



The Water Cooperative of Central Florida

Wednesday, July 8, 2015

2:00 PM

Toho Administration Building

951 MLK Boulevard

Kissimmee, FL 34741

Agenda

1. APPROVAL OF THE BOARD MEETING MINUTES FROM APRIL 1, 2015
2. APPROVAL OF REIMBURSEMENT OF EXPENDITURES TO DATE BY TOHO WATER AUTHORITY ON BEHALF OF THE WATER COOPERATIVE OF CENTRAL FLORIDA
3. APPROVAL OF WATER COOPERATIVE DRAFT 2ND AMENDED BUDGET FOR FISCAL YEAR 2015
4. APPROVAL OF THE WATER COOPERATIVE BUDGET FOR FISCALYEAR 2016
5. APPROVAL OF THE SECOND AMENDMENT TO INTERLOCAL AGREEMENT
6. PRESENTATION ON CONCENTRATE DISPOSAL THROUGH DEEP INJECTION WELLS

Description	Regular meeting of the Water Cooperative of Central Florida (WCCF). Present at the meeting were TWA Board Chairman Bruce Van Meter, Polk County Commissioner George Lindsey, Orange County Commissioner Peter Clarke, City of St. Cloud Commissioner Donald Shroyer, TWA Executive Director Brian L. Wheeler and Silvia Alderman, WCCF General Counsel.		
Date	04/01/2015	Location	Tohopekaliga Water Authority Board Room
	ITEM	NOTES	
2:00 PM	MEETING CALLED TO ORDER	Chairman Van Meter called the meeting to order at 2:00 PM.	
	1.APPROVAL OF THE BOARD MEETING MINUTES FROM JANUARY 7, 2015	The meeting minutes were approved as circulated. Motion passed 4 to 0.	
	2.APPROVAL OF REIMBURSEMENT OF EXPENDITURES TO DATE BY TOHO WATER AUTHORITY ON BEHALF OF THE WATER COOPERATIVE OF CENTRAL FLORIDA	Mr. Brian Wheeler referred to a table in the Agenda which contained a quarterly breakdown of the expenditures to date by TWA on behalf of the Water Cooperative of Central. The total amount of expenditures was \$47,852.93. Commissioner George Lindsey moved for approval of the reimbursement and Commissioner Peter Clarke seconded the motion. Motion passed 4 to 0.	
	3.APPROVAL OF THE WATER COOPERATIVE OF CENTRAL FLORIDA DRAFT AMENDMENT BUDGET FOR FY2015	Brian Wheeler, Executive Director for Toho Water Authority (TWA) outlined the necessity to amend the Cooperative budget again due to the legal expenses being incurred from the Central Florida Water Initiative Regulatory Team participation. In FY2014 the Board previously approved for the general counsel, Silvia Alderman, to represent the Cooperative and Reedy Creek Improvement District (RCID) on the Regulatory Team of the CFWI. The FY2015 Budget was amended initially at the beginning of the fiscal year to accommodate the representation. However, the level of effort and expenditures experienced over the last several	

		<p>months have indicated that the initially amended budget will not be sufficient to cover the expenditures now projected for the fiscal year. Staff has projected that the legal representation will continue through the end of the fiscal year and that the budget will need to be amended again to provide sufficient funds to cover the projected expenditures. The projected legal expenditures for the CFWI representation for the remainder of the fiscal year will require that each partner contribute an additional \$20,000 to the budget; this projection is based upon the current expenditure rate of \$12,000 to \$13,000 per month. RCID is paying one fifth of the cost. Chairman Van Meter asked about the invoice amounts and was advised that the projections were based on the average over the past few months. Commissioner Clarke asked about the process and schedule for approval of the amended budget. Executive Director Wheeler reviewed the process and schedule for the Board. Chairman Van Meter moved for approval of the Draft Amended FY2015 Budget. Commissioner Shroyer seconded the motion. Motion passed 4 to 0.</p>
	<p>4.RECOMMENDED NEXT STEPS FOR THE CYPRESS LAKE ALTERNATIVE WATER SUPPLY PROJECT</p>	<p>Executive Director Wheeler outlined three (3) alternatives for the next steps to pursue for the Cypress Lake AWS project following the completion of the preliminary design tasks. The three alternatives are:</p> <ol style="list-style-type: none"> 1. Development of a cost and rate model and formula as a basis for charging among the partners in the Water Wheeling. 2. Acquisition of the well sites, the water plant site, and some easements for pipelines. 3. Construction of area deep concentrate injection test well. <p>There followed discussion of the three next steps alternatives by the Board. There are approximately \$1 million remaining in the Interlocal agreement from the preliminary engineering work that could be allocated these next steps. The estimated cost of the test well</p>

		<p>is approximately \$15 million. There was some discussion about the cost of the test well. To construct the test well under the Interlocal agreement would require an amendment to the Interlocal agreement and the commitment of significant funds from the partners. There was discussion of the amendment process. There was substantial discussion and questions from the Board concerning the test well and alternatives to the test well. After much discussion, Commissioner Lindsey requested that the staff provide more information to the Board on the specifics of the construction of the test well and the deep injection concentrate disposal process. Executive Director Wheeler agreed that a presentation would be helpful to the Board. The staff will request that the consultant make a presentation to the Board at the next meeting on the deep injection concentrate disposal test well and Counsel Silvia Alderman will prepare a proposed amendment to the Interlocal agreement to provide for the potential funding. Commissioner Lindsey made a motion for the approval of the recommended next steps for the Cypress Lake AWS and the development of the associated amendment to the Interlocal agreement for preliminary engineering. Commissioner Shroyer seconded the motion. Motion passed 4 to 0.</p>
	<p>5.REPORT ON THE STATUS OF THE SOLUTIONS PHASE OF THE CENTRAL FLORIDA WATER INITIATIVE (CFWI)</p>	<p>Executive Director Wheeler provided a summary of the Central Florida Water Initiative (CFWI) work and reports to date. The Board was advised that the draft Regional Water Supply Report would be released for public comment in May. Commissioner Lindsey engaged the Executive Director in discussion of the conservation strategies of the report. There was discussion also of the agriculture conservation strategies and concerns of the agricultural community. Counsel Silvia Alderman reviewed the legislation being considered by the legislature that would potentially impact the Cooperative and the CFWI. There are two water policy bills under consideration at the legislature; one in the House of Representatives and one in the Senate. Ms. Alderman reviewed the similarities and differences of the bills. In summary, the CFWI related language in both bills is very similar and neither is more favorable</p>

		to the Cooperative than the other. No Board action required.
	BOARD MEMBER COMMENTS	Chairman Van Meter reminded the Board that the next Board meeting would be Wednesday, July 8, 2015.
2:59 PM	ADJOURNED	<p>There being no further business to come before the Board, Chairman Van Meter adjourned the meeting at 2:59 PM.</p> <hr/> <p>Bruce R. Van Meter, Chairman</p> <hr/> <p>Secretary</p> <p>ncd</p>

