

## MINUTES OF THE MEETING

### GOVERNING BOARD SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

SARASOTA, FLORIDA

JANUARY 22, 2019

The Governing Board of the Southwest Florida Water Management District (District) met for its regular meeting at 10:00 a.m., on January 22, 2019, at the Sarasota Office. The following persons were present:

#### Board Members Present

Jeffrey M. Adams, Chair  
Ed Armstrong, Vice Chair \*via phone  
Bryan Beswick, Secretary  
Michelle Williamson, Treasurer  
H. Paul Senft, Member  
John Henslick, Member  
Kelly S. Rice, Member  
Mark Taylor, Member  
Joel Schleicher, Member  
Rebecca Smith, Ph.D., Member  
James G. Murphy, Member  
Scott Wiggins, Member

#### Staff Members

Brian J. Armstrong, Executive Director  
Amanda Rice, Assistant Executive Director  
Karen E. West, General Counsel  
Brian Werthmiller, Inspector General  
John J. Campbell, Division Director  
Ken L. Frink, Division Director  
Alba E. Más, Division Director  
Michael Molligan, Division Director  
Jennette Seachrist, Division Director

#### Board Administrative Support

Caroline McKnight, Board & Executive Services Manager  
Lori Manuel, Administrative Assistant

#### Board Members Absent

Randall S. Maggard, Member

A list of others in attendance, 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 website ([www.WaterMatters.org](http://www.WaterMatters.org)).

#### **PUBLIC HEARING (Video – 00:00)**

##### **1. Call to Order**

Chair Adams called the meeting to order and opened the public hearing. Secretary Beswick stated a quorum was present.

##### **2. Invocation and Pledge of Allegiance**

Board Member Schleicher offered the invocation and led the Pledge of Allegiance to the Flag of the United States of America.

Chair Adams 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 Adams 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 "Request to Speak" 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 Adams 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. Employee Recognition**

Chair Adams recognized employees who have reached at least 20 years of service with the District and thanked them for their service. The following staff were recognized: Deborah Gillette; Scott White; and Bob Dasta.

Mr. Brian Armstrong, executive director, recognized Dr. Brandt Henningsen, chief advisory environmental scientist of the Surface Water Improvement Management (SWIM) Program. He stated that Mr. Henningsen was awarded the 2018 Dr. Nancy Foster Habitat Conservation Award from the National Oceanic and Atmospheric Administration (NOAA). A video of Dr. Brandt Henningsen's accomplishments was presented.

**4. Additions/Deletions to Agenda**

Mr. Brian Armstrong, executive director, stated there was one deletion to the agenda:

**Consent Agenda**

**Resource Management Committee**

**6. City of Avon Park - Lake Verona BMP Project - Scope Change (N930)**

Board Member Wiggins requested that the following items be moved for discussion:

**Consent Agenda**

**Resource Management Committee**

**10. Individual Water Use Permits Referred to the Governing Board**

- a. WUP No. 20004600.009 - Sweetwater Preserve, LLC/Sweetwater Preserve, LLC (Hardee County)
- b. WUP No. 20007724.010 - Blossom Grove / FLM, Inc. (Manatee County)
- c. WUP No. 20009486.007 - South Pasture Grove / South Ft. Meade Land Management, Inc. (Hardee County)

**Consent Agenda**

**General Counsel's Report**

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

- a. Consent Order – Unauthorized Construction – New Pleasant Grove Baptist Church, Inc. – CT No. 387385 – Pinellas County
- b. Initiation of Litigation – Failure to Submit Meter Readings – B&G Family Partnership, LLLP– WUP No. 20006586.007 – CT No. 379578 – Levy County, Florida

Three Request to Speak Cards were received for the following agenda item. This item was moved to discussion.

**Consent Agenda**

**General Counsel's Report**

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

- c. Initiation of Litigation - Operating a System Without a Permit-Etcetera, Etc. Inc. – DeSoto County

Chair Adams said there is good cause to approve the amended agenda as allowed by Section 120.525, Florida Statutes. A motion was made to approve the amendments to the published agenda, which was seconded. The motion carried unanimously. (Audio 00:17:30)

**5. Public Input for Issues Not Listed on the Published Agenda**

Mr. David Ballard Geddis, Jr., spoke regarding legislation concerning water jurisdiction.

Ms. Becky Ayeach, representing the Southwest Florida Environmental Coalition (ECOSWF), spoke regarding the leaking of septic and sewer systems contributing to blue/green algae.

