

MINUTES OF THE REGULAR BOARD MEETING
of the
LAKE COUNTY WATER AUTHORITY
May 26, 2010

The regular meeting of the Board of Trustees of the Lake County Water Authority was held at 3:30 p.m. on Wednesday, May 26, 2010 in the Lake County Board of County Commissioners Chambers at 315 West Main Street, Tavares, Florida.

Members Present-District #

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

Staff Present

Michael J. Perry, Executive Director
Ron Hart, Water Res. Prog. Mgr.
Lance Lumbard, Water Res. Proj. Mgr.
Patricia Burgos, Env. Program Mgr.
Ben Garcia, GIS Manager
Carole Barice, LCWA Attorney
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 Farner called the meeting to order at 3:30 p.m. and everyone stood for a moment of silent meditation and then recited the Pledge of Allegiance.

2. APPROVAL OF MINUTES

- Regular Meeting Minutes – April 28, 2010

Page 6, 4th paragraph, 1st line change “10 Al/L” to 10 mg/L; **page 8, 4th paragraph, 3rd line** change “County” to U.S.G.S; and, **same page, 4th paragraph, 4th line** remove Ms. Fullerton’s name because she did not participate in the helicopter trip. **The Minutes were approved as corrected.**

3. EXECUTIVE DIRECTOR REPORT

Mr. Perry reported that the Harris Chain continues just above regulation schedule and Lake Minnehaha is 2’ higher than this time last year but 2’ below the bottom of the regulatory range. He mentioned the University of Florida is installing the fish attractor at Hickory Point which has been funded by the Harris Chain of Lakes Restoration Council (HCRC) with money from the Legislature. A natural gas company will be working at the Park as they place concrete bags along an underwater natural gas line near the Howey Bridge. The Certificate of Deposit (CD) for \$6 million will be maturing at the end of June and staff will seek bids for a 3 or 6 month term before the Lake Beauclair dredging project begins.

Mr. Perry stated an elderly property owner living along the Monte Vista Canal had a seawall built on Water Authority property some time ago. That individual now believes a portion of her seawall needs to be reinforced and had someone place concrete bags and re-bar between the water and her portion of the seawall. Staff received several complaint calls from residents living in the area because as the water level rises, the rebar could damage their vessels as they boat through the Canal. Staff contacted the Florida Department of Environmental Protection (FDEP) and Lake County Code Enforcement and found because the rebar is on Water Authority property, we are responsible for its removal. FDEP, as the lead agency, did say that they will try to remove the material but if they are unsuccessful, our staff will have to remove it. Staff continues to work with this agency because brush and debris has also been placed in the same area. If the Board chooses to proceed, it may require civil action to remove the debris, concrete bags, and rebar.

4. DISCUSSION ITEMS

a. Review of SJRWMD Harris Bayou Structure Operation

Mr. David Walker, Basin Program Manager with the St. Johns River Water Management District (District) stated a large portion of the Bayou project, completed in 2007, is related to changing the way lake levels are managed. All of the channels and structures allow water to move quickly through the system and the Bayou helps slow that water down. In 2008, the entire Bayou was treated with alum to reduce the phosphorus and the District was not too concerned since it was not in operation because of the low water levels. However, when the water levels began to rise, the District engineers became concerned about flood control and began opening the gate releasing a little water but that action was quickly halted. The District recently completed a 3-day evaluation of the flow through the Bayou which gave them enough data to set up a new alum treatment system and money has been included in their F/Y 2010-2011 budget for that purpose. He stated when flow reaches 700 cfs through Haynes Creek, for each additional 100 cfs through the Burrell Dam, the District plans to release water through the Bayou. He stated when the District has additional data about the lake level fluctuation proposals and Minimum Flows and Levels (MFLs), they will make a presentation to the Water Authority Board.

Mr. Clark questioned the level of phosphorus that is acceptable in the Harris Bayou. Mr. Walker indicated a range of 50-100 ppb should be fine but that it also depends upon other parameters that interact with the alum treatment and how the alum is applied. The District has two separate contractors that apply alum differently so the faster alum is applied, the better the treatment. Total phosphorus in the Bayou is approx. 200 ppb; however, with adequate alum treatment that figure can be further reduced. He noted Total phosphorus in Lake Griffin is 31 ppb. Mr. Clark pointed out that if flow into Lake Griffin increases to 1000 cfs, there would be a great deal of loading. Mr. Walker pointed out that if the flow through the Bayou reaches 1000 cfs, it is it is water from Lake Harris passing through the Bayou and into Lake Griffin.

A question was asked as to whether the District plans to discharge through the Bayou during the hurricane season. Mr. Walker said it will only discharge during an emergency since the Burrell Dam has the capacity to discharge more than 1200 cfs through Haynes Creek. Another question concerned the cubic feet per second needed to flush the Bayou to lower phosphorus

concentration levels. Mr. Walker reported the District has not received water quality data from their 3-day experiment but the concentration level did seem to drop quickly with higher flow and that the District wants to treat the Bayou with alum so it is no longer a source of pollution.

Chairman Farner asked if certain properties would flood if the Harris Bayou was reconnected to Lake Harris. Mr. Walker said there is a lot of property that would have a problem if it reached maximum level. Mr. Every, Jr. mentioned after several rain events, approximately 9,000 gallons per minute ran through the Bayou and that it did not seem like it would have been enough to flush the Bayou but now that flow has increased the phosphorus which has already spiked to 200 ppb. Mr. Walker explained previously the District was unprepared to do water quality sampling but now they are able to track that data on a weekly basis and will do so for the next month. Mr. Every, Jr. asked why the District does not have a schedule to increase flow to 1100-1200 cfs through the Burrell Dam now there is increased rainfall and higher lake levels before increasing it through the Bayou so the phosphorus level could drop in the Bayou. Mr. Walker explained District engineers are looking at the downstream affect of releasing a great deal of water through the Burrell Dam because it will cause problems downstream. Since the District is not changing the way Lakes Eustis, Dora, and Harris levels are held, they should be able to handle a storm event without a problem. He said if the District changed the way they hold the water in those lakes they would have to include the Harris Bayou and that is not scheduled to occur until the MFLs are established in 2013.

b. Approval to Release Bid for Beauclair Restoration Project

Mr. Perry stated the Water Authority does not have the required permits in hand but that staff expects to receive them at any time because we need to move forward in order to meet the District schedule in order to minimize potential fish kills.

