

APPROVED

MINUTES OF THE MEETING

GOVERNING BOARD SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

THE VILLAGES, FLORIDA

OCTOBER 28, 2014

The Governing Board of the Southwest Florida Water Management District (SWFWMD) met for its regular meeting at 10:00 a.m. on October 28, 2014, at the District's Tampa Service Office. The following persons were present:

Board Members Present

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

Staff Members

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

Board Member(s) Not in Attendance

Bryan Beswick, Member
Tommy Bronson, Member

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. Chair Babb noted a quorum was present.

2. Pledge of Allegiance and Invocation

Mr. George Mann 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's 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 noted the following changes requested to the agenda. The following items were added for consideration:

The following item was deleted from consideration:

General Counsel's Report

Consent

12a. Administrative, Enforcement and Litigation Activities that Require Governing Board Approval

- a. Initiation of Litigation – Well Construction Violations – Unauthorized Well Construction

Regulation Committee

Discussion

27. Overview of Compliance and Enforcement Processes

A motion was made to approve the amendments to the published agenda, as amended, which was seconded. The motion carried. (Audio – 4:24)

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.

5. **Welcome to The Villages**

Mr. Trey Arnett, Arnett Environmental, LLC, provided a presentation on The Villages. This presentation included information on the history, commercial and residential properties, golf courses, recreation center and schools. He outlined the stormwater areas, reclaimed wastewater areas, conservation and education through community initiatives.

The Board members thanked Mr. Arnett and Mr. Senft requested a copy of the presentation. Mr. Senft asked how many lower Floridian wells The Villages have. Mr. Arnett responded he didn't have an exact number, however, he would estimate approximately 17. Mr. Senft asked if any of the wells have experienced problems with arsenic. Mr. Arnett responded in the negative.

Ms. Griffin asked about the frequency use of the lower Floridian backup. Mr. Arnett responded that is contingent upon rainfall. He indicated the groundwater use for this year has been low.

CONSENT AGENDA (Audio – 18:32)

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 a *Request to Speak* card for agenda Item 9. Minimum Flow and Levels Priority List and Schedule Update. This item was moved to Discussion.

Regulation Committee

6. **Individual Water Use Permits Referred to the Governing** – None

Operations, Lands and Resource Monitoring

Resource Management Committee

7. **Citrus County Toilet Rebate Program – Correction to Evaluation Form (N634)**
Approve a correction to the evaluation form for the Citrus County Toilet Rebate program. The evaluation form incorrectly stated that the resource benefit for the project would be to conserve approximately 3,932 gallons per day (gpd). The correct resource benefit is 3,630 gpd.
8. **Plant City Reclaimed Water Seasonal Storage Feasibility Study (N552)**
Approve the change in scope to eliminate the investigation of using discharged cooling water; reduce the District's share by \$1,500 to \$18,500; and authorize the executive director or designee to execute the agreement for the Plant City Reclaimed Water Seasonal Storage Feasibility Study Project.
9. **Minimum Flows and Levels Priority List and Schedule Update**
Moved to Discussion
10. **FARMS - Orange-Co, LP - JWCD - Phase 4 (H714), DeSoto County**
To request approval for a Facilitating Agricultural Resource Management Systems (FARMS) project with Orange-Co, LP and approval to reimburse FARMS eligible costs up to a not-to-exceed limit of \$196,200 (75 percent of total project costs). Of this amount, \$196,200 is requested from the Governing Board FARMS Funds. Total project costs are estimated at \$287,000.

