

MINUTES OF THE REGULAR BOARD MEETING
of the
LAKE COUNTY WATER AUTHORITY
August 23, 2017

The Regular Hearing of the Board of Trustees of the Lake County Water Authority was held at 3:30 p.m. on Wednesday, August 23, 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
Carole Barice, LCWA 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. MULLINS MADE A MOTION TO APPROVE THE MINUTES OF THE LAKE COUNTY WATER AUTHORITY MEETING OF WEDNESDAY, JULY 26, 2017 – REGULAR MEETING. Ms. Stone seconded the motion.

Motion approved 5-0.

3. EXECUTIVE DIRECTOR REPORT

Mr. Perry addressed the Board and gave the water level and rainfall report. He reported that Lake Apopka had finally risen slightly above the regulatory schedule. He stated that Mr. Duarte had spoken to staff at the St. Johns River Water Management District and they have stated that it was likely that they would start letting water out of Lake Apopka starting next Monday. He stated that the flow might only be 10 to 15 cfs.

He stated that it would be interesting to see how much rain continues through the rest of the week, as there is a front predicted from the north and tropical weather predicted from the south.

He stated that the Superpond/Middle Lakes is also above the regulatory schedule, but the water level is starting to drop slightly.

He stated that the St. Johns River Water Management District has been working on Moss Bluff Lock and Dam and have been keeping Lake Griffin is at minimum desirable in order to accomplish the work. He noted that they are supposed to be finishing the work at Moss Bluff this week, which will allow them to move water out of Lake Apopka and through the Harris Chain.

He stated that to the south, the Clermont Chain of Lakes is between 96.5 and 96.66 msl. He noted that Big and Little Creek have a combined flow 38 cfs, with most of it coming from Little Creek. He stated that the lakes have responded to the rainfall, and noted that there is a couple of couple of weeks left in the August.

He compared the current water levels with historic water levels and stated that staff is pleased to see the water levels where they are. He noted that at this time, the water level is slightly lower than it was at this time last year water, although the county is at 106% of the normal annual rainfall. He stated that as it is still the rainy season, we could get another 8 or 10 inches of rainfall by the end of August.

Mr. Perry stated that in regards to the proposed budget, the proposed Lake Denham project wouldn't be happening in the upcoming fiscal year, so the amount listed in the budget for the project would be re-allotted to other line items in the budget

Mr. Perry informed the Board that the Wolfbranch Sink Preserve would be open to the public on Sunday from 8:30 am until 3:00 pm. He stated that the waterfall is flowing and staff would be present to talk about the preserve and the waterfall.

Mr. Perry also informed the Board that since the Agenda and Memos were sent to the Board, the Water Authority had received a letter in which the Agency was also addressed. He explained that the letter was from the Harris Chair Restoration Council to Senator Baxley regarding going to the State to ask for a review of several named agencies, including the Water Authority and the St. Johns River Water Management District, regarding lake restoration projects on Lake Apopka and the Harris Chain.

He explained that the Harris Council is stating that the Water Authority and other names agencies have failed in their duties to improve the water quality on the Harris Chain of Lakes.

He noted that the District's staff would be meeting with Senator Baxley to address the concerns regarding their agency. He also noted that most of the concerns listed in the letter do not fall under the Water Authority's jurisdiction or responsibilities.

He stated that the Legislative Delegation meeting is August 28, 2017 and Harris Council would likely be in attendance to speak about their concerns.

Mr. Perry stated that he has prepared a draft of a letter to Senator Baxley and provided it to the Board. He asked the Board for direction on how to proceed at the Legislative Delegation meeting should this topic come up.

He stated that he would recommend that the Board authorize him to prepare the letter and meet with Senator Baxley to address the Harris Council's concerns.

Ms. Cox stated that she takes great offense to the statement made by the Harris Council, that the lakes haven't been restored, when the Water Authority has spent 2 million or more and has improved the quality of the lakes. She stated that she would like to be this addressed in the Water Authority's letter of response.

Ms. Mullins stated that she agrees with Ms. Cox about the improvements to the lakes and noted that the statement made by the Harris Council, is simply not true

Vice Chair Farnier stated says he saw nothing in the letter suggesting what could be done to improve the lakes. He stated that he could see the improvement in water quality in the Harris Chain of Lakes. He suggested that the Water Authority needs to defend what they have done to improve the lakes, as the Agency has made a difference.

