

MINUTES OF THE REGULAR BOARD MEETING
of the
LAKE COUNTY WATER AUTHORITY
July 26, 2017

The Regular Hearing of the Board of Trustees of the Lake County Water Authority was held at 3:30 p.m. on Wednesday, July 26, 2017 in the Lake County Administration Building, County Commissioners Chambers at 315 West Main Street, Tavares, Florida.

Members Present-District #

Adam Dufresne, Chairman (At Large)
Keith A. Farnar, (At Large)
Peggy Cox, Chairwoman (#1)
Diana M. Mullins (#3)
Doug Bryant (#4)
Amy Stone (#5)

Staff Present

Michael J. Perry, Executive Director
Patricia Burgos, Environmental Prog. Mgr.
Ron Hart, Water Res. Prog. Mgr.
Sergio Duarte, Water Res. Proj. Mgr.
Ben Garcia, IT Manager
Christina Rider, Executive Office Manager
Anna Ely, 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

The meeting was called to order at 3:38 p.m. and everyone stood and recited the Pledge of Allegiance.

2. APPROVAL OF MINUTES

MS. MULLINS MADE A MOTION TO APPROVE THE MINUTES OF THE LAKE COUNTY WATER AUTHORITY MEETING OF WEDNESDAY, JUNE 28, 2017 - REGULAR MEETING AND OF WEDNESDAY, JULY 12, 2017 - BUDGET WORKSHOP. Ms. Stone seconded the motion.

Motion approved 6-0.

3. EXECUTIVE DIRECTOR REPORT

Mr. Perry introduced Joe Mason and stated that he was sitting in for Attorney Carole Barice who was out of town.

Mr. Perry gave the water level and rainfall reports, pointed out the higher water level on Lake Apopka, due to the recent rain. He stated that more rain is expected so it is hopeful that there will be water flow coming from Lake Apopka soon. He noted that staff has the NuRF ready, should it start to flow. He explained that currently the Regulatory Schedule for Lake Apopka is low, but will start to move up in August.

He stated that the repairs to the Moss Bluff current repairs are due to be completed sometime next week and currently the flow through Moss Bluff is 72 cubic feet per second.

He stated that countywide, we are currently at 104% of the average year to date rainfall, which is about an inch over where we would normally be at this time of the year. He noted that the average rainfall for July is 7.63 inches of rain. He stated that there has been nine inches of rain so far at Villa City, and 14 inches at M-1.

Mr. Perry informed the Board that there has been someone looking to purchase Hunt Island near the Cherry Lake Dam. He explained that the Water Authority has an easement along the shoreline and the prospective owner would like the Water Authority to move the easement from the shoreline to the middle of the island.

He noted that Attorney Jimmy Crawford is their representative and it is possible that the Board would be hearing from him next month.

Mr. Perry stated that someone also came in to the office to talk about the Villa City Structure. They stated that they own property on both sides of the river and rely on an old 1970's easement to access both sides of the property, and they are trying to come up with some future value of the property.

He stated that the property owner has stated that the easement allows them to cross the Cherry Lake Structure, but staff is not sure that it does. He noted this is not as imminent as the issue at Cherry Lake, but will be coming to the Board in the future.

Mr. Perry stated there was one more item he would to bring to their attention involving a dock built on a canal between Lake Minneola and Lake Hiawatha. He explained that the dock is located in a subdivision built on the site of an old sand mine, along the canal.

He explained that one of the homeowner has built a dock and are now concerned about the boat traffic in the canal while the kids are swimming off the dock. He stated that they are requesting a no wake zone in the canal, but the canal is 107 feet wide and doesn't meet the 75 feet width requirement for a no wake zone.

He stated that both Mr. Hart and Mr. Duarte have told the homeowners that unless there are documented incidents and accidents to substantiate the danger, there is little chance of getting a no wake zone. He noted that in the meantime they are continuing to call and come up with new reasons there should be a no wake zone.

Mr. Perry stated that staff intends to call the homeowners and inform them that the canal doesn't qualify for a no wake zone, and if they want they can come and talk to staff about it and they will explain the regulations.

Ms. Cox suggested that since the Lake County Board of County Commissioners have to create and pass an ordinance, they should to talk to their commissioner.

Mr. Hart stated although it is Lake County that has to adopt the ordinance, they have a set process with the Water Authority. He explained that whether or not a wake zone should be created is deferred to the Water Authority and the Agency decides whether to create an ordinance. He stated that the Water Authority then creates the ordinance and takes it to Lake County for them to adopt.

Ms. Cox stated that it is a very scary canal and she couldn't image why anyone would build a dock on the canal. She noted that many boaters would be upset if the canal became a no wake zone.

Ms. Mullins stated that if Fish and Game won't approve a no wake zone, why bother to go through the process. She stated that it doesn't make sense to go to the effort when it won't be approved.

Ms. Cox stated that if they were to create a no wake zone, there would be a lot more people building docks along the canal and issues with boat traffic would be worse.

Ms. Stone stated that if Fish and Game is not going to approve the creation of the wake zone, they should make an official decision by the Board. Vice Chair Farnier and Ms. Mullins agreed.

Mr. Perry asked whether the Board wanted staff to put the topic on the agenda and allow the residents to appear should they wish.

The Board directed staff to email the homeowners of the criteria and inform them that if they wish to address the Board, they should contact staff and ask to be put on the agenda.

Ms. Cox noted that the homeowner has also created beaches and Mr. Hart stated that they have cleared vegetation and created sand beaches along their shoreline.

Mr. Perry also informed the Board about the upcoming Legislative Delegation Meeting to be held on Monday, August 28 at Lake Sumter State College from 1:30 pm until 4:00 pm.

Mr. Hart addressed the Board and stated that he had recently attended the Florida Lake Management Society (FLMS) yearly convention. He stated that this yearly event brings together people from agencies across the state.

