

**MINUTES OF THE TENTATIVE BUDGET HEARING  
of the  
LAKE COUNTY WATER AUTHORITY  
September 9, 2009**

The Tentative Budget Hearing of the Board of Trustees of the Lake County Water Authority was held at 5:05 p.m. on Wednesday, September 9, 2009 in the Lake County Board of County Commissioners Chambers at 315 West Main Street, Tavares, FL.

**Members Present-District #**

Charles Clark (#1)  
Nancy Fullerton, Chair (#2)  
Carolyn Dillon (#3)  
Larry Everly, Jr. (#4)  
Linda Bystrak (#5)  
Keith Farnier, Vice Chair (At Large)  
John Harris (At Large)

**Staff Present**

Michael J. Perry, Executive Director  
Patricia Burgos, Environ. Prog. Mgr.  
Ben Garcia, GIS Manager  
Ron Hart, Water Res. Prog. Mgr.  
Lance Lumbard, Water Res. Proj. Mgr.  
Linda Marino, Administrative Assistant  
Linda Gavin, Recording Secretary

A list of others present that signed the attendance roster is filed in the permanent files of the Water Authority.

**1. CALL TO ORDER / PLEDGE OF ALLEGIANCE**

Chairman Fullerton called the Tentative Budget Hearing for the Lake County Water Authority to order at 5:05 p.m. and everyone stood for a moment of silent meditation and then recited the Pledge of Allegiance.

**2. OPENING REMARKS**

Chairman Fullerton stated this first public budget hearing is for the purpose of amending and adopting the tentative budget for FY 2009/2010 that starts October 1, 2009. She indicated other possible purposes of this budget hearing is to recompute the proposed millage rate, if necessary, publically announcing the percent by which the recomputed proposed millage is above or below the rolled-back rate, and if applicable, discussion of the specific purposes for which ad valorem tax revenues are being increased.

Chairman Fullerton stated over the years she has been frustrated by the taxing language so she asked Mr. Perry and Ms. Marino to prepare a tax definition sheet, and a copy is before each Board member. She referred to property ad valorem and said it is tax based on assessed real estate value and a major source of revenue for state and municipal governments. Mr. Perry explained the rolled-back rate is the millage that is needed in order to generate the same amount of revenue received the previous year. Lake County's real estate value had increased so the rolled-back rate meant less millage would generate the same amount of revenue. However, this year, real estate values are down so the millage rate would have to be increased to generate the same amount of revenue as received last year.

Chairman Fullerton stated before there was an elected Board, the millage rate was 1 mill but when it became an elected Board in 2000, the Legislature reduced the millage rate to 0.5000 mills and the Board has heard her bemoan that fact many times.

**3. FY 2009/2010 FINAL BUDGET AND MILLAGE ADOPTION**

- a. Announce Tentative Millage Rate – 0.2130 mills

Chairman Fullerton stated the proposed millage rate is 0.2130 mills.

- b. Announce Percentage Decrease Below the Rolled-Back Rate – 10.50%

Chairman Fullerton stated that the proposed millage rate of 0.2130 mills is a 10.50% decrease below the rolled-back rate which is 0.2380 mills.

- c. Public Comments and Questions

No one came forward to speak.

- d. Adopt Tentative Millage Rate – 0.2130 mills

Ms. Dillon made a motion **TO ADOPT THE TENTATIVE MILLAGE RATE OF 0.2130 MILLS.** Seconded by Mr. Everly, Jr., there was no vote at this time. Vice Chair Farnier wanted to know the amount of total revenue that would be received. Mr. Perry advised based on Lake County's real estate values at a rate of 0.2130 mills, it would result in revenue of \$4,104,574. **The motion carried 7 – 0.**

- e. Consider Amendments to Tentative Budget

Ms. Bystrak distributed her amendment handout and stated currently the Harris Chain Restoration Council (HCRC) is budgeted to receive \$10,000 from the St. Johns River Water Management District (District), which is paid to them first, and if more money is required, the Water Authority budget allows the HCRC to receive up to \$40,000 a year, for a total of \$50,000 a year. She said when she looked at the figures for FY 2006/2007 and FY 2007/2008, the HCRC had unused funds of more than \$25,000/yr. and \$34,000 of unused funds in FY 2008/2009. Therefore, she is proposing that the Water Authority reduce the FY 2009/2010 budget for the HCRC by 50% to \$20,000/yr. In addition, she would like a line item added of \$20,000 for the Lake County Sheriff's Office-Marine Patrol to be used toward the future purchase of a new boat and motor. She stated the Sheriff's Office will require additional money for that purchase so the Water Authority could allocate another \$20,000 in the FY 2010/2011 budget.