Mr. Lumbard stated staff has been working on this project for over eight years and that the timelines have changed since the Board packet was submitted. Staff is looking at June 18th for the pre-bid meeting, and a bid submittal deadline of July 16th. He reported that he and Attorney Barice made changes to the bid documents to address legal issues and incorporated comments from Ms. Joyce Howes who is an advocate for alternative bids. He stated a paragraph was added to address alternative bids and how they will be accepted because it is quite important to make alternative bidders feel the bid is open and they are not being excluded since the bid documents are very specific to the F and G Cells. Language has been included throughout the bid document that the use of F and G Cells are required unless the bidder has an alternative location or wants to do something else with the sediments. He mentioned that Attorney Barice recommended that the General Liability insurance requirement be increased to \$2 million and a new indemnification paragraph is included. Two million dollars in Professional Liability insurance will be required of alternative bidders because they will not have gone through the rigorous engineering process the Water Authority has gone through to date.

Chairman Farner questioned why alternative bidders were being penalized with this additional expense when the Water Authority has paid for all of the engineering, plans, and designs for the other potential bidders. Attorney Barice explained the Water Authority will not require Professional Liability insurance if the bidder follows the Authority's pre-engineered bid

specifications and puts the spoils on the F and G cells. However, if the bidder proposes a different or alternative technology, the Water Authority will have to rely on their professional acumen and will need additional protection. She continued that we cannot rely only on their commercial liability but will need their professional liability and she did not feel this was an unreasonable or cost prohibitive requirement. She confirmed this would protect the Water Authority if something should happen in the future with the spoils or how they were handled. Mr. Everly, Jr. mentioned that it is similar to a performance bond. Mr. Lumbard added if an alternative bid is selected, it will be closely evaluated and scrutinized before authorization is given to proceed. Mr. Perry said the lowest priced, qualified bid will be presented to the Board.

Mr. Lumbard stated another change made to the bid documents, as pointed out by Ms. Bystrak, was to include specifics about the presence of arsenic in the sediments. Notes and a graph will be included in the bid document to ensure the contractors are aware of the sediment's chemical composition, contaminants, and any potential risks. He reported that the District is working well with the Water Authority to set up staging areas for the contractor and he has been working with their Land Management Division to identify at least three large locations to set up or place the piping. One site is the containment area at the Nutrient Reduction Facility (NuRF), another is located across from the Apopka-Beauclair Lock and Dam and he has been working with Orange County to see if they will grant a construction easement at Trimble Park so the boats can launch from that point. He updated the Board about the dredging releases that have been returned and said the only outstanding release on Canal #1 should be resolved soon, all Canal #2 releases have been returned, and all but two for the Golf Course Canal should be received shortly. However, 14-15 of the Venetian Village canal releases have not been returned. Staff received confirmation that the missing lakefront property releases will be submitted shortly, two property owners are refusing to sign the release, and several parcels have a single owner. A few of the properties seem to have been abandoned or staff cannot get in touch with the property owners. Staff is working to figure out how to contact whoever is in charge of these properties. Staff will continue to work on this and will return to the Board in June with another update.

Mr. Perry stated that the Board does not have to make a decision at this time but as time to award the bid gets closer, the Board will have to decide how to proceed with owners that have not returned their release. Their properties could be skipped over, the dredging could stop when their property is reached, or we could continue dredging the entire canal. The Board has options and Mr. Perry said this will be discussed more in a future meeting.

Mr. Lumbard noted that staff needs to get a lease agreement with the SJRWMD which is expected to occur once the Water Authority receives its permits. Mr. Lumbard reviewed the status of the pending permits. He stated that assuming all goes well staff is hoping to receive the final FDEP permit around July 9th or 10th, the U.S. Army Corps of Engineers draft permit should be available this week, we have received Department of Historical Resources approval for our Historical Resources Protection Plan, and BCI [project engineer] told him that the Water Authority received a favorable Florida Fish and Wildlife Conservation Commission (FWC) response. He pointed out the bid documents have separated the residential canals from the main Lake Beauclair dredging both for the Water Authority's purposes and for FWC. FWC will not pay for residential canal dredging. He said all of the permits seem to be on track, but noted we still have the advertising period to get through.

Ms. Bystrak noted she is uncomfortable with voting to release the bid prior to receiving all of the dredging releases from the homeowners. She is concerned about liability to the Water Authority if we dredge along someone's property that did not give us a legal release. Mr. Perry clarified that staff just wants to put the bid out on the street. In the meantime staff will continue to obtain the missing homeowner releases and this will come before the Board again, prior to awarding the bid to a contractor. Attorney Barice added the Water Authority has substantial liability protection in the indemnification paragraph. Chairman Farner said the Water Authority Board has dealt with a similar situation during the Lake Griffin canal dredging project.

Ms. Fullerton wanted to amend the executive director recommendation so that it did not include an explanation as to why we are including the residential canals. Chairman Farner requested that she wait on this.

