



**WITHLACOOCHEE
REGIONAL
WATER
SUPPLY
AUTHORITY**

Board Meeting Package

September 19, 2012
4:30 p.m.

Meeting Location:

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

**MEMORANDUM**

To: Water Supply Authority Board of Directors and Interested Parties

From: Richard S. Owen, Executive Director

Date: September 6, 2012

Subject: Monthly Meeting of the Withlacoochee Regional Water Supply Authority

The next meeting of the Withlacoochee Regional Water Supply Authority will be on **Wednesday, September 19, 2012, 4:30 p.m., at the Lecanto Government Center Building, Room 166, 3600 Sovereign Path, Lecanto, FL 34461.**

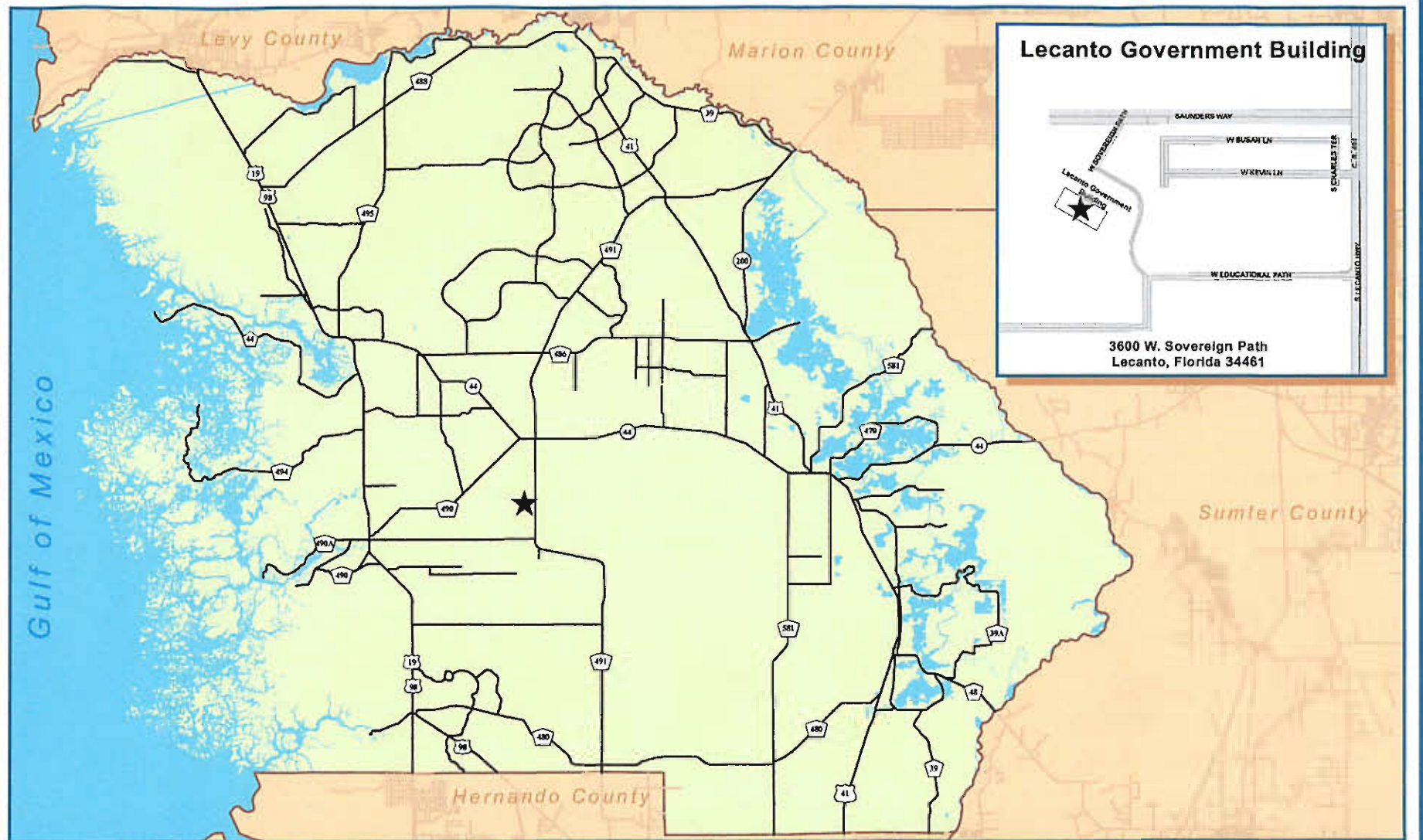
Enclosed for your review are the following items:

- Agenda
- Minutes of the July 18, 2012 meeting
- Board Package*

* 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 print the Board Package.

Please note that if a person decides to appeal any decision made by the Board with respect to any matter considered at the above cited meeting, he will need a record of the proceedings, and for such purpose, he 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



3 1.5 0 3 6 Miles



Lecanto Government Building Locator Map

Office of Geographic Information Systems

Prepared By: R.W. Voak

Date: January 4, 2012

Source: Enterprise Geodatabase

Map Number: BV000029

This information is to be used for general purposes only. The Citrus County Office of GIS makes every effort to ensure that the data is accurate and complete as of the time it is printed. However, all information provided shall be independently verified by the user.

Citrus County shall not be liable for any errors, omissions, or losses of any kind or consequences of the use of the information, including but not limited to, damages, or losses related to reliance upon the accuracy or timeliness of the information and the timing, timing, or distribution of the information.



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.



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

**LECANTO GOVERNMENT BUILDING
3600 W. SOVEREIGN PATH, ROOM 166
LECANTO, FLORIDA 34461
September 19, 2012 @ 4:30 p.m.**

- | | | |
|-------------|------------|--|
| Item | #1 | Call to Order |
| Item | #2 | Roll Call |
| Item | #3 | Introductions and Announcements |
| Item | #4 | Approval of Minutes of July 18, 2012 |
| Item | #5 | Amendment to the Residential Irrigation Audit Pilot Program (N278) |
| Item | #6 | SWFWMD 2013/14 Cooperative Funding Program – Approval of Applications |
| Item | #7 | Board Resolution Recognizing Jackson E. Sullivan’s Service to the WRWSA as Executive Director |
| Item | #8 | Executive Director’s Report . . . Richard Owen, WRWSA <ul style="list-style-type: none">a. Bills to be Paid [September bills to be provided in hand-out]b. 3rd Quarter Financial Reportc. Adena Springs Ranch CUP Application Updated. Correspondencee. Other |
| Item | #9 | Legislative Update . . . Diane Salz, Governmental Affairs Consultant |
| Item | #10 | Attorney’s Report . . . Larry Haag, WRWSA Attorney <ul style="list-style-type: none">a. Member Government Grant Contractsb. Nancy H. Smith Inc., Administrative Assistant Services Contract |
| Item | #11 | Other Business |
| Item | #12 | Public Comment |
| Item | #13 | Next Meeting Time and Location . . . October 17, 2012, 4:30 p.m., Lecanto Government Building, Room 166, 3600 W. Sovereign Path, Lecanto, Florida 34461 |
| Item | #14 | Adjournment |
-
- | | |
|---------------------|--|
| Announcement | Reception for Jackson E. Sullivan, retiring Executive Director of the Withlacoochee Regional Water Supply Authority, to be held immediately following the WRWSA Board Meeting. The public is invited to attend. There is a nominal charge of \$10 per person to cover the cost of the food. |
|---------------------|--|

**WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
July 18, 2012**

TIME: 4:30 p.m.
PLACE: Lecanto Government Building
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**
Chairman Dennis Damato called the Withlacoochee Regional Water Supply Authority meeting to order at 4:31 p.m. and asked for a roll call.
2. **Roll Call**
Mr. Richard Owen, Executive Director, called the roll and a quorum was declared present.

MEMBERS PRESENT

Jim Adkins, Hernando County Commission
Rebecca Bays, Citrus County Commission
Dennis Damato, Chairman, Citrus County Commission
Stan McClain, Marion County Commission
John McLeod, Ocala City Council
Maureen McNiff, Crystal River City Council
Jay Musleh, Ocala City Council
Dale Swain, Bushnell City Council
Winn Webb, Citrus County Commission

MEMBERS ABSENT

John Druzbeck, Vice Chairman, Hernando County Commission
Wayne Dukes, Hernando County Commission
Gary Ernst, Belleview City Council
Richard Hoffman, Sumter County Commission
Joe Johnston, Brooksville City Council
Randy Mask, Sumter County Commission
David Russell, Hernando County Commission
Charlie Stone, Marion County Commission
Carl Zalak, Treasurer, Marion County Commission

3. **Introductions and Announcements**
Mr. Richard Owen introduced consulting staff present at the meeting. He also introduced Debra Burden, Citrus County, Alys Brockway, Hernando County, and Kim Dinkins, Marion County, who were presenting information to the Board for the local government grant applications.

OTHERS PRESENT

Jack Sullivan, WRWSA Consultant
Larry Haag, WRWSA Attorney
Nancy Smith, Administrative Assistant
Pete Hubbell, Water Resource Associates, Inc.
David Hornsby, SJRWMD
Alys Brockway, Hernando County Utilities
John Ferguson, SWFWMD

Kim Dinkins, Marion County Water Resources Coordinator
Al Grubman, TOOFAR
Jeff Halcomb, City of Ocala
Debra Burden, Citrus County Water Conservation
Peter Rocco, Hernando County Resident
Rose Rocco, Hernando County Resident
Ken Cheek, Citrus County Utilities

4. Approval of Minutes of June 20, 2012 Meeting

A copy of the minutes was provided in the board packet for review.

Following consideration, a motion was made by Mr. McClain to approve the minutes for the June 20, 2012 meeting. The motion was seconded by Ms. McNiff and carried unanimously.

5. Local Government Grant Applications . . . Richard Owen, WRWSA

Mr. Owen stated that local grant applications had been received from Citrus, Hernando, and Marion counties for the 2012-2013 fiscal year. The total amount of requested funds for water conservation programs is \$134,500. Debra Burden, Citrus County Conservation Coordinator, Alys Brockway, Hernando County Conservation Coordinator, and Kim Dinkins, Marion County Water Resources Coordinator, each presented information about current county programs, and for the proposed water conservation programs using the local government grant, if approved.

Mr. Owen recommended that the Board approve each of the three applications, adjusting funding to 96.6 or 96.7 percent for each request as reflected in Exhibit A, to stay within the total allocation of \$130,000.

Following consideration, a motion was made by Mr. Swain to approve the local government grants to Citrus, Hernando, and Marion counties, with a proportional rate of 96.6 or 96.7 percent per request, as presented in Exhibit A the Board's packet. The motion was seconded by Mr. Adkins and carried unanimously.

Following the Board action, Mr. Owens stated that Marion County had brought to his attention the issue of the WRWSA funding the conservation program for all of Marion County, rather than limiting it to the geographic area within SWFWMD. He stated that he would talk to Kim Dinkins, Marion County, and to St. Johns' River Water Management District staff, and would bring information back to the Board for further discussion.

