

**LAKE COUNTY WATER AUTHORITY
REGULAR MEETING ANNOUNCEMENT AND SUMMARY AGENDA**

June 23, 2010 – 3:30 p.m.

Lake County Administration Building

2nd Floor - County Commission Chambers

315 West Main Street, Tavares, FL 32778

- 1. Call to Order / Pledge of Allegiance**
- 2. Approval of Minutes – Regular Board Meeting of May 26, 2010**
- 3. Executive Director Report**

4. Discussion Items

Presenter

a. City of Tavares Protection of Lake Dora

Michael Perry

At the May 2010 Lake County Water Authority meeting, Trustee Fullerton requested that the appropriate personnel from the City of Tavares speak to the Board regarding the actions the City is taking to protect the water quality in Lake Dora during the construction of the waterfront improvements and while the marina is operating.

Water Authority staff has contact Mr. John Drury, Tavares City Administrator, and he will assign a representative for the City to be present at the Board meeting and speak on the City's behalf to address this issue.

Executive Director Recommendation:

For discussion purposes only. No action required.

b. Report on Benthic Invertebrate Monitoring Program

Ron Hart

The Lake County Water Authority (LCWA) began a macroinvertebrate sampling program as means of assessing biological condition within the lakes. A specific indicator known as the Lake Condition Index (LCI) has been accepted by state and federal agencies as a method to quantify ecosystem health and identify impairment in Florida lakes.

To ensure that the collection of data is consistent, each lake has a scheduled time of the year for its sampling date. This allows comparison of not only the final LCI scores (for statistical significance) but also changes in the population of macroinvertebrates within these individual waterbodies as they respond to environmental influences (degradation or improvements).

Last October, the Board authorized funding for the benthic invertebrate sampling program on the Clermont Chain. The data collected from the program was used to calculate the LCI and compared with the previous year's data. Lake Beauclair was the sole lake sampled last year. The other lakes were analyzed from samples taken in 2008. The following lakes were sampled and or analyzed as part of this contract:

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Lake Beauclair (2 LCI sites)
Lake Dora (3 LCI sites)
Lake Griffin (2 LCI sites)
Lake Eustis (2 LCI sites)
Lake Harris (3 sites)
Lake Yale (2 LCI sites)

As of the date of this memo, the analysis is nearing completion. Therefore, the results will be presented at the Board Meeting. The contractor, Ms. Sandi Hanlon-Breuer, will update the Board on the results of this year's sampling and analysis.

Next fiscal year, staff proposes to have Ms. Hanlon-Breuer collect and analyze new samples on Lakes Beauclair, Dora and Harris.

Executive Director's Recommendation:

For information purposes only. No action required.

c. Introduction of Budget and Review of Board Priorities

Michael Perry

Staff has provided the Board with a draft 2010-2011 budget. The Board has not typically discussed the budget at its June meeting. The draft budget is provided to the Board in advance of the Budget Meeting typically held the second Wednesday in July.

The draft budget was prepared with the following assumptions in mind:

- No change in millage from FY 2009-2010;
- No additional revenue above that generated by the millage levied in FY 2009-2010; and
- Create a \$2,000,000 alum reserve in addition to the line item for alum use.

On June 1st, the Lake County Property Appraisers office issued their Estimates of Taxable Values report. The County Property Appraisers office has determined a 10.92% reduction (from \$19,195,484,886 in 2009 to \$17,100,280,504 for 2010) in taxable value for the Water Authority. This reduction follows a 6.46% reduction from 2007 to 2008 and an 8.74% reduction from 2008 to 2009 or a total of 23.95% over the three years.

Assuming the millage remains the same, the reduction in taxable value results in a \$445,474 reduction in revenue for FY 2010-2011.