He explained that each year they give out awards to notable persons in the field, scientists and elected officials. He stated that this year's award presented to Mr. Duarte. He noted that Mr. Duarte has been Program Chair for FLMS and NALMS this year.

He stated that Mr. Duarte was out of the country at the time and was unable to attend. He then presented Mr. Duarte with the Florida Lake Management Society's President's Award.

4. CONSENT ITEMS

MS. COX MADE A MOTION TO APPROVE THE CONSENT ITEMS. Ms. Mullins seconded the motion.

Motion approved 6-0.

- a. Approval to Extend Emergency Tree Removal Agreements

AUTHORIZE THE EXECUTIVE DIRECTOR TO EXTEND THE CONTRACT TIME OF THE EMERGENCY TREE REMOVAL SERVICES AGREEMENTS FOR ONE ADDITIONAL YEAR.

- b. Authorization to Purchase Boom Mower and Trailer

1) AUTHORIZE THE EXECUTIVE DIRECTOR TO PURCHASE NEW MOWER, BOOM AND TRAILER FROM DEERE & COMPANY/FIELDS EQUIPMENT (DEALER) NOT TO EXCEED \$55,877.48.

2) AUTHORIZE EXECUTIVE DIRECTOR TO MAKE A BUDGET TRANSFER OF \$65,000 FROM 9898710-830460 WATER RESOURCES - MAINTENANCE AND REPAIRS TO FIELD SERVICES 9898730-860640 MACHINERY AND EQUIPMENT.

5. DISCUSSION ITEMS

- a. Invasive Plant Management in Harris Chain of Lakes

Ms. Nathalie Visscher, with Florida Fish and Wildlife, gave a PowerPoint Presentation regarding Invasive Plant Management in Lake County. She explained that she has been working in invasive plant management for 18 years, with 14 in Lake County.

She explained that the Florida Fish and Wildlife (FWC) is designated by the Florida Legislature, as the lead agency for coordinating and funding two statewide programs controlling invasive plants; one of which is controlling invasive aquatic plants in public waterways and the other is controlling invasive upland plants on public conservation lands.

She also explained that Aquatic Plant Management Plans are evaluated every spring for the new fiscal year starting July 1st. She stated that predicting the cost of managing invasive plants and how many acres will need to be treated in any given fiscal year is difficult.

Ms. Visscher explained that some of the things that influences where, when and how quickly these types of plants are growing, are the lake conditions and nutrient levels, drought or excessive rain and what is being done for plant management. She noted that activities occurring within the lake's watershed also have an influence.

She stated that Hydrilla management tops FWC's priorities as well as management of floating plants such as water hyacinth and lettuce.

She explained that last year the State Legislature had allocated \$20,000,000 in funding for the Aquatic Plant Management Program throughout the state. She stated that with the budget cuts this year; they will only receive \$18,297,000. She noted that Hydrilla would still be their top priority, but due to the budget cuts, minor invasive plants may not be addressed this year.

She gave a list of their priorities and explained that what they are able to treat is dependent on funding.

- Plants blocking access & navigation
- Open areas in dense Hydrilla mats
- Large-scale Hydrilla control (which they are focusing on now)
- Control other noxious plants
- Residential canals

She showed a map and pointed out the main areas where Hydrilla growth is a problem and talked about what they are doing to control it.

Ms. Cox asked if there are regulations pertaining to how much of their lakefront a homeowner can clear.

Ms. Visscher explained that they have to apply for permit. She stated that after obtaining a permit, they could clear 50 feet or 50% of the shoreline, whichever is less. She explained that if they want to remove plants outside that area, they could only remove exotic plants.

She noted an exception for the Harris Chain and stated there is no permit needed, if they are not using herbicide.

She explained that there is no permit exemption for the Clermont Chain and any lakefront clearing must have a permit.

Ms. Visscher explained that as part of her job, she handles the permitting, enforcement and inspection of the plant removal. It was noted that anyone needing a permit should contact Ms. Visscher.

Ms. Cox asked what regulations there are regarding bringing in sand to make a beach along a lakefront.

Ms. Visscher stated that it is not allowed under Department of Environmental Protection Regulations. She explained that sand can only be placed as far as the normal high water line and must have timber landscaping or some type of retaining wall to keep the sand from washing into the lake.

Ms. Cox stated that a subdivision on Lake Minneola just dumped a whole truckload of sand on their lake front property and Ms. Visscher suggested that she called Nicole Martin with the Department of Environmental Protection.

Vice Chair Farner asked if it is still St. Johns River Water Management's policy to keep Hydrilla at lowest manageable level and Ms. Visscher stated that it is. He also inquired about Pond Weed and Ms. Visscher explained that they don't treat Pond Weed as it is a native plant.

She noted that they are seeing Hydrilla out in the lakes and away from the shore more often. She explained that it is usually seen closer to the shore.

Ms. Visscher also explained that she does a regulatory inspection of the lakes in Lake County every four to six weeks. She stated that treatment sites are monitored and any stray areas are treated.

Ms. Visscher explained that the plants that they focus on could change from year to year depending on what is needed most. She stated that while they usually focus on Hydrilla, last year there were more floating plants and that was what they focused on. She noted that this year, Hydrilla is an issue for the whole state.

She stated that unfortunately their budget keeps going down as the State Legislature keeps reducing their funding.

Vice Chair Farner asked about the effect of the NuRF and water clarity on the Hydrilla. Ms. Visscher explained that Hydrilla doesn't need water clarity, but native plants do. She stated that once there is enough water clarity for native plants to establish, the native plants will help control the Hydrilla.

Mr. Perry thanked Ms. Visscher and stated that the Water Authority appreciates her efforts.

b. FY 2017-18 Budget - Set Proposed Tentative Millage Rate

Mr. Perry stated to the Board that they only had to do at this time was set the tentative millage. He explained that the tentative millage is the millage that they don't intend to go higher than. He noted that they could always choose to lower the millage.

