Tampa Bay Water
Budget Public Hearing and Regular Meeting
June 18, 2018 Minutes

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

BOARD MEMBERS PRESENT:

Present: Chair – Commissioner Sandra Murman, Hillsborough County

Vice Chair - 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

Commissioner Ron Oakley, Pasco County

Council Member Darden Rice, City of St. Petersburg

Commissioner Kathryn Starkey, Pasco County

Staff: Matt Jordan, General Manager

Presenters: Christina Sackett, Chief Financial Officer

Chuck Carden, Chief Operating Officer

Ken Herd, Interim Science and Technical Officer

Dave Bracciano, Demand Management Coordinator

Michelle Stom, Chief Communications Manager

Michelle Robinson, Dialogue Public Relations

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.

Chairman Sandra Murman called the Public Hearing to order at 9:00 a.m. Chairman Murman asked Vice Chair Eggers to lead the Pledge of Allegiance.

Chairman Murman acknowledged Tampa Bay Water's 20th Anniversary noting historical events and provided commemorative information about the agency over its 20-year history.
PUBLIC HEARING – 9:00 a.m. – Proposed Fiscal Year 2019 Budget

Chairman Murman recognized Christina Sackett, Chief Financial Officer, to provide a presentation on the proposed Fiscal Year 2019 Budget. Ms. Sackett addressed the Board regarding the Proposed Budget presented at the April Workshop. Ms. Sackett reminded the Board that Tampa Bay Water is contractually required to approve a budget by August 1st of each year and will request adoption of the budget by the Board. Ms. Sackett stated the agency’s responsibilities and strategic plan are considered when developing the budget. Ms. Sackett’s presentation provided information on the budgeted supply sources, proposed expenditures and net revenue required. Ms. Sackett noted three additional key factors impacting the FY19 budget included increased water demand; increasing pay-as-you-go funding; and maximizing efficiencies. Two new positions are being requested (a Reservoir Field Technician and a Safety Associate). The Reservoir Field Technician position will bring work in-house that is currently being outsourced. The Safety Associate will be responsible for documentation compliance and support of various safety and security systems. Ms. Sackett reviewed the uniform rate components and total costs stating that staff worked diligently to develop a budget that works towards meeting the five goals of the agency’s strategic plan. Next, Ms. Sackett reviewed the agency’s Capital Improvement Program (CIP) noting that the agency has provided a 10-year CIP which provides a short and long-term forecast of anticipated capital expenditures and funding needs. Ms. Sackett advised the Board they only approve the Capital Improvement Program’s FY19 projected expenditures, of approximately $17 million, when they approve the Agency’s FY operating budget. Ms. Sackett stated that Uniform Rate is $2.5590 per 1,000 for the eighth consecutive year. Ms. Sackett asked the Board for action to adopt the resolution approving the proposed budget for FY19 and to accept the FY19-FY28 Capital Improvement Program.

Commissioner Eggers asked what funds will be budgeted for the South Hillsborough County expansion. Ms. Sackett stated construction of the South Hillsborough County project is expected to begin in 2023 and there a place holder in the FY19-FY28 Capital Improvement Program Plan of $90.5 million for that project. Commissioner Eggers asked if the budgeted $90.5 million is for the pipeline. Ms. Sackett responded yes. Commissioner Egger asked about the strategies the agency has been applying concerning personnel (out sourcing versus in-house positions). Ms. Sackett replied one strategy is cost savings by adding staff to bring services in-house. The agency is also adding staff to bring knowledge and expertise in-house. Commissioner Eggers asked for the breakdown of cost savings of employees being hired in lieu of out sourcing and new staff being requested. Ms. Sackett stated that over the past 10 years, 26 positions have been added, 3 of which were added for new work, 5-6 were net savings, and the remaining provided in-house savings. Currently, the agency is saving approximately $750,000 per year by bringing services in-house and anticipates approximately $1 million more in savings by bringing the Reservoir Field Technician services in-house. Commissioner Starkey asked for an explanation of shift differential. Mr. Sacket explained shift differential is adjusted compensation for employees working the second and third shift. Commissioner Starkey asked how on-call pay is used. Ms. Sacket explained that certain maintenance staff are on-call and stay local and respond quickly should there be a need for them to come into work after hours for an emergency.

A copy of the full report can be found in the agency’s Records Department.
Chairman Murman opened the public hearing to the public for 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.

