

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

**Minutes of the Meeting  
September 16, 2015**

**TIME:** 3:30 p.m.  
**PLACE:** Lecanto Government Building  
**ADDRESS:** 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**

Commissioner Al Butler, Chairman, called the Withlacoochee Regional Water Supply Authority (WRWSA) meeting to order at 3:36 p.m. and asked for a roll call.

**2. Roll Call**

Richard Owen, Executive Director, called the roll and a quorum was declared present.

**BOARD MEMBERS PRESENT**

Al Butler, *Chairman*, Sumter County  
Commissioner  
Dennis Damato, *Treasurer*, Citrus County  
Commissioner  
Earl Arnett, Marion County Commissioner  
Gary Ernst, Belleview City Councilor  
Don Hahnfeldt, Sumter County Commissioner  
Nick Nicholson, Hernando County Commissioner

**BOARD MEMBERS ABSENT**

Stan McClain, *Vice-Chairman*, Marion County  
Commissioner  
Jim Adkins, Hernando County Commissioner  
Robert Battista, Brooksville City Councilor  
Ken Brown, Crystal River City Councilor  
Kathy Bryant, Marion County Commissioner  
Scott Carnahan, Citrus County Commissioner  
Dale Swain, Bushnell City Councilor

**ALTERNATES PRESENT**

Alys Brockway, Hernando County  
Bruce Hickle, City of Bushnell  
Flip Mellinger, Marion County  
Richard Radacky, City of Brooksville

**WRWSA STAFF PRESENT**

Richard Owen, Executive Director  
Larry Haag, Attorney  
Diane Salz, Governmental Affairs Liaison  
LuAnne Stout, Administrative Assistant

**3. Introductions and Announcements**

- *Introductions.* Mr. Owen recognized audience members present for this meeting.

**OTHERS PRESENT**

Jacob Arnette, Marion County  
Debra Burden, Citrus County Water Conservation  
Ken Cheek, Citrus County  
Pete Hubbell, Water Resource Associates  
Kevin Smith, Marion County  
Chris Zajac, Southwest Florida Water Management District

**4. Approval of Minutes**

A copy of the July 15, 2015 minutes was provided in the Board packet for review.

Following consideration, **a motion was made by Mr. Damato to approve the minutes for the July 15, 2015 meeting as presented. The motion was seconded by Mr. Mellinger and carried unanimously.**

**5. Public Comment**

No one from the public requested to address the Board.

**6. As-Needed Engineering and Professional Services Work Order to Water Resource Associates**

Mr. Owen noted that, at the November 2012 meeting, the Board authorized the Executive Director to enter into contracts with eight firms for as-needed General Professional Engineering/Technical Services. The Board also authorized staff to issue the first work order to Water Resource Associates (WRA) for as-needed engineering and technical support services in an amount of \$25,000. That work order expired September 30, 2013 and was renewed in February 2014 to extend to September 30, 2015. This year's budget contains \$75,000 for potential engineering/technical support services.

Mr. Owen said staff has need for continued as-needed engineering/technical support from WRA, including support for proposed revisions to the Charles A. Black wellfield agreement with Citrus County. Among the pre-approved consultants for as-needed support services, WRA is uniquely qualified to provide these required services. The purpose of this Work Order is to engage WRA to provide engineering and technical general support services to the Authority Board and Executive Director on an as-needed basis, including support for revising the Citrus County agreement and other related engineering and technical services in support of the Authority activities. A copy of the proposed Work Order was included as an exhibit to this item in the Board's meeting materials.

Following consideration, **Mr. Damato moved to approve Work Order 2016-01 in an amount of \$25,000 for purposes of providing as-needed engineering/technical support services, with a termination date of September 30, 2016, as presented in the exhibit to the Board's meeting materials. Mr. Ernst seconded the motion and it carried unanimously.**

**7. Cooperative Funding Initiative Application to the SWFWMD**

Mr. Owen noted that the Fiscal Year 2017 Southwest Florida Water Management District (SWFWMD) Cooperative Funding Initiative (CFI) program process has begun for funding in the District's 2016-2017 budget year. The Authority is proposing a funding application that would be a continuation of its water conservation program known as the Regional Irrigation System Evaluations and Conservation Incentive Program. Mr. Owen said that Mr. Hubbell will assist with the CFI process as it transitions to Ms. Stout becoming the Program Manager.

