



**GOVERNING BOARD MEETING
TUESDAY, JULY 26, 2022 – 9:00 AM
7601 US 301 NORTH, TAMPA, FL 33637
(813) 985-7481**

MINUTES

Board Members Present

Joel Schleicher, Chair
Ed Armstrong, Vice Chair*
Michelle Williamson, Secretary
John Mitten, Treasurer
Kelly Rice, Former Chair
Jack Bispham, Member
Seth Weightman, Member
Ashley Bell Barnett, Member*
William Hogarth, Member*
John E. Hall, Member

*attended via electronic media

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
Michael Molligan, Division Director
Brandon Baldwin, Division Director

Board Administrative Support

Virginia Singer, Board & Executive Services 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 26, 2022, 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 Joel Schleicher called the meeting to order. He noted that the Board meeting was being recorded for broadcast on government access channels, and public input would be provided in person. Chair Schleicher 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. Chair Schleicher 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 topic designate a spokesperson.

Chair Schleicher 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 Kelly Rice offered the invocation and led the Pledge of Allegiance.

1.3 Employee Recognition

Chair Schleicher recognized staff who have reached at least 20 years of service. The following staff were recognized: Jerry Mallams and Ron Basso.

Chair Schleicher recognized the new Business and IT Services Director, Mr. Brandon Baldwin.

1.4 Additions/Deletions to Agenda

Mr. Brian Armstrong, Executive Director, stated there were no changes to the agenda.

1.5 Public Input for Issues Not Listed on the Published Agenda

No Request to Speak cards were received.

CONSENT AGENDA

2.1 District Performance Measure Flood Protection Audit

Staff recommended the Board approve the District Performance Measure Flood Protection Audit.

2.2 Knowledge Management: Governing Board Member Duties and Responsibilities Policy

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

2.3 Authorization to Dispose of Equipment

Staff recommended the Board:

- Approve the disposition of the Mack dump truck (unit 2100) through the auction process.
- Defer replacement of the Mack dump truck unit 2067 until Fiscal Year 2024 in lieu of Mack dump truck unit 2100 through the Capital Field Equipment Fund as approved at the April 2022 Governing Board meeting.

2.4 FARMS – Shawn Pollard (H809), Hardee County

Staff recommended the Board:

- Approve the Shawn Pollard Automation project for a not-to-exceed project reimbursement of \$50,125 with \$50,125 provided by the Governing Board.
- Authorize the transfer of \$50,125 from fund 010 H017 Governing Board FARMS Fund to the H809 Shawn Pollard Automation project fund.
- Authorize the Division Director to sign the agreement.

2.5 Approve the Updated Hillsborough River/Tampa Bypass Canal Watershed Management Plan Floodplain Information for Regulatory Use and to Update Flood Insurance Rate Maps in Hillsborough County (N700)

Staff recommended the Board approve use of the updated Hillsborough River/Tampa Bypass Canal Watershed Management Plan floodplain information as the best information available by the District ERP program and to update Flood Insurance Rate Maps in Hillsborough County.

2.6 Approve the Updated East Lake Watershed Management Plan Floodplain Information for Regulatory Use and to Update Flood Insurance Rate Maps in Hillsborough County (N903)

Staff recommended the Board approve use of the updated East Lake Watershed Management Plan floodplain information as the best information available by the District ERP program and to update Flood Insurance Rate Maps in Hillsborough County.

- 2.7 Knowledge Management: Governing Board Policy Cooperative Funding Initiative**
Staff recommended the Board approve the changes to the Cooperative Funding initiative Governing Board Policy.
- 2.8 Release and Relocation of Easement for ROMP TR 7-4, SWF Parcel No. 21-020-040**
Staff recommended the Board approve the release and relocation of existing access by accepting the Amendment to Easement.
- 2.9 Lake Hancock Resident Security Lease, SWF Parcel No. 20-503-260X**
Staff recommended the Board approve, accept, and authorize the Governing Board Chair to sign the Lease Agreement for Lake Hancock, SWF Parcel No. 20-503-260X on behalf of the District.
- 2.10 Water Use Permit No. 20004352.009, Tampa Bay Water/South Central Hillsborough Regional Wellfield**
Staff recommended the Board approve the proposed permit attached as an exhibit.
- 2.11 Knowledge Management: Governing Board Policy Update – Proposals for Settlement in Civil Cases**
Staff recommended the Board approve the proposed changes to the Policy.
- 2.12 Approve Governing Board Minutes – June 21, 2022**
Staff recommended the Board approve the minutes as presented.

A motion was made and seconded to approve the Consent Agenda. The motion carried unanimously. (00:08:38)

Finance/Outreach and Planning Committee

Treasurer John Mitten called the committee to order. (Audio – 00:09:28)

3.1 Consent Item(s) Moved to Discussion - None

3.2 Investment Strategy Quarterly Update

Mr. John Grady, Public Trust Advisors, presented current information that included the Gross Domestic Product (GDP), inflation, the housing market, and interest rates. Mr. Grady responded to questions.