Ms. Cox stated that the majority of Lake Apopka is located within Orange County and noted that Orange County was not even mentioned in the letter. Ms. Mullins stated that the improvements to Lake Apopka are also quite evident.

Ms. Stone stated that she felt that a calm response would be a better approach, rather than taking the offensive. She stated that Mr. Perry needed to speak with Senator Baxley before the Delegation Meeting, or send a letter of response before the meeting if he is unable to meet with the senator before the meeting.

The Board directed Mr. Perry to meet with Senator Baxley before the Legislative Delegation Meeting, as well as Chairman Sullivan if possible.

They also directed him to finalize the letter to Senator Baxley and to copy it to the Board for their input. Once members of the Board have given their input, Mr. Perry is to have Chairman Dufresne sign the letter showing the Board's approval and send the letter to Senator Baxley and Legislative Delegation Chairperson, Jennifer Sullivan, and copy the letter to the rest of the Legislative Delegation.

4. CONSENT ITEMS

MR. BRYANT MADE A MOTION TO APPROVE THE CONSENT ITEMS. Ms. Cox seconded the motion.

Motion approved 5-0.

- a. Authorization to Surplus Water Quality Monitor at the NuRF

AUTHORIZE THE EXECUTIVE DIRECTOR TO SURPLUS THE WATER QUALITY MONITOR AT THE NURF.

- b. Authorization to Release a Request for Proposals for Hickory Point Pavilion Welcoming and Facilitating Services and Custodial Services

AUTHORIZE STAFF TO RELEASE A REQUEST FOR PROPOSALS FOR HICKORY POINT PAVILION WELCOMING AND FACILITATING SERVICES AND CUSTODIAL SERVICES NOT TO EXCEED \$25,000 FOR A ONE (1) YEAR PERIOD COMMENCING OCTOBER 1, 2017, WITH THREE (3) OPTIONS FOR ONE (1) YEAR EXTENSIONS.

5. DISCUSSION ITEMS

a. Approval of Contract for Governmental Auditing Services with Purvis Gray & Company

Ms. Rider stated that at the last Board meeting the Board had authorized the Executive Director to negotiate a contract with Purvis Gray. She stated that she, Mr. Perry and Kristie Mullane with Lake County Finance, had met with Purvis Gray on July 31, 2017 and came to an agreement.

She explained that the agreement involves a base amount for the audit of 115 hours, with an hourly rate of an average of \$125 per hour should additional hours be needed. She stated that the total billing would be capped at the original proposed amount. She noted that the base amount for fiscal year 2017-2018 would be \$15,000 with a cap of \$18,575. She also noted caps for fiscal years 2018-2019 and 2019-2020.

Attorney Barice stated that one minor adjustment needed to be made to the wording of the document to clarify the maximum capped amount.

MS. COX MADE A MOTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH PURVIS GRAY & COMPANY FOR AUDITING SERVICES FOR A THREE (3) YEAR PERIOD WITH TWO (2) OPTIONS FOR ONE (1) YEAR EXTENSIONS. Ms. Mullins seconded the motion.

Motion approved 5-0.

e. Financial and Purchasing Policy Update

Ms. Rider stated that the Lake County Water Authority Financial Policies were last updated in May 2009, and needed to be updated.

She noted that changes to the policy are highlighted in yellow on the document. She listed the major changes to the policy and stated that staff is requesting approval of the updated policy:

- All expenditures over \$10,000 still require Board approval as reflected in the official minutes, and the signature of the LCWA Board Chairman or Vice Chairman on the actual check request or purchasing requisition;
- The policy was updated for the NuRF Escrow demand account opened since the last Financial Policy update;
- Deposits will be made weekly unless they exceed \$1,000. Receipts of \$1,000 or greater will be deposited the next business day;

- The bid amount threshold has been increased to \$35,000 which is in compliance with Florida Statutes;
- Sections regarding Travel Policy, Purchasing Card Policy and Tangible Personal Property have been added;
- Check runs have been changed from bi-weekly to weekly; and
- We will be eliminating a petty cash fund. The policy was updated to give the Executive Director the ability to open a petty cash fund if needed in the future. Purchases cannot exceed \$25.00

Mr. Perry stated that Attorney Barice is concerned about the wording of some of the changes regarding the Reporting Compliance section, the sections covering the Consultants Act and Purchasing limits.

