



**WITHLACOOCHEE
REGIONAL
WATER
SUPPLY
AUTHORITY**

Board Meeting Package

February 17, 2010
4:30 p.m.

Meeting Location:

Withlacoochee Regional Planning Council
Headquarters Conference Room
1241 SW 10th Street (SR 200)
Ocala, Florida 34474-0323



**WITHLACOOCHEE
REGIONAL
WATER
SUPPLY
AUTHORITY**

MEMORANDUM

To: Water Supply Authority Board of Directors and Interested Parties

From: Jackson E. Sullivan, Executive Director

Date: February 5, 2010

Subject: Monthly Meeting of the Withlacoochee Regional
Water Supply Authority

The next meeting of the Withlacoochee Regional Water Supply Authority will be on **Wednesday, February 17, 2010, 4:30 p.m., at the Withlacoochee Regional Planning Council Headquarters Conference Room, 1241 SW 10th Street (SR 200), Ocala, Florida 34474-0323.**

Enclosed for your review are the following items:

- Agenda
- Minutes of the January 20, 2010 meeting
- 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.

* For persons other than Board Members and government agencies, pursuant to Board policy adopted at the March 9, 1995 Meeting, a self-addressed 8.5 x 11 inch envelope, pre-stamped and with \$3.00 postage should be sent to the WRWSA at the address below. Board packages may also be obtained free of charge at the Board meeting.

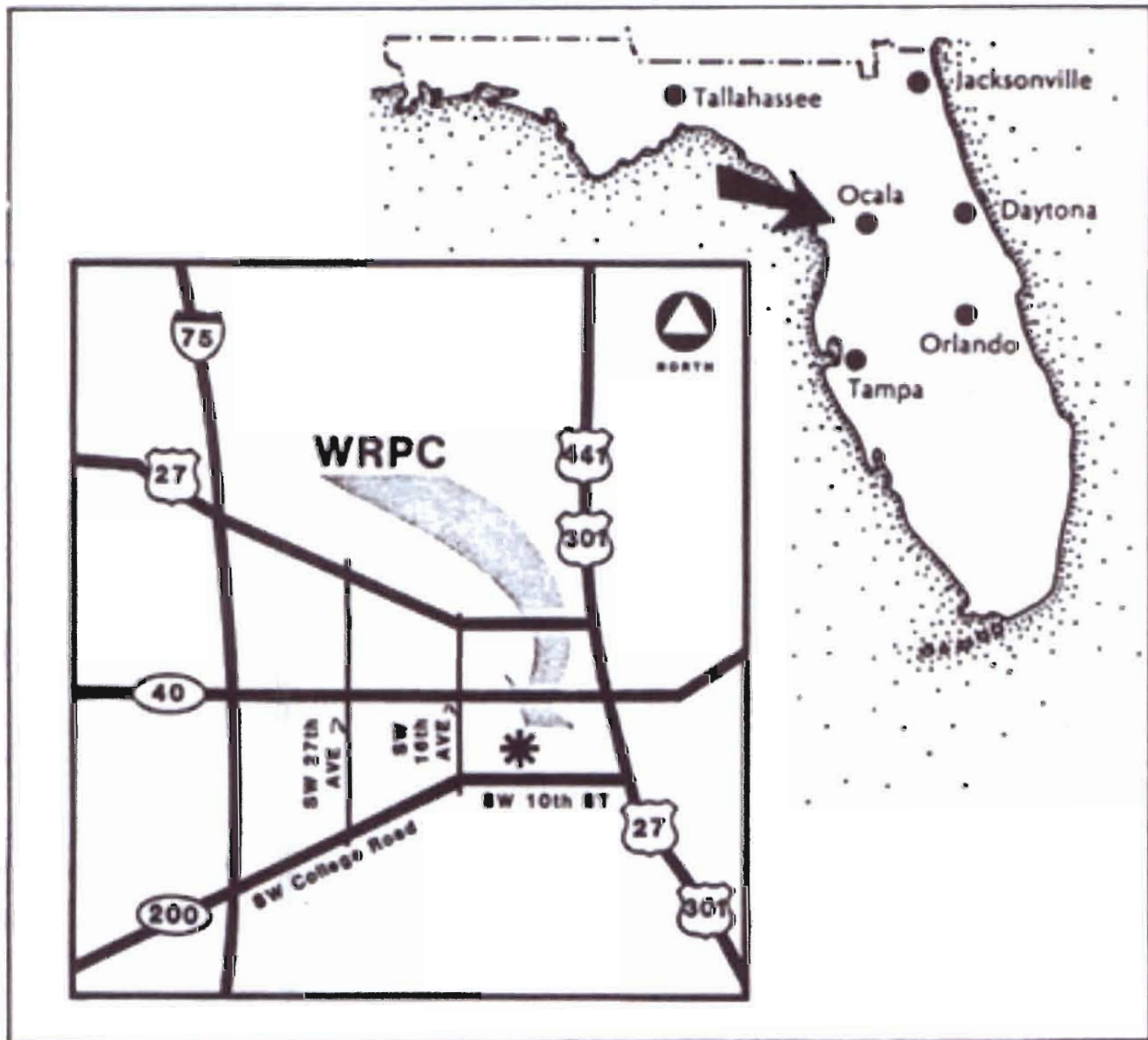
Enclosures

1107 Shalimar Drive – Tallahassee, FL 32312
(850) 385-0220 – FAX (850) 385-0223
jesull@comcast.net

**WITHLACOOCHEE REGIONAL
PLANNING COUNCIL**

**- Office Location -
1241 S.W. 10th Street (S.R. 200)
Ocala, Florida 34471-0323**

**Telephone (352) 732-1315
FAX 732-1319**



Note: The Council's office is located approximately 2.6 miles east of Interstate 75 on State Road 200 and approximately .5 miles west of Pine Street, which is also U.S. Highways 27, 301 and 441.

