

MINUTES OF THE MEETING

GOVERNING BOARD SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

HAINES CITY, FLORIDA

APRIL 25, 2017

The Governing Board of the Southwest Florida Water Management District (District) met for its regular meeting at 10:00 a.m. on April 25, 2017, at the Haines City Lake Eva Banquet Hall. The following persons were present:

Board Members Present

Randall S. Maggard, Chair
Jeffrey M. Adams, Vice Chair
Ed Armstrong, Treasurer *Via Phone
Bryan K. Beswick, Secretary
H. Paul Senft, Member
George W. Mann, Member
John Henslick, Member
Kelly S. Rice, Member
Michelle Williamson, Member
Mark Taylor, Member

Board Members Absent

John Henslick, Member
Michael A. Babb, Member

Staff Members

Brian J. Armstrong, Executive Director
Amanda Rice, Assistant Executive Director
David T. Rathke, Division Director
Karen E. West, General Counsel
Kurt P. Fritsch, Inspector General
John J. Campbell, Division Director
Ken L. Frink, Division Director
Mark A. Hammond, Division Director
Alba E. Más, Division Director

Board's Administrative Support

Cara Martin, Board & Executive Services Manager
Lori Manuel, Administrative Assistant

A list of others present 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 Web site (www.WaterMatters.org).

PUBLIC HEARING (Audio – 00:00)

1. Call to Order

Chair Maggard 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 Senft offered the invocation. Chair Maggard led the Pledge of Allegiance to the Flag of the United States of America.

Chair Maggard 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 Maggard 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 Maggard 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 Maggard 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: Keith Hilburn and Keith Brand.

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

4. Additions/Deletions to Agenda

Section 120.525, Florida Statutes, allows the District to change the published agenda for good cause shown, as determined by the presiding officer.

Mr. Brian Armstrong, Executive Director, stated there was one item removed from the agenda:

Finance/Outreach & Planning Committee

Discussion

18. Investment Strategy Quarterly Update

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

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

Chair Maggard stated he received one Request to Speak card.

Mr. David Ballard Geddis, Jr., spoke against taxing authority of water management districts.

CONSENT AGENDA

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

Chair Maggard said there is good cause to amend the published agenda as allowed by Section 120.525, Florida Statutes. A motion was made to approve the amendments to the published agenda, as amended, which was seconded. The motion carried unanimously. (Audio 00:06:00)

CONSENT AGENDA

Finance/Outreach & Planning Committee

6. Resolution No. 17-06 Declaring April 2017 as "Water Conservation Month"

Staff recommended the Board approve and sign Resolution No. 17-06 declaring April 2017 "Water Conservation Month."

7. Resolution No. 17-07 Declaring May 14-20, 2017 as "Water Reuse Week"

Staff recommended the Board approve and sign Resolution No. 17-07 declaring May 14-20, 2017 as "Water Reuse Week."

8. Budget Transfer Report

Staff requested approval of the Budget Transfer Report showing no budget transfers for March 2017.

Resource Management Committee

9. Authorize Submission of Preliminary Flood Insurance Rate Maps for the Pithlachascotee River/Bear Creek Watershed in Pasco County to the Federal Emergency Management Agency (B312)

Staff recommended the Board authorize submittal of the preliminary FIRMs for the Pithlachascotee River/Bear Creek watershed in Pasco County to FEMA.

10. City of Winter Haven - South Lake Conine Watershed Restoration (W773)

Staff recommended the Board approve the agreement effective as of the 1st day of October 2016 with the City of Winter Haven; approve the total project cost of \$2,464,500 with the District's share not to exceed \$857,250; and authorize the Assistant Executive Director to sign the agreement.

11. FARMS – Keith Davis - (H752), Hardee County

Staff recommended the Board:

1. Approve the Keith Davis project for a not-to-exceed project reimbursement of \$95,400 with \$95,400 provided by the Governing Board;
2. Authorize the transfer of \$95,400 from fund 010 H017 Governing Board FARMS Fund to the H752 Keith Davis project fund;
3. Authorize the Division Director to sign the agreement.

