director
Jack Pepper, Deputy General Counsel

Board's Administrative Support

LuAnne Stout, Administrative Coordinator
Linda De Jonge, Senior Administrative Assistant

Board Member(s) Absent – None

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 (Video A – 00:00)

1. Call to Order

Chair Senft called the meeting to order and opened the public hearing. Mr. Tharp noted a quorum was present.

2. Pledge of Allegiance and Invocation

Chair Senft led the Pledge of Allegiance to the Flag of the United States of America. Mr. Pepper offered the invocation.

Public Hearing

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

Chair Senft 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 speaker's 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 Senft 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**

Mr. Bilenky said there are no additions or deletions, but one change is to move an item for discussion.

CONSENT AGENDA

The following item was moved to the Finance and Administration Committee for discussion:

18. Request Deferral of Information Technology Analysis and Review

Chair Senft noted for the record the changes to the agenda. **Mr. Joerger moved, seconded by Mr. Beswick, to approve the agenda as amended. Motion carried unanimously.** (Track 1 – 00:00/04:57)

4. **Ceremony to Honor Basin Board Members for Their Service** (Video A – 05:30)

Mr. Adams honored Mr. Rollie Dove for his service on the Pinellas-Anclote River Basin Board.

Mr. Beswick honored Mr. Mac Martin for his service on the Peace River Basin Board.

Mr. Gramling honored Mr. John Nicolette for his service on the Hillsborough River Basin Board.

Ms. Closshey honored Mr. Jim Selvey for his service on the Alafia River Basin Board.

Mr. Joerger honored Mr. Jack Bispham for his service on the Manasota Basin Board.

Mr. Beruff honored Ms. Betsy Benac for her service on the Manasota Basin Board.

Following each presentation, Board members and honorees posed for photographs.

5. **Employee Recognition**

Chair Senft said there are no staff members to be recognized today.

6. **Public Input for Issues Not Listed on the Published Agenda** (Video A – 19:55)

Chair Senft noted there is one request to speak. (Track 1 – 04:57/19:48)

Mr. Chet Bradshaw, resident of the Withlacoochee watershed in Citrus County, provided a handout for each Board member. He spoke on behalf of the Arrowhead Property Owners Association regarding Structure S-353 which appears to have a leaking problem.

Mr. Wirth will respond to Mr. Bradshaw's concerns. (Track 2 – 00:00/04:00)

CONSENT AGENDA (Video A – 24:17)

Item 18 was moved to the Finance and Administration Committee Discussion Items.

Regulation Committee

7. **Authorize Initiation of Rulemaking and Approve Amendments to Chapters 40D-1, 40D-2, 40D-3, 40D-4, 40D-40 and 40D-400, Florida Administrative Code (F.A.C.), and Permit Application Forms to Reduce the Number of Copies of Permit Applications and Supporting Documents Required to be Submitted**

Staff recommended to approve the revised permit application forms and authorize the initiation of rulemaking to amend Rule Chapters 40D-1, 40D-2, 40D-3, 40D-4, 40D-40 and 40D-400, Florida Administrative Code.

8. **Approve Amendments to Conservation Easements from Villages of Lake Sumter, Inc. and Sumter Landings Community Development District to Address U.S. Army Corps of Engineers Requirements**

Staff recommended to approve and accept the Amendments to Conservation Easements for Sumter Landing Community Landing District and Villages of Lake Sumter, Inc.

9. **Approve Amendment to Well Construction Permitting Agreement between SWFWMD and Marion County Health Department and Authorize Amendments to Rule 40D-1.002, F.A.C., to Incorporate Amendment by Reference**

Staff recommended to approve the Amendment to Well Construction Permitting Agreement Between SWFWMD and Marion County Health Department Effective October 1, 2011, approve amendments to Rule 40D-1.002, F.A.C.; and authorize staff to proceed with rulemaking to incorporate the Amendment into Rule 40D-1.002, F.A.C., by reference.

10. **Water Shortage Order No. SWF 2010-022 – Consider Current and Projected Conditions**

Staff recommended to maintain the current Water Shortage Order.

11. **Individual Water Use Permits Deferred to the Governing Board** – None

Resource Management Committee

12. **Authorize Submission of Preliminary Flood Insurance Rate Maps (FIRMs) for the Center Ridge Watershed in Citrus County to the Federal Emergency Management Agency (FEMA)**

Staff recommended to authorize staff to submit the preliminary FIRMs for the Center Ridge watershed in Citrus County to FEMA.

13. **FARMS – Sun Bulb Company, Inc. (H609) – DeSoto County**

Staff recommended to (1) approve the Sun Bulb Company, Inc. project (H609) for a not-to-exceed project reimbursement of \$28,740 with \$21,555 provided by the Peace River Basin Board (\$14,370 provided by State Appropriations), and \$7,185 provided by the Governing Board; (2) authorize the transfer of \$21,555 from fund 020 H017 Peace River Basin Board FARMS funds and \$7,185 from fund 010 H017 Governing Board FARMS funds to the H609 Sun Bulb Company, Inc. project fund; and (3) authorize the Executive Director to execute the agreement.

