Tampa Bay Water
Regular Meeting
February 19, 2018 Minutes

The Board of Directors of Tampa Bay Water met in their offices, 2575 Enterprise Road, Clearwater, Florida 33763.

BOARD MEMBERS PRESENT:
Present:  
Vice Chair – Commissioner Sandra Murman, Hillsborough County  
Commissioner Dave Eggers, Pinellas County  
Commissioner Pat Gerard, Pinellas County  
Commissioner Pat Kemp, Hillsborough County  
Mayor Rob Marlowe, City of New Port Richey  
Councilman Charlie Miranda, City of Tampa  
Council Member Darden Rice, City of St. Petersburg  
Commissioner Kathryn Starkey, Pasco County  

Absent:  
Commissioner Ron Oakley, Pasco County  

Staff:  
Matt Jordan, General Manager  

Presenters:  
Matthew Blair, Corcoran and Johnston  
Peter Dunbar, Dean Mead & Dunbar (via telephone)  
Maribel Medina, Senior Professional Engineer IV  
Suzannah Folsom, Senior Professional Engineer IV  
Warren Hogg, Interim Chief Science and Technical Officer  
Trey Scott, Mauldin & Jenkins, LLC  
Daniel Anderson, Mauldin & Jenkins, LLC  
Christina Sackett, Chief Financial Officer  
Megan Ross, Pinellas County Utilities  

General Counsel:  
Barrie Buenaventura, General Counsel  

A list of others present who signed the attendance roster was filed in the permanent files of Tampa Bay Water. Staff and Consultants presenting to the Board are listed above.

Vice Chair Sandra Murman called the Regular Meeting to order at 9:30 a.m. Vice Chair Murman lead the Pledge of Alliance.

PUBLIC COMMENT
Vice Chair Murman opened the Regular Board meeting to public comment. The following speaker(s) made public comment to the Board of Directors:

Mark Klutho
David Ballard Geddis, Jr.

Public comment was duly recorded and is filed in the permanent records of Tampa Bay Water.

CONSENT AGENDA

A. GENERAL MANAGER
1. Board Minutes for December 18, 2017, Regular Board Meeting – Approve
2. Board Minutes for January 22, 2018, Special Board Meeting – Approve

B. GENERAL COUNSEL
No items were presented to the Board.

C. WATER PRODUCTION
2. Fleet Management Contract with Enterprise F M Trust under The Interlocal Purchasing System – USA, Contract # 2072816 – Approve
3. South Pasco Transmission Main Condition Assessment Project Closeout - Approve
4. Energy Management Program- status report
5. Capital Improvement Program- Task Order Authorization- Approve
6. Eldridge-Wilde Wellfield Underground Powerline Project 50040- Cypress Trails Horse Farm, LLC Option Agreement and Purchase and Sale Agreement- Approve
7. Ferric Sulfate Supply Services Contract No.: 2014-032 - Increase annual contract amount – Approve
8. Purchase of Analytical Equipment, Replacement Parts and Consumable Supplies from Hach Company – Approve

D. FINANCE
1. Hydrologic Conditions Update – Status Report
2. Long Term Master Water Plan Feasibility Studies Update – Status Report
3. Production Well Abandonment – Approve
5. Long Term Demand Forecast Model Redevelopment – Status Report
6. Regional Demand Management and Member Government Water Conservation Activities – Status Report
7. Regional Water Supplies and Member Demands – Status Report
8. As-Needed Decision Support Professional Services Contracts – Second Amendment to contracts with GSI Environmental Consultants Inc. and Hazen and Sawyer – Approve
9. Waterloss Pilot Project Grant with the Florida Department of Environmental Protection – Approve
10. Five Year Conservation Plan Update – Receive report
11. Water Conservation Month Proclamation – Approve
12. Laboratory Analytical Services Contracts – Approve
13. First Amendments to As-Needed Well Drilling Services, Contract Nos. 2015-031 with Baker Well Drilling, Inc., and 2015-032 with Citrus Park Well Drilling & Irrigation, Inc. – Approve

E. FINANCE
1. Contract Renewals – Approve
2. General Manager’s Travel Quarterly Report – Approve
3. Fees for Independent Annual Financial Statement Audit and As-Needed Services for FY18 – Approve

F. CONSENT DISCUSSION
Vice Chair Murman announced the Consent Agenda and asked if any agenda items should be pulled for discussion.

