

MINUTES OF THE MEETING

GOVERNING BOARD SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

BROOKSVILLE, FLORIDA

JULY 28, 2020

Due to the COVID-19 virus, this meeting was held through electronic media to reduce public gatherings and practice social distancing.

The Governing Board of the Southwest Florida Water Management District (District) met for its regular meeting at 9:00 a.m., on July 28, 2020, at its Brooksville Office, 2379 Broad Street, Brooksville, Florida. The following persons were present:

Board Members Present

Mark Taylor, Chair
Michelle Williamson, Vice Chair*via Phone
Joel Schleicher, Secretary*via Phone
Kelly S. Rice, Treasurer*via Phone
Rebecca Smith, Ph.D., Member*via Phone
James G. Murphy, Member*via Phone
Roger Germann, Member*via Phone
Jack Bispham, Member*via Phone
Seth Weightman, Member*via phone

Staff Members

Brian J. Armstrong, Executive Director
Amanda Rice, Assistant Executive Director
Karen E. West, General Counsel
John J. Campbell, Division Director
Brian Starford, Division Director
Michael Molligan, Division Director
Jennette Seachrist, Division Director
Michelle Hopkins, Division Director

Board Administrative Support

Robyn Felix, Communication & Board Services Bureau Chief
Lori Manuel, Administrative Coordinator

Approved minutes from previous meetings can be found on the District's website (www.WaterMatters.org).

PUBLIC HEARING

1. Call to Order

Chair Mark Taylor called the meeting to order and opened the public hearing.

Chair Taylor provided a telephone number to any member of the public wishing to address the Governing Board concerning any item listed on the agenda or any item that does not appear on the agenda. Chair Taylor 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.

At this time, the meeting was recessed to allow for communication with any members of the public who were providing input via telephone. (Audio – 00:04:20)

Chair Taylor reconvened the meeting. (Audio – 00:06:33)

2. Invocation and Pledge of Allegiance

Chair Taylor offered the invocation and led the Pledge of Allegiance.

Chair Taylor introduced each member of the Governing Board (this served as roll call), who attended remotely and staff at the dais. He noted that the Board meeting was being recorded for broadcast on government access channels, and public input was only taken during the meeting via telephone communication.

Due to physical constraints, Chair Taylor chaired all committees.

3. Additions/Deletions to Agenda

Mr. Brian Armstrong, executive director, stated the following item was removed from Discussion:

26. Polk Regional Water Cooperative West Polk Wellfield - Conceptual Design Third Party Review (N882)

Secretary Schleicher requested the following agenda items be moved to Discussion:

Resource Management Committee

7. FARMS – Bickett Holdings, LLC (H785), Charlotte County

Regulation Committee

8. Individual Water Use Permits Referred to the Governing Board

a. Water Use Permit No. 20012659.001 / Grassy Lake / Robert Sons, Carl Sons and Patty Sons (Polk County)

Operations, Lands and Resource Monitoring Committee

10. Purchase and Sale Agreement, Perpetual Conservation Easement, and Resolution Requesting Funds from the Florida Forever Trust Fund – Rocking Seven Ranch and Farms LLC, Upper Myakka Watershed (Flatford Swamp) Project, SWF Parcel No. 21-598-104C

General Counsel's Report

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

c. Governing Board Concurrence – Emergency Order No. SWF 20-027 – Emergency Measures Made Necessary by COVID-19

4. Public Input for Issues Not Listed on the Published Agenda

No requests were submitted.

Chair Taylor stated there was good cause to amend the agenda as allowed by Section 120.525, Florida Statutes. (Audio - 00:11:55)

Consent Agenda

Finance/Outreach & Planning Committee

5. Knowledge Management: Governing Board Committee Responsibilities and 110-1 Policies and Procedures Governing Board Policies

- Staff recommended the Board replace Governing Board policies 110-3, 110-3A, 110-3B, 110-3C and 110-3E with the new Governing Board Committee Responsibilities Governing Board Policy.
- Staff recommended the Board delete the 110-1 Policies and Procedures Governing Board Policy.

6. Budget Transfer Report

Staff recommended the approval of the Budget Transfer Report covering all budget transfers for June 2020.

Resource Management Committee

7. FARMS – Bickett Holdings, LLC (H785), Charlotte County

Staff recommended the Board:

- 1) Approve the Bickett Holdings, LLC project for a not-to-exceed project reimbursement of \$663,000 with \$663,000 provided by the Governing Board.