Finance & Administration Committee

14. **Budget Transfer Report**

Staff recommended to approve the Budget Transfer Report covering all budget transfers for July 2011.

15. **Prior Year Board Encumbrances**

- (1) Lake Hancock Lake Level Modification Project (H008/S054)
- (2) Rocky Creek Lake Enhancement Project (B027)

Staff recommended to approve prior year Board designated encumbrance amounts as presented to roll into FY2012 budget.

16. **Brooksville Building 4 Restoration Costs – Transfer from Contingencies**

Staff recommended to approve the transfer of funds from the District's General Fund FY2011 Reserves for Contingencies to pay claims expenses associated with the Building 4 water damage claim.

17. **Information Resources Department**

a. **Fiscal Year 2011 Encumbrances**

(1) **Multi-Year Funded Projects**

Staff recommended to approve encumbering funds in an amount not to exceed \$230,000 in FY2011 for the purchase of multi-year funded systems to be implemented in FY2012.

(2) **Residual FY2011 Computer Sinking Fund**

Staff recommended to approve encumbering funds in an amount not to exceed \$204,000 remaining in the Computer Renewal and Replacement Sinking Fund reserve account for use in FY2012.

b. **Prior Fiscal Year Encumbrances**

Staff recommended to approve extending current Board encumbrances to FY2012 in an amount not to exceed \$479,350 in prior year funds for the purchase of a multi-year funded systems to be implemented in FY2012.

c. **Fiscal Year 2012 Sinking Fund Transfers**

(1) **Planned Upgrade and Expansion of Network Servers**

Staff recommended to approve transfer of FY2012 funds from the Computer Renewal and Replacement Sinking Fund account to IRD operational accounts for the planned FY2012 purchase of network upgrades and expansion equipment from the State of Florida Contract at a cost not to exceed \$150,000, contingent on final Board approval of the FY2012 Annual Service Budget.

(2) **Planned Replacement of Personal Computers**

Staff recommended to approve transfer of FY2012 funds from the Computer Renewal and Replacement Sinking Fund account to the FY2012 IRD operational accounts for execution of the planned supplemental purchase of replacement personal computers and related software at a cost not to exceed \$25,000, contingent on final Board approval of the FY2012 Annual Service Budget.

18. **Request Deferral of Information Technology Analysis and Review** – This item was moved to the Finance and Administration Committee agenda.

General Counsel's Report

19. **Consent Order – WUP No. 20002842.007 - Citrus County Board of County Commissioners (Sugar Mill Woods Service Area) – Citrus County**

Staff recommended to approve the proposed Consent Order and authorize the initiation of litigation against Citrus County to obtain compliance with the Consent Order.

Executive Director's Report

20. **Annual Calendar of Fiscal Year 2012 Meeting Dates**

Staff recommended to approve the FY2012 annual Board meeting calendar as presented.

21. **Approve Governing Board Minutes**

a. **June 28, 2011 Finance and Administration Committee Meeting**

b. **July 26, 2011 Monthly Meeting**

c. **August 2, 2011 Special Meeting**

Staff recommended to approve the minutes as presented.

Mr. Tharp moved, seconded by Mr. Gramling, to approve the Consent Agenda as amended. Motion carried unanimously. (Track 3 – 00:00/00:29)

Chair Senft relinquished the gavel to Outreach and Planning Committee Chair Adams who called the Committee meeting to order.

OUTREACH AND PLANNING COMMITTEE (Video A – 24:43)

Discussion Items – None

Submit & File Reports – None

Routine Reports

The following items were provided for the Committee's information, and no action was required.

22. **Comprehensive Plan Amendment and Related Reviews**

23. **Development of Regional Impact Reviews**

24. **Speakers Bureau**

25. **Significant Activities**

Outreach and Planning Committee Chair Adams adjourned the Committee meeting and relinquished the gavel to Regulation Committee Chair Beswick who called the Committee meeting to order. (Track 4 – 00:00/00:50)

REGULATION COMMITTEE (Video A – 25:37)

Discussion Items

26. **Consent Item(s) Moved for Discussion** – None
27. **Denials Referred to the Governing Board** – None

Submit & File Reports – None

Routine Reports

The following items were provided for the Committee's information, and no action was required.

28. **Southern Water Use Caution Area Quantities**
29. **Overpumpage Report**
30. **E-Permitting Metrics: Online vs. Paper Applications**
31. **Individual Permits Issued by District Staff**
32. **Resource Regulation Significant Initiatives**
 - Mr. Owen said a public open house was held on August 23 in Plant City regarding the new rules governing freeze events in that area. He noted that Ms. Closshey and Mr. Gramling attended the workshop.