CATEGORY: Water Cooperative of Central Florida

Attachments: Itemized list of expenditures by Toho Water Authority from March 1, 2015 thru May, 2015

APPROVAL OF REIMBURSEMENT OF EXPENDITURES TO DATE BY TOHO WATER AUTHORITY ON BEHALF OF THE WATER COOPERATIVE OF CENTRAL FLORIDA

Explanation: The Board of Supervisors adopted a resolution at the October 2, 2013 meeting authorizing the reimbursement of expenses incurred by Toho Water Authority (TWA) on behalf of the Water Cooperative on a quarterly basis. The resolution allows the Authority to submit a detailed list of expenses incurred each quarter to the Board for approval for reimbursement. Under the resolution, the TWA could be reimbursed quarterly during the year instead of once annually as was done for the previous fiscal year. The attached list of expenditures, made to date by TWA on behalf of the Water Cooperative, is being submitted for approval for reimbursement contingent upon the Board approving the authorizing resolution.

Recommendation: Staff recommends approval of the list of expenditures submitted to date for reimbursement to the TWA.

Reimbursement TWA expense.07.08.2015 blw

Attachment

Toho Water Authority List of Expenditures (January 1, 2015 – May 7, 2015) on behalf of the Water Cooperative of Central Florida

Vendor	Date	Invoice	Amount
Sun Publications of Florida	01/20/2015	442826	\$27.86
Akerman LLP	04/07/2015	9010571	\$1,040.00
Akerman LLP	04/07/2015	9010574	\$6,711.68
Akerman LLP	05/06/2015	9018801	\$5,135.00
Akerman LLP	05/07/2015	9019061	\$2,096.88
<i>Water Cooperative Subtotal</i>			\$15,011.22

Agenda: Water Cooperative of Central Florida

Attachments: Final Second Amended Budget for Fiscal Year 2015

Agenda Item: April 2015 Approval of the Water Cooperative Draft Budget for FY2015

APPROVAL OF WATER COOPERATIVE SECOND AMENDED BUDGET FOR FISCAL YEAR 2015

Explanation: The draft of the second amended budget for FY2015 was approved by the Board of Supervisors at the April 1, 2015 meeting. A copy of the agenda item and draft second amended budget is attached for reference. Following the Board approval, the draft second amended budget was submitted to the member agencies for their comment. In accordance with the cooperative Interlocal agreement, the member governments had 30 days to provide comment on the proposed budget. No comments have been received from any of the member governments; therefore, the amended FY2015 budget is now ready for approval by the Board.

The attached final amended budget for approval has been updated to reflect the current estimated Reserves/Carry-over from the FY2014 budget.

Recommendation: Staff recommends approval of the Amended FY2015 Budget.

Approval 2nd Amended Budget Approval FY2015 blw

Water Cooperative of Central Florida

Second Amended Budget (Final July 8, 2015)

Fiscal Year October 1, 2014 – September 30, 2015

Income – Annual Working Capital Contributions

Reserves Carry-over	\$48,540.52
Reimbursement from Reedy Creek Improvement District	\$31,512.00
Toho Water Authority	
General Administration	\$30,000.00
Cypress Lake Project Management (Approved in Project Interlocal Agreement)	\$52,500.00
Orange County	
General Administration	\$30,000.00
Cypress Lake Project Management (Approved in Project Interlocal Agreement)	\$41,250.00
City of St. Cloud	
General Administration	\$30,000.00
Cypress Lake Project Management (Approved in Project Interlocal Agreement)	\$26,262.00
Polk County	
General Administration	\$30,000.00
Cypress Lake Project Management (Approved in Project Interlocal Agreement)	\$18,750.00

ATTACH 3

Agenda: Water Cooperative of Central Florida

Attachments: Approved Amended Budget for Fiscal Year 2015

 FY2015 Budget Status Report

 Proposed Amended Budget for Fiscal Year 2015

APPROVAL OF WATER COOPERATIVE DRAFT AMENDED BUDGET FOR FISCAL YEAR 2015

Explanation: Staff is proposing that the Board of Supervisors approve amending for the second time the budget for FY2015 to provide additional funds to be allocated to the Legal expenditure category to cover potential costs within the Central Florida Water Initiative (CFWI) representation line item of the category. The Board approved an amended FY2015 budget at its January 2015 meeting which allocated increased funding to Legal category to cover the representation of the Water Cooperative in the CFWI Solutions Phase process and more specifically related to the review and potential development of regulations and policies. The approved amended budget increased the representation category to \$65,000 for the fiscal year. To date billing for the Water Cooperative representation has totaled \$73,310.10 which exceeds the budget amount by \$8,310.10. When the staff recommended to the Board that its counsel represent the Water Cooperative in the CFWI Solutions Phase the level of effort had not been defined and therefore it was difficult to provide a hard estimate of a budget amount. The Regulatory Team for the Solutions Phase upon which the Water Cooperative's counsel serves has been active and involved in evaluating and developing proposals for regulatory modifications to water management district rules and regulations to provide consistency in application within the CFWI area for the implementation of recommendations of the Solutions Phase work. It appears that the work of the Regulatory Team is going to continue through the rest of the fiscal year. Based on the current level of expenditure and the anticipated work through the remainder of the fiscal year, staff is recommending an increase in the FY2015 Budget by \$10,000 to cover the projected legal representation expenses associated with the CFWI Solutions Phase. To cover the recommended budget increase each Water Cooperative member would be required to contribute an additional \$20,000 for this fiscal year. Because Reedy Creek Improvement District (RCID) is participating with the Water Cooperative in the legal representation expenses, there is an estimated contribution/reimbursement of

approximately \$31,512 that will contribute to the budget. RCID is sharing in the legal expenses as a one fifth (20%) partner.

