



**WITHLACOOCHEE
REGIONAL
WATER
SUPPLY
AUTHORITY**

Board Meeting Package

May 18, 2016
3:30 p.m.

Meeting Location:

Lecanto Government Building
Room 166
3600 W. Sovereign Path
Lecanto, Florida 34461

Withlacoochee Regional Water Supply Authority

Board of Directors

Effective February 2016

Office	Board Members
Chair	The Honorable Dennis Damato
Vice Chair	The Honorable Nick Nicholson
Treasurer	The Honorable Earl Arnett

Jurisdiction	Board Members
Citrus County	The Honorable Scott Carnahan
	The Honorable Dennis Damato
Hernando County	The Honorable Jim Adkins
	The Honorable Nick Nicholson
Marion County	The Honorable Earl Arnett
	The Honorable Kathy Bryant
	The Honorable Carl Zalak
Sumter County	The Honorable Al Butler
	The Honorable Don Hahnfeldt
City of Belleview	The Honorable Ron Livsey
City of Brooksville	The Honorable William Kemerer
City of Bushnell	The Honorable Dale Swain
City of Crystal River	The Honorable Ken Brown

Meeting Dates

The schedule of meetings for the 2015-2016 fiscal year are as follows:

October 21, 2015	April 20, 2016
November 18, 2015	May 18, 2016
December 16, 2015	June 15, 2016
January 20, 2016	July 20, 2016
February 17, 2016	August 17, 2016
March 16, 2016	September 21, 2016

**MEMORANDUM**

To: Water Supply Authority Board of Directors and Interested Parties

From: Richard S. Owen, Executive Director

Date: May 6, 2016

Subject: Monthly Meeting of the Withlacoochee Regional Water Supply Authority

The next meeting of the Withlacoochee Regional Water Supply Authority will be on **Wednesday, May 18, 2016, 3:30 p.m., at the Lecanto Government Center Building, Room 166, 3600 Sovereign Path, Lecanto, FL 34461.**

Enclosed for your review are the following items:

- Agenda
- Minutes of the March 16, 2016 meeting
- Board Package*

Please note that if a party decides to appeal any decision made by the Board with respect to any matter considered at the above cited meeting, that party will need a record of the proceedings, and for such purpose, that party may need to ensure that a verbatim record of the proceedings is made, which record includes that testimony and evidence upon which the appeal is to be based.

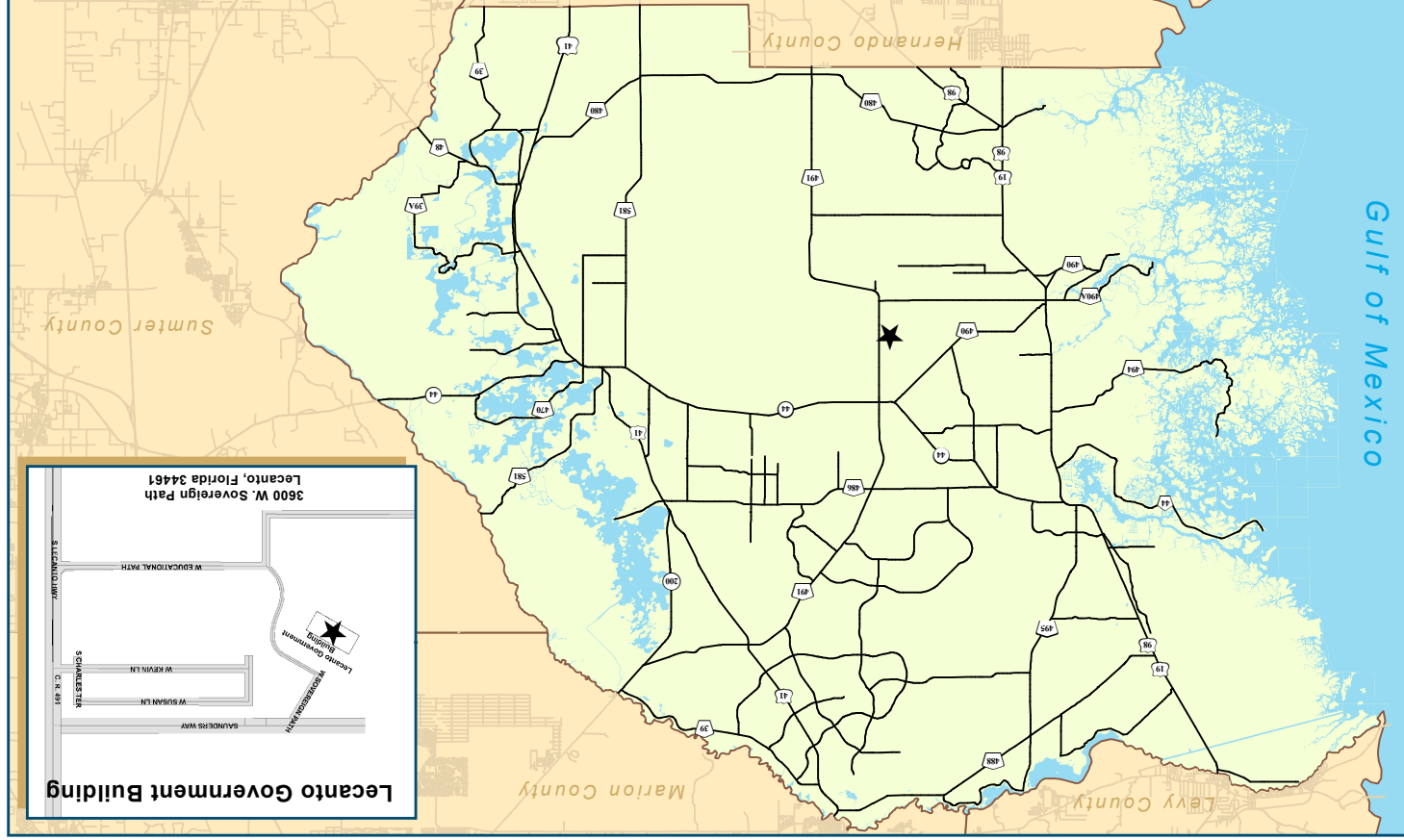
Enclosures

- * Copies of the Board Package are available through the Internet. Log on to www.wrwsa.org.
- On the Authority's Home Page go to the left side of the page and click on "Meetings."
 - On the slide out menu is a button for the current Board Package.
 - Click on the Board Package to download and/or print.



Information Systems

Office of Geography
Prepared By : R.W. Voak
Date: January 4, 2012
Source: Enterprise Geodatabase
Map Number: BV0000029



Driving Directions to 3600 W. Sovereign Path, Lecanto Government Building

From Brooksville:

- Go North on N. Main St. toward S. Broad St./E. Jefferson St.
- Take the 1st Left onto S. Broad St./W. Jefferson St.
- Turn Right onto US 98/Ponce De Leon Blvd.
- Turn Right onto CR 491 toward Lecanto (about 13.5 miles)
- Turn Left on W. Educational Path (traffic signal)
- Turn right at the Park onto W. Sovereign Path; continue to the right to the Lecanto Government Building

From Ocala

- Go southwest on SR 200 into Citrus County
- Turn Right onto CR 491 (stay on 491 through Beverly Hills, crossing Hwy. 486 and SR 44)
- Turn Right on Saunders Way
- Turn Left onto W. Sovereign Path; follow to Lecanto Government Building

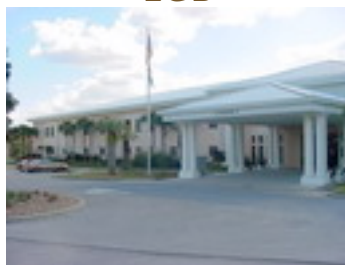
From Bushnell

- In Bushnell, Go West on FL-48W
- Turn Right onto US 41; continue to follow US 41 N
- Continue straight onto FL 44 W/W Main St.; continue straight on SR 44
- Turn Left onto CR 491
- Turn Right onto Saunders Way
- Turn Left onto W. Sovereign Path; follow to Lecanto Government Building

From Wildwood

- Go West on SR 44W; continue on SR 44 through Inverness
- Turn Left onto CR 491
- Turn Right onto Saunders Way
- Turn Left onto W. Sovereign Path; follow to Lecanto Government Building.

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**WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY
BOARD OF DIRECTORS MEETING**

A G E N D A

**MAY 18, 2016 -- 3:30 p.m.
LECANTO GOVERNMENT BUILDING -- ROOM 166
3600 W. Sovereign Path, Lecanto, Florida 34461**

At the discretion of the Board, items may be taken out of order to accommodate the needs of the Board and the public.

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1. Call to Order . . . Dennis Damato, Chairman	
2. Roll Call . . . Richard Owen, WRWSA Executive Director	
3. Introductions and Announcements . . . Richard Owen, WRWSA	
4. Approval of Minutes . . . Dennis Damato, Chairman	9
5. Public Comment	
6. Hydrologic Conditions Report . . . Lois Ann Sorensen, SWFWMD	15
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8. Charles A. Black Wellfield Water Supply Contract . . . Richard Owen, WRWSA	27
a. Status Report	
b. Charles A. Black Wellfield Engineering Analysis	
9. Executive Director's Report . . . Richard Owen, WRWSA	
a. Bills to be Paid [April bill summary included in packet; May bills to be provided at the meeting]	29
b. Second Quarter Financial Report	31
c. Correspondence	37
d. News Articles	41
e. Other	
10. Attorney's Report . . . Larry Haag, WRWSA Attorney	
11. Other Business	
12. Next Meeting	
• June 15, 2016; 3:30 p.m.	
• Lecanto Government Building, Room 166	
• Lecanto, Florida	
13. Adjournment	

Please note that if a party decides to appeal any decision made by the Board with respect to any matter considered at the above cited meeting, that party will need a record of the proceedings, and for such purpose, that party may need to ensure that a verbatim record of the proceedings is made, which record includes that testimony and evidence upon which the appeal is to be based.

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Minutes of the Meeting

DRAFT

WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY BOARD OF DIRECTORS

Minutes of the Meeting March 16, 2016

TIME: 3:30 p.m.
PLACE: Lecanto Government Building
ADDRESS: 3600 W. Sovereign Path, Room 166, Lecanto, Florida 34461

The numbers preceding the items listed below correspond with the published agenda.

1. Call to Order

Commissioner Dennis Damato, Chairman, called the Withlacoochee Regional Water Supply Authority (WRWSA) meeting to order at 3:31 p.m. and asked for a roll call.

2. Roll Call

Richard Owen, Executive Director, called the roll and a quorum was declared present.