6. Executive Director's Report ... Richard Owen, WRWSA

a. Bills to be Paid

Mr. Owen provided a handout to the Board detailing the bills for July 2012 and requested the Board approve payment of these bills in the amount of \$37,751.20.

Following consideration, a motion was made by Mr. Swain to approve payment of the July 2012 bills totaling \$37,751.20. The motion was seconded by Mr. McClain and carried unanimously.

Because the Board meeting in August is cancelled, Mr. Owen requested confirmation of the process to pay the bills incurred. In months where the Board does not meet, the Authority's past practice has been to pay the Authority bills, with two signatures on the checks as required, and to have those payments ratified by the Board at the next meeting. He wanted to ensure that the Board was aware of this procedure and consent to the continued practice. The Board members concurred.

b. Sinkhole Remediation, Follow-up to June Board Discussion

Mr. Owen summarized research that he and Ms. Salz conducted pertaining to materials used to stabilize or remediate sinkholes as a follow-up to the June Board meeting. Florida has no established standards or rules governing the materials that are put in the ground to fill or stabilize sinkholes. Sinkholes, while common throughout the region, occur with particular frequency in Hernando County. Mr. Owen suggested that he contact local sinkhole remediation businesses for further information; however, the Department of Environmental Protection is the agency tasked with rule making or establishing best management practices for environmental issues.

Following consideration, a motion was made by Ms. McNiff to authorize the Executive Director to send a letter to the Department of Environmental Protection stating the concerns of the Withlacoochee Regional Water Supply Authority and interest in establishing best management practices. The motion was seconded by Mr. Adkins and carried unanimously.

c. Amendment to the General Services Contract with Water Resource Associates

Mr. Owen presented a request to amend the General Services Contract with Water Resource Associates (WRA). WRA has provided significant assistance on issues that were not anticipated when the budget was adopted, such as the Adena Springs Ranch CUP and assistance with Floral City water supply issues. Mr. Owen recommended that the Board approve the amendment to increase the budget by \$6,400 with a new not-to-exceed amount of \$31,400. No other changes to the contract are recommended.

Following consideration, a motion was made by Ms. McNiff to amend the General Services Contract with Water Resource Associates to revise the budget cap to \$31,400. The motion was seconded by Mr. Webb and carried unanimously.

d. Correspondence

Mr. Owen reviewed the correspondence provided in the Board's meeting packet. This item was provided for information only. No action was required.

e. News Articles

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

7. Legislative Update ... Richard Owen, WRWSA

Mr. Owen explained that Ms. Salz is attending the Chamber of Commerce Environmental Permitting Summer School this week. She provided an update of legislative activity that is included in the Board's packet. Mr. Owen commented that there are many rule making and pre-rule making activities underway that affect this region. He and Ms. Salz will stay involved with these activities and update the board on significant developments.

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

8. Attorney's Report ... Larry Haag, WRWSA Attorney

Mr. Haag had no business for the Board.

9. Other Business

Ms. McNiff requested an update on the Adena Springs Ranch water use permit application with the St. Johns' River Water Management District (SJRWMD). Mr. Owen responded that the deadline for the request for additional information (RAI) is August 28, 2012. The SJRWMD staff is working with the applicant to complete the additional information as requested. The applicant

has stated that their response will be ready by the August deadline. There has been no change in the total amount of water requested.

10. Public Comment

There was no public comment.

11. Next Meeting Time and Location

The next meeting is scheduled for September 19, 2012 at 4:30 p.m., at the Lecanto Government Building, Room 166, 3600 W. Sovereign Path, Lecanto, Florida 34461.

12. Adjournment

Chairman Damato announced there was no further business or discussion to come before the WRWSA and adjourned the meeting at 5:30 p.m.

Dennis Damato, Chairman

Richard S. Owen, Executive Director

Item #5
Amendment
N278 Residential Irrigation Audit Program

5. N278 Residential Irrigation Audit Pilot Program

The WRWSA has a contract with the Southwest Florida Management District for the Residential Irrigation Audit Pilot Program, through a Cooperative Funding Initiative agreement, #11C000000066. This Agreement was signed in January 2011.

The Agreement requires evaluation of approximately 250 residential irrigation systems within the Coastal and Withlacoochee River Basins of the SWFWMD and WRWSA areas. Thereafter, the scope calls for a follow-up evaluation for 100% of the irrigation sites evaluated. The residential irrigation system evaluations are approximately 75% complete. The follow-up visits begin once the evaluation phase of the project ends. Based on our experience with the program thus far, it appears highly unlikely that 100% of the follow-ups can be accomplished. We may be unable to contact the original customer for a number of reasons, including closed accounts or a change in the ownership of the residence. A more typical number of follow-ups that can be accomplished would range between 10 and 50 percent. This is necessitating a change in the scope of work that is a part of the Agreement with the Water Management District.

In addition, staff is recommending some other changes to the scope of work to reflect the overall cost of the program and to allow for additional time to complete the evaluations.

Therefore, staff requests that the WRWSA Board approve submittal of a request to SWFWMD to amend the Agreement, Exhibit "B" Authority's Project Plan, including changes to the Project Budget and to the Completion Schedule to make the following revisions:

- a. Reduce the number of follow-up evaluations to approximately 50% and extend the ending date from Sept. 20, 2013 to December 1, 2013;
- b. Extend the deadline for completion of the irrigation evaluations from Sept. 30, 2012 to December 1, 2012;
- c. Reduce the overall budget; and
- d. Amend the final report date from October 31, 2013 to January 31, 2014.

These changes have been discussed with the District project manager and have received his conceptual approval. Reducing the follow-up evaluations from 100% to approximately 50% and reducing the cost for each evaluation to the contracted amount reduces the total cost of the project as shown in Exhibit "B".

Staff Recommendation: The staff recommends that the Board authorize a request to amend the Cooperative Funding Agreement, #11C000000066, entered into between the Southwest Florida Water Management District (District) and the Withlacoochee Regional Water Supply Authority (Authority), as shown in the attached Exhibit "B".

Exhibit "B"

PROJECT BUDGET:

	AUTHORITY	DISTRICT		TOTAL
ITEM	Costs	Coastal Rivers Basin	Withlacoochee	
250 Irrigation Evaluations to include: Labor for evaluation and sensor install, plus cost of rain sensor@ \$560.00* <u>435.00</u> each	\$70,000 <u>\$54,375</u>	\$35,000 <u>\$27,187</u>	\$35,000 <u>\$27,188</u>	\$140,000 <u>\$108,750</u>
100% of total 125 Follow-up evaluations (approximately 50%) at \$100.00* each	\$12,500 <u>\$6,250</u>	\$6,250 <u>\$3,125</u>	\$6,250 <u>\$3,125</u>	\$25,000 <u>\$12,500</u>
Program Administration: 250 evaluations @ \$120 each	\$15,000	\$7,500	\$7,500	\$30,000
Education/Outreach/Marketing (program information postcards, utility bill inserts, direct mailings, newspaper advertising, other promotion)	\$2,500.00	\$1,250.00	\$1,250.00	\$5,000.00
Total Costs	\$100,000.00 <u>\$78,125</u>	\$50,000.00 <u>\$39,062</u>	\$50,000.00 <u>\$39,063</u>	\$200,000.00 <u>\$156,250</u>

~~*NOTE: The above costs are estimated pending vendor contract costs.~~

COMPLETION SCHEDULE:

<u>Task</u>	<u>Start</u>	<u>End</u>
Education/Outreach/Marketing	October 1, 2010	October 31, 2013
Irrigation Evaluations/Installations	September 16, 2011 ¹	September 30, 2012¹ <u>December 1, 2012</u>
Savings Analysis and <u>Follow-up Evaluations</u>	September 30, 2012 ¹	September 20, 2013 <u>December 1, 2013</u>
Final Report		October 31, 2013 <u>January 31, 2014</u>

¹ As revised by Project Managers in a letter dated July 19, 2011

Item #6
SWFWMD 2013-14
Cooperative Funding Initiative

6. SWFWMD 2013-14 Cooperative Funding Program – Approval of Applications

The Southwest Florida Water Management District (SWFWMD) recently announced the acceptance of applications for its Fiscal Year 2013-2014 Cooperative Funding Initiative. The District has moved up its application deadline from a traditional due date in December to October 5, 2012. In order to meet this deadline, staff has begun preparation of two applications. These include (1) the Sub-regional Planning for Beneficial Reclaimed Water Project and (2) continuation of the Irrigation Audit project. Both of these projects are recommended in the Authority's Phase II – Detailed Water Supply Feasibility Analysis. The purpose of this item is to seek the Board's approval for submitting these cooperative funding applications to the SWFWMD.

- (1) Sub-regional Planning for Beneficial Reclaimed Water Project – the purpose of this project is to further investigate how reclaimed water can be optimized to meet growing water demands in the region and assist member governments in meeting growing demands in the most cost-effective and environmentally-sensitive manner. The total project funding is proposed at \$250,000, and would be divided equally (\$125,000) between the Authority and the SWFWMD.
- (2) Irrigation Audit Project – this project is intended to reduce outdoor irrigation demands and help member governments meet the SWFWMD's conservation requirements. The total project funding is proposed at \$192,200, the same as the FY 2012-2013 amount, and would be divided equally (\$96,100) between the Authority and the SWFWMD.

As a part of the application submittals, the Authority must provide a commitment to fund its 50 percent of the project costs in its FY 2013-2014 budget. This amounts to a total of \$221,100 in project funding. There should be more than adequate funds available in FY 2013-2014, considering the Authority's water supply development reserves projected fund balance of approximately \$740,000 at the end of the coming fiscal year. Finally, the SWFWMD requests all applicants with more than one application to rank the applications. Staff recommends the Sub-regional Planning for Beneficial Reclaimed Water Project be ranked number 1 and the Irrigation Audit Project be ranked second.

Staff Recommendation: The staff recommends Board approval of FY 2013-2014 SWFWMD Cooperative Funding applications for the Sub-regional Planning for Beneficial Reclaimed Water Project for a total amount of \$250,000 (ranked #1) and the Irrigation Audit Project for total amount of \$192,200. This includes a commitment to fund the Authority's portion of these projects (\$125,000 and \$96,100 respectively) in its FY 2013-2014 budget should the projects be approved for funding by the SWFWMD.

