

**MINUTES – WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY
BOARD OF DIRECTORS MEETING, AUGUST 20, 2008**

DATE: August 20, 2008
TIME: 4:30 p.m.
PLACE: City Commission Chambers, City Hall
151 SE Osceola Ave., 2nd Floor
Ocala, Florida 34471

MEMBERS PRESENT

Dennis Damato, Citrus County Commissioner
Joyce Valentino, Citrus County Commissioner
Rose Rocco, Hernando County Commissioner
Richard Hoffman, Sumter County Commissioner
Kent Guinn, Ocala City Councilman
Dale Swain, Bushnell City Councilman

MEMBERS ABSENT

Gary Bartell, Citrus County Commissioner
Joe Bernardini, Brooksville City Councilman
Daniel Owen, Ocala City Councilman
Phillip Price, Crystal River City Councilman
Diane Rowden, Hernando County Commissioner
David Russell, Hernando County Commissioner
Christopher Kingsley, Hernando County Commissioner
Randy Mask, Sumter County Commissioner

OTHERS PRESENT

Jack Sullivan, Executive Director
Larry Haag, WRWSA Attorney
Barbara Sullivan, Recording Secretary
Diane Salz, Legislative Liaison, WRWSA
Peter Rocco, Hernando County
Jimmy Brooks, SWFWMD
John Ferguson, SWFWMD
Ken Herd, SWFWMD
Stan McClain, Marion County Commissioner
Robert Knight, Citrus County Utilities
Connie Mullis, Aide to Senator Evelyn Lynn
Rob Birrenkott, Manson Law Group
Diane Salz, Legislative Consultant
Brian Huston, R.W. Beck

Agenda Item #1 Call to Order

Chairwoman Rose Rocco called the meeting to order at 4:30 p.m. and asked for a roll call.

Agenda Item #2 Roll Call

Jack Sullivan, Executive Director, called the roll and a quorum was declared present.

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Agenda Item #3 Introductions and Announcements

Mr. Sullivan introduced the public members in attendance and Chairwoman Rocco welcomed them to the meeting.

Agenda Item #4 Approval of Minutes of July 16, 2008 Meeting

A MOTION WAS MADE BY JOYCE VALENTINO TO APPROVE THE MINUTES OF THE JULY 16, 2008 MEETING. THE MOTION WAS SECONDED BY DENNIS DAMATO AND CARRIED UNANIMOUSLY.

Agenda Item #5 Consideration of Marion County Water Conservation Grant ... Jack Sullivan, WRWSA

Marion County Water Resource Coordinator, Troy Kuphal was not able to attend the meeting and Jack Sullivan presented Marion County's grant request. Mr. Sullivan said that the request was an outdoor water conservation education and irrigation evaluation project. It is designed to educate utility and private well users in specific irrigation system modifications allowing maximum water savings through efficiency. The application projected that 100-150 participants would receive an irrigation system evaluation, site specific recommendations, automatic shutoff device installations if an operable device is not present and educational materials. The project is expected to save approximately 10 million gallons per year. Mr. Sullivan said that the cost to the Authority would be \$28,250. The application contained a resolution from the Marion County Commission supporting the proposal and agreeing to fund the required match funds.

A MOTION WAS MADE BY KENT GUINN AND SECONDED BY JOYCE VALENTINO TO APPROVE THE WATER CONSERVATION GRANT OF \$28,250 TO MARION COUNTY. THE MOTION CARRIED UNANIMOUSLY.

After the motion passed, Larry Haag, Attorney said that the proposed contract would require changes to paragraph 3 regarding the dollar amounts. Mr. Sullivan said he would make the changes.

Agenda Item #6 Legislative Report ... Diane Salz, Legislative Consultant

Ms. Salz presented a number of issues that were currently underway regarding water supply and water resources. She stated that a group was currently reviewing Chapter 373 with the intent of rewriting that statute to "clarify" and "reorganize its components. She also mentioned that the Governor's office had put together a team to review climate change and resource management.

Ms Salz stated that the Water Congress meeting on September 25-26 in Orlando would have 125 voting delegates that would vote up or down on the recommendations coming out of the Water Congress. She stated that three of our Board members had been appointed by the Florida Association of Counties as delegates – Gary Bartell, Citrus County Commissioner, Richard Hoffman, Sumter County Commissioner and Stan McClain, Marion County Commissioner.

She also mentioned the Desalination bill sponsored by Kurt Kelly in the 2008 session did not pass, but that DEP would be doing a report on assistance to utilities regarding desalination. She mentioned that a springs protection bill would be filed again this year and that the issue of sunset review for a number of agencies, including water management districts would be on the

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table again. Finally, she mentioned that the issue of David Moore, Executive Director of SWFWMD would be considered again.

After Ms. Salz presentation, Mr. Sullivan stated that he did not know if he could attend the Water Congress, but asked that the Board approve his attendance in case he is able to attend.

A MOTION WAS MADE BY DENNIS DAMATO TO APPROVE JACK SULLIVAN TO ATTEND THE WATER CONGRESS ON SEPTEMBER 25-26. THE MOTION WAS SECONDED BY RICHARD HOFFMAN AND CARRIED UNANIMOUSLY.