Chairman Murman, seeing no more public comments, asked if there were any questions from the Board.

Chairman Murman closed the public hearing and asked for a motion to approve the Fiscal Year 2019 budget.

Motion: Commissioner Dave Eggers moved to approve the Fiscal Year 2019 budget, Commissioner Ron Oakley seconded the motion.

Vote: The motion was carried by a vote of 9-0.

PUBLIC COMMENT

Chairman 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 April 16, 2018, Budget Workshop and Regular Board Meeting – Approve
2. Public Affairs
   a. Glazer Children’s Museum Water Exhibit Upgrade Sponsorship in the Amount of $150,000 – Approve
   b. Agency 20th Anniversary Celebration Overview – Status Report
   c. Procurement of Advertising Media Placements for Fiscal Year 2018 - Approve

B. GENERAL COUNSEL

1. Ruben Bazarte, Jr. v. Hillsborough County and Tampa Bay Water, Case No. 18-CA-000275
   Hillsborough County Circuit Court – Status Report
C. WATER PRODUCTION

1. Capital Improvements Program - Task Order Authorization - Approve
2. Energy Management Program - Status Report
3. Exhibit C of the Master Water Supply Contract - Updated Points of Connection to Hillsborough County - Approve Updates and Authorize Request to Hillsborough County
5. Security Services - Contract No. 2015-053 - Fee and funding clarification - Approve

D. SCIENCE AND TECHNOLOGY

1. Hydrologic Conditions Update - Status Report
3. Long-Term Demand Forecast Model Redevelopment - Status Report
4. Regional Demand Management and Member Government Water Conservation Activities - Status Report
5. Regional Water Supplies and Member Demands - Status Report
6. As-Needed Domestic Well Investigation, Mitigation and Drilling Services - Contract Nos. 2018-031 and 2018-032 with Citrus Park Well Drilling and Irrigation, Inc. and Baker Well Drilling, Inc. - Approve

E. FINANCE

1. Contract Renewals - Approve
2. General Manager's Quarterly Travel Report - Approve
3. Tampa Bay Water Employee Insurance Program - Delegation of authority for selection of Fiscal Year 2019 Employee Insurance Program - Approve
4. Budget Transfer Fiscal Year 2018 - Information Technology Department - Approve

F. CONSENT DISCUSSION

Chairman Murman announced the Consent Agenda and asked if any agenda items should be pulled for discussion. She thanked agency staff for being responsive to issues concerning a Hillsborough County Point of Connection (Item C3) and changes to the Master Water Supply Contract.

Chairman Murman asked for a motion to approve the Consent Agenda.

Motion: Commissioner Pat Kemp moved for approval of the Consent Agenda. Mayor Rob Marlowe seconded the motion.

Vote: The motion carried by a vote of 9-0.
REGULAR AGENDA

G. GENERAL MANAGER

1. Executive Committee Report and Minutes – April 16, 2018 -

Matt Jordan, General Manager, highlighted topics covered at the April 16, 2018 Executive Committee Meeting which included the ongoing Water Quality meetings with member governments staff and the agency’s participation in the Regional Resiliency Program sponsored by the Department Homeland Security.

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

No Board action is required on this item.

H. GENERAL COUNSEL

No items were presented to the Board.

I. WATER PRODUCTION

1. Year to date Operations Status Report- Presentation

Chuck Carden, Chief Operating Officer, provided a report on the agency’s current operations. Mr. Carden stated that conditions have been warmer and wetter than normal. The year-to-date rain surplus is at 16.5 inches. During the month of May, Tampa Bay Water delivered 171.7 million gallons per day (mgd), a 27% decrease from last year. Mr. Carden noted the agency did not deliver water to the City of Tampa and does not anticipate delivering any potable water to the City this year. Staff projects the 12-month-running average for the Consolidated Wellfields will be at 80.3 mgd by the end of the year, well below the permit limit of 90 mgd. The Surface Water Treatment Plant is online and producing 50 mgd, receiving water from the Tampa Bypass Canal. In January, the agency began to withdraw water from the reservoir and on May 24, the agency began adding water to the reservoir and is currently storing about 12 million gallons. The reservoir is on schedule to be full again by the end of July. The desalination facility is currently off-line; however, it will be up again in the fall depending on the weather conditions.

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

No Board action is required on this item.