Finance/Outreach & Planning Committee

11. **Budget Transfer Report**

General Counsel's Report

12. **Administrative, Enforcement and Litigation Activities that Require Governing Board Approval**
- a. **Initiation of Litigation – Well Construction Violations – Unauthorized Well Construction – Tony Holt – Hillsborough County**
This item was deleted.
- b. **Fishing for Freedom, Manatee County Chapter V. Southwest Florida Water Management District and Land Trust # 97-12 – Environmental Resource Permit No. 43041746.000 – Approval of Final Order of Dismissal with Prejudice**
Approve the Final Order of Dismissal with Prejudice, dismissing the request for administrative hearing filed by Fishing for Freedom, Manatee County Chapter with prejudice.
13. **Rulemaking**
- a. **Initiation of Rulemaking to Amend Chapter 40D-3, F.A.C. to Incorporate DEP Rule Changes for Water Well Contractors and Construction of Water Wells**
Authorize the initiation of rulemaking to amend Chapter 40D-3, F.A.C. to incorporate recent and proposed changes in DEP rules for water well contractors and construction of water wells, incorporate related materials, and make minor clarifying changes in the rules and adopted forms.
- b. **Approve Revised Rule Language in Response to Comments by the Joint Administrative Procedures Committee Regarding Proposed Rule Chapter 40D-7, F.A.C., Contractor Suspension, and Authorize Staff to Complete Rulemaking**
Approve Revised Rule Language in Response to Comments by the Joint Administrative Procedures Committee Regarding Proposed Rule Chapter 40D-7, F.A.C., Contractor Suspension, and Authorize Staff to Complete Rulemaking.

Executive Director's Report

14. **Approve Tentative Budget Hearing Minutes - September 16, 2014**

Staff recommended the Board approve the minutes as presented.

15. **Approve Governing Board Meeting and Final Budget Hearing Minutes - Sep 30, 2014**

Staff recommended the Board approve the minutes as presented.

A motion was made, seconded to approve the Consent Agenda as amended. Motion carried unanimously. (Audio - 18:28)

Chair Babb relinquished the gavel to Finance/Outreach & Planning Committee Chair Dunbar, who called the Committee meeting to order.

FINANCE/OUTREACH & PLANNING COMMITTEE (Audio – 19:05)

Discussion Items

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

17. **Investment Strategy Quarterly Update**

The District's financial investment advisors, Messrs. Richard Pengally and John Grady, provided a quarterly update of the investment portfolio as required by Board Policy 130-3. Mr. Beruff asked what the total yield was for the year. Mr. Grady responded .39. Mr. Beruff asked what the goal was. Mr. Grady responded the goal is the benchmark. Chair Babb asked about the decision to invest in public treasury versus public trust. Mr. Pengally responded that duration management is the current strategy. Ms. Linda Howard, Finance Bureau Chief, provided some information to clarify some of the questions that were asked. Staff recommended approval, a motion was made, seconded and carried to accept and place on file the District's Quarterly Investment Reports for the quarter ending September 30, 2014. (Audio – 46:00)

18. **Fiscal Year 2015-16 Preliminary Budget Assumptions**

Mr. John Campbell, Director of Management Services, presented Fiscal Year 2015-16 Preliminary Budget Assumptions. Mr. Paul Senft asked for a copy of the presentation. Mr. Campbell agreed. Mr. Mike Moran asked why the \$1.8 million for the sale of the Bartow Service office was categorized under "other revenue". Mr. Campbell responded the purchase price was offset by a "no cost" lease, so the prepaid lease has to be amortized over the next five years. Mr. Moran asked if the District was comfortable with the \$1.8 million amount showing as a revenue source. Mr. Dunbar asked Mr. Campbell to confirm the information. Mr. Mann asked what the eight percent increase on benefits was benchmarked against. Mr. Campbell responded the District contracted the Gehring Group to assist with this, and although a specific benchmark was not used, the Gehring group indicated they were able to do comparisons with groups that were similar in size to the District. Mr. Mann asked how the District would compare. Mr. Campbell responded the District is toward the high end of benefits. Mr. Armstrong asked if the increase was due to the increase in health insurance. Mr. Campbell responded affirmatively. Mr. Armstrong asked what the total percentage of "fringe benefits" is. Mr. Campbell responded he would have to research that question. Mr. Beltran stated this information will be refined for the June 2015 budget supplemental. He also added, although costs have increased, this District maintains the lowest increase compared to the other districts. Mr. Moran added this has been a transitional year for staff and vendor services and new software were utilized, which were added to the cost and should be considered in these projections. Mr. Dunbar complimented the Board and staff on the ability to operate efficiently. A motion was made, seconded and carried to accept the general budget assumptions as outlined in the October 28, 2014 budget presentation for development of the District's preliminary FY2015-16 budget. (Audio – 1:04)

Submit & File Reports - None

Routine Reports

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

19. **Treasurer's Report and Payment Register**
20. **Monthly Financial Statement**
21. **Monthly Cash Balances by Fiscal Year**
22. **Comprehensive Plan Amendment and Related Reviews Report**
23. **Development of Regional Impact Activity Report**
24. **Significant Activities**

Committee Chair Dunbar adjourned the Committee meeting, and relinquished the gavel to Regulation Committee Chair Moran, who called the Committee meeting to order.