Agenda Item #7 Executive Director's Report ... Jack Sullivan, WRWSA

a. Bills to be Paid

Mr. Sullivan said that the bills for August were \$15,707.10.

A MOTION WAS MADE BY DALE SWAIN AND SECONDED BY RICHARD HOFFMAN TO APPROVE THE AUGUST 20, 2008 BILLS IN THE AMOUNT OF \$15,707.10. THE MOTION CARRIED UNANIMOUSLY.

b. Report on Water Resources Development Fund and Status of Local Government Investment Pool

Mr. Sullivan reported that Ashbel Williams was appointed the new Executive Director of the SBA. His background information was included in the Board Package. Mr. Sullivan included the July statements for both the SBA1 and SBA2 accounts in the Board Package. The SBA2 account, the Water Resource Development Fund, is currently at \$1,154,861.50. He also pointed out the status of the Authority's Restricted Pool B funds. Out of the original \$202,997.10 that was placed there because of shaky investments, \$137,515 has been returned to the Pool A accounts or approximately 68%.

c. Revision to 2008-09 Adopted Budget

Mr. Sullivan said that the next item has to do with the budget that the Board approved at its July 16 meeting. He stated that he provided the Board with the letter that I sent out to all of the Counties, including Marion and the City of Ocala that included the adopted budget. Evidently at the Citrus County budget session, it was noticed that the population figures that Mr. Sullivan had originally sent in May had changed in the final budget. Mr. Sullivan said that when this was brought to his attention, he researched and found that in the final budget, he had picked up incorrect population numbers for Citrus, Sumter and Hernando Counties. He went back and redid the budget with the correct population figures. The major change is that the Citrus, Hernando and Sumter population figures and per capita assessments were reduced. The reduction is \$914 for Citrus, \$1,180 for Hernando and \$993 for Sumter; or a total reduction in local assessments of \$3,087. Mr. Sullivan sent the revised budget with correct population and per capita figures to the counties and the City of Ocala but felt that he needed to come back to the Board and explain the situation and have the Board approve the revised budget.

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AMOTION WAS MADE BY JOYCE VALENTINO AND SECONDED BY KENT GUINN TO APPROVED THE REVISED BUDGET WITH THE CORRECT POPULATION AND PER CAPITA FIGURES. THE MOTION CARRIED UNANIMOUSLY.

d. 3rd Quarter Financial Report

Mr. Sullivan presented the Financial Report for the 3rd Quarter of the 2007-08 Fiscal Year. Mr. Sullivan presented the Balance Sheet and declared that the ratios of assets to liabilities for both current and restricted assets were sufficient to ensure solvency of the Authority. He indicated that the Total Net Assets of the Authority as of December 31, 2007 were \$3,930,665.99. Mr. Sullivan then covered revenues and expenses for the quarter. He stated that all projected revenues had been received. He indicated that revenues were less than expenditures for the quarter leaving an \$11,318.01 net loss in operating income. In addition, the Authority earned \$8,925.16 in interest for the quarter, leaving a net loss of \$2,392.85

There were no questions from the Board and Mr. Sullivan asked the Board for approval of the quarterly report.

KENT GUINN MADE A MOTION TO APPROVE THE 3RD QUARTER FINANCIAL REPORT. THE MOTION WAS SECONDED BY JOYCE VALENTINO AND CARRIED UNANIMOUSLY.

e. Annual Contracts for Jack Sullivan, Executive Director and Diane Salz, Legislative Consultant

Mr. Sullivan said that he had anticipated that the Board would be hiring permanent staff this fiscal year. However, since that did not happen, he felt that the Authority should continue its present annual contract with him. He stated that the dollar amount of his contract did not change from the \$100,000 currently paid. He said that in consultation with Larry Haag, his contract had some minor language changes. Language was inserted that stated that we understand that the SWFWMD will provide office space and administrative support. In addition, since the contract has remained almost the same except for the amount over the past 15-20 years, the contract was made a continuing agreement for services that is renewed each year unless terminated by one of the parties.

Mr. Sullivan said that Diane Salz's contract remained the same except for changes in the date.

JOYCE VALENTINO MADE A MOTION TO APPROVE MR. SULLIVAN'S CONTRACT AT \$100,000 PER YEAR. THE MOTION WAS SECONDED BY DENNIS DAMATO AND CARRIED UNANIMOUSLY.