Resource Regulation Committee Chair Beswick adjourned the Committee meeting and relinquished the gavel to Resource Management Committee Chair Gramling who called the Committee meeting to order. (Track 5 – 00:00/01:33)

RESOURCE MANAGEMENT COMMITTEE (Video A – 27:08)

Discussion Items

33. **Consent Item(s) Moved for Discussion** – None
34. **Hydrologic Conditions Status Report**

Mr. Granville Kinsman, Manager, Hydrologic Data Section, said July completes the second month of the four-month annual wet season (June through September) and monthly rainfall totals were within the normal range, although slightly below the historic monthly average, for all regions of the District. Rainfall was generally uniform throughout the District and associated with sea breeze and convective rainstorm activity, with most hydrologic indicators showing improvement. The District-wide 12-month cumulative rainfall deficit improved in July, ending the month at 6.16 inches below the long-term average, while the 24-month and 36-month deficits worsened, ending the month approximately 7.29 and 13.9 inches, respectively, below the historic average. The National Oceanic and Atmospheric Administration (NOAA) climate forecasts continue to indicate above-normal rainfall for the rainy season, based on a predicted above-average Hurricane Season and current El Niño Southern Oscillation (ENSO) neutral conditions in the Pacific Ocean. Below-average rainfall during the wet season (June-September) will worsen existing low-normal to below-normal hydrologic conditions. The probability is rising for a return to La Niña conditions during the winter and spring months. That would result in drier-than-normal conditions during those months. (Track 6 – 00:00/08:15)

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

At Ms. Closshey's request, Mr. Warren Hogg, representing Tampa Bay Water (TBW), provided a brief update on the reservoir. In response to questions, Mr. Hogg said the desalination plant is not producing and currently in standby capacity. Discussion ensued regarding plant production, daily pumpage from wellfields, future use of reservoirs versus desalination plants, and strategy when reservoir is offline. Mr. Pressman expressed his concerns that TBW is not

apprising this Board about water resource issues affecting the region. Mr. Owen said that, pursuant to the rule and permit, there are provisions for an exception period and staff have been meeting with TBW staff to understand where TBW is in the process and when the District might anticipate the earliest possible request. Mr. Owen noted that TBW must annually budget a certain amount of desalination production for its upcoming fiscal year. Mr. Hogg said he thinks the amount is five to six million gallons per day as a yearly average. Ms. Closshey suggested a presentation be provided to review the desalination plant's history to affirm facts, especially for new Board members, to coincide with TBW's presentation to the Board. In response to Mr. Gramling's query, Mr. Bilenky said the Partnership Agreement ended December 31, 2010. He said there is a difference of opinion between District staff and TBW staff regarding the plant's operations. Mr. Beruff requested a report on the negotiations for the land exchange around the reservoir which incurred no cost to the District. He noted that, until TBW comes to the Board for funding, then the Board can solidify its position. Mr. Pressman reminded the Board that, during the past legislative session, TBW filed legislation to end any oversight or control the District has over the reservoir. Mr. Bilenky noted that a report on the use of District property for the soil will be provided later in today's meeting. Mr. Tharp said he toured the desalination plant recently and encouraged new members to visit the plant. Mr. Owen said TBW has submitted an application to modify the Alafia permit so withdrawals are consistent with new adopted minimum flows and to improve system reliability; modification is currently on a time waiver. (Track 6 – 08:15/30:54)

35. **Lake Hancock Outfall Treatment Project – Construction Management Services (H014, W014, SC54)** (Video A – 58:10)

Mr. Eric DeHaven, Director, Resource Data & Restoration Department, said the Project includes the construction of a 1,008-acre treatment wetland system on land owned by the District at the south shore of the lake. The Project Request for Bid (RFB) was advertised on January 21, 2011, and nine bids were received on April 6, 2011. The low bid of \$20,128,700 was submitted by PCL Construction, Inc. (PCL). District staff is finalizing the construction contract with PCL and anticipates issuing the Notice to Proceed in September 2011. The RFB required contractors to hold their bid for 180 days which expires on October 3, 2011. A scope and budget for both engineer-of-record and inspection services of \$880,000 over a two-year period has been negotiated with Parsons. This budget represents 4.86 percent of the construction bid without contingency (\$18,128,700).

Staff recommended to approve the amendment with Parsons Water and Infrastructure, Inc. to add \$880,000 for construction management services for a total contract amount of \$4,356,407. Funds for this task are available in the existing project budget, and all funds are from Florida Forever funding. (Track 6 – 30:54/40:42)

Discussion ensued about the original budget and oversight, using a third party to perform oversight, PCL's bid protest, possible timeframe delays, awarding construction management to same party who did the design work, policy regarding the use of third-party construction management services, and Consultants Competitive Negotiations Act (CCNA) process and time clocks.