**Consent Agenda**

**Resource Management Committee**

**6. ~~City of Avon Park - Lake Verona BMP Project - Scope Change (N930)~~**

Staff recommended the Board:

- 1) ~~Approve the scope revision to decrease the drainage area treated from 31 acres to 19.9 acres, which is the measurable benefit in the cooperative agreement.~~
- 2) ~~Approve the scope revision to increase the TSS removal from 3,405 lbs/yr to 3,632 lbs/yr and reduce TN from 113 lbs/yr to 69 lbs/yr, which are the resource benefits in the cooperative agreement.~~
- 3) ~~Approve a project cost reduction from \$422,455 to \$380,552, with the District providing seventy five percent (\$285,414).~~

**Finance/Outreach & Planning Committee**

**7. ~~Budget Transfer Report~~**

Staff recommended the Board approve the Budget Transfer Report covering all budget transfers for December 2018.

**Operations, Lands and Resource Monitoring Committee**

**8. ~~Approval of Resolution Requesting Disbursement of Funds from the Land Acquisition Trust Fund for Land Management~~**

Staff recommended the Board Approve Resolution 19-01, Requesting Disbursement of Funds from the Land Acquisition Trust Fund for Land Management.

**Regulation Committee**

**9. ~~Approval Coordination Agreement Between the U. S. Army Corps of Engineers Jacksonville District and the Southwest Florida Water Management District - State Programmatic General Permit~~**

Staff recommended the Board approve the Coordination Agreement between the U.S. Army Corps of Engineers Jacksonville District and the District for the recently updated Corps' State Programmatic General Permit (SPGP V-R1).

**10. ~~Individual Water Use Permits Referred to the Governing Board~~**

**a. ~~WUP No. 20004600.009 - Sweetwater Preserve, LLC/Sweetwater Preserve, LLC (Hardee County)~~**

~~Staff recommended the Board approve the proposed permit attached as an exhibit.~~

**b. ~~WUP No. 20007724.010 - Blossom Grove / FLM, Inc. (Manatee County)~~**

~~Staff recommended the Board approve the proposed permit attached as an exhibit.~~

**c. ~~WUP No. 20009486.007 - South Pasture Grove / South Ft. Meade Land Management, Inc. (Hardee County)~~**

~~Staff recommended the Board approve the proposed permit attached as an exhibit.~~

**General Counsel's Report**

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

**a. Consent Order – Unauthorized Construction – New Pleasant Grove Baptist Church, Inc. – CT No. 387385 – Pinellas County**

Staff recommended the Board approve the proposed Consent Order and authorize the initiation of litigation against New Pleasant Grove Baptist Church, Inc., and any other necessary parties to obtain compliance, recover administrative fines and civil penalties for any violations, and to recover District enforcement costs, court costs, and attorneys' fees, if necessary.

**b. Initiation of Litigation – Failure to Submit Meter Readings – B&G Family Partnership, LLLP – WUP No. 20006586.007 – CT No. 379578 – Levy County, Florida**

Staff recommended the Board authorize the initiation of litigation against B&G Family Partnership, LLLP, and any other necessary parties, to obtain compliance, recover an administrative fine/civil penalty, and to recover District enforcement costs, litigation costs, and attorneys' fees.

**c. Initiation of Litigation – Operating a System Without a Permit Etcetera, Etc. Inc. – DeSoto County**

Staff recommended the Board authorize the initiation of litigation against Etcetera, Etc. Inc. and any other appropriate parties, to recover an administrative fine/civil penalty, and to recover District enforcement costs and attorney's fees.

**12. Rulemaking - None**

**Executive Director's Report**

**13. Approve Governing Board Minutes - December 11, 2018**

A motion was made and seconded to approve the Consent Agenda as amended. The motion carried unanimously. (Audio 00:25:50)

Chair Adams relinquished the gavel to the Resource Management Committee Chair Rice, who called the meeting to order. (00:26:33)

**Resource Management**

**Discussion**

**14. Consent Item(s) Moved for Discussion - None**

**15. Peace River Manasota Regional Water Supply Authority (PRMRWSA) Update**

Sarasota County Commissioner and PRMRWSA Chairman, Alan Maio, provided an update on projects that have been partnered with the Southwest Florida Water Management District (District). He also addressed future projects.

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

**16. City of Haines City – Reclaimed Water Ground Storage Tank and Pumping Stations – Preliminary Design and Third-Party Review (N898)**

Mr. JP Marchand, Water Resources Bureau chief, provided the Board with an updated presentation as requested at the December 2018 Board meeting.