BOARD MEMBERS PRESENT

Dennis Damato, *Chairman*, Citrus Co. Commissioner
Nick Nicholson, *Vice Chairman*, Hernando County Commissioner
Earl Arnett, *Treasurer*, Marion Co. Commissioner
Jim Adkins, Hernando County Commissioner
Ken Brown, Crystal River City Councilor
Al Butler, Sumter County Commissioner
Scott Carnahan, Citrus County Commissioner
William Kemerer, Brooksville City Councilor
Ron Livsey, Belleview City Commissioner
Dale Swain, Bushnell City Councilor

BOARD MEMBERS ABSENT

Kathy Bryant, Marion County Commissioner
Don Hahnfeldt, Sumter County Commissioner
Carl Zalak, Marion County Commissioner

3. Introductions and Announcements

- *Introductions.* Mr. Owen recognized Authority staff and audience members present for this meeting.
- *Revised Agenda.* Mr. Owen noted that an item has been added to the agenda under the Executive Director's Report: 11.e. SWFWMD/SJRWMD Northern District Groundwater Model Update. He noted the Board was provided a revised agenda at their seats. **Mr. Nicholson moved, seconded by Mr. Brown, to approve the agenda as revised with the add-on item. Motion carried unanimously.**

WRWSA STAFF PRESENT

Richard Owen, Executive Director
Larry Haag, Attorney
Diane Salz, Governmental Affairs
LuAnne Stout, Administrative Asst.

OTHERS PRESENT

Doug Andrews, Marion County Interim Utilities Director
Jacob Arnette, Marion County Water Resources Coordinator
Robert Beltran, SWFWMD Executive Director
Alys Brockway, Hernando County Water Resources Manager
Ken Cheek, Citrus County Water Resources Director
Kathryn Eno, Senior Auditor, Purvis Gray & Company, LLP
Kelly Rice, SWFWMD Governing Board Member
Kevin Smith, Marion County Strategic Resources Project Mgr.
Mark White, CPA, Partner, Purvis Gray & Company, LLP
Chris Zajac, SWFWMD Governmental Affairs Program Mgr.

4. Approval of Minutes

A copy of the February 17, 2016 minutes was provided in the Board's meeting materials. Following consideration, **Mr. Adkins moved to approve the minutes for the February 17, 2016 meeting as presented. The motion was seconded by Mr. Carnahan and carried unanimously.**

5. Public Comment

No one submitted a *Request to Speak* card to address the Board.

(Mr. Swain entered the meeting.)

6. Southwest Florida Water Management District Update

Mr. Kelly Rice, newly appointed Southwest Florida Water Management District (SWFWMD) Governing Board member, introduced himself to the Board, noting that he was appointed in September 2015 to represent the northern portion of the District. He received Senate confirmation in the Legislative Session which just concluded. He said he lives in Sumter County and is a local businessman there.

Mr. Robert Beltran, SWFWMD Executive Director, provided the Board with a brief update of significant activities at the District. Discussion ensued regarding reuse, nutrient loading, Central Florida Water Initiative, cooperative water partners, seasonal storage, and future projects.

Chairman Damato thanked Mr. Beltran for an excellent presentation and Mr. Rice for attending today's Board meeting.

This was an informational item and no Board action was necessary.

7. Fiscal Year 2014-15 Financial Audit

Mr. Mark White, CPA, Partner with Purvis Gray & Company, LLP, presented the annual audit of the Authority's financial statements for the fiscal year ending September 30, 2015. Mr. White referenced the exhibits included in the Board's meeting materials: (1) March 16, 2016 letter from Purvis Gray & Company and (2) Financial Statements and Independent Auditors' Report, September 30, 2015. He reviewed the document highlights, noting the Authority's financial position is strong and in compliance with Florida Statutes.

Mr. Adkins said this is a job well done and he appreciated the work performed by Purvis Gray & Company.

Mr. Owen said staff recommends Board approval of the Annual Financial Report and Fiscal Year 2014-15 Independent Auditors' Report, September 30, 2015, as presented at the meeting; and submittal of these reports to the Auditor General and to the Florida Department of Financial Services.

Following consideration, **Mr. Adkins moved to approve the Annual Financial Report and Fiscal Year 2014-15 Independent Auditors' Report, September 30, 2015, as presented; and submittal of these reports to the Auditor General and to the Florida Department of Financial Services. Mr. Arnett seconded the motion and it carried unanimously.**

8. Water Conservation Month Resolution

Mr. Owen, WRWSA, said the purpose of this item is to request the Board execute a resolution declaring April 2016 as "Water Conservation Month." Since 1998, the state of Florida, water management districts, local governments and water-related organizations, such as the Florida Section of the American Water Works Association, have declared April as "Water Conservation Month." April is typically the time of year when water demands increase due to generally hot and dry conditions.

Mr. Owen said that, proclaiming April as "Water Conservation Month" has historically been used by the Authority as a means to focus the public's attention on the need for and benefits of conservation, and to highlight the resources available to help them. This action will further the Authority's and its member governments' water conservation efforts; therefore, staff recommends the Board approve and execute Resolution No. 2016-02 declaring April 2016 as "Water Conservation Month."

Following consideration, **Mr. Adkins moved to approve and execute Resolution No. 2016-02 declaring April 2016 as “Water Conservation Month.” Mr. Swain seconded the motion and it carried unanimously.**

9. Springs Protection Month Resolution

Mr. Owen, WRWSA, said the purpose of this item is to request the Board execute a resolution declaring April 2016 as “Springs Protection Month.” By adopting the proposed Springs Protection Month Resolution, the Authority will demonstrate its commitment to environmental stewardship, including supporting efforts to conserve and restore the ecological balance of these spring systems.

Mr. Owen said the Authority encourages its members to become more aware of the need to protect local springs, and to support the Southwest Florida Water Management District in its restoration efforts and appropriate measures to conserve and protect local springs. He said staff recommends the Board approve and execute Resolution No. 2016-03 declaring April 2016 as “Springs Protection Month.”

Following consideration, **Mr. Swain moved to approve and execute Resolution No. 2016-03 declaring April 2016 as “Springs Protection Month.” Mr. Brown seconded the motion and it carried unanimously**

In response to Mr. Brown’s inquiry, Mr. Chris Zajac, SWFWMD, said he is coordinating with City of Crystal River staff for similar proclamations being brought before his Council.

10. Charles A. Black Wellfield Water Supply Contract, Status Report

Mr. Owen, WRWSA, said this item is to inform the Board of progress on the proposed new water supply contract with Citrus County since the last Board meeting. He said the meeting scheduled for the first part of March was cancelled and is rescheduled for early April; therefore, an update will occur at the Board’s next meeting.

Mr. Owen displayed a trophy presented to the Charles A. Black Wellfield for having the best tasting drinking water for the region. He noted that it will now compete at the state level.

This was an informational item and no Board action was necessary.

11. Executive Director’s Report

a. Bills to be Paid – Mr. Owen presented the March 2016 bills and requested approval of payment for administrative invoices in the amount of \$15,283.07 and project invoices in the amount of \$5,614.00, totaling \$20,897.07. Following consideration, **a motion was made by Mr. Carnahan for payment of the March 2016 bills in the amount of \$20,897.07, as presented. The motion was seconded by Mr. Arnett and carried unanimously.**

b. First Quarter Financial Report – Mr. Owen noted the report is provided in the supplemental meeting information placed at their seats. He reviewed report highlights for the Board’s information.

Following consideration, **Mr. Carnahan moved, seconded by Mr. Arnett, to accept the First Quarter Financial Report, as presented. Motion carried unanimously.**

c. Correspondence – Items were included in the Board’s meeting materials and the supplemental information.

- d. News Articles** – News articles of interest were included in the Board’s meeting materials and supplemental information.
- e. SWFWMD/SJRWMD Northern District Groundwater Model Update** – Mr. Owen said he met last week with the SWFWMD, SJRWMD, Marion County, and City of Ocala. He said the Authority participated in co-funding this model which is continually being updated and improved; therefore, the parties involved requested the Authority and Marion County provide peer review. Mr. Owen said the Authority does not have staff to review and provide input which is why this item is being brought before the Board. He said Marion County already has a consultant which does this type of work and the Authority could co-fund review with the County through appropriate agreement after consideration with the Authority’s legal counsel.

Discussion ensued regarding use of this model, minimum flows and levels, and water supply planning.

Mr. Arnett moved, seconded by Mr. Brown, to approve the transfer of \$12,500 from water resource development reserves to a budget item for the Authority’s participation in the review of the updated Northern District Groundwater Model and for the Executive Director to enter into an agreement with Marion County for the joint funding of this review. Motion carried unanimously.

In response to Mr. Nicholson’s inquiry, Mr. Zajac, SWFWMD, provided a brief update on the Seven Diamond mines in Pasco County. Mr. Zajac then addressed Mr. Adkins’ question regarding the Lower Floridan Aquifer’s ongoing monitoring. Chairman Damato suggested Mr. Adkins meet with Mr. Ron Basso of the SWFWMD.

f. Other

- (1) Mr. Owen said that he is negotiating with Citrus County regarding renewal of the office lease and separate internet access has been requested. He said the cost is \$100 for installation and approximately \$100 per month for service. Mr. Owen said staff recommends approval to incur these costs.

Mr. Carnahan moved, seconded Mr. Nicholson, to approve costs of \$100 for installation and approximately \$100 per month for service.

Following consideration, **Mr. Carnahan asked this item be tabled while he addresses this matter with staff. Messrs. Carnahan and Nicholson withdrew their motion and second.**

Chairman Damato called the question for approval of Mr. Carnahan investigating this item. Mr. Brown seconded, and there was Board consensus.

- (2) Mr. Owen noted that, on March 29, he will be presenting before the SWFWMD Governing Board to provide a status report of the Authority’s water supplies, conservation initiatives, regional projects, and vision for the future.

(Mr. Carnahan left the meeting.)

12. Legislative Report

Ms. Salz briefed the Board regarding activities that occurred during the Legislative Session. She said the Authority had a good year and thanked the Board members for their contributions in weighing in on issues. Using the legislative update document at each member’s seat, Ms. Salz informed the Board regarding the major issues involving the Authority, especially Senate Bill (SB) 552, which is noted for comprehensive water policy reform, and House Bill (HB) 989, referred to as the “Florida Legacy Act” which establishes a dedicated funding source for springs restoration, protection and management

of \$50 million annually, among other things. She noted that Senate confirmation occurred for SWFWMD and SJRWMD governing board members and executive directors. She said there is a new requirement for special districts and budgeting/auditing/reporting which staff will be reviewing.

This was an informational item and no Board action was necessary.

(Mr. Carnahan left the meeting.)

13. Attorney's Report

Mr. Haag said he had nothing to report at this time.

14. Other Business

Mr. Brown inquired about Levy County and its participation in the WRWSA in a conservation effort. Mr. Owen said he has reached out and spoke to the Commission. He was told a representative would attend the meetings but no one has come. He said per capita cost contribution is an issue for them. He noted that Citrus County has been extending an offer of providing services. Chairman Damato informed the Board of regional opportunities he is aware of.

15. Next Meeting Time and Location

- Mr. Owen said he does not have enough agenda items to warrant a meeting in April and recommended the Board cancel the meeting. **Mr. Nicholson moved, seconded by Mr. Brown, to cancel the April 20, 2016 monthly meeting. Motion carried unanimously.**
- The next monthly meeting is scheduled for May 18, 2016 at 3:30 p.m. The meeting location is the Lecanto Government Building, Room 166 (3600 W. Sovereign Path, Lecanto). Mr. Owen noted Fiscal Year 2016-17 budget approval will be requested and a county commission representative from each county is required for approval.