Item #7.
Resolution Recognizing
Jackson E. Sullivan

RESOLUTION NO. 2012-2

Recognizing

JACKSON E. SULLIVAN

**FOR LEADERSHIP OF THE
WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY**

WHEREAS, JACKSON E. SULLIVAN was selected by the Withlacoochee Regional Water Supply Authority (WRWSA) Board in January 1983 to be the Executive Director of the WRWSA; and

WHEREAS, JACKSON E. SULLIVAN has dedicated himself to the WRWSA during his 30-year tenure, exemplifying the qualities of leadership by directing the organization through its formative years, by implementing the development of a regional wellfield in Citrus County, by supporting local sources first, and by providing a framework for water supply development within the Withlacoochee Region; and

WHEREAS, JACKSON E. SULLIVAN, in his capacity as the Executive Director, has demonstrated his skills in leadership in maintaining working relationships between the member local governments to foster a concerted approach to water supply planning; laying the foundation for water supply development; and instituting a program of local government grants to assist the member local governments in water supply education and conservation; and

WHEREAS, JACKSON E. SULLIVAN has successfully focused the organization on wholesale water supply and on water conservation efforts for the benefit of local and regional water resources; and

WHEREAS, JACKSON E. SULLIVAN has left a positive impression, through his outgoing and engaging personality, on all who were fortunate enough to have worked with him; and

WHEREAS, the Board of the WRWSA wishes to express by formal written resolution its appreciation of these outstanding contributions, as well as those that are not mentioned, that will long be attributed to the ability of **JACKSON E. SULLIVAN**,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY that this Board honor **JACKSON E. SULLIVAN** by adopting this resolution, expressing its appreciation for his commitment to this Authority and to his dedication to public service; and

BE IT FURTHER RESOLVED that this resolution be incorporated into the minutes of this Authority, permanently honoring the service of **JACKSON E. SULLIVAN** to this Authority, and that this resolution be presented to him.

PASSED and ADOPTED this 19th day of September 2012.

Withlacoochee Regional Water Supply Authority

BY _____
Dennis Damato, Chairman

ATTEST _____
Larry Haag, WRWSA Attorney

Item #8. a.
Bills to be Paid

Withlacoochee Regional Water Supply Authority
3600 W. Sovereign Path, Suite 228
Lecanto, Florida 34461

Bills For Payment
8/16/12

<u>Administrative Invoices</u>	<u>Invoice Number</u>	<u>Invoice Date</u>	<u>Amount</u>
Richard S. Owen, AICP	2012-01	8/7/12	\$ 6,748.01
Jackson E. Sullivan, AICP	8-1-12	8/1/12	\$ 8,690.04
AT&T	305194555001	7/28/12	\$ 22.82
Fla. Dept. of State (FAW)	300409	8/10/12	\$ 12.40
1-Stop Prints of Citrus County	12-01102	7/27/12	\$ 116.00
James Adkins	July Bd. Travel	7/18/12	\$ 19.58
Stan McClain	July Bd. Travel	7/18/12	\$ 36.49
John McLeod	July Bd. Travel	7/18/12	\$ 36.49
Jay Musleh	July Bd. Travel	7/18/12	\$ 36.49
Dale Swain	July Bd. Travel	7/18/12	\$ 20.47
Purvis Gray & Company	13368	7/25/12	\$ 450.00
Karen Allen (Web Master)	29	8/19/12	\$ 75.00
Haag, Haag and Friedrich	1151-2;1151-1	7/24/12	\$ 1,216.78
Diane Salz - Monthly Contract fee	73112	7/31/12	\$ 3,500.00
Diane Salz, Travel	Conference	7/31/12	\$ 1,632.53
Nancy Smith, Administrative Assistant	2012-07	7/31/12	\$ 2,251.58
Total Administrative Invoices			\$ 24,864.68

<u>Water Resource Projects</u>	<u>Total Grant Cost</u>	<u>Balance Remaining</u>	<u>Current Invoice</u>
WRA Phase VII FY11 Regional Framework Analysis	\$ 80,000.00	\$ -	\$ -
FY12 Cardno TBE CAB Eval & R&R Update	\$ 23,500.00	\$ 11,750.00	\$ 9,400.00
WRA FY12 General Services Contract	\$ 31,400.00	\$ 6,913.22	\$ 2,978.89
FY12 Citrus Water Conservation Pgm	\$ 41,500.00	\$ 41,500.00	\$ -
FY12 Hernando Water Conservation Pgm	\$ 43,500.00	\$ 43,500.00	\$ -
FY12 Marion Water Conservation Pgm	\$ 39,000.00	\$ 39,000.00	\$ -
FY12 Belleview Stormwater Reuse	\$ 6,000.00	\$ 6,000.00	\$ -
FY12 Purvis Gray CAB Rate Analysis	\$ 18,000.00	\$ 8,587.50	\$ -
WRA FY11 Marion Conserve/Reclaimed Water	\$ 20,000.00	\$ 1,000.00	\$ 1,000.00
FY11 Irrigation Audit Evaluation	\$ 133,750.00	\$ 65,901.00	\$ 6,960.00
FY11 Irrigation Audit Administration	\$ 30,000.00	\$ 21,000.00	\$ 900.00
FY11 Irrigation Audit Marketing	\$ 5,000.00	\$ 3,629.08	\$ -
FY09 North Sumter Data Collection	\$ 33,333.00	\$ 27,551.15	\$ -
Project Invoice Totals	\$ 504,983.00	\$ 276,331.95	\$ 21,238.89

TOTAL BILLS TO BE PAID		\$ 46,103.57
State Board of Administration	Transfer from SBA2 to SBA1	\$ 21,238.89
State Board of Administration	Transfer from SBA1 to SunTrust Bank	\$46,104.00

Item #8. b.
3rd Quarter
Financial Report

ACCOUNTANTS' COMPILATION REPORT

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

We have compiled the accompanying financial statements of the business-type activities and major fund of Withlacoochee Regional Water Supply Authority (the Authority), an Independent Special District, as of and for the three months and nine months ended June 30, 2012, which collectively comprise the Authority's basic financial statements. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Authority is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management of the Authority in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

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

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. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on the supplementary information.

Purvis, Gray and Company

August 21, 2012
Tallahassee, Florida

Certified Public Accountants

443 East College Avenue • Tallahassee, Florida 32301 • (850) 224-7144 • FAX (850) 224-1762
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
BALANCE SHEET
As of June 30, 2012

ASSETS

CURRENT ASSETS

Cash in Bank - SunTrust	\$ 979.85
Cash in Bank - LGIP	520,585.61
Cash in Bank - Fund B	6,582.89
Cash in Bank - LGIP/Citrus Revenue	1,021,943.38
Cash in Bank - Fund B/Citrus Revenue	<u>16,840.87</u>

Total Current Assets **1,566,932.60**

PROPERTY AND EQUIPMENT

	0.00
Equipment	1,559.85
Accum Deprec - Equipment	(1,559.85)
Citrus Co. Wellfield 88'	4,895,231.21
Accum Deprec - Wellfield	<u>(3,100,316.18)</u>

Total Property and Equipment **1,794,915.03**

TOTAL ASSETS **\$ 3,361,847.63**

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable - Special Projects	\$ 20,996.99
Accounts Payable - General	16,754.21
Account Payable - Retainage	<u>24,226.00</u>

Total Current Liabilities **61,977.20**

NET ASSETS

Unrestricted	1,504,955.40
Investment in Capital Assets	<u>1,794,915.03</u>

Total Net Assets **3,299,870.43**

TOTAL LIABILITIES AND NET ASSETS **\$ 3,361,847.63**

See Accountant's Compilation Report

Withlacoochee Regional Water Supply Authority
STATEMENT OF REVENUES AND EXPENSES
For the Period Ended June 30, 2012

	3 months ended June 30, 2012	%	9 months ended June 30, 2012	%
REVENUE				
Citrus Co. Assessments	\$ 6,754.60	6.49 %	\$ 20,263.80	6.84 %
Hernando Co. Assessments	7,864.53	7.55 %	23,593.59	7.96 %
Sumter Co. Assessments	4,527.99	4.35 %	13,583.97	4.58 %
City of Ocala Assessments	0.00	0.00 %	5,143.40	1.74 %
Marion County Assessment	13,142.11	12.62 %	39,426.33	13.30 %
Citrus Co Facilities Recovery	40,896.75	39.29 %	122,690.25	41.40 %
Citrus County Wlfid Admin Recov	15,000.00	14.41 %	45,000.00	15.18 %
SWFWMD Match Reg Iri Audit Pgm	13,835.36	13.29 %	24,576.77	8.29 %
Vlg Ctr CDD Irrigation Audit Pr	2,081.25	2.00 %	2,081.25	0.70 %
Total Revenue	104,102.59	100.00 %	296,359.36	100.00 %
OPERATING EXPENSES				
Consulting Executive Director	24,999.99	24.01 %	74,999.97	25.31 %
Consulting Admin Asst	6,249.99	6.00 %	18,749.97	6.33 %
Advertising	65.72	0.06 %	2,986.92	1.01 %
Bank Charges	45.00	0.04 %	373.50	0.13 %
Lecanto Rent	0.00	0.00 %	2,047.68	0.69 %
Registration/Dues	75.00	0.07 %	75.00	0.03 %
Legal - Monthly Meeting	1,500.00	1.44 %	4,000.00	1.35 %
Legal - Other Services	4,175.52	4.01 %	8,281.06	2.79 %
Office Supplies	338.41	0.33 %	5,573.82	1.88 %
Printing & Reproduction	509.43	0.49 %	1,435.51	0.48 %
Postage	138.50	0.13 %	447.52	0.15 %
Audit	0.00	0.00 %	8,275.00	2.79 %
Bookkeeping/Financial Asst.	450.00	0.43 %	450.00	0.15 %
Publications/Software	0.00	0.00 %	74.19	0.03 %
State Fees/Assessments	0.00	0.00 %	175.00	0.06 %
Web Page/Internet Services	352.05	0.34 %	1,220.97	0.41 %
Telephone	574.75	0.55 %	1,727.72	0.58 %
Travel	2,690.50	2.58 %	8,418.16	2.84 %
FY12 Moving Expense to Lecanto	0.00	0.00 %	295.00	0.10 %
Legislative Consultant	10,684.86	10.26 %	31,684.86	10.69 %
06-07 RWSP Ph VII MFL Anal	0.00	0.00 %	13,687.50	4.62 %
FY11 WRA Marion Conservation	0.00	0.00 %	8,000.00	2.70 %
FY11 Hernando Wtr Conservation	0.00	0.00 %	34,900.00	11.78 %
FY11 Iri Audit Pmts Overdorf	19,140.00	18.39 %	58,725.00	19.82 %
FY11 Pmt Iri Audit Admin-Smith	2,700.00	2.59 %	9,000.00	3.04 %
FY11 Irrigation Audit Marketing	702.48	0.67 %	1,404.52	0.47 %
FY12 Gen Svcs Contract	9,864.60	9.48 %	24,486.78	8.26 %
FY12 Purvis Gray Rate Analysis	0.00	0.00 %	9,412.50	3.18 %
FY12 Cardno TBE CAB Evaluation	11,750.00	11.29 %	11,750.00	3.96 %
Total Operating Expenses	97,006.80	93.18 %	342,658.15	115.62 %
Operating Income (Loss)	7,095.79	6.82 %	(46,298.79)	(15.62)%
OTHER INCOME				
Interest Income SBA 1	369.80	0.36 %	1,124.50	0.38 %
Interest Income SBA 2	853.05	0.82 %	2,711.43	0.91 %
Unrealized Gains on SBA Accounts	3,756.30	3.61 %	3,518.91	1.19 %
Total Other Income	4,979.15	4.78 %	7,354.84	2.48 %
Net Income (Loss)	\$ 12,074.94	11.60 %	\$ (38,943.95)	(13.14)%

