

**WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES  
May 21, 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 3:31 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  
Dennis Damato, Citrus County Commissioner  
Gary Ernst, Belleview City Councilor  
Stan McClain, *Treasurer*, Marion County Commissioner  
Nick Nicholson, Hernando County Commissioner

**ALTERNATES PRESENT**

Bruce Hickle, City of Bushnell  
Andy Houston, City of Crystal River  
Flip Mellinger, Marion County  
Richard Radacky, City of Brooksville

**MEMBERS ABSENT**

Rebecca Bays, Citrus County Commissioner  
Ken Brown, Crystal River City Councilor  
Kathy Bryant, Marion County Commissioner  
Joseph Johnston, Brooksville City Councilor  
Don Hahnfeldt, Sumter County Commissioner  
Dale Swain, Bushnell City Councilor  
Carl Zalak, Marion County Commissioner

**3. Introductions and Announcements**

Mr. Owen announced that a quorum was present as well as a quorum for the purpose of voting on the budget. He stated that the Revised and Restated Interlocal Agreement requires at least one county commissioner representative from each county member be present for action on the proposed budget.

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  
Dave Arnold, SWFWMD  
Alys Brockway, Hernando County Utilities  
Debra Burden, Citrus County Water Resources  
Ken Cheek, Citrus County Water Resources Director  
Mike Czerwinski, Czerwinski Environmental Consultant  
Jay Hoecker, SWFWMD  
Angel Roussel, Hernando County  
Bob Titterington, Greenman-Pedersen Inc.  
Chris Zajac, SWFWMD

**4. Approval of Minutes of April 16, 2014 Meeting**

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

Following consideration, a motion was made by Mr. Butler to approve the minutes for the April 16, 2014 meeting. The motion was seconded by Mr. McClain and carried unanimously.

**5. Public Comment**

There was no public comment.

**6. Sinkholes . . . Dave Arnold, SWFWMD**

Mr. Owen introduced Dave Arnold, Well Construction Manager, SWFWMD, to provide the Board with information about sinkhole formation in Florida. Mr. Arnold is a professional geologist and a hydro-geologist for the District. He described sinkholes as geologic hazards that occur in areas underlain with soluble bedrock such as limestone. He presented many characteristics of sinkhole location and formation and their significance in Florida.

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

**7. RWSP . . . Gregg Jones, Cardno ENTRIX**

Mr. Owen stated that the draft Regional Water Supply Plan Update (RWSPU) was submitted to the Technical Advisory Committee (TAC) on May 2, 2014. The TAC met on May 15 to review the documents and to provide comments. The final draft is due for submittal to the Authority and to the District on July 1, 2014. In order to present the report to the Authority at the July 16, 2014 Board meeting, Mr. Owen has requested that the Authority's submittal date to the District be extended until July 25, 2014.

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

**8. Local Government Grant Program . . . Richard S. Owen, WRWSA**

Mr. Owen stated that the staff was seeking direction to the guidelines for the local government grant program. He reminded the Board that staff received an inquiry last month from the Ocala Discovery Center as to its eligibility to apply for a local government grant. There was discussion at that meeting about accepting applications from entities other than member governments. The general consensus was to follow up with the Discovery Center and to bring the matter back to the May Board meeting. Mr. Owen advised that the Discovery Center is an agency of the City of

Ocala, and could submit its application through the City. Mr. Owen recommended that applications be accepted only from governmental entities and requested a motion from the Board.

Following consideration, **a motion was made by Mr. Nicholson to approve restricting applications to the Local Government Grant Program by governmental entities. The motion was seconded by Mr. Radacky and carried unanimously.**

**9. Proposed 2014-2015 Budget . . . Richard S. Owen, WRWSA**

Mr. Owen presented the proposed budget for fiscal year 2014-2015. The projected revenues for fiscal year 2014-2015 are \$448,815, slightly less than the current year. Projected expenditures for both Administration and Water Supply Studies and Facilities total \$560,000. The administrative expenses are approximately one percent less than the current year, while facilities' projects and studies are also lower. Mr. Owen is continuing to work with Citrus County on a revised rate agreement, which includes some funds for Purvis Gray & Company to assist in that process. Expenses for both administration and projects exceed revenues, so the difference is made up from administrative and project reserves. However, the administrative reserve account will grow slightly over the next year leaving a total in reserves of \$1.136 million at end of next fiscal year. Staff recommends approval of the FY 2014-15 budget, in a total amount of \$1,696,898.

Mr. McClain asked for the rationale in determining how much money should remain in the reserves. Mr. Owen responded that he would like to maintain or enhance the reserves during the remaining time that Citrus County pays for their portion of the Charles A Black facilities. These reserves would be available in the event that a member local government requests assistance from the WRWSA to take on a water supply project. This assistance could be matching funds, funds to facilitate project initiation, or to otherwise enhance the ability of a local government to obtain additional funding.

Following consideration, **a motion was made by Mr. Damato to approve the FY 2014-2015 WRWSA budget in a total amount of \$1,696,898, as presented. The motion was seconded by Mr. McClain and carried unanimously.**

**10. Executive Director's Report ... Richard S. Owen, Executive Director**

**a. Bills to be Paid**

Mr. Owen presented the May 2014 bills, in the handout, and requested approval of payment of the bills totaling \$30,026.02.