16. Adjournment

Chair Damato adjourned the meeting at 5:06 p.m.

Dennis Damato, Chairman

Richard S. Owen, Executive Director

Hydrologic Conditions Report

Ms. Lois Ann Sorensen is the Demand Management Program Manager for the Southwest Florida Water Management District. She will provide the Board with a review of recent past and projected hydrologic conditions in the region.

Staff Recommendation:

This is an information item only and no Board action is required.

Fiscal Year 2016-17 Budget Approval

This item is presented by Richard Owen, WRWSA Executive Director.

Included as an exhibit to this item is the proposed Fiscal Year (FY) 2016-17 budget for the Board's review and approval. The budget has been prepared in a conservative manner in an effort to reduce costs and enhance efficiencies for member governments. Also included is a description of the Authority's FY 2016-17 work program that is supported by the proposed budget. Outlined below are the major aspects of the proposed budget.

Highlights

- Administrative expenditures of \$214,044, down from the current year by \$28,384 or 11.7%.
- Water Supply Studies and Facilities expenditures of \$408,500, up from the current year by \$172,350 or 73%, primarily due to the initiation of Phase 4 of the Irrigation Audit Program.
- Total proposed expenditures amount to \$622,544, representing an increase from the current year in an amount of \$143,966, or 30.1%.
- Administrative Reserves at the end of the fiscal year are budgeted at \$402,427, down from the current year by \$14,794 or 3.5%.
- Water Resource Development Reserves at the end of the fiscal year are budgeted at \$888,767, up from the current year by \$96,172 or 12.1%.
- Combined Administrative and Water Resource Development Reserves at the end of the fiscal year total \$1,291,194, representing an increase of \$81,378 or 6.7%.

Revenues

Administrative

Staff recommends a per capita rate of \$0.19, the same assessment as in the last six years. The per capita assessment will generate \$147,285 in revenues, up just slightly from the current year (an increase of \$2,061) due to increases in the region's population. Administrative revenue from the Charles A. Black (CAB) wellfield facilities continues at \$60,000 pursuant to the existing water supply contract with Citrus County. Combined, these revenue sources generate \$207,285 in revenue for administrative purposes. This is slightly less than the proposed Administrative expenditures (\$214,044), with the difference (\$6,759) covered by utilization of Carryover Administrative Funds. Carryover Administrative Funds are estimated to be \$409,187 at the beginning of FY 2016-17.

Water Supply Facility Development

Revenues for Water Supply Facility Development are derived from matching funds generated by cooperatively funded projects and the CAB wellfield payments. One continuing cooperatively funded project, Phase 3 of the Irrigation Audit Program, will carry on in the coming fiscal year. In addition, the Authority has submitted an application to the SWFWMD for Phase 4 of the Irrigation Audit Program in the amount of \$200,000, split evenly between the Authority and the District, with the Authority's share also split with participating utilities. Revenues from cooperators during the fiscal year are budgeted at \$151,750. The CAB wellfield is scheduled to

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generate \$163,587 in funds available for water supply development projects. This amount from the CAB wellfield is a continuation of the current funding amount and does not reflect any change in revenues that may come about should the Authority and Citrus County successfully execute a new Contract for Water Supply. Combined, these revenue sources generate \$315,337 in project-related revenues. The total project-related expenditures are estimated at \$408,500, with the difference of \$93,163 (\$408,500 - \$315,337) funded by utilization of Carryover WRDF reserves. Carryover WRDF reserve funds are estimated to be \$888,767 at the end of FY 2016-17.

Expenditures

General Administration

Staff has again worked diligently to hold the line on and reduce, where possible, administrative expenses. This has involved a comprehensive review of all administrative expenses, examining each for expenditures to-date, projected expenditures through the remainder of the current fiscal year and then projecting these for the coming year. Most of the Authority's contracted staff support, including the Executive Director, Administrative Assistant and Legislative Consultant are proposed at the current fiscal year levels of funding. The budget for legal services has been reduced compared to the current year amended budget, which included funds for special counsel related to the proposed new CAB Wellfield Contract for Water Supply. It is anticipated this effort will be completed this fiscal year and no additional funds have been proposed for next year. The slight increase in audit services is consistent with the audit engagement letter, which provides for a cost-of-living adjustment each year. A new item has been included in the draft budget for internet access. The bookkeeping services are proposed at the current year amount of \$500.00 per quarter. The Public Officials Liability Insurance cost is based upon the current fiscal year cost plus 5%. The remaining administrative expenses are based upon analysis of expenditures to-date and projected for the coming year. Contingencies represent approximately 5% of the other non-contract administrative costs (e.g., administrative costs excluding the Executive Director, Administrative Assistant, Legal Services, Legislative Consultant, Audit and Bookkeeping services).

Total administrative expenses are proposed at \$214,044, a decrease of \$28,384, or 11.7%, from the current fiscal year amended budget.

Water Resource Development Projects

There are four (4) projects proposed in FY 2016-17, each of which is briefly described below.

1. General Services – the General Services project is proposed to continue at the current funding amount of \$75,000.
2. Local Government Water Supply Grants – the Board previously approved setting the Authority's Water Conservation Grants program at a funding level of \$130,000 for the year. Grant proposals are due by the end of June 2016 and will be presented at the Board's September 2016 meeting.
3. Phase 3 Irrigation Audit Program – this program started in FY 2013-14 and is projected to be largely completed in the current year, with final reporting completed in early 2016-17.
4. Phase 4 Enhanced Irrigation Audit Program – this fourth phase of the irrigation audit, if funded by the SWFWMD, will start in the coming fiscal year and will continue for several subsequent years. The full cost and revenues of the project have been included in the

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FY 2016-17 budget due to requirements from the water management district that cooperators demonstrate the full amount of funding is budgeted.

Fund Balances

Total fund balances at the end of FY 2016-17 are projected to be \$1,291,194, with Administrative Reserves comprising \$402,427 and Water Resource Development Reserves projected at \$888,767. These funds could be used during FY 2016-17 for possible projects and costs that may arise and that are approved by the Board, and will be available for future project funding.

Staff Recommendation:

Approval of the FY 2016-17 budget by adoption of Resolution 2016-04, shown as in the Exhibit, said budget including expenditures in the amount of \$622,544, budgeted reserves in the amount of \$1,291,194, and a combined total amount of \$1,913,738, as presented in Exhibit A.

Exhibit A

WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY

RESOLUTION 2016-04

ADOPTION OF FINAL BUDGET FOR FISCAL YEAR 2016-17

WHEREAS, pursuant to the requirements of Section 189.016(4), Florida Statutes, the Board of Directors of the Withlacoochee Regional Water Supply Authority held a public meeting on May 20, 2015, on the final budget and assessment rate for general administrative, operating and project expenses for the fiscal year beginning October 1, 2016 and ending September 30, 2017; and

WHEREAS, the Board has complied with all requirements of said section and desires to adopt its final budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY:

Section 1. The Board of the Withlacoochee Regional Water Supply Authority hereby adopts its final budget, for general administrative, operating and project expenses for the Fiscal Year beginning October 1, 2016 and ending September 30, 2017, as shown on the attached Exhibit, attached hereto and made a part hereof as Exhibit A.

Section 2. This Resolution and a copy of the final budget as adopted shall be forwarded to the Board of County Commissioners of each member County.

Section 3. This Resolution shall become effective immediately upon its adoption.

ADOPTED in regular session this 18th day of May 2016.

BOARD OF DIRECTORS, WITHLACOOCHEE
REGIONAL WATER SUPPLY AUTHORITY

Attest:

BY _____
Dennis Damato, Chairman

Richard S. Owen, Executive Director

WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY						
Proposed Fiscal Year 2016-17 Budget						
As of May 2, 2016						
	4/1/2015 Population Estimate	Comments	Fiscal Year 2016-17	Fiscal Year 2015-16	\$ Change	% Change
Revenues: Administrative						
Assessments:						
Citrus	141,501	703 person increase	\$26,885	\$26,752	\$134	0.5%
Hernando	176,819	1,864 person increase	\$33,596	\$33,241	\$354	1.1%
Marion	341,205	3,750 person increase	\$64,829	\$64,116	\$713	1.1%
Sumter	115,657	4,532 person increase	\$21,975	\$21,114	\$861	4.1%
Total Population/Assessments @ 19¢/Capita	775,182	See Attachment 1 for detail	\$147,285	\$145,223	\$2,061	1.4%
Administrative Revenue from Citrus Contract		Based on Citrus County contract	\$60,000	\$60,000	\$0	0.0%
Subtotal			\$207,285	\$205,223	\$2,061	1.0%
Carryover Administration Reserve Funds (FYE 15/16 Estimate) (SBA1)		See Attachment 2 for detail	\$409,187	\$454,426	-\$45,239	-10.0%
Total Administrative Revenue Available			\$616,471	\$659,649	-\$43,178	-6.5%
Revenues: Water Resource Development (WRD) Projects						
Phase 2 Irrigation Audit Program SWFWMD Matching Funds			\$0	\$750	-\$750	-100.0%
Phase 3 Irrigation Audit Program SWFWMD Matching Funds		50% of Follow-Up Budget	\$1,750	\$8,825	-\$7,075	-80.2%
Phase 3 Irrigation Audit Program Cooperator Matching Funds			\$0	\$4,413	-\$4,413	-100.0%
Phase 4 Irrigation Audit Program SWFWMD Matching Funds		100% of project revenues	\$100,000	\$0	\$100,000	NA
Phase 4 Irrigation Audit Program Cooperator Matching Funds		100% of project revenues	\$50,000	\$0	\$50,000	NA
Annual Citrus WRD Payments (SBA2)		Based on Citrus County contract	\$163,587	\$163,587	\$0	0.0%
Subtotal			\$315,337	\$177,575	\$137,762	77.6%
Carryover WRD Reserve Funds (FYE 15/16 Estimate) (SBA2)		See Attachment 2 for detail	\$981,930	\$880,795	\$101,135	11.5%
Total Water Resource Development Revenue Available			\$1,297,267	\$1,058,370	\$377,409	35.7%
Total Revenues Available			\$1,913,738	\$1,718,019	\$334,231	19.5%
Expenditures: General Administration						
Executive Director		Based on annual contract	\$80,000	\$80,000	\$0	0.0%
Administrative Assistant		Based on annual contract	\$37,500	\$37,500	\$0	0.0%
Legal Services		Based on annual contract:				
Monthly Meetings @ \$500/meeting		10 meetings per year	\$5,000	\$5,000	\$0	0.0%
Other Services @ \$150/hr.		No special counsel	\$12,000	\$42,000	-\$30,000	-71.4%
Legislative Consultant		Based on annual contract	\$42,000	\$42,000	\$0	0.0%
Advertising		Based on recent usage	\$1,000	\$1,000	\$0	0.0%
Audit		Based on 3% CPI	\$9,687	\$9,405	\$282	3.0%
Internet Service		Estimated @ \$100/month	\$1,200	\$0	\$1,200	NA
Bookkeeping Services		\$500/quarter per Engagement Letter	\$2,000	\$2,000	\$0	0.0%
Liability Insurance		Based on FY 15-16 plus 5% rounded up	\$2,500	\$2,500	\$0	0.0%
Office Supplies		Based on recent usage	\$800	\$800	\$0	0.0%
Postage		Based on recent usage	\$800	\$800	\$0	0.0%
Printing and Reproduction		Based on recent usage	\$2,000	\$2,000	\$0	0.0%
Publications/Software		Based on recent usage	\$200	\$200	\$0	0.0%
Rent (Lecanto Gov't Bldg)		Based on proposed new lease agreement	\$2,048	\$2,048	\$0	0.0%
Registrations/Dues		Based on inventory	\$1,900	\$1,900	\$0	0.0%
State Fees/Assessments		Based on recent usage	\$175	\$175	\$0	0.0%
Telephone		Based on recent usage	\$1,100	\$1,100	\$0	0.0%
Travel		Based on recent usage	\$9,000	\$9,000	\$0	0.0%
Web Page / Computer Maintenance		Based on recent usage	\$2,000	\$2,000	\$0	0.0%
Contingencies		@ 5% of non-contract admin costs	\$1,134	\$1,000	\$134	13.4%
Subtotal - General Administration Expenditures			\$214,044	\$242,428	-\$28,384	-11.7%
Fund Balance for Admin. Reserves FYE 16/17		FYE15/16 Admin Funds Bal + FY16/17 Admin Rev's - FY16/17 Admin Exp's	\$402,427	\$417,221	-\$14,794	-3.5%
Expenditures: Water Resource Development Projects						
General Services Contract		RFQ's - Firms on Call	\$75,000	\$75,000	\$0	0.0%
Local Government Grant Program		Based on Board direction	\$130,000	\$130,000	\$0	0.0%
Phase 2 Irrigation Audit Program			\$0	\$1,500	-\$1,500	-100.0%
Phase 3 Irrigation Audit Program		Follow-up Budget	\$3,500	\$17,650	-\$14,150	-80.2%
Proposed Phase 4 Enhanced Irrigation Audit Program		Total Project Budget	\$200,000	\$0	\$200,000	NA
Purvis Gray Rate Study			\$0	\$12,000	-\$12,000	-100.0%
Subtotal - Water Resource Development Projects			\$408,500	\$236,150	\$172,350	73.0%
Fund Balance for Water Resource Development Reserves FYE 16/17		FYE15/16 WRD Funds Bal + FY16/17 WRD Rev's - FY16/17 WRD Exp's	\$888,767	\$792,595	\$96,172	12.1%
Total Administration and WRD Expenses			\$622,544	\$478,578	\$143,966	30.1%
Total Administration and WRD Fund Balances at FYE 16/17		See Attachment 2 for detail	\$1,291,194	\$1,209,816	\$81,378	6.7%
Combined Expenditures and Fund Balances			\$1,913,738	\$1,688,394	\$225,344	13.3%