Mr. Pete Hubbell, Water Resource Associates, said this is the fourth-year of the program which evaluates and recommends improvements to homeowners' lawn and landscape irrigation systems, which can be one of the largest water uses in the home and often times wastes enormous amounts of water. He noted that the goal of the "Enhanced Regional Irrigation System Evaluations and Conservation Incentive Program" is for outdoor water conservation savings through education, incentives and measurable benefits. He said it includes reduction of existing demands on water resources; flatten the demand curve for future water needs; minimize wasted water; targets some of the typical largest water use – "outdoor irrigation"; and assists WRWSA utilities to meet the SWFWMD compliance per capita rate of 150 or less. The total cost of the Program (Pilot; Phase I and Phase II budgets) has been \$463,300; and participants are Citrus, Hernando, and Marion counties, as well as The Villages (Village Center Development District and North Sumter Co. Utility Department District).

Mr. Hubbell said the Program has targeted home irrigation systems by setting up free inspections by a certified irrigation contractor who evaluates systems for leaks and other wasteful conditions, inspects irrigation controllers for their working order, rain sensor/shut off evaluation and replacement, controller timer education to resident, irrigation zone review and possible adjustment, controller battery replacement, a general review of the turf and landscape requirements of the yard, and an audit report provided to the homeowner. Recommendations are made to the homeowner on repairs and modifications to the irrigation system that will conserve water and ultimately save the property owner money. To date, the Program results include reaching over 530 homeowners, estimated savings of

approximately 183,000 gallons per day (67 million gallons per year), estimated cost/benefit of \$1.74 per 1,000 gallons saved, and continued consistency with the SWFWMD Strategic Plan.

Mr. Hubbell said the Core Program (all audits) includes rain sensor/shut off evaluation and replacement, controller timer education to resident, irrigation zone review and possible adjustment, controller battery replacement, and audit report to homeowner.

At this time, Mr. Arnett arrived.

Mr. Hubbell said the Authority staff has met with the conservation coordinators and discussed the program and potential modifications that would make it better. The proposed Enhanced Program (added services if warranted by community needs) is recommended in the application for fiscal year 2017 and will include catch-can water audits, sprinkler head replacements (broken & mixed heads), capping unnecessary heads, rain sensors replacement with solar sync sensors, replace outdated-obsolete controllers with smart controllers, and homeowner water savings analysis and report.

Staff recommendation is (1) approval of SWFWMD FY2017 CFI Application Submittal and total funding of \$200,000 (\$100,000 SWFWMD, \$50,000 WRWSA, \$50,000 Member Utilities: Citrus \$8,000 / Hernando \$12,000 / Marion \$18,000 / VCCDD \$4,000 / NSCUDD \$8,000), as presented; (2) approval of funding letter from WRWSA Executive Director to SWFWMD; and (3) commitment for WRWSA matching funds.

Following consideration, **Mr. Damato moved for Board approval of the staff recommendation. Mr. Mellinger seconded the motion.**

Discussion ensued regarding local utilities funding commitments and concern to accomplish the Program elements.

Following discussion, **Chair Butler called the question and it carried unanimously.**

Chair Butler noted that his neighbors are motivated by their personal cost savings.

**8. Charles A. Black Wellfield Contract for Water Supply**

Mr. Owen noted that the purpose of this item was to acquaint the Board with the existing agreements between the Authority and Citrus County governing the Charles A. Black (CAB) wellfield and the need to enter into a new agreement. He noted that Mr. Ken Cheek with Citrus County and Mr. Hubbell have been providing assistance. Mr. Owen then reviewed why the CAB Water Supply Facility (WSF) was built, how the facilities were funded and constructed, how the Citrus/Authority Agreement was negotiated, what the revenue stream from the CAB WSF means to the Authority's future, Board actions taken to-date, and recommendations for future action. The staff presentation was included in the Board's meeting materials.

