



**GOVERNING BOARD MEETING
TUESDAY, OCTOBER 19, 2021 – 9:00 AM
2379 BROAD STREET, BROOKSVILLE, FL 34604
(352) 796-7211**

MINUTES

Board Members Present

Kelly Rice, Chair
Joel Schleicher, Vice Chair
Ed Armstrong, Treasurer
Michelle Williamson, Member
Jack Bispham, Member*
John Mitten, Member
William Hogarth, Member
Ashley Bell Barnett, Member*

*Attended via electronic media

Board Members Absent

Seth Weightman, Member
John E. Hall, Member

Staff Members

Brian J. Armstrong, Executive Director
Amanda Rice, Assistant Executive Director
Chris Tumminia, General Counsel
Brian Werthmiller, Inspector General
John Campbell, Division Director
Brian Starford, Division Director
Michael Molligan, Division Director
Jennette Seachrist, Division Director
Michelle Hopkins, 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., October 19, 2021, at the Brooksville Office, 2379 Broad Street, Brooksville, FL 34604-6899.

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 Rice 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 Rice 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. To assure that all participants have an opportunity to speak, members

of the public may submit a Request to Speak card to comment on agenda items only during the meeting. If someone wishes to address the Board on an issue not on the agenda, a Request to Speak card may be submitted for comment during "Public Input." Chair Rice 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 Rice 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 John Mitten offered the invocation and led the Pledge of Allegiance.

1.3 Election for Governing Board Secretary

Mr. Chris Tumminia, General Counsel, provided an overview of the process for the election of the Governing Board Secretary.

Treasurer Ed Armstrong made a motion to nominate Board Member Michelle Williamson for Secretary. The motion passed unanimously. (Audio – 00:06:15)

1.4 Employee Recognition

Chair Rice recognized employees that have reached at least 20 years of service. The following staff members were recognized: Diana Burdick, Barbara Matrone and Eric DeHaven.

1.5 Additions/Deletions to Agenda

Mr. Brian Armstrong, Executive Director, stated there were no additions or deletions to the agenda.

Vice Chair Schleicher requested the following items be moved to discussion:

Operations, Lands and Resource Monitoring Committee

2.4 First Amendment to Lease Agreement with Florida Department of Environmental Protection Division of Recreation and Parks – Rainbow River Ranch Tract Project – SWF Parcel No. 19-593-108X-1

General Counsel's Report

2.5 Acquisition of Mineral Rights - Myakkahatchee Creek Project – SWF Parcel Nos. 21-694-102 and 21-694-103C

1.6 Public Input for Issues Not Listed on the Published Agenda

Mr. David Ballard Geddes, Jr., spoke regarding support of a dry toilet program and against the use of reclaimed water.

CONSENT AGENDA

Finance/Outreach and Planning Committee

2.1 Office of Inspector General Performance Measures

Staff recommended the Board approve the OIG performance measures.

Resource Management Committee

2.2 Minimum Flows and Minimum Water Levels Priority List and Schedule Update

Staff recommended the Board approve the District's Minimum Flows and Minimum Water Levels 2021 Priority List and Schedule for submission to DEP for review and approval as required by Chapter 373, F.S.

2.3 Knowledge Management: FARMS Program Governing Board Policy

Staff recommended the Board replace the Governing Board FARMS policy approved in February of 2020 with the new Governing Board FARMS Policy.

Operations, Lands and Resource Monitoring Committee

~~2.4 First Amendment to Lease Agreement with Florida Department of Environmental Protection Division of Recreation and Parks – Rainbow River Ranch Tract Project – SWF Parcel No. 19-593-108X-1~~

Staff recommended the Board:

- ~~• Approve the First Amendment to the Lease Agreement with Florida Department of Environmental Protection Division of Recreation and Parks for the Rainbow River Ranch Tract Project SWF Parcel No. 19-593-108X-1.~~
- ~~• Authorize the Governing Board Chair and Treasurer to execute the Amendment.~~

General Counsel's Report

~~2.5 Acquisition of Mineral Rights – Myakkahatchee Creek Project – SWF Parcel Nos. 21-694-102 and 21-694-103C~~

Staff recommended the Board:

- ~~• Approve the new Escrow Agreement between the District and Sarasota County.~~
- ~~• Authorize District staff to make minor adjustments to the amount held in escrow under the new Escrow Agreement.~~
- ~~• Authorize the Executive Director to execute Instructions to Disburse Funds as necessary to complete any transaction contemplated under the Original Escrow Agreement or new Escrow Agreement.~~

Executive Director's Report

2.6 Approve Governing Board Minutes - September 28, 2021

Staff recommended the Board approve the minutes as presented.

