



**GOVERNING BOARD MEETING
TUESDAY, JULY 23 2024 – 9:00 AM
7601 U.S. HIGHWAY 301 NORTH, TAMPA, FLORIDA 33637
(813) 985-7481**

MINUTES

Board Members Present

Michelle Williamson, Chair
John Mitten, Vice Chair
Jack Bispham, Secretary
Ed Armstrong, Member
Kelly Rice, Member
Joel Schleicher, Member
John Hall, Member*
Dustin Rowland, Member
James Holton, Member
Robert Stern, Member
Nancy H. Watkins, Member

*Attended via electronic media

Board Members Absent

Ashley Bell Barnett, Treasurer

Staff Members

Brian J. Armstrong, Executive Director
Amanda Rice, Assistant Executive Director
Chris Tumminia, General Counsel
Brian Werthmiller, Inspector General
Jennette Seachrist, Division Director
Michelle Hopkins, Division Director
Brian Starford, Division Director
Brandon Baldwin, Division Director
Michelle Weaver, Division Director

Board Administrative Support

Virginia Singer, Manager
Lori Manuel, Administrative Coordinator

1. Convene Public Meeting

The Governing Board of the Southwest Florida Water Management District (District) met for its regular meeting at 9:00 a.m., July 23, 2024, at the Tampa Office 7601 U.S. Highway 301 North, Tampa, Florida 33637. This meeting was available for live viewing through Internet streaming. An attendance roster is archived in the District's permanent records. Approved minutes from meetings can be found on the District's website at WaterMatters.org.

1.1 Call to Order

Chair Michelle Williamson called the meeting to order. She noted that the Board meeting was being recorded for broadcast on government access channels, and public input would be provided in person. Chair Williamson 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 complete and submit a "Request to Speak" card. She 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. Chair Williamson also requested that several individuals wishing to speak on the same topic designate a spokesperson. She introduced each member of the Governing Board and staff present at the dais (this served as roll call). A quorum was confirmed.

1.2 Invocation and Pledge of Allegiance

Board Member Joel Schleicher offered the invocation and the Pledge of Allegiance.

1.3 Employee Recognition

Chair Williamson recognized Ms. Robin McGill for 35 years of service, Mr. Adam Hange for 25 years of service and Mr. Ken Griner for 20 years of service.

1.4 Additions/Deletions to Agenda

Mr. Brian Armstrong, Executive Director, stated the following item was being added to the Consent Agenda:

General Counsel's Report

2.7 Approval of Emergency Order No. SWF 24-020 – Emergency Measures for Tsala Apopka Golf Course Control Structure

There was good cause to approve the amended agenda as allowed by Section 120.525, Florida Statutes.

1.5 Public Input for Issues Not Listed on the Published Agenda

Mr. David Ballard Geddis spoke regarding a “ready to serve zone” in Pinellas County.

Consent Agenda

Finance/Outreach and Planning Committee

2.1 Finance/Outreach and Planning Committee: Knowledge Management: Retirement of Governing Board Policy, District Commitment to Superior Environmental Stewardship

Staff recommended the Board approve retirement of the Governing Board Policy, District Commitment to Superior Environmental Stewardship.

2.2 Finance/Outreach and Planning Committee: Authorization to Surplus, Dispose & Replace Equipment

Staff recommended the Board:

- Approve the advancement of FY2025 CFEF funds for the purchase of replacement for Unit 2072.
- Approve the surplus and disposition through the auction process of Units 2065, 2072 and 2073.

Operations, Lands, and Resource Monitoring Committee

2.3 Operations, Lands and Resource Monitoring Committee: Amendment One to Easement – Thornhill Ranch, SWF Parcel No. 20-020-141

Staff recommended the Board approve Amendment One to Easement 33358 and authorize the Chair and Secretary to sign on behalf of the District.

2.4 Operations, Lands and Resource Monitoring Committee: Easement Agreement – Homeland DEP, SWF Parcel No. 20-020-187

Staff recommended the Board approve the Easement Agreement and authorize the Chair and Secretary to sign on behalf of the District.

2.5 Operations, Lands and Resource Monitoring Committee: Perpetual Easement – Masters Avenue at Wildwood, SWF Parcel No. 19-020-101

Staff recommended the Board approve the Easement and authorize the Chair and Secretary to execute on behalf of the District; and Authorize Staff to execute any other documents necessary to complete the transaction in accordance with the approved terms.

Executive Director's Report

2.6 Executive Director's Report: Approve Governing Board Minutes – June 25, 2024

Staff recommended the Board approve the minutes as presented.