- 2) Authorize the transfer of \$663,000 from fund 010 H017 Governing Board FARMS Fund to the H785 Bickett Holdings, LLC project fund.
- 3) Authorize the Assistant Executive Director to sign the agreement.

Regulation Committee

8. Individual Water Use Permits Referred to the Governing Board

a. Water Use Permit No. 20012659.001 / Grassy Lake / Robert Sons, Carl Sons and Patty Sons (Polk County)

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

Operations, Lands and Resource Monitoring Committee

9. Green Swamp East Rock Ridge Road Cattle Lease Agreement, SWF Parcel No. 10-200-1280X

Staff recommended the Board approve the award of the Green Swamp East Rock Ridge Road Cattle Lease to Lewis Jenkins, D.B.A. Jenkins Cattle LLC., and execute the lease on behalf of the District.

10. Purchase and Sale Agreement, Perpetual Conservation Easement, and Resolution Requesting Funds from the Florida Forever Trust Fund – Rocking Seven Ranch and Farms LLC, Upper Myakka Watershed (Flatford Swamp) Project, SWF Parcel No. 21-598-104C

Staff recommended the Board:

- Accept the appraisals for the Conservation Easement.
- Approve the Purchase and Sale Agreement and authorize the Executive Director or designee to sign on the behalf of the District.
- Approve and adopt Resolution 20-08 requesting funds from the Florida Forever Trust Fund for the acquisition of the Conservation Easement (SWF Parcel No. 21-598-104C).
- Authorize the Chairman and Secretary to execute the Conservation Easement on behalf of the District.
- Designate SWF Parcel No. 21-598-104C as having been acquired for conservation purposes.
- Authorize staff to make minor changes or corrections to conform documents or correct scrivener errors; any substantive changes will be subject to Governing Board review and approval; and
- Authorize staff to execute any other documents necessary to complete the transaction in accordance with the approved terms.

General Counsel's Report

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

a. Authorization to Issue Administrative Complaint and Order – Travel Imagination, LLC – Unauthorized Construction – CT No. 403929 – Manatee County

Staff recommended the Board:

- 1) Authorize District staff to issue an Administrative Complaint and Order to Travel Imagination, LLC to obtain compliance with state law and District rules.
- 2) Authorize District staff to pursue additional enforcement measures to obtain compliance with the terms and conditions of the Administrative Complaint and Order, including filing any appropriate actions in circuit court, if necessary.
- 3) Authorize District staff to initiate an action in circuit court against Travel Imagination, LLC to recover a civil penalty/administrative fine, enforcement costs, litigation costs, and attorneys' fees, if appropriate.

b. Approval of Settlement Agreement Between SWFWMD and Minto Bradenton, LLC – Overpumpage – Water Use Permit No. 20012900.002 - CT No. 386256 - Manatee County

Staff recommended the Board:

- 1) Approve the Settlement Agreement.

- 2) Authorize District staff to pursue additional measures to obtain compliance with the terms and conditions of the Settlement Agreement, including filing any appropriate actions in circuit court, if necessary.

~~c. Governing Board Concurrence – Emergency Order No. SWF 20-027 – Emergency Measures Made Necessary by COVID-19~~

~~Staff recommended the Board approve the third amended and reinstated Emergency Order No. SWF 20-027 and concur with the Executive Director's determinations regarding the state of emergency and the actions necessary to meet the emergency.~~

12. Rulemaking – None

Executive Director's Report

13. Approve Governing Board Minutes – June 23, 2020

Staff recommended the Board approve minutes as presented.

A motion was made and seconded to approve the Consent Agenda. The motion carried unanimously. (Audio – 00:12:30)

Chair Taylor called the Finance/Outreach & Planning Committee to order. (Audio – 00:13:24)

Finance/Outreach & Planning Committee

Discussion

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

15. Investment Strategy Quarterly Update

Mr. John Grady, Public Trust Advisors, provided a presentation (remotely). He provided a COVID-19 Dashboard from John Hopkins University and a map outlining the status of state openings/re-openings from the New York Post.

Mr. Grady provided growth projections from the world economic outlook from the International Monetary Fund. He also provided information from the Bloomberg Financial Conditions Index, labor market jobless claims and housing market information.

