

MINUTES OF THE REGULAR BOARD MEETING
of the
LAKE COUNTY WATER AUTHORITY
August 14, 2019

The Regular Hearing of the Board of Trustees of the Lake County Water Authority was held at 3:30 p.m. on Wednesday, August 14, 2019, in the Lake County Administration Building, County Commissioners Chambers at 315 West Main Street, Tavares, Florida.

Members Present-District #

Amy Stone, Chairman (#5)
Carolyn Maimone, Vice Chair (#3)
Keith Farner (At-Large)
Butch Hendrick (#4)
Courtney Stokes (At-Large)

Staff Present

Michael J. Perry, Executive Director
Ron Hart, Water Resources Director
Dr. Jason Danaher, Water Res. Project Manager
Biago Gugliotti, Land Resources Director
Ben Garcia, Office/IT Manager
Anna Ely, Recording Secretary
Kevin Stone, Attorney

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

The meeting was called to order at 3:30 p.m. and everyone stood and recited the Pledge of Allegiance.

2. APPROVAL OF MINUTES

MS. MAIMONE MADE A MOTION TO APPROVE THE MINUTES OF THE LAKE COUNTY WATER AUTHORITY MEETING OF THE JULY 17, 2019 – BUDGET WORKSHOP AND TO APPROVE THE MINUTES OF THE LAKE COUNTY WATER AUTHORITY MEETING OF THE JULY 24, 2019 - REGULAR MEETING. Mr. Farner seconded the motion.

Motion approved 5-0.

3. PUBLIC COMMENT

Kim Cronin addressed the Board regarding the obstruction to the natural flow of the water into Turkey Lake and Pumpkin Center Lake. She stated that residents in the area had sent a letter to the owner of the property where the blockage is located and have not received a reply. She noted that she just wanted to update the Board and staff regarding the lack of response.

4. EXECUTIVE DIRECTOR REPORT

Mr. Perry addressed the Board and gave the water level and rainfall reports. He reported that Lake Apopka is currently 2.5 to 3 inches above regulatory schedule because of the amount of rain that has been received in that area. He noted that the flow through the NuRF is currently at 200 cfs.

He explained that because of the rate the water level of Lake Apopka had been rising, the District had been pushing water through the system at 250 cfs along with over the spillway. He stated that because of the higher flows they were seeing material migrating through the ponds at NuRF and not settling out well. He stated that now it is back at 200 cfs, the material has been settling out and we are better able to capture the floc. He stated that the NuRF is currently at 200 cfs, along with 95 cfs through the spillway.

Mr. Perry stated that staff has been in contact with the District, talking to them about getting the flows down a little so that it can all be run through the NuRF. It is likely that this will happen as Lake Dora is starting to move close to maximum desirable. He stated the only way water gets out of Lake Dora is through the Dora Canal, so the District is going to have to lower the flows to bring the Lake Dora water level back down to normal levels. He noted that currently there is 962 cfs flowing through the Burrell structure on Haynes Creek.

He stated that Moss Bluff flows had been close to 1300 cfs, but the water levels on Lake Griffin had begun to drop below the regulatory schedule, so the District has dropped the flow back to approximately 500 cfs in order to bring the water level on Lake Griffin back up to regulatory schedule.

Mr. Perry stated that county-wide we are at 102% of the expected year-to-date rainfall. He noted that with all the rain that the water level on the Clermont Chain was 96.72 msl as of that morning, which in the middle of the regulatory range. He stated that this is about a 1/3 of a foot higher than it was this time last year. He noted that Big and Little Creeks are at a combined flow of 180 cfs as of that morning.

He explained that sometime at the end of this week, operations at NuRF will be increased to two shifts a day and 7 days a week.

Mr. Perry stated that there is no significant weather expected in the tropics over the next five days but did note that the projected number of storms for the season has been increased to 10 to 17 storms and 5-9 hurricanes with 2-4 of the hurricanes being major hurricanes.

Vice Chair Maimone stated that she would not be able to attend the September 11, 2019 Tentative Budget Meeting.