He stated that changes requested by the Board during the Budget Workshop had been included in the budget, as well as some some changes to the Cash Carryforward and a few other last minutes changes. He noted that the changes are highlighted in brownish orange.

- Line 16- General Legal Services – Mr. Perry pointed out that the amount for Legal Services had been set at \$60,000 per the Board's instructions.
- Line 26-Commissions to Property Appraiser – He noted that the increased costs to the Property Appraiser and,
- Line 29- Commisions to Tax Collector – also noted the increase in Tax Collector fees.
- Line 47- cost less due to sale of old building
- Line 170- Back up Generator – He noted that this line had been changed from funding for Solar Power installation to the purchase of a Back-up Generator. He explained that the actual dollar amount has not been changed, but will once we have more information on the generator cost.
- Line 211- Replace Wood On Deck Behind Pavilion – Mr. Perry noted that he was instructed not to use TDC money to replace the deck on the pavilion, so this line had been zeroed out and he would point out further along in the budget where it had been move to the Field Services budget.
- Line 212- Plant Additional Trees (TDC Funds) – He stated that he had increased the planting of additional trees at Hickory Point to \$30,000 (TDC Funds) per the Board's instructions.
- Line 247- Public School Transporation to NuRF – Mr. Perry explained that this amount had been put back in at \$5,000 based on the Board's instructions.
- Line 251- Trout Lake Nature Center Grant – Mr. Perry stated that Ms. Tramonana had requested an additional \$500 more for transportation, and this line had been increased to \$16,000 per the Board's instructions. He explained that \$7,500 is for general support and the additional funds are for transportation.
- Line 248- Water Resource Education Mini-Grants – He stated that due to poor response this past year, they were eliminating mini-grants for this year, and re-evaluating the program.

He noted that the Board had also talked about Trout Lake Nature Center's Building Fund and had directed Attorney Barice to do some research in that regard. He stated that they should have the letter from Attorney Barice at their desk, and noted that the general response is "no", the Water Authority cannot provide funding for construction.

Mr. Bryant stated that while he was in agreement that they shouldn't be spending money for construction of buildings for Trout Lake Nature Center, he noted that Attorney Barice did state that they had to option of purchasing a conservation easement or providing more funding for educational services, in order to allow Trout Lake Nature Center to free up more of their own budget to pay for the building.

He noted that the Water Authority is already providing funding of \$16,000 and the Board needs to look at whether they want to look at funding additional programs.

Ms. Cox stated that the Water Authority needs to know the amount of Trout Lake Nature Center's total Educational Program Budget before they can discuss it any further.

- Line 323- Lake Yale Whole Lake Alum – Mr. Perry stated that he had put as much in this project as he could, based on what was available after other budget changes.

- Line 325- Trout Lake Whole Alum – He stated that, following instructions from the Board, the funding for the Trout Lake Whole Lake Alum Project had been moved to Line 324 to fund the Apopka-Beauclair Canal Agricultural Diversion Project.
- Line 394- Lake Denham Muck Farm Acquisition – Mr. Perry stated that the Board had instructed him to move some money around to provide funding for purchase of the Lake Denham Muck Farm. He explained that the funding removed from Aid to Government Agencies had moved to Line 394 under Land Acquisition for the purpose of acquiring the Lake Denham Muck Farm.

Ms. Cox asked if this about would cover acquisition of the property and Mr. Perry explained that the amount is based on similar projects and is just a placeholder for budgeting.

- Line 501- Replacement of wood deck behind pavilion couldn't now be found under Brian's Field Services budget.
- Line 539- He stated that staff was instructed to purchase the mower out of this year's funds and noted that the cost of the mower was being removed out of the proposed budget.
- Line 658- Sabal Bluff – He stated that this line represents half of the funds from to be received from Duke Energy to be used to improve Sabal Bluff.
- Line 665- He noted that the Board had directed staff to eliminate the additional \$350,000 that was initially budgeted for the NuRF Closure Fund.
- Line 668- He stated that Self-Insurance had been increased by \$100,000 as the Board had instructed.
- Line 669- Building and Maintenance Fund – Mr. Perry stated that staff was instructed to reduce this line item and use it to fund other items.
- Lines 674-683 Community Redevelopment Trust Fund – He noted that Ms. Rider had recently received the actual amounts, so these lines had been adjusted to reflect those changes. He stated that this increased the \$108,000 originally budgeted by approximately \$9,800, for an actual amount of \$118,312.

Revenues – Mr. Perry noted that staff had received the final Property Valuations. He stated that \$311,445 was the estimated amount shown at the Budget Workshop, but there was actually an increase of approximately \$51,000, with the final amount being \$362,708. He stated that these numbers are based on the current millage rate of .2554.

Mr. Perry explained that Ms. Rider's review of the Cash Brought Forward showed that the amount was about \$1.5 million less than originally budgeted, with the current amount being \$11,169,110.

He stated that in order to trim the \$1.5 million from the budget, he is proposing to:

- Line 658- Improvement to Sabal Bluff – Mr. Perry stated that as the Water Authority is receiving \$275,000 from Duke Energy, the actual amount to be designated for improvement to Sabal is 50% of that amount, which is \$137,500.
- Line 421- Clermont West Project – Mr. Perry stated that funding for Clermont West Project had been reduced by \$150,000 as all the funds originally budgeted, will be not be expended this year.
- Line 393- Lake Denham – He pointed out that he had taken \$200,000 out of this line item, since we don't have an amount at this time and there is funding in land acquisition should it be needed.
- Line 356- Nurf Maintenance Reserve – He noted that he reduced funding of this line item to \$350,000.
- Lines 324-323 Apopka-Beauclair Canal Project and Lake Yale Whole Lake Alum Project – Mr. Perry stated that he had reduced the amounts for each of these projects. He explained that they are looking at making the Lake Yale Project a two-year project, as well as looking for other Agencies that might be willing to partnership on the project.