The Board and Attorney Barice briefly discussed the potential changes and Vice Chair Farner stated that it didn't sound like the changes that needed to be made were minor changes. Mr. Bryant noted that the changes to the policy are more of a housekeeping matter to update the policy to match updated compliance issues.

Attorney Barice stated that Representative Metz' Bill only made changes to a portion of the Water Authority's charter. She noted that at this time there is not a compilation that includes all of the charter. She suggested that it be typed up as a single document.

Mr. Bryant suggested that they withhold decision at this time and for staff to bring it back to the Board once all the editing is completed. He requested that the Board be provided with a version showing all strikeouts and changes.

f. Clermont Boat Ramp Replacement

Mr. Perry stated that the City of Clermont is wanting to relocate their current boatramp due to an upcoming stormwater project. He explained that the City has looked at four different sites, with two of the sites having issues with location of bridges and other structures, leaving Sites #1 and #4 as the most feasible.

He stated that Site #4 has room for a boatramp and adequate parking, but has its own issues, including the fact that CR 561 would need to be realigned.

Mr. Perry stated that Water Authority staff had attended a City of Clermont Council Meeting where the City's consultant had tried to address citizen's issues. He stated that most of the conflict revolves around different sports. He stated that the public feels that Site #1 is the best site of the City's proposed locations.

He noted that it was also suggested that the boatramp could be moved to a different lake. He stated that the Cypress Cove boat ramp is up for sale and explained that it was also suggested that the City of Clermont, Lake County Board of County Commissioners and the Water Authority should partner together to purchase the boat ramp.

Ms. Cox stated that Mr. Perry did wonderful job at both meetings. She stated that the Lake Hiawatha Preserve area at Site #1 was purchased to protect that whole side of the lake. She stated that Lake County contributed \$5 million of Public Aquisition Funds to help develop the trail and waterfront. She noted that there is a kayak launch as well as a dog park and the total cost of the park was approximately \$16 million.

She stated that if the City of Clermont were to build a boat ramp at that location it would take away many features of the park. She stated that the roundabout would be left in place, but the rest of the road would have to be rerouted to allow for enough room.

She noted that a City Council Member lives near Site #1 and has complained that it would interfere with schools and would be too noisy if they were to locate it at Site #1. She also noted that there is just one boat ramp on the whole Clermont Chain.

Mr. Davis, Clermont resident, stated that the City of Clermont is not looking to accommodate the boaters as the City's main focus is on the athletes. He stated that the feeling at the City Council meeting was very negative. He stated that he felt that Site #1 would be the best site, as it would have plenty of room for boat ramps and swimmers.

Mr. Davis noted that the nearest house would only be 40 feet from proposed boat dock at Site #4 which is the site preferred by the City. He also noted that there are over 100 oak trees as well as wetlands on the site.

Vice Chair Farner stated that the Water Authority should stand firm and inform the City of Clermont that the Water Authority is not interested in funding the relocation of boat ramps. Mr. Bryant agreed with Vice Chair Farner and stated he didn't think the Water Authority should be involved in funding the boat ramp. Ms. Stone also stated that she agreed.

Ms. Cox stated that she disagrees. She stated that the Water Authority's legislative charter allows for funding of boat ramps. She noted that the Clermont Chain is under the Water Authority's jurisdiction and they should be concerned about the public boat ramps on the Chain.

She stated that she thinks that the boat ramp should be moved off Lake Minneola and the Water Authority could possibly help in identifying possible locations.

Mr. Perry stated that he doesn't know when the City of Clermont is going to make their decision. He noted that Clermont's Board meets on the Tuesday before Water Authority's Tentative Budget Meeting on Wednesday, September 13. He stated it would most likely be discussed at that time. Mr. Perry stated that he would continue to follow this item and would update the Board as to what the Clermont City Council decides at the next Board meeting.

Ms. Cox noted that the growth in South Lake County and the increased use of the lakes in the past few years has been phenomenal.

Vice Chair Farner stated that he would be adamantly opposed to anything that would disturb the wetlands.

Mr. Hart explained that the relocation of the boat ramp is a recent addition to the plans, and was not on the plans at the time the Board approved the original stormwater grant. He noted that the City is currently requesting an additional stormwater grant to help cover additional changes to the original plans.