Due to concern for the time clock, **Mr. Tharp moved to approve the staff recommendation. Motion died for lack of a second.** (Track 6 – 01:40:42/01:11:13)

Discussion ensued regarding changing the policy about using the same engineer that designed project to provide inspection services, option to delay approval until next month, and re-negotiation.

Mr. Joerger moved, seconded by Mr. Beruff, to approve an amount not to exceed \$800,000 and authorize staff to negotiate a level of service that protects the District's investment; and, in the future, the Board requested additional information

on options for performing construction management services and whether to separate the engineer design services from construction management services. (Track 6 – 01:11:13/01:36:55)

Discussion ensued regarding the level of services, typical service levels, implications of reducing the staff inspections, and liabilities and risks.

Committee Chair Gramling called for a vote. The motion carried with Ms. Closshey and Messrs. Adams, Babb, Combee and Tharp voting in opposition. (Track 6 – 01:36:55/01:57:15)

Mr. Bilenky suggested waiting for the new Executive Director to begin since this is an area of his expertise. Ms. Closshey said she would like a comprehensive overview to occur in November or December. (Track 6 – 01:57:15/01:58:22)

36. **Basin Activities** (Video A – 02:25:40)

a. **Pasco County – Southeast Regional Reclaimed Water Loop (H041)**

Mr. Mark Hammond, Director, Resource Projects Department, said staff is requesting the Board approve a request from Pasco County to increase the District's funding share for the Pasco County Southeast Regional Reclaimed Water Loop by \$723,094 from \$545,297 to \$1,268,391 and extend the completion timeline. The project's status is currently identified as "delayed and moving forward." The County issued a notice-to-proceed for construction in April 2011 and project construction is scheduled to be complete by May 2012.

The Governing Board and all project-related basins, with the exception of the Alafia River Basin, have unallocated reserve funds available for this cost increase. Staff recommends the District fund the increase share proportionate to the original agreement from the Governing Board's and Basins' unallocated reserves, except for the Alafia River Basin's share. No additional funding would come from the Alafia River Basin since it does not have any remaining unallocated reserves. Pasco County will assume the costs to cover the increased share that the Alafia River Basin is not able to fund and any additional costs to complete the project. (Track 7 – 00:00/10:10)

Mr. Bruce Kennedy, representing Pasco County, addressed questions raised by the Board regarding the project.

Discussion ensued regarding Basin reserves and water resource benefits.

Staff recommended to (1) approve the request from Pasco County to increase funding for the Southeast Regional Reclaimed Water Loop project; (2) approve the transfer of \$723,094 from available unallocated reserves in the Governing Board, Hillsborough River Basin, Coastal Rivers Basin, Pinellas-Anclote River Basin, and Withlacoochee River Basin for increased construction costs; and (3) authorize staff to negotiate a second amendment to the agreement with Pasco County for a total of \$2,852,308 with the District's share not to exceed \$1,268,391 and to extend the contract termination date to September 30, 2012; and authorize the Interim Executive Director to execute the amendment.

Following consideration, **Ms. Closshey moved, seconded by Mr. Joerger, to approve the staff recommendation.** (Track 7 – 10:10/23:25)

Discussion ensued regarding project demand, system targets, and utilization.

Committee Chair Gramling called for a vote and the motion carried unanimously.
(Track 7 – 23:25/30:15)

b. **Weeki Wachee State Park and Ellie Schiller Homosassa Springs State Wildlife Park Water Quality Improvement Project** (Video A – 02:56:42)

Mr. Mark Hammond, Director, Resource Projects Department, requested the Board approve funding to evaluate and prioritize surface water quality improvement projects at the Weeki Wachee Springs State Park and the Ellie Schiller Homosassa Springs Wildlife State Park in response to a request made by the Coastal Rivers Basin Board. As a result of population growth and land use changes, nutrient levels in Weeki Wachee Springs and Homosassa Springs have been increasing for the past several decades. Untreated stormwater has been identified as a source of nutrient loading and sediment contribution to those systems. Both springs have been identified as impaired by the Florida Department of Environmental Protection due to abundant algae caused by excess nitrogen. In April 2011, the Coastal Rivers Basin Board requested staff evaluate options to further address water quality issues in the springs. District staff met with Florida Department of Environmental Protection staff to discuss potential restoration and stormwater retrofit projects associated with the Weeki Wachee and Homosassa state parks. An alternatives analysis is needed to evaluate the potential cost and benefits of the stormwater retrofit options. The Coastal Rivers Basin has unallocated reserve funds that could be used for this request.

Staff recommended to (1) approve the transfer of \$50,000 from the available unallocated reserves in the Coastal Rivers Basin to the Weeki Wachee Springs State Park and Ellie Schiller Homosassa Springs Wildlife State Park Water Quality Improvement project; and (2) authorize staff to negotiate an agreement for \$50,000 for consultant services for the project and authorize the Interim Executive Director to execute the agreement.