5. CONSENT AGENDA

There were no items on the consent agenda.

6. REGULAR AGENDA

- a. SJRWMD Contract with Phosphorus Free Water Solutions to Remove Phosphorus from Lake Apopka

Ms. Lindsey Porter from St. Johns River Water Management District gave a PowerPoint presentation and explained the Phosphorous Free Water Solutions project on Lake Apopka to the Board. She stated it is expected to facilitate the improvement of water quality of Lake Apopka. She noted that the project has a budget of 1.16 million dollars with contract period of 2 years.

She explained that water would be pumped from Lake Apopka and conveyed to the treatment facility where the suspended solids will be filtered out and removed. She stated that the removed solids would then be placed in an area on the Lake Apopka North Shore and the water would then be treated to remove dissolved phosphorus and then returned to the lake.

Ms. Porter explained that they Phosphorous Free Water Solutions (PFWS) has been working on the permits and are ready to start construction. She noted that they plan to be operational sometime this fall. She also noted that in preparation for this project PFWS did complete a twelve-week pilot project to test the process.

Mr. Hendrick asked for clarification that they are going to be removing the suspended solids and placing them in the containment area, and then dosing them with polymer to separate out the floc and Ms. Porter agreed.

Ms. Porter explained that any water removed in the process would be pumped back to the treatment facility to then treat it for dissolved nutrients. She also explained that the solids that would be placed in the containment area are actually lower in nutrients than the containment area and will act as a cap/cover over the more contaminated sediments.

Mr. Farner asked how long it would take for them to fulfill the contract once it is operational and Ms. Porter stated that it would take approximately six months. He stated that he would like to be informed of the results once the project has been completed.

Mr. Hendrick stated that he would like to talk to the staff at Phosphorous Free Water Solutions and both he and Mr. Farner asked about looking at the facility.

Mr. Perry stated that Phosphorous Free Water Solutions has asked that we wait until the facility is operational and then we would be welcome to visit the facility.

b. Exercise Option to Purchase Lake Denham Property

Mr. Hart stated that in the past couple of months the Board has directed staff to perform several tasks regarding the Lake Denham property. He stated that one was to have a survey done of the property and noted that had been completed as of today.

He stated that he has provided Attorney Stone with a copy of the survey. He explained that there had been some concern as to whether all parcels were contiguous and that they are contiguous according to the survey.

Mr. Hart explained that the other request by the Board was to perform an additional environmental assessment and to hire a professional who was capable of reviewing the data that's collected by our primary consultant Aerostar and compare that to the

contaminants that were present on the Apopka North Shore, and recommend how we should proceed with our site regarding any potential issues.

He stated that the assessment was completed late Friday, so he was able to get it out to Susan Tobin in time for her to look at it over the weekend and create a summary of the issues that are present on the site.

Mr. Hart stated that Ms. Tobin has a Masters in Geology and is one of the top experts on contaminants and remediation in Central Florida. He noted that she worked on over half of the Apopka North Shore sites as well as the remediation they had across the North Shore properties.

He showed a map of the property and pointed out several areas they were going to be discussing.

Mr. Hart introduced Susan Tobin with TASK. Ms. Tobin stated her experience and areas of expertise and noted that she is an expert in pesticides and arsenic.

She stated that the Lake Denham property is roughly 768 acres of farm fields, submerged lands and forested property in seven different parcels. She explained that the St. Johns River Water Management District actually owns a conservation easement on part of the property. She stated that the agricultural fields are a combination of historic sod farm fields, groves and vegetable fields, although the data doesn't really support the presence of vegetable fields.

She noted that there is an operations site, storage areas and pump stations (east and west) and Aerostar had identified petroleum products, oil stains, petroleum storage and pesticide storage and handling and farm fields as potential issues. She stated that in their Phase II Assessment they identified ten sites from which they obtained samples.

She explained that she reviewed their Phase II Assessment and identified some issues and requested some additional sampling at the petroleum sites, a few permanent wells to test groundwater and more sampling in the farm fields in order to have sufficient sample quality to calculate site-wide averages of arsenic levels.

