

MINUTES OF THE MEETING

GOVERNING BOARD SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

TAMPA, FLORIDA

SEPTEMBER 29, 2015

The Governing Board of the Southwest Florida Water Management District (District) met for its regular meeting at 9:00 a.m. on September 29, 2015, at the District's Tampa Service Office. The following persons were present:

Board Members Present

Michael A. Babb, Chair
Randall S. Maggard, Vice Chair
Jeff Adams, Secretary
David W. Dunbar, Treasurer
H. Paul Senft, Member
Carlos Beruff, Member
George Mann, Member
Wendy Griffin, Member
Bryan Beswick, Member
Michael A. Moran, Member
Ed Armstrong, Member

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 Adams 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 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 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. Beltran, Executive Director, added following item for discussion to the agenda:

Resource Management Committee

58. Sarasota Bay Estuary Program Funding

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 00:03:59)

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. There were no *Request to Speak* cards submitted.

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.

Chair Babb stated he received no *Request to Speak* cards for any agenda items.

Regulation Committee

5. Individual Water Use Permits Referred to the Governing Board

a. WUP No. 20012782.001 - Standard Sand & Silica Company / Davenport Location (Polk County)

Staff recommended the Board approve the proposed permit.

Operations, Lands and Resource Monitoring Committee

6. FY2014-15 Board Designated Encumbrance

Staff recommended the Board approve encumbrance of FY2014-15 funds in an amount of \$200,000 for the Lower Hillsborough River Strategy Pump Station S-162 (H405), for work to be completed in FY2016.

Resource Management Committee

7. Flatford Swamp Hydrologic/Adaptive Management Restoration (H089) Approve Sale of Surplus Lands – Panasoffkee/Outlet Tract, SWF Parcel No. 19-441-110S

Staff recommended the Board approve the scope revision to include investigation of the aquifer injection option into the project budget which is Board encumbered.

8. Pasco County Reclaimed Water Treatment Wetland & Aquifer Recharge Project - Site 1 (N666)

Staff recommended the Board approve the County's request to move forward with final design and permitting of the Pasco County Reclaimed Water Treatment Wetland & Aquifer Recharge Facility (N666), and direct staff to enter into an agreement for fifty percent of the total project cost identified in the 30 percent design (\$14,300,966), allowing reimbursement of the District's share for the design, permitting, and construction of this facility.

9. Scope Change for Citrus County Sugarmill Woods Advanced Wastewater Treatment Project (WC02)

Staff recommended the Board approve the change in scope to reduce project capacity from 2.0 mgd to 1.5 mgd; change treatment to conventional nutrient reduction methods only; and utilize FDEP funding for construction costs only.

10. Five-Year Water Resource Development Work Plan (P872)

Staff recommended the Board authorize staff to submit the proposed Five-Year Water Resource Development Work Program to the Florida Department of Environmental Protection for review.

Finance/Outreach & Planning Committee

11. Revise Board Policy 130-9, Fund Balance

Staff recommended the Board revise Board Policy 130-9, Fund Balance.

12. Revise Board Policy 190-1, Records Management

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

13. Adopt Resolution Committing Fund Balance for an Economic Stabilization Fund and Long-Term Projects Reserve in Compliance with Board Policy 130-9

Staff recommended the Board adopt Resolution No. 15-17 - *Committing Fund Balance for an Economic Stabilization Fund and Long-Term Projects Reserve in Compliance with Board Policy 130-9*; Rescind Resolution 11-15, *Committing Fund Balance in Compliance with Board Policy 130-9*; and Rescind Resolution 12-04, *Committing Fund Balance for an Economic Stabilization Fund in Compliance with Board Policy 130-9*.

14. Approval of Agreement for Use of Property Tax Collections to Fund Exemption Audit Services Among Pinellas County Property Appraiser, Pinellas County Tax Collector and Southwest Florida Water Management District

Staff recommended the Board approve the Agreement for Use of Property Tax Collections to Fund Exemption Audit Services among Pinellas County Property Appraiser, Pinellas County Tax Collector and Southwest Florida Water Management District.

15. Fiscal Year (FY) 2014-15 Board Designated Encumbrance Request

Staff recommended the Board approve the encumbrance of \$1 million to roll into FY2015-16 for potential staff merit increases and/or performance incentives in accordance with Board Policy 710-3.

16. Board Encumbrance to the Computer Renewal and Replacement Sinking Fund

Staff recommended the Board encumber \$35,000 of funds budgeted in FY2015 to procure computer hardware and software via the Computer Renewal and Replacement Sinking Fund reserve account.