2.7 Approve Fiscal Year 2022 Final Budget Hearing Minutes

Staff recommended the Board approve the minutes as presented.

A motion was made and seconded to approve the Consent Agenda. The motion passed unanimously. (Audio - 00:13:47)

Finance/Outreach & Planning Committee

Treasurer Ed Armstrong called the Committee meeting to order. (Audio – 00:14:14)

3.1 Consent Item(s) Moved to Discussion - None

3.2 Development of Preliminary Budget for Fiscal Year 2023

Mr. John Campbell, Division Director, stated that pursuant to Section 373.535, Florida Statutes, the water management districts are required to submit a preliminary budget to the Florida Legislature for review. Mr. Campbell provided a schedule for the Fiscal Year (FY) 2023 budget development, budget metrics, preliminary operating budget assumptions, project budget assumptions and revenue budget assumptions. He explained the use of the New Growth Model in projecting ad valorem revenue for the upcoming fiscal year budget. Mr. Campbell provided an overview of projected new growth from FY2001 through FY2022.

Vice Chair Schleicher asked how increased inflation correlates to the ad valorem model. Mr. Campbell responded that this information was not available at present but would be provided to the Board.

Staff recommended the Board approve the general budget assumptions as outlined in the October 19, 2021, budget presentation for the development of the preliminary budget for FY2023.

A motion was made and seconded to approve staff's recommendation. The motion passed unanimously. (Audio - 00:25:10)

3.3 Investment Strategy Quarterly Update

Mr. John Grady, Public Trust Advisors, provided information that included inflation, the Bloomberg forecast, current and forecasted interest rates, yield curve information, and portfolio strategy updates. Mr. Grady responded to questions from the Board Members.

Mr. Grady provided an overview of the quarterly investment report for the period ending September 30, 2021.

Staff recommended the Board accept and place on file the District's Quarterly Investment Reports for the quarter ended September 30, 2021.

A motion was made and seconded to approve staff's recommendation. The motion passed unanimously. (Audio - 00:46:38)

3.4 Annual Review of the District's Investment Policy

Mr. John Campbell, Division Director, presented an overview of the District's Investment policy and the proposed changes. He explained the proposed modifications to the policy are recommended for clarification purposes.

This item was presented for the Board's information, and no action is requested. A copy of the current Investment Policy and the revised draft Investment Policy will be included as a Consent Item in the November 2021 Board packet and approval will be requested at that time.

3.5 Office of Inspector General Quarterly Update – July 1, 2021, to September 30, 2021,

This was information only. No action was required

3.6 Budget Transfer Report

This was information only. No action was required

Resource Management Committee

Secretary Michelle Williamson called the Committee to order. (Audio – 00:53:43)

4.1 Consent Item(s) Moved to Discussion - None

4.2 First Amendment to the Polk County Direct Potable Reuse Feasibility and Pilot (Q209); Cost & Scope Change

Mr. Jay Hoecker, Water Supply Manager, presented a summary of changes and cost increases associated with project Q209. This presentation included location, description, benefits, and revised staff evaluation. Mr. Hoecker explained Polk County will be incurring the increased costs for this project.

Treasurer Ed Armstrong asked if this project would provide technological benefits. Ms. Jennette Seachrist, Division Director, responded in the affirmative.

Staff recommended the Board approve the First Amendment for cost and scope changes for the Polk County Direct Potable Reuse Feasibility and Pilot (Q209) to revise the pilot flow capacity to 14,400 gpd, increase the overall project costs to \$2,591,582, and increase Polk County's funding commitment to \$1,796,582. The existing project's data benefits and the District's funding share of \$795,000 remain unchanged.

A motion was made and seconded to approve staff's recommendation. The motion passed unanimously. (Audio – 01:03:40)

Operations, Lands & Resource Monitoring Committee

Board Member John Mitten called the Committee to Order. (Audio – 01:04:10)

5.1 Consent Item(s) Moved to Discussion

2.4 First Amendment to Lease Agreement with Florida Department of Environmental Protection Division of Recreation and Parks – Rainbow River Ranch Tract Project – SWF Parcel No. 19-593-108X-1

Vice Chair Schleicher asked why the additional acreage was not in the original agreement. Mr. Brian Starford, Division Director, explained the map included with the original agreement included all the acreage. However, there was a scrivener's error in the legal description that was originally submitted. This amendment corrects that error.