Mr. Grady provided a comparative historical yield curve for United States treasury yields with three-month to five-year maturity.

Mr. Grady provided an overview of District assets portfolio for the period of April 1, 2020 through June 30, 2020.

Staff recommended the Board accept, and place on file, the District's Quarterly Investment Reports for the quarter ending June 30, 2020.

A motion was made and seconded to approve staff's recommendation. The motion carried unanimously. (Audio – 00:43:55)

16. Legislative Update

Ms. Cara Martin, Government and Community Affairs Office chief, provided a recap of the Fiscal Year 2020-21 legislative session. She provided an overview of the state's \$92.2 billion budget which included a \$625 million investment in the environment; \$100 million for Florida Forever; \$2.25 million to the District for land management activities; \$25 million to St. Johns, Suwannee and Apalachicola Rivers and Springs Coast watershed; \$50 million in springs funding and \$40 million for alternative water supplies. Ms. Martin provided an overview of the bills that impacted the District and information regarding the 2020-2021 legislative session.

This item was provided for the Board's information; no action was required.

17. Fiscal Year (FY) 2021 Budget Development

Mr. John Campbell, Management Services director, provided a presentation that included: budget development calendar; expenditure goals and outcomes; expenditures by category; expenditures by program; summary of revenue budget changes since the Recommended Annual Service Budget (RASB) presented in June; summary of Ad Valorem and millage rate; and revenues by source.

Mr. Campbell stated the tentative FY2021 total budget is approximately \$179.1 million dollars. He stated the proposed rollback-millage rate is 0.2669 mills. Mr. Campbell stated the proposed Ad Valorem budget is \$116 million which uses an actual new construction growth rate of 2.68 percent.

Staff recommended the Board approve the budget changes presented at the July 28, 2020 Governing Board meeting.

A motion was made and seconded to approve staff's recommendation. The motion carried unanimously.

Staff recommended the Board approve Resolution No. 20-09, Adoption of Proposed Millage Rate for Fiscal Year 2021.

A motion was made and seconded to approve staff's recommendation. The motion carried unanimously.

Approve the August 1 submittal of the Standard Format Tentative Budget Submission for FY2021.

A motion was made and seconded to approve staff's recommendation. The motion with eight in favor and one opposed. Secretary Schleicher stated his opposition was due to concerns regarding current economic conditions.

18. Knowledge Management: Budget Authority Transfer of Funds

Mr. John Campbell, Director of Management Services, provided a presentation regarding the changes to the Budget Authority Transfer of Funds board policy. He explained there are two proposed modifications to the policy. Mr. Campbell outlined these changes.

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

Submit & File Reports

19. Office of Inspector General Quarterly Update – April 1, 2020 to June 30, 2020

This item was provided for the Board's information; no action was required.

Routine Reports

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

20. Treasurer's Report and Payment Register

21. Monthly Financial Statement

22. Monthly Cash Balances by Fiscal Year

23. Comprehensive Plan Amendment and Related Reviews Report

Chair Taylor adjourned the Committee and called the Resource Management Committee to order. (Audio – 01:06:50)

Resource Management Committee

Discussion

24. Consent Item(s) Moved for Discussion

7. FARMS – Bickett Holdings, LLC (H785), Charlotte County

Secretary Schleicher requested a vote be taken for this item. He requested information regarding Facilitating Agricultural Resource Management Systems (FARMS) Program projects associated with the 75 percent cost share. Ms. Jennette Seachrist, Resource Management Director, stated 140 projects have been approved for the 75 percent cost share. She stated that 35 of those projects have received the full reimbursement, an average of 51 percent. Ms. Seachrist stated that 73 projects have been approved, with 24 projects receiving the full 50 percent reimbursement, an average of 32 percent. She stated the District has a total of 213 Board approved FARMS projects that are funded at an average District cost of 45 percent.

Treasurer Rice asked about the funding at 72 percent cost share for this project. Ms. Seachrist responded that the District allows up to a 100 percent of costs, however there are certain items related to this project that are not eligible.

Staff recommended the Board:

- 1) Approve the Bickett Holdings, LLC project for a not-to-exceed project reimbursement of \$663,000 with \$663,000 provided by the Governing Board.
- 2) Authorize the transfer of \$663,000 from fund 010 H017 Governing Board FARMS Fund to the H785 Bickett Holdings, LLC project fund.
- 3) Authorize the Assistant Executive Director to sign the agreement.

