

Approved

Minutes of the Meeting

Peace River Basin Board

Southwest Florida Water Management District

Bartow, Florida

June 8, 2007

The Peace River Basin Board of the Southwest Florida Water Management District convened for a regular meeting June 8, 2007, at 9:32 a.m., at the Bartow Service Office.

Board Members Present

C. A. "Neil" Combee, Jr. , Co-Chair Ex Officio
J. Kenneth Harrison, Vice Chair
Ann W. Dunlap, Member
Rufus C. Lazzell, Secretary
James L. Hageman, Member
Paul G. Samuels, Member
Fred W. Trippensee, III, Member

Staff Present

Lou Kavouras
Bruce Wirth
Gregg Jones
Mark Hammond
Mike Holtkamp
Eric Sutton
Brian Armstrong
Chan Springstead
Terri Behling

Via Video

Conference
Lisann Morris
Beth Putnam

Recording

Secretary
Phyllis Young

Board Member Absent

Patsy C. Symons, Co-Chair Ex Officio

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 Combee called the meeting to order at 9:32 a.m. Ms. Young called the roll and noted a quorum was present. (CD 1/Track 1)

2. Pledge of Allegiance

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

3. Oath of Office for Appointed/Re-Appointed Board Members

This item was deleted from the agenda.

4. Additions and Deletions to the Agenda

Deputy Executive Director Lou Kavouras stated no gubernatorial appointments or confirmations concerning this Board had been forthcoming; therefore, Agenda Item 3 was deleted from the agenda. (CD 1/Track 1)

5. Consent Items

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

- a. April 6, 2007, Meeting Minutes – Approve the April minutes, as presented.
- b. Facilitating Agricultural Resource Management Systems (FARMS) – Island Grove Agricultural Products Farm #5 – H522

- 1) **Approve the Island Grove Agricultural Products Farm #5 FARMS project for a not-to-exceed project reimbursement of \$187,500, with \$46,875 provided by the Peace River Basin; \$46,875 provided by the Governing Board; and \$93,750 provided from State Appropriations;**

- 2) Authorize the transfer of \$46,875 from fund 020 H017 Peace River Basin FARMS Funds; \$46,875 from fund 010 H017 Governing Board FARMS funds; and \$93,750 from 2003, 2005, and 2007 State Appropriations allocated to fund 020 H017 Peace River Basin State Appropriations, to H522 Island Grove Agricultural Products Farm #5 FARMS project fund; and
 - 3) Authorize the Executive Director to sign the agreement.
- c. Revised Operating Agreement between the District and the Florida Department of Agriculture and Consumer Services (FDACS) for the Facilitating Agricultural Resource Management Systems (FARMS) Program and Revisions to District Procedure - Recommend the Governing Board approve and authorize the Executive Director to sign the revised District/FDACS/FARMS Operating Agreement, Procedure 13-9, and the Funding Contract.
 - d. Proclamation of the Charlotte Harbor National Estuary Program's National Estuaries Days - Recommend the Peace River Basin Board approve the Proclamation for the designation of September 29, 2007, as National Estuaries Days (to be celebrated from September 30 through November 2007).
 - e. Annual Calendar of Meeting Dates - Fiscal Year 2008 - Approve the FY2008 Basin Board meeting schedule, as presented.

Before the final vote on the Consent Items, Co-Chair Combee recognized Dr. Lisa Beever, Director of the Charlotte Harbor National Estuary Program (CHNEP), who thanked the Board for supporting "National Estuaries Days." Information on activities for the events may be found at CHNEP.org and in CHNEP newsletters. Rufus Lazzell, the Basin Board's representative on the CHNEP Policy Committee, thanked Dr. Beever and the CHNEP staff for doing a fine job.

Motion carried unanimously. (CD 1/Track 1)

6. Discussion Items

- a. Approve Agreement and Transfer Funds to Conduct the Peace River/Manasota Regional Water Supply Authority Regional Resource Development Feasibility Study (H063)

Gregg Jones, Resource Conservation and Development Director, presented this item to request approval of the Peace River/Manasota Regional Water Supply Authority's (Authority's) out-of-cycle funding request, which allows the Authority to investigate the feasibility of three sources—the Shell Creek system, Flatford Swamp, and the CowpenSlough/Dona Bay area—for future development. Mr. Jones gave history of the project and reminded the Board that funds had been approved and set aside in the Water Supply and Resource Development Reserve until such time as the Authority's Integrated Regional System Planning & Engineering Study was complete. That study being finished, the Authority was seeking funding for the feasibility study, as expected. Mr. Jones reviewed project costs and the funding breakdown.