See Accountant's Compilation Report

ACCOMPANYING SUPPLEMENTARY INFORMATION

Withlacoochee Regional Water Supply Authority
BUDGET TO ACTUAL
For the Period Ended June 30, 2012

	<u>9 months ended</u> <u>June 30, 2012</u> <u>Actual</u>	<u>9 months ended</u> <u>June 30, 2012</u> <u>Budget</u>	<u>Variance</u> <u>Over/(Under)</u> <u>Budget</u>	<u>Annual</u> <u>Budget</u>	<u>Budget</u> <u>Remaining</u>
REVENUE					
Citrus Co. Assessments	\$ 20,263.80	\$ 20,263.50	\$ 0.30	\$ 27,018.00	\$ 6,754.20
Hernando Co. Assessments	23,593.59	23,593.50	0.09	31,458.00	7,864.41
Sumter Co. Assessments	13,583.97	13,584.00	(0.03)	18,112.00	4,528.03
City of Ocala Assessments	5,143.40	7,715.10	(2,571.70)	10,286.80	5,143.40
Marion County Assessment	39,426.33	39,426.33	0.00	52,568.44	13,142.11
Citrus Co Facilities Recovery	122,690.25	122,690.25	0.00	163,587.00	40,896.75
Citrus County Wlfd Admin Recov	45,000.00	45,000.00	0.00	60,000.00	15,000.00
SWFWMD 07-08 Ph II & VII Fund	0.00	2,411.00	(2,411.00)	2,411.00	2,411.00
SWFWMD Match Reg Iri Audit Pgm	24,576.77	37,125.00	(12,548.23)	61,875.00	37,298.23
Vlg Ctr CDD Irrigation Audit Pr	2,081.25	2,083.50	(2.25)	4,167.00	2,085.75
No Sumter Co UDD Iri Audit Pgm	0.00	4,166.50	(4,166.50)	8,333.00	8,333.00
Total Revenue	296,359.36	318,058.68	(21,699.32)	439,816.24	143,456.88
OPERATING EXPENSES					
Consulting Executive Director	74,999.97	74,999.97	0.00	99,999.96	24,999.99
Consulting Admin Asst	18,749.97	18,749.97	0.00	24,999.96	6,249.99
Executive Director Overlap	0.00	0.00	0.00	37,500.00	37,500.00
Advertising	2,986.92	375.03	2,611.89	500.04	(2,486.88)
Bank Charges	373.50	225.00	148.50	300.00	(73.50)
Lecanto Rent	2,047.68	2,047.00	0.68	2,047.00	(0.68)
Registration/Dues	75.00	375.03	(300.03)	500.04	425.04
Legal - Monthly Meeting	4,000.00	4,000.00	0.00	5,000.00	1,000.00
Legal - Other Services	8,281.06	10,500.03	(2,218.97)	14,000.04	5,718.98
Office Supplies	5,573.82	4,690.88	882.94	5,099.96	(473.86)
Printing & Reproduction	1,435.51	3,375.00	(1,939.49)	4,500.00	3,064.49
Postage	447.52	1,500.03	(1,052.51)	2,000.04	1,552.52
Audit	8,275.00	8,100.00	175.00	8,100.00	(175.00)
Bookkeeping/Financial Asst.	450.00	900.00	(450.00)	1,350.00	900.00
Publications/Software	74.19	262.53	(188.34)	350.04	275.85
State Fees/Assessments	175.00	175.00	0.00	175.00	0.00
Web Page/Internet Services	1,220.97	1,387.53	(166.56)	1,850.04	629.07
Telephone	1,727.72	1,874.97	(147.25)	2,499.96	772.24
Travel	8,418.16	9,000.00	(581.84)	12,000.00	3,581.84
FY12 Moving Expense to Lecanto	295.00	300.00	(5.00)	300.00	5.00
Legislative Consultant	31,684.86	31,500.00	184.86	42,000.00	10,315.14
06-07 RWSP Ph VII MFL Anal	13,687.50	0.00	13,687.50	0.00	(13,687.50)
08-09 North Sumter Data Coll.	0.00	10,000.00	(10,000.00)	10,000.00	10,000.00
FY11 WRA Marion Conservation	8,000.00	0.00	8,000.00	0.00	(8,000.00)
FY11 Hernando Wtr Conservation	34,900.00	0.00	34,900.00	0.00	(34,900.00)
FY11 Iri Audit Pmts Overdorf	58,725.00	83,212.47	(24,487.47)	110,949.96	52,224.96
FY11 Pmt Iri Audit Admin-Smith	9,000.00	9,600.03	(600.03)	12,800.04	3,800.04
FY11 Irrigation Audit Marketing	1,404.52	0.00	1,404.52	0.00	(1,404.52)
FY12 Gen Svcs Contract	24,486.78	18,749.97	5,736.81	24,999.96	513.18
FY12 Citrus Water Conservation	0.00	31,124.97	(31,124.97)	41,499.96	41,499.96
FY12 Hernando Water Conservatio	0.00	32,625.00	(32,625.00)	43,500.00	43,500.00
FY12 Marion Water Conservation	0.00	29,250.00	(29,250.00)	39,000.00	39,000.00
FY12 Belleview Stormwtr Reuse	0.00	4,500.00	(4,500.00)	6,000.00	6,000.00
FY12 Purvis Gray Rate Analysis	9,412.50	13,500.00	(4,087.50)	18,000.00	8,587.50
FY12 Cardno TBE CAB Evaluation	11,750.00	0.00	11,750.00	0.00	(11,750.00)
Total Operating Expenses	342,658.15	406,900.41	(64,242.26)	571,822.00	229,163.85
Operating Income (Loss)	(46,298.79)	(88,841.73)	42,542.94	(132,005.76)	(85,706.97)
OTHER INCOME					
Interest Income SBA 1	1,124.50	0.00	1,124.50	0.00	(1,124.50)
Interest Income SBA 2	2,711.43	0.00	2,711.43	0.00	(2,711.43)
Unrealized Gains on SBA Account	3,518.91	0.00	3,518.91	0.00	(3,518.91)
Total Other Income	7,354.84	0.00	7,354.84	0.00	(7,354.84)
Net Income (Loss)	(38,943.95)	(88,841.73)	49,897.78	(132,005.76)	(93,061.81)

See Accountant's Compilation Report

August 28, 2012

Adena notifies District of intent to revise water use application

The St. Johns River Water Management District has received formal notification from Adena Springs Ranch of its intent to revise its water use permit application to reduce its water withdrawal request from 13.267 million gallons of water per day (mgd) to 5.3 mgd.

Upon receipt of the revised application, the District will determine whether the application is complete and a recommendation can be made to the District's Governing Board, or whether additional information is needed to complete the application. If the application is deemed complete, the District will have 90 days from receipt of the revised application in which to make a decision. If additional information is needed, the District will have 30 days to request that information from the applicant.

Adena's original application submitted Dec. 2, 2011, requested a permit to withdraw 13.267 million gallons of water per day in Marion County for agricultural, commercial, industrial and livestock uses.

Additional information is available on the [Adena Springs Ranch permit application web page](#).¹

¹ St. Johns River Water Management District at www.waternews.sjrwmd

Item #8. d.
Correspondence



July 27, 2012

Herschel T. Vinyard, Jr., Secretary
Florida Department of Environmental Protection
3900 Commonwealth Boulevard, M.S. 49
Tallahassee, Florida 32399

Re: Sinkhole Remediation Best Management Practices

Dear Secretary Vinyard,

I am writing on behalf of the Withlacoochee Regional Water Supply Authority (Authority). The Authority is a multi-county special district representing Citrus, Hernando, Marion and Sumter counties, and is charged with planning for and developing cost-efficient, high quality water supplies for its member governments.

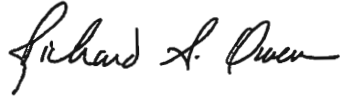
At a recent meeting of the Authority's Board of Directors testimony was provided by citizens regarding the potential for groundwater contamination caused by certain sinkhole remediation activities. Within recent months and especially following Tropical Storm Debby, the Withlacoochee region has experienced a notable increase in sinkhole activity, and consequently more remediation activity. It was brought to the Board's attention that groundwater sources may be at-risk of possible contamination by some remediation practices, specifically from the potential for inappropriate types of materials being injected into the ground to stabilize homes and other structures. The Board received testimony regarding certain additives to the injection materials intended to make the materials expand and, in at least one circumstance, damage to a structure was caused by this expansion.

In response to this public testimony, the Authority has conducted a limited investigation into this matter. The intent of this investigation was to ascertain whether any form of governance currently exists for regulating sinkhole remediation. Our investigation revealed no such regulation currently exists in the state. Since many sinkholes are direct conduits to drinking water aquifers, the Authority is interested in helping to ensure that suitable materials and practices are used for filling sinkholes and remediating sinkhole damages through best management practices.

We do not know whether a problem exists with the current sinkhole remediation processes and materials being used in the state, but the Authority's Board voted to bring this issue to the attention of the Department, who we understand would be the most appropriate entity to address the issue. The

Authority is interested in ensuring that appropriate standards or BMPs are in place to ensure sinkhole remediation activities do not pose any possible contamination risk to the region's groundwater sources. Should the Department decide to pursue this issue, we would be glad to assist in any appropriate manner. Please feel free to contact me at 352-293-5955 for further information.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard S. Owen". The signature is fluid and cursive, with the first name "Richard" being more prominent.

Richard S. Owen, AICP
Executive Director, WRWSA

cc: WRWSA Board Members
Blake Guillory, Executive Director, SWFWMD
Larry Haag, Attorney, WRWSA



Florida Department of Environmental Protection

Florida Geological Survey
903 West Tennessee Street, MS 720
Tallahassee, Florida 32304-7716

Rick Scott
Governor

Jennifer Carroll
Lt. Governor

Herschel T.
Vinyard Jr.
Secretary

August 13, 2012

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

Dear Mr. Owen,

Thank you for your July 27, 2012 letter to Florida Department of Environmental Protection (DEP) Secretary Herschel T. Vinyard Jr. regarding sinkhole remediation best management practices (BMPs). Secretary Vinyard asked that the Office of the Florida Geological Survey (FGS) respond on his behalf. The FGS' role within DEP, and the State as a whole, consists of collecting, interpreting and providing objective quality geologic information about Florida. The questions and comments in your letter relate to the karst nature of parts of Florida, our aquifers and the vulnerability of water within them to contamination from human activities. As such, responding to your questions and comments falls within our purview.

The FGS is unaware of any contamination of groundwater that is the direct result of sinkhole remediation activities; however, there are new remediation techniques that are being developed and utilized in parts of the state where sinkhole activity is impacting property and homes. These techniques have not been thoroughly evaluated with respect to the potential for groundwater contamination by DEP. This is a topic of concern and plans are underway to address it. Under leadership of the FGS, representatives throughout DEP will be engaging in activities to both evaluate this contamination potential and to develop a set of BMPs that can serve as a guide for sinkhole remediation.