Following consideration, **Ms. Closshey moved, seconded by Ms. Whitehead, to approve the staff recommendation. Motion carried unanimously.** (Track 8 – 00:00/09:08)

Ms. Closshey requested the Board be provided an update on Environmental Protection Agency Numeric Nutrient Criteria.

The meeting recessed at 12:10 p.m. to provide a lunch break. Committee Chair Gramling reconvened the meeting at 1:00 p.m. (Track 8 – 09:08/09:57; Video A – 03:06:42)

37. **Surplus Lands Assessment Program Update** (Video B – 00:00)

Mr. Roy Mazur, Director, Planning Department, said the purpose of this item is to update the Governing Board on the District's Surplus Lands Assessment Program. During the Strategic Plan discussion on natural systems at the March 29, 2011 Governing Board meeting, the Governing Board passed a motion directing staff to review all 430,000 acres of District-owned land interests with the goal of identifying candidate parcels which could be surplus. Since the March meeting, the Land Resources and Planning Departments have created a project scope and timeline, and have met with District subject matter experts to establish review criteria to identify potential surplus candidates. In addition, staff has met with representatives from the Suwannee River Water Management District (SRWMD) to learn more about its surplus lands program which has been functioning since 2009.

Mr. Mazur presented characterizations of the program underway at the SRWMD and discussed the proposed approach for the program currently under development at this District. (Track 9 – 00:00/17:22)

Chair Senft suggested the formation of an ad hoc committee under the Resource Management Committee to study and investigate with staff the manner in which to surplus property. He appointed the following Board members to serve: Ms. Closshey and Messrs Gramling, Combee and Joerger. Chair Senft requested the Board approve this subcommittee's delegation to work with staff to develop a process and policy. The subcommittee members would also participate in assessing properties to recommend to the Board for selling. (Track 9 – 17:22/19:05)

Following consideration, **Mr. Beruff moved, seconded by Mr. Combee, to approve the creation of a subcommittee. Motion carried unanimously.** (Track 9 – 19:05/20:20)

Discussion ensued regarding appraised prices. Mr. Mazur reviewed the current staff involvement and activities currently occurring. He introduced Mr. Joe Quinn, Staff Planner in the Planning Department, who is the District's project manager for this program. (Track 9 – 20:20/31:46)

Submit & File Reports – None

Routine Reports

The following items were provided for the Committee's information, and no action was required.

38. **Florida Forever Funding**
39. **Minimum Flows and Levels**
40. **Structure Operations**
41. **Watershed Management Program and Federal Emergency Management Agency Map Modernization**
42. **Significant Water Supply and Resource Development Projects** (Video B – 32:25)
 - Mr. Wirth apprised the Board that Tampa Water Bay has decided not to use the onsite borrow material at Chito Branch and will instead use offsite material.
 - Ms. Veronica Craw, Manager, Environmental Section, apprised the Board of current actions occurring regarding the Environmental Protection Agency's Numeric Nutrient Criteria.

Resource Management Committee Chair Gramling adjourned the Committee meeting and relinquished the gavel to Finance and Administration Committee Chair Joerger who called the Committee meeting to order. (Track 10 – 00:00/07:44)

FINANCE AND ADMINISTRATION COMMITTEE (Video B – 40:00)

Consent Agenda Item 18 was moved to this Committee for discussion.

Discussion Items

43. **Consent Item(s) Moved for Discussion**
 18. **Request Deferral of Information Technology Analysis and Review**

Mr. Fritsch said this request is to approve deferral of the technology review by an external information technology (IT) management and advisory services organization as recommended in the Organization, Workload and Staffing Analysis, July 2011,

performed by North Highland until a new Information Resources Department (IRD) Director is appointed. He presented options proposed for the Board's consideration.

Mr. Gramling said he requested this item be moved for discussion to highlight ongoing issues regarding the Water Management Information System (WMIS) and other IT matters. In response to Mr. Gramling's questions, Mr. Fritsch said the new IRD Director will be announced this week, and a detailed report for IT solutions done by March 2012.

Staff recommended to take no action at this time and permit the new IRD Director to develop a plan for remediation of remaining findings not in process as a result of the IT Procurement Audit action plan of April 2011.

Following consideration, **Mr. Gramling moved, seconded by Ms. Closshey, to defer action on this item until the March 2012 Board meeting, at which time the Board will re-evaluate the need for it.** (Track 11 – 00:00/07:05)

Discussion ensued regarding the WMIS and its contractor and requiring consistency of IT platforms among water management districts by the Department of Environmental Protection.

Committee Chair Joerger called for a vote. **The motion carried with Chair Joerger abstaining.** (Track 11 – 07:05/14:40)

Mr. Bilenky expressed his appreciation to IRD staff who made it possible for the District to quickly relocate staff immediately following the damage done to Building 4. Chair Senft complimented and thanked IRD staff. (Track 11 – 14:40/16:28)

44. **Executive Director Recruitment** (Video B – 56:30)

Mr. Fritsch noted this agenda item is to allow for further discussion or action by the Board as may be needed to move the Executive Director recruitment process forward.