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

**WITHLACOOCHEE REGIONAL PLANNING COUNCIL
HEADQUARTERS CONFERENCE ROOM
1241 SW 10TH STREET (SR 200)
OCALA, FLORIDA 34474-0323**

**February 17, 2010
4:30 p.m.**

- Item #1 Call to Order**
- Item #2 Roll Call**
- Item #3 Introductions and Announcements**
- Item #4 Approval of Minutes of January 20, 2010 Meeting**
- Item # 5 WRWSA – Regional Water Supply Plan Update – Phase II – WRWSA
Detailed Water Supply Planning Feasibility Analyses - Overview
... Pete Hubbell, Principal, Water Resource Associates**
- Item #6 Executive Director's Report ... Jack Sullivan, WRWSA**
 - a. Bills to be Paid**
 - b. 1st Quarter Financial Report**
 - c. Correspondence**
 - d. News Articles**
- Item #7 Legislative Update ... Diane Salz, Legislative Consultant**
- Item #8 Attorney's Report ... Larry Haag, WRWSA Attorney**
- Item #9 Other Business**
- Item #10 Public Comment**
- Item #11 Next Meeting Time and Location ... March 17, 2010, 4:30 p.m.,
SWFWMD Headquarters Governing Board Meeting Room, 2379
Broad Street (US 41 South), Brooksville, Florida 34604-6899**
- Item #12 Adjournment**

4. January 20, 2010 Minutes

**WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
January 20, 2010**

TIME: 4:30 p.m.
PLACE: Southwest Florida Water Management District
2379 Broad Street (SR 41)
Brooksville, Florida 34604

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

1. Call to Order

Chairman Dennis Damato called the meeting to order at 4:36 p.m. and asked for a roll call.

2. Roll Call

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

MEMBERS PRESENT

Richard Hoffman, Chairman, Sumter County Commissioner
Rose Rocco, Treasurer, Hernando County Commissioner
Dennis Damato, Citrus County Commissioner
Jim Adkins, Hernando County Commissioner
Joe Bernardini, Brooksville City Councilman
Christine Dobkowski, Belleview City Commissioner
Stan McClain, Marion County Commissioner
Dale Swain, Bushnell City Councilman
Winn Webb, Citrus County Commissioner

MEMBERS ABSENT

Mike Amsden, Marion County Commissioner
Gary Bartell, Citrus County Commissioner
John Druzick, Hernando County Commissioner
Barbara Fitos, Vice-Chairman, Marion County Commissioner
Ken Hinkle, Inverness City Councilman
Randy Mask, Sumter County Commissioner
Mary S. Rich, Ocala City Councilwoman
John Priestler, Ocala City Councilman
Jeff Stabins, Hernando County Commissioner

3. Introductions and Announcements

Mr. Sullivan introduced others in the audience.

OTHERS PRESENT

Jack Sullivan, WRWSA Executive Director
Larry Haag, WRWSA Attorney
Diane Salz, WRWSA Legislative Liaison
Janey Baldwin, Withlacoochee River Basin Board
Tom Baldwin, Hernando County Citizen
Alys Brockway, Hernando County Utilities
Jeff Halcomb, City of Ocala Utilities
Peter Hubbell, Water Resource Associates
Robert Knight, Citrus County Utilities
Connie Mullis, Legislative Assistant Senator Evelyn Lynn
Darryl Muse, City of Ocala
Todd Petrie, Marion County Utilities
Alison Ramoy, SWFWMD
Peter Rocco, Hernando County Citizen
Tom Traina, King Engineering
Ryan Tucker, Purvis Gray
Mark White, Purvis Gray
Tahla Paige, Recording Secretary

4. Approval of Minutes of November 18, 2009 Meeting

Following consideration, a motion was made by Ms. Rocco to approve the minutes for the November 18, 2009 meeting. The motion was seconded by Mr. McClain and carried unanimously.

5. Election of 2010 Officers

Following consideration, a motion was made by Mr. Swain to nominate and to elect Mr. Hoffman as Chairman, Ms. Fitos as Vice-Chairman, and Ms. Rocco as Treasurer. The motion was seconded by Mr. Bernardini and carried unanimously.

The gavel was passed to Chairman Hoffman.

6. Presentation of 2008-09 FYE Audit

Mr. Mark White, Purvis Gray & Company, reviewed the 2008-2009 FYE Audit with the board members. Mr. Damato asked where the reports were filed. He replied it was filed with the Auditor General of the State of Florida and the member governments within the Withlacoochee Regional Waters Supply Authority's (WRWSA) jurisdiction. Mr. Sullivan added it was also filed with the Department of Community Affairs.

Following consideration, a motion was made by Ms. Rocco to approve the 2008-2009 FYE Audit as presented. The motion was seconded by Mr. Swain and carried unanimously.

7. Presentation of Water Use Permit Application for Charles A. Black Water Supply Facility

Mr. Robert Knight, Director of Utilities, Citrus County reviewed the application for the Water Use Permit for Charles A. Black Water Supply Facility. Summary of permit:

- Requesting new permit through 2016
- Extensive Conservation Programs are in place and growing
- Current permit allows 6.27 MGD
- Requested permit proposes 5.97 MGD in 2016
- GPCPD will be down to 172 in 2016 and must continue downward to achieve 150 GPCPD by the end of 2018.