A motion was made and seconded to approve staff's recommendation. The motion with eight in favor and one opposed. (Audio: 01:07:32/01:10:52)

25. Cooperative Funding Initiative Update

Mr. Scott Letasi, Project Management Office chief, provided an update on the Cooperative Funding Initiative (CFI). This presentation included a timeline of the Fiscal Year (FY) 2022 cycle, communicated changes associated with the FY2022 CFI application, and provided an overview on the third-party review process.

Mr. Letasi also provided an overview of the cost increase and/or changes in scope guidelines associated with approved projects. He provided a percentage graph from 2014 to 2019 that compared projects that were under budget, on budget and on approved cost increases. He explained the process for use of contingency funds and processes being evaluated. Mr. Letasi stated that the District has communicated with stakeholders and the Environmental Advisory Committee for input on the process for contingency item reimbursement and setting a 5% threshold. The District and Cooperator will share the cost for contingency items up to 5% of the total project cost for items with reasonable cost and are needed to complete the project.

This item was provided for the Board's information; no action was required.

26. Polk Regional Water Cooperative West Polk Wellfield – Conceptual Design Third Party Review (N882)

~~Staff recommended the Board authorize staff to continue with the project preliminary design phase and a second third-party review in accordance with the cooperative funding agreement.~~

Submit & File Reports – None

Routine Reports

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

27. Minimum Flows and Levels and Reservations Status Report

28. Significant Water Resource and Development Projects

Chair Taylor adjourned the Committee and called the Operations, Lands and Resource Monitoring Committee to order. (Audio – 01:30:40)

Operations, Lands and Resource Monitoring Committee

Discussion

29. Consent Item(s) Moved for Discussion

10. Purchase and Sale Agreement, Perpetual Conservation Easement, and Resolution Requesting Funds from the Florida Forever Trust Fund – Rocking Seven Ranch and Farms LLC, Upper Myakka Watershed (Flatford Swamp) Project, SWF Parcel No. 21-598-104C

Secretary Schleicher questioned the prioritization of purchasing properties by the state.

Mr. Brian Starford, Operations, Lands and Resource Monitoring Director, stated this property meets all areas of responsibilities and addressed the benefits of the District acquiring it.

Mr. Brian Armstrong, Executive Director, explained the District's frugality when using the Florida Forever Funds and the consideration given when purchasing properties.

Chair Taylor suggested a future Board presentation regarding fee simple acquisition, acquisition of conservation easements and a discussion of the lands on the District's Florida Forever list. Mr. Starford responded in the affirmative.

Staff recommended the Board:

- Accept the appraisals for the Conservation Easement.
- Approve the Purchase and Sale Agreement and authorize the Executive Director or designee to sign on the behalf of the District.
- Approve and adopt Resolution 20-08 requesting funds from the Florida Forever Trust Fund for the acquisition of the Conservation Easement (SWF Parcel No. 21-598-104C).
- Authorize the Chairman and Secretary to execute the Conservation Easement on behalf of the District.
- Designate SWF Parcel No. 21-598-104C as having been acquired for conservation purposes.
- Authorize staff to make minor changes or corrections to conform documents or correct scrivener errors; any substantive changes will be subject to Governing Board review and approval; and
- 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 with eight in favor and one opposed. Secretary Schleicher stated his opposition was due to quantification of land ownership by the District. (Audio: 01:38:58)

30. Acquisition of Mineral Interests and Closing of Escrow Account – Myakkahatchee Creek, SWF Parcel Nos. 21-694-102 and 21-694-103C

Mr. Jerry Mallams, Operations and Land Management Bureau chief, provided an overview that included information regarding Carlton Ranch and the acquisition of mineral interests. He explained that the purchase of Carlton Ranch was a joint acquisition with Sarasota County in December 2007. Mr. Mallams explained that at the time of the purchase 20 percent of the mineral rights were held by third parties.