KENT GUINN MADE A MOTION TO APPROVE MS. SALZ'S CONTRACT AT \$40,000 PER YEAR. THE MOTION WAS SECONDED BY RICHARD HOFFMAN AND CARRIED UNANIMOUSLY.

f. Hydrologic Report

Mr. Sullivan said he had copied the July Monthly Water Resource Update from the SWFWMD web page. It shows that the aquifer levels have increased but are still slightly below the normal range; rainfall for July was below the historic average; lake levels are still below normal, but getting better; and stream flow in the Withlacoochee River is still slightly below the normal range.

g. Correspondence

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Mr. Sullivan I had several pieces of correspondence. First, was a letter from him to SWFWMD accepting their offer of office space and administrative support and a response back from Bruce Wirth, Deputy Executive Director at the District. Mr. Sullivan also received notification that John Ferguson, SWFWMD will be the new administrator of our current contracts with SWFWMD for our Phase II and VII studies. Mr. Sullivan introduced John to the Board. Finally, he also included a letter that he had received from Brad Arnold, Administrator for Sumter County, asking SWFWMD to include input from local governments when approving water supply projects such bottling plants that seem to be popping up in the region.

h. News Articles

Mr. Sullivan said he had provided some news articles in the Board Package for the Board to read at its leisure.

i. Other

Mr. Sullivan said that he had several late issues that had not been included in the Board Package. He said that SWFWMD would like to change the joint meeting next year from April 18 to March 30. Both days were Mondays and the meeting would still begin at 2:00. SWFWMD is trying to locate a meeting place in the Wildwood area. Second, Mr. Sullivan suggested some meeting changes for the Board.

- a. First he requested that the Board cancel the September Board meeting because during that month he will be moving offices and files to SWFWMD. He stated would like to not have to prepare and send out a Board Package that month.
- b. Second, since the October meeting would normally be held in Hernando County, he recommended that the Board hold the meeting in the SWFWMD Governing Board meeting room. This would give Board members a chance to see the SWFWMD facility and the Authority's office there. In addition, it would make it a little easier in the transition to the SWFWMD staff that will be taking our minutes.
- c. Mr. Sullivan's third suggestion concerned meeting locations. He said that once Marion County brings its three County Commissioners and one new small cities representative on Board in October, the Authority would have 18 Board members. He said that even if all Board members don't come to the meetings, this is going to place a strain on our rotation of meetings to locations where it is hard to accommodate a Board of that size. Therefore, Mr. Sullivan propose d to rotate the Board meetings between a meeting one-month at the SWFWMD headquarters and the next month meet at the WRPC conference room in Ocala. This would place Citrus and Sumter about equal distance to those two meeting locations. One month Marion representatives would have to travel a good distance, but the next month, they would be in their back yard and Hernando representatives would have to travel. This would still allow the Board to rotate the meetings, but provide larger facilities to hold our meetings. Travel for members should have some parity and it would

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help save money for SWFWMD's administrative support by decreasing travel and overtime for their support personnel.

A MOTION WAS MADE BY DENNIS DAMATO TO CANCEL THE SEPTEMBER BOARD MEETING AS RECOMMENDED BY MR. SULLIVAN. THE MOTION WAS SECONDED BY JOYCE VALENTINO AND CARRIED UNANIMOUSLY.

A MOTION WAS MADE BY DENNIS DAMATO TO HOLD THE OCTOBER BOARD MEETING AT THE SWFWMD HEADQUARTERS AS RECOMMENDED BY MR. SULLIVAN. THE MOTION WAS SECONDED BY JOYCE VALENTINO AND CARRIED UNANIMOUSLY.

AMOTION WAS MADE BY JOYCE VALENTINO TO ALTERNATE MEETING PLACE BETWEEN THE SWFWMD HEADQUARTERS AND THE WITHLACOOCHEE REGIONAL PLANNING COUNCIL CONFERENCE ROOM BEGINNING IN JANUARY 2009. THE MOTION WAS SECONDED BY RICHARD HOFFMAN AND CARRIED UNANIMOUSLY.

Agenda Item #8 Attorney's Report ... Larry Haag, WRWSA Attorney

Mr. Haag stated that the Board had already approved the Hernando, Citrus and Marion County water conservation grants. He prepared contracts for signature for these grants and requested that the Board approve the Chairwoman to sign the contracts.

A MOTION WAS MADE BY JOYCE VALENTINO AND SECONDED BY KENT GUINN TO APPROVE THE SIGNATURE OF THE CHAIR TO SIGN THE WATER CONSERVZTION CONTRACTS FOR CITRUS, HERNANDO AND MARION COUNTIES. THE MOTION CARRIED UNANIMOUSLY.

Mr. Haag then stated that SWFWMD had requested that the Authority sign a Risk and Release Agreement with them stating that the Authority would not sue the District for injury or harm to the Authority or its property. Mr. Haag recommended approval for the Executive Director to sign the Agreement.

A MOTION WAS MADE BY JOYCE VALENTINO AND SECONDED BY KENT GUINN TO DIRECT THE EXECUTIVE DIRECTOR TO SIGN THE RISK AND RELEASE AGREEMENT WITH SWFWMD. THE MOTION CARRIED UNANIMOUSLY

Agenda Item #9 Other Business

The Board had no further business to bring up at this time.

Agenda Item #10 Public Comments

There was no comment from the public.

Agenda Item #11 Next Meeting Time and Location

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Chairwoman Rocco stated that the next meeting would take place on October 15, 2008, 4:30 p.m., at the SWFWMD Headquarter Governing Board meeting room at 2379 Broad Street (U.S. 41 South), Brooksville, Florida 34604-6899.

Agenda Item #12 Adjournment

With no further business to come before the Board, a motion was made to adjourn the meeting at 5:20 p.m. The motion carried.

Rose Rocco, Chairwoman

Jackson E. Sullivan, Executive Director