Attached is a copy of a report summarizing the status of the budget, income and expenditures to date, copy of the approved FY2015 Budget and a copy of the proposed amended FY2015 Budget.

The Board of Supervisor has to approve the proposed amended budget because the Water Cooperative Interlocal Agreement requires the budget to be submitted to the member agencies for a 30 day comment period prior to the Board adopting the draft budget as a final document. By approving the proposed amended FY2015 draft budget at this meeting the Board can formally adopt the amended budget at the July 2015 meeting budget provided there are not comments or objections from the member agencies.

Recommendation: Staff recommends approval of the Draft Amended FY2015 Budget

DRAFT2NDAMENDEDBUDGETAPPROVALAPRILAGENDA04012015BLW

APPROVAL OF THE DRAFT WATER COOPERATIVE BUDGET FOR FISCAL YEAR 2016

Attachment: Draft Budget Fiscal Year October 1, 2015 – September 30, 2016
FY2015 Year Ending Budget Estimate
Current FY2015 Budget Report – June, 2014

Explanation: The draft budget for FY2016 contains the same expense items as contained in this year's (FY2015) budget with the exception the line item for funding of project management expenses for the Cypress Lake Alternative Water Supply Project. Last year this funding was added to the budget in the anticipation that some design and/or construction tasks for the project requiring active project management at a level not presently being provided would be necessary in the immediate future. However based on the extended schedule for the project based on the present status of the Central Florida Water Initiative the need for significantly increased project management is not needed in the next year. If the need for extended project management is anticipated in the following year(s) the expense will be added back into the budget. Legal expenses contain a line item for the continued representation of the Water Cooperative in the Central Florida Water Initiative (CFWI) which was approved initially in FY2014 as a mid-year budget revision. Though the need for the representation was anticipated to end the second quarter of FY2015 the regulatory consistency initiatives resulting from the CFWI Solutions Phase will continue into FY2016. Legal fees also continue to include an item associated with the property and easement acquisitions for the Cypress Lake project. The property and easement expenses in the budget do not include the actual cost or payment to the property owner for property or easement acquisition. Those costs will be established through appraisal and negotiations and will be approved by the board in a separate action.

Revenue for the draft budget is to be provided through a projected reserve carry-over of \$31,520 from FY2015 and a \$20,000 contribution from each of the four member governments. The draft budget provides for an estimated ending year reserve of \$3307.00. The only funding approval that will be necessary from each member government to fund the proposed draft budget is the \$20,000 contribution.

In accordance with the Interlocal agreement establishing the Water Cooperative, the budget process requires the submission of a proposed budget to the member governments a minimum of 30 days in advance of adopting the annual budget. The draft budget document should be approved by the Board of Supervisors for submission to the member governments in advance of final approval. After the required comment period for the governments has passed, the Board would be able to formally approve the budget with any modifications suggested by any of the member governments at the October Board meeting.

Recommendation: Staff recommends approval of the draft budget for Fiscal Year 2016 as presented for submission to the member governments for comment.

Water Coop Draft Budget FY2016 .7.08.15 blw

Water Cooperative of Central Florida

Proposed Budget

Fiscal Year October 1, 2015 – September 30, 2016

Income – Annual Working Capital Contributions

Reserves Carry-over \$31,520.00

Reimbursement from Reedy Creek

Improvement District \$35,287.00

Toho Water Authority

General Administration \$20,000.00

Cypress Lake Project Management \$ 0.00

(Approved in Project Interlocal Agreement)

Orange County

General Administration \$20,000.00

Cypress Lake Project Management \$ 0.00

(Approved in Project Interlocal Agreement)

City of St. Cloud

General Administration \$20,000.00

Cypress Lake Project Management \$ 0.00

(Approved in Project Interlocal Agreement)

Polk County

General Administration \$20,000.00

Cypress Lake Project Management \$ 0.00

(Approved in Project Interlocal Agreement)

Board Expenses	\$ 1,000.00
<u>TOTAL:</u>	\$142,500.00
Reserves:	\$ 3,307.00

**Water Cooperative of Central Florida
FY2015 - Estimated Year Ending Budget**

	<u>Amended Budget</u>	<u>YTD Actuals</u>
Income -- Annual Working Capital Contributions		
Reserves Carry-over	\$52,850.00	\$48,540.52
Reimbursement from Reedy Creek Improvement District	\$7,800.00	\$13,173.93 \$2,369.34 *
Toho Water Authority		
General Administration	\$30,000.00	\$30,000.00
Cypress Lake Project Management	\$52,500.00	
Orange County		
General Administration	\$30,000.00	\$30,000.00
Cypress Lake Project Management	\$41,250.00	
City of St. Cloud		
General Administration	\$30,000.00	\$30,000.00
Cypress Lake Project Management	\$26,262.00	
Polk County		
General Administration	\$30,000.00	\$30,000.00
Cypress Lake Project Management	\$18,750.00	
Miscellaneous Income		
Reedy Creek Improvement District		
Cypress Lake Project Management	\$11,238.00	
Interest on SunTrust Account		\$15.77
<u>TOTAL</u>	<u>\$330,650.00</u>	<u>\$184,099.56</u>

	<u>Amended Budget</u>	<u>YTD Actuals</u>
Expenses		
Water Supply Project Management and Administration Reimbursement to Toho Water Authority	\$150,000.00	
Advertising Meetings	\$1,000.00	\$674.61
Legal Expense		
Meetings (4 regular & 1 special)	\$7,000.00	\$13,581.28
Central Florida Water Initiative	\$65,000.00	\$134,148.00
Property and Easement Acquisition	\$12,000.00	
Miscellaneous	\$1,000.00	
Total Legal	<u>\$85,000.00</u>	<u>\$147,729.28</u>
Accounting (Annual Report)	\$2,000.00	\$4,000.00 *
Annual Filings	\$500.00	\$175.00
Board Expenses	<u>\$1,000.00</u>	
<u>TOTAL</u>	<u>\$239,500.00</u>	<u>\$152,578.89</u>
<u>NET RESERVES</u>	<u>\$91,150.00</u>	<u>\$31,520.67</u>