17. Budget Transfer - Duck Lake Watershed Management Plan (L737)

Staff recommended the Governing Board transfer \$119,700 previously budgeted for the Withlacoochee River Watershed Initiative project to the Duck Lake Watershed Management Plan project to replace the Hillsborough River Basin funds.

18. Budget Transfer Report

Staff recommended the Board approve the Budget Transfer Report covering all budget transfers for August 2015.

General Counsel's Report

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

a. Initiation of Litigation – Violation of Consent Order and Practicing Water Well Contracting with a Suspended License – David N. Howard – License No. 9354 – Hillsborough County

Staff recommended the Board authorize the initiation of litigation against David N. Howard, and any other appropriate parties, to obtain compliance with Consent Order SWF 15-012, to recover an administrative fine/civil penalty for any violations, and to recover District enforcement costs, court costs and attorney fees.

b. Interagency Agreement Between the Southwest Florida Water Management District and the South Florida Water Management District -- Designation of Regulatory Responsibility for a Water Use Permit – Grove No. 91 – Polk County

Staff recommended the Board approve the Interagency Agreement between the Southwest Florida Water Management District and the South Florida Water Management District for Designation of Regulatory Responsibility for a Water Use Permit for C & T Groves & Lands, Inc., in Polk County.

c. Approve the District's Annual Regulatory Plan

Staff recommended the Board:

- Approve the District's Annual Regulatory Plan for 2015-2016; and
- Execute the certification required by 120.74(1)(d), F.S.

20. Rulemaking - None

Executive Director's Report

21. Approve Resolution No. 15-12, Commending Carlos Beruff for His Service as a Member of the Southwest Florida Water Management District Governing Board

Staff recommended the Board approve Resolution No. 15-12 as presented.

22. Approve Governing Board Meeting Minutes - August 25, 2015

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 00:04:26)

Chair Babb relinquished the gavel to the Resource Management Committee Chair Senft who called the Committee meeting to order. (Audio – 00:04:36)

Resource Management Committee

Discussion

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

24. Tampa Bay Water Update

Mr. Matt Jordan, General Manager for Tampa Bay Water (TBW), provided a presentation on the TBW update. This presentation included: history; counties and cities represented; mission; sources of water supply; water supply demands; desalination status; reservoir status; use of consolidated water use permit; long-term master water plan update; and water supply options beyond 2020.

Mr. Jordan stated that TBW is implementing an asset management program. This involved creating a formalized asset management list of infrastructures and information associated with them. This will assist TBW in evaluating the life of their infrastructures and consequence of any

system failures. In addition, TBW implemented an International Standard for Organization (ISO) 14001 Environmental Management System. This is a continual improvement process to encourage positive stewardship of the environment "Plan, Do, Check and Act".

Mr. Jordan commended the communication that has occurred between the District and TBW.

Board Member Senft asked if TBW has funds allocated if an infrastructure needs replacement. Mr. Jordan responded in the affirmative.

Vice Chair Maggard asked for clarification regarding the ISO 14001 certification program. Mr. Jordan explained it is an international standard endorsed by the Environmental Protection Agency (EPA). He outlined some of the components associated with it. Discussion ensued.

This item was for information only.

25. Central Florida Water Initiative Update

Mr. Mark Hammond, Resource Management Director, clarified the staff recommendation on this item. He stated the approval of the Memorandum of Understanding will be requested at the November Governing Board meeting.

Mr. Hammond presented an overview of the Central Florida Water Initiative (CFWI) which included: history; guidance document principles; overview of regional water supply plan; challenges faced in the region; solution strategies overview; historic water use versus population; solutions projects and financial assessments; implementation strategy; and a plan schedule.

Mr. Hammond also provided an update on a Polk Regional Water Cooperative Formation Team kick-off meeting that occurred on September 18. This meeting involved Board Member George Mann, District staff, county commissioners and representatives of municipalities. This team will be forming a regional entity to review conservation, reuse and other alternative sources.

Ms. Colleen Thayer, Public Affairs Bureau Chief, provided a presentation on the CFWI outreach efforts. These efforts have focused on consensus building, facilitating discussions and enhancing communications related to CFWI among key stakeholders. She outlined the outreach efforts and key stakeholders and provided an overview of the CFWI web page (cfwiwater.com).

Ms. Alba Mas, Director of Regulation, provided an overview of the CFWI Regulatory Team. This included: team composition; objectives; interim steps; overview of the Memorandum of Understanding (MOU); general provisions and an MOU timeline.

Vice Chair Maggard asked if the Florida Department of Agriculture and Consumer Services (FDACS) and the Florida Department of Environmental Protection (FDEP) have signed the MOU. Mr. Hammond responded in the negative. Vice Chair Senft asked if funding has been discussed. Mr. Hammond responded the funding is not addressed in the MOU. Board Member Senft clarified it is anticipated this is will be a cooperative funded initiative. Discussion ensued.