REGULATION COMMITTEE (Audio – 1:05)

Discussion

25. **Consent Item(s) Moved for Discussion** - None
26. **Denials Referred to the Governing Board** - None
27. **Overview of Compliance and Enforcement Processes**

This item was deleted.

Submit & File Reports – None

Routine Reports

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

28. **Overpumpage Report**
29. **Individual Permits Issued by District Staff**

Information Only

Ms. Alba E. Más, P.E., Director of the Regulation Division, informed the Board of a recognition Regulation received from the Central Florida Business Council.

Committee Chair Mr. Dunbar adjourned the Committee meeting, and relinquished the gavel to Operations Lands and Resource Monitoring Committee Chair Maggard, who called the Committee meeting to order.

OPERATIONS, LANDS AND RESOURCE MONITORING (Audio – 1:07)

Discussion

30. **Consent Item(s) Moved for Discussion** - None
31. **Hydrologic Conditions Status Report**

Mr. Granville Kinsman provided a presentation on the hydrologic conditions. He indicated rainfall increased in September, receiving approximately 10 inches throughout the District, which is approximately 3 inches above normal. The groundwater levels in the northern counties show an increase from last month, moving into the upper range of normal, the central counties show above-normal levels and the southern counties also show an increase into the upper range of normal for the month. Mr. Kinsman stated the lakes have increased in all regions excluding the Lake Wales Ridge, which showed a slight decrease due to lack of rainfall in that region. He also provided the following information: the flow on the Withlacoochee River is currently within the normal range; the Hillsborough River flow is in the upper range of normal; the City of Tampa Reservoir is full; the Alafia River flow is above normal; the Bill Young Reservoir is holding at 7.3 billion gallons until construction is complete later this year; and the Peace River flow increased into the upper range of normal. The climate forecast for the month of November is calling for normal temperatures and precipitation. Mr. Kinsman indicated all hydrologic indicators are normal and surface water

supply is healthy. The eight month dry season is expected to be moderated by El Niño, to be wetter and cooler than normal.

Submit & File Reports - None

Routine Reports

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

32. Structure Operations

33. Significant Activities

Mr. Ken Frink, Director of Operations of Land and Resource Monitoring, provided an update on Flying Eagle. He indicated it is currently out to bid with 12 active bidders.

Committee Chair Mr. Maggard adjourned the Committee meeting, and relinquished the gavel to Resource Management Chair Senft, who called the Committee meeting to order.

RESOURCE MANAGEMENT COMMITTEE (Audio – 1:15)

Discussion

34. Consent Item(s) Moved for Discussion

Mr. Mark Hammond, Director of Resource Management, provided a summary of Item 9. Minimum Flows and Levels Priority List and Schedule Update Approve the Minimum Flows and Levels (MFLs) Priority List and Schedule and Reservations List and Schedule for submission to DEP for review and approval as required by Chapter 373, F.S.

Mr. Richard Owen, Executive Director of the Withlacoochee Water Supply Authority, addressed a letter that was sent to the District from the Authority. The letter complimented the District for the progress it has made in setting MFLs in the northern part of the district and the efforts the District has solicited for public input. Mr. Owen informed the Board of the interest the Authority has in encouraging them to move expeditiously with the process of setting the MFLs in the northern part of the District. This is based on the revised schedule which has extended the time frame for some of the proposed water bodies.

Mr. Hammond stated the adjustment to the schedule are due to some of the systems being more complex, primarily the riverine systems and the springs systems. Public interest is also a consideration in delaying these.

Mr. Senft requested staff to address a letter responding to the Authority on the behalf of the District.