Ms. Tobin explained that based on the additional sampling she has identified four small areas of potential concern.

She stated that the north barn area has internally a small area of toxaphene contamination at relatively low levels and one sampling at the south barn shows toxaphene contamination. She noted that the screen structure has one tiny spot of very low level polynuclear aromatic hydrocarbon that needs to be cleaned up to satisfy DEP. She stated that this area of contamination is less than one truck load of soil.

Ms. Tobin stated that it is important to understand the difference between a release or discharge of contaminants and an agricultural application of pesticides and farm products which may also contain contaminants.

She explained that releases and discharges are against the rules and have to be cleaned up, but application of pesticides are exempt, so the farm fields that have arsenic above the residential cleanup goals, are not considered a release of contaminants and DEP does not require cleanup of agricultural application pesticides.

She clarified that DEP requires cleanup of spills and releases for mixed load sites and petroleum storage, but if it is an application of a product, it is not required. She explained that arsenic appears in fertilizers and most common commercial fertilizers can have two to seven parts per million of arsenic, so when you fertilize property there will be arsenic. She noted that it was common to use arsenic on sod farms as an herbicide.

Ms. Tobin stated that the data indicated they were using an inorganic arsenic and it has not migrated into ground water, so it does not have to be treated. She noted that there is no groundwater contamination in the farm fields or at the barns and petroleum sites.

She stated that the north barn cleanup, the south barn cleanup and the cleanup at the screen structure would typically be done by the current owner before the sale of the property, but if the Board were to buy the property with the contamination still in place, she feels they have an obligation to remediate them.

She stated that the remediation and cleanup and disposal of soil off-site should cost no more than \$50,000. She also noted that they could do some on-site management which is cheaper and relatively easy. She stated that basically all that DEP requires is that the soil be covered with two feet of clean fill and explained that they could dig a hole above the water table and put the soil in and cover with fill. She noted that they would have an obligation to maintain that and DEP may inspect it every five years, but it can be done very inexpensively by staff.

Ms. Tobin explained that since the farm fields are going to be submerged, they would not be required to clean up the arsenic on the property, they just need to manage the entry of water onto the property. She explained that one of the issues with the Lake Apopka North Shore is that the water came in too fast and the turbulent flows stirred up contaminants that were there.

She noted that there are two non-environmental wells on the property, and they may have to plug those wells. She stated that the District may be able to help with that. She also stated that there are five above-ground storage tanks, four of which are not regulated. She explained that those four would have to either be removed if they are not going to be used or regulated.

She explained that there is a lot of solid waste on-site, so there will be a cost associated with that if the seller isn't going to clean it up.

Ms. Tobin stated that there is no comparison between this site and the Lake Apopka North Shore. She stated that on Lake Apopka the contaminants were chlorinated pesticides and toxaphene. She explained that toxaphene doesn't go away, it lingers for a long time. She stated that the property where toxaphene was left behind when they

flooded the property the first time had concentrations well over a thousand parts per million.

She noted that highest concentration on the Lake Denham property is 22 parts per million and is in a spot not much bigger than the dais in front of her (1.5 feet x 1.5 feet) and stated that it is in a very tiny area with a very tiny concentration of contaminants.

She stated that she saw nothing in Aerostar's data that would even begin to suggest an environmental issue associated with flooding the Lake Denham property. She noted that she sees no human health risks or environmental issues with flooding the property.

She explained that the current moisture content of the muck is extremely high at 80% in all of Aerostar's samples, except for a few on the berm. She stated that it is unlikely that DEP's cleanup criteria will even apply as their cleanup criteria only applies to water above the water table, and this area is clearly below the water table.

Mr. Hendrick asked if there would be any problem with release of contaminants if they were to flood the farm fields and Ms. Tobin stated that there wouldn't as long as the flow of water is properly managed. He asked what type of solid waste was found on the property and Ms. Tobin stated that there is debris in the barn including wood and furniture. She noted that there is also some concrete debris. She stated that it is not an environmental issue, but they would want to remove the debris.