Operations, Lands and Resource Monitoring Committee - None

Regulation Committee

12. Concurrence with Emergency Order No. SWF 17-19 – Tampa Bay Water – WUP No. 20006675.006 – Lowering of Tampa Bypass Canal Middle Pool

Staff recommended the Board concur with Emergency Order No. SWF 17-19.

13. Individual Water Use Permits Referred to the Governing Board

a. Water Use Permit No. 20008480.008 – Hawthorne Creek Grove / QC Standby Desoto Grove, LLC (DeSoto County)

Staff recommended the Board approve the proposed permit attached as an exhibit and included in the Governing Board meeting materials.

General Counsel's Report

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

a. Interagency Agreement Between SJRWMD and SWFWMD -- Designation of Regulatory Responsibility – Water Use Permit No. 20008763.003 – Florida Department of Transportation - I-75 Rest Area – Marion County

Staff recommended the Board approve the proposed permit attached as an exhibit and included in the Governing Board meeting materials.

b. Memorandum of Understanding between the SJRWMD and the SWFWMD – Enhanced Coordination Regarding Water Use Permitting and Water Resource Protection Projects in Marion County

Staff recommended the Board approve the Memorandum of Understanding Between the St. Johns River Water Management District and the Southwest Florida Water Management District for enhanced coordination in water use permitting and water resource protection projects in Marion County.

c. Initiation of Litigation – Permit Condition Violation – Depa Hotel, Inc. – ERP No. 44014233.002 – CT No. 208660 – Pasco County

Staff recommended the Board authorize the initiation of litigation against Depa Hotel, Inc., and any other necessary parties, to obtain compliance, to recover an administrative fine/civil penalty, and to recover District enforcement costs, litigation costs and attorney's fees.

15. Rulemaking - None

Executive Director's Report

16. Approve Governing Board Meeting Minutes - March 28, 2017

Staff recommended the Board approve the minutes as presented.

A motion was made and seconded to approve the Consent Agenda as amended. Motion carried unanimously. (Audio 00:08:50)

Chair Maggard relinquished the gavel to the Finance/Outreach & Planning Committee Vice Chair Adams who called the Committee meeting to order. (Audio 00:09:03)

Finance/Outreach & Planning Committee

Discussion

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

18. Investment Strategy Quarterly Update

~~Staff recommended the Board accept and place on file the District's Quarterly Investment Reports for the quarter ended March 31, 2017.~~

19. Self-Funded Health Insurance Plan - First Year Results

Mr. John Campbell provided a presentation on the District's self-funded health plan and wellness activities. Mr. Campbell stated the District began the self-funded plan on January 1, 2016. He stated that if the District would have remained fully insured, annual costs for 2016 would have been \$7,536,754 while the actual self-insured annual costs for 2016 totaled \$7,004,659. This resulted in a total annual savings of \$532,095. Mr. Campbell reminded the Board this is the first year in a long-term commitment.

Mr. Campbell stated the District has held biometric screenings for staff. This provides self-awareness for employees and gives aggregate results for program customization.

Mr. Campbell also stated the District also partners with Florida Blue and the Wellness Council of America (WELCOA) to provide education resources, newsletters, educational courses and discount programs and membership to employees.

Mr. Campbell stated the District also hosts group fitness activities that include: lunchtime fitness classes; group walks/races; and fitness challenges.

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

Submit & File Reports

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

20. Legislative Update

Routine Reports

21. Treasurer's Report and Payment Register

22. Monthly Financial Statement

23. Monthly Cash Balances by Fiscal Year

24. Comprehensive Plan Amendment and Related Reviews Report

Committee Vice Chair Adams relinquished the gavel to the Resource Management Committee Vice Chair Senft who called the Committee meeting to order. (Audio 00:14:36)

Resource Management Committee

Discussion

25. Consent Item(s) Moved for Discussion – None

26. Polk Regional Water Cooperative Alternative Water Supply Projects

Board Member Mann stated that because of ownership of property in the Peace Creek area, he was recusing himself from the vote for staff's second recommendation.

