

APPROVED

WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY BOARD OF DIRECTORS

Minutes of the Meeting January 16, 2019

TIME: 3:37 p.m.
PLACE: Lecanto Government Building
ADDRESS: 3600 W. Sovereign Path, Room 280, Lecanto, Florida 34461

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

1. Call to Order

Chair Stone called the Withlacoochee Regional Water Supply Authority (WRWSA) Board of Directors meeting to order at 3:37 p.m. and requested a roll call.

2. Roll Call

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

BOARD MEMBERS PRESIDING

Michelle Stone, Chair, Marion County Commissioner
Kathy Bryant, Marion County Commissioner
Al Butler, Sumter County Commissioner
William Kemerer, Brooksville City Councilor
Dale Swain, Bushnell City Councilor

ALTERNATE(S) PRESIDING

Alys Brockway, Hernando County Water Res Mgr

BOARD MEMBERS ABSENT

Stephen Printz, *Vice-Chair*, Sumter County Commissioner
Ken Brown, Crystal River City Councilor
Scott Carnahan, Citrus County Commissioner
Steve Champion, Hernando Co Commissioner
Wayne Dukes, Hernando Co Commissioner
Gary Ernst, Belleview City Commissioner
Jeff Kinnard, Citrus County Commissioner
Carl Zalak, Marion County Commissioner

3. Introductions and Announcements

WRWSA STAFF PRESENT

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

OTHERS PRESENT

Debra Burden, Citrus Co Water Conservation
Michon Fabio, Marion County Water Res Liaison
Frank DiGiovanni, City of Inverness City Manager
Gregg Jones, Brown and Caldwell
Denise Lyn, Citrus County Attorney
Ken Hinkle, City of Inverness Council
Richard Radacky, City of Brooksville Public Works Dir
Dave Ryan, City of Inverness Council

4. **Pledge of Allegiance** – Chair Stone led those present in reciting the Pledge of Allegiance.

5. **Public Comment** – Chair Stone opened public comment and noted that no speaker cards were submitted. No audience members requested to address the Board.

6. Consent Agenda

- a. **Approval of Minutes** – The October 18, 2018 minutes were provided in the Board's meeting materials and recommended for approval.
- b. **Bills to be Paid** – Staff recommended ratification of November 2018 (\$95,581.32) and December 2018 (\$40,867.67) bills and approval of payment of January 2019 bills (\$57,886.00).

Ms. Byrant moved, seconded by Mr. Swain, to approve Consent Agenda Items 6.a. and 6.b. The motion carried unanimously.

7. Election of Board Officers

Mr. Owen explained the Board of the WRWSA annually elects its Board officers, including a Chair, Vice Chair and Treasurer, at its January meeting. The Executive Director is the Board Secretary who serves in an ex-officio capacity. Pursuant to the Election of Officers Policy, the Board may entertain nominations for individual officers or a slate of officers. Typically, the current Vice Chair is nominated to become Chair and the current Treasurer is nominated to become Vice Chair. The office of Treasurer is customarily filled by a Board member from the county without a representative as an officer in the current slate of officers. This practice is informal, and circumstances may warrant nominations and elections to deviate from this practice. Also, pursuant to the Board Policy, the current Chair will chair the complete January meeting. The new officers will take their respective seats 24 hours before the next Board meeting.

Current Board officers include Marion County Commissioner Michelle Stone, Chair; and Sumter County Commissioner Steve Printz, Vice Chair. The Treasurer position is currently vacant due to the resignation of Citrus County Commissioner Jeff Kinnard. Hernando County currently does not have a Board representative as an officer.

Mr. Kemerer moved to nominate Ms. Stone for Chair, Mr. Printz for Vice-Chair, and Mr. Dukes for Treasurer. Mr. Swain seconded the motion and it carried unanimously.

8. City of Inverness Request for Board Representation

Mr. Owen said the Authority has received a request from the City of Inverness in Citrus County to have representation on the Authority Board. The Interlocal Agreement creating the Authority provides that there may be one (1) municipal representative from each of the member counties. The City of Inverness correspondence and relevant portion of the Interlocal Agreement were included in the Board's meeting materials. Currently the City of Crystal River is the municipal representative from Citrus County, with Councilman Ken Brown representing Crystal River. Crystal River and Inverness are the only two municipalities in Citrus County.

The Interlocal Agreement is silent on how to handle a situation where municipalities within an Authority member county have not reached agreement on WRWSA Board representation. To the best of staff's knowledge, this situation has not been previously encountered. If the cities of Crystal River and Inverness cannot reach a mutual agreement on WRWSA Board representation, one way for the Board to address this issue is to adopt a Board policy. One option would be to provide for rotation among multiple municipalities within a member county who desire to have representation on the WRWSA Board.

