

DRAFT

WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY BOARD OF DIRECTORS

Minutes of the Meeting May 17, 2017

TIME: 3:30 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

Chairman Nicholson called the Withlacoochee Regional Water Supply Authority (WRWSA) Board of Directors meeting to order at 3:30 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 PRESENT

Nick Nicholson, *Chairman*, Hernando County
Commissioner
Michelle Stone, *Vice Chairman*, Marion County
Commissioner
Stephen Printz, *Treasurer*, Sumter County
Commissioner
Al Butler, Sumter County Commissioner
Jeff Kinnard, Citrus County Commissioner
Dale Swain, Bushnell City Councilor

BOARD MEMBERS ABSENT

Kathy Bryant, Marion County Commissioner
Scott Carnahan, Citrus County Commissioner
Steve Champion, Hernando Co. Commissioner
William Kemerer, Brooksville City Councilor
Ron Livsey, Belleview City Commissioner
Ken Brown, Crystal River City Councilor
Carl Zalak, Marion County Commissioner

ALTERNATE MEMBER(S) PRESENT

Richard Radacky, City of Brooksville Public Works

3. Introductions and Announcements

- *Introductions.* Mr. Owen recognized Authority staff present for this meeting. Audience members introduced themselves for the Board's information.
- *Announcements* – None

WRWSA STAFF PRESENT

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

LOCAL GOVERNMENT STAFF PRESENT

Alys Brockway, Hernando County Water Resources Manager
Debra Burden, Citrus County Water Conservation Manager
Kim Dinkins, Marion County Office of the County Engineer
Lois Sorensen, SWFWMD Demand Mgt. Program Manager

4. Approval of Minutes

A copy of the March 15, 2017 minutes was provided in the Board's meeting materials. Following consideration, **Mr. Printz moved to approve the minutes for the March 15, 2017 meeting as presented. The motion was seconded by Mr. Swain and carried unanimously.**

5. Public Comment – No speaker cards were submitted.

6. Hydrologic Conditions Report

Ms. Lois Ann Sorensen, Demand Management Program Manager, Southwest Florida Water Management District, provided the Board with a review of recent past and projected hydrologic

conditions, and the status of water shortage orders in the region. Discussion ensued regarding Tampa Bay Water desalination plant, wild fires, water restrictions, and streamflow.

This was an information item only and no action required.

7. Fiscal Year 2017-18 Budget Approval

Mr. Richard Owen, WRWSA Executive Director, presented this item. Included as Exhibits to this item were the proposed Fiscal Year (FY) 2017-18 budget and the Authority's FY 2017-18 work program. Major highlights included:

- Administrative expenditures of \$214,005, up slightly from the current year by \$1,221 or 0.6%. There is no change in contracted staff compensation.
- Water Resource Development Project expenditures of \$310,020, down from the current year by \$98,480 or 24.1%, primarily due to the reduction in costs for the continuation of Phase 4 of the Irrigation Audit Program.
- Total proposed expenditures amount to \$524,025, representing a decrease from the current year in an amount of \$97,259, or 15.7%.
- Administrative Reserves at the end of the fiscal year are budgeted at \$500,377, up from the current year by \$96,690 or 24%.
- Water Resource Development Reserves at the end of the fiscal year are budgeted at \$856,528, down from the current year by \$32,239 or 3.6%.
- Combined Administrative and Water Resource Development Reserves at the end of the fiscal year total \$1,356,905, representing an increase of \$64,451 or 5%.

Mr. Owen described the revenues, expenditures and fund balances.

Mr. Owen read into the record Resolution 2017-01, Adoption of Final Budget for Fiscal Year 2017-18. Staff recommended Board approval of the resolution and final budget as presented.

Discussion ensued regarding irrigation program customer savings and local utilities participation, and publishing water savings; limited Authority staffing; support of SWFWMD best science and data available, such as for MFLs; and Authority advocacy on issues to ensure inclusion in final product.

Following consideration, **Mr. Butler moved, seconded by Ms. Stone, to approve the FY 2017-18 final budget by adoption of Resolution 2017-01, as shown in the exhibit, said budget including expenditures in the amount of \$524,025, budgeted reserves in the amount of \$1,356,905, and a combined total amount of \$1,880,930, as presented in Exhibit A. The motion carried unanimously.**

This resolution was made a part of these minutes as if set forth in full but, for convenience, was filed in the permanent resolution files of the WRWSA.

8. As-Needed Technical and Engineering Services Request for Qualifications

Mr. Richard Owen, WRWSA Executive Director, presented this item. At its November 2012 meeting, the Authority Board approved entering into contracts with eight firms for the purposes of as-needed technical and engineering services. The Executive Director subsequently entered into such agreements with seven firms. One firm approved by the Board did not return an executed agreement to the Authority, so only seven contracts were executed.

Work under each contract has been authorized through the issuance of a work order, with each work order being approved by the Board. These agreements were for an initial term of three years, ending in November 2015, with the ability to extend each agreement twice by a period of one year. The Board has previously approved these contract extensions and the contracts are now due to expire at the end of this fiscal year.

The purpose of this item is to obtain Board authorization to issue a Request for Qualifications for As-Needed Engineering and Technical Support Services. If approved, staff will return to the Board at its September 2017 meeting with recommendations for entering into contracts with responsive, qualified firms. As an exhibit to this item was the proposed Request for Qualifications which was included in the Board's meeting materials.