Currently, the FGS recommends the use of clean fill material (clayey sand) to remediate sinkholes that are not affecting structures. Since there are structural engineering considerations that are part of remediating sinkholes affecting structures, other materials may be utilized to provide a stable foundation. These materials include concrete and expansive foams that can fill the underlying void spaces and stabilize the raveling soils and sediments

Mr. Richard Owen

Page 2


August 13, 2012

causing subsidence and structural instability. We do not currently have a complete list of all the materials that are on the market and available to be utilized in sinkhole remediation activities under structures but this will be a goal for our BMP development effort. Most sinkhole remediation is conducted by the private sector and oversight of the process is generally the purview of the local building departments that issue permits for this activity when necessary. Providing a set of BMP's to the private sector regarding appropriate materials and methods for remediating sinkholes will hopefully mitigate any potential for groundwater contamination.

As DEP moves forward with the development of these BMPs, we will keep you informed of the status. We greatly appreciate your bringing this matter to our attention. Florida's groundwater resources are of vital importance to our state and ensuring that they remain abundant and clean is one of our highest priorities. If you have any questions or would like to discuss this issue further, please feel free to contact me at 850.617.0300 or

Jonathan.Arthur@dep.state.fl.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan D. Arthur". The signature is fluid and cursive, with the first name "Jonathan" being more legible than the last name "Arthur".

Jonathan D. Arthur, Ph.D., P.G.
State Geologist and Director
Florida Geological Survey

JDA/ghm

August 16, 2012

REQUIRED AUDITORS' COMMUNICATION LETTER

Governing Board
Withlacoochee Regional Supply Authority
Lecanto Government Building
3600 W. Sovereign Path, Suite 228
Lecanto, Florida 34461

Pursuant to our engagement letter dated October 26, 2005, we are pleased to confirm our understanding of the services we are to provide for the Withlacoochee Regional Water Supply Authority (the Authority) for the year ended September 30, 2012. We will audit the financial statements of the business-type activities and the major fund, which collectively comprise the basic financial statements of the Authority, as of and for the year ended September 30, 2012. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI) such as management's discussion and analysis (MD&A) to supplement the Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

■ Management's Discussion and Analysis

Audit Objectives

The objective of our audit is the expressions of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the Authority and other procedures we consider necessary to enable us to express such opinions. If our opinions on the financial statements are other than unqualified (unmodified), we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Certified Public Accountants

P.O. Box 141270 • 222 N.E. 1st Street • Gainesville, Florida 32614-1270 • (352) 378-2461 • FAX (352) 378-2505
Laurel Ridge Professional Center • 2347 S.E. 17th Street • Ocala, Florida 34471 • (352) 732-3872 • FAX (352) 732-0542
443 East College Avenue • Tallahassee, Florida 32301 • (850) 224-7144 • FAX (850) 224-1762
5001 Lakewood Ranch Blvd. N., Suite 101 • Sarasota, Florida 34240 • (941) 907-0350 • FAX (941) 907-0309
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

Audit Objectives (Concluded)

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and compliance will include a statement that the report is intended solely for the information and use of management, the body or individuals charged with governance, others within the entity, and specific legislative or regulatory bodies and is not intended to be and should not be used by anyone other than these specified parties. If during our audit we become aware that the Authority is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes. You are responsible for making all management decisions and performing all management functions relating to the financial statements and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any nonaudit services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, and the major fund of the Authority and the respective changes in financial position and cash flows, where applicable, in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with: (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving: (1) management; (2) employees who have significant roles in internal control; and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

Management Responsibilities (Concluded)

Management is responsible for establishing and maintaining a process for tracking the status of audit findings, and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from: (1) errors; (2) fraudulent financial reporting; (3) misappropriation of assets; or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

Audit Procedures—Internal Controls (*Concluded*)

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Authority's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to oversight agencies; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Purvis, Gray and Company, LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a federal or state agency providing direct or indirect funding, or the U.S. General Accountability Office for purposes of a quality review of the audit to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Purvis, Gray and Company, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by a federal or state agency.

We expect to begin our audit in October 2012 and issue our reports no later than December 31, 2012. I am the engagement partner and am responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$8,275 plus the consumer price index for financial services. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2010 peer review report accompanies this letter.

Governing Board
Withlacoochee Regional Supply Authority
Lecanto Government Building
Lecanto, Florida

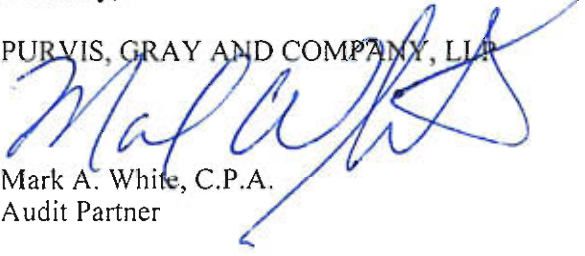
-5-

August 16, 2012

We appreciate the opportunity to be of service to the Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know.

Sincerely,

PURVIS, GRAY AND COMPANY, LLP


Mark A. White, C.P.A.
Audit Partner

MAW/cjp
Enclosures



Fowler, Holley, Rambo & Stalvey, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Curtis G. Fowler, CPA, PFS, CFP • Carlton W. Holley, CPA • C. Wayne Rambo, CPA, CVA • Richard A. Stalvey, CPA

3208 Wildwood Plantation Drive • Post Office Box 1887 • Valdosta, GA 31603-1887 • (229) 244-1559 • (800) 360-3123 • Fax (229) 245-7369

System Review Report

September 15, 2010

To the Partners of
Purvis, Gray and Company, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Purvis, Gray and Company, LLP (the firm) in effect for the year ended May 31, 2010. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*; audits of employee benefit plans and an audit performed under FDICIA.

In our opinion, the system of quality control for the accounting and auditing practice of Purvis, Gray and Company, LLP in effect for the year ended May 31, 2010, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Purvis, Gray and Company, LLP has received a peer review rating of *pass*.

Fowler, Holley, Rambo & Stalvey, P.C.
Fowler, Holley, Rambo & Stalvey, P.C.

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MEMORANDUM

TO: Board of Directors,
Withlacoochee Regional Water Supply Authority

FROM: Diane Salz, Governmental & Legislative Affairs Consultant

SUBJECT: UPDATE: Tracking Activities

DATE: September 19, 2012

Please let me know if you have any questions regarding the updated summary of current tracking activities listed below in alphabetical order. Each activity provides an opportunity for exchanging ideas related to emerging issues potentially impacting the Authority, water policy direction, and funding for developing water resources and supplies. These types of activities often create a venue for sharing the values of the Withlacoochee Regional Water Supply Authority when appropriate, and for building professional relationships with key executive agencies, water management districts, Legislators, and special interests. Working groups associated with these activities often begin vetting concepts, drafting legislation, forming coalitions, and finding sponsors during this interim period in preparation for the next legislative session. Water management district annual conferences which ended several years ago had in part served this important function. Tracking activities tend to change as interest groups and statewide officials transition, particularly when redistricting has occurred. Staff will continue to monitor and report when appropriate on the following:

American Water Works/Associated Industries of Florida 3rd Annual Water Forum: September 6, 2012, in the City of Orlando;

Central Florida Water Initiative: the next meeting is set for August 23, 2012, in the City of Kissimmee;

Chamber of Commerce 26th Annual Environmental Permitting Summer School: attended July 17-20, 2012, at Marco Island;

Consumptive Use Permitting/Consistency: DEP is conducting public workshops around the state for public input on streamlining water use permitting to minimize differences among water management districts;

Key Executive Agency, Water Management District, and Legislative Policy and Staffing Changes: on-going monitoring and reporting;

Nature Coast Regional Water Authority: the next meeting is set for August 29, 2012, in the City of Fanning Springs; the next meeting is likely to be in October;

North Florida Regional Water Supply Partnership: the next meeting is set for August 28, 2012, in the City of Alachua;

Numeric Nutrient Criteria Coalition: a conference call is scheduled for 10:30 am on each Monday; and

Water management districts (SJRWMD & SWFWMD): attend or monitor televised meetings as needed.



Event

[Event Name](#)

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Senator Bob Graham to speak at Water Choices V at University of Florida

Greetings!

We are pleased to announce that Senator Bob Graham will be speaking at Water Choices V on September 21st at the University of Florida in Gainesville. Make every effort to attend this day-long think-tank where we will explore ways to enhance collaboration between the public and private sectors to help solve Florida's water issues.

Water Choices V Agenda

8:30 AM Registration, Coffee and Networking

9:00 AM Welcome - Dr. Teresa Balser, Dean, UF College of Agriculture & Life Sciences, and Ernie Cox, Chair, Florida Earth Foundation

9:15 AM Business of the Day: Identifying areas of strategic importance and bringing us to focus, Stan Bronson, Executive Director, Florida Earth - Moderator

9:20 AM Facing Florida's Water Challenges - Rich Budell, Director, Office of Water Policy, FDOACS

9:50 AM Defining the Challenges - Moderated by Richard Hamann, Member of Governing Board, SJRWMD. Former US Senator Bob Graham, Ann Shortelle, Executive Director, SRWMD, Stuart Appelbaum, Ops Leader, Arcadis

10:45 AM Break

11:00 AM Case Studies in Public-Private Partnerships - The SFWMD/Lykes Project-Benita Whalen, SFWMD
The C-51 Reservoir-Ernie Cox, Family Lands Remembered, LLC
Other Places in the US-Doug MacNair, Cardno-Entrix

12:00 PM Working Lunch

Breaking News and Announcements

Keynote Addresses: The Landscape Conservation Cooperatives-Dr.



Senator Bob
Graham

Doug Austen, National Director, US FWS Landscape Conservation Cooperatives

1:00 PM The Role of Science in Florida's Water Choices

Dr. Mark Clark, Professor, UF IFAS Soil & Water Science Department; Dr. Ed Lowe, Director of Research, SJRWMD; Dr. Paul Gray, Audubon of Florida

2:00 PM Framing a Collaborative Effort for Solutions

Greg Munson, FDEP; Darrel Smith, FDOACS; Joe Nicolette, Environ; Hans Tanzler, Executive Director, SJRWMD

2:45 PM Break

3:00 PM Breakout Sessions

1. Creating a knowledge clearinghouse around public-private partnerships as a mechanism to solve water problems-Dr. Wendy Graham, Director, UF IFAS Water Institute and Keith Rizzardi, Assistant Professor, St. Thomas University School of Law

2. Establishing a cross-agency coordination council for private lands engagement in water solutions-Tim Breault, US FWS & FWC and Todd Powell, Plum Creek

3. General Public & Leadership Knowledge Dissemination-Luna Phillips, Gunster Yoakley and Kirk Martin, CDM Smith

4:00 PM Breakout Session Debrief

4:30 PM Set agenda for Water Choices VI and Adjourn

The Florida Bar offers 6 CLE's for this forum. The State Board of Professional Regulation also offers 6 CUE's for Engineers and 5.5 credits for Landscape Architects. CEU's are also available for planners

For more information and to register for Water Choices V go to <http://floridaearth.org/WaterChoicesV> or call the Florida Earth Foundation office at (561) 686-3688.

