

## MINUTES OF THE MEETING

### GOVERNING BOARD SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

BROOKSVILLE, FLORIDA

OCTOBER 23, 2018

The Governing Board of the Southwest Florida Water Management District (District) met for its regular meeting at 9:00 a.m., on October 23, 2018, at the Brooksville Office. The following persons were present:

#### Board Members Present

Jeffrey M. Adams, Chair  
Ed Armstrong, Vice Chair  
Bryan Beswick, Secretary  
Michelle Williamson, Treasurer  
H. Paul Senft, Member  
Randall S. Maggard, Member via phone  
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

Lori Manuel, Administrative Assistant

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: Carrie Miller and Trisha Neasman.

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

**4. Additions/Deletions to Agenda**

Mr. Brian Armstrong, executive director, stated the following item was added to Discussion:

**Chair's Report**

**53. 2018 Employee Evaluation for the Executive Director**

**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 00:08:00)**

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

Chair Adams noted at this time, the public is given an opportunity to comment on any topic not listed on the agenda.

Mr. David Ballard Geddis, Jr., spoke regarding the United States Constitution.

**CONSENT AGENDA**

Chair Adams asked that before the Board considers action on the Consent Agenda whether there was anyone in the audience who wished to address the Board regarding an item listed on the Consent Agenda.

**Finance/Outreach & Planning Committee**

**6. Approval of Agreement for Use of Property Tax Collections to Fund Exemption Audit Services Among Citrus County Property Appraiser, Citrus County Tax Collector and Southwest Florida Water Management District**

Staff recommended the Board approve the Agreement for Use of Property Tax Collections to Fund Exemption Audit Services Among Citrus County Property Appraiser, Citrus County Tax Collector and Southwest Florida Water Management District.

**7. Budget Transfer Report**

Staff recommended the Board's approval of the Budget Transfer Report covering all budget transfers for September 2018.

**Resource Management Committee**

**8. Minimum Flows and Minimum Water Levels Priority List and Schedule Update**

Staff recommended the Board approve the Southwest Florida Water Management District 2018 Priority List and Schedule for submission to DEP for review and approval as required by Chapter 373, F.S.

**Operations, Lands and Resource Monitoring Committee**

**9. Remove Surplus Declaration of Tampa Bypass Canal Surplus Parcel Number TBC-4 SWF Parcel No. 13-001-739S.**

Staff recommended the Board remove the declaration of surplus for TBC-4 SWF Parcel No. 13-001-739S.



**10. Amendment of Management Agreement with Pasco County – Starkey Wilderness Preserve – Jay B. Starkey Wilderness Park – SWF Parcel No. 16-010-017X**

Staff recommended the Board approve the Amendment to the Management Agreement for the Jay B. Starkey Wilderness Park - SWF Parcel No. 16-010-017X and authorize the Executive Director or Assistant Executive Director to execute the Amendment on behalf of the District.

**11. Amendment to Agreement for Purchase and Sale with Sarasota County for the Sarasota Office SWF Parcel No. 21-477-105**

Staff recommended the Board approve the Amendment to the Purchase and Sale Agreement with Sarasota County for the Sarasota Office - SWF Parcel No. 21-477-105 and authorize the Executive Director or Assistant Executive Director to execute the Amendment on behalf of the District.

**Regulation Committee**

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

**a. WUP No. 20008675.006 - Florida National Cemetery / Department of Veterans Affairs (Sumter County)**

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

**b. WUP No. 20012645.005 - Grand Palm/Blackburn Creek / Resource Conservation of Sarasota, LLC, Copperstone Acquisition, LLC, Blackburn Water Conservation, LLC, and Blackburn Consolidated Holdings, LLC (Sarasota County)**

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

**General Counsel's Report**

**13. Administrative, Enforcement and Litigation Activities that Require Governing Board Approval - None**

**14. Rulemaking - None**

**Executive Director's Report**

**15. Approve Fiscal Year 2019 Final Budget Hearing Minutes – September 25, 2018**

Staff recommended the Board approve the minutes as presented.