2. Agency Safety Program/Hurricane Preparedness- Presentation

Chuck Carden, Chief Operating Officer, provided a brief overview of the agency’s safety program and hurricane preparedness. Mr. Carden stated the Safety Services department continually reviews safety programs, analyzes results, and provides resources for employees to improve health, safety and security. Mr. Carden reviewed the program components noting that the program extends to all contractors. Mr. Carden described the agency’s emergency management program which includes the National Incident Management System, Water Emergency Incident Command System
and Hurricane Response Plan. Mr. Carden reviewed the agency’s active storm process stating the agency is ready to integrate into a regional response with other counties and the state as needed. A post storm recovery checklist is completed which includes recovery efforts, a demobilization structure designed to return the agency back to normal operations quickly.

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

Council Member Rice asked what was learned from Hurricane Irma. Mr. Carden stated one lesson involved a lack of gasoline for drivers in South Hillsborough County. The agency has since taken measures to correct this issue. Council Member Rice asked if the agency had any issues with debris removal. Mr. Carden stated there were minor challenges with fallen debris.

No Board action is required on this item.

J. SCIENCE AND TECHNOLOGY

1. Long-term Master Water Plan Update – Presentation

Ken Herd, Interim Science and Technical Officer, provided a presentation update on the agency’s Long-term Master Water Plan. Mr. Herd reviewed the discussion point timeline noting that there is time to evaluate project options as the agency moves forward with feasible projects. Next, he discussed when to build and what to build to ensure the regions water demands are met. Mr. Herd introduced Dave Bracciano, Demand Management Coordinator, to provide an overview on the long-term demand management for the region. Mr. Bracciano explained the two types of demand management – passive and active, and reviewed regional water use. He reviewed water use in the region noting that single-family use is the highest water use in the region. Through water conservation, reclaimed projects and past efficiencies, demand has offset approximately 35 mgd over the last 16-year period saving a half billion dollars of capital investment in new water supply. Next, Mr. Bracciano discussed several cost-savings strategies with the potential of saving the region approximately 12.31 mgd. He noted three funding options involving Tampa Bay Water, the Southwest Florida Water Management District (SWFWMD) and member governments.

Councilman Miranda stated that his understanding was conservation is up to the member governments and questioned what role Tampa Bay Water had in conservation. Mr. Bracciano stated that the agency is required to plan and coordinate conservation efforts along with the Member Governments through its founding documents. Councilman Miranda asked what the planning involves. Mr. Bracciano stated the agency is updating its demand management plan and looking at various conservation strategies. Mr. Bracciano explained that staff are identifying strategies that member governments could implement in any number of ways or they could decide not to implement them at all. Mr. Bracciano explained when the demand management is updated, staff identifies what has been done by member governments, tracks what the remaining potential could be and then updates the Board annually. Chairman Murman asked if the member governments are notifying the agency what steps they are taking. Mr. Bracciano responded yes, the agency works with member governments on a regular basis. Commissioner Eggers asked if the slide with the 177 gallons per day represented reclaimed water demand. Mr. Bracciano explained the 177 gallons per day excluded reclaimed water users so the agency could evaluate how much water was being used indoors and outdoors. Mr. Bracciano reviewed the future demand
management steps. Commissioner Starkey asked if any action from the Board was needed at this meeting. Mr. Bracciano stated that action on conservation funding options will be requested in August. Mr. Bracciano then turned the presentation over to Michelle Stom, Chief Communications Officer, to provide an overview on the Long-term Master Water Plan Public Outreach.

Ms. Stom explained the goals of the agency’s community outreach program are to inform residents on the agency’s water planning process, to discuss the potential projects under consideration and the board’s decision-making process, and to ensure residents’ priorities and concerns are included and considered in project ranking and selection. Ms. Stom reviewed the agency’s outreach efforts since 2015 noting the agency’s main effort has been its speaker’s bureau. The speaker’s bureau kicked off earlier in this year and presented to more than 20 community groups. Attendees were encouraged to visit Tampa Bay Water’s website, take an online survey as well as view an informational video and opt-in to the agency’s telephone town hall meetings held earlier this year. Ms. Stom stated that online responses have shown that residents support the use of existing sources more than reclaimed water and water quality is a concern. Next, she reviewed the results from the three telephone town hall meetings. Ms. Stom turned the presentation over to Michelle Robinson, Dialogue Public Relations, to provide the results of the online survey. Ms. Robinson stated there were approximately 1,651 responses to the survey. She reviewed the results noting some limitations of an online survey. Next, Ms. Stom explained the information gathered will be used as the agency plans its outreach and education for the next phases of the master water planning process. This summer, staff will be conducting its semi-annual statistically valid public opinion survey that will be compared to the results from the 2015 survey. The report and public opinion will be used in ranking projects for the Board’s consideration.