Event Info

Friday, September 21, 2012

8:30 AM to 4:30 PM

[Straughn IFAS Extension Center](#), 2142 Shealy Drive, Gainesville, FL



Suwannee Democrat

August 30, 2012

North Florida Regional Water Supply Partnership committee makes progress at August meeting

CNHI

Alachua — The stakeholder advisory committee to the North Florida Regional Water Supply Partnership held its second meeting Aug. 28 in Alachua. The Florida Department of Environmental Protection (DEP), Florida Department of Agriculture and Consumer Services, the St. Johns River and Suwannee River water management districts, stakeholder groups, and interested citizens attended the meeting.

Water management district staff provided updates on water supply planning coordination work, and the committee adopted operating policies and procedures, a mission statement and guiding principles, and a draft work plan.

Water management district staff also provided an overview of a regional water supply plan they are jointly developing to address north Florida's regional water supply issues. A draft of the work plan is underway and will be presented to the committee for review at an upcoming meeting.

Other components of the plan also are underway, such as development of a shared tool to predict and assess water resource impacts across district boundaries, consistency and coordination on setting minimum flows and levels, aquifer replenishment initiatives, and the collection and sharing of science-based data.

The next committee meeting is scheduled for 1 p.m. Sept. 24. The location will be announced.

The districts and DEP established the partnership as part of work to protect natural resources and ensure cost-effective and sustainable water supplies in north Florida. The partnership recently formed the stakeholder committee to serve in an advisory capacity to the districts and DEP on water supply issues to ensure that stakeholders have a meaningful opportunity to provide input. The committee includes representatives of groups and entities from throughout the region.

For more information about the partnership, visit northfloridawater.com. The website is regularly updated with the latest news, announcements and meeting dates. It also provides information about committee members.

Item #10. a
Member Government
Grant Contracts

**WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY
LOCAL GOVERNMENT WATER SUPPLY FUNDING
ASSISTANCE PROGRAM**

PROJECT GRANT AGREEMENT

This Agreement is made and entered into this ____ day of September, 2012, by and between the **WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY**, (hereinafter called the "AUTHORITY"), and **CITRUS COUNTY, FLORIDA**, (hereinafter called the "GRANTEE"), in furtherance of funding assistance in the development of the "CITRUS COUNTY WATER CONSERVATION PROGRAM". In consideration of the mutual covenants contained herein and pursuant to Chapter 163, Laws of Florida, Florida Interlocal Cooperation Act of 1969, as subsequently amended, and Section 373.1962(2)(i), Florida Statutes, the parties hereto agree as follows:

1. The AUTHORITY has found that the implementation of water conservation programs by a member government is the primary purpose of the project known as the "CITRUS COUNTY WATER CONSERVATION PROGRAM" (hereinafter called the "PROJECT"), and enters into this Agreement with the GRANTEE for assisting in the funding of water conservation programs more particularly described in its Application. The PROJECT application is attached hereto marked Exhibit "A" and made a part hereof.

2. The GRANTEE shall provide the AUTHORITY with a copy of the GRANTEE's contract documents executed for the PROJECT and the third

party vendor providing said services in order to confirm the total project costs.

3. PROJECT FUNDING:

A. The AUTHORITY agrees to pay, on a reimbursement basis, to the GRANTEE, the sum of \$48,300.00 of the proposed \$100,000.00 total budget cost for the PROJECT.

B. The GRANTEE shall assume the first one-half (1/2) of said PROJECT costs before the AUTHORITY's reimbursement begins.

C. The GRANTEE shall provide the AUTHORITY with a schedule and description of "tasks" for the PROJECT with the cost associated with each task set forth.

D. All PROJECT reimbursement requests shall include all documentation required by the AUTHORITY for proper audit review. The GRANTEE shall certify that each request for payment is appropriate and that said task or portion thereof has been completed.

E. The AUTHORITY shall, within sixty (60) days after receipt of a payment request, review the work accomplished to date under this Agreement and, if the work and payment request are in accordance with all applicable requirements, approve the request for payment.

4. GRANTEE shall ensure that all services procured and all purchases of goods obtained for the accomplishment of the PROJECT shall be

secured in accordance with applicable State and Federal laws and in accordance with the GRANTEE's adopted procurement procedures.

5. GRANTEE shall follow all State and Federal laws relating to its established audit and accounting procedures and as they relate to said PROJECT and cost reimbursements.

6. The GRANTEE shall retain all records supporting PROJECT costs for three (3) years after the fiscal year in which the final PROJECT payment was released by the AUTHORITY or until final resolution of matters resulting from any litigation, claim or audit that started prior to the expiration of the three-year retention period. The AUTHORITY, State Auditor General, State Comptroller, and other agencies or entities with jurisdiction shall have the right to inspect and audit the GRANTEE's records for said PROJECT within the retention period.

7. This Agreement shall become effective upon execution and the GRANTEE shall complete preparation and/or construction of all PROJECT elements on or before September 30, 2013. The completion date may be extended by the AUTHORITY for good cause at the written request of the GRANTEE and must be made prior to PROJECT completion date.

8. The AUTHORITY's Executive Director for the purposes of this Agreement shall be responsible for ensuring performance of its terms and conditions and shall be responsible for recommending approval of all reimbursement requests to the AUTHORITY prior to payment. The

GRANTEE's Liaison Agent, as identified in the PROJECT application, or successor, shall act on behalf of the GRANTEE relative to the provisions of this Agreement.

9. The Executive Director shall have the authority to approve budget changes within individual tasks up to a total amount not to exceed TEN PERCENT (10%) of total project costs without Board approval.

10. All monies expended by the GRANTEE for the purpose contained herein at the option of the AUTHORITY shall be subject to audit review.

11. Each party hereto agrees that it shall be solely responsible for the wrongful acts of its employees and agents. However, nothing contained herein shall constitute a waiver by either party of its sovereign immunity or the provisions of §768.28, Florida Statutes.

12. The GRANTEE shall comply with all federal, state, and local rules and regulations in developing this PROJECT. The GRANTEE acknowledges that this requirement includes compliance with all federal, state, and local health and safety rules and regulations. The GRANTEE further agrees to ensure that the GRANTEE's contract will include this provision in all subcontracts issued as a result of this Agreement.

13. The AUTHORITY reserves the right to inspect said PROJECT and any and all records related thereto at any reasonable time.

14. This Agreement may be unilaterally canceled by the AUTHORITY in the event the GRANTEE refuses to allow public access to all documents,

papers, letters or other material made or received in conjunction with this Agreement pursuant to Chapter 119, Florida Statutes.

15. The AUTHORITY shall also have the right to demand a refund, either in whole or in part, of the funds provided to the GRANTEE for non-compliance with the terms of this Agreement if not cured within thirty (30) days of written notice thereof from the AUTHORITY. The GRANTEE, upon notification from the AUTHORITY, agrees to refund and will forthwith pay to the AUTHORITY, the amount of money demanded by the AUTHORITY. Such refund shall include interest calculated at two percent (2%) over the prevailing prime rate as reported by the Federal Reserve on the date the AUTHORITY calculates the amount of refund due. Interest shall be calculated from the date(s) of payment(s) to the GRANTEE by the AUTHORITY.

16. The employment of unauthorized aliens by a GRANTEE is considered a violation of Section 274A(e) of the Immigration and Nationality Act. If the GRANTEE knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of this Agreement. The GRANTEE shall be responsible for including this provision in all subcontracts with private organizations issued as a result of this Agreement.

17. No person on the grounds of race, creed, color, national origin, age, sex or marital status shall be excluded from participation in; be denied

the proceeds or benefits of; or be otherwise subjected to discrimination in performance of this Agreement.

18. This Agreement strictly prohibits expenditure of these funds for the purpose of lobbying the Florida Legislature, the judicial branch, or a state agency.

19. The GRANTEE shall have an audit performed in accordance with the Rules of the Auditor General promulgated pursuant to §11.45, Florida Statutes, and have a statement prepared by an independent certified public accountant which attests that the GRANTEE has complied with the provisions of this Agreement and whether the audit results in an unqualified opinion.

20. A person or affiliate who has been placed on the convicted vendor list following a conviction for public entity crime may not perform work as a grantee, contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in §287.017, Florida Statutes, or Category Two, for a period of thirty-six (36) months from the date of being placed on the convicted vendor list.

21. A copy of the audit and attestation as required in Paragraph 19 shall be submitted to the AUTHORITY within one (1) year from the PROJECT completion date as set forth in Paragraph 7 or as extended by the AUTHORITY.

22. This Agreement is not intended nor shall it be construed as granting any rights, privileges or interest in any third party without mutual written agreement of the parties hereto.

23. This Agreement represents the entire agreement of the parties. Any alterations, variations, changes, modification or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing, duly executed by each of the parties hereto, and attached to the original of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed on the date and year first above written.

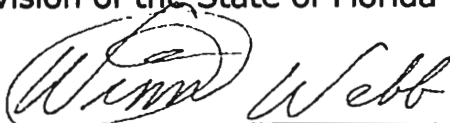
WITHLACOOCHEE REGIONAL WATER
SUPPLY AUTHORITY

By: _____
DENNIS DAMATO
Chairperson

ATTEST:

By: _____
RICHARD S. OWEN
Executive Director

CITRUS COUNTY, a political
Subdivision of the State of Florida

By:  _____
WINN WEBB
Chairperson

ATTEST:

By: Sheila E. Johnston, DC
for BETTY STRIFLER
Clerk of Court



APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: Richard M. Wesch
RICHARD WESCH
County Attorney

APPROVED AS TO FORM AND CORRECTNESS:

By: _____
LARRY M. HAAG
Attorney for Authority

Exhibit A

2013

The following programs were created in an effort to reduce unnecessary water usage:

PROJECT	COUNTY BUDGET	WRWSA REIMBURSEMENT	Tasks	Estimated Water Savings
Annual Water Smart Rebate Incentive Program	\$50,000	\$25,000	Offer rebates to customers for installing water efficient products in their homes and irrigation systems.	5,700,000 Gallons Saved
2013 Irrigation Evaluation CFI	\$25,000	\$12,500	This is Phase II to WRWSA's Irrigation Evaluation Cooperative Funding Initiative through SWFWMD and member counties.	2,400,000 Gallons Saved
Water Conservation Education & Programming	\$25,000	\$12,500	Advertisements, surveys and bill inserts to educate residents on the need to conserve water. Participate in landscape classes, youth conservation education, rain barrel classes, bmp classes and water conservation workshops. Continue the indoor retrofit program for both residential and commercial sites. Conduct other water saving projects such as Florida-Friendly landscape demonstration gardens.	1,200,000 Gallons Saved
Total:	\$100,000	\$50,000	Total Projected Gallons Saved:	9,300,000

*Citrus County intends to expend all grant funding by September 30, 2013.