Mr. Jason Mickel, Water Supply Section Manager, provided a presentation. He explained that Polk County is within the Central Florida Water Initiative (CFWI) and the Southern Water Use Caution Area (SWUCA). The District realizes that traditional water sources are nearing their sustainable limits and alternative water sources will need to be developed to meet the projected needs. An effective way to address these challenges is through a regional approach.

Mr. Mickel provided an overview of resolution 15-07 which was established to develop alternative water supply projects to assist with regional needs. He stated the Polk Regional Water Cooperative (PRWC) approved the implementation agreements for phase one. There are currently 14 participants representing 95 percent of the future demand.

Mr. Mickel outlined phase one projects: West Polk Deep Wellfield; Southeast Wellfield; and Peace Creek Integrated Water Supply.

Polk County Commissioner George Lindsey provided historical information regarding circumstances that led to the development of the PRWC. He thanked the District for their support.

Mr. Gene Heath, PRWC representative, provided some background information and explained some of the key components for the PRWC. He thanked the District for their partnership.

Mr. Mark Hammond, Resource Management Division Director, explained that staff's recommendation is for approval of phase one only. He also stated that consideration may want to be given to holding a workshop in August to begin discussion on proceeding with phase two.

Staff's first recommendation requested the Board:

1. Approve Phase One of the Polk Regional Water Cooperative Central Florida Water Resource Development Projects, specifically the West Polk Deep Wellfield and the Southeast Wellfield
2. Approve the transfer of \$10,550,000 from funds budgeted in accordance with Resolution 15-07 to be used for Phase One of the projects
3. Authorize staff to enter into an agreement(s) with the Polk Regional Water Cooperative for the projects
4. Authorize the Assistant Executive Director to sign the agreement(s)

A motion was made and seconded to approve staff's recommendation. Motion carried unanimously. (Audio 00:48:51)

Staff's second recommendation requested the Board:

1. Approve Phase One of the Polk Regional Water Cooperative Central Florida Water Resource Development Projects, specifically the Peace Creek Integrated Water Supply Feasibility Study
2. Approve the transfer of \$950,000 from funds budgeted in accordance with Resolution 15-07 to be used for Phase One of the project

3. Authorize staff to enter into an agreement with the Polk Regional Water Cooperative for the project
4. Authorize the Assistant Executive Director to sign the agreement

A motion was made and seconded to approve staff's recommendation. Motion carried with ten votes in favor and one in abstention. (Audio 00:50:03)

27. Aquifer Recharge at Flatford Swamp for Southern Water Use Caution Area Recovery and Natural System Improvement-Test Well Implementation (H089)

Ms. Lisann Morris, Senior Professional Engineer, provided a presentation that included: location map of Flatford Swamp; information on recharging excess water at Flatford for SWUCA Recovery and natural systems enhancement; update on the feasibility study and permit for test well; implementation of the communications plan; and outlining the next steps.

Ms. Morris explained by recharging the excess water entering Flatford Swamp, groundwater levels can rebound in the Salt Water Intrusion Minimum Aquifer Level (SWIMAL) wells and let hydroperiods recover in the swamp. The goal is to achieve the proposed minimum aquifer level so as to reduce the rate of saltwater intrusion for coastal Hillsborough, Manatee and Sarasota counties.

Ms. Morris provided data on the modeling exercise that was done recharging ten million gallons per day (mgd) at project buildout and the response in the SWIMAL wells.

Ms. Morris explained the process used to obtain a Florida Department of Environmental Protection (FDEP) Class V Aquifer Recharge Well Permit. This process included implementation of a communications plan and outreach through public meetings and advisory committee meetings. The final FDEP permit was received February 27, 2017.

Chair Maggard asked about the duration of maintenance costs. Ms. Morris responded this is an initial cost based on the test well. The O&M cost mentioned in the recap is for full project build-out. The test well recharge testing is expected to last until the end of 2020.

Board Member Williamson asked about a similar project in Clearwater. Mr. Hammond outlined the differences for the Flatford Swamp project and the City of Clearwater project.

Board Member Mann asked how long has water quality been tested prior to this project. Ms. Morris responded since the 1990s.

Staff recommended the Board authorize staff to move forward with test well project at Flatford Swamp for SWIMAL Recovery and Natural Systems Improvement.