Vice Chair Maggard asked if the District has addressed funding for this initiative. Mr. Hammond responded in the affirmative. Discussion ensued.

Treasurer Dunbar asked if there are distribution costs associated with projects. Mr. Hammond responded in the affirmative but explained that not all projects would be developed. He also added that some projects are environmental recovery, not potable water. He stated the costs indicated with the projects do include the transmission costs associated with them. Discussion ensued.

Treasurer Dunbar asked about water quantity that has been permitted versus what is demanded. Mr. Hammond responded that future needs will have to be met with alternative water resources. Discussion ensued.

This item was for information only.

58. Sarasota Bay Estuary Program Funding

Ms. Jennette Seachrist, Bureau Chief of the Natural System and Restoration Bureau, provided a presentation which included a history of the Sarasota Bay Estuary Program (SBEP); concerns and issues associated with management, finance and policy board direction; prior proposed solution/action; overview of inter-local agreement; and results of an audit. Discussion ensued.

Board Member Moran stated the District supports the mission of the SBEP, however, there are some concerns that need to be addressed.

Board Member Griffin asked if a change in management will encourage additional transparency regarding financial matters. She also asked when the last Environmental Protection Agency (EPA) audit was performed. Ms. Seachrist responded the financial audits that have been performed by EPA have provided positive results. Discussion ensued.

Treasurer Dunbar asked for clarification on who can provide the audit. Mr. Kurt Fritsch, Inspector General, responded the audit plan will be presented at the October Governing Board Meeting. The audit plan would have to be amended if SBEP decides to go with a third party review. Treasurer Dunbar asked for an estimate on how long the audit would take. Mr. Fritsch responded approximately three weeks of field time.

Board Member Armstrong requested a timeline be provided with the operational compliance audit. Discussion ensued.

General Counsel Karen West stated there is a 180 day deadline. She suggested the original motion be revised to include the ability for allow staff to make adjustments within the 180 days. She explained the Board must decide prior to the expiration of the 180 day deadline. Ms. West added the provisions in the inter-local agreement required a 180 day notice to withdrawal and an additional 180 days of funding, or until the next fiscal year, whichever is longer. Discussion ensued.

Staff recommended terminating District's participation from the SBEP inter-local agreement. Authorize staff to provide SBEP members notice of District's intent to withdraw unless ongoing management issues within the SBEP are addressed in accordance with Governing Board direction. Reaffirm \$15,000, to be matched by SBEP, for an operational and compliance audit of SBEP to be conducted by an independent third-party, or the District's Inspector General.

A motion was made and seconded to approve staff's original recommendation. (01:35:33)

A revised motion was made to approve staff's original recommendation and include the audit must be completed within 90 days according to the guidelines of the audit. This motion was seconded. The motion passed with nine votes in favor and one vote against. (Audio – 01:52:18)

Submit & File Reports

26. Minimum Flows and Levels Priority List and Schedule Update

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

27. Initial Reevaluation of the MFLs for Lower Peace River (B081)

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

28. Reevaluation of Minimum and Guidance Levels for Camp Lake in Pasco County

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

Routine Reports

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

29. Minimum Flows and Levels Status Report

30. Significant Water Resource and Development Projects

Committee Chair Senft recessed the Committee meeting to allow for the Final Public Hearing for the Fiscal Year 2015-16 Millage Rate and Annual Service Budget and Other Business Meeting. (Audio 00:1:52:50)

Chair Michael Babb reconvened the meeting and relinquished the gavel to Finance/Outreach Committee Chair Dunbar who called the Committee meeting to order. (01:59:55)

Finance/Outreach & Planning Committee

Discussion

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

32. Legislative Update

Ms. Colleen Thayer, Public Affairs Bureau Chief, provided a legislative update which included a legislative calendar which provided dates for the interim committee meeting beginning in September. The regular session will begin on January 12, 2016.

Ms. Thayer provided an overview of legislative priorities and the budget requests that were presented by the Florida Department of Environmental Protection (FDEP) at the Agricultural and Natural Resource Appropriations Committee in the House.

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

Submit & File Reports

33. Information Technology Security Audit - Results of Network Vulnerability Assessment

Treasurer Dunbar stated that 98 percent of the potential 170 million threats were reviewed. The current level of controls is considered adequate to provide coverage of potential threats.