General Counsel's Report

2.7 Approval of Emergency Order No. SWF 24-020 – Emergency Measures for Tsala Apopka Golf Course Control Structure

Staff recommended the Board approve Emergency Order No. SWF 24-020

A motion was made and seconded to approve the Consent Agenda. The motion carried unanimously. (Audio – 00:12:41)

Discussion

Finance/Outreach and Planning Committee

Chair Michelle Williamson called the committee to order.

3.1 Consent Item(s) Moved to Discussion - None

3.2 Knowledge Management: Governing Board Policy, Capital Assets

Mr. Michael Attard, Administrative and Financial Systems Manager, presented a summary of the current policy and outlined the proposed revisions to the Knowledge Management policy based on Florida Administrative Code (F.A.C.). He stated that the policy will be updated to reflect the capitalization threshold of \$5,000 that the District has adhered to since the increase to the threshold went into effect in October 2020.

Board Member Joel Schleicher asked how the capitalization threshold amount was decided. Mr. Attard stated that it was determined by F.A.C.

This item was for information only. No action was required.

3.3 Investment Strategy Quarterly Update

Mr. John Grady, Public Trust Advisors, presented an overview of the District's portfolio strategy for the last quarter (April 1, 2024 through June 30, 2024). He highlighted changes that included the opening of a new long-term, three-to-five-year custody account that is part of the Capital Projects program that was outlined in Mr. Baldwin's presentation.

Mr. Brandon Baldwin, Business and Information Technology Services Director, presented information regarding the newly developed Cooperative Funding Initiative (CFI) Large-Scale Projects Investment Program. He provided an overview of the development of the program. He stated the scope of the CFI Large-Scale Projects Investment Program includes seven prioritized alternative water supply (AWS) projects. These projects have significant budgets that are expected to draw down reserves over the next several years. Based on direction from the Board, a Capital Project Program was developed to provide adequate liquidity while also optimizing returns.

Mr. Baldwin stated an asset-to-liability matching model to align sources and uses of funds was developed with information regarding project schedules and anticipated dates for reimbursement. He stated that funding sources for the Capital Project Program will come from a combination of maturing securities within existing long-term investment portfolios, annual contributions from ad valorem revenue, anticipated balances from prior years, and interest earnings. Mr. Baldwin summarized the new investment accounts that were created specifically for the Capital Projects Program. He presented a projected long-term funding plan and provided a breakdown of the seven large scale AWS projects and funding sources associated.

Board Member Schleicher asked if projects that were completed on time versus those that were delayed was being taken into account. Mr. Baldwin responded in the affirmative and stated an analysis was done and could be provided.

Mr. Grady outlined the goals and provided an overview of the development of the CFI Large-Scale Projects Investments program. Board Member Kelly Rice asked if any bonds were sold at a loss. Mr. Grady responded in the negative.

Mr. Baldwin provided an overview of an asset-to-liability matching model and outlined the portfolio principles and operating model.

Board Member James Holton asked if fiscal monitoring of this program should be more frequent than semi-annually and if the District is able to provide oversight of co-funding partnerships.

Mr. Baldwin stated that staff routinely assesses multiple portfolios, in addition to the Large-Scale Projects Investment Program. He stated that cooperators have budgeted for funding reimbursements their capital plans. Mr. Baldwin clarified that while the semi-annual reviews with the cooperators are on a more formal basis, staff maintain routine informal communications. Discussion ensued.

Staff recommended the Board accept and place on file the District's Quarterly Investment Reports for the quarter ended June 30, 2024.

A motion was made and seconded to approve staff's recommendation. The motion carried unanimously. (Audio – 00:52:50)

3.4 Financial Systems Upgrade

Mr. Brandon Baldwin, Business and Information Technology Services Director, recapped information that was presented at the March 2023 Board meeting. He reminded the Board the current financial system would no longer be supported by the vendor. Mr. Baldwin stated that after an extensive investigative process it was determined that upgrading and migrating to the cloud with the current vendor was the best course of action. Mr. Baldwin outlined a timeline, requested changes and provided a budget summary. He stated that there was a 6.5 percent budget increase since the FY2025 tentative budget was presented in June. The request for additional funds will be used for critical data, process automation and an additional six months of customer service support. This increase was addressed under item 3.5, Proposed Millage Rate and Tentative Budget Update for FY2025.

This item was for information only. No action was required.

3.5 Proposed Millage Rate and Tentative Budget Update for Fiscal Year 2025

Mr. Brandon Baldwin, Business and Information Technology Services Director, provided an overview of the Fiscal Year (FY) 2025 budget development calendar. He presented metrics for expenditure goals and outcomes, proposed millage rates and millage rate history, changes to revenues by source, changes to expenditures by category, and changes to expenditures by programs for FY2024 and FY2025. Mr. Baldwin stated the FY2025 budget meets all Governing Board metrics.

