

MINUTES OF THE REGULAR BOARD MEETING
of the
LAKE COUNTY WATER AUTHORITY
June 23, 2010

The regular meeting of the Board of Trustees of the Lake County Water Authority was held at 3:30 p.m. on Wednesday, June 23, 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 – May 24, 2010

The Minutes were approved as presented.

3. EXECUTIVE DIRECTOR REPORT

Mr. Perry reported the Harris Chain remains at regulation schedule and the Clermont Chain continues two feet below the bottom of its regulatory range. Lake Minnehaha is 18” above where it was this time last year. At the last meeting, he mentioned an adjacent property owner had dumped concrete bags and rebar along a portion of their Monte Vista Canal seawall. The Florida Department of Environmental Protection (FDEP) sent a Notice of Violation which stated the owner must remove the debris; however, if they do not then staff may have to do it.

The restoration project now in progress at Hickory Point deals with the placement of concrete rubble and brush in addition to spatterdock plantings to enhance the fishery habitat at that location. Spatterdock will also be planted at Singletary Park in Leesburg. A gas company is

laying a line and will anchor it with concrete bags on the bottom of Little Lake Harris near Hickory Point.

Approximately 50 attended the Lake Beauclair dredging mandatory pre-bid meeting on June 14th. Staff will prepare and post the questions and answers to our website tomorrow. A list of submitted bids will be brought to the July 28th meeting for Board consideration. Earlier today the Water Authority received a copy of a Petition for an Administrative Hearing submitted to FDEP's Office of General Counsel a copy is before the Board. Staff and Attorney Barice will review the Petition and decide which options are available to the Water Authority.

The budget meeting on July 14th will be the first time the Board has an opportunity to thoroughly review the F/Y 2010-2011 budget. Mr. Perry stated this meeting usually begins at 9:00 a.m. but earlier several Board members requested it begin later and they decided to begin at 2:00 p.m.

Ms. Fullerton said the Clermont Chain was quite low between 1997 and 2002 and said it is meaningless to her when she hears someone say that the "Clermont Chain is below regulatory level". Mr. Perry explained the structures are not operated unless the lakes reach a certain elevation range. The Clermont Chain has been higher and lower but at this time it is lower than what we would like to see. If it drops another foot, residents will complain that they are unable to navigate through but at this time the Chain is passable.

4. DISCUSSION ITEMS

a. City of Tavares Protection of Lake Dora

No one came forward. This item will be on a future agenda.

b. Report on Benthic Invertebrate Monitoring Program

Ms. Sandi Hanlon-Brewer, independent contractor, said her report covers this year's completed biological assessment of the Harris Chain. She stated pollution tolerant macroinvertebrates indicate poor lake conditions while pollution sensitive macroinvertebrates indicate more desirable lake conditions. Bioassessments are an ideal tool for evaluating impairment or improvement because living organisms can be used as an effective measure of the condition of the entire ecosystem. Macroinvertebrates are an important food source and live about a year so short term environmental impacts to an ecosystem are evident. She explained the Lake Condition Index (LCI) and that a numerical score is assigned once the assessment is complete.

She stated third year data covers October 2006 - September 2007 and includes one full year of drought information. Results show Lake Beauclair East and West again received a very poor rating, Lake Dora East dropped from poor to very poor, Lake Dora West, Lake Yale North and South, Lake Harris West and Lake Griffin North dropped from good to poor, and Lake Harris East received a good score. Fourth year data covers October 2007 - September 2008. Results show Lake Eustis North and South maintained a poor rating because of abundant hydrobiidae in Lake Eustis South and phantom midges in Lake Eustis North. Lake Yale North received a poor rating, Lake Yale South improved from poor in 2007 to good in 2008, Lake Griffin North

received a poor rating, and Lake Griffin South improved from poor in 2007 to good in 2008. Macroinvertebrate diversity has nearly doubled in the southern portion of Lake Griffin due to certain species of caddisfly. Lake Harris West received a good rating, Lake Harris East received a poor rating in 2008, and Little Lake Harris has maintained a poor rating for the past four years. During an extended drought it is not uncommon to see some degradation in lake water quality especially in shallow eutrophic systems. Lake Dora West received a poor rating, Lake Dora East and Center received a very poor rating, Lake Beauclair was sampled again in November 2009, and both Lake Beauclair East and West maintained a very poor rating from 2008 to 2009. The Nutrient Reduction Facility (NuRF) and Lake Beauclair dredging will reduce Total phosphorus loading and will lead to reestablishment of beneficial vegetation and more productive sport fish population. From a practical application standpoint, the bioassessments program can be used to qualitatively and quantitatively evaluate degradation and expected improvements from current projects such as NuRF, as well as future projects.