Mr. Marchand introduced Tracy Mercer, Haines City Utility Services director.

Mr. Marchand provided an overview on the benefits, uses and District guidelines associated with reclaimed water storage. Mr. Marchand provided a historical overview of the City of Haines City reclaimed water system.

Mr. Marchand explained that reclaimed water storage provides three major functions which include: quantity for supply and demand, storage to maintain water quality and water reliability/stability for emergency supplies.

Mr. Marchand stated there are 62 reclaimed water systems within the District, 47 of those systems rely on closed storage tanks and 14 systems supply directly to customers. He stated the City of Haines City is the only system that still relies solely on open water pond storage.

Staff recommended the Board:

1. Authorize continuation of the Reclaimed Water Tank and Pump Stations project to final design, permitting, and construction.
2. Authorize staff to amend the cooperative funding agreement with the City to include final design, permitting, and construction with a total project budget of \$6,800,000 with the District funding \$4,620,000 and the City funding \$2,180,000.

**A motion was made and seconded to approve the staff recommendation. The motion carried with ten in favor and two opposed. (01:17:41)**

#### **Submit & File Reports**

##### **17. Proposed Minimum Flow for the Chassahowitzka and Homosassa Rivers Prior to Independent Scientific Peer Review Update**

##### **18. Five-Year Water Resource Development Work Program**

#### **Routine Reports**

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

##### **19. Minimum Flows and Levels Status Report**

##### **20. Significant Water Resource and Development Projects**

Committee Chair Rice stated a Request to Speak Card was received for this item.

Mr. Richard Deuble, representing the University Park Home Owner's Association (HOA), spoke regarding monitoring of the aquifer. Ms. Jennette Seachrist, Resource Management director, stated she would provide Mr. Deuble with the appropriate data. Mr. Brian Armstrong also suggested that outreach could be provided to the University Park HOA if they would like to request it.

**Committee Chair Rice relinquished the gavel to the Finance/Outreach & Planning Committee Chair Williamson, who called the meeting to order. (01:20:50)**

#### **Finance/Outreach & Planning Committee**

##### **Discussion**

##### **21. Consent Item(s) Moved for Discussion - None**

##### **22. Investment Strategy Quarterly Update**

Mr. John Grady, Public Trust Advisors, provided a presentation on the quarterly investment strategy from October 1, 2018 to December 31, 2018. This presentation included an economic update and yield curve analysis. He stated interest rates are continuing to rise, incurring the ninth rate-hike during the current cycle. Housing prices continued an upward trend into the second half of 2018. The U.S. median home price was 4.6% higher through August. Unemployment ended at 3.9% in December. Mr. Grady stated there are currently more than 6.7 million job openings. He provided a graph that displayed the federal funds rate hike current cycle and Federal Open Market Committee (FOMC) rate projections. He stated that forward yields suggest a continued flattening trend.

Mr. Grady provided a comparison summary of all District short-term and long-term aggregate investment assets.

Staff recommended the Board accept and place on file the District's Quarterly Investment Reports for the quarter ended December 31, 2018.

**A motion was made and seconded to approve the staff recommendation. The motion carried unanimously. (01:32:57)**

### **23. Status of the 2019 Consolidated Annual Report**

Ms. Trisha Neasman, planning lead, provided a presentation regarding the status of the Consolidated Annual Report (CAR). She stated the Board will be asked to approve the final report at the February Board meeting. Ms. Neasman also provided an overview of the report, which included highlights of specific items in the report, and outlined important dates.

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

### **24. Governing Board Policy Deletions**

Ms. Robyn Felix, Communications and Board Services Bureau chief, provided a presentation that outlined Governing Board policies that are being requested for deletion. She explained this is part of the District's Knowledge Management Program.

Ms. Felix outlined four policies for deletion. These included: Board Policy 110-4 Basin Boards Functions and Duties, Board Policy 170-7 Basin Board Education Committee, Board Policy 170-8 Basin Board Land Resources Committee; and Board Policy 110-9 Plain Language Initiative.

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

### **25. Fiscal Year (FY)2018-19 Inspector General Audit Plan**

Mr. Brian Werthmiller, Inspector General, provided a presentation outlining the FY2018-19 Inspector General audit plans. He explained that the audit plan is formulated based upon risk assessment. Mr. Werthmiller explained how risk assessment is determined.

Mr. Werthmiller outlined short term audits which included: competitive procurement, cost share projects, Department of Motor Vehicles file security, Information Technology (IT) access privileges, system & organization controls and vehicles.