Ms. Elaine Kuligofski, Director, Human Resources & Risk Management Department, said the Board did make a decision and selected Mr. Blake Guillory as the next Executive Director. She said Mr. Guillory has accepted and a contract will be negotiated.

Chair Senft said he spoke with Mr. Guillory yesterday to offer him the position which he accepted. He said Mr. Guillory is contacting his current employer today to give notice until October 1, 2011, but may be released sooner. Chair Senft noted that, as directed by the Florida Department of Environmental Protection, the South Florida Water Management District's Executive Director employment contract is the model for all districts.

Mr. Pressman expressed his appreciation to Mr. Owen, Mr. Wirth and Ms. Kavouras of the outstanding work they have done and service provided during his six years on the Board.

In response to Mr. Tharp's question, Ms. Kuligofski said the District has a relocation policy and staff will compare it to the state's policy. Mr. Tharp expressed his appreciation to Ms. Kuligofski for the outstanding job she has done during this recruitment process. (Track 12 – 00:00/09:43)

45. **General Services Department** (Video B – 01:06:16)

a. **Brooksville Building 5 – Solar Photovoltaic System Update**

Mr. Lloyd A. Roberts, Director, General Services Department, requested confirmation or redirection of an approved Capital Improvement Project: Brooksville Building 5 – Photovoltaic System. During the “Governor’s Climate Change Summit,” Governor Crist urged environmental agencies and water management districts to explore potential investments in alternative energy options. The District’s prior Executive Director requested that staff pursue and evaluate cost effective Photovoltaic Cell technology options for the District. Staff identified this option as the best option at the time. A solar photovoltaic (PV) system is a series of panels or laminate, mounted on the roof of a building, which converts sunlight directly into electricity with no moving parts, no fuel, and no pollution. The identified product adheres directly to the roof without penetrations and is approved for roofing manufacturer warranties. It is flexible and lightweight, weighing only one pound per square foot, compared to five pounds per square foot for a traditional solar system. The flat roof on Brooksville’s Building 5 was selected as the first site because it will allow the most efficient system to be installed. The proposed system is a 78KW system that is hurricane resistant and is Miami-Dade Building Code Approved with a Notice of Acceptance (NOA). The cost for the proposed system is \$367,867 with a 25-year warranty period. The PV system will initially reduce the District’s electric bill by approximately \$15,000 per year and provide a payback period of approximately 17 years. Staff was unable to identify Federal grant funding at the time of this project; however, funding may be available in the future.

Mr. Roberts said staff has identified potential options for the Board to consider at this time. The three options identified are as follows: (1) proceed with the project; (2) pursue grant funding, and if successful, re-bid the project with updated specifications; and (3) cancel the project and take no further action

Following consideration, **Ms. Closshey moved, seconded by Mr. Beruff, to pursue grant funding and, if successful, re-bid the project with updated specifications to continue original intent to be supportive of alternative energy sources. The motion carried with Committee Chair Joerger abstaining.** (Track 13 – 00:00/06:48)

b. **Bartow Service Office – Renovation Update** (Video B – 01:14:08)

Mr. Lloyd A. Roberts, Director, General Services Department, based on different assumptions, presented options in consideration of major renovations to the facility. In response to Mr. Beruff’s questions, Mr. Roberts said the building footprint is 16,430 square feet and it does not need a new roof. Building 1 was built in 1991 to accommodate growth at the Bartow Service Office and houses staff from the Bartow Regulation, Land Resources, General Services and Community & Legislative Affairs Departments. Building 1 includes 5,000 square feet which was originally planned to be occupied by the Department of Environmental Protection (DEP) and then DEP ultimately chose not to occupy the space.

A January 27, 2009 heating, ventilation, and air conditioning (HVAC) engineering study found significant issues with the capacity of the system, condensate routing, poorly controlled humidity in the occupied spaces, size and location of the mechanical mezzanine and lined ductwork. The study also identified problems with the existing attic insulation. The study recommended a total replacement of the HVAC system as well as the attic insulation.

Nine bids were received on August 4, 2011. The bids ranged from \$1,560,000 to \$1,777,820. The current budget for the total project is \$2,358,000. Some of the additional tasks for this project include modular furniture replacement, staff relocation, carpeting, and IRD cabling.

Discussion ensued regarding leasing the additional space, building over designed for staff needs, board room for basin board and community meetings, space available in the Bartow area, and HVAC issues.

Ms. Closshey moved, seconded by Mr. Combee, that staff not proceed with renovation of Bartow Service Office Building 1 and bring this subject back for discussion with the new Executive Director as soon as possible. (Track 14 – 00:00/11:00)

Discussion ensued regarding condition of the building and the HVAC system. Mr. Roberts said staff can provide copies of the HVAC report to the Board.