Ms. Bystrak asked if Ms. Hanlon-Brewer counts blind mosquito larvae or blind mosquitoes. Ms. Hanlon-Brewer responded she does not but counts midges often called blind mosquitoes and *Cladotanytarsus* sp. B which also falls into that category. The larvae before they emerge are all aquatic so anything that is diptera, other than blind mosquitoes and a few others, are counted. Mr. Hart added poor water quality samples show a high percentage of *Cladotanytarsus* sp. B and many species are found near residential homes. Indications of very poor water quality are *Cladotanytarsus* sp. B and when in high population they may comprise a great portion of the dead blind mosquitoes that are seen along the shoreline. Ms. Bystrak inquired if there are more of them in certain years than other years. Ms. Hanlon-Brewer said it mainly has to do with poor water quality because there is a disproportionately larger percentage of diptera and other nuisance species present. She said if a portion of the stormwater runoff is eliminated there will be lower nuisance species because the nutrients have been reduced.

Ms. Bystrak said she heard the Lake County Mosquito Control talk recently about the blind mosquito population which seems to be on a four-year cycle and asked if she has seen that occur. Ms. Hanlon-Brewer said she had not but when she samples Lake Eustis the second year data indicated that the numbers were quite high and now Lakes Dora and Eustis are experiencing a very dense blind mosquito population. Diptera seem to emerge about the same time as blind mosquitoes but then go into a different period of their life cycle. She said sampling is done at the same time each year so there is qualitative and quantitative data that includes the type of species, numbers present, and whether the species are mature. Mr. Hart said a four-year cycle seems to be more tied to drought and flood cycles because droughts seem to occur about every four years and lower water levels result in resuspended sediment and poor water quality. When there is poor water quality, chironomids and *Cladotanytarsus* sp. B do extremely well because they are able to survive in almost zero oxygenated water which results in extremely large hatchings. Ms. Bystrak asked if it could be said that blind mosquitoes are a good indicator of poor water quality. Ms. Hanlon-Brewer replied the sensitive water quality indicator midges are never nuisance species. Ms. Bystrak asked if it would be fair to tell the public that if our lakes were a little cleaner then might be fewer blind mosquitoes. Ms. Hanlon-Brewer said yes because there would be a better diversity and the data would not be skewed toward a higher percentage of one species.

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Chairman Farner asked when sampling is scheduled again and Mr. Hart replied Lake Beauclair will be done at the end of October or beginning of November. Chairman Farner said with the Board's permission he would like samples taken in the Apopka-Beauclair Canal (AB Canal) because it has shown a remarkable vegetation recovery. He would also like a sample taken in the AB Canal so the Board has a good idea of what condition Lake Beauclair will be in once the dredging takes place. He added that sampling can be done anywhere along the AB Canal since re-vegetation has occurred from one end of that canal to the other. Mr. Hart reported samples were taken before NuRF began operation and staff used a Stream Condition Index. Invertebrate sampling can now be done along the AB Canal and staff will compare pre vs. post sampling data.

Vice Chair Dillon said she would like to see a history done of the AB Canal and would like to see staff continue to sample it as well. Mr. Clark asked if sampling had been done above or below the NuRF and Ms. Hanlon-Brewer responded that the AB Canal had not been done. She continued that DEP has an approved method for sampling streams and canals but follow a slightly different protocol. Mr. Clark said since the Board has nothing to compare it to wouldn't it be better to take two samples; one above and one below the NuRF and the Board concurred that would be a good idea.

Mr. Everly, Jr. referenced the North Shore Restoration Area and said the flow-way dumps clean water into Lake Apopka. He mentioned Total phosphorus is at 86 ppb entering the AB Canal so he agrees that sampling needs to be done on either side of the NuRF. Mr. Hart stated staff will include that data in next year's contract for Board consideration.