Ms. Ann Wettstein-Griffin, past Board member, came forward and distributed a handout. She expressed concerns regarding the Lake Beauclair dredging project and stated that as planned it will cause a lot of environmental damage. She felt the Water Authority will not be carrying out two of its legal mandates: controlling and conserving the freshwater resources, and improving the fish and aquatic wildlife of Lake County. She stated she was surprised to learn that the Water Authority is talking about putting the bid out before they received the permit. She noted the biological assessment data indicates that levels of arsenic, lead, and mercury in the sediments to be dredged are greater than in the west marsh disposal area and the west marsh area is very contaminated with DDT and DDE. She felt this will create an even more toxic west marsh area which could contaminate the groundwater causing a human health risk. She was very concerned about what will happen to the wildlife and aquatic habitat at the proposed disposal site. She suggested that the Water Authority find a different method and a closer location to place the contaminated sediment. She referenced an alternative method and company, Clean to Green. She did not know where Clean to Green would deposit the materials but she believes they can remove the contaminants. Ms. Griffin said has spoken with several of the permitting agencies and she is completing papers to challenge the plan as she feels the Authority should find a better way to proceed.

Ms. Griffin also wanted to report there is a heavy outbreak of *Mycrocystis* at Mount Dora's Gilbert Park and the park in Tavares.

Ms. Fullerton commented that at some time she would like the Authority to respond to Ms. Griffin. Chairman Farner asked this to be done under discussion.

Ms. Fullerton made a motion TO AUTHORIZE THE EXECUTIVE DIRECTOR RECOMMENDATION THE LANGUAGE BEING TO AUTHORIZE THE EXECUTIVE DIRECTOR TO RELEASE THE LAKE BEAUCLAIR DREDGING BID INCLUDING THE RESIDENTIAL CANALS THAT ARE ADJACENT TO THE APOPKA-BEAUCLAIR CANAL. Seconded by Vice Chair Dillon, there was no vote at this time.

Mr. Clark referenced the Water Authority's Resolution 2000-03 dealing with the Agency's approach towards residential canals which says "Generally, such work shall be limited to lakes

that have legal authorized access by the general public and to the Dora Canal, the Apopka-Beauclair Canal, Dead River, Haynes Creek, Helena Run, and the publicly-accessible portions of the Palatlahaha River system.” He said “generally” gives the Water Authority wiggle room and if a special situation arises where the agency sees great environmental benefits from dredging the canals, they would be dredged. He said the Lake Griffin canals were dredged so lake level fluctuation could proceed but now there is another group that wants the agency to dredge their access canals contending that in 2004 the SJRWMD allowed an excessive flow of water through the Apopka-Beauclair (AB) canal which pushed sediment up into their canals making them unusable for lake access. He referenced the January 2009 Board meeting minutes at which time these residents were asked whether their canals were blocked before the 2004 storms and they said no but after the storms, they were. Mr. Clark said this is why they are saying their canals are a special situation and deserve the Water Authority’s consideration. He then referenced a USGS graph showing flow through the AB Canal from 1997 through 2006. It indicates the increased flow in 2004, but it also shows there was a more severe event in 1998 where the flow was faster and lasted almost twice as long, and according to those at the January 2009 Board meeting it did not affect or block their canal at all.

Mr. Clark referred to another USGS graph from 1988 through 2006 and said there have been many high flow events in the past and according to those at the meeting did not block their canal only the event in 2004 did. He said probably what happened is due to a combined effect and the fact that in 2004 lake levels were decreasing. This is why the 2004 event was perceived as a problem and the other high flow events were not. He said in other words the canals gradually filled up due to natural reasons and not from the high flows.

He then cited an article he selected from the internet entitled Plant Management in Florida Waters written by Ms. Sarah Cervone at the University of Florida and peer reviewed by people at FDEP.

He asked Mr. Lumbard to read the following into the record:

“Canals constructed in wetlands or uplands quickly fill with both native and invasive non-native aquatic plants.” and “Generally, aquatic plant management in canals is the responsibility of the owner or manager of the canal.”

“Very long (deep or shallow), and/or dead-end canals usually do not have adequate water circulation. Poor circulation means that inadequate flushing and turnover occurs in many canals. Such conditions lead to decreased dissolved oxygen concentrations; increased pollution loading; decreased plant photosynthesis and growth due to turbidity; excessive accumulation of organic materials and sediments on the canal bottom; accelerated eutrophication; and negative impacts on animal communities.”

“Canal water stratifies easily (forms temperature layers), does not circulate much, and exchanges little with the main body of water.”

“Inadequate flushing prevents the canal system from diluting and dispersing pollutants to the receiving waterbody. Contaminants may accumulate on the water surface or build up in canal sediments.”

“Most canals are virtually closed bodies of water and serve as nutrient traps, and the accumulation of decaying organic matter on the canal bottom impedes healthy biological production.”

Mr. Clark said canals filling up with mud are basically a natural process. He mentioned an August 2007 letter that was sent from the District to a resident in Venetian Village who claimed excess flow had damaged their property. The District’s letter said that “It is typical for man-made canals to naturally fill in over time and they need to be dredged periodically by their owners to maintain navigation.” The letter continued that “The District is not responsible for maintaining private canals for navigation.” Mr. Clark stated he spoke to another individual at the District who said the developers who dig these canals either know or should know that the canals will require periodic maintenance and should have told the canal front buyers at that time. Mr. Clark stated that if the Water Authority dredges canals strictly to provide access, do not expect anything from the District.

The FWC added a statement on their \$1 million reimbursement to the Water Authority for this project that “The contract excludes reimbursement for any canal maintenance work performed. The LCWA must submit proof that none of the \$1, million was used to dredge access canals before any reimbursement will be made.”