Following consideration, **a motion was made by Mr. Damato to approve the Water Use Permit Application for Charles A. Black Water supply Facility. The motion was seconded by Mr. McClain and carried unanimously.**

8. Presentation of Marion County Compendium Study

Mr. Peter Hubbell, Water Resources Associates, gave an in-depth report on the Marion County Compendium Study and outlined futures steps:

- WRWSA Approval of the Marion County Compendium
- Incorporate Marion County into Detailed Water Supply Feasibility Analysis
- Ensure Continuity with WMDs Water Supply Plans
- Prioritize Conservation, Reclaimed, Groundwater & Alternate Water Supply Projects
- Identify Water Supply Project Partners
- WRWSA – Technical Review Committee and Board Review of Phase II Work Program
- Coordinate with WRWSA Members (conservation/projects)
- Continued Coordination with WMDs on Boundary Issues

Following consideration, **a motion was made by Mr. Damato to accept the Marion County Compendium Study as presented. The motion was seconded by Ms. Rocco and carried unanimously.**

Mr. Sullivan announced he had additional copies of the complete study available for anyone who wanted a copy.

9. Executive Director's Report

a. Bills to be Paid

Mr. Sullivan stated since there was no December meeting the bills for December were paid in the amount of \$14,596.19. He requested the Board ratify payment of these bills.

Following consideration, **a motion was made by Mr. Damato to ratify payment of the December 2009 bills totaling \$14,596.19. The motion was seconded by Mr. Webb and carried unanimously.**

Mr. Sullivan provided a handout to the Board detailing January 2010 bills which totaled \$14,512.30. Mr. Sullivan requested the Board approve the payment of those bills.

Following consideration, **a motion was made by Mr. Damato to approve payment of the January 2010 bills totaling \$14,512.30. The motion was seconded by Ms. Rocco and carried unanimously.**

b. Revisions to WRWSA 2009-10 FY Budget

Mr. Sullivan reviewed revisions/changes to the budget on lines 13, 14, 51, 52, 53, 54 through 60, and 61. He recommended approval of the changes. A copy of the revised budget is attached to these minutes.

Following consideration, **a motion was made by Mr. McClain to approve the revisions to the Adopted FY 2009-10 Budget. The motion was seconded by Ms. Rocco and carried unanimously.**

c. Correspondence

Mr. Sullivan reviewed the correspondence including letters from Southwest Florida Water Management District, the Citrus County Board of County Commissioners, and a letter written from WRWSA to Senator Jeff Atwater.

d. News Articles

Mr. Sullivan provided news articles on water supply issues relating to areas both regional and statewide.

10. Governmental Consultant Report

Ms. Diane Salz informed the WRWSA members there is again a push to rewrite Chapter 373 and she urged everyone to express their concern to their legislators, opposing a rewrite of Chapter 373. Ms. Salz explained that currently 52 out of 160 legislators are freshman, 49 percent have served less than four years in their respective chambers which indicates a lack of experience. She added the political landscape will continue to change. Ms. Rocco stated that concerns about pollution, sink holes, conservation, etc. were expressed at the Senate Select Committee Meeting, but she felt the public should be made aware of these meetings to express their concerns.

11. Attorney's Report

Mr. Haag, Esq., stated Mr. Damato requested an opinion on funding Alternative Water Supply Projects and having them paid out of existing utility rates. Mr. Haag replied that yes funds could be used from existing utility rates, and that grants can also fund part of a project with the balance of funding being collected from customers. Mr. Damato asked if funds can be pre-collected for an expensive water conservation project. Mr. Haag replied

construction would be paid by bonded indebtedness, which would be repaid through the rate base over a period of years.

12. Other Business

None.

13. Public Comment

Mr. Al Grubman, TOO FAR, stated that posted on the website there was a memorandum advising there was a vacancy and Christine Dobkowski's name was missing as a board member. He asked if her position was the vacancy. Mr. Sullivan replied it was an error and the vacancy was on the Ocala City Council and filled by Mr. John Priester, who will hopefully attend the next meeting.

Mr. Robert Knight, Director of Water Resources, Citrus County, announced the Department of Environmental Protection would be setting numeric levels for organic contaminants such as phosphates and nitrogen, and would discuss impaired water bodies in Florida. There will be three meetings with the nearest meeting in Orlando on February 17, 2010 at the Crown Plaza Orlando Universal, 7800 Universal Boulevard, Orlando, from 1 pm to 5 pm, and then from 7 pm to 10pm. He stated the Notice was issued on January 14, 2010 with 60 days for written comments. Mr. Knight felt county staff should be urged to review the standards and to make comments.

14. Next Meeting Time and Location

Next meeting is scheduled for February 17, 2010 at 4:30 p.m., Withlacoochee Regional Planning Council Headquarters Conference Room, 1241 Southwest 10th Street (SR 200), Ocala, Florida 34474-0323.

15. Adjournment

Chairman Hoffman announced there was no further business or discussion to come before the Board and adjourned the meeting at 6:05 p.m.

Richard Hoffman, Chairman

Jackson E. Sullivan, Executive Director

**MEMORANDUM**

January 6, 2010

To: WRWSA Board of Directors
From: Jack Sullivan, Executive Director
Re: Revisions to Adopted FY 2009-10 Budget

Usually, after the first quarter of the year, I review the budget document to determine if any changes have been made to the budget that need to be documented for the end of year audit report. In reviewing the 2009-10 FY budget, I noted several changes and additions that need to be made to bring the budget document into agreement with our financial records and subsequent actions of the Board. I have included in the Board Package a copy of the adopted 2009-10 FY budget and I have included the recommended 2nd revision budget. The following changes are recommended to document the changes needed to the budget:

1. On line 13 of the 2nd revision, my original estimate of the amount of funds received from SWFWMD for their ½ of the Phase II and VII work program during the year was revised upward from \$50,000 to \$66,000. My original estimate was made in June 2009 and less money was spent than anticipated.
2. On line 14 of the 2nd revision, I failed to include Marion County's payments to the Authority for preparation of the Compendium. In June 2009, I anticipated we would complete the study during the 2008-09 FY.
3. On line 51 of the 2nd revision, I revised my estimate upward of how much the Authority would pay out for the Phase II and VII work program from \$100,000 to \$132,000.
4. On line 52 of the 2nd revision, I included the payment to consultants for work on the Marion County Compendium mentioned under item 2. above.
5. On line 53 of the 2nd revision, I had to include a payout of \$6,000 to Black and Veatch for their work on the Citrus CAB water supply facility evaluation. In June 2009, I anticipated that this contract would be complete in the 2008-09 FY.