Ms. Bystrak stated the Marine Patrol has been a Water Authority partner since October 1983. She listed their various services including boating safety education, set up displays at public events and sites, perform boat safety checks, monitor for impaired boaters and speeding in no wake zones, look for floating navigation hazards, conduct extra patrols for

Water Authority waterfront land. They also report downed trees and if small enough sometimes remove them, report illegal dumping, monitor and photograph over 100 navigation signs, use side scan sonar to find sunken trees in the Dora Canal, assisted in the Haynes Creek water monitoring project, created the Citizens Marine Patrol in 2007 and the dive team assisted Hickory Point staff in locating rocks at the boat ramps so they could be removed. The partnership between the Sheriff's Office and the Water Authority needs to be maintained. She stated their current vessel is 11 years old, is no longer safe, and needs to be replaced. She stated that she realizes that the Water authority cannot afford the entire cost of the boat and motor in one year and that is why she is suggesting that \$20,000 be included in FY 2009/2010 and the balance in next year's budget.

Chairman Fullerton felt Ms. Bystrak's two proposals should be separated with the first being to reduce the HCRC's funds to \$20,000. She asked if the Water Authority gives the HCRC \$40,000 each year and Mr. Perry explained that it is not cumulative; the money is re-budgeted each year for a total of \$40,000. The Water Authority enters into a Purchase Order with the District and receives invoices covering expenditures related to that Purchase Order. Any funds not expended at the end of the fiscal year is included in Cash Brought Forward and reallocated the next fiscal year. The Water Authority has given the HCRC on average \$14,000 to \$17,000 each year for the last four to five years. He said since we are still in FY 2008/2009, we may not have all of their invoices so it is expected the \$5,285 figure shown on Ms. Bystrak's handout will increase. He said if the HCRC receives less money, they may not have enough to invite experts.

Vice Chair Farner stated he has been a member of the HCRC since it was formed by the Legislature, and it is efficiently run. They have had a \$40,000 budget from the Water Authority for a number of years but have never exceeded that amount and no one on the Council has taken money to cover mileage or other expenses. He pointed out the Water Authority Board in the past has requested that the HCRC investigate certain issues including a new dredging process. He said fortunately the company brought their own experts so the HCRC did not have any expense. He said there is no need to tie the hands of the HCRC because it would not benefit the Water Authority or the HCRC. He said they have done an excellent job of watching after taxpayers' dollars. He said he does not object to supporting the Sheriff's Office because he knows the present boat and motor need to be replaced. He said the HCRC does not have a checkbook so everything is managed by the Water Authority and the Clerk of the Courts.

Mr. Clark stated his expenses do not exceed his fixed income but there is a possibility it could happen so he does not want to restrict the HCRC. He said at times there are subjects that arise where it would be good to have expert opinion.

Chairman Fullerton questioned if the \$20,000 could be redistributed. Mr. Perry explained the HCRC has fixed costs of approx. \$17,000/yr.; and with a cushion of money they could hire technical experts, if needed. He said if the Board wants to do a particular project or a restoration project the HCRC could consider it but would need money.

Vice Chair Farner wanted to know how much money the HCRC had brought in for the Water Authority over the years. Mr. Goerner said they have probably brought in millions of dollars. He stated governmental agencies sometimes tell their workers to spend money or they will have less money next year; however, the HCRC does not subscribe to that philosophy. He reported that he spends his own money traveling to Tallahassee. He stated the HCRC wants to look at restoration of Lake Apopka and continued restoration of Lake Griffin, noting there are issues they want to consider besides the phosphorus issue so they will need experts and will probably use some of their remaining money. He said they depend on and use the Technical Advisory Committee but the money only stretches so far. He reiterated the HCRC is careful with their money and requested the Board not reduce it because it would inhibit the way they do business. He indicated the HCRC is willing to look into issues the Water Authority may not have money for and they could possibly contribute toward restoration projects from funds that have come from the Water Authority.

Chairman Fullerton stated the Marine Patrol has not come back to the Board with a request to buy a boat and motor and she inquired if there is money in the budget. Mr. Perry stated there is nothing in the FY 2009/2010 budget but if the Board elects to fund it during a specific fiscal year; adjustments will be made to the budget. Mr. Everly, Jr. felt if the Sheriff wanted money from the Water Authority they would have come forward to request \$40,000. He added the Water Authority saves for years to do a large project but money for a boat and motor could be included in the budget and a check written.

Chairman Fullerton noted Ms. Bystrak was turned down by this Board when she asked for \$240 to complete the Haynes Creek water monitoring and asked if the HCRC could give them money. Mr. Goerner said they possibly could since they maintain a policy to fund projects pertaining to the Harris Chain including the harvester that is in constant use. Vice Chair Farner clarified harvester funds did not come from the Water Authority but were appropriated by the Legislature.

Ms. Bystrak asked Mr. Goerner if he would have voted for her request for \$240 and he replied that he believes in monitoring but was not in attendance when the vote was taken so he cannot respond. He suggested Ms. Bystrak come before the HCRC and make her request; however, she informed the Board that she had used her own money.

Ms. Bystrak made a motion **FOR FY 2009/2010, TO REDUCE THE HARRIS CHAIN RESTORATION COUNCIL BUDGET BY 50% TO \$20,000 PER YEAR AND ADD A LINE ITEM OF \$20,000 FOR THE LAKE COUNTY SHERIFF'S OFFICE MARINE PATROL FOR FY 2009/2010 TO BE USED FOR ITS FUTURE PURCHASE OF A NEW BOAT AND MOTOR. ADDITIONAL MONEY CAN BE ALLOCATED IN FUTURE BUDGETS.** Seconded by Mr. Harris, motion failed 2 – 5 with Chairman Fullerton, Vice Chair Farner, Ms. Dillon, Mr. Clark and Mr. Everly, Jr. voting against.