** estimates for items not yet invoiced*

Water Cooperative of Central Florida
FY2015 -- YTD as of 6/17/2015

	<u>Amended Budget</u>	<u>YTD Actuals</u>
Income -- Annual Working Capital Contributions		
Reserves Carry-over	\$52,850.00	\$48,540.52
Reimbursement from Reedy Creek Improvement District	\$7,800.00	\$13,173.93 \$2,369.34 *
Toho Water Authority		
General Administration	\$10,000.00	\$10,000.00
Cypress Lake Project Management	\$52,500.00	
Orange County		
General Administration	\$10,000.00	\$10,000.00
Cypress Lake Project Management	\$41,250.00	
City of St. Cloud		
General Administration	\$10,000.00	\$10,000.00
Cypress Lake Project Management	\$26,262.00	
Polk County		
General Administration	\$10,000.00	\$10,000.00
Cypress Lake Project Management	\$18,750.00	
Miscellaneous Income		
Reedy Creek Improvement District		
Cypress Lake Project Management	\$11,238.00	
Interest on SunTrust Account		\$15.77
<u>TOTAL</u>	<u>\$250,650.00</u>	<u>\$104,099.56</u>

	<u>Amended Budget</u>	<u>YTD Actuals</u>
Expenses		
Water Supply Project Management and Administration Reimbursement to Toho Water Authority	\$150,000.00	
Advertising Meetings	\$1,000.00	\$674.61
Legal Expense		
Meetings (4 regular & 1 special)	\$7,000.00	\$10,581.28
Central Florida Water Initiative	\$65,000.00	\$77,716.29
Property and Easement Acquisition	\$12,000.00	
Miscellaneous	\$1,000.00	
Total Legal	<u>\$85,000.00</u>	<u>\$88,297.57</u>
Accounting (Annual Report)	\$2,000.00	\$4,000.00 *
Annual Filings	\$500.00	\$175.00
Board Expenses	<u>\$1,000.00</u>	<u> </u>
<u>TOTAL</u>	<u>\$239,500.00</u>	<u>\$93,147.18</u>
<u>NET RESERVES</u>	<u>\$11,150.00</u>	<u>\$10,952.38</u>

** estimates for items not yet invoiced*

CATEGORY: Water Cooperative of Central Florida

Attachments: April 2015 Agenda Item for Cypress Lake AWS Next Steps

Second Amendment to the Interlocal Agreement between the Water Cooperative of Central Florida and Reedy Creek Improvement District relating to the Preliminary Design and Permitting of the Alternative Water Supply Project known as Cypress Lake Wellfield and Related Matters

APPROVAL OF THE SECOND AMENDMENT TO THE INTERLOCAL AGREEMENT FOR THE PRELIMINARY DESIGN AND PERMITTING OF THE CYPRESS LAKE PROJECT

Explanation: The Board of Supervisors is requested to approve the Second Amendment to the Interlocal Agreement for the Preliminary Design and Permitting of the Cypress Lake Wellfield project. The Second Amendment requires approval by individual member agencies in addition to the Water Cooperative Board of Supervisors. The Amendment establishes and allocates funding for Phase III of the Cypress Lake Project Preliminary Design work by redirecting uncommitted funding from Phase II to Phase III and redirecting previously approved committed funding from the First Amendment to Phase III. The Second Amendment also reduces the total funding obligation of the participating parties as defined in the original Interlocal Agreement.

At the April 1, 2015 meeting of the Water Cooperative Board of Supervisors, staff reviewed and recommended the next steps for implementation of the Cypress Lake Alternative Water Supply (AWS) project (agenda item from April meeting attached). Following the meeting, staff and the Cypress Lake AWS project team worked with the Cooperative's Counsel to develop a Second Amendment to the project Interlocal Agreement to provide funding for the next steps outlined at the April meeting. Based on the recommendations presented to the Board in April, Counsel has prepared the Second Amendment with one change. Since the anticipated cost of the design and construction of the deep injection test well for concentrate disposal is estimated at \$15 million, the project team explored alternatives to the construction of the test well. Before committing to the construction of the deep injection test well the project team is recommending pursuing a potentially lower cost alternative for concentrate disposal within the lower portion of the Lower Floridan Aquifer. This work is identified in the Second Amendment as Phase III Stage 3.

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The Second Amendment identifies the Phase III work as follows:

- Stage 1: Cost Allocation Methodologies and Rate Designs. A Financial Consultant will assist with the development of project cost allocation methodologies and rate designs that will provide an equitable cost sharing and recovery arrangement for the participants as they relate to the water wheeling/transmission system portion of the Project. (Total Estimated Cost: \$150,000)
- Stage 2: Appraisals, Surveys and Related Legal Services. Various consultants will assist with appraisals and surveys for sketches and legal descriptions of twelve well sites, raw water main easements, and a site for location of the Water Treatment Facility. Legal services will be required to assist with preparation of documents for purchases of property or easements, acquisition of property options, or other property acquisition related services. (Total Estimated Cost: \$450,000)
- Stage 3: Permitting and Data Development to Support Permitting. Consultants will assist with data development and interact with permitting agencies to develop strategies for permitting water treatment reject concentrate disposal options. Permitting efforts will be initiated if appropriate. (Total Estimated Cost: \$150,000)

A total of \$927,939 of previously approved but as of yet unencumbered funding remains. The First Amendment, approved on May 29, 2014, reallocated \$300,000 of the \$927,939 funding from the Phase II Part A & Part B Project Management and Administration Consulting Services and transferred the responsibilities to Toho Water Authority with a provision for reimbursement. Until the project enters the final design and construction phase, the \$300,000 funding will not be needed and can be reallocated to the Phase III tasks as defined in the Second Amendment. The Second Amendment redirects \$750,000 of the First Amendment committed funding and uncommitted funding from the Interlocal Agreement to this work.

