

**WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
April 16, 2014**

TIME: 3:30 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 James Adkins called the Withlacoochee Regional Water Supply Authority (WRWSA) meeting to order at 3:32 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, *Chairman*, Hernando County Commissioner
Al Butler, *Vice-Chairman*, Sumter County Commissioner
Rebecca Bays, Citrus County Commissioner
Ken Brown, Crystal River City Councilor
Dennis Damato, Citrus County Commissioner
Gary Ernst, Belleview City Councilor
Don Hahnfeldt, Sumter County Commissioner
Joseph Johnston, Brooksville City Councilor
Nick Nicholson, Hernando County Commissioner
Dale Swain, Bushnell City Councilor

MEMBERS ABSENT

Scott Adams, Citrus County Commissioner
Kathy Bryant, Marion County Commissioner
Stan McClain, *Treasurer*, Marion County Commissioner
Carl Zalak, Marion County Commissioner

3. **Introductions and Announcements**
Members of the audience introduced themselves.

STAFF PRESENT

Richard Owen, WRWSA Executive Director
Larry Haag, WRWSA Attorney
Diane Salz, Governmental Affairs Consultant
Nancy Smith, WRWSA Administrative Assistant

OTHERS PRESENT

Jacob Arnett, Marion County Water Resources
Alys Brockway, Hernando County Utilities
Debra Burden, Citrus County Water Resources
Paul Duchesneau, Citrus County Utilities
Al Grubman, Citizen

Jan Grubman, Citizen
Jay Hoecker, SWFWMD
Gregg Jones, Cardno ENTRIX
Joy Kokjohn, St. Johns River WMD
Flip Mellinger, Marion County Utilities
Richard Radacky, City of Brooksville
Justin Ryan, Marion County Growth Services
Mark White, Purvis Gray & Company
Chris Zajac, SWFWMD

4. Approval of Minutes of February 19, 2014 Meeting

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

Following consideration, a motion was made by Ms. Bays to approve the minutes for the February 19, 2014 meeting. The motion was seconded by Mr. Butler and carried unanimously.

5. Public Comment

There was no public comment.

6. Regional Water Supply Plan Update . . . Gregg Jones, Cardno ENTRIX

Mr. Jones presented the tenth update on progress drafting the *Regional Water Supply Plan Update* (RWSP). The draft report will be submitted to the WRWSA and to the Technical Advisory Committee on May 1, 2014. The water supplies available indicate that ample groundwater resources, together with conservation methods, exist to provide for the projected demands through 2035. Beyond 2035, there are indications that groundwater withdrawals may be restricted. Discussion followed the report. Mr. Swain requested information on the amounts of water used in water bottling enterprises within the region.

This item was presented for the Board's information; no action was required.

7. 2012 – 2013 Fiscal Year Audit . . . Mark White, Purvis Gray & Company

Mr. White presented the 2012-2013 Auditor's Report regarding the financial statements of the WRWSA and the major fund balances in accordance with generally accepted accounting principles. Mr. White also reviewed the Authority's statement of net position. There were no significant weaknesses or deficiencies in the report. Furthermore, the management discussion and analysis presented a thorough review of the Authority's activities and programs for the past fiscal year.

Following consideration, a motion was made by Mr. Johnston to approve the **Financial Statements and Independent Auditors' Report for fiscal year 2012-2013 as presented. The motion was seconded by Ms. Bays and carried unanimously.**

8. Water Conservation Month Resolution . . . Richard S. Owen, WRWSA

Mr. Owen presented a request for the Board to execute a resolution declaring April 2014 as "Water Conservation Month." This has historically been used by the Authority to focus attention on the need for and benefits of water conservation.

Following consideration, a motion was made by Ms. Bays to approve and execute **Resolution No. 2014-01 declaring April 2014 as "Water Conservation Month." The motion was seconded by Mr. Nicholson and carried unanimously.**

9. Springs Protection Awareness Month Resolution . . . Richard S. Owen, WRWSA

Mr. Owen presented a resolution designating April as “Springs Protection Awareness Month” and requested approval. This resolution is in support of a joint statewide proclamation to emphasize the importance of springs to Florida’s economic and environmental well being.

Following consideration, a motion was made by Mr. Brown to approve and execute Resolution No. 2014-02 declaring April 2014 as “Springs Protection Awareness Month” and to recognize the Authority’s commitment to environmental stewardship by supporting efforts to conserve and restore the ecological balance of the seven first magnitude spring systems in the region, thereby supporting regional economies and quality of life. The motion was seconded by Ms. Bays and carried unanimously.

10. Fiscal Year 2014-2015 Budget Development . . . Richard S. Owen, WRWSA

Mr. Owen discussed the 2014-15 budget and the annual member assessment rate. Mr. Owen recommended that the current per capita assessment rate of \$0.19 be used as the rate for the 2014-15 fiscal year. This rate is applied to the April 1, 2013 population estimated by the Bureau of Economic and Business Research; an exhibit in the Board’s packet shows the population estimates and the anticipated amount of revenue. Using the proposed rate, the overall revenue increases by approximately 1 percent over the 2013-14 fiscal year.

