

**WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES  
July 17, 2013**

**TIME:** 4:30 p.m.  
**PLACE:** Lecanto Government Building  
3600 W. Sovereign Path, Room 166  
Lecanto, Florida 34461

The numbers preceding the items listed below correspond with the published agenda.

**1. Call to Order**

Chairman Dennis Damato called the Withlacoochee Regional Water Supply Authority (WRWSA) meeting to order at 4:33 p.m. and asked for a roll call.

**2. Roll Call**

Mr. Richard Owen, Executive Director, called the roll and a quorum was declared present.

**MEMBERS PRESENT**

Jim Adkins, Hernando County Commissioner  
Rebecca Bays, Citrus County Commissioner  
Al Butler, Sumter County Commissioner  
Dennis Damato, Chairman, Citrus County Commissioner  
Don Hahnfeldt, Sumter County Commissioner  
Joseph Johnston, Brooksville City Councilor

**MEMBERS ABSENT**

Scott Adams, Citrus County Commissioner  
Ken Brown, Crystal River City Councilor  
Kathy Bryant, Marion County Commissioner  
Wayne Dukes, Hernando County Commissioner  
Gary Ernst, Belleview City Councilor  
Stan McClain, Marion County Commissioner  
Nick Nicholson, Hernando County Commissioner  
David Russell, Hernando County Commissioner  
Dale Swain, Bushnell City Councilor  
Carl Zalak, Marion County Commissioner

**3. Introductions and Announcements**

Members of the audience introduced themselves. There were no announcements.

**STAFF PRESENT**

Richard Owen, WRWSA Executive Director  
Larry Haag, WRWSA Attorney  
Diane Salz, Governmental Affairs Liaison  
Nancy Smith, WRWSA Administrative Assistant

**OTHERS PRESENT**

Alys Brockway, Hernando County Utilities  
Jimmy Brooks, Citrus County Resident  
Debra Burden, Citrus County Water Resources  
Tom Dicks, City of Inverness

Kim Dinkins, Marion County Water Resources  
John Ferguson, SWFWMD  
Darrin Herbst, SWFWMD  
Gregg Jones, Cardno Entrix  
Richard Radacky, City of Brooksville, DPW  
Doug Yowell, Duke Energy  
Chris Zajac, SWFWMD

**4. Approval of Minutes of June 19, 2013 Meeting**

A copy of the minutes was provided in the Board packet for review.

Following consideration, a motion was made by Mr. Butler to approve the minutes for the June 19, 2013 meeting. Mr. Adkins seconded the motion, which carried unanimously.

**5. Duke Energy Report on Project Water Use . . . Doug Yowell, Duke Energy**

Mr. Owen introduced Doug Yowell, Senior Environmental Specialist with Duke Energy. Mr. Yowell has over 25 years of experience in water supply and wastewater regulatory issues, mostly involving electric utility generation.

<Rebecca Bays arrived at 4:40 p.m.>

Mr. Yowell spoke regarding the water use needs of both the coal-fired units and the nuclear facility. All four of the coal-fired units (Units 1, 2, 4, & 5) require water as part of the energy production process. About 75 percent of the fresh water used at the plant is for coal-fired units 4 and 5 for the clean air pollution control equipment. While closure of the nuclear facility (Unit 3) has reduced water needs by about 27 percent, water is required for the spent fuel. These needs will continue even though the nuclear facility is shut down. Duke Energy is working with the City of Crystal River, with funding from the SWFWMD, to bring reclaimed water to the power plant site to offset the use of fresh water that is currently supplied by a series of wells.