Vice Chair Murman asked for a motion to approve the Consent Agenda.

Motion: Mayor Rob Marlowe moved for approval of the Consent Agenda. Councilman Charlie Miranda seconded the motion.
Vote: The motion carried by a vote of 7-0. (Commissioner Kathryn Starkey was not present during the vote).

REGULAR AGENDA

G. GENERAL MANAGER
1. Executive Committee Report and Minutes – January 22, 2018 -

Matt Jordan, General Manager, noted topics covered at the January 22, 2018 Executive Committee Meeting included South-Central Hillsborough County Water Supply Improvements, the Capital Improvement Program, Bond Refinancing. Mr. Jordan stated that in December, the Board authorized staff to pursue restructuring portions of the agency debt. However, due to market changes, it was determined not to be in the best interest of the agency. Therefore, no action was taken to do so.

2. 2018 Legislative Update
Matthew Blair, Corcoran and Johnston, provided a brief update on the 2018 Legislative Session. Peter Dunbar, Dean, Mead & Dunbar, attended the meeting via telephone. Mr. Blair noted that there were two pieces of legislation on a federal level that could affect Tampa Bay Water. The first bill pertained to Deferred Action for Childhood Arrivals (DACA), which could affect water infrastructure funding opportunities. The second bill addressed spending caps. Mr. Blair stated that specific spending will be worked out between by March 23 as to what funds will be available on a federal funding level. On a state level, the Legislature was working through the state budget. Mr. Blair stated that SB 1710 and HB 1303 remain in their first committees. During a workshop on January 30, 2018, of the House Natural Resources and Public Lands Committee, the Committee heard HB 1303 with presentations from Chuck Weber representing the City of Tampa and Peter Dunbar representing Tampa Bay Water; however, the Committee adjourned without action being taken. Mr. Blair stated that the Legislature strongly desires the Board of Directors of Tampa Bay Water and the City of Tampa to work together as member governments to address the local issue on reclaimed water. Mr. Blair turned the meeting over to Warren Hogg to provide information on Southwest Florida Water Management District’s (District) cooperative funding program for Fiscal Year 2018. Mr. Hogg stated that staff attended a District Committee meeting on February 15 to discuss projects Tampa Bay Water submitted for co-funding. Mr. Hogg provided an overview and status update on projects submitted by the agency. During the District meeting, Hillsborough County’s SHARP and City of Tampa’s TAP projects were discussed by the District Board. Currently, both projects ranked low due to not meeting the District’s requirements. The Committee discussed having the interested parties work together concerning the TAP project to see if there could be a coordination or partnership on the co-funding application and technical work. Mr. Hogg noted that the agency feels there is value in partnering with City of Tampa and Hillsborough County on the feasibility studies for their projects. Mr. Hogg stated that much would be gained by both member governments and Tampa Bay Water by partnering on the feasibility and pilot study portions of the projects which would advance the agency’s Master Water Plan. Mr. Hogg noted that partnering with the City and County, would not obligate the Board to any particular project nor would it serve as an endorsement.

Councilman Miranda asked Mr. Hogg to clarify how the City and County would receive funding by the District if they partnered with Tampa Bay Water. Mr. Hogg explained the District policy states that if a local entity is part of a regional water supply authority, any funding request would need to be submitted by the water supply authority. Commissioner Eggers noted his support of the agency partnering with the City of Tampa and Hillsborough County. Mayor Marlowe noted his interest in looking at what to do with the City of New Port Richey’s reclaimed water. Vice Chair Murman asked if the information gathered in the feasibility and pilot study will be useful to and shared with other member governments. Mr. Hogg stated that the information gathered will be useful to other utilities throughout the State of Florida.

Mr. Blair finalized his presentation stating that he and Mr. Dunbar make the recommendation that Tampa Bay Water send letters to the City of Tampa and Hillsborough County offering to partner with them in the co-funding application to the District, partnering with them in the feasibility studies and pilot testing for SHARP and TAP to gather valuable information for Tampa Bay Water’s Master Water Plan process.
on the use of reclaimed water as water supply source prior to the District's early April application deadline. Commissioner Gerard, Commissioner Eggers and Council Member Rice noted their support of partnering. Commissioner Starkey stated that Tampa Bay Water is one of the best examples of regional cooperation. Commissioner Kemp stated that reclaimed water is outside the original Interlocal Agreement and member governments should be encouraged to pursue the use of reclaimed water. Commissioner Starkey asked for clarification of the pilot study versus the feasibility study. Mr. Hogg explained that a pilot study evaluated the feasibility of the projects. Vice Chair Murman and Mayor Marlowe noted their support. Vice Chair Murman requested the staff report back to the board on the progress of the partnership opportunities.