Following consideration, **Mr. Printz moved, seconded by Ms. Stone, authorize staff issuing the Request for Qualifications for as-needed technical and engineering services, as presented. The motion carried unanimously.**

9. Status Report on Phases 3 and 4 of the Irrigation Audit Program

Mr. Richard Owen, WRWSA Executive Director, presented a status report on Phases 3 and 4 of the Irrigation Audit Program. Both phases are on schedule, with Phase 3 scheduled for completion later this year. In Phase 4, the most audits performed to-date have been in Citrus County, with additional audits planned in Hernando and Marion counties and The Villages.

This was an information item only and no action required.

10. Executive Director's Report

- a. **Bills to be Paid** – Mr. Owen noted that April's bills paid were included in the Board's meeting materials and copies of May 2017 bills to be paid were provided to Board members at their seats.

Mr. Owen presented the April 2017 bills and requested Board concurrence of payment in the amount of \$18,399.13. **Mr. Butler moved to ratify payment of the April 2017 bills in the total amount of \$18,399.13. The motion was seconded by Mr. Printz and carried unanimously.**

Mr. Owen presented the May 2017 bills and requested approval of payment totaling \$33,969.57. Following consideration, **Mr. Printz moved for payment of the May 2017 bills in the amount of \$33,969.57, as presented. The motion was seconded by Mr. Kinnard and carried unanimously.**

- b. **Second Quarter Financial Report** – Mr. Owen mentioned that the Charles A. Black wellfield revenue is higher than budgeted due to high pumping at this peak time of year and addressed a question asked regarding standard language in the management letter.

Following consideration, **Mr. Printz moved, seconded by Mr. Kinnard, for the Board to accept the Second Quarter Financial Report from Purvis Gray & Company, as presented. The motion carried unanimously.**

- c. **Correspondence** – Items were included in the Board's meeting materials.
- d. **News Articles** – News articles of interest were included in the Board's meeting materials and at their seats.
- e. **Florida Environmental Permitting Summer School** – Mr. Owen requested approval for Ms. Diane Salz to attend this annual event in Ft. Lauderdale at an estimated cost of \$1,600 for registration and travel. **Mr. Printz moved, seconded by Mr. Swain, to approve Ms. Salz's attendance at an estimated cost of \$1,600. The motion carried unanimously.**
- f. **Other**
- Mr. Owen provided an update of Authority activities to the SWFWMD Governing Board at its meeting in March.
 - Mr. Owen participated in the annual American Water Works Association best drinking water contest held at Three Sister Springs in Crystal River. He noted that the City of Wildwood won the taste contest.

- Mr. Owen said the Authority supported Hernando County's Water Guardians workshop held on May 6. Ms. Alys Brockway provided an update of the program and its activities.

11. 2017 Legislative Session Final Report

Ms. Diane Salz, WRWSA Governmental Affairs, noted that year-round advocacy is provided for legislative and executive branch initiatives on behalf of the Authority and its member governments, to protect the Authority's interests, such as state and regional water supply planning, permitting and funding programs including "local sources first," the Water Protection and Sustainability Program and subsequent water resource and supply funding programs. Each year prior to the Legislative Session, the Authority Board reviews and approves policy direction to guide its advocacy efforts. It is anticipated that the Authority will remain fully engaged in assisting the 2018 Legislature and the Executive Branch to implement and refine recent legislation that significantly revamped the state's comprehensive water policies and funding programs, as well as engage as appropriate on new legislation and policy initiatives that would affect the Authority and water supplies of our member governments.

Ms. Salz reviewed projects in the Authority's region receiving funding and congratulated Board members for their successful engagement in the legislative process; the Governor has yet to sign the budget.

This was an information item only and no action required.

12. Attorney's Report -- Mr. Larry Haag, WRWSA Attorney.

- Certification of Rules Pursuant to Section 120.695, Florida Statutes – Mr. Haag noted that Exhibit A contains the correspondence from Kenneth J. Plante, Coordinator, Joint Administrative Procedures Committee, regarding legislation passed during the 2016 legislative session and new rule certification requirements. The Authority is subject to these new statutory requirements. Exhibit B contains the Rule Certification recommended by staff. Both exhibits were included in the Board's meeting materials. Following consideration, **Mr. Butler moved, seconded by Mr. Printz, for approval of and authorization for the Chairman to execute the Certification of Rules 2017 (120.695(2) Florida Statutes), as contained in Exhibit B and as presented. The motion carried unanimously.**
- Mr. Haag commented that the Authority's mission is focused on water supply planning and development to ensure its member counties and cities have adequate water for public utilities. With the ongoing issues of MFLs and considering ground water, the Board's members wear two hats environmentally and proprietary.

13. Other Business – None

14. Next Meeting Time and Location

- **Chairman Nicholson called the question to cancel the June 21, 2017 monthly meeting. Ms. Stone moved, seconded by Mr. Printz, to cancel the meeting, and it carried unanimously.**
- The next monthly meeting is scheduled for July 19, 2017 at 3:30 p.m. at the Lecanto Government Building, Room 166.

15. Adjournment

Chairman Nicholson adjourned the meeting at 5:00 p.m.

Nick Nicholson, Vice-Chairman

Richard S. Owen, Executive Director