6. On lines 54 through 60 of the 2nd revision, I revised the local government contracts from \$100,000 to \$130,000 to coincide with the Board's action at the July 2009 Board meeting.
7. On line 61 of the 2nd revision, I revised my estimate of the payout for the North Sumter Data Collection effort from \$25,000 to \$33,333. In June 2009, I anticipated that \$8,333 of that contract would be spent and it was not.

Recommendation: Approve all changes to the budget to document financial records for the end of year financial audit.

WITHLACOCHEE REGIONAL WATER SUPPLY AUTHORITY Adopted 2009-10 FY Budget				Date of Preparation: 6/9/09	
	4/1/08 Population BEER Est.	Comments on Budget Change	Annual Amounts (\$)	Rev/Exp Inc./(Decr.) 09 vs 10 FYE	% Inc/Dec Rev/Exp 09 vs 10 FYE
Revenues: Administrative			FYE 09-10 (\$.19/cap)		
1	Assessments:				
2	Citrus	per capita rate reduced 5%	\$26,988	(\$1,040)	-3.71%
3	Hernando	per capita rate reduced 5%	\$31,332	(\$1,107)	-3.41%
4	Sumter	per capita rate reduced 5%	\$17,676	(\$278)	-1.55%
5	Marion (Less City of Ocala)	per capita rate reduced 5%	\$52,242	(\$1,915)	-3.54%
6	City of Ocala	per capita rate reduced 5%	\$10,348	(\$500)	-4.61%
7	Total Population/Assessments @ 19¢/Capita	See Attachment 2 for detail	\$138,586	(\$4,840)	-6%
8	Carry-over Reserve Funds (Est.)	See Attachment 1 for detail	\$238,102	(\$34,179)	-12%
9	Overhead from Citrus Contract	Based on Citrus County contract	\$56,755	\$2,227	5%
10	Total Administrative Revenue Available		\$433,443	(\$36,892)	-9%
Revenues: Water Supply Facility Development					
13	SWFWMD Matching Funds for Continuation of Water Supply Plan	Finalization of PH II and VII	\$50,000	(\$49,000)	-22%
14	(SBA2) Carryover Reserve Funds (Est.)	See Attachment 1 for detail	\$1,133,288	\$117,989	11%
15	(SBA2) Annual Citrus Amortization Pmts	See Attachment 2 for detail	\$163,587	\$0	0%
16	Total Water Supply Development Revenue Available		\$1,346,875	(\$76,011)	-5%
18	Total Revenues Available		\$1,780,318	(\$112,803)	-6%
Expenditures:					
General Administration					
22	Executive Director	Based on Annual contract	\$100,000	\$0	0%
23	Legal Services	Based on continuing contract	\$20,000	\$3,000	18%
24	Monthly Meetings @ \$500/meeting	No change	\$6,000		
25	Other Services @ \$150/hr.	To monitor consultant input	\$14,000		
26	Legislative Consultant	Based on Annual contract	\$40,000	\$0	0%
27	Advertising	Based on current usage	\$1,000	\$0	0%
28	Audit	Raises based on CPI	\$8,600	\$100	1%
29	Bank Charges	Based on current usage	\$400	(\$250)	-38%
30	Bookkeeping Services	Based on current usage	\$1,800	(\$200)	-8%
31	Office Supplies	Based on current usage	\$1,500	(\$500)	-33%
32	Postage	Based on current usage	\$1,500	(\$300)	-17%
33	Printing and Reproduction	Based on current usage	\$1,000	(\$2,250)	-69%
34	Publications/Software	Based on current usage	\$750	\$0	0%
35	Registrations/Dues	Based on current usage	\$1,250	\$0	0%
36	State Fees/Assessments	Based on current usage	\$200	\$0	0%
37	Telephone	Tel. usage at two office locations	\$4,500	\$2,500	125%
38	Travel	Inc. travel by E.D. to Region	\$15,000	\$6,600	83%
39	Web Page Maintenance	Based on current usage	\$750	\$0	0%
40	Internet Services	Based on current usage	\$750	\$0	0%
42	Subtotal - General Administration Expenditures		\$199,000	\$7,700	4%
44	Fund Balance for Admin. Reserves		\$234,443	(\$44,492)	-20%
46	TOTAL ADMIN. EXPENDITURES and FUND BALANCE		\$433,443	(\$36,792)	-9%
Water Supply Studies and Facilities					
49	Engineering/Master Plan Regional Framework Support	Propose WRA Sole Source Contract	\$25,000	\$25,000	100%
50	Regional Master Plan - Phase 2 and 7 Planning Studies	Project completion of Ph 2 & 7	\$100,000	(\$98,000)	-39%
51	Local Government Water Supply Projects (09-10 FYE)	Based on action of BoD	\$100,000	\$0	0%
52	North Sumter Data Collection program	Based on Contract w/ SWFWMD	\$25,000	(\$8,333)	100%
53	Development of LG Agreements/Governance Documents	Proposed new program	\$50,000	\$50,000	100%
54	Subtotal - Water Supply Studies and Facilities Expenditures		\$300,000	(\$188,333)	-40%
56	Fund Balance for Water Supply Development Reserves		\$1,046,875	\$112,322	10%
58	TOTAL WRDF EXPENDITURES and FUND BALANCE		\$1,346,875	(\$76,011)	-5%
60	Total Administration and WRDP Fund Balances	See Attachment 1 for detail	\$1,281,318	\$67,830	3%

WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY 2nd Revision 2009-10 FY Budget					Date of Preparation: 1/6/10	
4/1/08 Population BEBR Est.		Comments on Budget Change	Annual Amounts (\$)	Rev/Exp Inc./(Decr.) 09 vs 10 FYE	% Inc/Dec Rev/Exp 09 vs 10 FYE	
Revenues: Administrative			FYE 09-10 (\$ 19/cap)			
1	Assessments:					
	Citrus	142,043	per capita rate reduced 5%	\$26,988	(\$1,040)	-3.71%
2	Hernando	164,907	per capita rate reduced 5%	\$31,332	(\$1,107)	-3.41%
3	Sumter	93,034	per capita rate reduced 5%	\$17,676	(\$278)	-1.55%
4	Marion (Less City of Ocala)	274,956	per capita rate reduced 5%	\$52,242	(\$1,915)	-3.54%
5	City of Ocala	54,462	per capita rate reduced 5%	\$10,348	(\$500)	-4.61%
6	Total Population/Assessments @					
7	19¢/Capita	729,402	See Attachment 2 for detail	\$138,586	(\$4,840)	-6%
8	Carry-over Reserve Funds (Est.)		See Attachment 1 for detail	\$238,102	(\$34,179)	-12%
9	Overhead from Citrus Contract		Based on Citrus County contract	\$56,755	\$2,227	5%
10	Total Administrative Revenue Available			\$433,443	(\$38,892)	-9%
11						
12	Revenues: Water Supply Facility Development					
13	SWFWMD Matching Funds for Continuation of Water Supply Plan		Finalization of PH II and VII	\$66,000	(\$33,000)	-15%
14	Marion County Funds for Compendium		Per contract with Marion County	\$76,185	(\$68,815)	
15	(SBA2) Carryover Reserve Funds (Est.)		See Attachment 1 for detail	\$1,133,288	\$117,989	11%
16	(SBA2) Annual Citrus Amortization Pmts		See Attachment 2 for detail	\$163,587	\$0	0%
17	Total Water Supply Development Revenue Available			\$1,439,060	\$16,174	1%
18						
19	Total Revenues Available			\$1,872,503	(\$20,618)	-1%
20						
21	Expenditures:					
22	General Administration					
23	Executive Director		Based on Annual contract	\$100,000	\$0	0%
24	Legal Services		Based on continuing contract	\$20,000	\$3,000	18%
25	Monthly Meetings @ \$500/meeting	\$6,000	No change			
26	Other Services @ \$150/hr.	\$14,000	To monitor consultant input			
27	Legislative Consultant		Based on Annual contract	\$40,000	\$0	0%
28	Advertising		Based on current usage	\$1,000	\$0	0%
29	Audit		Raises based on CPI	\$8,600	\$100	1%
30	Bank Charges		Based on current usage	\$400	(\$250)	-38%
31	Bookkeeping Services		Based on current usage	\$1,800	(\$200)	-8%
32	Office Supplies		Based on current usage	\$1,500	(\$500)	-33%
33	Postage		Based on current usage	\$1,500	(\$300)	-17%
34	Printing and Reproduction		Based on current usage	\$1,000	(\$2,250)	-69%
35	Publications/Software		Based on current usage	\$750	\$0	0%
36	Registrations/Dues		Based on current usage	\$1,250	\$0	0%
37	State Fees/Assessments		Based on current usage	\$200	\$0	0%
38	Telephone		Tel. usage at two office locations	\$4,500	\$2,500	125%
39	Travel		Inc. travel by E.D. to Region	\$15,000	\$6,600	83%
40	Web Page Maintenance		Based on current usage	\$750	\$0	0%
41	Internet Services		Based on current usage	\$750	\$0	0%
42						
43	Subtotal - General Administration Expenditures			\$199,000	\$7,700	4%
44						
45	Fund Balance for Admin. Reserves			\$234,443	(\$44,492)	-20%
46						
47	TOTAL ADMIN. EXPENDITURES and FUND BALANCE			\$433,443	(\$36,792)	-9%
48						
49	Water Supply Studies and Facilities					
50	Engineering/Master Plan Regional Framework Support		Propose WRA Sole Source Contract	\$25,000	\$25,000	100%
51	Regional Master Plan - Phase 2 and 7 Planning Studies		Project completion of Ph 2 & 7	\$132,000	(\$66,000)	-26%
52	Marion County Compendium		Completion of Compendium	\$76,185	(\$68,815)	
53	CAB WSF Evaluation Study		Completion of Evaluation	\$6,000	(\$6,000)	
54	Local Government Water Supply Projects (09-10 FYE)		Based on action of BoD	\$130,000	\$30,000	24%
55	Marion County Water Conservation	\$23,000				
56	Hernando County Water Conservation	\$45,500				
57	Citrus County Water Conservation	\$37,500				
58	City of Belleview Stormwater Reuse	\$8,000				
59	City of Crystal River Reuse Feasibility Study	\$8,000				
60	City of Ocala Xeriscape Demonstration	\$8,000				
61	North Sumter Data Collection program		Based on Contract w/ SWFWMD	\$33,333	\$0	100%
62	Development of LG Agreements/Governance Documents		Proposed new program	\$50,000	\$50,000	100%
63	Subtotal - Water Supply Studies and Facilities Expenditures			\$452,518	(\$35,816)	-8%
64						
65	Fund Balance for Water Supply Development Reserves			\$986,542	\$51,989	5%
66						
67	TOTAL WRDF EXPENDITURES and FUND BALANCE			\$1,439,060	\$16,174	1%
68						
69	Total Administration and WRDP Fund Balances		See Attachment 1 for detail	\$1,220,985	\$7,497	0%

5. Master Water Supply Plan

**MEMORANDUM**

February 3, 2010

To: WRWSA Board of Directors
From: Jack Sullivan, Executive Director
Re: Regional Water Supply Plan Update – Phase II

Attached to this memorandum is a report from Water Resources Associates (WRA) that will provide the initial description of Phase II of the Master Plan effort that has been on-going for the past 2-3 years. Although WRA has appended a draft copy of Chapter 13 – Recommendations for the Board's information, I believe it will take several months of discussions to fully flesh out the actual recommendations that the Board chooses to incorporate in the final version of the Master Plan.