A motion was made and seconded to approve staff's recommendation. Motion carried unanimously. (Audio 01:07:11)

28. FARMS – Frogmore Ranch, LLC – Amendment (H706), Pasco County

Mr. Chris Zajac, Facilitating Agricultural Resource Management Systems (FARMS) Program Manager, provided a presentation that included: a location map; project goal; project components; costs; and cost benefits.

Mr. Zajac explained that by rule the FARMS projects have focused on water conservation. He explained this project is outside the FARMS rule as it includes a water quality component and will be managed by the FARMS staff.

Mr. Zajac stated that Frogmore Ranch is a 400-acre property in Pasco County that is within the Weeki Wachee springshed. This ranch currently implements several BMPs including soil moisture probes and mobile irrigation lab testing.

Mr. Zajac stated the owners would like to amend the current agreement and implement additional Best Management Practices (BMPs) on the farm. The first set of BMPs will promote water conservation that includes pump automation and a weather station. The District estimates that these BMPs will reduce groundwater use by up to 32,000 gallons per day. The owners would also like to add a fertigation system that will help to reduce nitrogen loading on the farm by up to 285 pounds per year. This is important because crop fertilizer is estimated at 17% of the total load to Weeki Wachee Springs.

Board Member Williamson asked how many zones are fertilized in this project and what is the proposal for additional zones. Mr. Birge Sigety, owner of Frogmore Ranch, responded the ranch utilizes a computerized system that matches the fertilizer and irrigation needs of the plants to the appropriate resource. Mr. Sigety stated that Frogmore is also the central Florida test farm for the University of Florida.

Staff recommended the Board:

1. Approve the Frogmore Ranch, LLC project amendment for a not-to-exceed project reimbursement decrease of \$177,000 (from \$291,000 to \$114,000) with \$177,00 being returned to the Governing Board FARMS Fund;
2. Authorize the Assistant Executive Director to sign the agreement.

A motion was made and seconded to approve staff's recommendation. Motion carried unanimously. (Audio 01:18:50)

Submit & File Reports - None

Routine Reports

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

29. Minimum Flows and Levels Status Report

30. Significant Water Resource and Development Projects

Committee Chair Beswick relinquished the gavel to the Operations, Lands and Resource Monitoring Committee Chair Beswick who called the Committee meeting to order. (Audio 01:19:33)

Operations, Lands and Resource Monitoring Committee Discussion

31. Consent Item(s) Moved for Discussion – None

32. Hydrologic Conditions Report

Mr. Granville Kinsman, Hydrologic Data Manager, presented the hydrologic conditions report. He stated the extremely dry weather pattern persists throughout the District. Rainfall is well below normal for most the District, and the rainfall deficits are the highest in four years.

As a result, groundwater levels are continuing to decline, and are below normal in all areas but the central counties. Lake levels are declining District-wide, only remaining in the normal range in the Polk Upland region.

All four of the major river monitoring stations are recording below normal stream flow, now classified as severe flow conditions based on regulatory water shortage rules. The Bill Young and Peace River Reservoirs are both showing declines due to use, but stored water supplies remain

high. The climate models favor development of El Niño conditions in upcoming months, which would favor a much wetter winter. Until above-normal rainfall is received, the rainfall deficit will continue to grow.

This routine report provides information on the general state of the District's hydrologic conditions, by comparing rainfall, surface water, and groundwater levels for the current month to comparable data from the historical record.

Mr. Will VanGelder, Land Management Manager, provided a presentation that included: an update on the recent wildfires; tools that are utilized to make decisions; the District's responsibility to Florida Forestry Services (FFS); and examples of the utilization of the District's prescribed program.

Mr. VanGelder stated there are 120 wildfires in the state and two of them exceeded 20,000 acres and nine were on District lands. Currently, six fires are still active on District lands but all are 100 percent contained.

Mr. VanGelder outlined the cooperative agreement between the District the FFS. This agreement allows District resources to be utilized statewide where necessary.

Mr. VanGelder explained the benefits of prescribed burns that are done on District properties.