Mr. Clark stated that he wrote letters to two of the Legislative Delegation and asked for their views on dredging these canals. He said one did not answer his letter but the other invited him to their office to discuss this project and that individual said “These people need to pay for this themselves”. Mr. Clark continued that if the Water Authority starts dredging residential canals for access purposes only, he does not believe we will receive financial help from the Legislature. He said Mr. Perry estimates there are approximately 135 miles of canals in Lake County. Using Lake Griffin canal dredging costs, he estimated it would cost up to \$65 million to dredge them. He does not believe the agency can handle that amount. Based on past experience, he was concerned if the agency dredges these canals strictly for providing access other residents in a similar situation could pressure the powers that be to force the Water Authority into doing something the Board may not want to do. He asked if these canals in this instance a special case.

Mr. Clark then referenced an excerpt from the SJRWMD Sediment Transport Study for Apopka-Beauclair Canal [written by Drs. Sun and Sucsy with the District’s Division of Engineering, Department of Water Resources]. They looked into how the sediment moves down the canal, where does it come from, how likely is it to move and so on:

“The higher levels of downstream solids at the beginning of the period could possibly be caused by the initial washout of material settled during the previous low-discharge period. Alternatively, it could be a result of a local source of high turbidity discharge from a lateral canal”

Mr. Clark said these are lateral canals and interpreted this as saying that at a high rate event water could come out of the canals, and could go into the Apopka-Beauclair Canal, and could be washed down into Lake Beauclair where the dredging is planned to be done.

Mr. Clark reported that in March of 2005 he did a study for the Harris Chain Restoration Council (HCRC) in which he was researching the periodic spikes of phosphorus concentration in Lake Beauclair. He concluded the spikes were due to weather related events around Lake Beauclair and said additional phosphorous sources may exist downstream of the dam which would not be treated by the NuRF. He could not eliminate the possibility that there are or could be substantial amounts of sediments and phosphorous coming out of these canals. He said in his opinion these canals constitute a special case because they are located between NuRF and where the dredging will be done so it is his opinion that these canals should be dredged at this time. Mr. Clark felt it was imperative for the Water Authority to state the reason why the agency is dredging these canals. He said we are not dredging these canals for access purposes but because they are a special case which could interfere with the utilization or interpretation of what NuRF is doing. He noted the sampling point on Lake Beauclair, which will be used to evaluate the NuRF performance, sits directly on top of where the dredging will be done. If anything comes out of these lateral canals and goes down the AB Canal it will end up at that sampling point. We will get some extraneously high phosphorous readings and it will look as if the NuRF is not working nearly as well as it is.

Mr. Everly, Jr. said he did not think the canals were being dredged for maintenance purposes, but because of their high phosphorous levels.

Mr. Clark stated that he would have to vote against Ms. Fullerton's motion because in the future the agency may need financial assistance and help from other agencies to do additional work on Lake Beauclair or to fund the NuRF. He said it is important that the NuRF gets an honest evaluation with the readings by eliminating this potential source of contamination. He would like to state in the Executive Director's Recommendation why the Water Authority is dredging the residential canals.

Ms. Fullerton agreed and said from the beginning the reason she supported dredging the residential canals was to prevent the sediment from going into Lake Beauclair and ruining the Authority's work. She said she did not mind if Mr. Clark wished to include this in the motion and she is in agreement that it is a special situation because of the potential for the sediments to move back down into Lake Beauclair.

Vice Chair Dillon withdrew her second to the motion and Ms. Fullerton stated that she will add the reason for dredging residential canals to her motion.

Mr. Harris said that he appreciates Mr. Clark's efforts; however, he thought from past Water Authority meetings it was clear where the Authority stands on this issue. He said when other canal residents attended the Board meeting where this project was announced and wanted their canals dredged too; the Board clearly explained the Water Authority is not in the business to do that. The canal dredging was only being done to ensure the dredging effort downstream works.

He felt that the Board's past record clearly states this position. He also agreed it would be beneficial to include the reason for dredging the residential canals in the motion.

Ms. Bystrak commented that she originally thought no residential canals should be dredged. She only agreed to include the canals after seeing the results of a sediment test taken in the canals. The levels of arsenic are higher in the canals than the north shore of Lake Apopka. She felt this confirmed the sediment had come from the north shore and this is when she agreed to dredging these canals. She wished to include the entire wording of the Executive Director's recommendation but wanted to add the word contaminated to describe the sediment load. She wanted it to be known that this is not normal sediment being removed but that it's contaminated.

Vice Chair Dillon thanked Mr. Clark for his research but she agreed with Ms. Bystrak and stated that we've done studies and we know what's in the canals is not natural plant decay, because if it was we would be dredging all of the canals and we are not. We are only dredging to where the muck stops. She commented on the drastic change in temperature and water quality in the backs of the canals and she believed something was feeding the system from the canal ends.

Chairman Farner was never in favor of dredging canals for access. He was concerned about the Authority's multi-million dollar project and wanted to prevent the canal contaminants from flowing into water the Authority just cleaned.

Ms. Fullerton said she did not favor the continuation of a Lake Griffin type canal dredging project.

Mr. Everly, Jr. directed his comments toward Ms. Griffin and said the Total Maximum Daily Load (TMDL) will have to be met by January 2011 and if she can think of another way to lower the total phosphorous in Lake Beauclair he'd like to hear her suggestions. He also thought she should find out what the Clean to Green Company would propose to do with the dredged material.

Attorney Barice asked the Board to consider changing Ms. Bystrak's wording to pollutant instead of contaminated. Attorney Barice was concerned about liability issues if the word contaminated is used. Chairman Farner asked that someone make the motion. He and Vice Chair Dillon were ok with the language as suggested in the Board notebook.