He stated that because of the significant changes made to the plans, Water Authority staff is also reassessing the original stormwater grant to see if it still meets the intent and criteria, and whether the original amount awarded is still appropriate.

He stated that he may be also bring the original stormwater grant back to the Board for reassessment once the City of Clermont provides him with updated information regarding pollutant removal amounts.

Vice Chair Farner asked that this topic be put on the agenda again for the next Regular Board meeting, so the Board could take a closer look at what the City of Clermont is planning.

Ms. Stone asked whether Water Authority staff could do evaluations of each of the sites and Mr. Hart stated that he is asking the city to do that as part of their request.

Vice Chair Farner noted that the plan approved for the original stormwater grant not only didn't contain the construction of the new boat ramp, it also didn't contain the destruction of the existing boat ramp.

Ms. Cox also noted that the reason the City of Clermont wants to move the boat ramp is so they can move the triathlon beach area and rowing club to the current boat ramp area.

Chairman Dufresne joined the meeting.

b. Hunt Island Easement Relocation

Mr. Hart showed an aerial of the location and pointed out the existing easement and the explained the location of the existing easement and the proposed relocation. He stated that staff is recommending that the Board allow the easement to be rerouted.

He explained that the investor in the property believes that the Water Authority's easement along the shoreline would interfere on their riparian rights and their ability to put in structures and boat docks, and to have a channel that would go out into Cherry Lake. He stated that they are requesting that the Water Authority modify this easement to allow Mr. Kehoe to be able to build a waterfront house as well as water-dependent structures.

He noted that staff doesn't have an issue with Mr. Kehoe doing that, as our easement doesn't have to be along the shoreline, but staff also recognizes there is a loss of value from going from a 150-foot wide easement along the shoreline to a 50-foot wide easement that runs through the uplands of the property.

Mr. Hart explained that staff has negotiated with Mr. Kehoe and Attorney Crawford for ways for the Water Authority to get added value, as well as ways that would serve the Agency better and

give Mr. Kehoe the ability to build water dependent structures without staff driving through the yard between the house and the lake.

He explained that staff is requesting a number of changes to the proposed easement. He stated that staff is recommending that the Board allow the proposed easement to be moved inland, with a route change to require two 45-degree turns in the easement, instead of the proposed sharp 90-degree turn. He stated that a 90-degree turn would be difficult for large trucks and machinery to maneuver in the sandy soil. He stated that the owner is in agreement with the change and has also agreed to modify the soils in the easement, to help alleviate the issue of driving in loose sandy soil, where vehicles may become stuck. He stated that this would benefit both the owner and the Water Authority.

He also noted that the owner had proposed a 50-foot easement at the levee, but the Water Authority has asked for, and the owner has agreed, that it will stay as a 150-foot easement where the levee crosses through the wetlands.

He also explained that Attorney Barice has suggested several changes to the wording and language of the easement agreement that she feels would better protect the Water Authority's rights.

Mr. Hart stated that in exchange for the Water Authority's agreement to relocate the easement and narrowing portions of the easement, Mr. Kehoe is willing to offer a conservation easement over all of the wetlands along Cherry Lake.

He also noted that the agreement would allow Mr. Kehoe to remove exotic and invasive species within that area but not allow him to remove any of the native plants without written approval from the Water Authority. He explained that the agreement would allow for clearing of a 50-foot corridor going out to Cherry Lake to be exempt for these restrictions to allow for a view of the lake and the construction of a boathouse and dock.

He explained that construction of this channel/canal would be beneficial in that it would cut off access to an existing channel, which currently routes past the inflow of the Cherry Lake Dam, which could be potentially dangerous.

Mr. Hart stated staff's recommendations and conditions are as follows:

- Changing the location to further inward and the width to 150 feet
- Changing the language as recommended by Attorney Barice
- Allowing the 90 degree turn to be modified to two 45 degree turns
- Keeping the 150 feet easement over the levee part of the property
- Creating a conservation easement over the remaining portion of the Cherry Lake wetlands, while exempting out a 50-foot wide clearance for Mr. Kehoe to have a boathouse and channel for access to the lake

Attorney Barice stated that the wording of the agreement needed some changes, and that she still needs to get those changes to Attorney Crawford to verify if they are okay with the changes. She noted that, as the property hasn't changed hands yet, that she feels that the current owners as well

as the future owners need to sign the documents. She also noted that the conservation easement still needed to be written and the title work still needs to be reviewed.