Staff has prepared a draft balanced budget for FY 2010-2011 based on the assumptions identified above. To achieve the balanced budget several line items are proposed to be reduced or eliminated. The significant proposed eliminations or reductions include:

Administration

- No change in staff salaries

Land Resources

- Reduction in Exotic, Invasive Plant Removal from \$15,000 to \$10,000
- Reduction in Signs for Preserves from \$5,000 to \$2,500

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Resource Communication

Education

- Reduction in Education and Graphics Design Services from \$11,375 to \$7,500
- Reduction in Water Resource Education Mini-Grants from \$30,000 to \$15,000
- Reduction in Community Water Resource Mini-Grants from \$13,500 to \$10,000

Water Resources

- Reduction in General Legal Services from \$200,000 to \$50,000
- Reduction in Lake Beauclair Dredging from \$9,478,303 to \$9,199,824
- Reduction in LakeWatch Sampling from \$110,000 to \$25,000
- Reduction in Project Permit Fees from \$30,000 to \$10,000
- Elimination of NuRF Gravel Road Improvements (\$20,000) for 2011
- Elimination of stormwater grants (\$500,000) for 2011
- Reduction in Clermont Chain Priority Stormwater Projects from \$500,000 to \$245,000
- Reduction in Harris Chain Restoration Council funding from \$40,000 to \$5,000

Staff is evaluating project progress and schedule of payments to carefully determine the amount of Cash Brought Forward. This amount is an estimate that is continually revised throughout the budget preparation process. For this Fiscal Year three items, the Beauclair Restoration, the Use of Alum and Polymer, and the Dora Canal Bridge could have a significant influence on the amount of Cash Brought Forward. If the Beauclair Restoration bid is lower than the budgeted amount, or if the amount of alum and polymer used is less than what was budgeted, or if the City of Tavares is not successful in obtaining the local cash match for the Dora Canal Bridge, the Cash Brought Forward would be increased.

Staff is proposing only one new project, a Bear Track Flooding Project (\$10,000) for FY 2010-2011. Staff is also seeking direction from the Board members regarding their individual priorities so that the budget can be revised to reflect the Board's direction prior to the Budget Meeting scheduled for July 14, 2010 in the Cultural Arts Building at Venetian Gardens in Leesburg.

Executive Director Recommendation:

For information purposes only. No action required.

d. Status of Releases for Beauclair Restoration Project

Lance Lumbard

Staff has obtained releases from all but 13 property owners within the areas indicated by the attached maps. Of these, eight have been contacted directly by staff or local residents and were provided a second copy of the release, two have indicated a refusal to sign, and three have not responded to repeated attempts to make contact. Canal SC-2 is currently the only canal with all releases returned. Staff will continue attempting to obtain the remaining releases and will provide a status update during the July 28th board meeting.

Executive Director Recommendation:

For discussion only. No action necessary.

e. Investment Options for Operating Funds

Linda Marino

The Board authorized staff to solicit proposals from local banks for the investment of approximately \$6,000,000 in excess operating funds for terms of 3 to 6 months. The solicitation has limited acceptable

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investments to Certificates of Deposit (CD) and Certificates of Deposit Account Registry Service (CDARS). The banks have been instructed to quote rates for periods of 3 months to 6 months and the interest rates quoted should remain in effect through July 2, 2010. The solicitation specified that the Water Authority would only purchase investments from institutions that are qualified public depositories by the Treasurer of the State of Florida.

Because rates fluctuate so quickly staff requested the responses back by 4:00 p.m. on June 21, 2010. Staff will provide a summary of the responses at the Board meeting. Currently the Water Authority has three investments:

<u>Bank</u>	<u>Type</u>	<u>APY Interest</u>	<u>Amount</u>	<u>Maturity Date</u>
United Southern	CD	.70	\$ 6,000,000	6/29/2010
United Southern	CDARS	1.75	\$ 6,000,000	9/30/2010
SunTrust	CD	1.41	\$ 850,000	11/6/2011

Executive Director’s Recommendation:

Select a Certificate(s) of Deposit (CD) or Certificates of Deposit Account Registry Service (CDARS) to invest \$6,000,000.

f. New Office Stormwater Permit Application

Ron Hart

Changes to the stormwater design for the new office at Hickory Point are being finalized. The design has been modified as directed at last month’s board meeting. The new design moved the pond 30 feet away from the office and entrance sidewalk. One new change has been incorporated in the pond. The pond has an outfall structure and a bubble up inlet located in the overflow parking area. The discharge structure is designed to convey excess water from a 100-year storm event. Staff has attached the design drawing showing the proposed stormwater design.

The next step is to submit an application to the St. Johns River Water Management District for a stormwater permit. The permit fee to review the application is \$1,190. The permit typically remains in effect for five years. Should the office construction be delayed due to construction costs and revenue issues, the permit will not have to be re-issued during that five year period. If construction does not commence within that five years period, a new permit may be required.