Ms. Fullerton asked the length of time necessary to process the samples once they are collected. Ms. Hanlon-Brewer said field sampling takes 3-5 days but when there is a poor water quality lake being sampled it takes at least 5 days. She said it takes another 10 days to mount, dry, identify the samples, review the findings with an expert in Orlando to verify correctness and write a report. Mr. Everly, Jr. thought it might take her longer since she would have to work it into her schedule but she could process the Lake Beauclair samples in three weeks.

c. Introduction of Budget and Review of Board Priorities

Mr. Perry stated staff received information necessary to prepare the budget including the fact that Lake County property values have dropped 11%-12% this year; and that added to the 8½% decline last year, and the 6½% decline the previous year, it totals nearly 26%. Based on the same millage as last year, the Water Authority will receive \$445,000 less in F/Y 2010-2011 which will make it more difficult to meet our requirements so staff made several assumptions. Mr. Perry stated no action is required this evening other than the Board may want to talk about their priorities so he tweak the budget. At the July 28th Board meeting, they will set the Proposed Tentative Millage rate, budget discussions will continue at the August meeting, and September 15th the Tentative Budget Hearing will begin at 5:05 p.m. in Council Chambers. The September 22nd Regular Board meeting will adjourn at 5:00 p.m. and the Final Budget Hearing will begin at 5:05 p.m. at which time they will vote on the Final Millage rate and the F/Y 2010-2011 Budget. Once that meeting adjourns the Regular Board meeting will reconvene.

Mr. Perry said staff, as they worked on their portion of the budget, assumed the Board does not plan to increase the millage beyond what was adopted last year and also that there would be no additional revenue generated over the previous fiscal year based on the levied millage. Recently, the Board directed staff to create a \$2 million alum reserve in addition to the money remaining in this year's budget. In addition, no increase was shown in staff salaries and each cost center was instructed to reduce expenses to accommodate the \$445,000 reduction in revenue. However, there are a couple of unresolved issues that could influence the Cash Brought Forward. The first is if the Lake Beauclair restoration bids come in less than what is shown in the budget, additional revenue will be available. Also, if the NuRF uses less alum between now and the end this fiscal year, there may be additional money in that line item.

Mr. Perry displayed a graph entitled Monthly Flow Probabilities showing an analysis of possible flow during July, August and September and the means for each month. The amount of alum money remaining in the budget at this time is \$698,433. Total alum cost during the three months would not exceed \$599,961.60, 75% of the time and \$1,451,692.00 would cover the cost of alum 90% of the time. Should there be available revenue, the Board can choose to put the money back in the budget or continue reducing millage necessary to fund items already in the F/Y 2010-2011 Budget. Staff is seeking Board direction concerning their priorities because several line items were significantly reduced. In the past, \$500,000 has been set aside for stormwater grants and over the past few years \$500,000 has been set aside for South Lake County stormwater projects. Mr. Perry stated that when he was preparing the F/Y 2010-2011 budget he eliminated the \$500,000 countywide stormwater grant money for 2011 and reduced the Clermont Chain stormwater grant money from \$500,000 to \$245,000. In addition, a little money was taken from the Lake Beauclair restoration project, the LAKEWATCH sampling program money was reduced from \$110,000 to \$25,000 and several other changes were made.

Mr. Clark asked about the Lake Beauclair dredging bid due date since the Board will need some feel for this cost of this project before they set the Proposed Tentative Millage rate. Mr. Perry said the bids will be opened at the office on July 14th at 4 p.m., the same day as the Budget meeting. Mr. Harris said he believes the Board will have to review every item in the F/Y 2010-2011 budget. He added that Mr. Perry has done a great job finding money for the alum reserve but there are several other good items that may not be included in this budget.

Ms. Bystrak said her concern has to do with the new office and may have to be put on hold because of the \$700,000 estimated building cost. Mr. Perry said the most appropriate time to address this issue will be at the Budget meeting because if they do not intend to sell the existing building next fiscal year, that money probably should be removed so the budget is more realistic. He said there may or may not be enough money for this project, the Board may decide to wait a year or they may decide not to build the office at all.