In response to questions from the Board, Mr. Yowell stated that Duke Energy anticipates some additional water needs for new power generation in the area, perhaps as much as 500,000 gallons per day by 2018. Alternate power sources may be the use of western coal with units 1 and 2 or natural gas if a new plant is constructed. Mr. Owen asked if there is continued potential for collocation of a desalination plant with the power facility given that units 1 and 2 and the nuclear facility use seawater as part of the cooling process. Mr. Yowell stated that units 1, 2 and 3 use the most seawater in the open cycle cooling process. Since unit 3 is closed and units 1 and 2 may be closed after 2016 or 2018, the amount of water for the desalination process is reduced. These three plants were using about 1,800 million gallons per day in the cooling process. Without that amount of flow for dilution needed for a desalination unit, it may not be possible to collocate a desalination project.

**6. Consumptive Use Permitting Statewide Consistency Initiative . . . Darrin W. Herbst, P.G.**

Mr. Owen stated that the WRWSA has been involved with the statewide consumptive use permitting consistency on behalf of the WRWSA and its member governments. All five water management districts are in rulemaking to implement the changes. He introduced Darrin Herbst, SWFWMD Bureau Chief of the Water Use Permitting Program. Mr. Herbst heads up the water use permit evaluation, water use compliance, well construction permit evaluation and demand management.

Mr. Herbst presented information on the issues that have been addressed in the rulemaking process, focusing on the public supply related issues; this may be referred to as either the consumptive use or water use permitting process. The statewide effort has been to make the water use permitting process more similar in all districts. Incentives for the conservation of water have been added to the rules. If the actual water use is less than the permitted water use due to documented implementation of water conservation measures, the permitted allocation will not be reduced due to a lack of use. In addition, demonstrated water conservation may allow the permit to be extended up to five years. Additional rule workshops and reviews will be held in August and September 2013 with adoption scheduled for the October 2013 Governing Board meeting.

Discussion by the Board followed. Water conservation incentives and offsets for use of reclaimed water are the major changes to the permitting process. Mr. Owen stated that the WRWSA and the member governments have participated in the rulemaking process and continue to maintain interest in the proposed changes. Mr. Owen asked about the ability of the utilities to deduct 50 percent of the reclaimed water that is beneficially used. Mr. Herbst responded that the 50 percent offset would continue. Mr. Owen commented that the WRWSA recommends the District consider changing its rules such that the offset is raised to 100 percent of the beneficially used reclaimed water.

**7. Regional Water Supply Plan Update . . . Gregg Jones, Cardno ENTRIX**

Mr. Jones presented the fourth progress report for the Regional Water Supply Plan Update. Work is ongoing on water demand estimates, availability of ground and surface water, conservation and reclaimed water strategies, and water supply project options. Significant progress has been made on all four tasks. The Cardno team continues to work with the member utilities to complete the data needed for the Conserve Florida water conservation model. Mr. Owen informed the Board that this model was developed for use by individual utilities. Therefore, he and Gregg Jones are working with the University of Florida Conserve Florida, the group with responsibility for the model's development and use, to have them assist with data entry and to use the model for compiling all of the utilities in the Withlacoochee Region. The Conserve Florida model will then be used to estimate projected water conservation savings opportunities as a part of the WRWSA's Regional Water Supply Plan update. This process has the potential to delay progress on the Regional Water Supply Plan Update.

This item was presented for the Board's information; no action was required.

**8. Local Government Grant Applications . . . Richard Owen, Executive Director**

Mr. Owen summarized the local government grant program instituted by the Authority in 1999. Applications were received from four local governments: the City of Inverness, Citrus County, Hernando County and Marion County. The counties each applied for funds to supplement and continue existing water conservation programs and were consistent with the Authority's water conservation priority. The City of Inverness submitted an application to request support of its Automatic Metering Infrastructure project; however, no description of how the project would address water conservation was given and there was no specific amount of funding requested. Mr. Owen recommended approval of the grants for Citrus County, \$40,250, for Hernando County, \$48,200, and for Marion County, \$38,600 for a total grant program of \$127,250.