Therefore, I would advise the Board and others that may review these initial documents to understand that they are preliminary and are just the first steps toward a review process that may take a number of months to complete including review by the Authority's Technical Review Committee, the Authority Board, member governments and the public.

I look forward to working with WRA to present the Phase II report and recommendations to the Board and the public at large in order to provide this region with a realistic framework for water supply development into the future.

WRWSA – Regional Water Supply Plan Update – Phase II – WRWSA Detailed Water Supply Planning Feasibility Analyses Overview

Planning Context

As you are aware, the WRWSA and its consultants have been developing Phase II of the Master Water Supply Planning and Implementation Program known as the “WRWSA Detailed Water Supply Feasibility Analyses”. Phase II was the follow-on to the WRWSA Regional Water Supply Plan Update, that was completed in 2007.

Since the WRWSA is mandated to develop and supply water, the Authority has historically completed water supply planning studies, constructed a regional water supply facility in Citrus County, and developed a cooperative funding program to assist member local governments in developing adequate water supply facilities and water conservation (WRWSA Website).

A water supply planning effort by the WRWSA was completed in 1996 and was entitled “Withlacoochee Regional Water Supply Authority Master Plan for Water Supply”. This report followed two previous efforts that included the “Water Sources and Demand Study” (1982) and the “WRWSA Master Plan for Water Supply” (1987).

Almost ten years elapsed from the completion of the 1996 WRWSA Master Plan, when the WRWSA determined it was necessary to update the regional water supply planning process. In 2007 the WRWSA, in cooperation with the SWFWMD, completed an update of the 1996 study. This report was entitled “Withlacoochee Regional Water Supply Authority Regional Water Supply Plan Update - 2005” (WRWSA RWSPU).

In 2005, the WRWSA established the WRWSA – Master Water Supply Planning and Implementation Program (WRWSA – MWSP&IP) which is a comprehensive process to plan for the region’s water supply future. The WRWSA – MWSP&IP is a multi-year, multi-phase program that was follow-on to the WRWSA RWSPU. It contains phases for water supply planning. Identification and prioritization of water supply projects, the design of selected projects and implementation the projects and initiatives.

This report, the WRWSA – Detailed Water Supply Feasibility, was initiated in 2007 to follow-on to the WRWSA RWSPU and is considered Phase II of the WRWSA – MWSP&IP process. Its purpose is to update regional population and water demands and determine potential water supply projects to supply these needs. As the study progressed, Marion County decided to rejoin the WRWSA. The inclusion of Marion County into the WRWSA added challenges and opportunities with respect to regionally sustainable water supply development. Geographically, the WRWSA increased by approximately 86% from 1,892 square miles to 3,516 square miles. The existing population of the WRWSA increased by approximately 68% from 494,931 to 732,681 (2005 estimate). It was decided to suspend work on the WRWSA – Detailed Water Supply Feasibility until the Marion County Compendium (Compendium) was completed.

The inclusion of Marion County into the WRWSA required that the RWSPU be amended to consider existing and projected water demands in Marion County, and that the amended

RWSPU outline the basis for future water supply development in the WRWSA region including Marion County. The Compendium was completed in December of 2009.

Phase II – WRWSA Detailed Water Supply Planning Feasibility Analyses

As stated the WRWSA Detailed Water Supply Feasibility purpose is to update regional population, water demands and determine potential water supply projects to supply these needs. The planning horizon has also been expanded from 2025 to 2030. Projects are conceptualized, evaluated, ranked and prioritized according to short-term, medium-term, and long-term planning horizons within this report.

The WRWSA – Detailed Water Supply Feasibility is organized as follows:

- Introduction
- Executive Summary
- Chapter 1 – Population and Water Demand
- Chapter 2 – Water Resource Minimum Flows and Levels
- Chapter 3 – Groundwater Resource Assessment
- Chapter 4 – The Role of Water Conservation within the WRWSA
- Chapter 5 – Reclaimed Water Projects
- Chapter 6 – Groundwater Project Options
- Chapter 7 – Aquifer Recharge Project Option
- Chapter 8 – Surface Water Project Options
- Chapter 9 – Seawater Desalination Project Option
- Chapter 10 – Evaluation and Ranking of Water Supply Projects
- Chapter 11 – Water Resources, Supplies and Demand
- Chapter 12 – WRWSA Regional Water Supply Framework
- Chapter 13 – Recommendations

WRWSA Board and Technical Review Committee (TRC) Review and Evaluation Process

As demonstrated by the number, expansiveness and detail of the Phase II chapters it is anticipated that the review and evaluation process of the report with the Board and the TRC will take several months. Consideration of the recommendations that are included in Chapter 13 alone will take a great deal of debate and deliberation and potentially numerous sessions with the Board.

The objective of the February Board and TRC meetings is to begin the overview and familiarization process with the Phase II report. Staff and the WRWSA consultant Water Resource Associates (WRA) will review the report with the TRC and Board members at their upcoming meetings. A recommended schedule for review and input will be presented at the meeting.

The Phase II report will be posted on February 10, 2009, on the WRA project management system and can be accessed using Board and TRC members log-in and password. If you have difficulty accessing the site contact either Pete Hubbell (phubbell@wraconsultants.com) or Rita Garrison (rgarrison@wraconsultants.com).

Chapter 13 – Recommendations, is included in the Board packet for your review.

Staff Recommendation:

For information only. No Board action is required.

Chapter 13 – Recommendations

13.0 Introduction

This recommendations chapter of this WRWSA – Detailed Water Supply Feasibility Analyses is an attempt to develop and raise a series of recommendations, observations and options for consideration by the WRWSA and member governments. The following are not prioritized or set in any sequential order but are important to consider by the WRWSA in these relatively uncertain times with respect to sustainable water supply for its members. The recommendations can set the stage for considerable discussion and deliberation with the WRWSA Board as they consider the existing and future role of the Authority and the potential impact for its members and the region.