Mr. Grady provided an overview of the District's portfolio strategy for the last quarter (April 1- June 31, 2022). He also provided information that compared market yield to unrealized gains/losses and book yield to market yield. Mr. Grady responded to questions.

Staff recommended the Board accept and place on file the District's Quarterly Investment Reports for the quarter ended June 31, 2022.

A motion was made and seconded to approve staff's recommendation. The motion passed unanimously. (Audio – 00:36:35)

3.3 Fiscal Year 2023 Vehicle Purchases

Ms. Michelle Weaver, General Services Bureau Chief, provided information regarding the vehicle purchasing process used in Fiscal Year 2021 and prior. She outlined the current challenges associated with this process due to market changes. Ms. Weaver explained some opportunities to assist in resolving some of the challenges associated with vehicle purchases.

She stated the solution presented would be a one-time monetary adjustment and re-evaluated in future fiscal years. Ms. Weaver responded to questions.

Staff recommended the Board approve the budget transfer in the amount of \$754,421 from PRMRWSA Regional Loop System – Phase 1 Interconnect Design and Construction (N416) CFI project to initiate the purchase of 12 vehicles recommended for replacement in the FY2023 proposed budget.

A motion was made and seconded to approve staff's recommendation. The motion passed unanimously. (Audio – 00:43:34)

3.4 Fiscal Year (FY) 2023 Budget Development

Mr. Brandon Baldwin, Business and IT Services Division Director, provided a presentation that included a budget development calendar; 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.

Mr. Baldwin outlined the changes to the proposed budget since the June Governing Board. He stated the proposed ad valorem totals \$122.5M, which is an increase of \$98,084 dollars over what was previously presented. To offset this increase, the proposed rollback-millage rate is 0.2260 mill. This represents a savings of ~\$15.5 million for taxpayers. Mr. Baldwin stated if the proposed millage is approved, this will be the 11th consecutive year the Board has voted to levy taxes at a rate equal to or less than the rolled-back rate for a cumulative rate reduction of 42.5% since adopted budget as of FY13.

Mr. Baldwin explained there was an increase of \$13.2 million related to grants received from the Water Resource Funding program distributed through the Florida Department of Environmental Protection (FDEP). This funding will be allocated for District approved alternative water supply projects. This changes the total proposed FY23 budget from \$199.8 million to \$212.9 million since the budget was proposed to the Governing Board in June.

Board Member John Hall discussed concerns related to the budget metric that requires salaries and benefits to be the less than 50 percent of the District total budget if property values decrease. Mr. Brian Armstrong, Executive Director, explained the roll-back millage adjustments as allowed by Florida Statute. He stated this is the only District that has set these performance metrics. Mr. Armstrong explained adjustments can be made to meet these metrics. The Board will be included in any discussions if meeting these metrics becomes an issue.

Staff recommended the Board:

- a. Approve Resolution No. 22-11, Adoption of Proposed Millage Rate for Fiscal Year 2023.
- b. Approve the budget changes presented at the July 26, 2022, Governing Board meeting.
- c. Approve the August 1 submittal of the Standard Format Tentative Budget Submission for FY2023.

A motion was made and seconded to approve staff's recommendation. The motion passed unanimously. (Audio – 01:03:00)

3.5 Independent Auditing Services Shortlist and Negotiation Options

Ms. Amanda Rice, Assistant Executive Director, presented information for the Independent Auditing Services Committee recommendations for shortlist and negotiation options. She explained the background, rules, and requirements for this selection process. Ms. Rice informed the Board of the meetings that have been held by the committee and summaries from those meetings.

Ms. Rice presented the committee recommended shortlist of the top three ranked firms with price proposals. She provided an overview of statutory requirements governing this selection process and summarized the two negotiation options and the committee's recommendation.

Staff recommended the Board:

1. Select one or more of the three highest ranked firms by the committee with which to commence negotiations.
2. Approve a request for best and final offers as the negotiation method as recommended by the Committee.
3. Approve the selection of Vice-Chair Armstrong to negotiate on the Governing Board's behalf as recommended by the Committee.

A motion was made and seconded to approve staff's recommendation. The motion passed unanimously. (Audio – 01:12:28)

3.6 Budget Transfer Report

This was for information only. No action was required.

3.7 Office of Inspector General – April 1, 2022, to June 30, 2022, Quarterly Update

This was for information only. No action was required.