Executive Director’s Recommendation:

Authorize staff to submit the stormwater permit application for the new office building at Hickory Point to the St. Johns River Water Management District with a check for \$1,190.

g. Expiration of Agreement for Attorney Services

Michael Perry

At the June 27, 2007 Board meeting the Board prepared a ranked short list of attorneys to provide legal services for the Water Authority. The Board ranked the attorney candidates as follows:

1. - Ms. Carole Barice
2. - Ms. Valerie Fuchs
3. - Mr. Donald Conn

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The Board then took action to direct the Chairman, one other board member and the Executive Director to negotiate with Ms. Barice.

Chairman Everly, Nancy Fullerton, and the Executive Director met with Ms. Barice in July 2007 to discuss the Board's relationship with the attorney, pending and future legal activities, and billing rates. The negotiations resulted in the attached agreement which includes the following hourly fees for the first year of this agreement.

Attendance at Board meetings:	\$ 150
Travel to attend Board meetings:	\$ 0
LCWA Attorney Services	\$ 200

Billing rates for personnel, other than Ms. Barice are specified in the agreement. Costs will not be charged for routine facsimiles, phone calls, copies and regular postage. All other charges will be invoiced at actual expense and receipts will be provided as necessary.

The agreement was for the period beginning July 1, 2007 and ending July 1, 2010 and may be renewed for an additional three (3) year period thereafter. The agreement may be terminated by either party upon sixty (60) days written notice. The above rates may be reviewed and adjusted by the parties annually, commencing on July 1, 2008. The Board approved this agreement in July 2007 and never took action to adjust the rates. The current agreement expires on July 1, 2010.

There several options available to the Board regarding this agreement:

- 1) Direct staff to release a Request for Qualifications to seek qualified candidates;
- 2) Appoint an attorney without a competitive process;
- 3) Renew the existing agreement with Attorney Barice; or
- 4) Renegotiate a new agreement with Attorney Barice.

Staff is seeking direction from the Board regarding the expiring Agreement for Attorney Services.

Executive Director Recommendation:

For information purposes only. No action required.

5. **Public Comment (5:00 p.m. or as soon thereafter as possible)**
6. **Legal Staff Report**
7. **Action Items**

a. Renewal of Land Management Services Agreements

Patricia Burgos

On December 2009, the Board authorized staff to the release a Request for Bids for Land Management Services. The RFB was released on April 5, 2009. The Board awarded contracts to six companies for land management services to be performed on an "as needed basis" for the Preserves, water structures,

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Hickory Point, and the Nutrient Reduction Facility. The agreements were one year agreements that could be renewed twice. The present agreements are scheduled to be terminated in July 2010.

Staff is recommending that the Water Authority renew the agreements for the Fiscal Year 2010-2011 and extend the annual agreements by three (3) months to reflect the deadline of September 30, 2011. This would be the first renewal out of a possible two renewals. The following companies would be affected by the renewal and extension:

Groundtek of Central Florida
Agri-Timber, Inc.
Lake Jem Farms, Inc.
MEL-CON, Inc.
Bio-Tech Consulting, Inc.
Eco-Logic Restoration Services, Inc.

The first four (4) companies are more maintenance, road repair, and dirt-moving type companies and the last two companies are more environmental and restoration-type companies. Staff has been generally pleased with the performance of the land management service contractors during the first year. Staff has learned their strengths and weaknesses for doing certain levels of land management activities. Entering into an agreement with these companies would not guarantee that any money would be spent, but that they would be available when the Water Authority needed them and the bid prices would be locked in for another year.

Executive Director's Recommendation:

Authorize staff to renew and extend the Land Management Services Agreements for Fiscal Year 2010-2011.

- 8. Board Member Comments**
- 9. Board Member Items for Future Agenda**
- 10. Information Items**
 - a. Staff Report
 - b. Monthly Financial Reports – May 2010
- 11. Announcement of Upcoming Meetings and Events**
 - **Budget Workshop – Wednesday, July 14, 2010 (9:00 a.m.) – Cultural Arts Building, Venetian Gardens, Leesburg**
 - **Board Meeting – Wednesday, July 28, 2010 (3:30 p.m.) BCC Chambers/ Admin. Building**
- 12. Adjournment**