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

Routine Reports

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

34. Treasurer's Report and Payment Register

35. Monthly Financial Statement

36. Monthly Cash Balances by Fiscal Year

37. Comprehensive Plan Amendment and Related Reviews Report

38. Development of Regional Impact Activity Report

39. Significant Activities Report

Treasurer Dunbar relinquished the gavel to the Regulation Committee Chair Moran who called the Committee meeting to order. (Audio - 02:04:13)

Committee Chair Moran stated there was a "Request to Speak" card from Mr. Mark Hurst regarding Consent Agenda Item 5a.WUP No. 20012782.001 - Standard Sand & Silica Company/Davenport Location (Polk County), but Mr. Hurst indicated he would speak only at the Board's request.

Regulation Committee

Discussion

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

41. 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

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

42. Overpumpage Report

43. Individual Permits Issued by District Staff

Regulation Committee Chair Moran relinquished the gavel to the Operations, Lands and Resource Monitoring Committee Chair Maggard who called the Committee meeting to order.
(Audio – 02:04:57)

Operations, Lands and Resource Monitoring Committee

Discussion

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

45. Hydrologic Conditions Report

Mr. Granville Kinsman, Hydrologic Data Manager, provided a presentation on the hydrologic conditions status report. He stated the August rainfall total was 23 inches. The average for the year is approximately 53 inches. The 12 month departure from mean has dropped by approximately four inches. Groundwater in the northern counties appears to be dropping, above normal in the central counties and rising in the southern counties.

Lakes in the northern region are considered in the normal range; lakes in the Tampa Bay area have dropped due to lower rainfall; the Polk uplands showed a slight increase and Lake Wales Ridge lakes showed a strong increase.

The Withlacoochee River is considered within normal range; the Hillsborough River is above normal range, but declining; reservoirs in the District are considered full or nearing capacity; the Alafia and Peace Rivers are both considered above normal. The public supply for the Peace River is at approximately 12 billion gallons.

Climate forecast projections for October is showing equal chances for above normal conditions and warmer than normal temperatures. The conditions are considered favorable for a stronger than normal El Niño cycle. The forecast for winter and spring are predicted to be above normal rainfall and cooler temperatures.

Board Member Mann asked if the District measures nitrates with the rainfall. Mr. Kinsman responded that he will have to research that information and provide an answer.

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

Submit & File Reports

46. Summary of FY2015 Interagency Land Management Reviews

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

Routine Reports

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

47. Structure Operations

48. Significant Activities

Board Member Griffin stated she is unable to attend the October 13 Environmental Advisory Committee meeting and asked if another Board Member would attend. Chair Babb asked Ms. Martin to send an email to the Board as a reminder.

Committee Chair Maggard adjourned the Committee meeting. (Audio – 02:11:57)

General Counsel's Report

Discussion

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

Ms. Karen West updated the Board on an item that they approved at the July 2015 Governing Board meeting. The Governing Board voted to approve an amicus brief regarding a challenge to the St. John's River Water Management District (SJRWMD) water supply plan. The Governor and Cabinet voted to approve the interpretation of the alternative water supplies statute that the SJRWMD provided, with the support of the other Districts.

Submit & File Reports – None

Routine Reports

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

50. September 2015 - Litigation Report

51. September 2015 - Rulemaking Update

Committee/Liaison Report

52. Joint Agricultural and Green Industry Advisory Committee

Board Members were provided a written summary of the September 10, 2015 meeting.

53. Other Committee/Liaison Reports

None were provided.

Executive Director's Report

54. Executive Director's Report

Mr. Beltran outlined highlights that displayed the District's successes for Fiscal Year 2015. These included: the spring coast committee that addresses the first five magnitude springs and projects associated with them; the TECO reclaimed project in the Southern Water Use Caution Area (SWUCA); completion of the Lake Hancock P11 structure; the creation of the Polk County Water Cooperative; the achievement of budget metrics; the improvement of the response time to permit applicants; the improvement of the internal contract process; and the completion of five year business plan.

Chair's Report

55. Executive Director's and Inspector General Annual Reports

Chair Babb directed the Board Members to the information that was provided to them regarding evaluations for the Executive Director and the Inspector General. He asked the Board Members to complete the evaluations and return them in two weeks.

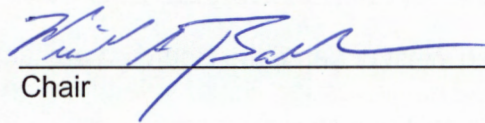
56. Employee Milestones

Chair Babb noted staff employees who have reached five-year increments in service to the District. He recognized staff members who have reached these milestones, and thanked them for their service. This item was provided for the Board's information, and no action was required.

57. Other

The October 27 meeting will be in the Brooksville Office. The November 17 and December 15 meetings will both be in the Tampa Service Office.

The meeting was adjourned at 5:29 p.m.



Chair

Attest:



Secretary