Tom Dicks, Inverness Assistant City Manager, presented the City's Automatic Metering Infrastructure project. Mr. Owen offered to work with the City to improve their application for the next year, nevertheless, funding for 2013/14 fiscal year is requested as the project is anticipated to begin in November 2013 and to be complete by June 2014. The City is requesting the maximum funding of \$50,000.

The Board discussed the projects requested and asked for quantifiable data from the existing conservation programs. This information is to be provided to Mr. Owen for inclusion at a later Board meeting.

Following consideration, a motion was made by Mr. Butler to approve funding of the water conservation programs for Citrus, Hernando, and Marion counties for a total amount of \$127,250. The motion was seconded by Mr. Adkins and carried unanimously.

9. **Executive Director's Report ... Richard S. Owen, Executive Director**

a. **Bills to be Paid**

The July 2013 bills were provided in the handout. Mr. Owen requested the Board approve payment of the July 2013 bills totaling \$32,725.81.

Following consideration, a motion was made by Mr. Adkins to approve payment of the June 2013 bills of \$32,725.81. The motion was seconded by Mr. Johnston and carried unanimously.

b. **FY 2013/14 Board Meeting Calendar**

Mr. Owen presented the WRWSA meeting calendar for the fiscal year beginning in October 2013. Beginning with the October 16, 2013 meeting, the time of the meeting will change from 4:30 p.m. to 3:30 p.m.

Following consideration, a motion was made by Ms. Bays to approve the Board Meeting Calendar for FY 2013/14 as presented. The motion was seconded by Mr. Adkins and carried unanimously.

c. **Correspondence**

This item was presented for the Board's information; no action was required.

d. **News Articles**

News articles were presented in the Board's package and additional articles in a handout. This item was presented for the Board's information; no action was required.

e. **Other**

Mr. Owen presented updates to the Board on the following issues:

- **Credit Card Application.** Mr. Owen stated that he was working to obtain a SunTrust credit card for the Authority's use consistent with Board action at the April 17, 2013 meeting. SunTrust bank has indicated that a Corporate Resolution and Certificate of Incumbency is required, which document must be signed by the Authority's officers. The Resolution is included in the Board's hand out packet and attached by reference. Mr. Owen requested approval of the Corporate Resolution and Certificate of Incumbency.

Following consideration, a motion was made by Mr. Johnston to adopt the Corporate Resolution and Certificate of Incumbency for the SunTrust credit card. The motion was seconded by Mr. Adkins and carried unanimously.

- **AWWA**

Mr. Owen announced that the annual water forum for the Florida section of the American Water Works Association (AWWA) is scheduled for September 20, 2013.

He requested authorization to attend for both himself and for Diane Salz, Governmental Affairs Consultant. The cost of the attendance will be approximately \$560 including mileage, registration costs, and hotel for Ms. Salz.

Following consideration, a motion was made by Mr. Adkins to approve travel to the AWWA forum for both Mr. Owen and Ms. Salz, providing a report following the meeting is provided. The motion was second by Mr. Butler and carried unanimously.