**16. Approve Governing Board Meeting Minutes – September 25, 2018**

Staff recommended the Board approve the minutes as presented.

**A motion was made and seconded to approve the Consent Agenda. The motion carried unanimously. (Audio 00:13:10)**

**Chair Adams relinquished the gavel to the Finance/Outreach & Planning Committee Chair Armstrong, who called the meeting to order. (Audio: 00:14:02)**

**Finance/Outreach & Planning Committee**

**Discussion**

**17. Consent Item(s) Moved for Discussion – None**

**18. Investment Strategy Quarterly**

Mr. John Grady, Public Trust Advisors, provided a presentation on the quarterly investment strategy from July 1, 2018 to September 30, 2018. This presentation included an economic update and yield curve analysis. He stated interest rates are continuing to rise, incurring the eighth rate-hike during the current cycle. Housing prices continue the upward trend into the second half of 2018. The U.S. median home price was 4.6% higher year over year through August.

Unemployment dipped to 3.7% in September, the lowest level in more than 50 years. There are

currently more than 6.7 million job openings. Gross Domestic Product (GDP) growth was 4.2% in the second quarter. This was the largest quarterly growth since September 2014.

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 September 30, 2018.

**A motion was made and seconded to approve the staff recommendation. The motion carried unanimously.** (Audio: 00:27:08)

**19. Annual Review of Board Policy, District Investment Policy**

Ms. Melisa Lowe, Finance Bureau chief, provided a presentation for the annual investment policy review. She explained the purpose of the investment policy is to set the investment objective parameters of the management of District funds.

She outlined minor modifications that are being recommended, which included updating the name of the benchmarks to reflect the name of the new owner, Intercontinental Exchange (ICE) as opposed to Bank of America. The second revision is to the Intergovernmental Fund (LGIP) rating, which was updated, from AAA to AAAm which would limit the District only to funds that are stable Net Asset Value (NAV) as opposed to a floating asset value.

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

**20. Development of Preliminary Fiscal Year (FY) 2020 Budget**

Mr. John Campbell, Management Services director, provided a presentation on the development of the FY2020 preliminary budget. He outlined the FY2020 budget calendar, budget metrics, operating budget assumptions, project budget assumptions, revenue budget assumptions, new growth projection model and graphic depicting millage rate versus investment in projects.

Board Member Schleicher stated he would like to see a further reduction in the millage rate.

Treasurer Williamson asked if springs restoration funding has been confirmed. Mr. Campbell responded in the negative. Mr. Brian Armstrong, executive director, stated that the springs funding will be approved by the Legislative Budget Commission in January 2019.

Staff recommended the Board approve the general budget assumptions as outlined in the October 23, 2018 budget presentation for the development of the preliminary budget for FY2020.

**A motion was made and seconded to approve the staff recommendation. The motion carried with ten in favor and one opposed.** (Audio: 00:40:35)

**Submit & File Reports**

**21. Self-Funded Health Insurance Plan Year-To-Date Financial Update**

**Routine Reports**

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

**22. Treasurer's Report and Payment Register**

**23. Monthly Financial Statement**

**24. Monthly Cash Balances by Fiscal Year**

**25. Comprehensive Plan Amendment and Related Reviews Report**

**26. Development of Regional Impact Activity Report**



**Committee Chair Armstrong relinquished the gavel to the Resource Management Committee Chair Rice, who called the meeting to order. (Audio: 00:41:35)**

**Resource Management Committee  
Discussion**

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

**Submit & File Reports – None**

**Routine Reports**

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

**28. Minimum Flows and Levels Status Report**

**29. Significant Water Resource and Development Projects**

**Committee Chair Rice retained the gavel to chair the Operations, Lands & Resource Monitoring Committee and called the meeting to order. (Audio: 00:42:10)**

**Operations, Lands & Resource Monitoring Committee  
Discussion**

**30. Consent Item(s) Moved for Discussion – None**

Mr. Ken Frink, Operations, Lands and Resource Monitoring director, stated that a chart has been added to the surplus lands report that tracts small lot sales in the Annutteliga Hammock.