Staff recommended the Board:

- Accept the 97.396 percent mineral interests held by Carlton Ranch for SWF Parcels 21-694-102 and 21-694-103C.
- Authorize settlement of the Escrow Account as outlined above, accept Carlton Ranch's total contribution towards settlement of \$32,000, Sarasota County's contribution towards settlement of \$10,000, and a contribution to the same by the District of \$10,000 from Florida Forever funds to purchase the outstanding mineral interests.
- Authorize the Executive Director to enter into a purchase and sale contract between Carlton Ranch, Sarasota County, and the District as buyers, and Patricia M. Kranzlein as seller, for \$40,000 for her outstanding mineral interests in Carlton Ranch.
- Authorize the Executive Director to enter into a purchase and sale contract between Carlton Ranch, Sarasota County, and the District as buyers, and SC Property Tax Ventures as sellers, for the amount of \$12,000 for their outstanding mineral interests in Carlton Ranch.
- Authorize release of the remaining escrowed funds to Carlton Ranch after closing on the outstanding mineral interests as set forth in the Escrow Agreement.
- 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 carried unanimously. (Audio – 01:47:13)

Submit & File Reports

31. Hydrologic Conditions Report

This item was provided for the Board's information; no action was required.

Routine Reports

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

32. Surplus Lands

33. Structure Operations

34. Significant Activities

Chair Taylor adjourned the Committee and called the Regulation Committee to order. (Audio – 01:48:20)

Regulation Committee

Discussion

35. Consent Item(s) Moved for Discussion

8. Individual Water Use Permits Referred to the Governing Board

a. Water Use Permit No. 20012659.001 / Grassy Lake / Robert Sons, Carl Sons and Patty Sons (Polk County)

Secretary Schleicher asked for clarification regarding the increase in quantities for this permit.

Ms. Michelle Hopkins, Director of Regulation, explained this permit is a renewal with a request for modification of quantities. The previous permits were administratively transferred from the St. Johns River Water Management District when District boundaries were revised. She stated that crop protection quantities in the SJRWMD permits were only provided for two of the 13 original permits. This permit combines all 13 permits and allows for crop establishment quantities for the entire acreage.

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

Ms. Michelle Hopkins, Director of Regulation, explained this permit is a renewal with a request for modification of quantities. The previous permits were administratively transferred from the St. Johns River Water Management District when District boundaries were revised. She stated that crop protection quantities in the SJRWMD permits were only provided for two of the 13 original permits. This permit combines all 13 permits and allows for crop establishment quantities for the entire acreage.

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

A motion was made and seconded to approve staff's recommendation. The motion carried unanimously. (Audio – 01:51:12)

36. Denials Referred to the Governing Board

None were referred to the Board.

Vice Chair Williamson asked for an update regarding Hillsborough County (County) One Water initiative. Mr. Michael Molligan, Employee and External Relations Director, explained that the proposed initiative will streamline County comprehensive plans. The District will be one of several agencies reviewing the proposed initiative.

Vice Chair Williamson expressed concern the initiative may be proposing the placement of agricultural under the stormwater management ordinances. Mr. Molligan stated that staff would provide a thorough review once the initiative is provided to the District.

Submit & File Reports – None

Routine Reports

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

37. Individual Permits Issued by District Staff

38. Overpumpage Report

Chair Taylor adjourned the Committee. (Audio – 01:56:10)

General Counsel's Report

Discussion

39. Consent Item(s) Moved for Discussion

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

c. Governing Board Concurrence – Emergency Order No. SWF 20-027 – Emergency Measures Made Necessary by COVID-19

Secretary Schleicher expressed concerns regarding continuing to conduct District business remotely.

Staff recommended the Board approve the third amended and reinstated Emergency Order No. SWF 20-027 and concur with the Executive Director's determinations regarding the state of emergency and the actions necessary to meet the emergency.

A motion was made and seconded to approve staff's recommendation. The motion with eight in favor and one opposed. Secretary Schleicher stated his opposition was due to the inability to return to pre-COVID conditions to conduct District business. (Audio – 1:58:55)

Submit & File Reports – None

Routine Reports

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

40. July 2020 Litigation Report

41. July 2020 Rulemaking Update

Committee/Liaison Reports

42. Environmental Advisory Committee

Chair Taylor provided a summary regarding the July 14 meeting. He stated that the Committee provided valuable feedback regarding several topics. A copy of the meeting summary was provided.

Executive Director's Report

43. Executive Director's Report

Mr. Brian Armstrong, Executive Director, stated that officer elections will be held at the August Board meeting.

Chair's Report

44. Chair's Report

Chair Taylor informed the Board of utilizing Zoom for the next meeting scheduled for August 25 at 9:00 a.m.

45. Employee Milestones

The meeting was adjourned at 11:06 a.m.

Attest:

Secretary

Chair