Mr. Perry stated that those are the changes that have been made to the budget, since Board Members had received their copies. He explained that the changes needed to be done in order to adjust for the Cash Carryforward changes.

He noted that everything could be accomplished within the current millage rate. He stated that he would recommend staying with the current millage rate and not going to rolled-back rate which would be .2374 mils.

He stated that at this time the Board needs to set the Tentative Millage. He explained that the Tentative Millage is the highest millage rate that the Board could go, once it has been set.

Ms. Cox asked if the Board could raise the millage and it was noted that they could, as the maximum millage the Board is allowed to set is .5 mils.

Ms. Mullins asked what in the budget would prompt the Board to set a higher millage, and Chairman Dufresne stated that any of the projects such as Lake Denham Muck Farm, Lake Yale Whole Lake Alum, and the Apopka Beauclair Canal would be a reason to raise the millage.

Chairman Dufresne stated that the Water Authority has actually reduced the millage rate from the the original .5 mils when the Water Authority was established. He noted that the Water Authority has held the same millage rate for the last five years.

Ms. Stone asked Mr. Perry is had figured out the amount the millage would have to be to leave the budget as it was.

Mr. Perry stated that it would take a millage of approximately .35 millage to recover the loss of Cash Carryforward.

Mr. Perry explained that there is funding available under the Land Management, Land Acquisition line item that could be used, should it be needed to purchase the Lake Denham Muck Farm during the upcoming year. He noted that the owner may request a couple of years to sell off the existing crop on the property.

He stated that it although it would be optimal to have all the money in place, and not have to look for partners or take two years to complete a project; the Water Authority would get less scrutiny by staying at the current millage.

Ms. Cox asked how much had been budgeted for Stormwater Grants and Mr. Perry stated that a couple hundred thousand dollars was budgeted.

Ms. Mullins stated that if they were to raise the millage rate, it would open the door to public scrutiny and criticism.

Vice Chair Farner stated that as far as Stormwater Grants, the Water Authority is not eliminating the process. He noted that it would be at least a year before any funds would be needed, and payments could be budgeted into the following year.

Mr. Perry explained that during earlier discussions, the Board had felt the Lake Denham Muck Farm would be a better investment in removing nutrients for the upcoming budget.

The Board was in agreement that they didn't want to go to the rolled-back rate.

Mr. Perry noted that it will have to be advertised as a tax increase if they stay at the current millage rate, as valuations are higher and so the revenue received will be higher.

Ms. Cox stated that she thinks the Water Authority Board and staff have done a tremendous job doing what they have with reduced millage.

Mr. Bryant stated that it is nice to be on a Board that has flexibility when it comes to the millage rate. He noted that he has mixed feelings about raising the millage. He stated that if the right projects came along, such a Whole Lake Alum Treatment project they might need to raise the millage, but his didn't want to raise the millage to cover new buildings, raises, etc.

He stated that as for Lake Denham, they really don't know what will be needed and it is hard to sell when we don't know what the price tag will be. He stated that he felt they should leave millage the same for this year.

MS. COX MADE A MOTION TO SET A PROPOSED TENTATIVE MILLAGE RATE AT 0.2554 MILS AND SET THE TENTATIVE BUDGET HEARING FOR WEDNESDAY, SEPTEMBER 13, 2017 NO SOONER THAN 5:05 PM IN THE BCC CHAMBERS/ADMINISTRATION BUILDING, 315 WEST MAIN STREET, TAVARES, FL. Mr. Bryant seconded the motion.

Motion approved 6-0.

Mr. Perry stated that between now and the August meeting, the Board will see the agreed upon changes reflected in the new budget. He reminded them if the NuRF were to run, and staff has to purchase alum, it would eat into the Cash Carryforward.

Mr. Bryant asked if all Board Members would be in attendance in August, as he felt they needed to have a discussion regarding salary adjustments for the next fiscal year. It was noted that all Board Members are planning to attend.

6. PUBLIC COMMENT

None

Ms. Cox left the meeting.

The Board took a short break at 5:20 pm. They returned at 5:48 pm and the meeting was continued.

CONTINUATION OF DISCUSSION ITEMS

c. Ranking and Award of the Auditing Request for Proposal

Ms. Rider addressed the Board and stated that during the April Board meeting, the Board had given approval for staff to advertise an RFP (Request for Proposals) for Auditing Services.

She stated that the RFP was advertised in early May in both the Orlando Sentinel and the Lake Sentinel. She noted that it was also posted on the Water Authority website. She stated that notification was also sent to six local accounting firms that perform governmental auditing services.

Ms. Rider explained that the Water Authority only received two cost proposal, one from Purvis Gray and Company and the other from Binney Accounting and Assurance Services and noted that there is quite a price difference in the two quotes.

She explained that Florida Statute 218.391 states that cost cannot be the predominate factor in selecting an auditing firm.

She stated that Kristie Mullane, Chief Deputy Clerk, County Finance, assisted the Water Authority as technical advisor in evaluating the proposals.

She explained that after reviewing and evaluating the firms, they had some concerns regarding Binney Accounting and Assurance Services. She stated that the first concern is that Binney Accounting only has one employee, which is Mr. Binney. She explained that while Mr. Binney has governmental auditing experience, it was at his previous employer and his firm doesn't have any experience. She also noted that his firm is so new; it has not had a quality control review yet.

She stated that on page 10 of the Auditor Selection Guidelines, three main factors are listed that may be used in considering and ranking firms.

- **Ability of personnel:** Binney Accounting and Assurance Services, PLLC doesn't have any personnel to evaluate, so staff could not evaluate any employees audit experience.