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

1. **Approve the transfer of \$33,750 from the Peace River Basin's Water Supply and Resource Development Reserves to the Peace River/Manasota Regional Water Supply Authority Regional Resource Development Feasibility Study (H063);**

2. **Approve entering into an Agreement with the Peace River/Manasota Regional Water Supply Authority for \$2,500,000, with the District's share not to exceed \$1,250,000 (\$625,000 from the Governing Board; \$456,250 from the Manasota Basin Board; and \$168,750 from the Peace River Basin Board); and**
3. **Authorize the Executive Director to sign the agreement.**

Mr. Lazzell asked that special attention be paid to the Shell Creek aspect of the study, since that is Punta Gorda's main water supply.

Motion carried unanimously. (CD 1/Track 1)

Mr. Jones continued by reporting on recent occurrences regarding the Authority's Phase 1 pipeline to Punta Gorda. He explained the original plan for the pipeline to run to Punta Gorda's water treatment plant. At the Authority's last meeting, the Board decided not to pursue the project, at this time; an alternate route was being considered.

Mr. Lazzell expressed disappointment with the actions at the Authority's last Board meeting and also voiced his hope that the situation would change for the benefit of all Charlotte County.

Ray Pilon, the Authority's Governmental Affairs Coordinator, addressed the Board to clarify happenings surrounding the Authority's decision regarding the Punta Gorda pipeline—the Phase 1 loop system. He shared background of the Authority's pipeline projects and emphasized that the Authority did not approve the Charlotte County alternative pipeline either.

From a budgetary standpoint, Deputy Executive Director Bruce Wirth explained the three projects involved in this discussion: (H50, the Wal-Mart to Punta Gorda pipeline; H60, the Punta Gorda/Shell Creek plant expansion; and (L636), the pipeline from Punta Gorda to Charlotte County, which the Basin Board is solely funding, at this time. Mr. Wirth asked for members' thoughts on these issues. If the two pipeline projects did not go forward, the Punta Gorda/Shell Creek plant expansion would be in limbo. He added that the Manasota Basin Board and Governing Board are also participating, since the projects have a regional benefit. If there is no pipeline (1) the regional benefit is not met and (2) the District cannot fund only the upgrade to the water treatment plant since that would fulfill a local need. Since funds were already approved for the Punta Gorda/Shell Creek plant expansion, Mr. Wirth asked for the Board's comments regarding what to do with those funds.

Members made comments including the following:

1. Mr. Lazzell voiced his opinion that regional systems do not happen "all at once." To "go back" on the Punta Gorda/Shell Creek plant expansion at this time is not right. He assured the Board that he would do all he could to change the course of the Sarasota commissioner who voted against the pipeline.
2. Mr. Hageman stated that the mistakes made by a couple of people do not represent the will of thousands of people who will be negatively impacted by a bad decision. The funds need to be available for the project—not re-allocated; the Board should "stay the course."
3. Mr. Trippensee said the policy should not be changed for the City of Punta Gorda, as it applies to other cities and taxpayers in the Board's jurisdiction. In light of future budget concerns, this may be an opportunity to fill other gaps.
4. Mr. Harrison stated his belief that the pipeline connections are important, especially for emergencies. Although it is a temptation to take the funds, especially when

Legislative tax issues are uncertain, he stated the Board should not pull funds already approved for the project.

Mr. Lazzell suggested the Authority provide Board members a report of facts on these issues. Mr. Hageman suggested the residents of Charlotte County should also have the report. (CD 1/Track 1)

b. Fiscal Year 2008 Budget Discussion and Approval of Proposed Millage Rate

For FY2008 budget preparation, staff presented a preliminary budget and gathered direction from Board members at the April meeting. Members' input was incorporated into the budget, and a revised budget was presented for the Board's consideration at this meeting. Deputy Executive Director Bruce Wirth reminded the Board of two items requiring action: (1) tentative selection of FY2008 Cooperative Funding projects and (2) adoption of a proposed millage rate.

Mr. Wirth reported that the State Legislature did not finish tax deliberations during its Regular Session, which ended May 4, 2007, and called a Special Session to be held June 12 through June 22 to address Governor Crist's desire to provide a measure of tax relief to citizens of the State. The Special Session was to consider a variety of approaches to mandate a rollback of ad valorem tax revenues, which could impact local governments and include independent special districts, such as the water management districts. Since the Basin Board would adopt its proposed millage rate before the Special Session ended, staff recommended the Basin Board adopt a proposed millage rate based on FY2008 project funding requirements and delegate authority to the Executive Director to reduce the millage rate for any mandated change in the amount of ad valorem taxes to be generated by the Basin Board.