Mr. Owen said he received a message from Mr. David Burwell, City of Crystal River City Manager, saying the issue had been resolved but a definite date was not given for the rotation to begin.

Mr. Frank DiGiovanni, City of Inverness City Manager, addressed the Board regarding the City of Inverness' desire to reestablish communication with the Authority. He noted that three elected officials were also in attendance. He provided a brief history of past participation. Mr. DiGiovanni said that water is a serious business and working together collectively brings the region to the best decisions for the future.

In response to Chair Stone's inquiry, Mr. DiGiovanni said he was not aware of whether the issue was resolved. Chair Stone thanked the City officials for their interest and being here today.

Since this is the start of a new year and the City of Inverness has expressed interest in being part of the Authority, Ms. Bryant moved for rotation between the cities to begin in January and appointed this month as the start for the City of Inverness. Mr. Swain seconded the motion.

In response to Mr. Kemerer's question, Mr. Haag said the issue is agreement by the cities and the interlocal agreement does not include language if the cities do not agree. Mr. Kemerer said his concern is whether the Board is being presumptive in taking action. Mr. Haag noted that he is also general counsel to the City of Inverness and would prefer questions be directed to Mr. Owen.

Mr. Owen said he reached out to the City of Crystal River staff but has not spoken to Mr. Brown. He noted that no resolutions from the cities as called for in the interlocal agreement have been found in the Authority's records.

Mr. Owen suggested not taking action today but allow for staff to ensure the City of Crystal River Council representative is aware of the situation and reach out to the Crystal River City Manager to ensure everyone is on the same page with their positions. Also, he suggested, at the Board's next meeting, considering a proposed policy if they do not agree, calling for in those circumstances there be an alternating representation of municipalities which have shown interest to be on this Board.

Mr. Kemerer said perhaps resolutions should be requested by the interested municipalities to provide a basis for representation so proper documentation is available.

Ms. Bryant amended the motion for rotation of the City of Inverness on the Board and its year starting at this meeting; and allow staff to communicate with the City of Crystal River about the rotation process and previous agreement of alternating representation between the City of Inverness and the City of Crystal River as stated in Section V of the Interlocal Agreement. If the City of Crystal River has an issue with the Board's action, this item will be considered at the Board's next meeting. Mr. Swain seconded the amended motion.

Chair Stone called for the vote on amending the motion and it carried with Mr. Kemerer dissenting.

Chair Stone opened the floor to public comment.

Mr. Ken Hinkle, City of Inverness Council, said, for the Board's information, he has volunteered to be the City's representative.

Ms. Denise Lyn, Citrus County Attorney, said she was contacted by the City of Crystal River's attorney who expressed Crystal River's interest in continuing representation on the Board. She noted that Ms. Jennifer Rey had a conflict and could not attend today's meeting.

Chair Stone closed public comment.

Chair Stone called for the vote on the motion and it carried with Mr. Kemerer dissenting.

In response to Mr. Haag's inquiry, Chair Stone said resolutions should be provided as noted in the interlocal agreement.

Chair Stone welcomed Mr. Hinkle who will be at the next meeting.

9. Regional Water Supply Plan Update

Mr. Gregg Jones, Brown and Caldwell, presented an update on the Regional Water Supply Plan project progresses, with a focus on estimating future water savings through conservation, evaluating potential supply sources and seeking input from various public supply utilities in the region.

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

10. Phase 4 Enhanced Irrigation System Evaluation Program Status Report

Mr. Owen presented a status update to the Board on the Phase 4 Enhanced Irrigation System Evaluation Program. The Program is co-funded by the Southwest Florida Water Management District, participating utilities and the WRWSA. Participating utilities include Citrus, Hernando and Marion counties, the Village Center Community Development District (VCCDD) and the North Sumter County Utility Dependent District (NSCUDD).

The contractor continued to implement irrigation system audits for customers within the five utilities through September 2018, consistent with the project timeline. The contractor has started conducting follow-up visits with approximately 25 percent of the participating customers. Pre- and post-audit water use data will be collected by the participating utilities and provided to the WRWSA for analysis once one year of post-audit water use data is available. All data should be available by October 2019. The final report is scheduled for completion in early 2020.

Mr. Owen reviewed the number of audits performed for each entity and noted that activities are below the budgeted amount. He said he recently met with SWFWMD staff to discuss Phases 4 and 5 and a possible amendment to the Phase 4 Agreement may be necessary.