Attorney Jimmy Crawford addressed the Board and stated that he is representing both the buyers and the sellers of this transaction. He stated that the Water Authority staff has been fantastic to work with and he and his clients appreciate the staff's assistance. He explained that the property will be divided into three lots for Mr. Kehoe and his children, with 11 to 12 acres in each parcel. He stated that the property won't be subject to future development pressure and will preserve the agricultural and low density of the property.

Mr. Bryant asked if there would be public access if the proposed channel is built and Attorney Crawford answered that, his clients wouldn't and couldn't restrict people from using the channel.

Mr. Bryant stated that he felt that the Board was getting too much information last minute at the meetings. He stated that he would rather have all changes made before the meeting and given to the Board. Ms. Cox noted that most of the information was included in the packet sent to the Board.

Attorney Crawford stated that he didn't have a problem with approval in concept and bringing the final version back to the Board next month.

MR. BRYANT MADE A MOTION TO CONCEPTUALLY APPROVE THE PROPOSAL AGREEMENT. Mr. Farner seconded the motion.

Final agreement is to be brought back to the Board at the September 28, 2017 Board Meeting.

Motion approved 6-0.

Approval of New Flat Island Preserve Site Resident

Ms. Burgos informed the Board that they had a potential candidate to act as a Site Resident at Flat Island Preserve. She stated that his name is Brandon Scrambling and that he is in law enforcement with the Florida Fish and Wildlife Conservation Commission. She stated that he has been working with FWC since 2013 and has a marked patrol car.

She stated that staff will do an inspection of the property with the potential candidate before he moves in, along with photos showing the condition of the property.

She noted that Officer Scrambling has a labrador retriever and although there is usually a no pet policy for site residents, after discussion with Director Perry and Officer Scrambling, the decision has made to allow his dog. She explained that they would be requiring a \$750 cleanup deposit in place of the usual \$500 cleanup deposit, and stated that the dog would be in a kennel when Officer Scrambling was not at home.

She also noted that staff would perform annual site inspections before lease renewal.

MR. BRYANT MADE A MOTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE A FLAT ISLAND PRESERVE RESIDENT LEASE AGREEMENT WITH

FWC LAW ENFORCEMENT DEPUTY BRANDON SCRAMBLING. Ms. Cox seconded the motion.

Motion approved 6-0.

Proposed Sign for Bear Track Preserve

Ms. Burgos stated that when initially speaking to the Board regarding partnering with Green Bank to purchase the 18 acre parcel on Lake Norris, one of the requests from the Board was for staff to come up with a sign design and potential name for the area.

She noted that this would be the Water Authority's only access and the public's closest access to Lake Norris (as the only other public access is a mile away from the lake.)

She showed an example of the Bourlay Historic Nature Park sign to the First Green Bank representatives and asked CTI signs to come up with a similar sign for the parcel (as presented in the staff memo.)

She pointed out that she used the name Green Landing just to get things going on the sign and asked the Board for feedback on the proposed sign. She stated that First Green Bank is okay with the proposed sign, except that the logo for First Green Bank needed to be replaced with their correct log.

She stated that the sign also includes the Water Authority logo, contact information and icons for the activities that are allowed on the preserve, such as kayaking, picnicking, camping and hiking. Several members of the Board stated that they liked the look of the proposed sign.

Ms. Burgos stated that the sign would cost approximately \$1,225. She stated that she had spoken to First Green Bank and they had agreed to pay half the cost, with the Water Authority paying the other half the cost. She stated that the sign would measure approximately 3.5 feet by 4.5 feet.

The Board took a short break at 5:50 pm. They returned at 6:07pm and the meeting was continued.

DEP - Fracking Permit Process in Florida

Mr. Duarte explained that Fracking is not really applicable to Florida as the state doesn't have any rock shales. He stated that all the gas and oil in Florida is located in carbonate rocks.

He stated that there are no oil and gas activities in or near Lake County. He explained that the criteria for oil and gas drilling permits is subject to the presence of oil and there are only two areas in Florida that have oil (the Florida panhandle and the Sunnyland area which in the Miami/Naples area).