Commissioner Eggers asked if water shortage concern was asked in the surveys. Ms. Stom stated that was not asked in the online survey, but the survey being conducted this summer does address the issue. Commissioner Kemp asked the survey shows what percentage of residents not drinking tap water. Ms. Stom responded that the survey shows about 20% of residents are not drinking tap water.

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

No Board action is required on this item.

2. C.W. Bill Young Regional Reservoir Update
   a. Transition of Operation, Monitoring and Maintenance - Presentation
   b. Public Meeting on Emergency Notification – Presentation

Ken Herd, Interim Science and Technical Officer, provided a presentation overview on the Regional Reservoir Transition of Operations and Maintenance Activities and Updates to Emergency Notification. Mr. Herd stated in 2011, Tampa Bay Water entered into an agreement with Kiewit Construction to repair and make improvements to the reservoir. The agreement included a specified period for operations, maintenance and monitoring by Kiewit post construction completion (warranty period). Mr. Herd reviewed the two triggers that determine the end of the warranty period. To date, monitoring shows the reservoir is performing as designed and discussions with Kiewit have been initiated to set a date certain when the agreement can be concluded (Memorandum of Understanding). Staff anticipates bringing a contract amendment
to the Board later this year setting the date that closes out the contract. Next, Mr. Herd provided a brief history of the safety and site selection as well as the design of the reservoir. The agency implemented the Emergency Action Plan (EAP) in accordance with the Federal Emergency Management Guidelines. The EAP is reviewed and updated regularly as needed. Mr. Herd noted that the public notification process has been updated and improved since the EAP was initially drafted. A public meeting will be held on June 26 to review the updated notification procedures with area residents.

Commissioner Starkey expressed her desire to have some type of public recreation activities at the reservoir. Commissioner Kemp suggested staff look into utilization of solar technology at the reservoir. Staff was requested to research both inquiries and bring the findings back 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.

K. FINANCE
No items were presented to the Board.

L. OLD BUSINESS AND OTHER ADMINISTRATIVE MATTERS

1. General Manager Annual Evaluation

Chairman Murman thanked all Board members for completing and submitting their reviews. Mr. Jordan received very positive evaluations from the Board. Chairman Murman stated he is doing an outstanding job moving the agency in the right direction. In accordance with the terms of his employment contract, Mr. Jordan will receive a pay increase consistent with the average pay increase received by all authority managers for the prior twelve-month period.

Mr. Jordan expressed his appreciation for the Board’s comments and feedback noting that it is the hard-work of the men and women of Tampa Bay Water that make it successful.

Commissioner Eggers asked the meaning of the reference to the average pay increase received by authority managers. Barrie Buenaventura, Tampa Bay Water General Counsel, stated that it is the average of the senior staff. The General Manager receives the average of the senior staff/senior managers of the agency as his increase annually. Commissioner Eggers asked staff to provide the average increase figure to the Board.

2. Member Government Reclaimed Committee - Report

Mike Carballa, Pasco County, presented an update on the recent activities of the Member Government Reclaimed Committee. Mr. Carballa stated that the Reclaimed Committee continues to collaborate and meet about the future use of reclaimed water amongst the member governments. The Committee continues to work with Raftels on a financial analysis on the Tampa Augmentation Project (TAP) and South Hillsborough Augmentation Reclaimed Project (SHARP). At the request of the City of Tampa, an additional meeting was scheduled for July 23 to review the final financial analysis and prepare a recommendation for the Board in August.
Matt Jordan
August 7, 2018
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A copy of the full report can be found in the agency’s Records Department.

No Board action is required on this item.

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

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

Motion: Commissioner Dave Eggers moved for approval of Receive & File. Commissioner Pat Gerard seconded the motion.
Vote: The motion carried by a vote of 9-0.

IV. ADJOURNMENT

The Board adjourned at 10:42 a.m.

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

Date: 6/20/18