Vice Chair Dillon said if revenue drops by \$445,000, but the budget increases in certain areas, what is the total shortage? She asked if staff was trying to offset the \$445,000 drop in revenue by reducing other areas or assuming the balance of the budget will increase by that figure. Also, are there any ideas where the Water Authority can find additional money or is it a combination? Mr. Perry replied the F/Y 2010-2011 budget is presented as a balanced budget with expenses offset by necessary revenue. She pointed out that Mr. Perry had deducted \$500,000 from

stormwater grants so she felt that negated the \$445,000 revenue shortage. She stated if all reductions are combined, will it compensate for the increase in money needed for alum or will there be other items that were not included in the previous budget? Mr. Perry referenced short sheets which show the differences between F/Y 2009-2010 and F/Y 2010-2011. He said in addition to setting up a \$2 million alum reserve, \$1.7 million still remains in the budget from last year. Vice Chair Dillon requested that Mr. Perry add up all of the decreases and compare it to the anticipated revenue shortage. Mr. Perry said that he will prepare a spreadsheet.

Ms. Fullerton emphasized she is very unhappy that stormwater grant money was reduced. She said when she began analyzing the budget; it was in terms of water quality projects because water quality is what the Water Authority does. At the previous Board meeting, they voted to contribute money toward a railroad bridge but not cut or take money from stormwater grants or from the alum reserve fund. She emphasized she does not want to see cuts in stormwater either in cooperative grants and Clermont priority grants because that is the wrong thing to do. If that money is removed from the budget then the Water Authority is not fulfilling their highest mission which is to control and conserve water quality and water resources in Lake County and helps the lakes probably as much as the NuRF. She said that is what the Water Authority does because we are after water quality. She felt some education programs could be set aside for a year or so and she questioned the money that is included for Public School and Private School Transportation and whether that is tied in with the Drop-by-Drop mini-grant program. Mr. Perry explained that money would be used to transport students to the NuRF. She said as far as she is concerned that should be cut from the budget. She added it is good to have the NuRF and make it work but school children might not see the facility in operation. She said if funds are down to where the Water Authority is saying the economy is lousy and we are all sacrificing then we have to list the most important items first.

Mr. Everly, Jr. said the Water Authority has not expended all of the stormwater grant money this year and he thought even less money will be requested next fiscal year. He added the County doesn't have the money to do certain stormwater projects and the City of Eustis has reduced their multi-million dollar program to a small \$300,000 project. Money going to the City of Tavares for the railroad bridge comes out of the F/Y 2009-2010 budget. He added one of his top priorities is to improve navigation.

Ms. Fullerton reported she spoke to Mr. Perry about how the \$500,000 in Clermont Chain stormwater projects could be encumbered because they should be available to the South Lake County cities. She thought the Board might be able to compromise on those grants because they have talked about the Water Authority going it alone on stormwater projects. Mr. Everly, Jr. said the Water Authority does not have the money or staff to go it alone.

d. Status of Releases for Beauclair Restoration Project

Mr. Lumbard reported outstanding releases have dropped; however, five residents still have not signed and some do not intend to sign. One resident on Lake Beauclair Drive indicated he will either send a revised release or not send one at all. Another parcel is currently managed by a real estate company who has not returned the release. All of the residents on Canal #2 and Golf Course Canal have signed and staff has been informed that two residents living on the Venetian

Village canal do not intend to sign. Two other parcels are tied in with an estate currently owned by an attorney or someone that works through the attorney. That individual was called earlier in the week because he had indicated two months ago he would sign. Finally, staff will contact one individual owning four parcels because he signed one release but not the other three releases for his empty parcels.

Mr. Everly, Jr. thought the Water Authority was probably not too concerned about owners who have not returned their release if the owner does not have a dock. Mr. Lumbard said there is less concern then with those that have a dock or seawall. Mr. Everly, Jr. noted this project is different than Lake Griffin's dredging project because a few of those canals contained kaolin. The four residential canals scheduled to be dredging as part of the Lake Beauclair restoration project contain sediment and do not support anything structural. Ms. Bystrak inquired if staff told property owners dredging would improve property values. Mr. Lumbard said they did not because they do not know that to be a fact.

e. Investment Options

Mr. Perry stated last month the Board authorized staff to obtain quotes for shorter term CDs because the Water Authority may have to start spending a portion of the revenue on the Lake Beauclair restoration project. Staff looked at a 3 and 6 month period and the most recent information is before the Board. A question was asked about the actual dollar amount earned on a 3 month Certificate of Deposit Account Registry Service (CDARS) at .3% interest. Vice Chair Dillon determined it would be approx. \$18,000 on \$6 million. Ms. Marino said she spoke with Ms. Lehman; Lake County's Chief Deputy Clerk over Finance who said that this rate would be the best we could hope for because the County put out a bid for \$25 million and got .64% for 18 months.