Mr. Wirth highlighted the various elements of the budget, including changes made since the April meeting. He explained how Cooperative Funding projects would be affected by the millage rate and described the differences in this year's resolution on the proposed millage rate. Detailed information for all Cooperative Funding proposals submitted for consideration was included in the Projects section of the meeting notebook.

Board members participated in discussion of potential tax reform by the Legislature, the Board's funding of Rural Economic Development Initiative (REDI) projects, and the millage rate.

Highlands County Lakes Manager Clell Ford expressed appreciation to the Basin Board for its support, adding that Highlands County is looking forward to working with the District.

Ruffin Gray, Environmental Coordinator for the City of Lakeland Water Utilities and project lead for project L914, asked the Board's cooperation to go forward with the project.

For the record, Ms. Kavouras read the three-part staff recommendation:

1. Provide tentative selection of FY2008 Cooperative Funding projects.
2. Approve and adopt a required proposed millage rate of 0.195 for FY2008.
3. Approve Resolution No. 98 — Resolution Affirming the Required Proposed Millage Rate for Fiscal Year 2008.

After consideration, **Mr. Samuels moved, seconded by Mr. Harrison, to approve the three-part staff recommendation, as presented. Motion carried unanimously.** (CD 1/Track 2)

Co-Chair Combee stressed that word needs to get to the appropriate people in Tallahassee that all Basin Board budgets are not "created equal." This Board's millage is at 0.195, he related, because this Board has been extremely conservative and careful about keeping check on the millage rate. The Board would not like to see organizations that would benefit from cooperative funding projects punished because of a millage change. (CD 1/Track 2)

7. **Reports:**

a. **Fiscal Year 2007 Peace River Watershed Awareness Week Overview**

Kendra Antoine, Senior Communications Coordinator gave a report on "Spanning the Watershed" events held in April. These events were part of the District's watershed education programs that seek to educate the public on protecting watersheds and water resources within watersheds. Board members participated in these activities in Polk, Hardee, DeSoto, and Charlotte counties. In addition to the special events, Communications and Community and Legislative Affairs staff coordinated with government representatives to designate April 14–21, 2007, Peace River Watershed Awareness Week. Watershed education programs have been funded by the Peace River Basin Board since FY2005.

Several Board members commented on the success of the events in which they participated.

This item was presented for the Board's information; no action was required. (CD 1/Track 3)

During this presentation, Co-Chair Combee passed the gavel to Vice Chair Harrison and left the meeting.

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

Primary representative to the Charlotte Harbor National Estuary Program (CHNEP) Policy Committee Rufus Lazzell expressed thanks to District staff for their outstanding support of the CHNEP, particularly praising Lizanne Garcia, Senior Environmental Scientist in the Surface Water Improvement and Management (SWIM) section, for a fantastic job in providing guidance to him on CHNEP issues.

Mr. Lazzell reported that he had recently voted against taking the CHNEP Technical Advisory Committee from under the Sunshine Law. Subsequently, he added, the Committee was disbanded.

In closing, Mr. Lazzell expressed appreciation to Dr. Beever for a job well done and stated he was pleased to serve on the CHNEP Policy Committee.

This item was presented for the Board's information; no action was required. (CD 1/Track 3)

c. **Report on Governing Board Activities**

Ms. Kavouras took a moment to recognize Roy Mazur, the District's new Planning Director. She then reported the Governing Board had elected new officers at its May 29 meeting. Judy Whitehead was elected chair; Neil Combee, vice chair; Todd Pressman, secretary; and Jennifer Closshey, treasurer.

Staff played pre-recorded highlights of the May Governing Board meeting, which was narrated by Ms. Kavouras. The brief recap included lower Hillsborough River minimum flows and levels, an out-of-cycle request for funding from Mosaic Fertilizer, the District's

policy regarding brackish water projects, Peace River/Manasota Regional Water Supply Authority projects, Peace River watershed events, and an update of the District's Strategic Plan.

This item was presented for the Board's information; no action was required. (CD 1/Track 3)

8. **Announcements**

Announcements were listed on the agenda; no other announcements were made.

9. **Adjournment**

Since there was no further business to come before the Board, Co-Chair Combee adjourned the meeting at 11:30 a.m. (CD 1/Track 3)

******Information Items******

1. Lake Morton Shoreline Restoration (L480) - Completion Report
2. Evaluating the Potential for Aquifer Storage and Recovery Operation in the Avon Park Formation (B242) - Execution Notice
3. County Parcel Data Acquisition (B530) - Execution Notice
4. Hardee County Watershed Management Program (L679) - Execution Notice
5. Lakes Marie and Menzie Stormwater Improvement (B217) - Execution Notice
6. Lake Parker Southwest Basin Alternative Stormwater Best Management Practices-Construction (L324) - Execution Notice