- Experience: Using the Similar Projects Forms submitted with the RFP's, only Purvis Gray & Company appears to have governmental experience.
- Ability to furnish the requested services: With only himself (the owner of Binney Accounting and Assurance Services, PLLC) as an employee, it was noted that if something should happen to him, there might be a problem in completing the audit.

She explained that in accordance with pg. 13 **AWARD A-G**, staff has concerns about the capability of Binney Accounting and Assurance Services, PLLC in performing the requirements of the RFP for Governmental Accounting Services, and are recommending the Board approve the Executive Director to negotiate a contract with Purvis Gray, and bring it back to the Board for approval. She stated that they can't negotiate with Purvis Gray, staff would like to readvertise the RFP.

She stated that staff would like the opportunity to sit down with Purvis Gray and explain to them that the Water Authority's financials are very simple, with no debt and very few complex transactions, and no lengthy footnotes. She explained that staff noted in the technical proposal for Purvis Gray that they had assigned six audit staff, which has never been needed.

Ms. Rider stated that hopefully they can negotiate with Purvis Gray and get the price lowered.

Ms. Mullins asked Ms. Rider how many audit staff would be needed and Ms. Rider explained that they would only need two; one to do the audit and one to review the audit. She noted that with a firm as large as Purvis Gray, they may have an additional read-through by a second partner.

MR. BRYANT MADE A MOTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE A CONTRACT FOR GOVERNMENTAL AUDITING SERVICES WITH PURVIS GRAY & COMPANY AND RETURN TO THE BOARD FOR APPROVAL OF THE CONTRACT. IF A CONTRACT CANNOT BE NEGOTIATED, THE BOARD AUTHORIZES THE EXECUTIVE DIRECTOR TO RE-ADVERTISE THE RFP FOR GOVERNMENTAL AUDITING SERVICES. Ms. Mullins seconded the motion.

Motion approved 5 -0.

d. Fracking Update and Proposed Resolution

Mr. Duarte gave a PowerPoint presentation and an update on the current resolutions and ordinances against Fracking in the State of Florida.

He stated that in the last five years, 34 counties and 38 cities have adopted ordinances to ban fracking or have passed resolutions to support a state ban on fracking or a moratorium on hydraulic and acid fracking.

He noted all of the ordinances and resolutions that he read, cited public health and environmental impacts such as contamination of water supply, as reasons for banning fracking. He stated they also cited the fact that currently the permitting process doesn't require the fracking operations to comply with any of the Clean Air Acts or Clean Water Acts, etc.

He explained that all of the permits being processed with the Florida Department of Environmental Protection as Work-Over Permits. He stated that a Work-Over Permit is a permit that is granted to an existing facility or well as additional permit to drill for gas or oil. He stated that because of this, many counties and municipalities have concerns regarding the current permitting process.

He explained that counties and municipalities have taken a couple of different approaches in their ordinances and resolutions regarding fracking.

Mr. Duarte stated that in 2015 the Florida Legislature was considering passing a bill that would have given the State full control over fracking, and disregarding all the previous ordinances and resolutions that had been passed by the counties and municipalities.

He stated that in response Orange, Marion, Flagler, Alachua and Lake Counties all passed resolutions opposing state control and requesting a moratorium on hydraulic and acid fracking. He stated that many counties moved to pass full ordinances to ban fracking, with many other

counties considering doing the same. He noted Seminole, Volusia, Brevard and Osceola Counties have all adopted ordinances to ban fracking.

He stated that there are several members of the Legislature who are calling for a study of the impacts of fracking and that he doesn't think the Legislators are going to pass any bills without some type of study.

Mr. Duarte explained that there have been oil wells in Florida since 1948. He noted that Florida ranks 31 out of the 50 states in the number of gas and oil wells, with the two main areas being the Western Panhandle area and the Sunniland Trend area.

In Florida, the gas and petroleum are located stored within carbonate rocks such as limestone and dolostone. The only option for fracking is acid fracking in Florida, as there are no rock formations to do traditional hydraulic fracking. He stated that fracking could open new paths into the aquifer and not way to insure it would not contaminate Florida's drinking water.

Vice Chair Farner asked staff to find out if there are companies applying for permits in Florida at this time.

Mr. Duarte stated that he knows of one permit pulled in 2013, in Collier County, which is located in the Sunniland Trend, but the fracking process did not succeed.

Ms. Mullins asked if it would be possible to frack in Florida without impacting the aquifer and Mr. Duarte answered that soils in Florida are porous, with sinkholes and cavities and there would be no way to predict where the acid would seep.

Vice Chair Farner stated that something like that could theoretically change the flow of the aquifer.

Mr. Perry reiterated that the Board would like someone from the State to come and speak to the Board about any fracking permits that have been requested at the State level, who is applying from them, and information regarding the State's permitting process and review process.

Attorney Mason stated that there is a movement in Tallahassee to take away local control of fracking. He explained that a bill had been introduced during the last legislative session and almost passed. He stated that another bill would probably be introduced during the next legislative session.

He explained that if such a bill should pass, there is some question as to whether the legislation could apply retroactively to existing bills, but it would stop counties from passing any new ordinances against fracking.

Mr. Bryant asked Attorney Mason if he thought a countywide ban against fracking could be defended in cases where the whole county lies over an aquifer.

Attorney Mason stated that it was doubtful that a complete ban would hold up in court, although counties would likely be able to set criteria for fracking.

Mr. Bryant stated that he felt the Board should direct staff to move ahead with creating a resolution to be directed to the Lake County Board of County Commissioners (and Lake County's State Legislators) stating that the Water Authority is against fracking.

Ms. Stone asked if they should bring it the topic up at the Delegation Meeting.

Mr. Perry explained that the Delegation Meeting is a public hearing to hear about proposed bills, and to request funding from the Appropriation Committee, and stated that, yes; it could be brought up at that time.