In addition to the reallocation of funding, the Second Amendment reduces the total committed funding as documented in the Interlocal Agreement for Phase II Parts A & B (preliminary design of the Water Treatment Facility and Wellsites; and the Water Wheeling Study respectively). Phase II Part A allocates funding responsibility by water allocation percentage as documented in the Water Use Permit; Part III will utilize this same funding formula. The Phase II Part B funding used a different formula with each entity committed to 50% of the project funding divided among the five participating

entities and the remaining 50% funding responsibility based on the water allocation percentage. Because of this distribution, the total committed funding in Part B skewed the amount of each parties' remaining funding available for Phase III; TWA will commit all, and Orange County will commit most, of their remaining funding obligation to Phase III while Polk County, City of St. Cloud, and Reedy Creek will have outstanding committed funding that can be eliminated. The overall funding obligation reduction is \$177,939 (\$927,939 – 750,000). Funding for future tasks will require additional amendments to the Interlocal Agreement.

Recommendation: Staff recommends approval of the Second Amendment to the Interlocal Agreement for the Preliminary Engineering and Permitting of the Cypress Lake Wellfield project.

Second Amendment to the Cypress Lake Interlocal Agreement.07.08.2015.db

ATTACH 5 – AGENDA ITEM FROM 04.01.2015

CATEGORY: Water Cooperative of Central Florida

Attachments: None

Recommended Next Steps for the Cypress Lake Alternative Water Supply Project

Explanation: At the January 2015 meeting staff reported that the Preliminary Engineering phase of the Cypress Lake Alternative Water Supply Project is complete. Additionally staff recommended retaining the services of a consultant to assist in the development of a cost and rate model/formulas for assessing the costs between cooperative members for the construction of improvements recommended in the Water Wheeling Study for transmitting and sharing water between the member agencies. Since the last board meeting the project representatives and other staff from the member agencies have met to develop the “next steps” in developing the Cypress Lake AWS Project. The staff project team consisting of representatives from each of the member agencies is recommending three tasks for the “next steps”:

1. Development of a cost and rate model/formulas for Water Wheeling
2. Acquisition of the property for the well sites, water treatment plant site and where appropriate easements for the water transmission mains.
3. Construction of a deep well injection test well for the disposal of the waste concentrate from the membrane treatment to be employed at the water treatment plant.

The construction of the deep well injection test well has the longest lead time of the three steps for implementation and is a critical step to finalize the location of the water treatment plant and the feasibility of the project. The consultants for the preliminary engineering phase of the project estimated the construction and testing of the test well could take 18-24 months from the beginning of construction. The test well would be constructed at a depth significantly below the Lower Floridan Aquifer into what is known as the “boulder zone”, 3,000 to 4,000 feet deep or more. The cost of the test well could be in the range of \$5 million or more depending upon the actual depth of construction required. Should the board authorize the property acquisition step as recommended, the water treatment plant site acquisition would not be finalized pending the satisfactory completion of the deep well injection test well. An option to purchase the property for the water treatment plant would be sought with the ability to close on the property if the well is successful but the ability also to abandon the purchase if the well is not successful. If the construction of the test well is not successful a second well would have to be constructed in a new

location to be able to find an appropriate location within the “boulder zone” to discharge the membrane treatment concentrate.

There is remaining in the interlocal agreement for the preliminary engineering phase of the project approximately \$1 million. This should be adequate funding for the first two tasks of the “next steps”, the Water Wheeling rate and cost work and the property acquisition. However the existing contract amount will not cover the deep well injection test well construction. To implement these recommended “next steps” including the deep well injection test well will require an amendment to the interlocal agreement for the preliminary engineering and the commitment of additional funds from the member agencies. The drafting and approval of the amendment to the interlocal agreement could be completed this year and work initiated on the first two tasks however the work on the test well could not be initiated until after the new fiscal year as the member agencies will have to budget and commit the additional funds for the test well construction tasks.

If the Board approves the staff recommendation, an amendment to the preliminary engineering interlocal agreement will be drafted by the Water Cooperative counsel for Board action at the July meeting. The interlocal agreement would then require approval of each of the member agency boards before it could become effective. With the Board approval to initiate the “next steps” the member agencies could incorporate the associated costs into their respective FY2016 budgets.

Recommendation: Staff recommends that the Water Cooperative Board approve the next step for the Cypress Lake Alternative Water Supply Project as submitted and the development of the associated amendment to the preliminary engineering interlocal agreement for Board action.

CYPRESSLAKEAWSNEXTSTEPS.04.01.2015BLW

SECOND AMENDMENT TO
INTERLOCAL AGREEMENT
BETWEEN
THE WATER COOPERATIVE OF CENTRAL FLORIDA
AND REEDY CREEK IMPROVEMENT DISTRICT
RELATING TO
THE PRELIMINARY DESIGN AND PERMITTING
OF THE ALTERNATIVE WATER SUPPLY PROJECT
KNOWN AS THE CYPRESS LAKE WELLFIELD
AND RELATED MATTERS

This Second Amendment to Interlocal Agreement Between the Water Cooperative of Central Florida and Reedy Creek Improvement District Relating to the Preliminary Design and Permitting of the Alternative Water Supply Project Known as the Cypress Lake Wellfield and Related Matters ("SECOND AMENDMENT") is made and entered into by and between THE WATER COOPERATIVE OF CENTRAL FLORIDA ("THE COOPERATIVE"), a unit of local government, whose address is c/o its agent, Tohopekaliga Water Authority ("TWA"), 951 Martin Luther King Boulevard, Kissimmee, Florida 34741 and REEDY CREEK IMPROVEMENT DISTRICT ("RCID"), an independent special district created pursuant to Chapter 67-764, Laws of Florida, whose address is P.O. Box 10170, Lake Buena Vista, Florida 32830, referred to by name or as "PARTY" or collectively referred to as the "PARTIES."