Mr. VanGelder described an example of an incident where a fire came onto the Green Swamp property. He stated that the FFS gave staff member Chris Reed the responsibility as strike team leader. Mr. VanGelder emphasized that this is a very uncommon circumstance and because of Mr. Reed's experience and trust the FFS has in Mr. Reed.

Chair Maggard expressed his appreciation to the District staff who have been involved in fighting the wildfires.

This item was for the Board's information and 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.

33. Surplus Lands Update

34. Structure Operations

35. Significant Activities

Committee Chair Beswick relinquished the gavel to the Regulation Committee Chair Senft who called the Committee meeting to order. (Audio 01:35:47)

Regulation Committee

36. Consent Item(s) Moved for Discussion – None

37. Consider Water Shortage Order(s) as Necessary

Mr. Darrin Herbst, Water Use Permit Bureau Chief, provided a presentation asking the Board to approve Water Shortage Order No. SWF 2017-14 Phase I Water Shortage for the entire District excluding unincorporated Levy County. He stated that the hydrologic conditions report indicates all 16 counties are experiencing severe, extreme, or critical drought condition levels. He stated there is currently not a water supply shortage.

Chair Maggard asked if outreach is done to notify homeowners or home owners' associations of water restrictions. Mr. Herbst responded in the affirmative.

Staff recommended the Board Approve Amended Water Shortage Order No. SWF 2017- 14 Phase I Water Shortage for the District's entire sixteen counties excluding unincorporated Levy County.

A motion was made and seconded to approve staff's recommendation. Motion carried unanimously. (Audio 01:39:18)

38. Denials Referred to the Governing Board

If any denials are requested to be referred to the Governing Board, these will be presented at the meeting.

Submit & File Reports - None

Routine Reports

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

39. Dover/Plant City Water Use Caution Area Flow Meter and Automatic Meter Reading (AMR) Equipment Implementation Program

40. Overpumpage Report

41. Individual Permits Issued by District Staff

Committee Chair Senft relinquished the gavel to Chair Maggard. (Audio 01:40:10)

General Counsel's Report

Discussion

42. 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.

43. April 2017-Litigation Report

44. April 2017-Rulemaking Update

Ms. Karen West, General Counsel, informed the Board the challenge to the District final order on McClash versus Land Trust 97-12 has concluded. The District's issuance of final order was upheld by the Court of Appeal.

Committee/Liaison Reports

45. Environmental Advisory Committee

Board Member Williamson updated the Board on the on the April 11, 2017 meeting that involved a site visit to Starkey Ranch in Pasco County. A written report was provided.

46. Well Drillers Advisory Committee

A written report was provided for the April 12, 2017 meeting.

47. Committee/Liaison Reports

None

Executive Director's Report

48. Executive Director's Report

Mr. Armstrong stated that the Crystal River Kings Bay Minimum Flows and Levels will be brought to the May 23 Board Meeting in Brooksville.

Mr. Armstrong reminded the Board this was Board Member Mann's last Board meeting. He thanked Board Member Mann for his service.

CHAIR'S REPORT

49. Chair's Report

50. Other

Chair Maggard reminded the staff about coordinating a workshop in August regarding phase two of the PRWC.

Chair Maggard made a motion to re-employ Mr. Armstrong at the close of the legislative session under the terms and conditions of the existing contract, if the Senate fails to consider the appointment.

A motion was made and seconded to approve staff's recommendation. Motion carried unanimously. (Audio 01:45:46)

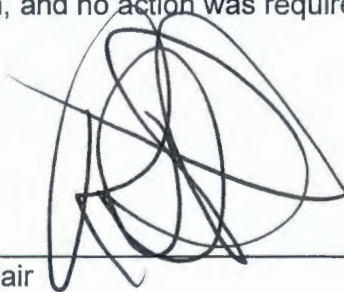
The May 23 Governing Board meeting will be in the Brooksville Office. The June 27 Governing Board meeting will be at Tampa Bay Water in Clearwater. The July 25 Governing Board meeting will be in the Brooksville Office.

51. Employee Milestones

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

The meeting was adjourned at 11:47 a.m.

Chair



Attest:


Secretary