Mr. Baldwin outlined the changes to the proposed budget since the June Governing Board. He stated the total FY2025 budget is \$231.6 million. The proposed ad valorem totals \$129.8 million, which is a decrease of \$286,000 since presented in June. To offset the increase in existing property values, the proposed rollback-millage rate is 0.1909 mill. This represents a savings of approximately \$9.5 million for taxpayers. Mr. Baldwin stated the other change is a request of \$340,000 for the financial system upgrade as discussed in Item 3.4.

A Request to Speak Card was submitted for this item.

Mr. David Ballard Geddis, Jr., spoke regarding the billing structure associated with ad valorem and non-ad valorem on property taxes. Board Members Schleicher and Mitten stated that the property appraiser would be able to respond to concerns expressed by Mr. Geddis.

Staff recommended the Board:

1. Approve Resolution No. 24-04, Adoption of Proposed Millage Rate for Fiscal Year 2025.
2. Approve the budget changes presented, adjusted for any modifications made by the Governing Board on July 23, and authorize staff to submit the Tentative Budget Submission for FY2025.

A motion was made and seconded to approve staff's recommendation. The motion carried unanimously. (Audio – 01:10:31)

3.6 Knowledge Management: Conduct of Board Meetings Policy

Ms. Robyn Felix, Communications and Board Services Bureau Chief, summarized the policy presented to the Board at the April meeting and outlined proposed changes. She stated this updated policy clarifies the conduct of Board meetings. The current policy defines a quorum as a majority of the appointed members, not filled seats. She explained the proposed change requires a majority of the filled seats to constitute a quorum, either in person or by media technology.

Board Member Schleicher expressed concerns regarding the proposed changes. He suggested that the majority of votes should be associated with the total board positions (13). This would require seven votes to pass an item.

Vice Chair John Mitten asked for clarification regarding the use and definition of the word quorum. Executive Director Brian Armstrong stated that the revised policy defines what constitutes a quorum would be the majority of filled seats. Board Member Nancy Watkins stated that once a quorum is established to conduct business, voting required to pass something is the majority those present. Discussion ensued.

Board Member Watkins expressed support for setting the quorum as proposed. She suggested that language can be added to require a proviso to address any concerns. Mr. Chris Tumminia, General Counsel, affirmed this suggestion.

Staff recommended the Board approve the proposed changes to the policy.

A motion was made and seconded to approve staff's recommendation. The motion carried with eight in favor and three opposed. (Audio – 01:33:00)

3.7 Office of Inspector General Quarterly Update April 1 to June 30, 2024

This item was for information only. No action was required.

3.8 Budget Transfer Report

This item was for information only. No action was required.

Resource Management Committee

Board Member Dustin Rowland called the committee to order.

4.1 Consent Item(s) Moved to Discussion – None

Operations, Lands and Resource Monitoring Committee

Board Member Robert Stern called the committee to order.

5.1 Consent Item(s) Moved to Discussion - None

5.2 Summary of Fiscal Year 2024 Interagency Land Management Reviews

This item was for information only. No action was required.

Regulation Committee

Board Member James Holton called the committee to order.

6.1 Consent Item(s) Moved to Discussion - None

6.2 Denials Referred to the Governing Board

No denials were presented.

General Counsel's Report

7.1 Consent Item(s) Moved to Discussion – None

Mr. Chris Tumminia provided a litigation update regarding ownership of the Chassahowitzka Boat Ramp. He reminded the Board that litigation was filed in February 2023. Mr. Tumminia stated that mediation has been ordered. He will keep the Board apprised.

7.2 Affirm Governing Board Committee Actions

Staff recommended the Board affirm the actions taken by the Governing Board Committees.

A motion was made and seconded to approve staff's recommendation. The motion carried unanimously. (Audio – 01:35:52)

Committee/Liaison Reports

8.1 Agricultural and Green Industry Advisory Committee

A written summary of the June 11 meeting was provided.

Executive Director's Report

9.1 Executive Director's Report

Mr. Brian Armstrong, Executive Director, stated that as directed by Emergency Order 24-020, the District has taken control of the Tsala Apoka Golf Course Structure project. He thanked the Board for their support regarding this matter.

Chair's Report

10.1 Chair's Report

Chair Williamson stated that she and other Board Members attended the Florida Environmental Permitting School conference. She commended staff for their expertise and professionalism at the conference.

Chair Williamson stated the next meeting is scheduled for Tuesday, August 27 at 9:00 a.m. in the Brooksville office.

10.2 Employee Milestones

A written summary was provided.

Adjournment

The meeting adjourned at 10:38 a.m.