WITNESSETH

WHEREAS, the PARTIES entered into an agreement on August 30, 2011, captioned "Interlocal Agreement amongst The Water Cooperative of Central Florida, Orange County and Reedy Creek Improvement District Relating to the Preliminary Design and Permitting of the Alternative Water Supply Project Known as the Cypress Lake Wellfield and Related Matters" ("AGREEMENT"); and

WHEREAS, subsequent to entering into the AGREEMENT, ORANGE COUNTY became a member of THE COOPERATIVE, with all rights, privileges and responsibilities attendant therefrom; and

WHEREAS, the PARTIES entered into an amendment to the AGREEMENT ("FIRST AMENDMENT"), effective as of June 26, 2014, to: 1) transfer certain PROJECT Management and Administration tasks to TWA; and 2) provide for reimbursement to TWA for performance of the Project Management and Administration Responsibilities as further described in the FIRST AMENDMENT; and

WHEREAS, the FIRST AMENDMENT also changed the name of the AGREEMENT to: the "INTERLOCAL AGREEMENT BETWEEN THE WATER COOPERATIVE OF CENTRAL FLORIDA AND REEDY CREEK IMPROVEMENT DISTRICT RELATING TO THE PRELIMINARY DESIGN AND PERMITTING OF THE ALTERNATIVE WATER SUPPLY PROJECT KNOWN AS THE CYPRESS LAKE WELLFIELD AND RELATED MATTERS;" and

WHEREAS, the preliminary engineering phase of the PROJECT is complete and the representatives of the PARTIES have determined that a new Phase III should be carried forward under the AGREEMENT, as amended, by redirecting certain previously approved but as yet uncommitted funds from Phase II into Phase III, with no new funding obligations and an overall reduction in budget; and

WHEREAS, the parties seek to amend the AGREEMENT, as amended by the FIRST AMENDMENT, to ratify the transfer to TWA of the PROJECT Management and Administration tasks described in the fourth WHEREAS clause of the FIRST AMENDMENT but eliminate the remuneration provided therefor and redirect those funds to other tasks as provided herein; and

WHEREAS, the PARTIES seek to amend the Scope of Work and Total Estimated Cost to refine the descriptions to coincide more fully with services already completed and those yet to be undertaken by amending Exhibits I and 3 and adding a new Exhibit 4; and

WHEREAS, the PARTIES continue to recognize the benefits of regional cooperation and have determined that entering into this SECOND AMENDMENT is in their mutual interest; and

WHEREAS, THE COOPERATIVE is empowered to enter into interlocal agreements and amendments under the authority of its charter and section 163.01, Florida Statutes (2014); and

WHEREAS, RCID is empowered to enter into interlocal agreements and amendments thereto pursuant to Chapter 67-764, Laws of Florida.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants, terms and conditions contained herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the PARTIES agree as follows:

SECTION 1. Recitals of the SECOND AMENDMENT. The above recitals are true and correct and form a material part of the SECOND AMENDMENT.

SECTION 2. Specific Amendments to the AGREEMENT, as amended. The AGREEMENT, as amended by the FIRST AMENDMENT, is further amended as follows:

Section I. of the AGREEMENT, Recitals, is amended by replacing the existing text *in toto* with the following:

The purpose and recitals of the AGREEMENT are true and correct to the best of the knowledge of the PARTIES, and are incorporated by reference herein. The PURPOSE statement of the AGREEMENT is amended by replacing the existing text *in toto* with the following:

THE PURPOSE of this AGREEMENT is to set forth the understandings of the PARTIES and the terms and conditions relating to the funding, planning, preliminary design, comprehensive plan amendments, zoning and land use approvals, and water use permitting of the Cypress Lake Wellfield, as well as for study of the transmission of water between the PARTIES, development of cost and rate model/formulas for water wheeling, acquisition of property and permitting and development of data to support permitting of a water treatment reject concentrate disposal system, as more particularly defined and described herein, and in exhibits attached hereto (the "PROJECT"). Additional agreements or amendments will be necessary to set forth the terms and conditions relating to the funding, planning, final design, permitting (other than water use permitting, comprehensive plan amendments, and land use approvals), operation and maintenance of the Cypress Lake Wellfield. Participation in this AGREEMENT

will not bind any of the PARTIES to participation in any future agreement or amendment.

The Ninth WHEREAS clause of the AGREEMENT, which is incorporated by reference in Section I. of the AGREEMENT, is amended by replacing the existing text with the following:

WHEREAS, the PARTIES have determined that the design and permitting for the Cypress Lake Wellfield will require substantial work, including preliminary design, water use permitting, environmental permitting, study relating to the transmission of water between the PARTIES and other work detailed in this SECOND AMENDMENT, all of which are described in the Summary Scope of Work, as amended by this SECOND Amendment in the Exhibit 1 - Revised, attached hereto and incorporated herein (hereinafter referred to as the "Work"); and

Subsection VI. A. of the AGREEMENT is amended by replacing the existing text *in toto* with the following:

A. The PARTIES agree that the activities authorized by this AGREEMENT shall be performed in accordance with the Work, including the total estimated cost ("TEC") of the Work for Phase I, for Phase II, and Phase III as hereinafter set forth in Section IX. The negotiated scope of work ("NSW") shall be implemented consistent with and in a manner not to exceed the TEC for Phase II and Phase III. For the purposes of the AGREEMENT, the term "NSW" means the final Scope of Work for Phase II and Phase III to be negotiated between the Project Administrator and the consultant(s) selected to perform the activities contemplated under this AGREEMENT.

Subsection VI. B. is amended by replacing the existing text *in toto* with the following:

B. The Work shall consist of three phases: Phases I, II and III. Phase I shall consist of Work leading to the permitting of the Cypress Lake Wellfield, most of which has already been undertaken by TWA, individually (i.e., not as the agent of THE COOPERATIVE). Phase II shall consist of Part A – Preliminary Design, and Part B – Study of the Transmission of Water between the PARTIES. Phase III shall consist of three stages. Stage 1 shall consist of development of a financial model for allocating costs between the PARTIES for the PROJECT including the charges for the transmission of water between the PARTIES. Stage 2 shall consist of acquisition of the water plant site, well sites and pipeline easements. Stage 3 shall consist of permitting and data development to support permitting of a water treatment reject concentrate disposal system. References to "Phase" herein shall mean Phase I, Phase II or Phase III, as the usage of the word indicates and references to "Part" shall mean Phase II, Part A or Phase II Part B, as the usage of the word indicates. References to "Stage" herein shall mean Phase III, Stage 1, Phase III, Stage 2 or Phase III, Stage 3, as the usage of the word indicates.