Following consideration, a motion was made by Mr. Nicholson to establish the FY 2014-15 per capita assessment at \$0.19, the same as the current fiscal year. The motion was seconded by Mr. Hahnfeldt and carried unanimously.

Mr. Owen requested consideration of funding for the local government grant for water conservation purposes. These grant funds have been used to assist the member government and other public supply utilities in the region with water supply and conservation projects. In recent years, the Board has established a total grant fund of \$130,000. He recommended that the Board set the Local Government Grant Program funding at \$130,000 for the FY 2014-15 and limit such grants to water conservation projects.

Following consideration, a motion was made by Mr. Butler to set the Local Government Grant Program funding at \$130,000 for the FY 2014-15 and limit such grants to water conservation projects. The motion was seconded by Mr. Damato and carried unanimously.

Mr. Owen advised the Board that staff received an inquiry from the Ocala Discovery Center as to its eligibility to apply for a local government grant. Mr. Owen stated that the grant documentation is not clear regarding whether non-governmental entities may apply. He requested direction from the Board. Mr. Nicholson suggested that staff research the exact nature of the entity, find out how it is associated with the City of Ocala and bring the information back to the next meeting. Board members further discussed accountability and the general consensus that applicants should be governmental entities.

Following discussion, a motion was made by Mr. Swain to table the issue until the next meeting. The motion was seconded by Mr. Hahnfeldt and carried by a vote of 9 to 1.

11. Executive Director’s Report ... Richard S. Owen, Executive Director

a. Bills to be Paid

Mr. Owen presented the March 2014 bills, and requested approval of payment of bills totaling \$34,828.91.

Following consideration, a motion was made by Mr. Butler to approve payment of the March 2014 bills of \$34,828.91. The motion was seconded by Mr. Damato and carried unanimously.

Mr. Owen presented the April 2014 bills, in the handout, and requested approval of payment of the bills totaling \$49,113.49.

Following consideration, a motion was made by Mr. Damato to approve payment of the April 2014 bills of \$49,113.49. The motion was seconded by Mr. Johnston and carried unanimously.

b. Bank Resolution and Signature Card

Mr. Owen advised that a new signature card and "Deposit Account Resolution and Authorization for Business Entities" is required to correctly designate the officers elected by the Board in January.

Following consideration, a motion was made by Ms. Bays to approve the list of authorized signatures and approve and execute the Deposit Account Resolution and Authorization for Business Entities. The motion was seconded by Mr. Brown and carried unanimously.

c. Credit Card Billing Cycle

Mr. Owen stated staff began using the WRWSA credit card for office purchases in 2014. Upon receipt of the bill, it was noticed that the payment due date was occurring at the same date or the day after WRWSA Board meetings. The staff at Sun Trust bank was able to assist with the payment to avoid fees and interest payments as well as altering the billing cycle so that the payment due date will be in the latter part of each month. Mr. Owen requested that the Board authorize staff to pay the credit card bills, as needed, to continue to avoid late fees or interest charges. Any such payments would be presented to the Board for concurrence at the next available Board meeting. Mr. Johnston questioned the available credit limit, which is \$300.

Following consideration, a motion was made by Ms. Bays to pay the monthly WRWSA credit card bill on a timely basis in order to avoid any late fees or interest charges, including when necessary prior to Board approval. Under such circumstances, staff must seek Board concurrence with such payment at the next regularly scheduled Board meeting. The motion was seconded by Mr. Damato and carried unanimously.

d. Fiscal Year 2013-2014 1st Quarter Financial Report

Mr. Owen presented the 1st Quarter Financial Compilation Report and requested approval by the Board.

Following consideration, a motion was made by Ms. Bays to approve the 1st Quarter Financial Report as presented. The motion was seconded by Mr. Damato and carried unanimously.

e. Status Report on the Proposed Wildwood/Marion County/WRWSA Water Supply MOU

Mr. Owen explained that the City of Wildwood staff approached the WRWSA about taking over two lower Floridan aquifer wells for which the City had no immediate need. The Authority staff responded at the time that in order for the Authority to entertain such

a project the Authority would need to have a water supply customer. Marion County subsequently expressed an interest in being a customer at some future time. The Authority staff worked with Wildwood and Marion County staff to develop a Memorandum of Understanding (MOU) for the project. The MOU was scheduled for consideration by the City at the February 24, 2014 City Council meeting. Mr. Owen attended the City Council meeting. Unfortunately, the MOU was not approved. Mr. Owen addressed the Council to express the willingness of the Authority to work with the City in the future to assist in meeting their water supply needs, either on this project should there be an interest in the future, or other water supply development projects. The WRWSA, as a regional entity, would be able to potentially leverage additional funds from the SWFWMD.

This item was presented for the Board's information; no action was required.

f. Report on the Tampa Bay Water Desalination Facility Tour

Mr. Owen reported on the March 19, 2014 tour of the Tampa Bay Water Desalination Facility. Twelve people participated in that tour. Matt Jordan, General Manager of Tampa Bay Water (TBW), and Mr. Chuck Carden, Chief of Operations, presented information to the group. Amanda Rice, P.E., Section Leader, led the tour of the facilities. TBW has offered tours of its reservoir or the Cypress Creek Wellfield if there is an interest by the WRWSA.