**Submit & File Reports**

**31. Hydrologic Conditions Report**

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.

**Routine Reports**

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

**32. Surplus Lands Update**

**33. Structure Operations**

**34. Significant Activities**

**Committee Chair Rice relinquished the gavel to the Regulation Committee Chair Taylor, who called the meeting to order. (Audio: 00:43:36)**

**Regulation Committee  
Discussion**

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

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

No denials were requested.

**Submit & File Reports - None**

**Routine Reports**

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

**37. Dover/Plant City Water Use Caution Area Flow Meter and Automatic Meter Reading Equipment Implementation Program Update**

**38. Overpumpage Report**

**39. Individual Permits Issued by District Staff**

**Committee Chair Taylor relinquished the gavel to the Chair Adams.** (Audio: 00:44:10)

## **General Counsel's Report**

### **Discussion**

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

#### **41. 2018 Annual Sunshine Law Presentation**

Mr. Chris Tumminia, senior attorney, provided a presentation of the Sunshine Law. He explained the Sunshine Law is a right of access to governmental proceedings of public boards. This is applicable to any board or commission of any state agency, county, municipal corporation, or political subdivision.

Mr. Tumminia outlined the requirements that Board members must adhere to in-order to maintain compliance with the Sunshine Law. He stated that meetings must be open to the public and reasonably noticed. He stated that minutes of meetings must be taken and promptly recorded. Mr. Tumminia provided hypothetical examples of violations and penalties associated.

Mr. Tumminia addressed violations of the Sunshine Law as related to social media. He provided hypothetical examples.

This item was presented for informational purposes only. No action was required.

#### **42. Polk Regional Water Cooperative, et al., v. Peace River Manasota Regional Water Supply Authority and SWFWMD**

Ms. Karen West, general counsel, updated the Board regarding the permit challenge litigation. She reminded the Board that once the hearing is concluded, the Administrative Law Judge (ALJ) will issue a recommended order. This order will be presented to the Board for consideration of the final order, with any exceptions that may have been filed by the other parties. The Board will enter the final order. Ms. West reminded the Board to limit any discussion on this matter.

Ms. West informed the Board that all parties met on October 8 to mediate this matter. She stated that an impasse was met. She added that prior to that meeting, Mr. Brian Armstrong, executive director, held an informational meeting with the Polk Regional Water Cooperative (PRWC) to discuss a proposed water supply project in cooperation with Tampa Bay Water and Hillsborough County. The District also held an informational meeting and invited all parties to provide additional information regarding the proposed water supply project. Ms. West stated that the only attendees were from the City of Davenport.

Vice Chair Armstrong asked for an estimate of costs the District is incurring regarding this permit challenge. Ms. West responded the District has encumbered \$125,000 in expert witness contracts and outside council, approximately \$800 in mediation costs and approximately \$5,000 for ALJ services. She added that although it has not been thoroughly calculated, staff time is substantial, and a system is being put in place to track it.

Vice Chair Armstrong asked what flexibility the District has regarding payment of funds associated with the PRWC. Mr. Armstrong responded that the first PRWC resolution committed the District to an initial \$40 million with an additional \$25 million to be budgeted in a second PRWC resolution. Mr. Armstrong stated that \$11.5 million has been encumbered of which \$2 million has been spent.

This item was presented for informational purposes only. No action was required.



## **Submit & File Reports – None**

### **Routine Reports**

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

#### **43. October 2018 – Litigation Report**

#### **44. October 2018 – Rulemaking Update**

### **Committee/Liaison Reports**

#### **45. Environmental Advisory Committee**

Treasurer Williamson provided an update of the Oct 2 meeting. She stated there was a presentation from Dr. John Kiefer regarding the process and benefits of reconnecting a stream system. Ms. Williamson stated the Committee passed a motion for the District to identify opportunities for natural stream and channel restoration within the priority Surface Water Improvement and Management (SWIM) plans that are being developed. Ms. Jennette Seachrist, Resource Management director, responded that this will be incorporated into the SWIM plan updates.