A copy of the full report can be found in the agency's Records Department.

**Motion:** Commissioner Pat Gerard moved to approve Legislative Counsel's recommendation. Mayor Rob Marlowe seconded the motion.

**Vote:** The motion carried by a vote of 7-1. (Councilman Charlie Miranda voted nay).

**H. GENERAL COUNSEL**

No items were presented to the Board.

**I. WATER PRODUCTION**

1. South Pasco Generator and Fuel Tank- Project No. 07006, Contract 2018-023 with EAU Gallic Electric Inc.- *Presentation and Approval*

   Maribel Medina, Senior Professional Engineer IV, provided a presentation on South Pasco Generator and Fuel Tank Project. Ms. Medina noted that the project would replace the current 20-year old, 1,100-kilowatt generator with a new 1,250-kilowatt generator to address future power needs for the additional infrastructure improvements. The cost of for this project would be funded with a federal grant and available revenue bond funds. Ms. Medina reviewed the project schedule and anticipate completion by June 2019. Ms. Medina requested approval of South Pasco Generator and Fuel Tank Project No. 07006, Contract 2018-023 with EAU Gallic Electric Inc.

   A copy of the full report can be found in the agency's Records Department.

**Motion:** Commissioner Pat Gerard moved for approval of Item I1. Councilman Charlie Miranda seconded the motion.

**Vote:** The motion carried by a vote of 8-0.

2. South-Central Hillsborough County Supply Improvements Evaluation - *Status Report and Presentation*

   Suzannah Folsom, Senior Professional Engineer IV, provided a status report and presentation on the South-Central Hillsborough County Supply Improvements. Ms. Folsom reviewed the supply and demand in the South-Central Hillsborough County
area noting that existing location limit supply to that area to approximately 49 million gallons per day (MGD). Demands in that area will exceed supply between 2024 – 2028 – sooner that the agency will bring new supply online as part of the Long-term Master Water Plan. Ms. Folsom stated that agency staff have been meeting with Hillsborough County staff over the last several months to look at options to expand supply to South Hillsborough. Ms. Folsom explained several options being considered. Two of the highest scoring options include a new regional pipeline to the Balm area, and a new wellfield permitted based on the net benefit of aquifer recharge from SHARE or SHARP. Ms. Folsom stated that the agency has been looking into the feasibility of future supply from aquifer recharge for the last several years as part of the Long-term Master Water Plan process. Staff will continue to evaluate these two options and will bring a recommendation to the Board in the future. Once an approved option is determined, staff will seek approval of a Memorandum of Understanding (MOU) by the Board and by the Hillsborough County Board of County Commission. Ms. Folsom reviewed the next steps of the process which include continuing to meet with Hillsborough County and District staff to determine if the aquifer recharge is a feasible near-term alternative. In March, agency staff will meet with member government staff to review the evaluation process in more detail. Staff will include a placeholder in the agency’s Capital Improvement Program which will be presented in April. The final MOU will be brought to the Board this summer and anticipate beginning the preliminary design in October 2018.

Commissioner Eggers asked how many total projects are being considered. Mr. Jordan responded that there are seven. Staff will continue to evaluate the projects and anticipate bringing a short list to the Board in December 2018.

A copy of the full report can be found in the agency’s Records Department.

No Board action is required on this item.