ATTACHMENT 1

CALCULATION OF REVENUE FOR 2016-17 AND CALCULATION OF AMOUNT OF FUNDS NEEDED FROM RESERVES As of May 2, 2016

Revenue	4/1/2015 Population	Annual Amount	Sub-Totals
LOCAL ASSESSMENTS @ 19¢ PER CAPITA			
Citrus	141,501	\$26,885	
Hernando	176,819	\$33,596	
Marion	341,205	\$64,829	
Sumter	115,657	\$21,975	
Subtotal	775,182		\$147,285
CHARLES A. BLACK WATER SUPPLY FACILITY			
WRD Payments		\$163,587	
Administrative Contribution		\$60,000	
Subtotal			\$223,587
MATCHING CONTRIBUTIONS FOR STUDIES			
SWFWMD Match for Phase 3 Irrigation Audit Program		\$1,750	
Cooperator Match for Phase 3 Irrigation Audit Program		\$0	
SWFWMD Match for Proposed Phase 4 Irrigation Audits		\$100,000	
Cooperator Match for Phase 4 Irrigation Audit Program		\$50,000	
Subtotal			\$151,750
TOTAL REVENUE FOR FY 2016-17			\$522,622
Less: 2016-17 Administration Expense			-\$214,044
Less: 2016-17 WRD Cost			-\$408,500
Funds Required from WRWSA Reserves			-\$99,922

ATTACHMENT 2

ANALYSIS OF BEGINNING FUND BALANCES

FY 2016 - 2017

As of May 2, 2016

ANALYSIS OF WATER RESOURCES DEVELOPMENT FUND BALANCE	
03/01/16 WRDF Balance (SBA2)	\$1,028,731
FY 2015-16 WRD Fund Revenues	
Citrus Co. Payments 3/16 - 9/16 @ \$13,632.25/month	\$95,426
Irrigation Audit Phase 3 Reimbursements	\$13,433
Subtotal	\$1,137,590
Less: FY 2015-16 Remaining Contract Balances:	
2015-16 Citrus Water Conservation Program	\$36,875
2015-16 Hernando Water Conservation Program	\$47,750
2015-16 Marion Water Conservation Program	\$35,475
Irrigation Audit Phase 3	\$5,225
2014-15 General Services Contract	\$18,335
Purvis Gray CAB Support	\$12,000
Expenditures Subtotal	\$155,660
Total WRD Funds at end of FY 2015-16	\$981,930
ANALYSIS OF ADMINISTRATIVE FUND BALANCE	
03/01/16 Admin Bal (SBA1)	\$492,515
Admin revenue from CAB WSF @ \$5,000/month; 7 months remaining	\$35,000
Less remaining FY Admin costs for 7 months	-\$118,328
Total Administrative Funds at end of FY 2015-16	\$409,187
PROJECTED FUND BALANCES AT END OF FY 2016-17	
Total Fund Balances beginning of FY 2016-17:	\$1,391,117
Add: 2016-17 Revenues	\$522,622
Deduct 2016-17 Expenses:	-\$622,544
Projected Fund Balances at end of FY 2016-17:	\$1,291,194

Withlacoochee Regional Water Supply Authority

2016-17 Work Program

1. Joint Funding of Water Conservation Projects with Member Local Governments

The Authority will continue its grant program to assist local governments in improving water conservation within the region in order to extend the use of groundwater as long as possible. Fresh groundwater is the least expensive source available to meet growing demands, however there is a limit to this source due to environmental impacts and impacts on other existing legal users caused by withdrawals. As the limit to fresh groundwater resources is reached, alternative, more expensive water sources will need to be developed. At the present time however, water conservation programs are the most appropriate way for the Authority to help local governments extend the use of lower cost groundwater supplies. During fiscal year 2016-17, the proposed budget anticipates appropriating an additional \$130,000 toward local government water conservation projects. Proposals will be considered from local governments and public supply utilities in the Authority's jurisdiction. The grant program guidelines and application package may be found on the Authority's web page at www.wrwsa.org. The water conservation activities co-funded by this grant program help participating utilities meet and surpass the maximum 150 gallons per person per day that is required by the SWFWMD no later than 2019.

2. Legislative and Governmental Affairs Advocacy on Behalf of the Authority and Its Member Governments

The Authority conducts legislative and executive branch advocacy year-round to promote initiatives on behalf of the Authority and its member governments, and to protect the Authority's interests. Historically, the Authority has played a vital role in influencing state and regional water supply planning, permitting and funding programs including "local sources first," the Water Protection and Sustainability Program and subsequent water resource and supply funding programs. Each year prior to the Legislative Session, the Authority Board of Directors reviews and approves policy direction to guide its advocacy efforts. Progress reports are provided on a regular basis. It is anticipated that during fiscal year 2016-17, the Florida Legislature will continue to make modifications to the state's comprehensive water policies and funding programs. The passage of comprehensive water protection legislation (SB 552) and the "Legacy Florida" legislation, relating to the implementation of the Constitutional Land and Water Conservation Amendment 1 (HB 989) during the 2016 legislative session will likely require continuing refinements in the upcoming session. The Authority will remain fully engaged in assisting the Legislature to implement and refine this recent legislation that significantly revamped the state's comprehensive water policies and funding programs, as well as engage as appropriate on new legislation that would affect the Authority and water supplies of our member governments.

3. Enhancement of the Regional Residential Irrigation Audit Program to Promote Water Conservation within the Region

This ongoing program provides an opportunity for residential water utility customers to obtain site-specific evaluations for optimizing the use of water through landscaping techniques and efficient irrigation systems, and to implement recommendations provided by a professionally certified contractor. Contractors used for the site-specific evaluations are professionals certified by the Florida Irrigation Society (FIS) or other recognized certifying agency in the targeted region. The initiative includes program information, water conservation education, reporting and analysis by a consultant.

This continuing project targets existing inefficient landscape and irrigation water use and results in significant water savings and can lead to water quality protection through reduced leaching of fertilizers and lawn chemicals. Results from the Pilot Project and Phase 2 indicate a total water savings of 41 million gallons per year for 371 residential customers, representing an average reduction in total water use of 33%.

The Authority initiated the Pilot program in 2011 with joint funding from the Southwest Florida Water Management District (SWFWMD). During Phase 2 of the program, 162 customers received evaluations of their irrigation systems; this phase was completed in November 2015. Phase 3 began on October 1, 2014 and will continue into fiscal year 2016-17. The three programs combined will reach 532 utility customers. Phase 4 is being proposed as an “Enhanced Program”, whereby participants could elect to have the WRWSA’s contractor assist in implementing certain recommendations. Phase 4 has been proposed to reach over 400 customers in the participating utilities. This water conservation initiative helps participating utilities meet and surpass the maximum 150 gallons per person per day that is required by the SWFWMD no later than 2019.

4. Continued Cooperation with Citrus County in Operation and Management of the Authority's Charles A. Black Water Supply Facilities

It is anticipated the Authority and Citrus County will complete their negotiations in Fiscal Year 2015-16 for a new Water Supply Contract governing the operation and maintenance of the CABWSF. The new Contract will allow for the continued operation of the facilities by Citrus County in a cost effective manner ensuring long-term water supply for the County and its customers while also providing for long-term financial stability. Various provisions of the new Contract will take effect in the coming year that call for improved coordination between the County and Authority.

5. Participation in Maintenance and Enhancement of the North–Central Florida Groundwater Model

The first phase of this project was jointly funded by the SWFWMD, St. Johns River WMD, Marion County and the Authority. The project was initiated in fiscal year 2012-13. Phase 1 of the project entailed updating and expanding the SWFWMD’s Northern District Groundwater Model to encompass all of Marion County and to incorporate the most recent hydrologic data. Phase 1 of the project was successfully completed. The intent is for both water management districts to utilize this common model for determining the availability of groundwater in the region, particularly in Marion County which is split by the districts’ boundaries. The SJRWMD and SWFWMD continue to improve upon the model and seek the engagement of various stakeholders. The model has significant implications for groundwater availability in the region and the Authority’s continued participation and coordination with member governments is essential to ensure water supply implications are considered as the model is updated. The Authority also engages with both Districts to ensure continued use and support of the model.