A motion was made, seconded and carried to approve the Minimum Flows and Levels Priority List and Schedule and Reservations List and Schedule for submission to DEP for review and approval as required by Chapter 373, F.S. (Audio – 1:19:58)

35. District Springs Activities

Mr. Beltran outlined three elements to the Board regarding the accomplishments as related to the springs. He referred to the "Three E's": education; expertise and the execution of projects. He commended staff for the efforts they have made.

Ms. Veronica Crow, Manager of the Springs and Environmental Flows Section, presented an overview of the District springs activities. This presentation included: information regarding the creation of the Springs Coast Steering Committee and its mission; the Springs Management Committee; the Technical Working Group; Outreach efforts; monitoring of rainfall data for the Weeki Wachee and Chassahowitzka; outlined the budget for FY13-14 and FY14-15; and outlined significant Springs Coast Significant Projects.

Mr. Beruff asked if the stakeholders at these meetings were private or public. Ms. Craw responded the springs represented are the five-first magnitude and are public. Mr. Dunbar asked if there are other magnitude springs on private property. Mr. Hammond responded affirmatively, but they are smaller springs, not included in the five-first magnitude springs.

Mr. Maggard asked about land acquisition of springs. Ms. Craw responded with information on the recent purchase of Boat Springs. Mr. Maggard asked if the District is reviewing other springs for purchase. Ms. Craw responded the District is looking at restoration opportunities adjacent to springs parcels that may be acquired, not the actual springs. She indicated Homosassa is currently being considered.

Ms. Robyn Felix, Communications Manager, presented information on the results of the "Restoring Our Springs" Campaign. This information recapped the information that was provided at the March 2014 Governing Board meeting. A previous public perception survey was done in May 2013. The purpose of this survey was to better understand the public's opinions, knowledge, attitudes and beliefs of the health of springs. These surveys were completed in Citrus, Hernando and Marion Counties. The first survey results indicated 90% of the people surveyed felt passionately about their springs, rating the health of their springs as important or very important. However, over nearly half were neutral or unsure if the district was committed to improving the springs or unsure if the District had the scientific expertise to do so. As a result, the District engaged in public service advertisements and public/media outreach. The results of the second survey show an improvement in the public's perception of the District. These results will be provided to the Springs Steering Committee.

Mr. Senft commented that he was concerned regarding the public's perception of the District's commitment and expertise. Mr. Senft asked how to resolve this. Ms. Felix responded that the first survey did indicate that only 44% of those surveyed believed the District has the scientific expertise. She stated the second survey did show an increase to 48%. She stated the Springs Team has been doing outreach in the communities to try to educate the public. Mr. Armstrong stated he would like to see the ratio of strongly agree and strongly disagree. Ms. Felix provided that information, in addition to the percentage of the "no opinion" category. Mr. Mann discussed the slide he carries with him, that displays the visibility of springs as related to their nitrate loads. He indicated he uses this slide to help educate the public when the discussion arises.

Mr. Moran stated that currently, in Twitter®, the search feature only allows for the use of the acronym SWFWMD. Mr. Moran asked if that can be changed to allow for the complete use of the name of the District. Ms. Felix responded in the affirmative.

Ms. Griffin asked if a goal of the Steering Committee may be to come up with a list of five year strategies for restoration for each of our first magnitude springs, will this create a prioritized projects list that could be used to request legislative funding and what is the time frame. Ms. Craw responded affirmatively and indicated that based on the level of effort, the Rainbow River and Kings Bay plans are anticipated to be developed by the end of 2015.

Mr. Dunbar asked if the Kings Bay project is included in one of the 48 projects going forward. Ms. Craw responded affirmatively. Mr. Dunbar stated he would like to see some results as to the feasibility of the project. Ms. Craw responded that some of the springs projects will be considered pilot scale projects. The Hunter Cove restoration is going to be one of those pilot projects.

Chair Babb asked about the time line for restoration. Ms. Craw responded approximately two years.

Submit & File Reports - None

Routine Reports

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

36. **Minimum Flows and Levels Status Report**
37. **Significant Water Resource and Development Projects**

Committee Chair Mr. Senft adjourned the Committee meeting and relinquished the gavel.