Staff recommended the Board:

- Approve the First Amendment to the Lease Agreement with Florida Department of Environmental Protection Division of Recreation and Parks for the Rainbow River Ranch Tract Project SWF Parcel No. 19-593-108X-1.
- Authorize the Governing Board Chair and Treasurer to execute the Amendment.

A motion was made and seconded to approve staff's recommendation. The motion passed unanimously. (Audio – 01:06:03)

5.2 Hydrologic Conditions Report

Ms. Tamera McBride, Hydrologic Data Manager, presented the hydrologic conditions report. Rainfall for September was considered normal for the majority of the District with the exception of wetter conditions in Citrus and Highlands counties. Citrus County experienced its second highest wet season in history. Groundwater levels were above average for the northern counties and normal for central and southern counties. The Northern, Tampa Bay, Polk Upland and Lake Wales Ridge lakes were in the normal range. The Withlacoochee River was in the above normal range. The Hillsborough, Alafia and Peace rivers were in the normal range. Because of several tropical storms increasing flows and levels, the wet season ended with approximately three inches above normal rainfall Districtwide. Public water supplies remain full. Developing La Niña conditions suggest a drier-than-normal winter and spring.

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

Regulation Committee

Vice Chair Joel Schleicher called the Committee to Order. (Audio – 01:21:03)

6.1 Consent Item(s) Moved to Discussion - None

6.2 Denials Referred to the Governing Board

None were presented.

General Counsel's Report

7.1 Consent Item(s) Moved to Discussion

2.5 Acquisition of Mineral Rights - Myakkahatchee Creek Project – SWF Parcel Nos. 21-694-102 and 21-694-103C

Vice Chair Schleicher asked what options were available if the District is unable to acquire mineral rights at the end of the 12-month escrow period. Mr. Chris Tumminia, General Counsel, outlined the other possibilities the District could pursue. He stated that staff is working toward a solution that will obtain a clear title to avoid any circumstance that could jeopardize the conservation easement owned by the District.

Treasurer Armstrong expressed his concerns regarding the timeline associated with obtaining these mineral rights and that the District has been working on this for 14 years. There were bad judgment calls on this transaction. The District needs to do everything it can to keep from having to do cleanup items 14 years later. Mr. Brian Starford, Division Director, responded that he understands the concern and assured Treasurer Armstrong that efforts from staff are being done to ensure this type of circumstance is avoided in the future.

Staff recommended the Board:

- Approve the new Escrow Agreement between the District and Sarasota County.
- Authorize District staff to make minor adjustments to the amount held in escrow under the new Escrow Agreement.
- Authorize the Executive Director to execute Instructions to Disburse Funds as necessary to complete any transaction contemplated under the Original Escrow Agreement or new Escrow Agreement.

A motion was made and seconded to approve staff's recommendation. The motion passed unanimously. (Audio – 01:27:17)

Committee Liaison Reports

8.1 Agricultural and Green Industry Advisory Committee

Secretary Williamson provided a recap of the meeting. She stated that elections were held, and Curt Williams of the Florida Farm Bureau Federation was elected Chair for a second term and Mr. Alan Jones of Florida Fruit & Vegetable Association was elected Vice Chair. She stated a field trip is scheduled for December 7 to various FARMS projects and the Board Members are invited to attend. A written summary of the September 14 meeting was provided.

Executive Director's Report

9.1 Executive Director's Report

Mr. Brian Armstrong, Executive Director, recognized Mr. Eric DeHaven, Assistant Bureau Chief, who was retiring at the end of the month. He thanked Mr. DeHaven for his service.

Mr. Armstrong provided the Board with a written copy of his FY2023 goals. He stated these include continuing to oversee the progress of the Strategic Plan, monitoring the efficiency of the District and ensuring the District continues to attract and retain talented staff.

Chair's Report

10.1 Chair's Report

The November 16 Governing Board meeting is scheduled at 9:00 a.m., in the Tampa Office and the December 14 meeting is scheduled for 9:00 a.m., in the Brooksville office.

10.2 2021 Employee Evaluation and 2022 Performance Goals for the Executive Director and Inspector General

Chair Rice stated his support for Executive Director Armstrong, and provided a recommendation for a three percent salary increase.

Treasurer Armstrong stated his support for Inspector General Werthmiller and made a recommendation for a four percent salary increase.

Chair Rice made a motion to approve the recommended salary increases for Executive Director Armstrong and Inspector General Werthmiller. The motion was seconded and passed unanimously. (Audio – 01:36:38)

10.3 Milestones

Chair Rice recognized employee milestones

Adjournment

The meeting adjourned at 11:38 a.m.