He stated that any fracking permits are permitted as work-over permits, which mean that existing well with permits, receive amended permits to allow those type of activities. He stated that the Florida Department of Environmental Protection (DEP) requires notification of any fracking activities and posts the information on their website. He also stated that DEP has the authority to

regulate the chemical treatment of wells. He explained that according to DEP's existing rules, all the operations that they authorize must prevent any time of pollution and must protect all the water resources. He stated that other than that general statement, they don't have any specific criteria for the protection of the environment in regards to hydraulic or acid fracking.

Mr. Bryant stated that a couple of the statues provided seem to allow for fracking as long as they met certain conditions and got a permit, yet at the same time Statute 377.371 Natural Resources, states that when drilling they may not pollute or allow any extraneous matter to enter any freshwater –bearing formations. He noted that the statutes do not seem to be very consistent.

Ms. Mullins stated that she wasn't so sure that the amount of money backing fracking couldn't sway some of the DEP applications. She noted that Florida is a giant sponge and if you were to use acids anywhere, it would spread throughout the sponge. She stated that she felt the DEP should not allow fracking in any manner.

Vice Chair Farner asked if the Water Authority has a way of monitoring or keeping track of applications that are made to DEP and Mr. Duarte stated that DEP posts the information on their website.

The Board directed staff to monitor fracking permit requests with DEP and requested that staff keep the Board updated on any changes.

d. Review of FY 2017-18 Budget

Mr. Perry summarized the changes made to the FY 2017-18 Budget as directed by the Board at the previous meeting July 26, 2017 Board meeting:

- **200-620 - Maintenance and Repair - Information Technology**
As a result from direction from the County Clerk Financial staff, staff moved Backup Generator for Office (Line No. 174) from 200-640 Machinery and Equipment to 200-620 - Buildings (Line No. 167).
- **400-460 - Maintenance and Repair - Hickory Point**
As a result from direction from the County Clerk Financial staff, staff moved Plant Additional Trees - TDC Funds (Line No. 217) from 400-630 Site Improvements to 400-460 - Maintenance and Repair (Line No. 203).
- **710-340 - Other Contractual Services - Water Resources**
Due to revised calculation of the Cash Brought Forward, staff decreased the Lake Yale Whole Lake Alum Application (Line No. 328) by \$482,278 (from \$2,482,278 to \$2,000,000).
- **710-340 - Other Contractual Services - Water Resources**
Due to revised calculation of the Cash Brought Forward, staff decreased the ABC AG Diversion to Mine Pit (Line No. 329) by \$274,000 (from \$1,024,000 to \$750,000).
- **710-340 - Other Contractual Services - Water Resources**

Due to revised calculation of the Cash Brought Forward, staff decreased the NuRF Maintenance Reserve (Line No. 361) by \$98,821 (from \$398,821 to \$300,000).

- **710-610 - Lands Acquisition - Water Resources**
Due to revised calculation of the Cash Brought Forward, staff decreased the Lake Denham Muck Farm Acquisition (Line No. 399) by \$179,638 (from \$1,200,000 to \$1,020,362).
- **710-810 - Aids to Government Agencies - Water Resources**
Because a portion of this line item will be expended in the current Fiscal Year, staff decreased the Clermont West Stormwater Project (Line No. 426) by \$150,000 (from \$643,030 to \$493,030).
- **710-810 - Aids to Government Agencies - Water Resources**
Due to revised calculation of the Cash Brought Forward, staff eliminated the 2018 Stormwater Retrofit Grants (Line No. 429) by \$150,000 (from \$150,000 to \$0).
- **720-610 - Conservation Lands Acquisition - Land Resources**
Due to revised calculation of the Cash Brought Forward, staff reduced Acquisition (Line No. 644) by \$150,000 (from \$300,000 to \$150,000).
- **720-630 - Site Improvements - Land Resources**
Due to revised calculation of the Cash Brought Forward, staff eliminated the funds to construct the Bear Track Boardwalk & Canoe/Kayak Launch (Line No. 656) by \$50,000 (from \$50,000 to \$0).
- **720-630 - Site Improvements - Land Resources**
Due to revised calculation of the Cash Brought Forward, staff reduced the Improvements to Sabal Bluff - Duke Energy Funds (Line No. 660) by \$37,500 (from \$137,500 to \$100,000).
- **Cash Brought Forward - Revenue**
The Cash Brought Forward amount was revised to reflect the most recent calculation of expenditures through the end of the Fiscal Year (Line No. 701) and was reduced by \$1,634,737 (from \$12,578,855 to \$10,944,118).