Mr. Hart stated that the last time he visited the site, the current owners had removed most of the debris. He noted that the barns are in extremely poor condition and aren't usable, so they will want to get rid of the barns. He noted that there wasn't an immediate need, but something they would need to do before we invite members of the public to the property.

Mr. Hendrick asked how far along we are on the contract and Attorney Stone stated that they would like to exercise the Option to Purchase so that the deal could be completed before the end of the fiscal year but didn't want to do it prematurely prior to understanding what the environmental, title and survey issues there might be.

Attorney Stone explained that all the reports are in now, but only in last few days, so the review is not yet totally complete. He stated that however, based on Ms. Tobin's report, BESH's report and what his office has looked at, they are feeling pretty good that if there are defects, they are the kinds of things that will either be resolved prior to closing or that we can waive as being immaterial.

He stated that has prepared resolution that can be passed that will authorize the Executive Director to exercise the option (to purchase the property). He explained that the resolution isn't the exercise itself, the exercise will be something that Mr. Perry would do once he is comfortable that there aren't any more issues that will pop up as we take a careful look at the survey and make sure there aren't any environmental or title issues.

Attorney Stone stated that he would recommend approval of the resolution as it still give us an opportunity to continue to research before Mr. Perry exercises the option with a

letter to the sellers. He noted that the option itself contains conditions whereas the Water Authority must be satisfied with those important things prior to closing, and if for some reason we are not satisfied, we can refuse to close. He explained that the seller is not obligated to fix things, but we as buyer would have the opportunity to leave the table if there is a problem.

Mr. Perry noted that each Board Members should have received a copy of the resolution and Attorney Stone gave a quick summary of the resolution and explained that it states:

“We are now therefore going to authorize the Executive Director to exercise the Authority’s Option to Purchase, and he will do so, if he chooses to do so with a letter executed by Mr. Perry and delivered to the seller.”

He noted that will constitute the formal exercise of the Option obligating us to purchase the property, provided that no issues arise between the exercise and the closing, and explained the conditions listed in the resolution.

VICE CHAIR MAIMONE MADE A MOTION TO ACCEPT BESH’S PROPOSAL FOR SURVEYING THE LAKE DENHAM ACQUISITION SITE FOR A COST NOT TO EXCEED \$21,000. Mr. Farner seconded the motion.

Motion approved 5-0.

VICE CHAIR MAIMONE MADE A MOTION TO ACCEPT RESOLUTION 2019-02.
Mr. Farner seconded the motion.

Motion approved 5-0.

[VICE CHAIR MAIMONE MADE A MOTION TO EXERCISE THE BOARD’S OPTION TO PURCHASE THE LAKE DENHAM PROPERTY. Mr. Farner seconded the motion.]

Attorney Stone stated that because the resolution authorized the Director to exercise that option and we haven’t reached a final determination that we are going to exercise that option, the motion to exercise the Board’s Option was not needed at this time. Mr. Farner withdrew his second and Vice Chair Maimone retracted her motion.

c. FY 2018-19 Budget

Mr. Perry explained the changes made to the budget since the last meeting.

- **100-320 - Accounting & Auditing**

In anticipation of receiving the FEMA reimbursement Line No. 20 has been increased by \$3,000 (from \$15,950 to \$18,950) for a single audit for the FEMA funds.

- **100-460 - Repairs & Maintenance**

Staff increased Line No. 58, A/C Repairs, by \$2,000 (from \$2,000 to \$4,000) to provide for a maintenance contract for the office A/C unit to prevent any future interruptions.