J. SCIENCE AND TECHNOLOGY
1. Water Quality Update – Status Report

Warren Hogg, Interim Chief Science and Technical Officer, provided an update on Water Quality. Mr. Hogg provided historical information on significant changes which have been made to Exhibit D of the Master Water Supply Contract since the creation of the agency. In the Master Water Supply Contract, Exhibit C defines specific Points of Connection (POC) and Exhibit D defines the quality standards of the water to meet all Safe Drinking Water Act standards as well as water quality preferences of the member governments. Mr. Hogg presented a history of the changes that were made to Exhibit D parameters and limits in 2004 and the reasons for those changes. Samples are collected monthly and the results are reported to the member governments for each POC. The Water Quality Work Group meets monthly to discuss water quality compliance, treatment and distribution issues. At the May 2017 Executive Committee Meeting, some member governments expressed concern over water quality. Since that time, group discussions have consisted of distribution system chloramine maintenance issues. Currently, the Total Organic Carbon (TOC) limit in Exhibit D is 4.6 mg/L. However, Tampa Bay Water received requests from member governments to look at
reducing Total Organic Carbon (TOC) in water delivery. In 2017, Black & Veatch was tasked to complete a conceptual planning effort to investigate the reduction of TOC levels and a summary of the report conclusions and potential treatment cost was discussed. As of January 2018, all water delivered through all POCs is in compliance with the 4.6 mg/L contract limit for TOC. Operations and maintenance staff are investigating practices which will reduce turbidity which is another parameter listed in Exhibit D. Mr. Hogg reviewed the agency’s next steps which included continuing to work with member government staff on water quality.

Councilman Miranda invited the utility directors present to speak on water quality costs.

Chuck Weber, City of Tampa, addressed the Board stating that the City of Tampa rarely buys water from Tampa Bay Water except during a drought. Mr. Weber noted that Tampa Bay Water supplies the City with water from the Morris Bridge Wellfield during these times of drought. The water may meet the Safe Drinking Water Act for a wellfield but he raised questions about the blending of this water and water from their Surface Water Treatment Plant which treats water from the Hillsborough River. Mr. Weber stated he agreed with Mr. Hogg that the cost of making the water quality consistent at every Point of Connection is expensive.

Bart Weiss, Hillsborough County, addressed the Board stating that the County continues to evaluate water quality within their system due to total organic carbon. Mr. Weiss noted that it is a major issue to resolve.

Commissioner Eggers stated that the water quality issue needs to be addressed and there needs to be more conversation individually with the utility directors and staff to become more informed on the issue.

Vice Chair Murman asked that Water Quality be addressed again at the next Board meeting.

A copy of the full report can be found in the agency’s Records Department.

No Board action is required on this item.

K. FINANCE

1. Fiscal Year 2016/2017 Financial Statement Presentations
   a. Reports of Certified Public Accountants Regarding Financial Statements for the year ended September 30, 2017 – Presentation

Christina Sackett, Chief Financial Officer, introduced Daniel Anderson and Trey Scott, Auditors with Mauldin & Jenkins, to provide a presentation on financial statements for year ending September 30, 2017. Mr. Anderson provided a brief history of Maulden & Jenkins and Mr. Scott provided an overview on the company’s audit opinion.

Council Member Rice asked if the $2 million variance on the CAFR report under water sales and if it was unusual. Ms. Sackett explained that the increase in sales is due to the increase in demand from the variable sales. Council Member Rice asked if the water
production division number was an unusual number in the variance column. Ms. Sackett explained that at the end of the year there are open purchase orders carried forward. If they are not needed, those purchase orders will be closed out which allows the variance.

A copy of the full report can be found in the agency’s Records Department.

Motion: Commissioner Dave Eggers moved for approval to receive Item K1. Council Member Darden Rice seconded the motion.
Vote: The motion carried by a vote of 8-0.

b. Year-end Reporting of Account Transfers for Encumbered and Unencumbered Funds Transfers – Receive Report - Presentation

Christina Sackett, Chief Financial Officer, provided a presentation on the Year-end Reporting of Account Transfers for Encumbered and Unencumbered Funds Transfers. Ms. Sackett reviewed fund transfers for 2017/2018 stating that because actual unexpended/unencumbered funds were more than estimated, staff transferred $5 million into the Capital Improvement Fund and transferred an additional $3 million into the Rate Stabilization account deferring the funds for use in future years. The Rate Stabilization account ended the fiscal 2017 with a balance of $33.8 million. Ms. Sackett noted that the agency’s strong cash position contributed to the AA+ rating with all three rating agencies.

A copy of the full report can be found in the agency’s Records Department.

No Board action is required on this item.


Christina Sackett, Chief Financial Officer, provided an overview presentation on Fiscal Year 2019 Budget Development Timeline and Process. Once the proposed fiscal year budget is prepared, it will be brought to the Executive Committee in March for review and discussion. In late March/early April, agency staff will meet and review the budget with member government financial department. At the April Board meeting, the proposed budget is presented to the Board for discussion and questions. In June, the agency has a public hearing to present the final proposed budget to the Board.