13.1 Population and Water Demand

13.1.1 Population and Projected Water Demand Updates

Updates of the population and water demand within the WRWSA are important to keep water supply planning as viable and current as possible. These updates should take place on a regular basis, every five-years, concurrently with the SWFWMD update of their RWSP. However, if the population projection updates from BEBR demonstrate a dramatic departure from the previous projections and update should be considered at that point. Where conservation compliance per capita rules will dramatically affect demand, the SWFWMD should incorporate the effect of the per capita rules to the projections.

13.1.2 Tracking of Water Use Types and Quantities

The WRWSA should track closely water uses other than public supply. Although public supply is and will continue to be the largest of the water use increases (70%), all other water uses are also projected to increase. Trends in agricultural, industrial/commercial and recreational water use can change, either increasing or decreasing at an unanticipated rate and potentially impacting the WRWSA public supply water use planning.

13.1.3 Large Water Use Tracking

Potential large water users of all water use types should be tracked by the WRWSA. WUP and CUP applications to the SWFWMD and the SJRWMD for demands over a certain water quantity threshold should be requested from the water management districts to determine if the proposed water use will affect the WRWSA planning efforts.

13.1.4 Domestic Self-Supply Water Consumption

Domestic self supply (DSS) water use within the WRWSA is projected to increase from an estimated 17.63 mgd in 2005 to 30.22 mgd in 2030, a 71% increase. This increase could be further exacerbated by stringent compliance per capita rate requirements instituted by the SWFWMD and contemplated by the SJRWMD. The use of domestic wells within the service areas of public supply utilities could have a positive impact on per capita rates but a net negative impact to the water resources of the area.

The impact of DSS to the water resource is not fully understood but is being analyzed by both water management districts. The WRWSA should participate in these discussions and support efforts to quantify and determine the potential impact of DSS on the availability of water resources and the potential impacts to the water resource.

13.2 Hydrogeologic Data Collection and Resource Monitoring

13.2.1 Monitor Lower Floridan Aquifer (LFA) and Surficial Aquifer Data Collection Activities

Hydrogeologic data collection and resource monitoring remains an important initiative within the WRWSA to better understand the groundwater resources of the region. Groundwater modeling and other interpretative analyses are hampered by the lack of comprehensive data on the aquifer systems. This is particularly evident in the northeast Sumter and southeast Marion Counties where the hydrogeology is complex and aquifer characteristics and water quality are highly variable.

This is also an area where traditional groundwater supplies are limited due to potential impacts to MFLs that have been established on several lakes in the area and other surficial features. The LFA in this area is a potential water supply source for both potable and non-potable uses. However, the LFA is not well studied in the area and its aquifer characteristics and water quality appear to be highly variable. The WRWSA role in assisting the SWRWMD and SJRWMD in data collection is important to verify whether the LFA is a viable water source for future development.

13.2.2 Develop and Coordinate Resource Monitoring Program between SWFWMD and SJRWMD in Northern Sumter and Southern Marion County

As mentioned, the area in northern Sumter and southern Marion Counties has a high degree of uncertainty and an understanding of the aquifer system. This in part is due to the limited availability of hydrogeologic information that has been generated. This is also an area where SWFWMD and SJRWMD have differing opinions on the amount of groundwater that is available for development; which is in part due to the use of different planning criteria for potential impacts to wetlands.

The WRWSA should continue to be engaged in this issue and facilitate a coordinated monitoring program between the districts. An emphasis of WRWSA engagement should be at the regulatory level to ensure that resource evaluation during permitting is consistent for members in the region. As groundwater supplies diminish, the WRWSA should facilitate the development of a common set of resource evaluation methods, educate members on appropriate supply strategies and advocate on their behalf with the WMDs. This will ensure that adequate attention and resources are directed at this rapidly growing area with significant water demands.

13.2.3 Funding for Hydrogeologic Studies

The WRWSA should continue to work closely with the SWFWMD and the SJRWMD to determine, prioritize and fund needed hydrogeologic work within the region. This hydrogeologic

information provides the basis for water supply availability and is critical to meaningful and cost-effective water supply planning and regulation within the WRWSA.

13.3 Regional Groundwater Assessment

13.3.1 Groundwater Models

The ND Model (utilized by the SWFWMD) requires a complete peer-reviewed calibration and the NCF Model (utilized by the SJRWMD) requires updating. The conceptual representation of the surficial aquifer in Marion and Sumter Counties must be similar in both models. Recharge, which has been addressed differently in the ND and NCF Models, must be applied in a consistent manner so that comparable results are generated. The WMDs and member communities are increasing their investments in hydrogeologic data collection in the region. This new field data will provide insight to the function of the aquifer system, so the knowledge should be coordinated with member communities through the WRWSA and the WMDs. As additional information is gained, the ND Model has the potential to offer precise predictions of aquifer system behavior due to its transient capabilities and fully three-dimensional representation of the aquifer formations.

13.3.2 Groundwater Model Boundary Conditions

As groundwater supplies reach their sustainable limits in many areas of Florida, regional aquifer level declines could affect water supply management strategies in the WRWSA region. To assess this affect, boundary conditions of the WMD models have been adjusted to reflect projected aquifer level declines from outside the region. However, these boundary adjustments currently reflect regional aquifer declines that the SJRWMD has determined to be unacceptable and thus further groundwater development will not be allowed by their regulatory program. We believe that this approach may be overly conservative. As regional withdrawals increase over time, this practice has the potential to distort estimates of groundwater availability in the models used in the WRWSA. Currently, groundwater model boundary conditions utilized by the SJRWMD consider projected water demand and associated groundwater withdrawals which create drawdown results that overestimate impacts to environmental features in the area.