Mr. Bryant stated that he wouldn't be in attendance at the September 13, 2017 Tentative Budget Meeting and there were three items in the budget that he wanted to discuss.

He stated that he felt they should reconsider the amount of funding the Water Authority is providing to the Trout Lake Nature Center. He noted that the Water Authority hasn't budgeted anywhere near the \$161,656 the Water Authority would be allowed to award for educational purposes.

He stated that Attorney Barice had stated that while the Water Authority could not contribute to the cost of the new Education Center for the Nature Center, they could contribute to their educational programs. He explained that this would then allow Trout Lake Nature Center to transfer other internal funding to their building fund.

MR. BRYANT MADE A MOTION TO ALLOT \$25,000 IN ADDITIONAL FUNDING FOR THE EDUCATIONAL PROGRAMS AT TROUT LAKE NATURE CENTER, FOR THE EXPRESS PURPOSES OF EDUCATION. Mr. Farner seconded the motion.

Ms. Cox asked which area of the budget they would take the additional funding from and Mr. Perry stated that it would likely be taken from the NuRF Maintenance Reserve, Building Maintenance Fund, or the Contingency Reserve.

Mr. Perry stated that the additional \$25,000 would bring the total funding for Trout Lake Nature Center to \$48,000. Ms. Cox noted that the additional funding is given with the stipulation that it only be used for educational purposes.

Motion approved 6-0.

Mr. Bryant talked about the property at Lake Norris, stated that the Board had just approved the sign for the property and noted that the sign depicts hiking and kayaking.

He stated that more importantly the Water Authority Canoe Launch at Lake Norris partnered with Green Bank and felt that they shouldn't put off building the canoe and kayak launch. He stated that now is the time to move ahead.

MR. BRYANT MADE A MOTION TO RESTORE \$50,000 BACK INTO THE BUDGET FOR THE CANOE AND KAYAK LAUNCH. Ms. Cox seconded the motion.

Ms. Cox stated that now would be the time to go ahead and get it done so they would not have to readdress the issue. Mr. Bryant stated that \$15,000 of the funding could come from the Wolfbranch Sinkhole Fencing and that project could be done later.

Mr. Perry stated that the changes to the Budget that he had presented were made at the direction of the Board. He stated that it is up to the Board where they wanted to make additional changes.

Vice Chair Farner stated that he is okay with putting \$50,000 back into the budget for the canoe and kayak. Ms. Cox stated that the funds should not be expended until Green Bank has provided their portion of the funding for the property.

Mr. Perry noted that Ms. Burgos is working on grants in hopes of garnering additional funding.

Motion approved 6-0.

Mr. Bryant stated that the last thing he wanted to address was the proposed salary increase. He thanked Mr. Perry and Mr. Hart for providing him with the information he had requested. He stated that the issue he has is what they, as a Board, should be doing as far as for raises for staff members they value greatly.

He stated that he doesn't believe that the Agency has a problem with employee turnover and things the employee retention has been good. He also stated that he thinks that staff salaries are adequate and questioned whether they, as a Board, should be giving the increase proposed.

Ms. Cox asked the reason for the proposed increase and Mr. Perry explained, that at Vice Chair Farner's request, Ms. Rider had completed a salary survey comparing Lake County Water Authority salaries with those of Lake County, the St. Johns River Water Management District and the Southwest Florida Water Management District.

Vice Chair Farner stated that he wants the Water Authority staff to have competitive salaries and doesn't think the proposed amount is unreasonable and or crazy over the top. He stated that while he didn't recommend a certain percentage, he had directed Mr. Perry to come up with an amount that is competitive with the upper end of the salaries of comparable positions. He stated that he is comfortable with the budgeted amount. Ms. Mullins stated that she is in agreement with Vice Chair Farner.

Ms. Cox stated that while she doesn't have a problem with the proposed amount, she doesn't know how well spreadsheets are read among the press or other elected officials and there could be some talk.

Vice Chair Farner stated that he is ready for any feedback, and Ms. Mullins stated that she had no problem defending what the Board decides.

Ms. Stone stated that it is not that she doesn't think staff doesn't deserve it, but with there being so many upcoming projects, she wanted to insure that there was funding to complete those projects. She stated that the Water Authority has a great staff, but doesn't want to have any roadblocks in completing the projects ahead.