Mr. Everly, Jr. made a motion **TO AUTHORIZE THE EXECUTIVE DIRECTOR TO RELEASE THE LAKE BEAUCLAIR DREDGING BID INCLUDING RESIDENTIAL CANALS THAT ARE ADJACENT TO THE APOPKA BEAUCLAIR CANALS ONLY BECAUSE OF THEIR UNIQUE LOCATION UPSTREAM OF THE PROPOSED SEDIMENT REMOVAL FOOTPRINT AND THE POTENTIAL FOR CONTRIBUTING FUTURE SEDIMENT LOAD FROM THOSE RESIDENTIAL CANALS INTO THE PROPOSED SEDIMENT REMOVAL FOOTPRINT DIMINISHING THE LONG TERM BENEFIT OF THE DREDGING.** Seconded by Mr. Clark.

Ms. Bystrak said she would accept substituting the word pollutant for contaminated as previously suggested. The Board felt there was enough information on record to address Ms. Bystrak's concerns about the sediments not being normal.

Ms. Fullerton clarified whether Mr. Everly, Jr. included the word only in the motion and whether or not an adjective needed to precede the word sediment. Chairman Farner said "only" was added back into the motion. Vice Chair Dillon did not feel the word contaminated was necessary. Chairman Farner asked the Board to settle the issue by voting.

The motion carried all in favor.

The meeting adjourned at approximately 5:20 pm and reconvened at approximately 5:30 pm.

5. PUBLIC COMMENT

There were no public comments.

6. DISCUSSION ITEMS (continued)

c. Approval of Bid Review Assistance Agreement with BCI.

Mr. Perry explained this item is only related to approval of a bid assistance Task Order with BCI for the Beauclair restoration project. Originally staff was going to request that BCI review the bids and provide construction management services, but since this may run afoul of the Consultants' Competitive Negotiation Act staff is separating the two tasks and would like to bid out the construction management portion. The revised bid assistance cost estimate was distributed to the Board at the beginning of the meeting. Mr. Lumbard stated the revised cost is \$24,641.80 and said this is for bid review assistance only. BCI will assist us with the pre-bid meeting, they'll answer contractors' questions, and they will review the bids submitted as well as check contractors qualifications. Bid review is a valuable part of the process. In addition staff is requesting authorization to put out a Request for Proposal (RFP) for construction management services. The RFP would be released at the same time as the Beauclair construction bid.

Mr. Everly, Jr. began by clarifying what staff was requesting. Mr. Everly, Jr. then confirmed for the Board that in his opinion the Water Authority should have an outside professional overseeing this and he was in favor of staff's request. The Board agreed with Mr. Everly, Jr.

Mr. Perry stated that regardless of the language BCI has used to describe this task, tonight the Board is being asked to approve \$24,642 for contractor bid management. It is not for engineering services.

Mr. Everly, Jr. made a motion to **AUTHORIZE THE EXECUTIVE DIRECTOR TO TRANSFER \$24,642 FROM 700-340 TO 700-310 AND EXECUTE A TASK ORDER WITH BCI FOR TASK 1 CONTRACTOR BID MANAGEMENT WITH AGREEMENT FOR ENGINEERING SERVICES TO BE BILLED ON A TIME AND MATERIAL BASIS NOT TO EXCEED \$24,642 INCLUDING DIRECT EXPENSES**

Seconded by Vice Chair Dillon. The motion carried 7-0.

Mr. Lumbard asked the Board for permission to release a request for proposals for construction management that would be brought back to the Board for approval.

Mr. Everly, Jr. made a motion to **ALLOW STAFF TO RELEASE AN RFP FOR CONSTRUCTION MANAGEMENT ON THE LAKE BEAUCLAIR RESTORATION PROJECT**. Seconded by Vice Chair Dillon. The motion carried 7-0

d. Review of Polymer Used at NuRF

Mr. Perry introduced this topic and explained that Chairman Farner wanted to be assured the polymer product being used at the NuRF site was not harmful. Mr. Lumbard said the polymer being used is polyacrylamide. He described its' components and said it does not contain heavy metals or other compounds that might cause concern. He added all polyacrylamides are different to some extent and contain chemical additives the manufacturer will not disclose.

Mr. Lumbard reported that the SJRWMD has done exhaustive research on residual material using Lake Washington alum residual. The major chemical components of the Lake Washington alum residual are the same as what's found in the NuRF alum residual, including the use of polymer. The District and FDEP's research and discussions definitively concluded there were no problems with the Lake Washington residual. This was important to Mr. Lumbard because he wanted to be sure the residual produced at the NuRF had a place to go to in the future.

Mr. Clark said the polymer's Material Safety Data Sheet (MSDS) indicates this is a safe material to use so long as it's not ingested. The polymer they talk about is the concentrated product, and what Mr. Lumbard uses is the same polymer just diluted by other solids. If it's safe as a concentrate it's safe as a diluent. He did not see any problem with it.

Ms. Fullerton questioned the MSDS where it says the polymer should not enter sewers or waterways. Mr. Everly, Jr. said it does not enter the water. The polymer is injected into the dredged pond material as it's leaving the holding tank and entering the centrifuge.

Mr. Lumbard estimated that about 50 ppm is injected, or about 5 gallons for every 13,000. It's very diluted.

Ms. Bystrak said that when comparing the chemistry of this to the material it is binding this is the least of our concerns.

Chairman Farner said he is comfortable with it. He mentioned a residual sample was sent to a soils professor at the University of Florida for his analysis to see if he thought it could be used for anything.

In response to a question Mr. Lumbard said Dr. Ney had looked at this a long time ago.

e. NuRF pH Inflow and Alarm Upgrades

Mr. Perry said that the monitoring system contractor has come through with a price we are satisfied with and includes everything we need. Mr. Lumbard explained this item relates to pH monitoring at the NuRF. The equipment would allow us to be proactive in the event the water entering the facility has a drop in pH. Although unlikely, a pH drop is possible because of what the District is doing at their upstream Lake Apopka restoration project. Mr. Everly, Jr. commented the District is injecting a lot of alum. Mr. Lumbard confirmed this and said we could have a pH issue on our hands if we don't know the pH of the incoming flow. Right now we would only know about it when the water is leaving the facility.