Resource Management Committee

Secretary Michelle Williamson called the committee to order. (Audio – 01:13:20)

4.1 Consent Item(s) Moved to Discussion - None

Operations, Lands and Resource Monitoring Committee

Board Member Jack Bispham called the committee to order. (Audio – 01:14:05)

5.1 Consent Item(s) Moved to Discussion - None

5.2 Purchase of Conservation Easement, Horse Creek Project, Horse Creek Ranch, SWF Parcel No. 20-664-102C

Ms. Ellen Morrison, Land Resources Bureau Chief, presented information that included location maps, the Governing Board acquisition policy, and an overview of the property. Ms. Morrison stated this parcel is part of the Florida Forever Workplan. She explained that this property meets three of the District's areas of responsibility, but portions of the property meet all four and outlined this information.

A Request to Speak card was received from Mr. Jim Strickland, Florida Conservation Group. He spoke in favor of this purchase. He read a statement on behalf of the owner of the property, Mr. Doyle Carlton, expressing his support and appreciation.

A Request to Speak card was received from Mr. Charles Lee, Audubon Florida. He spoke in favor of this purchase.

Ms. Morrison responded to questions. She explained that although the District is purchasing the conservation easement, it will still remain on the tax roll. Mr. Brian Starford, Director of Operations, Lands and Resource Monitoring Division, stated the Division of State Lands will monitor the property and the conservation easement for compliance with the agreement.

Chair Joel Schleicher asked about water depth and recreational use for this property. Ms. Morrison responded there is no public recreational use associated with this property.

Chair Schleicher expressed his opposition to this purchase. He stated that because of the inland location of this property, he did not believe this purchase would be beneficial in preventing the impact of future development. Chair Schleicher also stated that because of the information he gleaned from the Peace River Manasota Regional Water Supply Authority regarding the treatment of water, he did not believe there would be any impact to the Authority because it treats the water to potable standards. He also expressed concern as to why the District would be involved with any maintenance of this property. Chair Schleicher also commented that because this purchase will not adjoin any properties, he did not see the benefit of acquisition.

Mr. Starford responded that Horse Creek is a navigable sovereign water body and people can use the creek for recreation, but any recreational use of the property will remain private. He stated that independent of water treatment, there is still a benefit of water quality protection by acquiring this property. Mr. Starford also stated that this would also help protect impacts to water quality related to the Charlotte Harbor Estuary.

Board Member Jack Bispham stated he would like to see the agreement identify the opportunity for potential pipeline easements and reservoirs in the future.

Board Member Hall asked if there is a mechanism to remove a property from a conservation easement after it has been approved. Ms. Morrison responded that amendments can be negotiated to conservation easements. But because the purpose of a conservation easement is to maintain a property in its natural state it is not generally recommended. Mr. Armstrong stated this is a real estate transaction, and it could be changed if the parties agree. He stated that this sometimes occurs as part of a regulatory permitting process but is not generally associated with land purchases made by the District.

Staff recommended the Board:

- Accept the appraisals for the conservation easement.
- Approve the Option Agreement and authorize the Chair and Secretary or Designee to sign on behalf of the District.
- Authorize the Chair and Secretary to execute the conservation easement on behalf of the District.
- Designate SWF Parcel No. 20-664-102C as having been acquired for conservation Purposes.
- Authorize staff to make minor changes or corrections that conform documents to correct scrivener errors in accordance with the approved terms with any substantive changes being subject to Governing Board review and approval.
- Authorize staff to execute any other documents necessary to complete the transaction in accordance with the approved terms.

A motion was made and seconded to approve staff's recommendation. The motion passed with nine in favor and one opposed. Chair Schleicher stated his reasons for opposition during this discussion. (Audio – 01:39:15/1:41:49)

Regulation Committee

Board Member John Hall called the committee to order. (01:43:02)

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

Committee/Liaison Report

8.1 Agricultural and Green Industry Advisory Committee

Secretary Michelle Williamson provided an update on the June 7 meeting. A written summary was provided.

8.2 Industrial Advisory Committee

Mr. Michael Molligan provided an update on the May 10 meeting. A written summary was provided.

8.3 Public Supply Advisory Committee

Vice Chair Ed Armstrong provided an update on the May 10 meeting. A written summary was provided.

Executive Director's Report

9.1 Executive Director's Report

Mr. Brian Armstrong, Executive Director, informed the Board that Mr. Randy Emberg, Video Production Engineer is retiring on August 12. Mr. Armstrong commended Mr. Emberg for his years of audio and visual support he has provided to the District and his efforts in making the Board meetings run effortlessly.

Chair's Report

10.1 Chair's Report

The next meeting is scheduled for August 23 at 9:00 a.m. at the Brooksville Office.

10.2 Employee Milestones

Chair Schleicher recognized the following employees that reached milestones:
Barbara Garrett, Jorge Reinberg Palmar and Melodie Miler.

Adjournment

The meeting adjourned at 10:48 a.m.