Mr. Everly, Jr. made a motion **ON OR AROUND JUNE 29, 2010, INVEST \$6,000,000 IN A 3 MONTH UNITED SOUTHERN BANK CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SERVICE AT .3% INTEREST.** Seconded by Vice Chair Dillon, motion carried 7 – 0.

f. New Office Stormwater Permit Application

Mr. Hart reported after the last meeting, KZF Design Consultants altered the stormwater pond design moving it 30' further from the building and sidewalk per Board request. They included an outfall structure because a 100-year storm event could exceed the capacity of the pond. Mr. Hart said he requested an overflow at the top of the pond bank but KZF said it would not work because the water would flow across the parking lot and toward the office. KZF prepared an application to obtain a stormwater permit from the St. Johns River Water Management District (District) and staff is requesting Board approval to spend \$1,190 for the stormwater permit.

Vice Chair Dillon made a motion to **AUTHORIZE STAFF TO SUBMIT THE STORM-WATER PERMIT APPLICATION FOR THE NEW OFFICE BUILDING AT HICKORY POINT TO THE ST. JOHNS RIVER WATER MANAGEMENT DISTRICT WITH A CHECK FOR \$1,190.** Seconded by Mr. Everly, Jr., there was no vote at this time.

Ms. Bystrak said until the Board decides to actually build a new office, the Water Authority does not need to waste \$1,190 for a permit. She asked if a cistern would decrease the size of the stormwater pond and Mr. Hart replied that it would not. He reported he spoke to KZF who indicated the cistern could potentially fill up during a storm event and would not provide compensating storage so it would not count toward the calculation. She said if the Water Authority has enough money to build a new office with a stormwater pond, she hopes it is an example to the public of what the best stormwater pond should look like. She said the pond could be a teaching facility for those that visit the office because they could see a state-of-the-art perfect stormwater pond and not something that looks like what is shown in the plans. Mr. Hart explained stormwater runoff will flow into the pond and percolate into the ground so it will be an ideal pond. Ms. Bystrak said she does not want to see an ugly dry hole but rather a lined pond holding water.

Mr. Everly, Jr. pointed out a lined stormwater pond could cost as much as \$280,000 and developers, not the public, build stormwater ponds following the recommendation of the engineer. Ms. Bystrak stated when she lived in Maryland, they received a grant to build one that doubled as a marsh and Soil Conservation brought in hundreds of farmers and others to see it. They were encouraged to build stormwater ponds to resemble marshes and some 20 years later, the ponds are still a showplace. Mr. Everly, Jr. said small buildings are exempt from building retention ponds but with large developments, if the water table fits, a littoral zone is required and must contain wetland plants. The Department of Transportation requires building of a large flood compensation area which is usually three times the size of any stormwater pond and contains wetland plants. Mr. Clark inquired how long the permit is valid and the Board was advised that it is good for five years and can possibly be extended.

The motion carried 6 – 1 with Ms. Bystrak voting against.

g. Expiration of Agreement for Attorney Services

Mr. Perry stated Attorney Barice's agreement expires on July 1st. The Board and staff have worked well with Ms. Barice over the past three years as the agency has dealt with the City of Apopka Consumptive Use Permit process, Equal Employment Opportunity Commission (EEOC), an issue with the NuRF, and a variety of other issues. Our previous attorney (Mr. Crawford) decided to represent other interests so a Request for Qualifications (RFQ) was sent out. The Board heard presentations from three separate attorneys and selected Ms. Barice. Mr. Perry stated the Board has several options including renewing Ms. Barice's existing contract, improvising the agreement that she brought with her, renegotiating her current agreement, putting out a RFQ to seek qualified candidates, or appointing an attorney without the competitive process. He stated staff continues to be pleased with Ms. Barice and watch the amount of time they require from her.

Chairman Farner said he is aware the agency could have selected a less expensive attorney but the Water Authority has been involved in some serious litigation in the last couple of years. He said Attorney Barice did an especially good job when we were in a battle with the District and there is no instance where it has not worked in the agency's favor.