6. Program Development and Technical Assistance

- a) Support efforts to further define the hydrogeology of the region. Continue cooperation with the water management districts on the collection of hydrologic data to further refine the Districts’ planning and regulatory models. Coordinate on efforts to better define the lower Floridan aquifer and the extent of fresh and brackish groundwater within the aquifer.

- b) Promote the WRWSA Regional Framework through coordination with WRWSA member governments to facilitate regional and sub-regional cooperation on water supply development and reclaimed water projects. Work with the WMDs in defining strategic priorities for the region and how these priorities may influence the ranking criteria for the Districts' Cooperative Funding Initiatives, including potential District funding for regional and sub-regional traditional and non-traditional water supply development that is consistent with the WRWSA Regional Framework.
- c) Participate in the SWFWMD and SJRWMD minimum flows and levels (MFLs) programs representing the interests of member governments. Provide technical assistance to WRWSA member governments in determining the potential impact to both the environment and potential water supply development based on proposed MFLs from the Districts.
- d) Work with the SWFWMD and SJRWMD as they update their respective regional water supply plans to ensure the interests of the Authority and its member governments are represented in the process.
- e) Coordinate with FDEP, SJRWMD, SWFWMD and the Florida Department of Agriculture and Consumer Services on policy and rule development. Provide assistance to WRWSA member governments on FDEP and District rule development that may include Water Use Permitting, Environmental Resource Permitting, water conservation and future water supply development, including the statewide consistency initiatives. Monitor water management programs and rule development in other parts of the state, including the Central Florida Water Initiative, for implications to the WRWSA and its member governments.
- f) Monitor and coordinate with the water supply planning and development activities in adjacent communities and regions, including but not limited to Tampa Bay Water, the Central Florida Water Initiative and Lake and Levy counties for possible implications on water resource availability within the WRWSA region. Provide input to such activities when appropriate.
- g) Monitor applications for significant water use permits and permit modifications within the region for potential impacts on WRWSA and member government existing and planned water supply facilities.

Charles A. Black Wellfield Water Supply Contract

This item is presented by Richard Owen, WRWSA Executive Director.

a. Status Report

On April 5, 2016 WRWSA staff met with representatives of Citrus County. The following major points of agreement were reached for a new Water Supply Contract:

- Volumetric charge based on the sum of \$223,587 (this is the total revenue currently provided by the County under the existing agreement - \$163,587 in capital repayment plus \$60,000 in administrative; does not include County contributions to the R&R fund) divided by the 4.597 mgd permitted quantity.
- The Authority Board will control how funds paid by the County to the Authority pursuant to the Agreement will be utilized through the Authority's annual budget approval process.
- Establish a minimum charge with a provision that would allow an exception to the minimum charge if regulatory requirements, beyond the control of Citrus County, prevented the County, on a permanent basis, from taking sufficient quantities to meet the minimum charge.
- The County would retain control of the R&R fund but language would be incorporated into the Agreement to make clear the procedure and eligible expenses for using the funds so as to avoid disagreements.
- The annual amount the County is required to deposit into the R&R fund will be reduced from the current Contract requirements. The exact amount is to be determined.
- Twenty year agreement term with acknowledgement that the term could be extended by agreement of the parties.
- Continued cooperation on permit renewals.
- Intention of the parties that the new Agreement would replace all the existing agreements, as amended. Agreement would be completed by this summer.

In addition, two other provisions that have been discussed, but were not brought up in the meeting, include the following:

- A maximum or cap for the R&R fund, the amount of which needs to be established.
- A cost of living adjustment to the volumetric rate, utilizing the same cost of living benchmark used by the County for water rates.

All of these provisions are consistent with and further past Board direction to staff for the new contract. Authority staff continues to work on a proposed new contract that contains these provisions.

Staff Recommendation:

This is an information item only and no Board action is required.

b. Charles A. Black Wellfield Engineering Analysis

One significant aspect of the proposed new Water Supply Contract is to potentially reduce the amount of money contributed to the Renewal and Replacement (R&R) fund on an annual basis. Pursuant to the current Water Supply Contract, Citrus County contributes a specified amount each year, with those amounts increasing through the remainder of the Contract, or fiscal year 2021. Staff believe the current funding schedule may be providing

Item 8

excess funds and could potentially be reduced under the new Contract. In order to accurately estimate the amount of necessary R&R funding, it is proposed the periodic Engineering Evaluation of the CAB facilities be conducted now rather than during the upcoming fiscal year when it was scheduled. The most recent report was completed in January 2013 at a cost of \$23,500.

The Authority has a number of consultants currently under contract to perform work on an as-needed basis. Authority staff have requested Jones Edmunds, one of the firms under contract, provide a proposal to update and re-evaluate the previous work conducted, with a specific intent to provide recommendations on future funding of the R&R fund. The work is being requested to be expedited in order to be considered in drafting the new Water Supply Contract. Staff has identified a not-to-exceed amount of \$30,000 for this work. Funds are available in the current budget in the General Services Contract line item, which currently has an unobligated amount of \$47,500. The proposal by Jones Edmunds will be provided to the Board at or before the Board meeting.

Staff Recommendation:

Approval of the Work Order to Jones Edmunds to conduct an Engineering Evaluation of the Charles A. Black Water Supply Facilities for an amount not to exceed \$30,000. The Work Order will be provided to the Board at or before the Board meeting.

Item 9.a.

Executive Director's Report

Bills to be Paid

April 2016 provided in meeting materials.

**May 2016 to be provided at meeting
in supplemental materials.**

3600 W. Sovereign Path, Suite 228, Lecanto, Florida 34461

4/20/2016

State Board of Administration	Transfer from SBA2 to SBA1	\$6,475.75
State Board of Administration	Transfer from SBA1 to SunTrust Bank	\$33,684.36

Notes:

(1) Work Order 16-01 - Water Resource Associates	\$4,112.15	Invoice 16-1000.3
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(2) Breakdown of charges for Phase 3 (N640)

Jack Overdorff, evaluations:	\$1,245.00	Invoice 222
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C. LuAnne Stout, administration:	\$150.00	Invoice 2016-N640-02
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SunTrust Credit Card (stamps/HCU mailing)	\$68.60	Invoice 4.2.2016
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\$1,463.60

Item 9.b.

Executive Director's Report

Second Quarter Financial Report

To The Governing Board
Withlacoochee Regional Water Supply Authority
Ocala, Florida

Management is responsible for the accompanying financial statements of the Withlacoochee Regional Water Supply Authority (the Authority), an Independent Special District, as of and for the three months and six months ended March 31, 2016 in accordance with accounting principles generally accepted in the United States of America. We performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows as required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Supplementary Information

The budgetary comparison information is not a required part of the basic financial statements but is supplementary information. The supplementary information has been compiled from information that is the representation of management. This information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information, and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on such information.



May 5, 2016
Ocala, Florida

Certified Public Accountants

P.O. Box 141270 • 222 N.E. 1st Street • Gainesville, Florida 32614-1270 • (352) 378-2461 • FAX (352) 378-2505
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MEMBERS OF AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PRIVATE COMPANIES AND S.E.C. PRACTICE SECTIONS

Withlacoochee Regional Water Supply Authority
Statement of Net Position
As of March 31, 2016

ASSETS

CURRENT ASSETS

Cash in Bank - SunTrust	\$ 1,796.46
Cash in Bank - LGIP	542,015.66
Cash in Bank - LGIP/Citrus Revenue	977,705.81
Accounts Receivable - SWFWMD	3,015.00
A/R - Citrus County	1,813.75
A/R - Villages	<u>25.00</u>

Total Current Assets	1,526,371.68
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PROPERTY AND EQUIPMENT

Equipment	3,728.84
Accum Deprec - Equipment	(2,220.80)
Citrus Co. Wellfield	4,895,231.21
Accum Deprec - Wellfield	<u>(3,753,013.66)</u>

Total Property and Equipment	1,143,725.59
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TOTAL ASSETS	<u>\$ 2,670,097.27</u>
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LIABILITIES AND NET POSITION

CURRENT LIABILITIES

Accounts Payable - Special Projects	\$ 6,475.75
Accounts Payable - General	<u>27,133.61</u>

Total Current Liabilities	33,609.36
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NET POSITION

Net Position - Unrestricted	2,588,003.75
Net Income	<u>48,484.16</u>

Total Net Position	2,636,487.91
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TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,670,097.27</u>
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Withlacoochee Regional Water Supply Authority

STATEMENT OF REVENUE AND EXPENSES

For the Period Ended March 31, 2016

	3 months ended March 31, 2016	%	6 months ended March 31, 2016	%
REVENUE				
Citrus Co. Assessments	\$ 6,688.00	7.10 %	\$ 13,376.00	7.13 %
Hernando Co. Assessments	8,310.25	8.82 %	16,620.50	8.86 %
Sumter Co. Assessments	5,278.50	5.60 %	10,557.00	5.63 %
Marion County Assessment	16,029.00	17.02 %	32,058.00	17.09 %
Interest Income - SBA Accounts	1,998.64	2.12 %	3,124.85	1.67 %
Citrus Co Facilities Recovery	40,896.75	43.41 %	81,793.50	43.62 %
Citrus County Wlfld Admin Recov	15,000.00	15.92 %	30,000.00	16.00 %
Total Revenue	94,201.14	100.00 %	187,529.85	100.00 %
OPERATING EXPENSES				
Consulting Admin Asst	9,375.00	9.95 %	18,750.00	10.00 %
Executive Director Richard Owen	20,000.01	21.23 %	40,000.02	21.33 %
Advertising	38.64	0.04 %	121.38	0.06 %
Bank Charges	1.22	0.00 %	16.22	0.01 %
Lecanto Rent	0.00	0.00 %	2,218.32	1.18 %
Registration/Dues	444.00	0.47 %	658.00	0.35 %
Legal - Monthly Meeting	1,000.00	1.06 %	2,000.00	1.07 %
Legal - Other Services	5,635.24	5.98 %	5,916.50	3.15 %
Liability Insurance	0.00	0.00 %	2,378.01	1.27 %
Office Supplies	186.95	0.20 %	297.41	0.16 %
Printing & Reproduction	468.02	0.50 %	718.67	0.38 %
Postage	151.45	0.16 %	182.92	0.10 %
Audit	9,482.00	10.07 %	9,482.00	5.06 %
Publications/Software	19.50	0.02 %	26.00	0.01 %
State Fees/Assessments	0.00	0.00 %	175.00	0.09 %
Web Page/Internet Services	225.00	0.24 %	855.00	0.46 %
Telephone	273.24	0.29 %	575.29	0.31 %
Travel	976.33	1.04 %	1,546.00	0.82 %
Legislative Consultant	10,500.00	11.15 %	21,000.00	11.20 %
FY12 Purvis Gray Rate Analysis	900.00	0.96 %	900.00	0.48 %
Phase 2 Irrigation Auditor	0.00	0.00 %	500.00	0.27 %
General Services Acct	9,677.15	10.27 %	13,277.15	7.08 %
Phase 3 Irrigation Audit Progra	1,977.60	2.10 %	17,451.80	9.31 %
Total Operating Expenses	71,331.35	75.72 %	139,045.69	74.15 %
Net Income (Loss)	\$ 22,869.79	24.28 %	\$ 48,484.16	25.85 %