Ms. Stone asked whether the Water Authority would be able to get on the agenda and asked staff to come up with a list of things the LCWA would like to discuss at the Delegation Meeting. Mr. Perry stated that the Water Authority has been on the agenda for the past several years.

Vice Chair Farner – firearms ordinance that he helped – then state came through and negated every local firearm control.

Mr. Duarte stated that the only way to track fracking permits at this time is on the FDEP website. He noted that there is a lot of fracking going on at offshore wells and all the pollutants are going into the ocean without any type of control.

e. Results of Legacy at Leesburg Stormwater Pond Sampling

Mr. Hart gave a PowerPoint presentation and informed the Board about the Stormwater Pond Sampling joint effort between the Lake County Water Authority and the homeowners at the Legacy of Leesburg subdivision.

He explained that approximately a year and a half ago the Board had authorized staff to fund a study of the Legacy of Leesburg's stormwater ponds. He noted that before he presented it to the residents, he wanted to make sure that the Board has the first opportunity to view the information.

He stated the purpose of the study was to detect what was causing the severe algal blooms and the death of the frogs, turtles and fish that live in the ponds. He explained that there are major issues going on in some of the ponds with astronomically high spikes of phosphorous.

He stated that the subdivision is completely surrounded by wetlands and a section of the Palatlahaha River runs through the subdivision. He noted that some of their stormwater ponds have direct connection to the wetlands and one has discharges directly into the river. He explained that water from the ponds travel into the groundwater, leeching out and traveling into the wetlands and eventually into the whole water system.

Mr. Hart spoke about each of the stormwater ponds and showed aerials comparing the look of the ponds between 2014 and the present. He informed the Board on the past and present phosphorous levels, plant growth and what could have caused the issues in each of the ponds.

He noted things that have been done to help correct the issues and suggested additional measures that could be taken. He explained that one of the issues is that the subdivision uses City of Leesburg reclaimed water for their irrigation, which runs off into the stormwater ponds. He stated that when samples of the reclaimed water were analyzed, there were found to have 1406 ppb. He noted that for water to have any clarity it be 40 ppb or lower. He also noted that when sand in the reclaimed water clogs the sprinklers, the City flushes the lines which sends sand and more reclaimed water into the ponds.

Vice Chair Farner stated that Mr. Hart had given a great presentation and that it should give the residents lots of information on what they can do to improve the condition of the stormwater ponds.

Ms. Mullins noted that the Legacy of Leesburg is marketed as a very environmentally conscious community and stated that the residents there are very receptive to things they can do to improve their community.

f. Approval to Use NuRF for SJRWMD Lake Apopka Dredging Project

Removed from Agenda – Withdrawn by SJRWMD.

g. Lake Yale - Florida Foods Stormwater Discharge Update

Mr. Hart addressed the Board regarding the Florida Foods Stormwater Discharge. He noted that while researching water quality issues in Lake Yale, it was discovered that the stormwater outfall at County Road 452 had extremely high total phosphorous discharge amounts in the 8000s ppb.

He stated that it was a single sampling done during a wet weather event and noted that he spoken with Lake County, and they reported that they have also taken samples with high phosphorous counts that substantiate the high number recorded during our study.

He stated that there has been an enforcement action that had been undertaken by FDEP. He explained that Florida Foods has an industrial wastewater permit with FDEP. He showed an aerial and pointed out the location of Florida Foods, the spray field areas for the facility and the culvert area where the high phosphorous counts were discovered. He noted that the green vegetation and stated that the picture was taken in February when normally vegetation would be

brown, and noted that this was an indication that the discharge from the facility is high in phosphorous.

He explained that Lake County had stated that Florida Foods was discharging way over their permitted amount and FDEP had required them to reduce the amount of their discharge. They were fined approximately \$10,000 at that time.

Florida Foods was in the process of renewing their permit about that time, so they changed the permit request and FDEP upped the amount they are allowed to discharge, and reissued the permit so they would be in compliance.

He noted that the City of Eustis also agreed to connect the facility to the City's wastewater system, so that whenever they going to exceed their allowed discharge amount, they can send the additional water to the City of Eustis' wastewater plant.

He explained that the current DEP permit only limits the facility to the volume they can discharge and not by how much phosphorous is allowed to be discharged.

Mr. Hart stated that during times of wet weather, the spray field becomes saturated. He explained that when that happens it cannot contain the discharge within the spray field and any excess discharge would run off the property and contaminate the wetlands and the lake.

He explained that their permit is good until 2020, at which time it will need to be renewed. He stated that the Water Authority would need to speak up at that time and request that DEP put stricter regulations on their permit.

He stated that the City of Eustis is planning to do an inspection of the spray field sites during the latter part of the rainy season, to check the percolation of the soil at that time. He noted that they are at an impasse with DEP because of the permissions granted with the current permit.

Mr. Hart stated that in speaking with the City of Eustis he learned that Florida Foods is planning to bring in an application to increase the size of their facility and he stated that it is hopeful that something could be done during that process to add additional restrictions.

MR. BRYANT MADE A MOTION TO AUTHORIZE STAFF TO CONTINUE WORKING WITH THE CITY OF EUSTIS AND THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION TO IMPLEMENT FUTURE REGULATORY AND OPERATIONAL IMPROVEMENTS THAT WILL REDUCE NUTRIENT LOADING FROM THE FLORIDA FOODS SPRAY FIELD. Vice Chair Farner seconded the motion.

Motion approved 5-0.

h. Manatee in the Harris Chain of Lakes Web Page

Mr. Hart gave an update on the manatees that have been making their home in the Harris Chain of Lakes in Lake County. He stated that at this time there is a male, who was last seen in Lake Harris, as well as a female named Leesburg, who was last seen in Lake Eustis with her new calf.

He stated that Water Authority staff would like to establish the Water Authority as the go-to agency, for information about manatees in the Harris Chain. He explained that two years ago three manatees moved into the Harris Chain of Lakes, and have been swimming throughout the Chain.