This request is for a continuous monitoring system similar to the system monitoring water leaving the facility. It will be hooked up to the site's alarm system and will shut down the alum injection pump if the incoming water's pH drops to below about 6. The exact limit has not yet been set. Mr. Lumbard went on to request a modification to the motion. The funds were originally split into two separate line items but the accounting staff would rather have the money all in one line item so we would like to transfer \$5,000 from 700-460 to 700-640.

Ms. Dillon made a motion to **AUTHORIZE THE EXECUTIVE DIRECTOR TO INSTRUCT TECHNICAL SOLUTIONS, INC. TO INSTALL A pH INFLOW MONITORING SYSTEM AND IMPLEMENT MONITORING SYSTEM UPGRADES FOR AN AMOUNT NOT TO EXCEED \$10,000, AND TO TRANSFER \$5,000 FROM ACCOUNT 700-460 TO ACCOUNT 700-640.** Seconded by Mr. Everly, Jr.

Ms. Bystrak asked Mr. Lumbard to explain how the system will shut down. Mr. Lumbard said no matter what time of the day it happens, when the pH drops below a certain level he will receive notification and the alum injection pump will shut off. He explained he is linked to the NuRF through a blackberry cell phone that he carries at all times. When the alarm goes off it sends an e-mail to his phone. Mr. Lumbard said water will continue to flow through the system after the pump shuts off, but it will not be treated.

The motion carried 7-0.

f. Renewal of Soccer Lease Agreement

Mr. Perry said this lease agreement is about ten years old and is due to expire at the end of this fiscal year. He would like the Board to start thinking about how they would like to proceed with the soccer issue. No action is required today. Mr. Perry was seeking direction on how to proceed. He explained Attorney Barice thought the lease agreement should be changed to a license agreement. Mr. Perry said the three alternatives in the Board notebook were presented just to get the discussion started. Staff has no issues with the way the League currently operates.

Mr. Perry stated that Mike Stone, who is president of the League, could not be present tonight. Mr. Stone has been instrumental in developing the relationship to the point it is now. There have been times in the past when it had been adversarial. On occasions when there are troubles Mr. Stone has been able to resolve them. Mr. Perry pointed out it's an all volunteer league and we don't know how long Mr. Stone will stay involved.

Chairman Farner commented the League was maintaining the soccer facility and said he favored a five year lease, which he thought would keep options open for future Boards. He felt it has worked out well and was good exposure for our facility.

Mr. Perry said it was discussed whether or not we need a formal agreement and we concluded that we do. He was concerned about the anticipated office construction and the fact that we are not sure how this will affect the parking issue. He was exploring whether or not we could hold off until the office was completed. Chairman Farner did not think parking would be an issue.

Mr. Everly, Jr. said he was fine with the League because they are maintaining the leased area at no cost to us. Referring to the Board memo alternatives, he would not consider annexing anything into the City of Tavares. He thought language could be included to allow flexibility in case changes need to be made after the new office is built.

Ms. Fullerton also did not want to transfer it to the City of Tavares. She agreed with everything that's been said, including the five year lease. She asked if the League costs us anything or inconveniences us. Mr. Perry said occasionally there are problems but nothing huge. We have transferred all costs to them except for the water used at the concession stand and we are considering putting a separate meter on that building. The League mows the fields. Ms. Fullerton said she did not want to let them go.

Vice Chair Dillon was fine.

Ms. Bystrak did not want to annex into the City of Tavares and was fine with a five year lease. She brought up an e-mail sent to her by Mr. Stan Bainter that referred to fishing tournaments, soccer, and the bridge. Chairman Farner said Mr. Bainter was referring to the way the League was treated in the past which was different than it is today. Mr. Everly, Jr. added there's an Attorney General's opinion stating the Authority was not to fund the League and we are not. He further clarified for Ms. Bystrak that both soccer and bass tournaments are going on at Hickory Point today but the Water Authority does not pay for either of them.

Mr. Harris agreed with previous Board comments. He favored a five year lease and did not want to consider annexation into the City of Tavares. He thought it was a good idea to keep soccer at Hickory Point. It's a positive activity for kids and for the Water Authority.

Mr. Clark seconded Mr. Harris' thoughts.

Mr. Perry clarified that the Board wished to develop some sort of agreement between the Water Authority and the Soccer club and that most likely it will be a license rather than a lease. Chairman Farner confirmed this and thought a five year agreement was acceptable to the Board. Ms. Bystrak wanted to make sure the Water Authority would not be held liable for any soccer related injuries.

g. Approval of Cost/Benefit Proposal for the Hooks St. Project

Mr. Hart reviewed changes to the proposal since the Board notebooks were distributed. He said the consultant will now be reviewing reports from the City of Clermont, not just the Water Authority and the County. They will look for stormwater treatment alternatives within the existing right-of-way as well as the five parcels that were previously identified. Instead of considering only two alternatives: retention ponds and exfiltration trenches or a combination of the two, they will look at many more alternatives.

Once the top three alternatives are identified they will be studied extensively and a cost benefit analysis will be completed for each. The County is requesting the cost-benefit analysis so they will know what portion they are responsible for. They do not want to use County tax funds to treat waters coming from the City of Clermont because residents living within the city limits do not pay into the County's stormwater fee. The County wants to be sure the City is paying for City discharges into the system. This creates extra work and therefore the price has increased about \$3,000 for a total of \$9,800. The consultant says if the County will allow it, there are some shortcuts that can be taken to reduce the total cost. The consultant already knows some of the treatment methods will not be cost effective and side stepping their analysis would create a significant cost savings. Mr. Hart said staff is also continuing to seek a cash contribution from the City of Clermont. At this point Clermont has only agreed to handle all of the administrative tasks and the City will pay the consultant directly with the expectation they will be reimbursed 100%. If we move forward now the Water Authority and County will each pay \$4,900, for a total proposal cost of \$9,800, but the price might end up being less.