Subsection VI. C. is amended by replacing the existing text *in toto* with the following:

C. NSW Phases II and III and decisions related to the implementation of both, as further detailed in Section VII, Project Administration, shall be subject to approval by unanimous agreement of the Project Managers of the PARTIES, and, in the case of THE COOPERATIVE, the Project Managers of its member governments.

Subsection VII. B. is amended by adding the following after the existing text:

The provisions set forth above shall be equally applicable to Phase III, except that Orange County will have representation in the same manner as other member governments of THE COOPERATIVE for Phase III and any future procurement under this AGREEMENT.

Subsection IX. B. is amended by replacing the existing text *in toto* with the following:

The TEC for Phase II is two million five hundred ninety two thousand sixty dollars and forty cents (\$2,592,060.40), as more particularly described in Exhibit 3 - Revised, attached hereto and incorporated herein. In addition to providing the TEC for Phase II, Exhibit 3 – Revised details: funds spent to-date on Phase II, including funds received from South Florida Water Management District; funds committed in contracts but not yet disbursed; fund reductions in the TEC for Phase II made by the PARTIES in order to fund Phase III without incurring additional financial obligation; and funds reduced (\$177,939.60) from the original obligation of the PARTIES. The TEC for Phase III is seven hundred fifty thousand dollars (\$750,000.00), as more particularly described in Exhibit 4. All costs associated with land acquisition, including consultant and legal fees and costs are included in the TEC for Phase II, Part A and Phase III and are identified in Exhibits 3 - Revised and 4.

Exhibit 3 of the AGREEMENT is amended by replacing the existing text *in toto* with the new Exhibit 3 – Revised, attached hereto and incorporated herein.

Subsection IX. C. is amended by replacing Subsection IX. C. *in toto* with the following:

All funds provided by the PARTIES and any member government of THE COOPERATIVE shall be utilized exclusively for reimbursement of TWA's costs and expenses as provided in Subsection IX. A., payment to the consultant(s) under contract with the Project Administrator to implement the Work, or reimbursement to the Project Administrator for same.

Subsection IX. F. is amended by replacing the PHASE II Part A table *in toto* with the following:

PHASE II PART A

PARTY	PERCENT	COST-SHARE AMOUNT
TWA	40%	\$758,233.20
Orange County	30%	\$568,674.90
Polk County	10%	\$189,558.30
St. Cloud	16.7%	\$316,562.36
RCID	3.3%	\$62,554.24
TOTAL	100%	\$1,895,583.00

Subsection IX. F. is further amended by adding the following in a new flush left paragraph after the existing text and table:

For Phase III, each PARTY, or member government in the case of THE COOPERATIVE, agrees to participate financially according to its estimated Cost-Share shown on the table set forth below in this Subsection. The rights and obligations of THE COOPERATIVE are set forth below in the names of its member governments who are participating in this AGREEMENT in the proportions set out below. The amount of funding for each PARTY, or member government in the case of the COOPERATIVE, represents the amount of public supply water (annual average) expected from the PROJECT based on the estimated available yield. The share of the estimated PROJECT cost of the PARTIES, or member government in the case of THE COOPERATIVE, for Phase III will be as follows:

PHASE III

PARTY	PERCENT	COST-SHARE AMOUNT
TWA	40%	\$300,000.00
Orange County	30%	\$225,000.00
Polk County	10%	\$75,000.00
St. Cloud	16.7%	\$125,250.00
RCID	3.3%	\$24,000.00
TOTAL	100%	\$750,000.00

Subsection IX. G. is amended by replacing the PHASE II Part B table *in toto* with the following (which takes into account funds received from South Florida Water Management District):

PHASE II PART B

PARTY	PERCENT	COST-SHARE AMOUNT
TWA	30%	\$208,943.22
Orange County	25%	\$174,119.35
Polk County	15%	\$104,471.61
St. Cloud	18.35%	\$127,803.60
RCID	11.65%	\$81,139.62
TOTAL	100%	\$696,477.40

Subsection IX. H. (4) is amended by replacing Subsection IX. H. (4) *in toto* with the following:

(4) Phase II and Phase III Invoicing – Upon execution of the contract(s) with the consultant(s) selected to perform the NSW, the Project Administrator shall provide written notification to each PARTY of its Cost-Share based upon the individual cumulative shares set forth in Subsections IX. F. and G. In the case of THE COOPERATIVE, the written notification shall be submitted to each member government. Thereafter, the Project Administrator shall invoice the PARTIES as and when the Project Administrator is invoiced by the consultant(s). The PARTIES shall make payments to the Project Administrator within sixty (60) calendar days of receipt of an invoice from the Project Administrator. In the case of THE COOPERATIVE, the invoice shall be submitted to and payment remitted by each member government, as set forth in this Section IX.

Subsection IX. I. is amended by adding the following at the end of the paragraph:

The provisions of Subsection IX. I. pertaining to Phase II shall apply to Phase III as well.

Subsection IX. M. is amended by adding the following at the end of the paragraph:

The provisions of Subsection IX. M. pertaining to Phase II shall apply to Phase III as well.

Subsection XIX is amended to add a new Subsection XIX. G. as follows:

G. Title to any interest in land acquired for the PROJECT shall be held by the COOPERATIVE. However, the purchase price and all costs associated with the acquisition shall be funded under the formula for Phase III set forth in Subsection IX. F.

SECTION 3. General Amendments and Ratifications to the AGREEMENT, As Amended. Wherever the term "AGREEMENT" appears in the AGREEMENT or in the FIRST AMENDMENT, said reference is amended and understood to mean the AGREEMENT as amended by the FIRST AMENDMENT and the SECOND AMENDMENT. Wherever the term "PROJECT" appears in the AGREEMENT or in the FIRST AMENDMENT, said reference is amended and understood to mean the totality of the PROJECT, including Phase III. All other provisions of the AGREEMENT, as amended by the FIRST AMENDMENT, are hereby ratified and remain in full effect.

SECTION 4. Filing. Pursuant to section 163.01(11), Florida Statutes (2014), the SECOND AMENDMENT shall be filed with the clerks of the circuit court of Orange, Osceola and Polk counties.

SECTION 5. Effective Date. The SECOND AMENDMENT shall become effective on the last date that: 1) the PARTIES hereto and the member governments of THE COOPERATIVE have executed same; and 2) the SECOND AMENDMENT is recorded in the public records of Orange, Osceola and Polk counties.