- ***Adena Springs Ranch Consumptive Use Permit, SJRWMD.*** There is no further information at this time. It is still pending action.
- ***Northern District Model***  
The northern district model is on schedule. The group is considering which demand scenarios should be included.
- ***Levy County***  
At earlier meetings, the Board had discussed the possibility of approaching Levy County to re-join the WRWSA. Levy County was one of the original water supply authority members, but withdrew a number of years ago. Mr. Owen has been in contact with the County Coordinator, Fred Moody. He has sent information to Mr. Moody and has asked to meet with the commissioners one-on-one. Mr. Owen hopes to have a meeting with the full County Commission following meetings with the individual commissioners.
- ***Hernando County BOCC, June 25, 2013***  
Mr. Owen informed the Board that he had attended the Hernando County Board of County Commissioners meeting on June 25, 2013. Hernando County's application for funding through the Authority's local government grant program was on the county's consent agenda where it was approved.
- ***CFI Process for 2014/15 FY***  
Last year, the CFI application submitted for an irrigation system evaluation program was denied by SWFWMD governing board sub-committee although highly ranked by the staff. Mr. Owen met with member government staff to discuss the next application prior to a meeting with SWFWMD staff. The local government staff affirmed that water conservation is still the primary focus for conserving local water resources and should continue to be the focus for the WRWSA. District staff holds the same position. Water conservation, particularly outdoor irrigation, continues to have the greatest opportunity for saving water. Discussion with the staff included ways to improve our application for the next cycle. Mr. Owen stated that he also hopes to meet one-on-one with Governing Board members to discuss WRWSA potential projects.
- ***SJRWMD – SB 244***  
Recent legislation, Senate Bill 244, requires joint planning by water management districts and water supply authorities that have overlapping boundaries. The SWFWMD has been using the WRWSA's master water supply plan for a number of years as the basis of the District's water supply planning for the public supply in this region. St. Johns River Water Management District (SJRWMD) will now undertake a similar planning program. To understand better how we can work with them on

their District plan, Mr. Owen plans to have SJRWMD staff come to an Authority Board meeting to discuss their water supply planning program.

- ***Consumptive Use Permit Consistency Process***  
Mr. Owen announced an August 7, 2013, workshop on the consumptive use permit consistency process. That meeting conflicts with Technical Advisory Meeting for the Regional Master Plan Update. Mr. Owen will try to participate in the consumptive use process online.

**10. Legislative Report . . . Diane Salz, Governmental Affairs Liaison**

Ms. Salz reviewed the legislative update on a variety of issues that she tracks regarding water resources and potential legislative issues. A number of annual meetings of interest are scheduled during August and September; these are listed in the report in the handout under Item 10. The next Department of Environmental Protection public hearing on the Minimum Flows and Levels for the Homassassa and Chassahowitzka rivers will be held on September 10, 2013 at the SWFWMD Brooksville office. Additional funds have been added to the springs protection and restoration program, bringing the total of recurring funds to \$15 million. This amount is increased by matching funds from the water management districts. Four of the five water management districts have proposed projects for using these funds. Ms. Salz will provide additional information as details on funding of specific projects is available.

This item was presented for the Board's information; no action was required.

- ***Additional item:***

Mr. Owen stated that he had an additional item for the Board to consider. The WRWSA recently received a letter from the Marion County BOCC to SWFWMD, expressing their concerns over the cooperative funding process in absence of the Basin Boards. This letter was provided to the Board members as separate item. He asked if the Authority should draft a similar letter regarding funding for outdoor water conservation issues. The Board agreed that Diane Salz would draft a letter for review at the September board meeting.

**11. Attorney's Report . . . Larry Haag, WRWSA Attorney**

There were no items for Board action at tonight's meeting. However, Mr. Haag advised the Board that he would have a number of items for the Board at the next meeting, including the local government grant contracts, quotes on liability insurance, a recommendation on WRWSA rules for repeal, and a public participation process.

This item was presented for the Board's information; no action was required.

**12. Other Business**

There was no other business.

**13. Public Comment**

There was no public comment.

**14. Next Meeting Time and Location**

Mr. Owen advised that it has been the tradition of the Board to cancel its August meeting. As there is no urgent business for August, he recommended that the Board cancel the August meeting.

Following consideration, a motion was made by Mr. Adkins to cancel the August 21, 2013 Board meeting. The motion was seconded by Ms. Bays and carried unanimously.

The next meeting is scheduled for September 18, 2013, 4:30 p.m., at the Lecanto Government Building, Room 166, 3600 W. Sovereign Path, Lecanto, Florida 34461.

**15. Adjournment**

Chairman Damato announced there was no further business or discussion to come before the WRWSA and adjourned the meeting at 6:26 p.m.

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Dennis Damato, Chairman

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Richard S. Owen, Executive Director