- **710-349 - Harris Chain Restoration Council**
Staff decreased Line 297 by \$1,374 (from \$9,850 to \$8,746) to accurately reflect the remaining Harris Chain Restoration Council funds.
- **710-460 - Repair & Maintenance - NuRF Maintenance Reserve**
Staff decreased Line 310, NuRF Maintenance Reserve by \$5,000 (from \$537,518 to \$532,518) to accommodate the increase to the Accounting & Audit line for the FEMA funds audit and the increase for the A/C maintenance contract.
- **Other Revenues - Harris Chain Restoration Council**
Staff decreased Line 635 by \$1,374 (from \$9,850 to \$8,746) to accurately reflect the remaining Harris Chain Restoration Council funds.
- **Cash Brought Forward**
Staff has done a recalculation of the cash carried forward and have made an adjustment – Ms. Rider had noted that we had received an additional \$71,000 in tax revenue, plus there was \$671,000 in savings of alum costs, and due to Ms. Rider’s diligence, we have received the first of the FEMA checks in the amount of \$300,000. He noted that there is still \$800,000 in FEMA money to be received.

He stated that he has prepared three suggested budget options. He explained that Option #1 is based on not changing the tentative millage they had set. He suggested that the additional funds could be applied to Alum and Polymer Supplies, NuRF Maintenance Reserve, Site Improvement and Stormwater Grants.

He noted that Option #2 is based on further reducing the budget approximately one-million dollars which takes the millage down to .034 mils. He stated that they would still be able to add \$490,000 back into the budget for Alum and Polymer Supplies, NuRF Maintenance Reserve and Stormwater Grants.

He explained Option #3 would be if they wanted to reduce the millage to offset all the increase revenue, the millage would then be approximately .03199 mils.

Mr. Perry stated that while they didn’t need to make any decisions tonight, it would be helpful if staff could get some direction from the Board about how they would like staff to proceed.

whether to reduce millage or increase budget maintenance reserve, alum and storm water grants.

Mr. Farner stated that he like the Board to consider Option #2, which would still increase the budget considerably and funding all our planned projects, while decreasing the millage to .034 mils.

Vice Chair Maimone stated that she is glad that we are reducing the millage but does like the idea of having some money in the NuRF portion of the budget, just in case there are additional problems that prove to be costly.

Mr. Hendrick suggested going with Option #2 but taking the additional \$250,000 for NuRF Site Improvement that is suggested in Option #1 and move it to Option #2 and increase the millage suggestion for Option #2 to include the addition \$250,000.

Chairman Stone stated that she is okay with doing that. She noted that she could like to reduce the millage below .039 mills, but she didn't want to take it so low that the Agency can't do some of the things they may want or need to do.

Mr. Farner stated that he is okay with that compromise. He noted the Lake Yale Project will be fully funded next year, which will mean another one million dollars a year in the budget. He stated that he also agreed with Ms. Cox that he doesn't want a new Director coming in and having his hands tied as far as budget. He stated that he felt they are acting responsibly and is okay on moving the \$250,000 to Option #2.

Ms. Stokes stated that she was also okay with that suggestion and she liked having a little bit of extra padding, especially if we were to get another bad hurricane.

Chairman Stone noted that what she is hearing from the Board is to go with Option #2 but add the additional \$250,000 for NuRF Site Improvement that is suggested in Option #1 and increase the millage suggestion for Option #2 to include the addition \$250,000 and send a copy of the adjusted budget out to the Board.

Mr. Perry reminded the Board that at the Tentative Budget Hearing they will adopt a tentative millage, but they will still have the opportunity to further reduce the millage.

d. Public Comment Policy

Mr. Perry noted that they had already had a short discussion at the beginning of the meeting about moving public comment to the early part of the agenda rather than people having to wait until 5 pm. He stated that their back-up included a copy of the policy which was prepared by Attorney Stone's office.

VICE CHAIR MAIMONE MADE A MOTION TO ADOPT POLICY 013 - PUBLIC COMMENT POLICY. Ms. Stokes seconded the motion.

Motion approved 5-0.

e. Authorization to Advertise for Executive Director Position

Mr. Perry stated that this is an opportunity to discuss the authorization to advertise for the Executive Director position. He explained that the memo contains a general statement of the job description that was drafted, based on previous position descriptions.

