

Approved

Minutes of the Meeting

PINELLAS-ANCLOTE RIVER BASIN BOARD
Southwest Florida Water Management District

New Port Richey, FL February 6, 2008

The Pinellas-Anclote River Basin Board of Southwest Florida Water Management District convened for a regular meeting at 9:05 a.m. on February 6, 2008, in the West Pasco Government Center, New Port Richey, Florida.

Board Members Present

Todd Pressman, Co-Chair Ex Officio
Sallie Parks, Co-Chair Ex Officio
Rodney Fischer, Vice Chair
Terry England, Secretary
Kathryn Starkey, Member
Janet Hoppe, Member
Chet Renfro, Member

Staff Present

Bruce Wirth	Lou Kavouras
Daryl Pokrana	Linda Pilcher
Kathy Scott	Beth Putnam
Tamera McBride	Jason Mickel
Mark Hammond	Miki Renner
Ralph Lair	Scott Harbison

Board Member Absent

Mitch Hammer, Member

Recording Secretary

Phyllis Young

A list of others who were present and signed the attendance roster is filed in the permanent files of the Basin. Compact disks of the audio and copies of the materials and handouts, as set out in full herein, are also filed in the permanent files of the Basin.

1. **Call to Order and Roll Call**

Co-Chair Ex Officio Todd Pressman called the meeting to order at 9:05 a.m. Ms. Young called the roll and noted a quorum was present. (CD 1/Track 1)

2. **Pledge of Allegiance to the American Flag**

Co-Chair Pressman led the Pledge of Allegiance to the American Flag. (CD 1/Track 1)

3. **Additions and Deletions to the Agenda**

Deputy Executive Director Lou Kavouras, Outreach, Planning, and Board Services, reported there were no additions or deletions to the agenda. (CD 1/Track 2)

4. **Consent Items:**

After consideration, **Ms. Starkey moved, seconded by Mr. Fischer, to approve the Consent Items, as follow:**

a. **Minutes of the December 3, 2007, Meeting** – Approve the December minutes, as presented.

b. **Declaration of Cooperation of the Tampa Bay Nitrogen Management Consortium**

1. Approve the "Declaration of Cooperation of the Tampa Bay Nitrogen Management Consortium" and the "Tampa Bay Nitrogen Management Strategy, 2007 Update to the Reasonable Assurance Document."

2. Recommend the Governing Board Chair execute the Declaration of Cooperation.

Motion carried unanimously. (CD 1/Track 3)

5. **Discussion Items:**

a. **Pasco County Design and Construction of Wet-Weather Reclaimed Water Reservoir – Land O'Lakes**

Conservation Projects Manager Kathy Scott gave the presentation, instead of Senior Water Conservation Analyst Carl Wright, to request out-of-cycle funding for this project. Ms. Scott provided background and history of the project, which will store 100 million gallons of Pasco County's surplus reclaimed water to meet dry-season demand. Due to the project's regional aspect, initial funding partners included the Alafia River, Coastal Rivers, Hillsborough River, Northwest Hillsborough, and Withlacoochee River Basin Boards and the Governing Board, in addition to the Pinellas-Anclote River Basin Board.

Ms. Scott explained an unanticipated price increase, primarily a result of the Florida Department of Environmental Protection mandated sub-surface grouting, as well as an expansion of the areas within the reservoir to be lined. Additional funding is being requested from the Governing Board and the three Basins that will benefit from the project: Coastal Rivers, Hillsborough River, and Pinellas-Anclote River.

After consideration, **Mr. Fischer moved, seconded by Mr. England, to approve the staff recommendation, as follows:**

1. **Approve the transfer of \$250,000 from the Pinellas-Anclote River Basin Board's Water Supply and Resource Development reserves to the Pasco County Design and Construction of Wet-Weather Reclaimed Water Reservoir – Land O' Lakes Project.**
2. **Recommend the Governing Board authorize staff to prepare an amendment increasing the total project cost not to exceed \$4.18 million, contingent upon approval of the other Basins, with this Basin Board's share not to exceed \$664,950; and authorize the Executive Director to sign the amendment.**

Motion carried unanimously. (CD 1/Track 4)

b. **Tampa Bay Regional Reclaimed Water Project (TBRRP)**

Ms. Scott provided an update on this project and the City of Tampa's plans to postpone moving forward on this project and instead focus on expanding the south Tampa Area Reuse Project (STAR). She enumerated the goals of TBRRP that would be an efficient use of reclaimed water flows at Tampa's Howard F. Curren Advanced Wastewater Treatment Plant: reduce the use of traditional water supplies for non-potable needs, increase the beneficial use of wet-weather reclaimed water flows, and help restore natural systems in Pasco and Hillsborough counties. Ms. Scott reported that Tampa Bay Water's decision in October 2006 to move forward with expansion of its enhanced surface water system without the downstream augmentation component led the City of Tampa to pursue its STAR expansion, which supports more industrial and commercial users, instead of going forward with the TBRRP. She emphasized that the TBRRP may be considered in the future. Deputy Executive Director Bruce Wirth interjected that the District is disappointed that this project is not going forward, since the value of supplying reclaimed water to the north is greater than supplying it to the south.