Chairman Fullerton agreed with Mr. Everly, Jr. that the Sheriff would have come to this Board with his request for funds but has not so she would like to see the Water Authority set money aside for a boat and motor.

Mr. Clark referenced the motion and stated what just happened is an example of what occurs when two different items are included in the same motion. He said the Board should have voted on each item separately. He said it is obvious the Board does not know who was for which item since they had to decide which item was more important and he reemphasized it is not good policy to vote on two different items at once.

Vice Chair Farner made a motion ANY FUNDS ALREADY DEDICATED TO THE HARRIS CHAIN RESTORATION COUNCIL FOR NEXT BUDGET YEAR, IF NOT USED, COULD BE DEDICATED TOWARD A SHERIFF'S DEPARTMENT BOAT FOR THE MARINE PATROL. There was no second to the motion and no vote.

Mr. Perry stated the most appropriate way to address this would be when the Board goes through the budget process next year and discuss including money in that budget. He said if the Board sets money aside at the end of this year, it would reduce Cash Brought Forward by \$20,000.

Mr. Everly, Jr. reported the Sheriff's Department has a huge marine division and the portion of funds the Water Authority contributes is quite small. There has been talk over the years of separating it so all of the funding comes through the Sheriff and then he is the one that adjusts his budget. He stated Sheriff Borders controls everything and if his staff need a boat, patrol car, or whatever he is able to buy it without having to go to various agencies and ask for money.

Vice Chair Farner mentioned the Water Authority pays for two Marine Deputies that do more than issue boating citations and Mr. Everly, Jr. clarified their paycheck comes from the Sheriff's Department. Mr. Clark stated he has serious misgivings and will bring up a number of issues when this issue is discussed because this Board has never voted on whether to support the Sheriff's Department. Vice Chair Farner withdrew his motion.

Mr. Perry mentioned at the last meeting, the Board discussed the Radio Show and instructed him to find \$4,000. He said he believes the best approach would be to subtract \$2,000 from Printing of Education Materials and \$2,000 from Education and Graphics Design Services and add it to the Radio Show. Ms. Bystrak questioned how much is normally spent on education and graphic design services. Mr. Perry reported it varies from year to year but historically it has been \$10,000 to \$15,000. Ms. Bystrak asked if the reduction in money would affect the Naturalist's ability to teach and Mr. Perry stated staff does not anticipate that it will be a problem.

Chairman Fullerton referred to the \$5,000 that is in this budget for a cistern and suggested that it be removed since the Water Authority has not heard from Mr. Schultz with Resource Recovery, Inc. She thought the Board might want to hear about new technology and suggested the \$5,000 be included in the Drop-by-Drop mini-grant

program. Mr. Everly, Jr. stated he likes the idea of a cistern on the Water Authority's new office building.

Mr. Clark asked about the this item and Mr. Perry explained several years ago the Board received regular visits from Mr. Schultz that had cistern equipment and his presentation said that it would be a viable way to conserve water. He told the Board that if every new home had a cistern, it would reduce the water that is being pumped out of the aquifer. He felt that he was not getting anywhere with the regulatory agencies and that Board agreed when the Water Authority built a new office, we would try to incorporate some type of cistern technology. Mr. Perry stated that it was explained to Mr. Schultz that it would have to go out to bid and if he received the winning bid, we would use his equipment. Mr. Clark asked if the water from the cistern could be used for irrigation and Mr. Perry said it is the Board's expectation the new office will be water efficient.

Mr. Everly, Jr. stated the Water Authority has carried the \$5,000 forward for the past three years. Chairman Fullerton emphasized there are other systems out there and that one company spoke to the Alliance to Protect Water Resources about their system. Ms. Bystrak stated if this is the year for the new office then the money should be in the FY 2009/2010 budget for the cistern.

The Board gave their unanimous consent to accept the changes Mr. Perry had made to the Education portion of the FY 2009/2010 budget.

f. Adopt Tentative Budget

Mr. Everly, Jr. made a motion **TO ADOPT THE TENTATIVE BUDGET IN THE AMOUNT OF \$19,252,149.00.** Seconded by Mr. Clark, the motion carried 7 – 0.

4. **ANNOUNCE TIME, DATE AND LOCATION FOR FINAL BUDGET HEARING**

Chairman Fullerton stated the Final Budget Hearing for the Lake County Water Authority will be held on September 23, 2009, at 5:05 p.m. in the Lake County Administration Building, Lake County Board of County Commission Chambers, 315 West Main Street, Tavares, Florida.

5. **ADJOURNMENT OF FISCAL YEAR 2009/2010 TENTATIVE BUDGET HEARING**

Chairman Fullerton stated the Tentative Budget Hearing for the Lake County Water Authority is now adjourned at 6:00 p.m.

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Linda Gavin, Recording Secretary

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Neil Kelly, Secretary-Treasurer

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Nancy H. Fullerton, Chairman