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Attorney Barice stated working with the Water Authority has been very rewarding and she believes her rates are reasonable. She added the current agreement includes a provision which says that her rates may be reviewed and adjusted annually. She noted that she has not sought a cost of living increase because the economy has not been good even though her costs continue to climb. She hopes the Board is satisfied with her work and will renew her agreement for another three years. Mr. Clark inquired if she is proposing the same terms as in the original contract. Attorney Barice stated that she is; and if the economy improves, she would appreciate an increase.

Mr. Harris said he has enjoyed working with Attorney Barice and respects her experience. He mentioned the Board receives a copy of her legal bill each month and sometimes it seems quite high. He said he has not seen anything that would indicate she is not doing a good job and he knows she has an interest in Lake County residents. He is satisfied with her work and supports her current agreement being renewed for another three years. Ms. Bystrak agreed and said she believes Attorney Barice's rates are comparable to other attorneys and she would like to see Ms. Barice's agreement renewed.

Vice Chair Dillon said she used to attend Board meetings before she became a member but never saw any of Mr. Crawford's bills so she cannot compare them to Attorney Barice's bills without additional information. She said she is quite pleased with Attorney Barice's work and would like to see her agreement renewed.

Mr. Perry handed out a graph Attorney Fees Paid per Fiscal Year as of 6/22/2010 which shows how much money was paid to four separate attorney offices between FY 2003-2004 to now. He reported Mr. Crawford charged \$135/hr. and there was ongoing litigation at that time.

Attorney Barice said her fees are \$150/hr. for Board meetings, \$200/hr. for all other meetings and general litigation and she does not charge for travel to attend the Board meetings.

Mr. Clark said he believes that Attorney Barice's education and expertise far exceeds what he pays his mechanic (\$150/hr) to work on his motorcycle.

Mr. Everly, Jr. stated he believes the Board has serious financial responsibility to at least put out a RFQ and see what is out there before Attorney Barice's agreement is renewed. He questioned if Mr. Crawford was any less educated and could he handle the business at hand. He said the budget and millage are tight and the Attorney General has indicated this agency will be unable to raise the millage rate.

Chairman Farner said the turning point for him that Ms. Barice was the correct attorney for this agency was when one of the RFQ attorneys said they could handle all of the day-to-day issues but if serious problems arose, they would defer to someone with Ms. Barice's ability.

Mr. Everly, Jr. said what concerns him is Attorney Barice's fees and the position the Water Authority has gotten into concerning the NuRF. The money that has been spent, the claim, and the position this agency is in is getting out of hand. The agency needs to force the issue because

it has gone on too long and something needs to happen. A lot of money has been expended so at what point do we quit? Chairman Farner thought that issue had been dealt with at a previous meeting when most of the major expenses regarding this issue were discussed. Ms. Fullerton wondered if this issue is of a more serious nature and takes longer to resolve to our satisfaction.

Ms. Fullerton made a motion that **THE WATER AUTHORITY RENEW THE EXISTING AGREEMENT WITH ATTORNEY BARICE FOR THREE YEARS.** Seconded by Ms. Bystrak, there was no vote at this time.

Mr. Harris said Mr. Everly Jr. had a good point about the budget and it may be something the Board will want to look at but he believes Ms. Barice is the right attorney.

Ms. Bystrak commented that Mr. Perry has already reduced the Attorney line item from \$200,000 to \$50,000 so maybe the Board can arrive at a figure that would be more agreeable to the Board. She said according to Mr. Perry's graph, Attorney Barice's legal bill has averaged about \$57,000 per year so \$60,000 might be a suitable amount to show in next year's budget.

Chairman Farner said this agency has been through several serious legal battles in the past two years but could be reduced if we stay out of litigation. Mr. Perry explained the attorney fee is split into five separate line items including \$200,000 in Water Resources because the Water Authority is dealing with ERD and NuRF and \$60,000 included in Administration.

Ms. Fullerton stated she has not seen anything that Attorney Barice has done that has harmed or even questioned the good will of the Water Authority. She said she believes Ms. Barice to be an admirable attorney and spokesperson and wants to see her rehired.

The motion carried 5 – 2 with Vice Chair Dillon and Mr. Everly, Jr. voting against.

5. PUBLIC COMMENT

No one came forward.