Item	D1a
Date	4/24/12
Approved for Agenda	

AGENDA MEMORANDUM

THROUGH:	Ken Cheek, Interim Water Resources Director <i>KC</i>
FROM:	Debra Burden, Water Conservation Coordinator <i>DB</i>
SUBJECT:	Grant Funding Resolution for Water Conservation Program
AGENDA DATE:	April 24, 2012

BRIEF OVERVIEW:

Citrus County Water Resources has an established water conservation program geared toward increasing water-use efficiency, reducing demands on local water resources, reducing the per person per capita to 150 gallons per day, and adhering to minimum permit requirements established by Southwest Florida Water Management District for consumptive use permits. The Withlacoochee Regional Water Supply Authority's grant program assists local governments in meeting these requirements by providing assistance to water conservation programs such as Citrus County's. It is Citrus County Water Resources' goal to use this grant to leverage the existing conservation budget to carry out its water conservation program. WRWSA will reimburse expenses on a 50% basis, up to a maximum amount of \$50,000. County cash match is \$50,000.

BUDGET IMPACT/FUNDING SOURCE:

FY 2012/2013 promotional activities budget request.

Account No.	Account Title	Current Budget	YTD Expenditures	Encumbrances	Available Balance
					\$0

RECOMMENDED ACTION:

Approve and authorize the Chairman to execute a Resolution for a Water Conservation Program grant with the Withlacoochee Regional Water Supply Authority, WRWSA, to be submitted for final approval by WRWSA board. This will allow the current water conservation program to continue to meet Southwest Florida Water Management District's water use permit requirements. WRWSA will reimburse expenses on a 50% basis, up to a maximum amount of \$50,000. County cash match is \$50,000.

Reviewed & Approved by:

Management & Budget	<i>OK</i>
County Attorney	<i>W. Allen</i>

RESOLUTION NO. 2012- 071

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF CITRUS COUNTY, FLORIDA, COMMITTING FUNDS TO MATCH GRANT FUNDING FOR A WATER CONSERVATION AND PUBLIC OUTREACH PROGRAM

WHEREAS, the Citrus County Board of County Commissioners recognizes and supports an ongoing effort to educate our customers and the general public on the importance of water conservation; and

WHEREAS, pursuant to the County's Water Consumptive Use Permits No. 20007121.006 and 20009791.008 and 20002842.009, the County desires to continue to develop, improve upon, and expand the water conservation programs to reduce demands on the water resources of the service areas and increase efficiency of use; and

WHEREAS, the Withlacoochee Regional Water Supply Authority (WRWSA) participates with local governments in providing assistance for projects with emphasis on water conservation; and

WHEREAS, the proposed Citrus County Water Conservation Program meets the grant funding eligibility requirements of the WRWSA,

NOW THEREFORE BE IT RESOLVED by the Board of County Commissioners of Citrus County, Florida, as follows:

Authorize staff to submit the WRWSA water conservation program grant proposal for submission to the WRWSA Board with estimated program costs as listed in Exhibit "A".

ATTEST:

CITRUS COUNTY, A POLITICAL
SUBDIVISION OF THE STATE
OF FLORIDA

for Tyana L. White, DC
BETTY STRIFLER, CLERK

BY: Winn Webb
Winn Webb, CHAIRMAN

APPROVED AS TO FORM FOR
THE RELIANCE OF CITRUS
COUNTY ONLY:

Richard W. Wesch
RICHARD WM. WESCH

**WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY
LOCAL GOVERNMENT WATER SUPPLY FUNDING
ASSISTANCE PROGRAM**

PROJECT GRANT AGREEMENT

This Agreement is made and entered into this ____ day of September, 2012, by and between the **WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY**, (hereinafter called the "AUTHORITY"), and **HERNANDO COUNTY, FLORIDA**, (hereinafter called the "GRANTEE"), in furtherance of funding assistance in the development of the "HERNANDO COUNTY WATER CONSERVATION & WATER QUALITY PROTECTION PROGRAM". In consideration of the mutual covenants contained herein and pursuant to Chapter 163, Laws of Florida, Florida Interlocal Cooperation Act of 1969, as subsequently amended, and Section 373.1962(2)(i), Florida Statutes, the parties hereto agree as follows:

1. The AUTHORITY has found that the implementation of water conservation programs by a member government is the primary purpose of the project known as the "HERNANDO COUNTY WATER CONSERVATION & WATER QUALITY PROTECTION PROGRAM" (hereinafter called the "PROJECT"), and enters into this Agreement with the GRANTEE for assisting in the funding of water conservation programs more particularly described in its Application. The PROJECT application is attached hereto marked Exhibit "A" and made a part hereof.

2. The GRANTEE shall provide the AUTHORITY with a copy of the GRANTEE's contract documents executed for the PROJECT and the third party vendor providing said services in order to confirm the total project costs.

3. PROJECT FUNDING:

A. The AUTHORITY agrees to pay, on a reimbursement basis, to the GRANTEE, the sum of \$46,800.00 of the proposed \$96,800.00 total budget cost for the PROJECT.

B. The GRANTEE shall assume the first one-half (1/2) of said PROJECT costs before the AUTHORITY's reimbursement begins.

C. The GRANTEE shall provide the AUTHORITY with a schedule and description of "tasks" for the PROJECT with the cost associated with each task set forth.

D. All PROJECT reimbursement requests shall include all documentation required by the AUTHORITY for proper audit review. The GRANTEE shall certify that each request for payment is appropriate and that said task or portion thereof has been completed.

E. The AUTHORITY shall, within sixty (60) days after receipt of a payment request, review the work accomplished to date under this Agreement and, if the work and payment request are in accordance with all applicable requirements, approve the request for payment.

4. GRANTEE shall ensure that all services procured and all purchases of goods obtained for the accomplishment of the PROJECT shall be secured in

accordance with applicable State and Federal laws and in accordance with the GRANTEE's adopted procurement procedures.

5. GRANTEE shall follow all State and Federal laws relating to its established audit and accounting procedures and as they relate to said PROJECT and cost reimbursements.

6. The GRANTEE shall retain all records supporting PROJECT costs for three (3) years after the fiscal year in which the final PROJECT payment was released by the AUTHORITY or until final resolution of matters resulting from any litigation, claim or audit that started prior to the expiration of the three-year retention period. The AUTHORITY, State Auditor General, State Comptroller, and other agencies or entities with jurisdiction shall have the right to inspect and audit the GRANTEE's records for said PROJECT within the retention period.

7. This Agreement shall become effective upon execution and the GRANTEE shall complete preparation and/or construction of all PROJECT elements on or before September 30, 2013. The completion date may be extended by the AUTHORITY for good cause at the written request of the GRANTEE and must be made prior to PROJECT completion date.

8. The AUTHORITY's Executive Director for the purposes of this Agreement shall be responsible for ensuring performance of its terms and conditions and shall be responsible for recommending approval of all reimbursement requests to the AUTHORITY prior to payment. The GRANTEE's

Liaison Agent, as identified in the PROJECT application, or successor, shall act on behalf of the GRANTEE relative to the provisions of this Agreement.

9. The Executive Director shall have the authority to approve budget changes within individual tasks up to a total amount not to exceed TEN PERCENT (10%) of total project costs without Board approval.

10. All monies expended by the GRANTEE for the purpose contained herein at the option of the AUTHORITY shall be subject to audit review.

11. Each party hereto agrees that it shall be solely responsible for the wrongful acts of its employees and agents. However, nothing contained herein shall constitute a waiver by either party of its sovereign immunity or the provisions of §768.28, Florida Statutes.

12. The GRANTEE shall comply with all federal, state, and local rules and regulations in developing this PROJECT. The GRANTEE acknowledges that this requirement includes compliance with all federal, state, and local health and safety rules and regulations. The GRANTEE further agrees to ensure that the GRANTEE's contract will include this provision in all subcontracts issued as a result of this Agreement.

13. The AUTHORITY reserves the right to inspect said PROJECT and any and all records related thereto at any reasonable time.

14. This Agreement may be unilaterally canceled by the AUTHORITY in the event the GRANTEE refuses to allow public access to all documents, papers,

letters or other material made or received in conjunction with this Agreement pursuant to Chapter 119, Florida Statutes.

15. The AUTHORITY shall also have the right to demand a refund, either in whole or in part, of the funds provided to the GRANTEE for non-compliance with the terms of this Agreement if not cured within thirty (30) days of written notice thereof from the AUTHORITY. The GRANTEE, upon notification from the AUTHORITY, agrees to refund and will forthwith pay to the AUTHORITY, the amount of money demanded by the AUTHORITY. Such refund shall include interest calculated at two percent (2%) over the prevailing prime rate as reported by the Federal Reserve on the date the AUTHORITY calculates the amount of refund due. Interest shall be calculated from the date(s) of payment(s) to the GRANTEE by the AUTHORITY.

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17. No person on the grounds of race, creed, color, national origin, age, sex or marital status shall be excluded from participation in; be denied the proceeds or benefits of; or be otherwise subjected to discrimination in performance of this Agreement.

18. This Agreement strictly prohibits expenditure of these funds for the purpose of lobbying the Florida Legislature, the judicial branch, or a state agency.

19. The GRANTEE shall have an audit performed in accordance with the Rules of the Auditor General promulgated pursuant to §11.45, Florida Statutes, and have a statement prepared by an independent certified public accountant which attests that the GRANTEE has complied with the provisions of this Agreement and whether the audit results in an unqualified opinion.

20. A person or affiliate who has been placed on the convicted vendor list following a conviction for public entity crime may not perform work as a grantee, contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in §287.017, Florida Statutes, or Category Two, for a period of thirty-six (36) months from the date of being placed on the convicted vendor list.

21. A copy of the audit and attestation as required in Paragraph 19 shall be submitted to the AUTHORITY within one (1) year from the PROJECT completion date as set forth in Paragraph 7 or as extended by the AUTHORITY.

22. This Agreement is not intended nor shall it be construed as granting any rights, privileges or interest in any third party without mutual written agreement of the parties hereto.

23. This Agreement represents the entire agreement of the parties. Any alterations, variations, changes, modification or waivers of provisions of this

Agreement shall only be valid when they have been reduced to writing, duly executed by each of the parties hereto, and attached to the original of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed on the date and year first above written.

WITHLACOOCHEE REGIONAL WATER
SUPPLY AUTHORITY

By: _____
DENNIS DAMATO
Chairperson

ATTEST:

By: _____
RICHARD S. OWEN
Executive Director

HERNANDO COUNTY, a political
Subdivision of the State of Florida

By: _____
WAYNE DUKES
Chairperson

ATTEST:

By: _____
KAREN NICOLAI
Clerk of Court

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

By: _____
GARTH C. COLLER
County Attorney

APPROVED AS TO FORM AND CORRECTNESS:

By: _____
LARRY M. HAAG
Attorney for Authority

**WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY
LOCAL GOVERNMENT WATER SUPPLY FUNDING
ASSISTANCE PROGRAM**

PROJECT GRANT AGREEMENT

This Agreement is made and entered into this ____ day of September, 2012, by and between the **WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY**, (hereinafter called the "AUTHORITY"), and **MARION COUNTY, FLORIDA**, (hereinafter called the "GRANTEE"), in furtherance of funding assistance in the development of the "MARION COUNTY WATER CONSERVATION PROGRAM". In consideration of the mutual covenants contained herein and pursuant to Chapter 163, Laws of Florida, Florida Interlocal Cooperation Act of 1969, as subsequently amended, and Section 373.1962(2)(i), Florida Statutes, the parties hereto agree as follows:

1. The AUTHORITY has found that the implementation of water conservation programs by a member government is the primary purpose of the project known as the "MARION COUNTY WATER CONSERVATION PROGRAM" (hereinafter called the "PROJECT"), and enters into this Agreement with the GRANTEE for assisting in the funding of water conservation programs more particularly described in its Application. The PROJECT application is attached hereto marked Exhibit "A" and made a part hereof.