Mr. Owen noted that conditions have significantly changed since the original Agreement was executed. Most importantly, Citrus County has grown its customer base and expanded its water use from the CAB wellfields significantly over the past 25-years, including selling water to the Ozello Water Association and potentially the City of Crystal River. Potential future expansion of the CAB service area, such as in sections of northwest Citrus County, and interconnection with other County facilities could cause an increase in future demand for CAB wellfield water.

Mr. Owen provided a review of the Authority's future funding needs to develop and fund water conservation programs, assist member governments in water supply planning and permitting, monitor and provide input to minimum flows and levels, fund hydro-geologic studies, update the Regional Water Supply Plan, continue to develop long-range programs to develop and utilize traditional as well as alternative water supply sources, and monitor water supply planning and development of adjacent regions.

Mr. Owen said the County and Authority staff have developed a draft new Agreement that would replace key provisions of the existing agreements. The new agreement will address operation, maintenance, capital facility replacement funds, water rates and payments. The schedule for completing the new agreement is to allow sufficient time for the County and the Authority to incorporate these changes as they prepare their respective 2016-17 fiscal year budgets. This schedule will require approval of the new agreement in the January – March 2016 time frame.

Mr. Owen provided the Board with further information on the current Agreement, the various aspects that have become out-of-date and need to be amended or replaced, and key components of the proposed new purchase agreement which include:

- The County continues to be responsible for operation and maintenance of the CAB facilities.
- The current amortization and administration fixed payments are replaced with a volume-based, per-thousand gallons charge.
- The County continues to make contributions to the renewal and replacement (R&R) fund, but at a significantly reduced rate based upon experience to-date and the latest CAB Engineering Evaluation report.
- The R&R fund is transferred to the Authority for administration and future County R&R payments are made to the Authority for inclusion in the R&R fund.
- The County would notify the Authority in advance for anticipated utilization of R&R funds and would request reimbursement of costs incurred. The Authority in-turn would review the request to determine whether it was an eligible for cost recovery from the R&R fund.
- Total costs to the County (amortization, administration and R&R combined) will remain relatively stable in the initial transition to the volume-based rate. The new agreement is intended to have impact on the County's water rates to its customers.

Mr. Damato thanked Mr. Owen for the excellent presentation on the history of the CAB WSF and the need for a new agreement.

Following consideration, **Mr. Damato moved approval of the staff recommendation for (1) Board concurrence with the major components of the proposed new purchase agreement with Citrus County; and (2) Board direction to staff to continue negotiating with Citrus County for a mutually acceptable new Water Supply Contract on the volume-based methodology and to finalize the new agreement for Board consideration at a future meeting in early 2016. Mr. Arnett seconded the motion.**

Discussion ensued regarding generators, how contributions to the R&R fund are determined, lower Floridan aquifer wells, interconnects, and Citrus County three-year rate structure transition.

**Chair Butler called the question and it carried unanimously.**

**9. Board Policy – Charges for Copying and Electronic Information**

Mr. Owen said the purpose of this item is for the Board to adopt a new Board policy entitled "Charges for Copying and Electronic Information." The benefit of adopting a policy will be to provide clarity and consistency to the Board and staff as to when and how much to charge for the costs associated with providing copies of Authority documents. A copy of the draft policy was included as an exhibit.

Following consideration, **Mr. Damato moved for the Board to adopt Board Policy 2015-05, Charges for Copying and Electronic Information, as shown in Exhibit A included in the Board's meeting materials. The motion was seconded by Mr. Nicholson and it carried unanimously.**

## 10. Executive Director's Report

### a. Bills to be Paid

Mr. Owen requested Board concurrence with payment of July 2015 bills totaling \$29,192.

Following consideration, **a motion was made by Mr. Damato for Board concurrence for payment of the July 2015 bills in the amount of \$29,192. The motion was seconded by Mr. Nicholson and it carried unanimously.**

Mr. Owen presented the August 2015 bills and requested approval of payment totaling \$21,399.42. He noted payment for Item 10.b. for renewal of liability insurance is included.