6. LEGAL STAFF REPORT

Attorney Barice reported that attorneys are attempting to coordinate a date with the mediator concerning the resolution of the NuRF issue. She has been pushing for an earlier date but at this time it looks as though the meeting will be in October. FDEP has received a Petition for Administrative Hearing on the Lake Beauclair project and little is known about it since the Petition was just received today.

Mr. Everly, Jr. wanted to know why nothing will happen until the October mediation meeting. Attorney Barice said she had been in discussion with counsel to try and exchange numbers and see if it is possible to push the October date up. Outside counsel has requested the Expert Report from the insurance defense attorney who has refused to release the Report so discussions will continue at this time.

7. **ACTION ITEMS**

a. **Renewal of Land Management Services Agreements**

Mr. Perry stated the Water Authority is using firms to provide specific services the Water Authority does not have the equipment or personnel for or just does not want to gear up for. He said even though the firms are under contract, there is no guarantee they will be provided work.

Mr. Clark made a motion **TO ACCEPT THE EXECUTIVE DIRECTOR'S RECOMMENDATION.** Seconded by Mr. Harris, the motion carried 6 – 0 with Vice Chair Dillon out of the room.

{Executive Director Recommendation: Authorize staff to renew and extend the Land Management Services Agreement for Fiscal Year 2010-2011.}

8. **BOARD MEMBER COMMENTS**

Mr. Clark stated at the September 23, 2009 meeting, the Board approved the Sheriff's Office Interlocal agreement. The agreement states that one deputy shall have as his primary duty the patrolling of the waters of Lake County and the other deputy shall have as his primary duty the presentation of educational programs. It also states that the one deputy shall limit his educational program presentations to no more than 15% of his time. Mr. Clark referenced page 5 of the F/Y 2010-2011 Budget under Education Acct. 500-340. He said because one deputy spends 15% of his time on educational programs; and the other spends none of his time, then the 15% should be cut in half which would lessen the amount of money that is spent on education. One-half of the \$24,527 should stay in Acct. 500-340 and the other half should be added to Acct. 700-340. The Board agreed and Mr. Perry advised that he would make that correction.

Ms. Bystrak said because the budget is so tight, and some cities and municipalities may not have the 50% needed for their stormwater projects, perhaps the Board should begin thinking about using grant money as a reward so the cities can make certain improvements. She said when the Board voted for the railroad bridge, they could have stipulated to the City of Tavares that if red lights are placed on top of each of the four bridges and a gauge showing water depth is placed under those bridges they would receive \$112,500 from the Water Authority toward the cost of the railroad bridge. In that way our grant money would be used as a reward to improve safety throughout the Dora Canal. She said we could also reward cities if they pass a fertilizer ordinance similar to Montverde's ordinance.

Vice Chair Dillon said she had no board member comments.

Chairman Farner reported he received several phone calls concerning the condition of Lakes Joanna and Saunders. He said Lake Joanna has degraded from 100' of visibility to about 2' and when Dr. Canfield investigated he determined the stormwater runoff had been redirected. Chairman Farner requested that staff look into this issue. He also mentioned that when DOT widened Hwy. 441 to six lanes between Tavares and Eustis, a large culvert was installed but no retention pond so runoff from the highway and nearby parking lots discharges directly into Lake Saunders. He requested that staff look into this issue as well and return with a report.

Ms. Fullerton indicated that she attended last evening's Clermont's City Council meeting in which they discussed the Hooks Street stormwater project. This is the fifth time in three years she has told them where the Water Authority stands on this project and has nagged them to do something about it. She said it has always been somewhat disappointing since the City has insinuated there is a misunderstanding or she and/or the City do not have correct information. She told the Council last night about a potential loss of Water Authority funding and requested that Mayor Turville take the lead and be the one that communicates with the Water Authority about this important stormwater project.

Ms. Fullerton said she had a phone call from someone wanting to know if the Water Authority would allow a boater to anchor a wake board structure to the bottom of Sawgrass Lake. Ms. Burgos reported DEP called her and said they were investigating a complaint and needed access to Water Authority property. Staff has no further information at this time but when there is something to report she will bring it to the Board. She said she assumes Water Authority ownership covers not only the lake surface but the bottom as well so the Board will have to decide if a structure can be anchored to the bottom of the lake. Ms. Fullerton noted several months ago she mentioned an individual wanted to buy Water Authority property and she had said at that time that she did not want it to occur because she felt the Water Authority could do a better job of protecting Sawgrass Lake.