He stated that staff has requested a couple time that members of the Board send any comments they might have to Wendy, The HR Lady, and as he hasn't heard from here, he assumes she didn't receive any comments. He noted that the memo also contains a draft vacancy announcement.

Mr. Perry also noted that Attorney Stone has put together more of a formalized booklet/binder with information the Board would need to have to make an informed decision. He stated that they aren't prepared to talk about that at this meeting, other than one of the suggestions, is to hold a workshop/goal setting exercise for the Board to discuss their priorities both short term and long term.

He stated that staff had anticipated putting out the position advertisement sometime at the end of August or beginning of September and to let it run 60 to 90 days; then in December start making a decision.

Mr. Perry asked the Board if they wanted to try to schedule a workshop/goal setting exercise. He stated that they have a little bit of time, but it will become crunch time after the beginning of the year.

Vice Chair Maimone stated that this is a big decision and all Board members need to have personal input on the requirements for the new Director, and they need to come up with something that will work, so applicants will know what they are applying for.

Mr. Hendrick noted that they also need to come up with a base salary range as applicants will want that information and Vice Chair Maimone stated that there is a lot of planning that needs to be done before the position is advertised.

Mr. Perry stated that he would contact Wendy to see what her schedule is and see if she can lead them through that their discussion.

Chairman Stone stated that she would prefer that they hold a separate meeting rather than try to discuss it at a board meeting. She stated that she would be available during the week of the board meeting.

Vice Chair Maimone stated she would not be available Thursday or Friday either of the board meeting weeks. She suggested that they hold the workshop on Wednesday, September 18th in the afternoon.

Mr. Perry stated that staff wouldn't advertise the position until after the workshop.

7. LEGAL COUNSEL REPORT

Attorney Stone stated that he had nothing else to report. He noted that he would be scheduling a brief phone call with each of them to discuss a few items.

8. BOARD MEMBER COMMENTS

Mr. Farner stated that he would like an update on the Turkey Lake situation on the agenda next month. He stated that he also wanted staff to look into a more formal memorandum of understanding with the District on how they operate the spillway at the Apopka-Beauclair Lock and Dam.

He stated that he had been out to the NuRF recently and stated that it has been cleaned up a lot and looks greatly improved. He noted that the floc looked different and it didn't look like the water was being treated properly. He asked if there was a problem with aerator?

Dr. Danaher stated that staff monitors water quality on daily basis and makes adjustments as needed. He explained that there has been an increase in organics coming in, as currently the water coming in is not being treated thru the Lake Apopka flow way. He stated that they have increased the alum dosage to better treat the increased organics.

He stated that they have also reduced the flow through the NuRF and are currently treating about 156 to 175 cfs.

Ms. Stokes stated that she finally made it to some of the Water Authority properties that she hadn't been to before. She thanked Ben Gugliotti for taking her out to the properties and stated that she really enjoyed seeing the properties.

Chairman Stone stated that for now, in order to facilitate shorter meetings, along with moving public comment to the beginning of the meeting, they are also going to forego the normal breaks they have been having during meetings.

She noted that she would not be able to attend the September 11th Tentative Budget Hearing as she will be out of town on business. She also noted that the possibly of a workshop on Wednesday September 18th.

9. BOARD MEMBER ITEMS FOR FUTURE AGENDA

Mr. Hendrick stated that he would like to have the topic about what they can do with the extra property at the NuRF on agenda next month.

10. INFORMATION ITEMS

- a. Staff Reports
- b. Monthly Financial Reports – July 2019

11. ANNOUNCEMENT OF UPCOMING MEETINGS AND EVENTS

- Tentative Budget Hearing - Wednesday, September 11, 2019 (5:05 pm)
- BCC Chambers/Admin. Building
- Regular Board Meeting - Wednesday, September 25, 2019 (3:30 pm) BCC
Chambers/Admin. Building
- Final Budget Hearing - Wednesday, September 25, 2019 (5:05 pm) BCC
Chambers/Admin. Building

12. ADJOURNMENT

The meeting was adjourned at 5:00 p.m.