He stated that during the first winter on the Chain they suffered from cold damage. He explained that as it was their first winter in the area, they didn't know where the warm water habitats were located. He noted that one of them had died at the Moss Bluff Lock and Dam and it appeared that it was trying to make its way back to warmer water.

He explained that of the two remaining, one was a female that was given the name Leesburg, when she had to be rescued due to cold damage from Leesburg's Venetian Garden Canal. He stated that she was taken to Lowry Park Zoo where she spent the rest of the winter recovering. She was then released in the St. Johns River, at which time she made a beeline up the Ocklawaha River, through several Locks and Dams and back into the Harris Chain and to the City of Leesburg within two weeks. He noted that she has remained in the Harris Chain ever since.

Mr. Hart explained that Florida Fish and Wildlife funds a manatee tagging program with Sea2Shore and Leesburg has been tagged twice, so there is record of her movements through the lakes. He stated that she likes to swim to the right and follow the shoreline, swimming in and out of the canals along the way.

He explained that in February she was hit by a boat, and now has a fresh scar that is a key indicator for identifying her. He stated that the injury wasn't bad enough to slow her down.

He noted that the tagging collars are made to break free if it should get tangled in the plant growth, and stated that she has managed to lose her collar on two separate occasions. He explained that the last time they tried to put a collar on her, she would let them put the collar back on, but they were able to observe her and see that she was pregnant.

He stated that because of her age, they are fairly certain that this is her first calf. He noted that the calf was supposed to be born around July and less than a month ago, we got notice from residents who had observed her with her calf in Lake Eustis.

Mr. Hart explained that Mr. Garcia has created a website with information on the manatees and one thing staff would like to incorporate into the website would be to involve the public in naming the calf. He stated that staff believes it would be a fun process to involve the public.

He stated that if the Board is agreeable, staff would like to launch the website and do a press release in the newspaper regarding the manatees and the website. He noted that the website is not going to provide real-time data, as we don't want people to know where they are on a day to day basis, which could lead to them being harassed.

Ms. Mullins stated that anything they can do to inform the public about manatees is vital, such as how to observe the manatees safely.

Mr. Hart stated that this kind of information is being implemented into the website. He stated that Ben Garcia had built the website and Maryann Krisovitch had populated the website with the data and information collected from Sea2Shore.

Mr. Garcia gave a tour of the website and pointed out the key features, such as the map showing past locations and how to report sightings.

The Board was in agreement with publishing the new Manatee Web Page and having the public submit names for the new calf, as well as having school kids name the male manatee once school is in session.

i. Hickory Point Alcohol Policy

Mr. Perry gave a presentation regarding the Alcohol Policy for renters of Hickory Point. He stated that the last time the policy was discussed staff recommended changing the Policy to state:

- Maintain the policy that alcoholic beverages are not permitted in the park except in reserved portions of the pavilion. Beer and wine are allowed only after obtaining a written permit from the Water Authority and all alcohol is to remain within the limits of the reserved portion of the pavilion;
- Suspend the policy to require security guards for events that intend to serve beer and wine. This policy could be reinstated if the use of alcohol during rentals becomes a problem;
- Continue to require that a Certificate of Insurance must be provided indicating host liquor liability. The Lake County Water Authority must be named as an additional insured;
- Require an additional deposit such \$100 for any portion of a single floor and an additional \$200 for the entire pavilion for renters that desire to serve beer and wine during their events; and
- Violation of this policy will result in forfeiture of the deposit and immediate cancellation of the rental.

He explained that at that time, there was also discussion as to whether it would just be to serve beer and wine, or if they wanted to allow something harder than beer or wine, noted that staff was tasked with coming up with a recommendation on how to address that.

He stated that what staff is suggesting is:

- Maintain the policy that alcoholic beverages are not permitted in the park except in reserved portions of the pavilion. Beer and wine are allowed only after obtaining a written permit from the Water Authority. Other alcoholic beverages would be permitted only if served by a licensed and insured caterer, with copies of insurance and license provided to the Water Authority in advance of the event. All alcohol is to remain within the limits of the reserved portion of the pavilion. All use of alcoholic beverages shall be in accordance with local ordinances and the State Beverage laws;
- Suspend the policy to require security guards for events that intend to serve alcohol in any form. This policy could be reinstated if the use of alcohol during rentals becomes a problem;
- Continue to require that a Certificate of Insurance must be provided indicating host liquor liability. The Lake County Water Authority must be named as an additional insured;

Mr. Perry stated that evidently the word is out that Hickory Point is the only place that allows the serving of beer and wine at events. He stated that if the public were to find out they could serve alcohol in any form; we might even be more popular than we are now.

Ms. Mullins noted that while it would be a refundable deposit and it would provide an additional layer of protection.

Mr. Perry stated that he is not convinced that only requiring \$100 was a meaningful enough.

Vice Chair Farner stated that he felt the Alcohol Deposit should be \$500 no matter whether they are serving beer, wine or any other type of alcohol. He noted that it is a refundable deposit and stated that it would encourage renters to be responsible.

Ms. Mullins noted that renters would be a lot more responsible with a \$500 deposit than they would with just a \$100 deposit.

Ms. Stone asked if the amount should be \$500 no matter how much of the pavilion they are renting and Chairman Dufresne asked if the \$500 deposit be if they wanted to serve beer, wine or other alcohol.

Ms. Stone stated that she thought they had decided the deposit would be broken down and based on how much of the pavilion they are renting. She asked what the deposit would be for a single floor.

Chairman Dufresne and Vice Chair Farner stated that it would all be the same.

Vice Chair Farner stated, he didn't think they should differentiate between how much of the pavilion is being rented. He stated that if they wanted to serve booze, it should be a \$500 deposit no matter what. He noted that it would be an encouragement for renters to be responsible and they would be getting the deposit back after the event.