Mr. Werthmiller outlined long term audits which included: fund balances, investments, IT security, overtime/payroll and other revenues.

Mr. Werthmiller provided an overview of deliverables that will be completed, how often they are required, if Governing Board approval is required and the percentage of time charged.

Staff recommended the Board approve the FY2018-19 Inspector General Audit Plan.

**A motion was made and seconded to approve the staff recommendation. The motion carried unanimously. (01:46:40)**

### **Submit & File Reports**

#### **26. Inspector General Quarterly Update - October 1, 2018 to December 31, 2018**

#### **Routine Reports**

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

27. Treasurer's Report and Payment Register
28. Monthly Financial Statement
29. Monthly Cash Balances by Fiscal Year
30. Comprehensive amendment and Related Reviews Report
31. Development of Regional Impact Activity Report

Committee Chair Williamson relinquished the gavel to Operations, Lands & Resource Monitoring Committee Vice Chair Murphy, who called the meeting to order. (01:47:07)

#### Operations, Lands and Resource Monitoring Committee Discussion

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

#### 33. Hydrologic Conditions Report

Mr. Granville Kinsman, P.G., Hydrologic Data manager, provided a presentation on the hydrologic conditions. Mr. Kinsman stated rainfall, to-date, has been above average during the dry season. Calendar year rainfall for 2018 was 6.8 inches above average. Rainfall in the northern regions has been one and a half times what is normally expected. The month of December was recorded as the third wettest December in 103 years. In the northern regions, groundwater levels throughout the District were considered normal to above normal. Lake levels in the northern, Tampa Bay and Polk Upland lakes were in the normal range. Lake levels in the Lake Wales Ridge area were within normal range but showing declines. Flows on the Withlacoochee River, Hillsborough, Alafia and Peace rivers were in the above normal range. The Bill Young and the Peace River reservoirs remain at healthy levels. Mr. Kinsman stated that El Niño is still likely to develop in the upcoming months, which could bring above normal rainfall.

Mr. Kinsman provided a graph of the United States (U.S.) Drought Monitor from the Climate Prediction Center. He explained the U.S. Drought Monitor uses short-term indicators, rather than the long-term indicators the District uses.

This routine report provided information on the general state of the District's hydrologic conditions by comparing rainfall, surface water, and ground water levels for the current month to comparable dates from the historical record.

**Submit & File Reports** - None

#### Routine Reports

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

34. Surplus Lands Update
35. Structure Operations
36. Significant Activities

Committee Vice Chair Murphy relinquished the gavel to Regulation Committee Chair Taylor, who called the meeting to order. (1:55:34)

#### Regulation Committee Discussion

37. Consent Item(s) Moved for Discussion

#### 10. Individual Water Use Permits Referred to the Governing Board

- a. WUP No. 20004600.009 - Sweetwater Preserve, LLC/Sweetwater Preserve, LLC (Hardee County)

Board Member Wiggins asked if the increase in quantities requested is due to land acquisition.

Mr. Darrin Herbst responded the requested change in quantities is due to additional land acquisition and a change to more water intensive crops.

Mr. Mike Gurr, representing Sweetwater Preserve, explained that prior to the land acquisition there were 606 crop acreage. He stated the total is now 1,080 acres.

Staff recommended the Board approve the proposed permit attached as an exhibit.

**A motion was made and seconded to approve the staff recommendation. The motion carried with eleven in favor and one opposed. (01:59:05)**

**b. WUP No. 20007724.010 - Blossom Grove/FLM, Inc. (Manatee County)**

Staff recommended the Board approve the proposed permit attached as an exhibit.

**A motion was made and seconded to approve the staff recommendation. The motion carried with eleven in favor and one opposed. (01:59:32)**

**c. WUP No. 20009486.007 - South Pasture Grove/South Ft. Meade Land Management, Inc. (Hardee County)**

Staff recommended the Board approve the proposed permit attached as an exhibit.

**A motion was made and seconded to approve the staff recommendation. The motion carried with eleven in favor and one opposed. (02:00:37)**

**38. Denials Referred to the Governing Board**

Submit & File Reports - None

*Routine Reports*

39. Dover/Plant City Water Use Caution Area Flow Meter AMR Implementation Program Update

40. Overpumpage Report

41. Individual Permits Issued by District Staff

Committee Chair Taylor relinquished the gavel to Chair Adams. (02:01:02)

General Counsel's Report

Discussion

42. Consent Item(s) Moved for Discussion

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

**a. Consent Order – Unauthorized Construction – New Pleasant Grove Baptist Church, Inc. – CT No. 387385 – Pinellas County**

Board Member Wiggins asked to if the staff recommendation could be amended to eliminate the language that authorizes the initiation of litigation. Ms. Karen West, General Counsel, explained that the language is standard.