Committee Chair Joerger requested that, since the District has staff to deal with HVAC issues, Mr. Roberts provide a recommendation to keep the building functional for the next 12 months. He suggested that, to keep jobs in the local area, staff investigate the possibility of an economic development grant to waive updating the entire building to current code.

Committee Chair Joerger reiterated the motion, noting that an HVAC report is available to the Board, and requested staff provide a recommendation for the building based on the HVAC report. The motion carried with Committee Chair Joerger abstaining. (Track 14 – 11:00/18:30)

46. **Approve Resolution Committing Fund Balance in Compliance with Board Policy 130-9** (Video B – 01:31:44)

Mr. Daryl Pokrana, Director, Finance Department, said the purpose of this request is to establish fund balance commitments for Long-Term Projects at \$50 million and Economic Stabilization at \$19,045,065.

Staff recommended to adopt Resolution No. 11-15, Committing Fund Balance in Compliance with Board Policy 130-9.

Ms. Closshey moved, seconded by Mr. Tharp, to approve the staff recommendation as presented. The motion carried with Chair Joerger abstaining. (Track 15 – 00:00/00:59)

47. **Fiscal Year 2012 Budget Update**

a. **McGregor-Smith Property Budget Request** (Video B – 01:32:40)

Mr. Will Miller, Land Use & Protection Manager, Land Resources Department, presented a revised budget request for the McGregor-Smith property (formerly referenced as Flying Eagle Youth Center) consistent with the letter dated August 9, 2011 from Chair Senft to Herschel T. Vinyard, Secretary of the Florida Department of Environmental Protection. The property was bought from the Miami Council of Boy Scouts of America (BSA) in 2004, consisting of 4,964 acres for \$13,500,000. In 2006, the Gulf Ridge Council of BSA received a no cost lease for 580 acres. In 2010, BSA contacted the District concerning renovation of facilities and expansion of use, and staff participated in exploring options to maintain usage. In April 2011, a Memorandum

of Understanding between the Florida Fish and Wildlife Conservation Commission (FWC), BSA, Wildlife Foundation of Florida (WFF) and District was approved by the Board which memorialized the intent to partner. In May 2011, the FWC commissioned a facilities review/inspection which estimated renovation costs of \$919,000.

Mr. Miller presented four scenarios for the Board's consideration: (1) renovation costs, (2) asset preservation/safety costs, (3) demolition costs, and (4) combination of preservation and demolition costs.

Discussion ensued regarding lessee paying a monthly amount to help maintain property, upgrade/renovate buildings strategy, other groups using facilities, and public safety.

Staff recommended to reduce budget amount to \$150,000 in FY2012; allow six months for BSA, FWC and WFF to evaluate options; and no funds will be spent prior to Board approval. The budget request was revised to request the funds necessary to make minimum repairs for public safety and to maintain the structural integrity of improvements, rather than major renovations to the facilities. Estimates for some work may be high and accomplished for less than \$150,000.

Mr. Tharp moved, seconded by Mr. Beruff, to approve the staff recommendation and set aside an amount for demolition of the pool and canoe house, allowing for staff to expend a portion of the funds for safety and demolition without seeking further Board approval. (Track 16 – 00:00/23:47)

Committee Chair Joerger reiterated the motion with consideration of sinking funds for property maintenance in this and future partnerships. Messrs. Tharp and Beruff agreed with the restated motion. The motion carried with Chair Joerger abstaining. (Track 16 – 23:47/25:30)

Mr. Tharp moved, seconded by Mr. Combee, to retain the name of the property as "Flying Eagle." Mr. Tharp noted that brochures throughout the state show the name as the Flying Eagle Wildlife Management Area. The motion carried with Messrs. Beruff, Pressman and Senft voting in opposition and Committee Chair Joerger abstaining. (Track 16 – 25:30/29:38)

b. **Review of Changes Since July 26, 2011** (Video B – 02:01:15)

Mr. Fritsch reviewed the budget calendar and noted the Joint Legislative Budget Commission has scheduled a meeting on September 7, 2011 to review the water management districts' tentative budgets as submitted on August 1, 2011. The District's FY2012 budget will be adopted in September following two public TRIM budget hearings. The first hearing is scheduled for 5:01 p.m. at the Tampa Service Office on September 13, 2011. The second and final hearing is scheduled for 5:01 p.m. at the Tampa Service Office on September 27, 2011.

Staff recommended to approve the changes to the FY2012 proposed budget as presented.

Mr. Beruff moved, seconded by Mr. Senft, to approve the staff recommendation as presented. The motion carried with Committee Chair Joerger abstaining. (Track 17 – 00:00/06:03)

The following item was set for consideration at a time certain.

48. **Total Compensation (Salary & Benefits) Study – Final Report from Evergreen Solutions** (Video B – 02:08:30)

Ms. Elaine Kuligofski, Director, Human Resources & Risk Management Department, said the purpose of this presentation is the Total Compensation (Salary and Benefits) analysis performed by Evergreen Solutions, LLC. She noted the final report was delivered to the Board at the beginning of August 2011.