See Accompanying Independent Accountant's Compilation Report

ACCOMPANYING SUPPLEMENTARY INFORMATION

Withlacoochee Regional Water Supply Authority

BUDGET TO ACTUAL

For the Period Ended March 31, 2016

Variance	<u>6 months ended</u> <u>March 31, 2016</u> <u>Actual</u>	<u>6 months ended</u> <u>March 31, 2016</u> <u>Budget</u>	<u>Variance</u> <u>Over/(Under)</u> <u>Budget</u>	<u>Annual</u> <u>Budget</u>	<u>Variance</u>
REVENUE					
Citrus Co. Assessments	\$ 13,376.00	\$ 13,376.00	\$ 0.00	\$ 26,752.00	\$ 13,376.00
Hernando Co. Assessments	16,620.50	16,620.50	-	33,241.00	16,620.50
Sumter Co. Assessments	10,557.00	10,557.00	-	21,114.00	10,557.00
Marion County Assessment	32,058.00	32,058.00	-	64,116.00	32,058.00
Interest Income	3,124.85	-	3,124.85	-	-
Citrus Co Facilities Recovery	81,793.50	81,793.50	-	163,587.00	81,793.50
Citrus County Wifld Admin Recov	30,000.00	30,000.00	-	60,000.00	30,000.00
Ph 3 Irrig Aud Pgm SWFWMD Match	0.00	4,412.50	(4,412.50)	8,825.00	4,412.50
Phase 2 SWFWMD MatchRegIrrAud	0.00	375.00	(375.00)	750.00	375.00
Ph 3 Irrig Aud Pgm County Match	0.00	2,206.50	(2,206.50)	4,413.00	2,206.50
Total Revenue	187,529.85	191,399.00	(3,869.15)	382,798.00	191,399.00
OPERATING EXPENSES					
Consulting Admin Asst	18,750.00	18,750.00	-	37,500.00	18,750.00
Executive Director Richard Owen	40,000.02	40,000.00	0.02	80,000.00	40,000.00
Advertising	121.38	500.00	(378.62)	1,000.00	500.00
Bank Charges	16.22	-	16.22	-	-
Lecanto Rent	2,218.32	1,023.84	1,194.48	2,047.68	1,023.84
Registration/Dues	658.00	950.00	(292.00)	1,900.00	950.00
Legal - Monthly Meeting	2,000.00	2,500.00	(500.00)	5,000.00	2,500.00
Legal - Other Services	5,916.50	21,000.00	(15,083.50)	42,000.00	21,000.00
Liability Insurance	2,378.01	1,250.00	1,128.01	2,500.00	1,250.00
Office Supplies	297.41	400.00	(102.59)	800.00	400.00
Printing & Reproduction	718.67	1,000.00	(281.33)	2,000.00	1,000.00
Postage	182.92	400.00	(217.08)	800.00	400.00
Audit	9,482.00	4,702.50	4,779.50	9,405.00	4,702.50
Bookkeeping/Financial Asst.	0.00	1,000.00	(1,000.00)	2,000.00	1,000.00
Publications/Software	26.00	100.00	(74.00)	200.00	100.00
State Fees/Assessments	175.00	87.50	87.50	175.00	87.50
Web Page/Internet Services	855.00	1,000.00	(145.00)	2,000.00	1,000.00
Telephone	575.29	550.00	25.29	1,100.00	550.00
Travel	1,546.00	4,500.00	(2,954.00)	9,000.00	4,500.00
Contingency Funds	0.00	500.00	(500.00)	1,000.00	500.00
Legislative Consultant	21,000.00	21,000.00	-	42,000.00	21,000.00
FY12 Purvis Gray Rate Analysis	900.00	6,000.00	(5,100.00)	12,000.00	6,000.00
Phase 2 Irrigation Auditor	500.00	750.00	(250.00)	1,500.00	750.00
General Services Acct	13,277.15	0.00	13,277.15	75,000.00	75,000.00
FY15 LGG Water Conservation Proj	0.00	65,000.00	(65,000.00)	130,000.00	65,000.00
Northern District Model Expan	0.00	6,250.00	0.00	12,500.00	6,250.00
Phase 3 Irrigation Audit Progra	17,451.80	0.00	0.00	17,650.00	17,650.00
Total Operating Expenses	139,045.69	199,213.84	(71,369.95)	491,077.68	291,863.84
Increase (Decrease) in Net Posit	48,484.16	(7,814.84)	67,500.80	(108,279.68)	(100,464.84)

Item 9.c.

Executive Director's Report

Correspondence



April 11, 2016

MEMORANDUM

To: Local Governments and Utility Directors in the Withlacoochee Region
From: Richard S. Owen, Executive Director, WRWSA
Subject: **WRWSA Funding for Water Conservation Projects**

This memorandum is to inform you that the Withlacoochee Regional Water Supply Authority will accept applications for its Fiscal Year 2016-17 Local Government Grants Program starting on May 1, 2016. Applications must be received no later than June 30, 2016.

This grants program is sponsored by the Withlacoochee Regional Water Supply Authority to fund local water supply projects on a matching basis. Applications and instructions are available on the Authority web page at www.wrwsa.org. Applications will be considered by the Board beginning at its July 2016 Board meetings. Awards will be made no later than at the September 2016 Board meeting.

If you have any questions about the grants program, please contact me at (352) 293-5955 or email me at richardowen@wrwsa.org. You may also call LuAnne Stout at the Lecanto Office (352) 527-5795 or email at lstout@wrwsa.org.

rso

cc: WRWSA Board Members

Distribution

Ken Cheek, Citrus County
Debra Burden, Citrus County
Andy Houston, Crystal River
Jeff Halcomb, City of Ocala
Susan Goebel-Canning, P.E., Hernando County
Alys Brockway, Hernando County
Richard Radacky, City of Brooksville
Bradley Arnold, Sumter County
Bruce Hickle, City of Bushnell
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Gene Kornegay, City of Wildwood
Doug Andrews, Marion County
Jacob Arnette, Marion County
Bruce Phillips, City of Belleview
City of Dunnellon
City of Center Hill
City of Coleman
Town of McIntosh
Town of Reddick
City of Webster



ANGELA VICK

CLERK OF THE CIRCUIT COURT AND COMPTROLLER
CITRUS COUNTY, FLORIDA

RECEIVED MAY 03 2016

Clerk of the County Court
Recorder of Deeds
Clerk and Accountant of the Board of County Commissioners
Custodian of County Funds
County Auditor

110 North Apopka Avenue
Inverness, Florida 34450
Telephone: (352) 341-6449
www.clerk.citrus.fl.us
ssullivan@clerk.citrus.fl.us

WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY
3600 W SOVEREIGN PATH STE 228
LECANTO, FL 34461

April 26, 2016

To Whom It May Concern:

This letter serves to notify you that the Citrus County Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2015, is now available on the Clerk's website. The web address is www.clerk.citrus.fl.us and the CAFR can be found under the Finance tab.

If you require a hard copy, please contact Financial Analyst, Susan Sullivan, either by e-mail at ssullivan@clerk.citrus.fl.us or by phone at 352-341-6464.

Sincerely,

Angela Vick,
Clerk of the Circuit Court and Comptroller

April 29, 2016

Withlacoochee Regional Water Supply Authority
Lecanto Government Building
Attn: Richard S. Owen, Executive Director
3600 W. Sovereign Path
Suite 228
Lecanto, FL 34461

Dear Mr. Owen:

This letter is in response to our telephone conversation last week. Thank you for taking the time to speak with me. As I stated, I have an interest in your "Landscape and Irrigation Evaluation Program."

I am currently contracted by Polk County Utilities to perform their "Landscape and Irrigation Evaluation Program." The evaluations target high volume customers. They include checking and resetting irrigation timers to correct watering days and their run times. They also involve mapping irrigation systems and flagging any broken heads, lines, or adjustments that can be made for better coverage. I also look at plant materials and recommend any changes including proper mulching of beds and adding Florida friendly shrubs.

My qualifications include:

1. Florida Department of Environmental Protection Licensed Water Distribution Operator Level III.
2. Florida Water Star Certified Inspector.
3. Florida Licensed Irrigation Contractor.

Should you need any references, please feel free to contact me.

In closing, I would like to say that as a Florida Native I have seen changes to our State water resources that have been drastic. Conservation of our resources have to be a top priority.

If you should have any questions, please feel free to contact me at 386-937-1543.

Sincerely,

/s/ Preston Clark

Preston Clark
PCI Water Distribution Specialist

Item 9.d.

Executive Director's Report

News Articles

Project Blue Ether

How Many Straws?

Water officials say that, added up, the impact of private irrigation wells may be significant in Florida. Lack of data keeps them from knowing for sure, and may be skewing the state's rosy water-conservation numbers.

By Hannah O. Brown

In the Turnberry Lake development near Jonesville, private irrigation wells are a familiar sight in the backyards of many homes. When prospective residents come to view the neighborhood, they are given the option to add an irrigation well to their home site, alongside options like low-flow shower heads and LED light fixtures.

Turnberry Lake, known for its sandy soil and grassy landscapes, consumed the most water out of 28 neighborhoods surveyed in the 2014 Envision Alachua report. While it's landscaped with drought-tolerant Zoysia grass and many native plants and trees, a single-family Turnberry home averaged 538 gallons per day; that's 73 percent higher than the county average of 308 gallons per day.

With high water consumption comes higher water bills from the local utility — a factor that prompts some homeowners to seek alternatives for landscape irrigation. Private irrigation wells are one option. But water officials are beginning to worry about the impact private wells may have on water resources. Every well drilled into the Floridan Aquifer is like poking another straw into a drink; scientists say the cumulative sips contribute to the decline of the region's springs and rivers.

"If you have a really high water bill, but you still really want that green lawn, one alternative you have is to put in an irrigation well," said Stacie Greco, Alachua County water conservation coordinator.

Floridians use about 6.4 billion gallons of freshwater every day, according to the U.S. Geological Survey, a number that has dropped in recent years amid increasing efficiency, awareness and prices. In the city of Gainesville, water use has dropped 22 percent since 2007 despite population growth.

"We are seeing public supply water use decrease over time but population is going up," Greco said. "So everyone is patting themselves on the back, people like myself, saying, 'Oh, we are doing such a great job. We are conserving water.'"

But this good news wouldn't be so good if the numbers are dropping in part because uncounted backyard well pumping is replacing irrigation from public supplies.

Richard Marella, a geographer with the U.S. Geological Survey, is tasked with collecting data from water management districts across Florida to create statewide maps of water use.

"I think there is a little bit of a fallacy that the districts are doing such a great job to lower per capita (public supply) when, in essence, some of that lowering is just being shifted off of public supply on to self-supply wells," he said.

Marella said information on private irrigation wells is difficult to collect because of inconsistencies across regulatory agencies, but he has noticed some trends in South Florida, which he described in a presentation at University of Florida's Water Institute Symposium this spring.