Following consideration, **a motion was made by Mr. Damato to approve payment of the May 2014 bills of \$30,026.02. The motion was seconded by Mr. McClain and carried unanimously.**

**b. Fiscal Year 2013-14 2<sup>nd</sup> Quarter Financial Report**

Mr. Owen stated that the 2<sup>nd</sup> Quarter Financial Report would be presented at the next Board meeting.

**c. Update on Members and Alternates**

A list of the current WRWSA Board Members and Alternates was included in the Board's packet. In addition, a handout of the draft procedures associated with alternates was provided to each Board member. Although some of these issues are very administrative in nature, Mr. Owen wanted to review these with the Board and get any feedback. He reviewed alternate procedures including distribution of the Board's packet, email communications, seating, participation and voting.

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

**d. Charles A. Black Facility Update**

Mr. Owen explained that the Charles A. Black facilities are owned by the WRWSA, but are operated and maintained by Citrus County pursuant to an interlocal agreement. In 2012, Cardno was retained to do an evaluation of the CAB facilities. That evaluation showed a number of items that had attained or exceeded their useful life, including some large capital items.

Mr. Owen introduced Ken Cheek, Citrus County Water Resources Director, to provide an update of the capital replacement status. Mr. Cheek stated that the County does incorporate repair and replacement projects in the County's Capital Improvements Plan and treats the facilities as if owned by the County. The expenses are paid for out of the renewal and replacement account to which the County contributes funds based on the agreement between the County and the WRWSA. The two largest items, which were identified as needing replacement, are the generators at each of the two facilities: CAB #1 and #2. The generator at CAB #1 is serial #1; it has been extremely reliable, but getting any spare parts is difficult.

There are sufficient funds available in the R & R fund to cover replacement of the generators. Mr. Cheek stated that the cost includes demolishing the buildings around the generators, upgrades to the existing slabs, wiring, piping, and engineering services to draw up the plans and specifications. The need for site revisions became known as the contractors toured the sites during the pre-bid conference. The specifications will include a building on CAB site #2, but the final costs may determine whether that is constructed or whether the County requests additional screening for that site. The cost for the generators and the needed site upgrades are still within the budget. The R & R fund balance is approximately \$1.9 million. Mr. Cheek stated that he would come back to the WRWSA Board for approval following receipt of the bids. He expects to encumber the costs during this fiscal year.

Mr. Owen explained that this replacement will be the first large utilization of R & R funds. This item was presented for the Board's information; no action was required.

**e. Correspondence**

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

**f. News Articles**

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

**g. Other**

There were no items presented.

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

Ms. Salz presented a summary of actions taken during the recently completed legislative session. These actions are summarized in the handout and in information provided in the Board's packet. Actions included funding of local projects and some bills, including a bill requiring certain information to be posted on special districts' websites. The governor has until June 4, 2014 to sign the General Appropriations Act; most legislation that passed will go into effect on July 1, 2014.

There was discussion of the proposed constitutional amendment regarding springs' restoration funding and other springs related topics.

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

< Commissioner Nick Nicholson left the meeting at 5:02 p.m.>

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

**a. Repeal of WRWSA Rules**

Mr. Haag reviewed the process to repeal the rules governing the Authority, which are no longer needed. The Authority Board adopted a Statement of Agency Organization and Operation in April 2013, and the signatory counties approved a Revised and Restated Interlocal Agreement in January 2014, making the rules obsolete. The Authority advertised a notice of pending repeal in the *Florida Administrative Register* on April 17, 2014. Some additional language was required, which were published on May 20, 2014. The WRWSA did not receive a written request for a hearing and further, given that the notice was published more than 28 days prior to this Board meeting, the rule adoption process has been met.

Mr. Haag recommended that the Board repeal the Authority's Rules found in Chapter 49C-1.001 through 49C-1.014, *Florida Administrative Code*.

Following consideration, **a motion was made by Mr. Damato to repeal the Authority's Rules found in Chapter 49C-1.001 through 49C-1.014, *Florida Administrative Code*. The motion was seconded by Mr. Butler and carried unanimously.**

**13. Other Business**

Mr. Owen advised the Board that he was unaware of any business that needed to be acted on in June. He could consult with the Chairman later in the month regarding cancellation of the June 18, 2014 Board meeting, or the Board could consider action at this time.

Following consideration, **a motion was made by Mr. McClain to cancel the June 18, 2014 Board meeting. The motion was seconded by Mr. Butler and carried unanimously.**

**14. Next Meeting Time and Location**

**The next meeting is scheduled for July 16, 2014, 3:30 p.m., at the Lecanto Government Building, Room 166, 3600 W. Sovereign Path, Lecanto, Florida 34461.**

**15. Adjournment**

Chairman Adkins announced there was no further business or discussion to come before the WRWSA and adjourned the meeting at 5:09 p.m.

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James E. Adkins, Chairman

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Richard S. Owen, Executive Director