Vice Chair Dillon made a motion to **AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE AN INTERLOCAL AGREEMENT WITH THE CITY OF CLERMONT TO REIMBURSE CLERMONT FOR 50% OF THE COST OF THE PROPOSAL NOT TO EXCEED \$4,900.** Seconded by Ms. Fullerton.

Chairman Farner commented that Lake County taxpayers voted for the stormwater tax so it could be used for stormwater treatment. Lake County has spent these funds for other purposes but in this case the County is splitting hairs about where the money is going when we are trying to put it to good use, stormwater, which is what it was intended for.

Ms. Fullerton said a year ago she distributed a packet to this Board which contained an appeal made to the County about what the County was doing with our stormwater money. As part of the discussion Mr. Hart clarified that residents living within the City of Clermont are not taxed by Lake County for the County's stormwater fund. Ms. Fullerton said she has been arguing for three years with the Clermont City Council over this project. We may not get a fair contribution from the three entities but she felt this is our job. She appreciated the motion and hoped the Board could move forward to the next step.

Chairman Farner said retro-fitting is inherent to stormwater treatment and includes municipalities where it's needed. Everyone in the County benefits from cleaning the lakes and prevention is a much more cost effective way to go. He did not like the County's position on this project but was ready to move forward.

Mr. Harris pointed out that City of Clermont residents pay taxes to the Water Authority and therefore this is part of our responsibility.

(Vice Chair Dillon made a motion to AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE AN INTERLOCAL AGREEMENT WITH THE CITY OF CLERMONT TO REIMBURSE CLERMONT FOR 50% OF THE COST OF THE PROPOSAL NOT TO EXCEED \$4,900. Seconded by Ms. Fullerton.)

The motion carried 7-0.

7. LEGAL STAFF REPORT

Attorney Barice updated the Board regarding ERD. We've agreed on a mediator and the plan is to request the court to order mediation early so that hopefully within the next 60-90 days we can bring back a result from the mediation. Assuming the Water Authority agrees to something at mediation it will have to come back to the Board for approval.

Attorney Barice wanted the Board to be aware that House Bill 1565 has passed the legislature and is now before the Governor awaiting his signature before becoming law. It will require all agency rules that have an economic impact of \$1,000,000 or more over a five year period to be approved by the legislature before taking affect. Many environmental agencies are opposed to it and have written letters to the Governor requesting his veto. As an example of its impact, the water management district said it will hold up the MFL's. The agencies will be able to make rules but will have to wait for legislative approval before the rules can be implemented.

Mr. Everly, Jr. commented that the Authority has no rule making authority. Chairman Farner said he can understand why a law like this gets passed because government agencies make rules that affect people's livelihoods. He and Mr. Everly, Jr. wanted to see more detail before taking a position. Mr. Harris commented this law would add many hours of work for the legislators.

8. ACTION ITEMS

- a. Approval of Extension to FDEP NuRF Contract to Allow For the 12-Month Monitoring Plan

Mr. Everly, Jr., made a motion TO AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT WITH FDEP FOR EXTENSION OF THE NuRF GRANT CONTRACT UNTIL OCTOBER 24, 2011. Seconded by Vice Chair Dillon, motion carried 7-0.

- b. Status of the New Office Design

Mr. Perry said this is an update for the Board. He pointed out the placement and configuration of the stormwater pond. Mr. Perry was concerned that it would be a big, dry, unsightly hole right in front of the office. Mr. Everly, Jr. said the swale will show but because the retention pond is spread out over a broad area it won't be very noticeable. He commented it will be a dry retention

pond. Ms. Bystrak asked if a wet retention pond could be built and Mr. Perry said the soils at Hickory Point are not conducive to a wet retention pond.

Mr. Hart described the parking area and said there were about 28 parking spots. Mr. Perry added there was plenty of overflow parking behind the building. Mr. Hart explained the number of parking spots is determined by the building code.

Mr. Everly, Jr. referenced the plans and said if the pond was pushed up, room would be gained that could be planted in a xeriscape. There is a lot of room to the north. Mr. Perry thought the pond borders could be shaped more interestingly. He felt curved edges would look better than just an oblong pond. Mr. Everly, Jr. said because the slope of the retention pond was 4:1 it's easy to construct and Mr. Perry's suggestion should not add to the cost.

Mr. Clark said when building the office first came up he thought he was told it would cost \$500,000 and the sale of the existing office building would pay for the new facility. Now the new building estimate is \$800,000. He suggested that someone look at the value of the existing building because if its sale will not offset the cost of the new building the Board will have to determine how they will pay for it. Mr. Everly, Jr. said property values are depressed right now so the value today is very different than what it will be in three years or so. Mr. Perry said pending permits and bidding he planned for the new building construction to begin fairly soon. The Board has said the existing property may have to be held for a while until it regains its value. Mr. Everly, Jr. thought the bids could very well come in lower than the engineer's estimate. Vice Chair Dillon said we planned to own both buildings at the same time. At a question posed by Mr. Clark, Mr. Perry said since the existing building will not be sold at this time the Board will have to decide how to fund the new building and if the bids are too high we may have to postpone construction. Vice Chair Dillon said commercial real estate is not selling right now so if the Authority owns two buildings we would be better off renting the existing building for a while. Mr. Perry said the existing building is paid for so any rent is revenue that could go against expenses for the new building.