Marella saw that utility water rates in Sarasota County are relatively high when compared with other counties and so are the numbers of irrigation well permits issued, but the public water supply in the county is one of the lowest in the state.

"We don't know how many wells are out there, but I don't even know if we can ever find that out," Marella said. "But we can certainly find out large areas or large blocks of them."

Marella believes the increase in private irrigation wells is more prevalent in South and Central Florida than other areas in the state because of the consistently warm temperatures, leading to year-round green grass, and the cheaper costs of digging a well, since in some areas wells average a depth of 20 to 30 feet.

"In South Florida, you can dig a well with a post-hole digger," said Stan Griffis, of Griffis Drilling Specialists in Alachua. "It doesn't take much to get to it."

Griffis has been drilling wells in Alachua County for more than 50 years. He said the depth that a driller has to dig to reach groundwater varies where you are in the county, but all wells in the region are significantly deeper than in South Florida.

"If you are in the east part of the county and go to the Floridan Aquifer, you are going to go a couple hundred feet," he said. "If you are in the west part of the county, where the Hawthorn Formation doesn't exist, then you are only looking at about 100 feet."

The cost of an Alachua County well can average anywhere from \$4,000 to \$6,500, he said. With prices so high, Griffis has seen a trend contrary to Marella's theory. The number of wells he drills in the county has decreased over the past few years, with a typical year bringing seven or eight new wells.

"You don't see as much of it anymore now that people are more conscious of how much money they have to spend," Griffis said. "Irrigation wells are kind of decreasing now rather than increasing, but that's just time that it is. With our government now and the economy like it is, people don't have the kind of expendable income that they use to have."

In Alachua County, Greco has noticed inconsistencies in the number of irrigation wells reported and in the permitting to regulate installation of new wells. The St. Johns River Water Management District and the Suwannee River Water Management District, which cover different sides of the county, differ in their requirements. While Suwannee requires a permit for all water wells, St. Johns only asks for permits on the construction of wells more than 6 inches in diameter.

To compensate for this disparity, Alachua County has implemented its own well registration program. But Greco said that many well drillers forego the permitting process altogether, and it is difficult for the county and the districts to keep track.

“I’m sure if you looked at our well registration forms, how many we have versus how many wells are out there, I mean we probably don’t even have 50 percent,” Greco said.

She compared the regulation landscape of well drilling to the “Wild, Wild West.”

“We don’t report on irrigation well data at all because it’s not collected,” she said. “We don’t know who has one. There’s no metering. There’s not really accounting of who is putting in these wells.”

Greco and other water officials believe that some Florida residents may be capitalizing on slack regulations to save money in the long run.

“If someone has public supply and they are putting in an irrigation well, the only reason they are doing that is because they don’t want to pay for the water, so you know they are using a lot,” Greco said. “So why are we allowing people to do that?”

About Project Blue Ether

WUFT News is publishing this multi-week series on water by University of Florida students, led by award-winning environmental journalist and author Cynthia Barnett, who is a visiting professor at the University of Florida College of Journalism and Communications.

St. Johns River Water Management District News Release

CONTACT:

Danielle Spears: (07) 659-4836 (Office) or (407) 961-3838 (Cell)
dspears@sjrwmd.com

District partners with Ocala on WaterSmart program, reveals water savings

MAITLAND, Fla., March 28, 2016 -- A recent partnership between the St. Johns River Water Management District and the City of Ocala has saved over 4 million gallons of water in 5 months. The savings were achieved after implementing a water-savings WaterSmart program in October 2015 across 5,000 residential utility customers.

"We are passionate about collaborating on water conservation projects that help communities ensure sustainable use of Florida's water," said St. Johns River Water Management District Executive Director Dr. Ann Shortelle. "Not only has this project helped reduce water use, but it's also raised awareness for the need to conserve; both are critical parts of protecting our water supply."

"We are thrilled with the results and the upward trend in water savings attributed to the WaterSmart program," said Ocala's Director of Water Resources, Jeff Halcomb. "We have to adopt new and innovative technology in order to address our water supply concerns and keep Ocala growing. We hope that other utilities will inquire into using WaterSmart's programs and see if it is right for them."

"Ongoing population growth and Silver Spring's fragile ecosystem make improving our water systems more important than ever," said Robin Gilthorpe, CEO of WaterSmart. "The District and Ocala's foresight to invest in new technological approaches continues to set a national example when it comes to better managing our water."

Since the WaterSmart program launched, the City of Ocala has improved water efficiency by an average of 3 percent, a savings equivalent to over 12 football fields covered 12-inches deep in water. The savings percentage followed a positive trend in February as water savings averaged 4 percent. Partners anticipate an average of 5 percent water savings, totaling over 15 million gallons of water saved, over the one-year program.

WaterSmart, which has partnerships with more than 50 water utilities nationally and has verified nearly 3 billion gallons of water saved through its programs, utilizes social norms in conjunction with comprehensive data analytics and targeted messaging to modify water use behavior. Residents receive WaterSmart's mobile, print, and email Home Water Reports which outline each home's water use in relation to homes of similar size and climate. In addition, residents can log into a mobile and online Customer Portal, which provides personalized information about resident's household water use and tailored water-saving recommendations.

The City of Ocala was selected for the year-long program because of their proximity to Silver Springs, where a decrease in water use is expected to have a positive impact on the springs.

The district committed \$75,000 to the project as part of a cooperative cost-share program. The district offers several cost-sharing programs which assist in funding projects related to sustainable water resources, providing flood protection and enhancing conservation efforts. For more information about the current cost-share application process, visit floridaswater.com/funding/.

Rick Scott Signs Legacy Florida Bill into Law

By ALLISON NIELSEN

April 7, 2016 - 2:45pm

Gov. Rick Scott signed a bill into law to expand protection of Florida's environment, providing mass amounts of funding to preserve some of Florida's largest environmental areas and waterways.

HB 989, co-sponsored by Reps. Gayle Harrell, R-Stuart, and Matt Caldwell, R-Fort Myers, also known as the "Legacy Florida" bill, passed through the Florida Legislature this year. The new law would set aside \$200 million a year for Everglades restoration funding. On top of that, the new law will set aside up to \$50 million for Florida springs and up to \$5 million a year for Lake Apopka.

Scott's office called the proposal "an historic \$880 million water quality plan" which was designed to protect the Everglades, a natural region of wetlands in South Florida. The Everglades is a large system with parts beginning near Orlando with the Kissimmee River, extending all the way down to the Miami-Dade region.

The money for the restoration work would come from Florida's land-acquisition trust fund.

"I want to thank the Florida Legislature for fulfilling the promise I made to create a dedicated source of funding to restore the Florida Everglades," Scott said. "Florida is known across the world for our pristine ecosystem and waterways, supporting our economy and quality of life."

Scott said the state was on the right track to keeping the Everglades in good shape by passing the new law.

"Over the last five years, we have invested more than \$688 million for Everglades restoration," the governor continued. "This legislation will continue our commitment to protecting Florida's environment so future generations can enjoy all that Florida has to offer. I applaud Senator Negrón and Representative Harrell for championing water issues and their work on this legislation."

Rep. Harrell said the bill's passage was an indicator of state lawmakers' efforts to ensure the state would be able to preserve Florida's natural resources for future generations.

"By passing this legislation to establish the Legacy Florida initiative, the House is ensuring we have a dedicated and reliable funding source to restore the Florida Everglades, the St. Lucie and Caloosahatchee Rivers and end the releases from Lake Okeechobee," she explained in a statement.

Senate President-Designate Negrón, R-Stuart, who sponsored the bill in the Senate, said the bill was a step in the right direction for local communities.

"The passage of Legacy Florida is an historic achievement in Florida and will bring much needed relief to communities affected by water releases in Lake Okeechobee and St. Lucie," Negrón said. "I want to thank Governor Scott for signing HB 989 into law today and also recognize fellow members of the Legislature for their joined efforts on this important legislation."

The bill will go into effect July 1.

Opposition mounting to plan to pump water out of Sumter County for bottling

By Marv Balousek
April 12, 2016

Public opposition is mounting to a proposal to pump nearly 500,000 gallons of water daily from two Sumter County springs.

Nearly 50 emails and letters objecting to the plan have been sent to the state Water Use Permit Bureau over the past several weeks. Those come after an overflow crowd opposed to the pumping showed up last month at a meeting of the Sumter County Commission. You can read more about that meeting online.

SWR Properties of Ocala, also known as Spring Water Resources, wants to begin pumping water by November from Fern Spring and an unnamed spring along County Road 470 near Sumterville. The company filed a 20-year permit application last November.

The well normally would operate about 13 hours a day and fill 80 trucks with 6,200 gallons each, according to documents filed with the permit. In peak months, however, it would operate 24 hours a day, pumping 892,000 gallons and filling 144 trucks. The water would be sold to Azure Water of Leesburg, which supplies grocery, convenience and other stores with bottled water under several brand names.

Last month, Ralph Kerr, a senior professional geologist with the state Water Use Permit Bureau, gave company manager Darryl Lanker 90 days to clarify the project's expected effect on the Belton's Millpond, which is nearby. Kerr wrote in a letter that the pumping could drain the millpond and that the requested amount of water might need to be restricted.

Besides the water permit, the company also will need permits from Sumter County to build on the property and from the state for sanitary sewer facilities. The company plans to build a pumping station, loading driveway and modular office building on the 10.5-acre property, which it owns.

Many Villages residents voiced objections to the plan in the emails and letters to the bureau.

"I believe granting this permit would be irresponsible in the extreme," wrote Villager Marsha Shearer. "We are already experiencing the impact of climate change that could well increase draught cycles which could lower the aquifer."

Villager Michael Kallio wrote that area growth will place increasing demands on the aquifer.

"The citizens of Sumter County will need every drop of water that will be available to safely pull out of the aquifers now and in the immediate future," he wrote.

Terry and Sandra LaPrise, also of The Villages, wrote that the pumping could cause sinkholes and tighter water restrictions. Villager Mary Lou Mason wrote that the pumping will have a negative effect on future growth, animals and agriculture.

“My grand-daughter lives in central Florida,” wrote Marilyn J. Schmidt. “Although I would likely be detrimentally affected by the inevitable water shortage that would ensure, my grand-daughter would definitely be affected by it.”

An environmental analysis estimated the well would lower the surficial aquifer by 0.4 feet and would lower the Florida aquifer by 0.25 feet. Estimated flow rates of the two springs are 11.8 million gallons a day.

The Tampa Tribune

Editorial: Legacy Florida's solid step

Published: April 14, 2016

The enactment of Legacy Florida — legislation that funds work on the Everglades, the state's springs and Lake Apopka — provides some hope Tallahassee will eventually comply with voters' Amendment 1 directive.

The 2014 constitutional amendment, which passed with 75 percent of the vote, directed lawmakers to devote one-third of the state's existing documentary stamp tax revenue for conserving and managing lands. Last year lawmakers diverted the bulk of the funds to other purposes, including salaries, equipment purchases and operational costs.

They're still misusing Amendment 1, which is raising about \$900 million a year.