Following consideration, **a motion was made by Mr. Damato for payment of the August 2015 bills in the amount of \$21,399.42, as presented and including payment for renewal of public official liability insurance (Item 10.b.) in the amount of \$2,378.01. The motion was seconded by Mr. Nicholson and it carried unanimously.**

### b. Public Officials Liability Policy

Mr. Owen said the Authority is continuing with VanAllen Insurance for renewal of officers and liability insurance for members of the WRWSA Board and its officers, including the Executive Director, at a cost of \$2,378.01.

### c. Third Quarter Financial Report

Mr. Owen recommended approval of the third quarter financial report as contained in the Board's meeting materials. He briefly reviewed the three tables provided by Purvis Gray & Company.

Following consideration, **Mr. Damato moved to approve the third quarter financial report as presented. The motion was seconded by Mr. Nicholson and it carried unanimously.**

### d. Correspondence

Mr. Owen noted that 1000 Friends of Florida requested the Authority participate in funding education webinars in the amount of \$250. He said he does not see a correlation with the Authority and recommended declining funding this request.

Following consideration, **Mr. Nicholson moved to approve declining the request for funding participation. The motion was seconded by Mr. Arnett and it carried unanimously.**

### e. News Articles

Mr. Owen noted that the Board's packet includes several news articles. This item was presented for the Board's information and no action was required.

### f. Other

- *Per Capita.* Mr. Owen said the Southwest Florida Water Management District's Strategic Plan has introduced a new goal of achieving 113 gallons per person per day in the northern region. This is in addition to the existing rule requirement that utilities achieve a per capita rate of 150 by the end of 2019 for the Northern District. Mr. Owen said he has met with District staff to discuss per capita for this portion of the District which is different than the Tampa Bay area for reasons such as large irrigated lots and no shallow aquifer. Although more can still be done in water use efficiency and the Authority wants to continue to partner with the District on conservation initiatives, he said he is concerned that the 113 goal cannot be met. Mr. Damato agreed that areas to the south have different comprehensive land use plans and counties are tied to land use already in place. Mr. Mellinger noted that Tampa Bay's 85 per capita is due to reclaimed water. Ms. Brockway said there is also a difference due to water being offset by reclaimed water and population density.

Mr. Nicholson departed the meeting.

- *SJRWMD Case.* Mr. Owen provided an update on this challenge regarding projects for surface water should be for high flows and thereby limits projects. He said he is monitoring this item for implications within the Authority's area.
- *SWFWMD Public Workshop.* Mr. Owen said he was asked to participate on the SWFWMD regional water supply plan update. The workshop was well attended and there was good discussion.
- *SJRWMD Executive Director.* Mr. Owen noted he and Ms. Salz met with Dr. Anne Shortelle to familiarize her with the Authority. He said he has requested that she attend a WRWSA Board meeting to introduce herself.
- *Reclaimed Water.* Mr. Owen noted that, in response to Mr. Damato's comment at the July WRWSA Board meeting, he spoke with Department of Environmental Protection staff to confirm that the level of waste water treatment depends on its intended use.

#### **11. Legislative Report**

Mrs. Salz provided a review of the draft policy matrix on key issues. She reiterated that no comprehensive water policy was enacted last session so there are a number of issues waiting for consideration such as a new water resource advisory council be established creating a new level of bureaucracy for review of water project proposals statewide and decide which warrant funding. She noted she heard there may be an appointment shortly to the SWFWMD Governing Board. She noted that, once the Board approves this matrix, it will be sent to legislators within the Authority's four-county area. Mr. Owen suggested adding surface water issues such as the SJRWMD case challenge and reclassification of surface water bodies. Mrs. Salz said she will revise the policy matrix and present it at the Board's October meeting.

#### **12. Attorney's Report**

Mr. Haag noted that he no report to make at this time.

#### **13. Other Business**

No other business was brought before the Board.

#### **14. Next Meeting Time and Location**

The next monthly meeting is scheduled for October 21, 2015 at 3:30 p.m. The meeting location is the Lecanto Government Building, Room 166 (3600 W. Sovereign Path, Lecanto).

#### **15. Adjournment**

Chair Butler announced there was no further business or discussion to come before the Board and adjourned the meeting at 5:07 p.m.

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Al Butler, Chairman

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Richard S. Owen, Executive Director