Mr. Everly, Jr. stated that he believes the Water Authority should support marine recreation because they are the ones that enjoy the lakes.

9. BOARD MEMBER ITEMS FOR FUTURE AGENDA

Mr. Clark referenced the September 23, 2009 meeting in which the Board voted to accept the Interlocal Agreement with the Sheriff's Office and that Ms. Fullerton had said the Board had struggled with this issue in the past. He said in the near future, the Sheriff's Office is going to need a new boat and motor and he agrees those items need to be replaced but there is something that he would like to see done before that request is made. Some four years ago Ms. Fullerton asked Attorney Crawford if he sent a letter to the State Attorney General's Office dealing with this and several other issues and Mr. Perry had responded that the letter was sent. Mr. Clark read an excerpt from the September meeting in which Attorney Barice said "That was before my time but I recall reading it and I think that they did not question our relationship with the Sheriff's Department" and "The Attorney General did seem to indicate that the relationship with the Sheriff's Office was perfect." Ms. Fullerton then said "That was my understanding." Mr. Perry said "The Attorney General said no, you should not fund fishing tournaments and no, you cannot fund soccer. However, anything else that you do, use your best judgment on how it meets the needs of the agency." Mr. Clark then read an excerpt from the State Attorney General's Office response to Attorney Crawford which said "You have not advised this office of the specific duties the Marine Patrol is performing on behalf of the Authority" and "... in the absence of specific information regarding the actual duties the Marine Patrol is performing on behalf of the Authority, this office cannot definitely comment on the validity of funding the Marine Patrol." "Moreover, any reasonable doubt as to the lawful existence of a particular power sought to be exercised is to be resolved against such an exercise."

Mr. Clark said he would like to propose at the July meeting that the Board discuss and finally settle this issue. The Water Authority should have given the Attorney General's Office the information they requested so they could have ruled on the validity of the funding and it needs to happen before the Water Authority gives the Sheriff's Office \$25,000 - \$40,000 toward a boat and motor. He said a copy of the Interlocal agreement should be sent to the Attorney General's Office requesting a final answer to this issue. He requested Mr. Perry send a hard copy of the letter from the Attorney General's Office to each Board member rather than by e-mail. Vice Chair Dillon, Ms. Bystrak, and Mr. Everly, Jr. requested their copy via e-mail.

Mr. Everly, Jr. said he knows exactly what the Attorney General sent to the Water Authority and it was not perfect because he did not comment on soccer. He also withheld information on fishing tournaments and did not give the Water Authority a definite answer about supporting the Marine Patrol.

The Board decided that they would continue this discussion at the July Board meeting.

Mr. Harris said the Board has probably seen e-mails about the great job that Naturalist Marc Crail has been doing. He mentioned that the School Superintendent told him that she has received additional positive feedback from teachers that have been involved with the NuRF and other things Mr. Crail he has done with the School District. Mr. Harris said when he, Ms. Burgos and Mr. Crail discussed what else the program needed they thought maybe a 10-minute DVD about NuRF could be done so when staff is unable to give a brief presentation the teachers would have some information. Mr. Harris requested that staff consider this and see what they can do and bring the information to the July meeting.

Mr. Harris mentioned that he was approached by one of the teachers who brought his AP biology class to the NuRF. The teacher now works with Montverde Academy but indicated that he and his wife, also a teacher, are very interested in continuing to bring students to the NuRF site. Mr. Harris said he wants to ensure that private schools have the same opportunity as public schools to see NuRF. He said he does not see a need for private schools to provide additional funding for transportation because they are not in the same financial crunch as the Water Authority.

10. INFORMATION ITEMS

a. Staff Report

No comments were made.

b. Monthly Financial Reports – May 2010

No comments were made.

11. ANNOUNCEMENT OF UPCOMING MEETINGS AND EVENTS

- Budget Workshop – Wednesday – July 14, 2010 (2:00 p.m.) – Cultural Arts Building, Venetian Gardens, Leesburg
- Board Meeting – Wednesday, July 28, 2010 (3:30 p.m.) BCC Chambers/ Admin. Building

12. ADJOURNMENT

The meeting was adjourned at approx. 5:35 p.m.

Linda Gavin, Recording Secretary

Neil Kelly, Secretary-Treasurer

Keith Farner, Chairman