But Legacy Florida indicates lawmakers are making progress.

The legislation earmarks some Amendment 1 dollars to Everglades restoration (up to \$200 million a year), springs protections (up to \$50 million a year) and Lake Apopka's revival (up to \$5 million a year.)

All are worthy conservation projects that need the state's continued support.

Indeed, those Everglades dollars could help address polluted water releases from Lake Okeechobee that are fouling the St. Lucie estuary on the east coast and the Calooshattee estuary on the west coast.

A quick remedy is desperately needed for the mucky discharges that are ruining coastal waters and harming local economies.

Gov. Rick Scott, who signed the bill, and the lawmakers who championed it, including incoming Senate President Joe Negron, deserve credit.

But this should only be considered a first step. Tallahassee still is not spending nearly as much as it should — or can, thanks to Amendment 1 — on conservation.

In particular, Florida Forever, the state's leading land acquisition program, is being sadly neglected. When the conservation program was launched as Preservation 2000 in 1990 by former Gov. Bob Martinez, the goal was to spend \$300 million a year preserving natural Florida.

That number understandably dropped during the recession, but lawmakers continue to neglect Florida Forever.

This year, to their credit, lawmakers did increase funding for the Rural and Family Lands Protection Program, which buys conservation easements to private land but doesn't buy the land outright. This allows ranches and other agricultural operations with important habitat to continue to operate but ensures the land is not paved.

It is a smart conservation strategy that deserves continued funding. But lawmakers also should remember that the public doesn't have access to the lands, as they would to Florida Forever, which deserves more support.

Indeed, with Florida's growth once again exploding, it would be appropriate for lawmakers to earmark up to \$300 million a year of Amendment 1 funds for land preservation. This should include Florida Forever and the Rural and Family Lands Protection Program.

This would still allow funding for land management, beach erosion and other appropriate expenses but would ensure Amendment 1 is fulfilling the conservation mission that voters intended.

Marion County Utilities News

New Director Leading Marion County Utilities

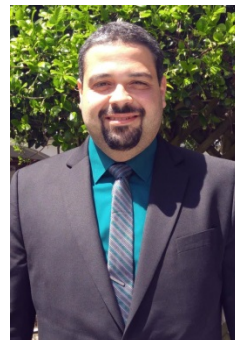
Contact: Stacie Causey, Public Information Specialist

Office: 352-438-2311 • Cell: 352-789-2152 • Email: stacie.causey@marioncountyfl.org

Post Date: 04/25/2016 11:13 AM

MARION COUNTY, Fla. (April 25, 2016) – Marion County Utilities operates under new leadership with the recent appointment of Angel Roussel, P.E. as Utilities Director. Roussel replaces Flip Mellinger, who resigned in December 2015.

Roussel first joined the department in November 2007 as Engineering Manager and served for nearly six years. Prior to returning to Marion County, he served as Engineering Division Manager for Hernando County Utilities and as Civil Engineering Project Manager for Pigeon-Roberts & Associates. As Marion County Utilities Director, Roussel will oversee 95 staff members.



Roussel brings more than 16 years of engineering and management experience to his new role. He holds a bachelor's degree in civil engineering from the University of Puerto Rico and is a licensed Professional Engineer in the State of Florida.

"We strive to provide the highest level of customer service in an efficient and fiscally responsible way," Roussel said. "I look forward to using innovation and technology to continue our mission of protecting public health and safety as well as the environment in our provision of water and waste water services."

Marion County Utilities is a department of the Marion County Board of County Commissioners and provides water and wastewater services to more than 31,000 water customers in Marion. The Utilities department supplies field support to water customers, emergency utility repairs, maintenance of water distribution and wastewater collection systems, and upkeep of 164 lift stations. The department also maintains regulatory compliance for 36 water treatment plants and five wastewater treatment facilities.

Utilities earned the 2015 Excellence in Management Gold Level Award from the National Clean Water Agencies, as well as many other recognitions for its environmental and business practices over the years. Visit www.MarionCountyFL.org/Utilities or call 352-307-6000 for more information.

Swiftmud board OKs Polk's water cooperative

Action makes county eligible for up to \$20 million

By Tom Palmer

The Ledger / Lakeland

Published: Tuesday, April 26, 2016 at 10:24 p.m.

Last Modified: Tuesday, April 26, 2016 at 10:24 p.m.

HAINES CITY — Polk County and city officials' efforts to form a countywide water cooperative paid off Tuesday.

The Southwest Florida Water Management District Governing Board voted to approve the organization of the Polk County Water Cooperative, and to update the agency's financial commitment to support Polk's efforts to develop alternative water supplies.

Last April Swiftmud officials approved a resolution agreeing to appropriate \$10 million toward developing alternative water supplies if Polk officials succeeded in organizing a regional water cooperative by April 30 of this year.

City and county officials voted unanimously in February to form the cooperative and since then local elected bodies that were represented at the February meeting have formally approved their participation.

The funding agreement approved Tuesday also will make the water cooperative eligible to receive an additional \$10 million in the 2017-18 Swiftmud budget if it presents an alternative water supply plan to provide at least 30 million gallons a day of drinking water by April 2017.

Brian Armstrong, Swiftmud's deputy executive director, praised Polk County's efforts for exceeding what the agreement required.

The agreement required Polk to get at least five local governments representing at least 70 percent of the public supply demand to approve the agreement.

The cooperative has the support of 15 local governments representing 99.7 percent of the public supply, said County Commissioner George Lindsey, who chaired the committee involved in the cooperative's formation.

"They're the folks who made this thing happen," Lindsey said, pointing to a group of city and town elected officials who attended the meeting at the Lake Eva Banquet Hall. "Getting to this point was not easy."

Polk County officials do not face any immediate problems with supplying adequate water to residences and businesses, but as demand increases within the next 20 to 30 years, that is expected to change.

The biggest problem is that the traditional source of drinking water — the Upper Floridan Aquifer — is nearing its sustainable limit in Central Florida.

Swiftmud's Armstrong said a larger regional water study that was part of the Central Florida Water Initiative concluded that potential aquifer supplies fall short of projected 2035 demand by 250 million gallons a day.

"We recognized the need for alternative water supplies four years ago," he said.

That means utilities and other major water users will be forced to turn to alternative water sources to meet future demand.

Alternative water sources in areas such as Polk County that are not near the coast include increased conservation, tapping stormwater ponds and treated sewage, capturing river flows and tapping water from deeper sections of the aquifer.

Except for conservation, these sources are expected to be more expensive to develop than traditional sources because they will require additional infrastructure to collect and distribute the water to customers.

County Manager Jim Freeman said after the meeting the next step will be to convene the cooperative board, which will hold its first meeting sometime in May.

He said Lakeland officials will be leading the effort to come up with projects that will be discussed in upcoming meetings.

Lindsey said the cooperative will have a separate project committee whose voting membership will be determined by which governments are willing to make a capital investment toward the projects to cover the costs beyond what is being covered by the money Swiftmud is contributing.

— Tom Palmer can be reached at tom.palmer@theledger.com or 863-802-7535. Read more views on the environment at <http://environment.blogs.theledger.com> and more views on county government at <http://county.blogs.theledger.com/>. Follow on Twitter @LedgerTom.

Public meeting set on plan to pump nearly 500,000 gallons of water per day out of Sumter County

By Marv Balousek
April 29, 2016

A public meeting will be held next week in Tampa on an Ocala company's application to pump nearly 500,000 gallons of water daily from two Sumter County springs.

The meeting, which will address six water use and three environmental resource permit applications, begins at 9 a.m. Wednesday at the Tampa Service Office of the Southwest Florida Water Management District at 7601 Highway 301 North, Tampa.

SWR Properties of Ocala, also known as Spring Water Resources, has applied for a 20-year permit to begin pumping water by November from Fern Spring and an unnamed spring along County Road 470 near Sumterville.

More than 200 emails and letters objecting to the plan, many from The Villages, have been sent to the state Water Use Permit Bureau over the past month. An overflow crowd opposed to the pumping attended a March meeting of the Sumter County Commission.

The public meeting allows "interested stakeholders" an opportunity to comment on pending applications prior to permitting decisions, according to the district.

According to the company's application, the well normally would operate 13 hours a day and fill 80 trucks with 6,200 gallons each. In peak months, it would operate 24 hours a day, pumping 892,000 gallons daily and filling 144 trucks.

The water would be sold to Azure Water of Leesburg, which supplies grocery, convenience and other stores with bottled water under several brand names.

In March, Ralph Kerr, a senior professional geologist with the Water Use Permit Bureau gave company manager Darryl Lanker three months to clarify the project's anticipated effect on the Belton's Millpond, which is nearby. Kerr wrote in a letter that the pumping could drain the millpond and the requested amount of water might need to be reduced.

The company plans to build a pumping station, loading driveway and modular office building on the 10.5-acre property, which it owns.

Tampa Bay Times

Springs group challenges Florida's computer model for permitting

Craig Pittman, Times Staff Writer
Monday, May 2, 2016 1:08pm

Computer models that Florida officials use to issue water use and pollution permits are flawed and need scientific review, an environmental coalition said in a challenge filed with the state last week.

The Florida Springs Council — a coalition of groups focused on restoring the state's springs — tried to get its concerns about the modeling incorporated into a bill considered by the Legislature this year, but its suggestions were rejected by lawmakers.

The letter to the state Department of Environmental Protection, sent April 28, noted that one water district in the Panhandle "claimed that it uses no models at all in its water-related regulatory determinations."

The other four water districts said they used computer models that had not been subjected to any scientific peer review, which is what the group is now urging state officials to rectify.

"State leaders — both elected officials and appointed environmental managers — repeatedly talk about the importance of sound science in developing environmental regulations," the letter, signed by Florida Springs Council chairman Dan Hilliard of Inglis, noted.

Yet sound science hasn't been employed in issuing water permits, the letter contended. Experts who have reviewed the current models say they "are neither state-of-the-art nor particularly accurate," the letter said.

DEP spokeswoman Lauren Engel said Monday that state water officials are reviewing the letter.

The Tampa Bay Times reported in 2013 that a computer model that state water agencies routinely use for issuing thousands of permits is based on the assumption that what's underground is just sand and gravel.

However, most of the state's geology is what's known as "karst" — a limestone structure honeycombed with holes that allows water to flow through it much more quickly than it does through sand or gravel.

Florida's five water districts have been relying on computer models since the late 1970s to peer into how water flows underground, State officials contend the models — despite being based on a flawed assumption — can be tweaked to fit conditions, so there should be no problem.

However, model tweaking by the Southwest Florida Water Management District Staff did not foresee what happened in Plant City in 2010. Farmers trying to protect their crops during a freeze pumped so much water out of the ground that the aquifer dropped 60 feet in just days.

As a result, 140 sinkholes opened up throughout the region.

Water agency officials say it would be difficult to develop a model that acknowledges the presence of karst, but in 2007 one expert created one on behalf of Coca-Cola, which then owned a water-bottling company. The company offered it to state officials, but they said no.

Contact Craig Pittman at craig@tampabay.com. Follow @craigtimes.