A copy of the full report can be found in the agency’s Records Department.

No Board action is required on this item.

Commissioner Eggers mentioned his receipt of an anonymous letter concerning reclaimed water. The Board requested General Counsel to provide an off-agenda memorandum to address the anonymous letter.
**Motion:** Commissioner Dave Egger moved for approval. Councilman Charlie Miranda seconded the motion.

**Vote:** The motion carried by a vote of 8-0.

I. **OLD BUSINESS AND OTHER ADMINISTRATIVE MATTERS**

1. **Election of Officers for 2018**

   Vice Chair Murman passed the gavel to Matt Jordan, General Manager. Mr. Jordan opened the nominations for the position of Chair of the Tampa Bay Water Board of Directors. Councilman Charlie Miranda nominated Commissioner Sandra Murman as Chair. Mayor Rob Marlowe seconded the nomination. Council Member Darden Rice nominated Commissioner Dave Eggers. With no other nominations, Mr. Jordan closed nominations, called the question in order of the nominations and requested a vote of Commissioner Sandra Murman as Chair.

   **Vote:** Commissioner Sandra Murman was elected Chair by a majority of the Board.

   Chairman Murman opened the nominations for Vice Chair of Tampa Bay Water Board of Directors. Council Member Darden Rice nominated Commissioner Dave Eggers as Vice Chair. Chairman Murman seconded the nomination. With no other nominations, Chairman Murman closed nominations and moved for a vote of Commissioner Dave Eggers as Vice Chair.

   **Vote:** Commissioner Dave Eggers was elected Vice Chair by a majority of the Board.

2. **Appointment to Board Executive Committee**

   Chairman Murman asked if any Board member would like to volunteer to serve on the Executive Committee. Commissioner Kathryn Starkey volunteered to serve. Commissioner Kathryn Starkey nominated Commissioner Ron Oakley to serve as alternate on the Tampa Bay Water Board Executive Committee. Chairman Murman appointed Commissioner Oakley as alternate for the Executive Committee.

3. **General Counsel Services**

   Mr. Jordan stated that the General Counsel contract is currently with Conn & Buenaventura, P.A. and expires on April 30, 2018. Agenda Item I.3 provides three options for the Board’s consideration. There was general discussion between Board Members to continue General Counsel’s contract for an additional three-year term.

   **Motion:** Councilman Charlie Miranda moved to approve the term of the contract with Conn & Buenaventura, P.A. for three years. Mayor Rob Marlowe seconded the motion.

   **Vote:** The motion carried by a vote of 8-0.

4. **Member Government Reclaimed Committee – Report**
Megan Ross, Pinellas County, presented an update on the recent activities of the Member Government Reclaimed Committee.

Chairman Murman asked that Raftelis provide a copy of the financial model analysis for the Board’s review. Commissioner Kemp requested Raftelis to provide a copy of the financial model and provide a presentation at the next Regular Board meeting.

Chairman Murman asked if there were any comments from the Board.

M. RECEIVE & FILE
1. Human Resources Activity Report for December 2017 and January 2018
2. General Counsel Activity Report December 2017 and January 2018
   a. Legal Services Activity Report for December 2017 and January 2018
   b. Legal Services Budget Report for December 2017 and January 2018
3. Public Affairs Activity Report for December 2017 and January 2018
4. Finance Activity Report:
   a. Finance and Administration Activity Report for December 2017 and January 2018
   b. Comprehensive Check List with Delegated Check Approval for November and December 2017
   c. Investment Schedule as of November and December 2017
   d. Financial Statements and Fund Analysis for November and December 2017
   e. Disposition of Assets through December 2017
   f. Vendor Status Report through December 2017
5. Water Production Activity Report for December 2017 and January 2018
6. Science and Technology Activity Report for December 2017 and January 2018

Vice Chair Murman asked for a motion to approve the Receive & File.

Motion: Councilman Charlie Miranda moved for approval of Receive & File and the motion was duly seconded.

Vote: The motion carried by a vote of 8-0.

IV. ADJOURNMENT
The Board adjourned at 11:30 a.m.

Attest: [Signature]
Matt Jordan, General Manager/Secretary

Date: 4/16/18