This item was presented for the Board's information; no action was required.

g. Correspondence

Recent correspondence was provided in the Board's packet and in the handout. This item was presented for the Board's information; no action was required.

h. News Articles

This item was presented for the Board's information; no action was required.

i. Other

- *SWFWMD Governing Board Meeting.* Mr. Owen was requested to present an update of the WRWSA activities to the SWFWMD Governing Board on March 25, 2014. His presentation was well received, particularly from the Board member appointed from the Northern Region, as well as the Pasco County representative who has been assisting with the CFI reviews for this region. The WRWSA was advised to stay ahead of the area's water supply needs so that problems can be avoided. The SWFWMD Board members expressed an interest in providing incentives in this endeavor.
- *SWFWMD CFI Workshop.* Mr. Owen stated that he and Ms. Smith attended the CFI workshop to support the WRWSA application for Phase 3 of the Regional Irrigation System Evaluation program. This program was included in the list of projects to be funded by the SWFWMD and will be presented to the full Governing Board for approval and inclusion in the 2014-15 budget.
- *Chamber of Commerce Environmental Permitting Short Course.* Mr. Owen requested that authorization and funding to attend the Environmental Permitting Short Course to be held July 22 – 25, 2014 in Marco Island. The maximum cost for one person would be \$1,500.00. A copy of the brochure and course outline was provided to the Board members as a handout.

Following consideration, a motion was made by Mr. Hahnfeldt to authorize payment for and attendance at the Environmental Permitting Short Course. The motion was seconded by Mr. Brown and carried unanimously.

- *City of Belleview.* Mr. Owen announced that the City of Belleview recently lost its long-time Director of Public Works in an airplane accident. The City is posting the position and asked that Mr. Owen announce the opening.

12. **Legislative Report . . . Diane Salz, Governmental Affairs Liaison**

Ms. Salz reported on legislation under consideration during this legislative session, many of which are not advancing with only two weeks left in the Legislative Session. The springs' legislation proposed by the Senate continues to generate much interest and debate. However, no corresponding legislation has progressed in the House, at this time. To date, most of the committee meetings have been completed and the remainder of the session will be focused on the budget. Funding for water projects and springs restoration projects are included in the House, Senate and Governor's budgets. The Senate President has appointed three Senators from this region, Alan Hays, Charlie Dean, and Wilton Simpson, as part of the Senate Appropriations Conference Committee on General Government and Agriculture and Natural Resources. This item was presented for the Board's information; no action was required.

13. **Attorney's Report . . . Larry Haag, WRWSA Attorney**

a. **Repeal of WRWSA Rules**

Mr. Haag stated that we are nearing the end of the process to repeal the rules that have been in place since 1977. The Authority adopted a Statement of Organization in April 2013 that complies with Chapter 120, *Florida Statutes*. A Revised and Restated Interlocal Agreement was reviewed and approved by all four members of the Authority in December 2013 and January 2014. As the rules are now completely obsolete, the Authority may advertise notice of the pending repeal. A revised notice of the proposed rule is included in the handout because of a change in the required language in the advertisement. The revised language implies that there may be regulatory costs to small businesses of up to \$200,000. Mr. Haag requested that the Board make a determination that the repeal of the rule will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. Mr. Haag stated that by repealing these rules, there will be no regulatory costs to small businesses.

Following consideration, a motion was made by Mr. Brown to find that the Authority has determined that repeal of Chapter 49C-1.001 through 49C-1.014, *Florida Administrative Code*, will not have an adverse impact on small business, or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. The motion was seconded by Mr. Johnston and carried unanimously.

Mr. Haag then recommended that the Board initiate rulemaking to repeal the Authority's Rules and direct staff to submit the proposed rule language to the Florida Joint Administrative Rules Committee and to publish all required notices in the Florida Administrative Register.

Following consideration, a motion was made by Mr. Damato to initiate rulemaking to repeal the Authority's Rules found in Chapter 49C-1.001 through 49C-1.014, *Florida Administrative Code*, and to direct staff to submit the proposed rule language to the Florida Joint Administrative Rules Committee and to publish all required notices in the Florida Administrative Register. The motion was seconded by Mr. Johnston and carried unanimously.

Mr. Haag stated that he had the packet prepared and ready to send to the Florida Joint Administrative Committee to complete the repeal process.

14. Other Business

Mr. Brown announced that the City Manager, Andy Houston, is retiring in July. He is the alternate to the WRWSA. The City Council has selected a new city manager, Dave Burnell. Mr. Brown expects the City Council to make a new alternate appointment to the WRWSA Board.

15. Next Meeting Time and Location

The next meeting is scheduled for May 21, 2014, 3:30 p.m., at the Lecanto Government Building, Room 166, 3600 W. Sovereign Path, Lecanto, Florida 34461.

16. Adjournment

Chairman Adkins announced there was no further business or discussion to come before the WRWSA and adjourned the meeting at 5:18 p.m.

James E. Adkins, Chairman

Richard S. Owen, Executive Director