Further coordination on groundwater modeling and associated boundary conditions must continue between the SWFWMD, SJRWMD and the WRWSA to ensure consistent management and water supply development strategies within the WRWSA.

13.3.3 Resource Assessment

13.3.3.1 MFLs

MFLs need to be adopted in a timely manner for the WRWSA region. A number of springs, rivers and lakes are scheduled for completion by SWFWMD and SJRWMD within the next five (5) years. These MFLs will protect area water resources and the environment from significant harm due to water withdrawals and determine limits on additional groundwater and potential surface water withdrawals.

As detailed in this report, for waterbodies and watercourses where MFLs have yet to be adopted, proxy thresholds were established as a resource constraint on water development for

this interim period. As MFLs are established and adopted the WRWSA must review, comment and track their progress. If the adopted MFLs differ significantly from the proxy thresholds established for the report, analysis should occur to determine if this difference will have significant impact on recommendations or prioritization from the report. As with past initiatives, proposed MFLs within and surrounding the WRWSA should continue to be analyzed.

13.3.3.2 Surficial Aquifer System and Surficial Resources

A better understanding of the relationship between surficial water resources and the aquifer system within the region is needed. The impact of cumulative aquifer level decline on wetlands and lakes located in the region's sandhill areas is poorly understood. In the SJRWMD area of jurisdiction within Marion County, a restrictive 0.35-foot WMD threshold for aquifer decline have been applied to wetlands perched 20-feet above the water table which are unlikely to be affected by groundwater withdrawals. Additional monitoring, analysis, and field data collection will improve the understanding of surficial water resources.

13.4 Water Conservation

13.4.1 WRWSA Role in Regional Water Conservation

The WRWSA has had a comprehensive program for supporting water conservation within the region for over 10-years. This program has provided grant monies to fund conservation initiatives based on proposals submitted by WRWSA members. This has developed into the WRWSA Regional Water Conservation Program which disseminates water conservation information, funds water conservation programs and initiatives and co-funds water conservation coordinators for county governments. The importance of this program and the WRWSA role in water conservation cannot be overemphasized with diminishing water supplies and compliance per capita requirements from the SWFWMD.

Water conservation information from the "SWFWMD Non-Agricultural Water Conservation Modeling" should be utilized by the WRWSA and its members to develop cost effective conservation programs that directly target high per capita usage. This District model analyzes local government demographics and determines the best combination of conservation programs that have the highest potential of success for a given community. The WRWSA should develop a comprehensive plan that targets and prioritizes water conservation programs that will be effective in reducing water demands for member governments. This "WRWSA - Water Conservation Initiative (Conservation Initiative)" should target members with high compliance per capita rates and assist in tailoring water conservation strategies and initiatives that will reduce water usage utilizing the SWFWMD model.

The Conservation Initiative should develop a five (5) year water conservation program that prioritizes and develops budgets for member government conservation initiatives. The Conservation Initiative will better direct WRWSA funding through its cooperative conservation funding program. It will also demonstrate to the SWFWMD a regional and comprehensive approach to water conservation that will prioritize cost-effective initiatives for funding through their Cooperative Funding Initiative.

13.4.2 SWFWMD Compliance Per Capita

Water demand projections for the 2030 planning horizon will vary dramatically utilizing planning numbers based on historical per capita rates versus projections based on the compliance per capita rate instituted by SWFWMD and contemplated by the SJRWMD. Within SWFWMD alone, approximately 21 mgd of water will be saved by 2030 when analyzing unadjusted per capita rates. Compliance per capita rates are not only important to WRWSA member governments because of the regulatory consequences but also the ability to delay costly water supply development projects.

The WRWSA should work with its members and the District on emphasizing the importance of implementing aggressive water conservation programs. Compliance per capita rates must be met by each individual utility by 2018. Fifty percent of the required per capita rate must be reached by 2014. Demand reduction initiatives can take considerable time to be funded, implemented and results realized. Member governments must act aggressively in order to ensure that they remain within SWFWMD regulatory compliance.

13.4.3 “SWFWMD Non-Agricultural Water Conservation Modeling” (SWFWMD Model)

As mentioned, based on the implementation of the compliance per capita requirements by the SWFWMD, the WRWSA should take an active role in assisting member governments in meeting the new standard. The WRWSA should facilitate workshops and individual meetings with the SWFWMD and WRWSA members to assist in the utilization of the SWFWMD Model. The SWFWMD Model based on individual member government demographics will target the most effective conservation programs and initiatives for implementation.

The results of these workshops and meetings will be a series of prioritized, cost-effective water conservation programs and initiatives. This information will be incorporated into the “WRWSA - Water Conservation Initiative” that will be used for project ranking and funding.

13.4.4 Water Conservation Credit System

A compliance per capita rate is required by the SWFWMD for all county, municipal and private utilities throughout the District. In some areas of the District this rate has been met because of water conservation programs that have been in place or the specific demographics of an area that has led to lower water usage (e.g. smaller lot sizes resulting in less outdoor irrigation). Other utilities will have better results in lowering per capita rates, either because their existing per capita rate is closer to the SWFWMD compliance per capita rate or the specific demographics of the community lend better opportunities for water demand reduction. However, based on unadjusted per capita rates, it appears that many local governments in the WRWSA may have difficulty meeting these compliance per capita requirements.

The WRWSA should investigate with the SWFWMD the concept of “Water Conservation Credits” (Conservation Credits). Conservation Credits would be a market-based, incentive driven program that would provide another avenue for meeting water reduction goals throughout the District. Conservation Credits would be modeled after pollution credit trading, where utilities that are able to exceed water conservation and per capita requirements would be able to amass or accumulate Conservation Credits. These utilities would have the ability to “bank” conservation credits for the potential future lowering of the required compliance per capita rate.

WRWSA – Detailed Water Supply Feasibility Analyses