Mr. Perry stated that it is his understanding that the Board is directing staff to charge a \$500 deposit no matter how much of the pavilion is being rented. He asked if this would be for any alcohol, or would there be a different amount for beer and wine only.

Vice Chair stated that he thought it should be for every rental involving any type of alcohol.

Mr. Bryant verified with Mr. Perry, that in the past they have only allowed the serving of beer and wine and asked if there was a separate deposit.

Mr. Perry explained that the only deposit that has been required was a cleaning deposit in the same amount as the rental fee. He stated that no extra deposit had been required for serving of alcohol.

Mr. Bryant asked if there have been many problems with the serving of beer and wine and stated that might be an indication of what problems there might be in the future.

Mr. Perry answered that problems have been minimal, but uniformed and armed security guards from the Sheriff's Office have been required as part of the rental.

He noted that since the Sheriff had stated that they could no longer provide off-duty Deputies there have been three or four events without security guards, and without any incidents.

Ms. Stone pointed out the requirement for a caterer, and asked if there would be a problem with allowing a licensed bartender instead.

Ms. Mullins asked if a licensed bartender would have the insurance coverage needed, and Ms. Stone stated that some of them do.

Mr. Perry asked whether they should change the requirement to caterer OR licensed bartender and Ms. Stone stated that they should check into the licensing and insurance requirements for caterers and bartenders to insure that they would have what is needed.

Attorney Mason explained that a Caterer's license is portable, while a bartending license is usually for a location. He stated that he didn't have any information about the requirements for licensed and insured bartenders.

Mr. Farner stated if they are having a wedding reception and serving alcohol at no charge, there is no requirement for a license.

Ms. Stone also noted that a caterer may not always have a licensed bartender on staff, and that she felt they should investigate further before adding the caterer or licensed bartender to the requirements.

She also stated that she didn't think it should be a flat \$500 deposit for all rentals. She stated that if they were to raise the deposit, she would recommend \$250 and \$500. She noted that she didn't think it should be a one size fits all situation when someone is only renting a small portion of the pavilion

Ms. Mullins stated that she was agreeable with Ms. Stone's suggestion of requiring \$250 and \$500 makes sense to her.

Vice Chair Farner stated that he just wants renters to be responsible and if something doesn't work, the Board can change it.

Mr. Bryant stated that was a bit of a wording issue in that it reads "require and additional deposit" and asked if it should state "require a deposit".

Mr. Perry explained that there is already a cleaning deposit in place and staff is proposing an additional deposit to serve alcohol. He stated that the clean-up deposit is equivalent to the rental cost, and if they want beer and wine there would be an additional deposit.

He stated since they are waiving the security guard requirement, he felt they should have an additional deposit.

Chairman Dufresne suggested that it state, "in addition to cleaning deposit there will be an additional \$250 deposit" in order to clarify it.

Mr. Perry stated that he understood that they are not to include the bartender or licensing part until they have some idea as to whether that is viable, and are to make the other suggested changes and clarify that it is an additional \$250 and \$500 deposit beyond the cleaning deposit.

He stated if they were to get the information needed about licensing and bartenders, they would include that language back in. He noted that this would give staff guidance on how to proceed with future rental that might have an interest in serving beer, wine or more.

Vice Chair Farner stated that he wasn't in favor with anyone coming into the park and selling alcohol. Mr. Perry stated that selling alcohol is something that they have never allowed.

Vice Chair Farner stated that it is okay to have a wedding party serving alcohol, but does not approve of any sale of alcohol.

Chairman Dufresne and Ms. Stone stated that while they are not against cash bars, they didn't want to get into having to regulate the something like that.

Mr. Perry stated that staff would go with the suggestions, and if they needed to tweak it a bit more, they would bring it back to the Board. Chairman Dufresne stated that he felt Mr. Perry had the gist of what they wanted and he could take care of it.

Attorney Mason stated that he hasn't seen the Pavilion Rental Contract but he would suggest that if it doesn't already have an indemnification paragraph in it, that they should require the renter to indemnify the Water Authority in addition to the insurance.

He advised the Water Authority not to forget about their own insurance to make sure that it has coverage for renters who may be serving alcohol. He explained that it is possible that should something happen, not only could the renter be sued, but also the Water Authority, as owner of the park, is likely to be sued. He stated that the Water Authority would most likely win that type of litigation, but it is better to be aware.

7. LEGAL STAFF REPORT

Attorney Mason stated that he had nothing to add.

8. BOARD MEMBER COMMENTS

Board members congratulated Mr. Duarte on his award, and Ms. Stone thanked everyone for the birthday wishes, birthday cake and card.

Ms. Mullins stated that she was pleased with how the meeting went and she was especially happy to hear about the manatees.

Board Members noted that the presence of the manatees in the lakes is a plus for the Water Authority.

Chairman Dufresne stated that he wanted to thank Mr. Duarte, Mr. Garcia, Mr. Hart and Maryann Krisovitch for all their work on the manatee website.

9. BOARD MEMBER ITEMS FOR FUTURE AGENDA

Ms. Stone asked staff to come up with a list of things for the LCWA to discuss at the Delegation Meeting in August.

10. INFORMATION ITEMS

- a. Staff Reports
- b. Monthly Financial Reports – June 2017

11. ANNOUNCEMENT OF UPCOMING MEETINGS AND EVENTS

- Board Meeting - Wednesday, August 23, 2017 (3:30 pm)
BCC Chambers/Admin. Building
- Florida Wildlife Festival Planning Meeting, Umatilla City Hall, Thursday,
July 20, 2017 (4pm)

12. ADJOURNMENT

The meeting was adjourned at 7:31 p.m.

Respectfully submitted,

Anna Ely, Recording Secretary

Neil Kelly, Secretary-Treasurer

Adam Dufresne, Chairman