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

11. Charles A. Black Wellfield – Renewal and Replacement Fund Annual Report

Mr. Owen stated that Citrus County has submitted to the Authority the annual report for the Charles A. Black (CAB) Wellfield Renewal and Replacement (R&R) Fund, documenting deposits and expenditures for the fiscal year ending September 30, 2018, the first two pages of which are included as an exhibit to this item. This annual report is required by the Water Supply Contract between the WRWSA and Citrus County. Staff has reviewed this report, has corresponded with Citrus County staff regarding several questions and based in part on the County's responses to these questions has found that the report is consistent with the pertinent Contract requirements.

Mr. Swain moved, seconded by Mr. Butler, to accept Citrus County's annual report for the CAB R&R Fund, documenting expenditures and deposits for the fiscal year ending September 30, 2018.

Mr. Owen said September 2018 was end of the second year of the new water supply contract with Citrus County. The annual minimum production charge of \$224,000 was not met for 2017-2018 and the County has agreed to include that amount in the December payment. The contract also includes an annual cost-of-living adjustment that tracks the County's COLA (1.76%) and the County has agreed to include the adjustment in the water rates.

In response to Ms. Bryant's inquiry, Mr. Owen said the R&R schedule includes all capital facilities and is updated every five years to ensure sufficient revenues are available. He said the \$160,000 is to purchase replacement emergency generators.

Ms. Bryant suggested scheduling a tour of the facility to enhance the Board's knowledge.

12. Charles A. Black Wellfield – Citrus County Discussions

Mr. Owen noted that Citrus County Commissioner and WRWSA Board member Jeff Kinnard contacted the Executive Director subsequent to the last WRWSA Board meeting and requested a meeting to discuss possible resolutions of the County's desire to take ownership of the Charles A. Black wellfield facilities. After consultation with the WRWSA Chair, the Executive Director and Authority Attorney met with Commissioner Kinnard and Citrus County Attorney Dennis Lyn.

Mr. Owen said, on November 29, the County proposed an option for termination of the existing purchase agreement and entering into a new agreement for the Authority's continued ownership of the Charles A. Black Wellfield, but no further payments for water by Citrus County until such time as the Authority had another member under contract to purchase similar or like amount of water (approximately 4.5 million gallons per day) which is the facility's capacity. Citrus County asked the Authority Executive Director to agree to the proposal. Mr. Owen said he told them he was not in a position to agree with the proposal but would bring it to the Authority Board. He encouraged Mr. Kinnard to discuss this item with the Board.

This was an information item only and no Board action was recommended at this time.

13. Executive Director's Report

- a. **Correspondence** – Included in the meeting materials, Mr. Owen noted a copy of correspondence sent to Purvis Gray and Company from the Citrus County Office of the Administrator regarding Budgetary Non-Compliance with Florida Statutes.
- b. **News Articles** – Mr. Owen noted the Florida Trend article written about Florida's future water supply was included in the meeting materials.
- c. **Other** – At Mr. Owen's request, he and Chair Stone on November 11 meet with the Citrus Chronicle Editorial Board to discuss the Authority's role and importance to the region, and the Charles A. Black Wellfield and its purpose.

14. Legislative Report

- a. **Draft Legislative Matrix** – Ms. Salz presented the proposed 2019 Legislative Issues for the Board's approval. Chair Stone said one of Marion County's legislative priorities is that water management districts streamline the grant process and also participate at a 25 percent funding level for all projects and the state match for a combined 50 percent.

Ms. Salz noted the 2019 Legislative Issues document will be posted on the Authority's website and a copy sent under a cover letter signed by the Chair to each legislator in the Authority's four-county region.

Ms. Bryant moved, seconded by Mr. Swain, to approve the 2019 Legislative Issues as presented. Motion carried unanimously.

- b. **Other** – Ms. Salz provided (1) an up-to-date list of legislators in the Authority's four-county region, (2) a copy of the letter being sent to each legislator congratulating and introducing them to the Authority, and (3) a copy of the Legislative Session's dates. She said a copy of the WRWSA 2019 Legislative Issues will be included in the letter and noted there is only one newly-elected legislator.

Ms. Salz reported on the announcement from Governor DeSantis regarding funding for Everglades Restoration and protection of water resources, along with establishment of the Office of Environmental Accountability and Transparency and appointment of a Chief Science Officer.

15. Attorney's Report – Mr. Haag said he had nothing to report at this time.

16. Other Business – None

17. Next Meeting Time and Location

- Next Regular Board Meeting – March 20, 2019 at 3:30 p.m. at the Lecanto Government Building, Room 166.
- Ms. Bryant noted she will be absent from the March meeting.

10. Adjournment – Chair Stone adjourned the meeting at 4:50 p.m.

Michelle Stone, Chair

Richard S. Owen, Executive Director