Chairman Dufresne questioned whether the amount of increase suggested would keep staff from receiving raises in the future. It was noted that they could still receive cost of living wages.

Ms. Stone asked if currently, there are set pay caps and Mr. Perry stated that up until this time they have tried to use Lake County's pay grades which has salary ranges.

It was noted that Water Authority positions are better compared to St. Johns River Water Management District or the Southwest Florida Water Management District than they are to Lake County.

Ms. Cox suggested that lowering the proposed amount slightly might make it more acceptable to those who might be in opposition.

Ms. Mullins asked the other Board members what amount they would be comfortable with, if they weren't comfortable with the proposed amount.

Ms. Stone stated that her concern is of raising the ire of other departmental agencies. She stated that if Mr. Perry and other Board members thought it was a non-issue, then she won't make it an issue.

Mr. Perry stated that most of the Water Authority salaries are way below those of the St. Johns River Water Management District and the Southwest Florida Water Management District. He noted that a 20% wouldn't even take salaries to the top amount of those agencies.

Ms. Mullins stated that the Water Authority is much more like the St. Johns River Water Management District and the Southwest Florida Water Management District than it is Lake County. Ms. Stone that if that is not an issue then she is not against it. She stated that the Water Authority's professionals should be paid at the levels of other professionals.

Ms. Cox suggested setting the amount at 15% and seeing what kind of response they get. She noted they could always increase the amount the following budget year.

Vice Chair Farner stated that if the Agency were to catch any flack, he would rather have it all in one year and not spread over two years.

Ms. Cox asked what this would mean for new people coming into the Agency as others retire. Mr. Perry responded that this change would basically widen the existing pay range available when hiring new staff.

Ms. Stone stated that setting the amount at 15% for this year would be less than the proposed amount, but would still be quite a substantial raise, and would leave room for a possible increase again the following year.

Vice Chair Farner stated that he just wants to ensure that Water Authority staff wages are at the upper level of competitive salaries. He explained that while he didn't direct the exact amount, her expressed that while he wanted salaries near the top of comparable salaries, he didn't want to see them over the top. He noted that Mr. Perry has not gone over the amount of comparable and he is comfortable with the amount proposed.

Mr. Bryant stated that his opposition is not political, it's philosophical. He stated that he is still not convinced that Water Authority employees are lagging behind in salaries. He stated that he doesn't think the Agency can compare itself with the St. Johns River Water Management District or the Southwest Florida Water Management District. He stated that he would probably not support any suggested increase in the double digits.

MS. COX MADE A MOTION TO THAT ALL EXISTING SALARIES ARE TO BE INCREASED ACROSS THE BOARD BY 15%, AT THE DISCRETION OF EXECUTIVE DIRECTOR. Ms. Mullins seconded the motion.

Motion approved 5-1 with Mr. Bryant is opposition.

6. PUBLIC COMMENT

None

7. LEGAL STAFF REPORT

Attorney Barice - none

8. BOARD MEMBER COMMENTS

Ms. Mullins stated that she was pleased with the outcome of the salary discussion. She noted that she was still confused regarding the City of Clermont’s favored site for a new boat ramp.

Ms. Cox had no additional comments.

Vice Chair Farner stated that he was pleased with the meeting and that staff was doing a good job. He asked that staff keep vigilant on the City of Clermont Boat Dock issue and the issue of fracking in Florida.

Mr. Bryant stated that he felt it was a good meeting and that it is a pleasure to work with staff and the other members of the Board.

Ms. Stone and Mr. Bryant both noted that they would not be in attendance at the September 13, 2017 Tentative Budget Meeting. The remaining Board members were informed that they would all need to attend the meeting in order for there to be a quorum.

9. BOARD MEMBER ITEMS FOR FUTURE AGENDA

None

10. INFORMATION ITEMS

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

11. ANNOUNCEMENT OF UPCOMING MEETINGS AND EVENTS

- Tentative Budget Hearing - Wednesday, September 13, 2017 (5:05 pm)
BCC Chambers/Admin. Building
- Board Meeting - Wednesday, September 27, 2017 (3:30 pm)
BCC Chambers/Admin. Building

12. ADJOURNMENT

The meeting was adjourned at 7:24 p.m.