Ms. Bystrak said she remembered the estimated building cost to be \$400,000. She was concerned about proceeding with the building because we might have a bad hurricane year and will need to purchase a lot more alum. She was concerned about even putting it out to bid. Mr. Everly, Jr. said it will not cost anything to bid. Ms. Bystrak asked how much had been spent so far and Mr. Hart replied the KZF contract was \$79,000. Mr. Perry added we were about two thirds of the way through the KZF contract. Ms. Bystrak commented that she originally agreed to move forward with this based on the \$400,000 estimate. Mr. Perry said that was the best estimate we had at the time. Mr. Harris said until the building is bid out we won't know what the cost will be. He thought the Board should move forward with the bids. Vice Chair Dillon agreed.

9. BOARD MEMBER COMMENTS

Mr. Every Jr. said he met with the Public Works Director for the City of Eustis to discuss the Bates Avenue Water Retention Pond Stormwater Grant. He pointed out to the Public Works Director that if a project is over \$200,000 current legislation requires public agencies to go

through many steps prior to doing the work in house. The Eustis Director agreed to put the project out to bid. If the bids come in lower than the estimated \$350,000 it will save the Water Authority money and we could stand to benefit.

Mr. Everly, Jr. thought the legislators passed this legislation to keep taxpayers working. He said the legislation allows public agencies to do smaller projects or complete work in the event of a public emergency that needs immediate attention. The cities don't pay 45% corporate tax, they don't employ as many people, or put as much money into the economy as contractors. He defined what self-perform means for Ms. Fullerton. It's when an agency completes a project using agency employees.

Ms. Fullerton asked if the City of Eustis contributed \$384,000 to the Dora bridge. Mr. Perry said he has no knowledge if the City of Tavares has gotten additional funds. Ms. Fullerton said she imagined the Board had heard from Stan and Marilyn Bainter over the Board's Dora Canal bridge replacement vote. Mr. Everly, Jr. commented the vote was to fix a navigation problem. Ms. Fullerton asked if Mr. Drury or someone from the City of Tavares could report to the Board on what Tavares is doing to protect Lake Dora while they are going through all their waterfront projects. The Authority is paying a fortune to clean the lake and she hoped the City was protecting it. Chairman Farner mentioned the City's stormwater design project that the Water Authority helped fund. Vice Chair Dillon asked if the City's marina was LEED (Leadership in Energy and Environmental Design) certified and the Board thought that it was. Ms. Fullerton wanted to be sure the City was aware of their responsibility.

Ms. Bystrak reported that Senate Bill 0550 passed, which was the water bill, and even though the springs protection was taken out there are still things remaining that will help. It undoes 2080 from last year, which allowed the Water Management District Executive Directors to do things without permission from their Boards. The other thing that could affect us is that it may require septic tank inspections every six years and if the tanks fail they would have to be replaced. This septic tank rule could be one of the best things that happened to this county. She said they stopped the pre-emptive fertilizer bill. She explained that in Florida, 42 government entities have already passed fertilizer ordinances and this bill would have wiped all of them out.

Ms. Bystrak was present yesterday during the Lake County Board of County Commissioners' meeting while the comp plan was being discussed. The comp plan passed 3-1, with Welton Cadwell being absent. The comp plan includes the landscape ordinance. She said even though the County passed the plan it still has further approval processes to go through. The Comp Plan has springs protection zones that the County will be delineating and marking with signage. She mentioned that she spoke to Lake County Board of County Commissioner's employee Walter Woods who reported they have located a new spring near Bugg Spring.

Mr. Harris said he wanted to thank Ms. Anne Griffin for her passion for coming before the Board and speaking her mind. He admired the effort she has put forth on water and environmental issues. He also wanted to say something about the low water, high anxiety issues we went through recently in the Clermont area. He thought the Water Authority responded appropriately and thanked Chairman Farner for his leadership. He mentioned the great work Mr. Hart did and appreciated Mr. Perry and Mr. Hart's attendance at the meetings.

10. BOARD MEMBER ITEMS FOR FUTURE AGENDA

Ms. Fullerton said she has requested Mr. Drury from the City of Tavares explain how they are protecting the water during their construction project. She said her request was not meant to be adversarial.

Ms. Bystrak would like to readdress the fertilizer issue again and invite Sean Parks to come talk about it. Ms. Bystrak thought the Board could possibly endorse the ordinance to the County now that we're past the pre-emptive issue. Ms. Fullerton said this Board is hesitant; she gave examples where we weren't able to get a conservation support letter, and couldn't do fertilizer. Mr. Everly, Jr. asked how you were going to enforce something like that. Ms. Fullerton said it's meant as an expression of support and doesn't mean the Water Authority does anything. It indicates our approval.

Mr. Perry said we have worked with the County to try and initiate a no or low phosphate fertilizer ordinance. He said he turned it over to the County and they were trying to get an education component built into it.

Chairman Farner said most fertilizers now sold are either low or no phosphorus fertilizers. He thought the private sector saw the writing on the wall and took care of it on their own. He said it gets more complicated when you start telling people how and when to fertilize.

11. INFORMATION ITEMS

a. Staff Report

No comments were made.

b. Monthly Financial Reports - April 2010

No comments were made.

12. ANNOUNCEMENT OF UPCOMING MEETINGS AND EVENTS

- Board Meeting - Wednesday, June 23, 2010 (3:30 p.m.) BCC Chambers/Admin. Building
- Budget Workshop - Wednesday, July 14, 2010 (9:00 a.m.) - Location TBD
- Board Meeting - Wednesday, July 28, 2010 (3:30 p.m.) BCC Chambers/Admin. Building

13. ADJOURNMENT

The meeting adjourned at approximately 6:54 pm.

Linda Gavin, Recording Secretary

Linda Marino, Recording Secretary

Neil Kelly, Secretary-Treasurer

Keith Farner, Chairman