A written report was provided for the October 2 meeting.

#### **46. Agricultural Advisory Committee**

A written report was provided for the October 15 meeting.

#### **47. Green Industry Advisory Committee**

A written report was provided for the October 15 meeting.

#### **48. Other Committee/Liaison Reports**

Board Member Henslick provided an update for the Charlotte Harbor National Estuary Program (CHNEP) Policy Committee meeting on September 27. He stated that CHNEP is tracking sea level rise in coastal habitat areas that may be affected. The CHNEP is also considering a name change that may promote better identification of the geographic region the CHNEP protects.

### **Executive Director's Report**

#### **49. Executive Director's Report**

Mr. Brian Armstrong, executive director, presented his FY2019 goals to the Board. He outlined three main goals as follows: 1) implement and monitor the strategic plan; 2) continue to pursue District process improvements, gain efficiency and ensure customer service; and 3) develop and implement a longer-term vision that exemplifies our core values for future District leadership, business support and increased organization sustainability.

Mr. Armstrong explained that goal number one is to ensure operational policy alignment with the strategic plan metrics. Tasks associated with this goal include: finalizing the CFI policy for septic-to-sewer conversion projects, promoting indirect and direct potable reuse projects, monitoring budget metrics and reserve spending, and expanding the Florida Water Star program.

Mr. Armstrong explained that goal number two supports the Business and Strategic Plans with a focus on improving customer services internally and externally. Tasks associated with this goal include: improving contract metrics; expanding the District DIVE program; creating an "at-a-glance" Daily Lake Operations Summary; continuing to develop the Capital Improvement Plan for District structures; and completing the implementation of the UltiPro Human Resources system.

Mr. Armstrong explained that goal number three will ensure performance excellence. Tasks associated with this goal will focus on recruitment; continuing improvement of the District's safety program; continuing the effort to capture institutional knowledge; improving performance of managers; expanding social media; expanding the District's current orientation; completing a pay study; and expanding the District wellness program.

Mr. Armstrong also informed the Board of an award that was received for District employee Mike Terry, Senior Vegetation Management specialist. This award was presented by the Florida Aquatics Plant Management Society for a presentation Mr. Terry made on the effectiveness of new herbicides and modifying techniques for current applications.

**Chair's Report**

**50. Chair's Report**

Chair Adams acknowledged the process regarding Surplus Lands to provide better transparency regarding property sales.

Chair Adams informed the Board that the comments received from the Budget Planning workshop have been reviewed and implemented appropriately.

Chair Adams stated the next Board meeting is November 13 at the Tampa Office.

**51. Other**

**52. Employee Milestones**

**53. 2018 Employee Evaluation for the Executive Director**

Chair Adams presented the 2018 performance evaluation for the Executive Director that was completed by the Board Members. He explained the confusion associated with the completion of his input and asked if was possible to correct his submittal to accurately reflect his review of the Executive Director. Ms. Kelley Rexroad, Human Resources Office chief, responded that additional input was received, and an updated sheet has been provided. She also stated that an amendment can be done, if necessary.

Staff recommended the Board:

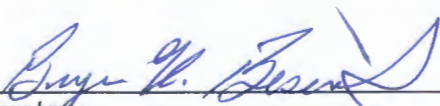
- Adopt and approve the 2018 employee evaluation of the executive director
- Adopt and approve the 2019 executive director goals


**A motion was made to adopt and approve the 2018 employee evaluation of the Executive Director. The motion was seconded and carried unanimously. (Audio: 01:21:30)**

**A motion was made to adopt and approve the 2018 Executive Director goals. The motion was seconded and carried unanimously. (Audio: 01:24:48)**

The meeting was adjourned at 10:26 a.m.

Attest:

  
Secretary

  
Chair