A chart, which showed funds available for other projects due to exclusion of the TBRRP, was included in the summary agenda for this meeting. The Pinellas-Anclote River Basin Board will realize \$6.6 million. During the FY2009 budget cycle, staff will present recommendations to the Basin Board for redirecting the funds.

Topics of discussion during this presentation included a Hillsborough County interconnect, risk involved in going forward with projects, the City of Tampa's expenditures on the project, and the potential for the project going forward in the future.

This item was presented for the Board's information; no action was required. (CD 1/Track 5)

c. **Approval of Funding for the City of Tarpon Springs Brackish Groundwater Supply Project**

Mr. Wirth reminded Board members of the motion they approved at the October 3, 2007, meeting, which resulted in the Board setting aside \$4.1 million for this project. Staff was to present a recommendation for funding this project at a later meeting. He prefaced a report and staff recommendation to be presented by Tamera McBride, Professional Geologist in the Resource Projects Department, by clarifying recent changes to the Cooperative Funding Initiative Policy that were approved by the Governing Board at its December 2007 meeting. He briefly commented on how the cost of water was used to arrive with a staff recommendation. (CD 1/Track 6)

Ms. McBride continued the presentation by stating the purpose of the presentation: to provide the Board a recommendation on funding for the project. She refreshed members on background of the project and highlighted proposed project components, existing and proposed sources, proposed project costs, ineligible costs, and Tarpon Springs' proposed funding schedule. She also updated the Board on Cooperative Funding Policy Guidelines for potable alternative water sources, conservation, and incentive-based funding. She used graphs and bar charts to show how staff arrived with a recommendation for the Basin Board to fund \$9.5 million of the total project cost (\$45 million). After reviewing recommended contract conditions, Ms. McBride read the staff recommendation, as follows:

- Approve entering into an agreement with the City of Tarpon Springs for a total project amount of \$45,000,000 of which the Basin will fund a not-to-exceed amount of \$9,500,000. This amount is based on making the cost of the new water equal to the current cost of water purchased from Pinellas County.
- Allocate the \$4,100,000 in the Basin's FY2008 budget to this project, with the understanding that the Basin's remaining funding commitment is contingent upon the Basin allocating funding in future budget years.
- Allow staff to lower the Basin's total project funding commitment, before entering into the agreement, if further evaluation of cost information indicates an over estimation of costs. Cost would be adjusted accordingly with the intent to equal the current cost of water purchased from Pinellas County.
- Authorize the Executive Director to execute the agreement.

Discussion among members and staff included the following topics:

- 1) allocating funds for the future;
- 2) conditions of the Water Use Permit;
- 3) whether the project is multi-jurisdictional;
- 4) wholesale water costs or the unitary rate; and
- 5) size of the plant.

At this time, Co-Chair Pressman recognized Pasco County Commissioner Ann Hildebrand, who was in attendance. (CD 1/Track 7)

Mr. Jack Varn, Legal Counsel for Tarpon Springs; Mr. Paul Smith, Assistant Public Services Director for Tarpon Springs; Tarpon Springs Program Manager for Utilities Capital Projects Bob Robertson; and Tarpon Springs City Manager Ellen Posivich, in turn, addressed the Board, expressing thanks to the Board for funding this brackish groundwater project and making arguments that the Board fund more than \$9.5 million.

The Board asked questions and discussed, at length, funding options other than the staff recommendation. After consideration, **Mr. Fischer moved, seconded by Mr. Renfro,**

that the Basin Board fund the Tarpon Springs Brackish Groundwater Supply Project at 50 percent of eligible costs up to a maximum of \$22.5 million and contract with Tarpon Springs to pay that amount over a five-year period, so impact on the Basin's Cooperative Funding budget would not be all at once.

Motion carried unanimously. (CD 1/ Tracks 8, 9, & 10)

d. **State Board of Administration Local Government Investment Pool (SBA LGIP) Status**

Finance Director Daryl Pokrana was present at this meeting to answer questions Board Members might have regarding the Local Government Investment Pool, which was the topic of the January 22 memo written to all Basin Board members by Governing Board Treasurer Jennifer Closshey. Board members had no questions for Mr. Pokrana; he did, however, provide a brief summary of how the investment pool relates to the Pinellas-Anclote River Basin Board.

This item was presented for the Board's information; no action was required. (CD 1/ Track 11)

At this time, Co-Chair Pressman passed the gavel to Co-Chair Parks and temporarily left the meeting.

e. **Budget Update in View of the January 29 Special Election**

Linda Pilcher, Assistant Finance Director, provided the result and potential effects of the Special Election on the proposed constitutional amendment, (*Amendment No. 1, Property Tax Exemptions; Limitations on Property Tax Assessments*), which passed on January 29. Ms. Pilcher spoke on provisions of the amendment, assumptions, and variables that would affect the Basin's budget. For planning purposes, she provided a preliminary look at FY2009 ad valorem revenue, estimating a five percent reduction from FY2008, which is a reduction of approximately \$1.5 million to the Basin budget. Updates on these issues will be presented at Basin Board meetings throughout the fiscal year.

This item was presented for the Board's information; no action was required. (CD 1/ Track 11/15:46:49)

At this time, Co-Chair Pressman returned to the meeting and reclaimed the gavel.

f. **Fiscal Year 2009 Cooperative Funding Requests**

Senior Planner Jason Mickel provided an overview of the Cooperative Funding Initiative (CFI) and applications received for the FY2009 budget year. Mr. Mickel reviewed the FY2009 Cooperative Funding procedure and directed the Board to the original applications, which were received in December and provided behind the *FY2009 CFI Applications* tab in the meeting notebook. He provided a brief overview of this Basin's project submittals and reviewed the District's project ranking process in light of recent changes to Governing Board CFI policy. Staff will return to the April meeting with initial project rankings and funding recommendations for the Board's consideration. The preliminary budget will be presented and the millage cap set at the June Basin Board meeting, for final approval in July or August, depending on the Governor's timeframe for submittal of the Governing and Basin Boards' budgets to Tallahassee.

The Board was encouraged to review the FY2009 project applications and be prepared to provide input at the April 2 Basin Board meeting.

This item was presented for the Board's information; no action was required. (CD 1/ Track 12)

g. **Board Member Discussion**

No other topics of discussion were forthcoming.

6. **Reports:**

a. **Basin Board Land Resources Committee**

The Board's primary representative to the Basin Board Land Resources Committee (BBLRC) Kathryn Starkey gave a short report on the BBLRC meeting, which was held December 7, 2007, following the Public Land Acquisition and Management Partnership Conference in Sarasota. She briefly commented on the major topics of discussion at the meeting: FY2007 accomplishments, FY2008 challenges, and the wildfire mitigation strategy. (CD 1/Track 13)

b. **Governing Board Activities**

At Co-Chair Pressman's request, staff played pre-recorded highlights of the January 29 Governing Board meeting. Robyn Hanke, Communications Manager, narrated the brief recap, which included recent agreements regarding the Weeki Wachee lease, Marion County water restrictions, and restoration of Sawgrass Park in southern Pinellas County. (CD 1/Track 13)

7. **Announcements:**

In addition to directing the Board's attention to announcements listed on the agenda, Ms. Kavouras made several comments, as follow:

- After the Governing Board meeting at Nature's Classroom on February 26, 2008, the Governing and Basin Boards will have lunch together beginning at 12 noon. At 1 p.m., the Joint Governing and Basin Boards Workshop will convene. Tours of Nature's Classroom will begin at 10:30 a.m. for Basin Board members who wish to participate.
- Information on the Basin's Community Education Grants is included with the Information Items at the end of the Summary Agenda.
- The Governor's Office is asking the Board's help in finding applicants to fill Governing and Basin Board positions that are currently open or will be open after March 1, 2008.

8. **Adjournment**

The day's business being complete, Co-Chair Pressman expressed appreciation to all and adjourned the meeting at 11:48 a.m. (CD 1/Track 13)

****Information Items****

The items listed below were for the Board's information, intended to keep the Board apprised of completed projects, cancelled projects, and projects that have executed contracts and are ready to begin. These items did not require Board action.

1. West Pasco Improvements Project (H030)
2. 2008 Community Education Grants in the Pinellas-Anclote River Basin
3. Alligator Creek Channel "B" Improvements, Phase 2, Third Amendment (L063) - Execution Notice
4. Anclote River Watershed – South Pasco Well Field Storage Modification (L733) - Execution Notice
5. Anclote River Watershed – State Road 54 (L735) - Execution Notice

6. Implementation of Best Management Practices at 25th Avenue within the City of Indian Rocks Beach (L852) - Execution Notice
7. Town of Kenneth City (L827) - Execution Notice
8. Lake Tarpon Basin Watershed (L782) – Execution Notice
9. Pinellas County Long Bayou/Lake Seminole Bypass Canal Regional Stormwater Treatment Facility (W267) - Execution Notice
10. City of Pinellas Park Improvement Area III – First Amendment (L716) - Execution Notice
11. Town of Redington Beach Improvement Area 4 Design (L715.1) – Execution Notice
12. Smith Bayou Watershed - Bee Branch Channel Improvements (L378) – Execution Notice
13. Tampa Bay Estuary Program Non-Federal Funding for Federal Fiscal Year 2008 Annual Work Plan (W027) - Execution Notice
14. St. Joseph Sound/Clearwater Harbor Geographic Information System (GIS) Mapping of Seagrass (K150) - Execution Notice