2. The GRANTEE shall provide the AUTHORITY with a copy of the GRANTEE's contract documents executed for the PROJECT and the third

party vendor providing said services in order to confirm the total project costs.

3. PROJECT FUNDING:

A. The AUTHORITY agrees to pay, on a reimbursement basis, to the GRANTEE, the sum of \$34,900.00 of the proposed \$72,200.00 total budget cost for the PROJECT.

B. The GRANTEE shall assume the first one-half (1/2) of said PROJECT costs before the AUTHORITY's reimbursement begins.

C. The GRANTEE shall provide the AUTHORITY with a schedule and description of "tasks" for the PROJECT with the cost associated with each task set forth.

D. All PROJECT reimbursement requests shall include all documentation required by the AUTHORITY for proper audit review. The GRANTEE shall certify that each request for payment is appropriate and that said task or portion thereof has been completed.

E. The AUTHORITY shall, within sixty (60) days after receipt of a payment request, review the work accomplished to date under this Agreement and, if the work and payment request are in accordance with all applicable requirements, approve the request for payment.

4. GRANTEE shall ensure that all services procured and all purchases of goods obtained for the accomplishment of the PROJECT shall be

secured in accordance with applicable State and Federal laws and in accordance with the GRANTEE's adopted procurement procedures.

5. GRANTEE shall follow all State and Federal laws relating to its established audit and accounting procedures and as they relate to said PROJECT and cost reimbursements.

6. The GRANTEE shall retain all records supporting PROJECT costs for three (3) years after the fiscal year in which the final PROJECT payment was released by the AUTHORITY or until final resolution of matters resulting from any litigation, claim or audit that started prior to the expiration of the three-year retention period. The AUTHORITY, State Auditor General, State Comptroller, and other agencies or entities with jurisdiction shall have the right to inspect and audit the GRANTEE's records for said PROJECT within the retention period.

7. This Agreement shall become effective upon execution and the GRANTEE shall complete preparation and/or construction of all PROJECT elements on or before September 30, 2013. The completion date may be extended by the AUTHORITY for good cause at the written request of the GRANTEE and must be made prior to PROJECT completion date.

8. The AUTHORITY's Executive Director for the purposes of this Agreement shall be responsible for ensuring performance of its terms and conditions and shall be responsible for recommending approval of all reimbursement requests to the AUTHORITY prior to payment. The

GRANTEE's Liaison Agent, as identified in the PROJECT application, or successor, shall act on behalf of the GRANTEE relative to the provisions of this Agreement.

9. The Executive Director shall have the authority to approve budget changes within individual tasks up to a total amount not to exceed TEN PERCENT (10%) of total project costs without Board approval.

10. All monies expended by the GRANTEE for the purpose contained herein at the option of the AUTHORITY shall be subject to audit review.

11. Each party hereto agrees that it shall be solely responsible for the wrongful acts of its employees and agents. However, nothing contained herein shall constitute a waiver by either party of its sovereign immunity or the provisions of §768.28, Florida Statutes.

12. The GRANTEE shall comply with all federal, state, and local rules and regulations in developing this PROJECT. The GRANTEE acknowledges that this requirement includes compliance with all federal, state, and local health and safety rules and regulations. The GRANTEE further agrees to ensure that the GRANTEE's contract will include this provision in all subcontracts issued as a result of this Agreement.

13. The AUTHORITY reserves the right to inspect said PROJECT and any and all records related thereto at any reasonable time.

14. This Agreement may be unilaterally canceled by the AUTHORITY in the event the GRANTEE refuses to allow public access to all documents,

papers, letters or other material made or received in conjunction with this Agreement pursuant to Chapter 119, Florida Statutes.

15. The AUTHORITY shall also have the right to demand a refund, either in whole or in part, of the funds provided to the GRANTEE for non-compliance with the terms of this Agreement if not cured within thirty (30) days of written notice thereof from the AUTHORITY. The GRANTEE, upon notification from the AUTHORITY, agrees to refund and will forthwith pay to the AUTHORITY, the amount of money demanded by the AUTHORITY. Such refund shall include interest calculated at two percent (2%) over the prevailing prime rate as reported by the Federal Reserve on the date the AUTHORITY calculates the amount of refund due. Interest shall be calculated from the date(s) of payment(s) to the GRANTEE by the AUTHORITY.

16. The employment of unauthorized aliens by a GRANTEE is considered a violation of Section 274A(e) of the Immigration and Nationality Act. If the GRANTEE knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of this Agreement. The GRANTEE shall be responsible for including this provision in all subcontracts with private organizations issued as a result of this Agreement.

17. No person on the grounds of race, creed, color, national origin, age, sex or marital status shall be excluded from participation in; be denied

the proceeds or benefits of; or be otherwise subjected to discrimination in performance of this Agreement.

18. This Agreement strictly prohibits expenditure of these funds for the purpose of lobbying the Florida Legislature, the judicial branch, or a state agency.

19. The GRANTEE shall have an audit performed in accordance with the Rules of the Auditor General promulgated pursuant to §11.45, Florida Statutes, and have a statement prepared by an independent certified public accountant which attests that the GRANTEE has complied with the provisions of this Agreement and whether the audit results in an unqualified opinion.

20. A person or affiliate who has been placed on the convicted vendor list following a conviction for public entity crime may not perform work as a grantee, contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in §287.017, Florida Statutes, or Category Two, for a period of thirty-six (36) months from the date of being placed on the convicted vendor list.

21. A copy of the audit and attestation as required in Paragraph 19 shall be submitted to the AUTHORITY within one (1) year from the PROJECT completion date as set forth in Paragraph 7 or as extended by the AUTHORITY.

22. This Agreement is not intended nor shall it be construed as granting any rights, privileges or interest in any third party without mutual written agreement of the parties hereto.

23. This Agreement represents the entire agreement of the parties. Any alterations, variations, changes, modification or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing, duly executed by each of the parties hereto, and attached to the original of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed on the date and year first above written.

WITHLACOOCHEE REGIONAL WATER
SUPPLY AUTHORITY

By: _____
DENNIS DAMATO
Chairperson

ATTEST:

By: _____
RICHARD S. OWEN
Executive Director

MARION COUNTY, a political
Subdivision of the State of Florida

By: _____
CHARLIE STONE
Chairman

ATTEST:

By: _____
DAVID R. ELLSPERMANN
Clerk of Court

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: _____
MATTHEW MINTER
County Attorney

APPROVED AS TO FORM AND CORRECTNESS:

By: _____
LARRY M. HAAG
Attorney for Authority

Item #10. b
Nancy H. Smith Inc.
Contract

**AGREEMENT BETWEEN THE
WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY
AND
NANCY H. SMITH, Inc.**

Agreement for Administrative Assistant Services

THIS AGREEMENT, entered into as of the 1st day of October, 2012, by and between the WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY, (hereinafter referred to as the "Authority"), and NANCY H. SMITH, Inc. (hereinafter referred to as "Administrative Assistant").

WHEREAS, the Authority desires and needs an administrative assistant to assist the Executive Director in the daily management of the Authority; and,

WHEREAS, Nancy Smith has previously assisted the Executive Director and provided administrative services to the Authority; and,

WHEREAS, Nancy Smith is found to be well qualified in the area of planning and management and has the ability to assist the Authority with respect to its needs and goals; and,

WHEREAS, the Authority desires to retain Nancy H. Smith of Nancy H. Smith, Inc. as its Administrative Assistant to the Executive Director

NOW THEREFORE, the parties hereto agree as follows:

1. Scope of Services:

- A. The Administrative Assistant shall be responsible for assisting the Executive Director with all administrative and management duties associated with the operation of the Authority, including, but not limited to, providing financial management, budgeting and secretarial services to the Authority, administering the Cooperative Funding Initiative for the FY 2013 Residential Irrigation Audit Program, and such other tasks as may be assigned by the Executive Director from time to time.
- B. The Administrative Assistant shall provide notices of all official Board meetings, contact Board members prior to meetings to poll for attendance, prepare Board packets and distribute to Board members and interested persons, coordinate Board notices, packets, and minutes with the web master, and attend all meetings of the Authority and insure that the minutes of same are taken and prepared.
- C. The Administrative Assistant shall insure that all official minutes as well as contracts and other official documents are maintained as public records of the Authority with a public agency approved by the Authority.

2. Compensation:

- A. The Authority herein agrees to pay the Administrative Assistant a sum of \$37,500.00 for the 2012-2013 fiscal year, payable in

twelve (12) monthly installments of \$3,125.00. The Administrative Assistant shall submit a monthly billing for the above amount to the Authority for payment. It is understood and agreed that said above monthly amount shall be considered approved each month by virtue and operation of this Agreement and that the Authority is authorized to pay said monthly amounts without independent approval of same at each Board meeting. Said monthly amounts shall continue for twelve (12) consecutive months through September 30, 2013.

- B. All travel associated with the administration of the Authority's monthly meetings, technical programs and research shall be an additional expense and charged in accordance with Chapter 112.061, Florida Statutes. Administrative travel will be calculated from Lecanto, Florida, as the headquarters of the Authority. The Authority shall approve all such reimbursable expenses at its monthly meetings.

3. Termination:

Unless otherwise terminated, the Authority and Executive Director shall consider this Agreement as a continuing Agreement for Administrative Assistant Services and it shall automatically renew from year to year unless terminated by the parties. Provided, however, that the Authority or the Administrative Assistant may

terminate this Agreement upon sixty (60) days written notice to the other part.

4. Commencement Date of the Agreement:

The parties herein agree that this Agreement shall commence on the 1st day of October, 2012.

5. Entirety of Agreement:

This Agreement embodies the entire agreement and understanding between the parties and is subject to change, alteration and modification only upon written agreement of the parties.

IN WITNESS WHEREOF, the Authority and Nancy Smith have executed this Agreement, in duplicate, this _____ day of October, 2012.

**WITHLACOOCHEE REGIONAL WATER
SUPPLY AUTHORITY**

By: _____
DENNIS DAMATO
Chairperson

ATTEST:

By: _____
RICHARD S. OWEN
Executive Director

By: _____
NANCY H. SMITH
Administrative Assistant

ATTEST:

By: _____

Printed Name: _____

Title: _____

APPROVED AS TO FORM AND
CORRECTNESS

LARRY M. HAAG, Esq.
Haag, Haag & Friedrich, P.A.
452 Pleasant Grove Rd.
Inverness, FL 34452
(352) 726-0901 - Phone
Attorney for WRWSA