Staff recommended the Board approve the proposed Consent Order and authorize the initiation of litigation against New Pleasant Grove Baptist Church, Inc., and any other necessary parties to obtain compliance, recover administrative fines and civil penalties for any violations, and to recover District enforcement costs, court costs, and attorneys' fees, if necessary.

**A motion was made and seconded to approve the staff recommendation. The motion carried with eleven in favor and one opposed. (02:07:24)**



**b. Initiation of Litigation – Failure to Submit Meter Readings – B&G Family Partnership, LLLP– WUP No. 20006586.007 – CT No. 379578 – Levy County, Florida**

Board Member Wiggins asked if there is an alternative to pursuing litigation. Ms. West responded in the affirmative and stated the District pursues many options with permittees to avoid litigation. She provided examples.

Staff recommended the Board authorize the initiation of litigation against B&G Family Partnership, LLLP, and any other necessary parties, to obtain compliance, recover an administrative fine/civil penalty, and to recover District enforcement costs, litigation costs, and attorneys' fees.

**A motion was made and seconded to approve the staff recommendation. The motion carried unanimously. (02:16:20)**

**c. Initiation of Litigation - Operating a System Without a Permit-Etcetera, Etc. Inc. - DeSoto County**

Chair Adams stated request to speak cards were received for this item.

Ms. Vivian Arena-Battles, assistant general counsel, presented an overview that provided background regarding the permit and chronology of enforcement action.

Board Member Wiggins asked to amend staff's recommendation to include verbiage that identifies other parties associated with the permit. Ms. West stated that staff's recommendation does include any necessary parties. Board Member Smith asked that the motion be declined and to proceed with a vote.

Mr. Chris Tanner, Manson, Bolves, Donaldson and Varn (MBDV), spoke on behalf of Back 9, LLC., who has acquired the property. Mr. Tanner clarified MBDV is not representing Etcetera, Etc., Inc. He stated that the consent order includes property that is not owned by Back 9, LLC. Ms. West stated the consent order was not issued to Back 9, only to Etcetera, etc. Inc.

Mr. Matt Mootz, representing Back 9, LLC., spoke against pursuing litigation. He requested that this item be tabled for a future date.

Ms. Sara Castro, Farr Law Firm representing the Pembroke Property Owners Association, spoke in favor of pursuing initiation of litigation.

Staff recommended the Board authorize the initiation of litigation against Etcetera, Etc. Inc. and any other appropriate parties, to recover an administrative fine/civil penalty, and to recover District enforcement costs and attorney's fees.

**A motion was made and seconded to approve the staff recommendation. The motion carried unanimously. (02:36:01/2:52:10)**

Ms. West, general counsel, informed the Board that the parties involved in the administrative challenge to the Peace River Manasota Regional Water Supply Authority (PRMRWSA) permit modification have reached a settlement agreement that is in the process of being executed. She stated the District reviewed the settlement and will join in a motion to request the Administrative Law Judge (ALJ) relinquish jurisdiction to the District once the agreement is executed. The permit will be presented to the Board in February for approval.

**Submit & File Reports - None**

**Routine Reports**

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

- 43. January 2019 Litigation Report
- 44. January 2019 Rulemaking Update

**Committee/Liaison Reports**

- 45. Environmental Advisory Committee
- 46. Other Committee/Liaison Reports

**Executive Director's Report**

- 47. Executive Director's Report

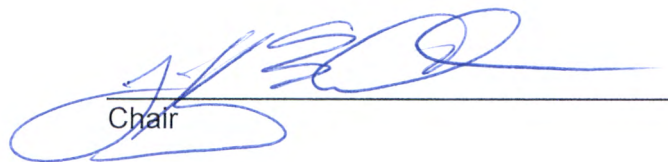
Mr. Brian Armstrong, executive director, expressed satisfaction in the resolution of the PRMRWSA administrative challenge.

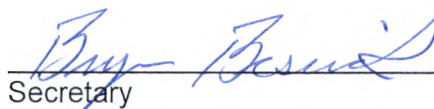
**Chair's Report**

- 48. Chair's Report
- 49. Other
- 50. Employee Milestones

The meeting was adjourned at 12:58 p.m.

Attest:

  
Chair

  
Secretary