Dr. Jeff Ling, principle investigator Evergreen Solutions, LLC, provided the Board with a final report on the analysis performed. The Evergreen project team identified and developed a comprehensive list of survey targets (both public and private sector) for conducting a successful external labor market assessment which includes a market salary survey and a market benefit survey. Beginning in May and extending through June, these targets were contacted to seek their data for comparison to the District's pay plan and benefits. In July, the project team worked on concluding their analysis, developing strategic positioning recommendations and drafting the final report.

Committee Chair Joerger congratulated staff since the study shows the District is being very responsible with its resources and is competitive. (Track 18 – 00:00/16:55)

In response to Ms. Closshey's question regarding the letter from Governor Scott regarding salary reductions, Dr. Ling said he has read the letter and it appears that the state government desires to have greater convergence with local entities and the state pay plan which has been stagnant for a number of years. He said the state pay plan remains in a "behind" status with the market. Dr. Ling said, as the Florida market returns to competitiveness, the ability to attract and retain the highest qualified candidate will be affected when the private market is paying more. (Track 18 – 16:55/19:45)

Submit & File Reports

The following items were submitted for the Committee's information, and no action was required.

49. **Office of Inspector General**

- a. **Security Certification Update Report – Fiscal Year 2009 Human Resource Information System Security Audit**
- b. **Regulation Division – Water Management Information System AGMOD Audit**

Routine Reports

The following items were provided for the Committee's information, and no action was required.

50. **Treasurer's Report, Payment Register and Contingency Reserves**
51. **Monthly Financial Statements**
52. **Management Services Significant Activities**

Finance and Administration Committee Chair Joerger adjourned the Committee meeting and relinquished the gavel to Chair Senft. (Track 18 – 19:45/19:59)

GENERAL COUNSEL'S REPORT (Video B – 02:28:18)

Discussion Items

53. **Consent Item(s) Moved for Discussion** – None

Submit & File Reports – None

Routine Reports

The following items were provided for the Committee's information, and no action was required.

54. **Litigation Report**

55. **Rulemaking Update**

(Track 19 – 00:00/00:40)

EXECUTIVE DIRECTOR'S REPORT (Video B – 02:28:55)

56. **Executive Director's Report**

- Mr. Bilenky said last Thursday the three largest water management districts met with Senate Appropriations Committee Chairman J.D. Alexander concerning the sustainability of budgets to meet the long-term water supply needs through 2030 and 2050. He said the District followed the other districts so had the benefit of hearing the consensus from Senator Alexander that he felt comfortable paying down reserves in four or five years to meet pending projects. He said that, when the reserves are exhausted and under current legislative framework, the districts will not be able to meet the long-term water supply development needs. Senator Alexander was concerned about non-sustainability of the districts to develop those resources and asked for suggestions to make the necessary changes in the funding arrangements. Mr. Bilenky said district staffs will provide recommendations to meet long-term demands. In response to Ms. Closshey's question, Chair Senft requested staff provide the Board with the other districts' millage rates. Mr. Joerger and Ms. Whitehead noted that it is not a tax savings since counties are raising their millage the amount the District reduced.
- Mr. Bilenky said last Friday he attended a meeting in Jacksonville with the Army Corps of Engineers (ACOE), SWFWMD and SJRWMD. He said the ACOE is in the process of doing a maintenance review of all water containment berms in the state. There are only eight identified berms in this District. (Track 20 – 00:00/07:00)

a. **Workload and Staffing Analysis – Implementation Update** (Video C – 28:00)

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

b. **September 28, 2010 Governing Board Workshop Summary – Final Report**

Ms. Kavouras said staff has been providing monthly status reports to keep the Board apprised on the progress of each issue. She noted that the final report was provided in the Board's meeting materials. She said all of the issues raised at the workshop have been addressed and are either complete or will remain in ongoing status until further direction is given by the Board.

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

c. **Other**

- Mr. Bilenky noted that he will attend the September 7, 2011, Joint Legislative Budget Commission meeting in Tallahassee when the Florida Department of Environmental Protection presents the districts' budgets. (Track 20 – 07:00/08:26)

CHAIR'S REPORT (Video B – 02:37:27)

57. **Chair's Report**

- The Tampa Bay Regional Planning Council liaison report was provided to each Board member.
- Mr. Pressman noted the algae bloom occurring in the north part of Tampa Bay. He asked if water samples are collected for feedback on the Pinellas County fertilizer ban. Mr. Wirth responded to Mr. Pressman's concerns.
- Chair Senft thanked Mr. Bilenky for his leadership during this transition period, especially in dealing with legislators and Secretary Vinyard. (Track 20 – 08:26/12:29)

There being no further business to come before the Board, Chair Senft adjourned the meeting at 3:34 p.m. (Track 20 – 00:00/12:29, Video B – 02:41:38)