GENERAL COUNSEL'S REPORT (Audio- 1:56)

Discussion Items - None

38. **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.

39. **Litigation Report - October 2014**
Ms. Laura Donaldson provided an update on Country Club Utilities. She stated the utility gave notice to the Public Service Commission and Highlands County that they would be abandoning the utility. The District will file as an interested party.
40. **Rulemaking Update** - None

COMMITTEE/LIAISON REPORTS (1:58)

Summaries were provided in the Board's meeting materials.

41. **Environmental Advisory Committee (EAC) Report**
Ms. Griffin said the Committee held annual elections and Mr. Mark Alderson, Executive Director of the Sarasota Bay Estuary Program, is the new chair and Mr. Alan Grubman, Save the Homosassa River Alliance, is the new vice chair. The City of Clearwater provided the final report for the groundwater replenishment project. The EAC will provide comments and/or recommendations at their meeting January 2015. Mr. Rick Picks summarized the Florida Department of Environmental Protection (FDEP) methodology for inventorying and estimating the nitrogen loading in the springs shed.
42. **Other Committee/Liaison Reports** - None

EXECUTIVE DIRECTOR'S REPORT (Audio – 20:00)

43. **Executive Director's Report**

Mr. Beltran thanked staff for their accomplishments in FY2015. He outlined some of the the accomplishments which included springs, the Central Florida Water Initiatives, SWUCA Strategy Five Year Assessments, Natural Systems Restoration and expedited permitting. Mr. Beltran stated he has provided Board members with the FY2015 Budget in Brief Information.

CHAIR'S REPORT (Audio – 2:02:25)

44. **2014 Employee Evaluation and 2015 Performance Goals for the Executive Director and Inspector General**

Chair Babb indicated each Board member was provided copies of the completed 2014 Performance Evaluation for the Inspector General.

Mr. Dunbar thanked the Board members for their input on the Inspector General performance evaluation. Mr. Fritsch thanked the Board members for their review of his

performance. He provided a presentation outlining the 2015 Audit Plan of the Inspector General.

Mr. Senft asked if all the state audits have been finalized. Mr. Fritsch responded in the negative.

Chair Babb stated each Board member was also provided copies of the completed 2014 Performance Evaluation for the Executive Director. He thanked the Board members for their input. Chair Babb outlined three points he considered when evaluating Mr. Beltran: 1) Monitoring the strategic plan; 2) Continue to improve district process improvements, and 3) Development of long term vision that works cooperatively with the District's core values.

Mr. Beltran stated that he is continuing to ensure the District is working as "One District". He indicated he has three strategic goals he will continue to pursue: 1) Implement and monitor the Strategic Plan; 2) Continue the efficiency of processes and utilizing metrics to assist with this; 3) Long Term Vision to ensure the District continues to provide the leadership to manage the resources.

Mr. Mann commended Mr. Beltran for ensuring the transition from the previous Executive Director was a smooth one.

Mr. Maggard commended staff and the Board for their accomplishments and thanked Mr. Beltran for his leadership.

Chair Babb commended both Mr. Beltran and Mr. Fritsch for their accomplishments.

A motion was made, seconded and approved to adopt and approve the 2014 Employee Evaluations of Executive Director Beltran and Inspector General Fritsch that were completed by the Governing Board Chair and the Governing Board Treasurer.

A motion was made, seconded and approved to adopt and approve the 2015 performance goals and objectives of Executive Director Beltran and the 2015 Audit Plan of Inspector General Fritsch.

45. Employee Milestones

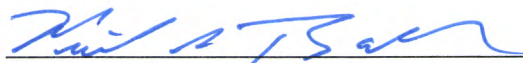
Chair Babb noted staff employees who have reached five-year increments in service to the District. He recognized staff members who have reached 20-year and 25-year milestones, and thanked them for their service. This item was provided for the Board's information, and no action was required.

46. Other

Chair Babb stated the next Board meeting is scheduled for November 18 in the Tampa Service office. The December meeting is scheduled for December 16, also in Tampa.

There being no further business to come before the Board, a motion was made and seconded to adjourn the meeting. Motion carried. (Audio – 12:16)

The meeting was adjourned at 12:16 p.m.



Chair

Attest:

