

Approved

Minutes of the Meeting

PEACE RIVER BASIN BOARD

Southwest Florida Water Management District

Punta Gorda, Florida

June 5, 2009

The Peace River Basin Board of the Southwest Florida Water Management District convened for a regular meeting on Friday, June 5, 2009, at 9:30 a.m., in Punta Gorda City Hall, Punta Gorda, Florida.

Board Members Present

H. Paul Senft, Jr., Co-Chair Ex Officio
Ken Harrison, Vice Chair
Rufus C. Lazzell, Secretary
Pat Crisman, Member
James L. Hageman, Member
Paul G. Samuels, Member

Staff Present

Lou Kavouras
Eric DeHaven
Daryl Pokrana
Brian Armstrong
John Ferguson
Jeremy McKay
Chan Springstead

Bruce Wirth
Mike Holtkamp
Eric Sutton
Terri Behling
Danny Kushmer
Beth Putnam
Shelley Thornton

Board Members Absent

C. A. "Neil" Combee, Jr. , Co-Chair Ex Officio
Bryan K. Beswick, Co-Chair Ex Officio
Fred W. Trippensee, III, Member

Recording Secretary

Phyllis Young

A roster of other attendees is filed in the permanent files of the Basin. Compact disks of the audio and copies of 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 Senft called the meeting to order at 9:30 a.m. and recognized many area officials and City of Punta Gorda staff who were in the audience. He thanked all for their warm welcome and hospitality. Punta Gorda Mayor Larry Friedman then welcomed the Board and staff and thanked everyone for coming to Punta Gorda. He expressed appreciation to the Board for its efforts on cooperative projects, adding that the City looks forward to a continuing, positive relationship.

Ms. Phyllis Young, Senior Administrative Assistant, Boards and Executive Services, called the roll and noted a quorum was present. (CD 1/Track 1)

2. Invocation and Pledge of Allegiance to the American Flag

Ms. Crisman provided an invocation, which was followed by the Pledge of Allegiance to the American Flag. (CD 1/Track 1)

3. Additions/Deletions to the Agenda

Co-Chair Senft noted that Agenda Item 4, the Oath of Office, was deleted from the agenda since no gubernatorial appointments or re-appointments had been forthcoming for this Board. (CD 1/Track 1)

4. Oath of Office for Newly Appointed/Re-Appointed Board Members

This item was deleted from the agenda, as stated above.

5. Basin Activities Report and Agenda Review

Mr. Chancey Springstead, Basin Planner, reminded the Board that this item will be part of each Basin Board agenda, providing an opportunity for the Basin Planner to give an

overview of relevant items on the agenda, information items, and other topics of interest. Mr. Springstead's brief report included the recent tour of Facilitating Agricultural Resource Management Systems (FARMS) projects near Wauchula, the drought, dedication of the Peace River /Manasota Regional Water Supply Authority facility expansion projects, and an update on FARMS projects within the Basin. This item was presented for the Board's information, to help the Board better understand how the items relate to the Board's Strategic Budget Priorities, the Strategic Plan, or other Board concerns.

Mr. Lazzell requested a list of all FARMS projects, including those that are currently being processed. Mr. Hageman would like the Board to have an opportunity to visit area FARMS projects. (CD 1/Track 2)

6. **Consent Items:**

After consideration, **Mr. Lazzell moved, seconded by Mr. Samuels, to approve the following Consent Items:**

a. **Minutes of the April 3, 2009, Meeting**

Approve the April minutes, as presented.

b. **Facilitating Agricultural Resource Management Systems (FARMS)**

i. **Keystone Grove, LLC - First Amendment (H546), DeSoto and Hardee Counties**

1. **Approve additional funding for the Keystone Grove, LLC, FARMS project for a not-to-exceed project reimbursement of \$18,800, an increase of \$11,300 from the original approved amount of \$7,500; \$2,825 provided by the Peace River Basin Board; \$2,825 provided by the Governing Board; and \$5,650 provided from 2009 State Appropriations;**
2. **Authorize the transfer of \$2,825 from Fund 020 H017 Peace River Basin Board FARMS funds; \$2,825 from Fund 010 H017 Governing Board FARMS funds; and \$5,650 from the 2009 State Appropriations allocated to Fund 010 H017 FARMS funds, to 010 H546 Keystone Grove, LLC, project fund; and**
3. **Authorize the Executive Director to sign the agreement.**

ii. **Cornerstone Grove, LLC (H580), Hardee County**

1. **Approve the Cornerstone Grove, LLC, project for a not-to-exceed project reimbursement of \$6,800, with \$1,700 provided by the Peace River Basin Board; \$1,700 provided by the Governing Board; and \$3,400 provided from State Appropriations;**
2. **Authorize the transfer of \$1,700 from Fund 020 H017 Peace River Basin Board FARMS funds; \$1,700 from Fund 010 H017 Governing Board FARMS funds; and \$3,400 from the 2009 State Appropriations allocated to Fund 010 H017 FARMS funds, to the H580 Cornerstone Grove, LLC, project fund; and**
3. **Authorize the Executive Director to sign the agreement.**

iii. **Schiller Investments, LLC (H581), Charlotte County**

1. **Approve the Schiller Investments, LLC, FARMS project for a not-to-exceed project reimbursement of \$18,800, with \$4,700 provided by the Peace River Basin Board; \$4,700 provided by the Governing Board; and \$9,400 provided from 2009 State Appropriations;**
2. **Authorize the transfer of \$4,700 from Fund 020 H017 Peace River Basin Board FARMS funds; \$4,700 from Fund 010 H017 Governing Board FARMS funds; and \$9,400 from the 2009 State Appropriations allocated to Fund 010 H017 FARMS funds, to 010 H581 Schiller Investments, LLC, project fund; and**
3. **Authorize the Executive Director to sign the agreement.**

iv. **Charles Parsley Farm (H582), DeSoto County**

1. Approve the Charles Parsley project for a not-to-exceed project reimbursement of \$110,000, with \$27,500 provided by the Peace River Basin; \$27,500 provided by the Governing Board; and \$55,000 provided from 2009 State Appropriations to the Governing Board;
2. Authorize the transfer of \$27,500 from Fund 020 H017 Peace River Basin Board FARMS funds; \$27,500 from Fund 010 H017 Governing Board FARMS funds; and \$55,000 from the 2009 State Appropriations allocated to Fund 010 H017 FARMS funds to 010 H582 Charles Parsley project fund; and
3. Authorize the Executive Director to sign the agreement.

c. **Supplemental Utility Easement to Progress Energy Florida, Inc., for Additional Service to the Lake Marion Creek -- Horseshoe Scrub Tract, SWF Parcel Number 20-597-105X**

Recommend the Governing Board convey a Supplemental Utility Easement to Progress Energy Florida, Inc., for SWF Parcel No. 20-597-105X subject to the terms and conditions stated in the easement agreement.

d. **Lease Agreement between Florida Department of Environmental Protection, the District, and Charlotte County for the Establishment of a Public Boat Ramp – Charlotte Harbor Preserve State Park, SWF Parcel Number 20-708-129X**

Recommend the Governing Board approve the Lease Agreement for the Cattle Dock Point Boat Ramp, SWF Parcel No. 20-708-129X.

e. **Lake Parker Southwest Basin Alternative Stormwater Best Management Practice (L324) – Construction**

Recommend the Governing Board approve the Second Amendment to the Agreement with the City of Lakeland for \$3,640,550 with the Basin's share not to exceed \$995,219.50; and authorize the Executive Director to sign the agreement.

Motion carried unanimously. (CD 1/Track 3)

7. **Discussion Items:**

a. **Election of Officers and Committee Representatives**

Election results were the following:

Vice Chair: Ken Harrison

Secretary: Rufus Lazzell

Basin Board Land Resources Committee:

Ken Harrison, primary

Paul Samuels, alternate

Basin Board Education Committee:

Pat Crisman, primary

Fred Trippensee, alternate

Charlotte Harbor National Estuary Program Policy Committee: Rufus Lazzell

(CD 1/Track 4)

b. **Lake Fannie Berm Repair**

Mr. Michael Holtkamp, Operations Director, addressed the Board to request approval of the final design alternative and crest elevation for the Lake Fannie berm repair. Mr. Holtkamp provided historical information about the Lake Fannie water control structure (P-7), the associated berm, and the P-7 canal that were constructed in 1966. He spoke about the berm settling over time, which lowered the berm's crest elevation,

and weather events through the years that caused the berm to be overtopped and damaged. In December 2006, the Basin Board authorized staff to proceed with the final design and construction of the berm repair that would not increase the 100-year flood elevation. The Board also requested staff to come back to the Board before construction began, to approve the final design and berm crest elevation.

After extensive analysis to assess the response of flood levels on Lakes Fannie and Hamilton to different berm configurations and structure operational scenarios for the 100-year rainfall event, the District's watershed consultant, Post, Buckley, Schuh & Jernigan, Inc., concluded that the P-7 structure had the capacity and operational flexibility to elevate the crest elevation of the berm without increasing the 100-year flood elevations on Lakes Fannie and Hamilton. The consultant also recommended the berm be elevated above the original design elevation of 128.0 National Geodetic Vertical Datum (NGVD) to ensure all-weather access to the P-7 structure. Mr. Holtkamp reviewed the design alternatives that were examined for the berm repair and their estimated costs, and advised the rip-rap fortified embankment design alternative was the preferred alternative based on cost and the ability of Operations Department to construct the repairs. Mr. Holtkamp informed the Board that the design alternatives had been provided to Mr. Roger Griffiths, Executive Director, Lakes Region Lakes Management District, for review and comment, and that he was supportive of staff's recommended alternative design. Mr. Holtkamp reviewed the available budget which included \$166,734 in FEMA grant funds. District Operations staff plan to construct the project with the expectation that costs will be under the engineer's estimate.

After consideration, **Mr. Lazzell moved, seconded by Mr. Harrison, to approve the rip-rap fortified embankment design alternative with a berm crest elevation of 129.5 National Geodetic Vertical Datum (NGVD) for the Lake Fannie berm. Motion carried unanimously.** (CD 1/Track 5)

c. **Access Rights for the Long-term Maintenance of the Peace Creek Canal Watershed (H034)**

Ms. Shelley Thornton, Staff Engineer in the Resource Data and Restoration Department, updated the Board on alterations in the Peace Creek Canal watershed, specifically caused by lack of proper maintenance, which has made conveyance of water within the Canal unsatisfactory and caused flooding over a large part of the watershed. Ms. Thornton provided background of the project and findings and recommendations for improving conditions within the Canal. One of the major objectives being pursued within the watershed is an access rights acquisition plan. Other initiatives will be implemented using the Peace Creek Canal Watershed Management Plan, which will be finalized in early 2010, and will be based on local government needs, available funding, and prioritization of proposed projects by the Governing and Basin Boards.

Ms. Thornton explained the importance of a permanent maintenance corridor to ensure canal maintenance. She emphasized that temporary license agreements do not work well because they are difficult to maintain, often provide limited access, and are subject to modification and cancellation by property owners at any time. Therefore, acquisition of the easements is the lowest cost alternative under the proposed strategy.

After consideration, **Mr. Lazzell moved, seconded by Mr. Hageman, to approve the following staff recommendation:**

Recommend the Governing Board approve the planned approach to secure permanent access rights for Peace Creek Canal maintenance activities by obtaining voluntary conveyance of easement rights from individual property

owners and through local government development orders as land transitions occur (and subsequent assignment of those easements to the District).

Motion carried unanimously. (CD 1/Track 6)

d. **Budget Transfer from the Saddlebag Lake Watershed Project (L674) to the Saddle Creek Watershed Project (N122)**

Mr. Bruce Wirth presented this item to request transfer of up to \$275,000 of Basin funds from the Polk County Saddlebag Lake Watershed project (L674), which came in under budget (approximately \$650,000 of Basin funds remaining), to the Saddle Creek Watershed project (N122) for which bids came in higher than the original estimated cost.

The remaining \$375,000 will be added to the Basin's balance forward in its fiscal year (FY) 2010 budget.

Mr. Wirth provided history of these two projects including costs and the need for additional funds for the Saddle Creek Watershed project, which is ready to begin. Polk County will also increase their funding of the project with a \$275,000 match. This transfer of funds will allow Polk County to expedite the Saddle Creek Watershed project, anticipating completion in 2009.

After consideration, **Mr. Hageman moved, seconded by Mr. Lazzell, to approve the following staff recommendation:**

1. **Approve the transfer of up to \$275,000 from the Implementation of Best Management Practices (BMPs) – Saddlebag Lake Watershed project (L674) to the Implementation of BMPs – Saddle Creek Watershed project (N122).**
2. **Recommend the Governing Board approve an amendment to increase the amount budgeted for the Implementation of BMPs – Saddle Creek Watershed (N122) project from \$540,000 to \$1,090,000 with the District's share not to exceed \$545,000.**

Motion carried unanimously. (CD 1/Track 7)

e. **Status of Water Supply Development within the Peace River/Manasota Regional Water Supply Authority Region and its Impact on the Fiscal Year 2010 Budget**

Mr. Wirth prefaced this presentation by explaining that the information provided would assist the Board in making decisions regarding its FY2010 budget. He introduced Mr. Pat Lehman, Executive Director of the Peace River/Manasota Regional Water Supply Authority (PRMRWSA), to provide an update on issues that would affect cooperative projects. Mr. Brian Armstrong, Manager of the Water Supply and Resource Development section of the Resource Projects Department, would report on five specific Authority projects that are impacted by reduced demand. (CD 1/Track 8)

Mr. Lehman began by speaking of the options for public water supply: local systems or regional systems and the need to adapt to changing conditions, including reduced development, reduced construction, and reduced ad valorem. He commented on the Authority's Strategic Plan, its 20-year vision, regional transfers of water, projected water demands, and potential sources of water to meet the demand. Demand over the past four years increased, but has come down from the wild increase that was of high concern in the recent past. Lower demand has lessened the need for the Authority's next large project.

Mr. Lehman continued by reviewing the Authority's planning process, recommended program to reach its goals, and the current process for determining potential partners. Regional cooperation is already being sought through Memorandums of Understanding with Sarasota County (the Dona Bay project) and DeSoto County, the City of Punta Gorda, Englewood Water District, and the City of Venice for brackish groundwater projects. He went into detail of the City of Punta Gorda Water Supply Master Plan and the City of North Port Water Supply Options. (CD 1/Track 9)

Mr. Armstrong presented information and a summary of five projects that are impacted by significant reduction in demand by the Authority's member governments and are included in the Basin's proposed FY2010 budget. Those projects included:

- H051 - PRMRWSA Integrated Loop System Phase 2 Interconnect
- H079 - PRMRWSA Regional Resource Development Phase 1
- H087 - City of Punta Gorda Reverse Osmosis Facility
- H088 - Dona Bay Water Supply Development and Management Project
- N082 - City of North Port Myakkahatchee Creek Water Treatment Plant RBF/RO Reliability Project

These issues will be part of the budget discussion at the August 7 Basin Board meeting.

Mr. Lazzell stated that periodic assumptions should be reviewed often since estimates can change quickly. He also voiced concern that delayed projects should not be forgotten.

Mr. Hageman, again, voiced concern about the percentage of Basin dollars spent on planning projects as compared to the dollars actually spent on implementing projects.

Ms. Crisman stressed the importance of "keeping an eye on" 20 years out. She expressed appreciation that everyone is working to put the most important projects on-line first.

Mr. Harrison stated he is encouraged that all are working together to coordinate efforts, create agreements, and work on regional connections. He complimented local governments, municipalities, and others who are working for the good of the area.

This item was presented for the Board's information; no action was required. (CD1/Track 10)

f. **Fiscal Year 2010 Budget Discussion and Approval of Proposed Millage Rate**

Mr. Wirth presented an update to the preliminary budget provided at the April meeting. The Board's input from that meeting was incorporated into a proposed budget, which assumed the millage rate would remain at 0.1827 and ad valorem revenue would be 12 percent below fiscal year (FY) 2009. A revised budget, based on final property values, will be presented for the Board's consideration at the August 7 Basin Board meeting. At that time, the Board will be required to adopt its final FY2010 millage rate and budget for recommendation to the Governing Board, including selection of FY2010 Cooperative Funding projects.

Most important for this meeting were approval of the proposed millage rate, the Board's direction on cooperative funding projects, and the allocation of monies to those projects.

Mr. Wirth continued by providing highlights of the budget, noting significant changes since the April meeting that allowed the funding line to move into the "High" ranked

projects, but still about \$1 million short of funding projects through the "Medium" ranking. The funding line, he emphasized, could move to include more projects depending on actual property values that will be certified beginning July 1 and if some of the Board's H100 Water Supply and Resource Development (WSRD) reserves is used. Mr. Wirth used graphs to show allocation of funds by the Basin's four areas of responsibility. Board members were directed to the Projects section of the meeting notebook for detailed information on all Cooperative Funding proposals submitted for consideration.

Board members participated in discussion of possibly using of some of the Basin's H100 Water Supply and Resource Development reserves to fund more FY2010 projects.

Ms. Crisman stated that she would like the Board to consider helping the Town of Dundee, perhaps reimburse the \$350,000 the Town has already spent on design and engineering. Mr. Wirth explained that the expired contract with the Town of Dundee states there can be no reimbursement for design and permitting until construction begins, which is a standard District contract condition. He reminded the Board that the Dundee project is a Rural Economic Development Initiative (REDI) project, for which the Board would be responsible for 75 percent of the project cost. He further reported that this issue would be discussed at the August Basin Board meeting.

At this time, public comment was heard.

Ms. Allison Turner, Charlotte County University of Florida/Institute of Food and Agricultural Science, requested the Charlotte County Florida Yards and Neighborhoods project be moved above the funding line. (CD 1/Track 13)

Ms. Johnna Martinez, Lakes Education/Action Drive, asked the Board's favorable consideration of Project L900, Polk County Watershed Education. (CD 1/Track 14)

Ms. Donna Worthley of Master Gardeners also requested funding for the Charlotte County Florida Yards and Neighborhoods project. (CD 1/Track 15)

Mr. Clell Ford, Lakes Manager for Highlands County, presented additional information on Project L897, Lake Clay Stormwater Retrofit, and asked the Board for special consideration for all Highlands County projects. (CD 1/Track 16)

Mr. Duke Clem, Polk County Water Policy Manager, addressed the Board to request funding for Project N150, North American Vertical Datum of 1988 (NAVD88) Vertical Control Densification. (CD 1/Track 17)

For the record, Mr. Senft read the three-part staff recommendation.

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

1. **Provide tentative selection of FY2010 Cooperative Funding projects.**
2. **Approve and adopt a required proposed millage rate of 0.1827 mill for FY2010.**
3. **Approve Resolution No. 104 – Resolution Affirming the Required Proposed Millage Rate for Fiscal Year 2010.**

Ms. Crisman stated that she would like to postpone voting on Recommendation 1, the tentative selection of Cooperative Funding projects, until the August meeting.

Mr. Wirth reminded the Board of its option to fund projects through those ranked "Medium" by approving use of the Basin's H100 WSRD reserves. For the August meeting, staff would present more than one scenario showing where the funding line would fall using different amounts of the H100 WSRD reserves. Co-Chair Senft and Board members were agreeable that staff should look into using some of the Basin's H100 reserves, but definitely not most or all of those funds.

After the question was called, the vote carried with Ms. Crisman voting nay.
(CD 1/Track 18)

8. **Reports:**

a. **Charlotte Harbor National Estuary Program Policy Committee**

Mr. Lazzell, the Basin's representative on the Charlotte Harbor National Estuary Program (CHNEP) Policy Committee, provided brief highlights of the May 18 meeting, which was held in Port Charlotte. Discussion of membership of the Citizen's Advisory Committee continued from previous meetings. (CD 1/Track 19)

b. **Governing Board Activities**

Board members had been provided a written report of the May 20 Governing Board meeting, which was held in the Highlands County Government Center in Sebring. During the meeting, Mr. Todd Pressman was elected Governing Board chair; Mr. Ron Oakley, vice chair; Mr. Hugh Gramling, secretary; and Ms. Sallie Parks, treasurer. (CD 1/Track 19:09:19)

9. **Announcements**

Ms. Lou Kavouras, Deputy Executive Director, Outreach, Planning, and Board Services, directed the Board's attention to announcements listed on the agenda and stated a July Basin Board meeting would not be necessary.

Mr. Tom Jackson, Punta Gorda Utilities Director, reiterated the City's delight with hosting the Basin Board. He made brief comments on Punta Gorda's water supply projects and provided logistics of the lunch and tours that immediately followed the meeting. (CD 1/Track 19:09:20)

10. **Adjournment**

When there was no further business to come before the Board, Co-Chair Senft adjourned the meeting at 12:34 p.m. (CD 1/Track 19:09:23)

****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. The items did not require Board action.

1. Ad Valorem Tax Adjustment

2. Lake Clay Stormwater Improvement (L897) - Execution Notice

The Southwest Florida Water Management District (District) does not discriminate on the basis of disability. This nondiscrimination policy involves every aspect of the District's functions, including access to and participation in the District's programs and activities. Anyone requiring reasonable accommodation as provided for in the Americans with Disabilities Act should contact the District's Human Resources Director, 2379 Broad Street, Brooksville, Florida, 34604-6899; telephone (352) 796-7211 or 1-800-423-1476 (FL only), ext. 4702; TDD (FL only) 1-800-231-6103; or email ADACoordinator@swfwmd.state.fl.us.