[Signature pages to follow.]

IN WITNESS WHEREOF, the undersigned has caused this First Amendment to be duly executed and entered into as of the first of the month in which the last of the PARTIES hereto and the member governments of THE COOPERATIVE have executed same.

THE WATER COOPERATIVE OF CENTRAL FLORIDA
By: its Board of Supervisors

Bruce R. Van Meter, Chairman

Donald Shroyer, Vice Chairman

Peter Clarke, Secretary

George Lindsey III

Date: _____

IN WITNESS WHEREOF, the undersigned has caused this SECOND AMENDMENT to be duly executed and entered into as of the first of the month in which the last of the PARTIES hereto and the member governments of THE COOPERATIVE have executed same.

REEDY CREEK IMPROVEMENT DISTRICT

By: _____
Bill Warren, District Administrator

Attest: _____
Clerk, Board of Supervisors

Date: _____

IN WITNESS WHEREOF, the undersigned has executed this SECOND AMENDMENT below in its capacity as a member government of THE COOPERATIVE OF CENTRAL FLORIDA and, in its individual capacity, to ratify and accept on to itself the obligations of the CITY OF ST. CLOUD and the respective obligations of the individual member governments as they apply to the CITY OF ST. CLOUD, in accordance with the terms of the AGREEMENT as amended.

CITY OF ST. CLOUD, FLORIDA

By: _____
Rebecca Borders, Mayor

Attest: _____
Linda Jaworski, City Clerk

Date: _____

Approved by: _____
City Attorney

IN WITNESS WHEREOF, the undersigned has executed this SECOND AMENDMENT below in its capacity as a member government of THE COOPERATIVE OF CENTRAL FLORIDA and, in its individual capacity, to ratify and accept on to itself the obligations of the TOHOPEKALIGA WATER AUTHORITY and the respective obligations of the individual member governments as they apply to the TOHOPEKALIGA WATER AUTHORITY, in accordance with the terms of the AGREEMENT, as amended.

TOHOPEKALIGA WATER AUTHORITY
By: Board of Supervisors

By: _____
Bruce R. Van Meter, Chair

Attest: _____
Tom E. White, Secretary

Date: _____

Approved by: _____
Attorney

IN WITNESS WHEREOF, the undersigned has executed this SECOND AMENDMENT below in its capacity as a member government of THE COOPERATIVE OF CENTRAL FLORIDA and, in its individual capacity, to ratify and accept on to itself the obligations of POLK COUNTY and the respective obligations of the individual member governments as they apply to POLK COUNTY, in accordance with the terms of the AGREEMENT, as amended.

POLK COUNTY, FLORIDA

By: Board of County Commissioners

By: _____
GEORGE LINDSEY III, Chair

Attest: _____
Stacy M. Butterfield, Clerk

Date: _____

Approved by: _____
County Attorney

IN WITNESS WHEREOF, the undersigned has executed this SECOND AMENDMENT below in its capacity as a member government of THE COOPERATIVE OF CENTRAL FLORIDA, and, in its individual capacity, to ratify and accept on to itself the obligations of ORANGE COUNTY and the respective obligations of the individual member governments as they apply to ORANGE COUNTY, in accordance with the terms of the AGREEMENT, as amended.

ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

By: _____
Teresa Jacobs, Orange County Mayor

Attest: Martha O. Haynie, County Comptroller
As Clerk to the Board of County Commissioners

By: _____
Deputy Clerk

Date: _____

Approved as to form by: _____
Assistant County Attorney

Exhibit 1 – Revised
Summary Scope of Work

EXHIBIT 1 – REVISED

SUMMARY SCOPE OF WORK

1. PHASE II

The following tasks and descriptions generally describe the anticipated preliminary design services required for the Cypress Lake Water Treatment Plant, including the well field, and raw and finished water transmission mains. It is anticipated that multiple consultants including engineering, surveying, environmental, hydro-geological, appraisal, legal, and hydraulic modeling services will be required. It is anticipated that there will be two primary consultants selected for Part A: Wells and Water Treatment Facility and Part B: Transmission Mains respectively. Consultants selected for Preliminary Design services may or may not be retained for Final Design services at the discretion of the parties.

PART A WATER TREATMENT FACILITY

Part A Management and Administration – Consultant(s) will prepare presentations, reports, communiqués and notifications, administer workshops, Board meetings and public meetings, and provide other miscellaneous management and administrative duties, including conducting design workshops to attain consensus from the participating parties.

Site Acquisition – Consultant(s) will assist with the selection and acquisition of plant and well sites; boundary and topographical surveys, sketches and descriptions; provide phase I environmental site assessments, preliminary ecological assessment, floodplain assessment, and preliminary geotechnical evaluations of the selected sites and perform other miscellaneous tasks related to site acquisition.

Master Site Planning – To ensure adequate space for future facility expansions and treatment upgrades, consultant(s) will provide master planning for the plant site and wellfield, including plant and well construction phasing, site and facilities layout, process flow schematics, electrical utilities coordination including the primary power requirements to serve the plant and individual well sites, energy conservation and efficiency planning, and on-site power generation alternatives assessments.

Process Selection – Consultant(s) will: coordinate and assist with the compilation and review of water quality data from existing exploratory wells for evaluation of potential treatment processes to determine if the water quality goals of the PARTIES and regulatory agencies are met, including water quality mixing with compatible quality; perform pilot testing of selected potentially viable processes and

equipment, if necessary or appropriate; and, develop recommended treatment process train schematic and associated summary design and performance parameters.

Water Treatment By-Product Disposal – Consultant(s) will determine treatment process residuals management and disposal needs and, if necessary, develop a construction and testing plan to perform preliminary investigation of the feasibility of water treatment by-product disposal by means of deep well injection or other alternative methods.

Permitting – Consultant(s) will provide preliminary permitting services including interaction with necessary permitting agencies and identification of permitting requirements for final design and construction. Agencies anticipated to require permitting include, but are not limited to: Osceola County, SFWMD, FDEP, USEPA and various other governmental agencies as necessary.

Costing and Schedule – Consultant(s) will prepare preliminary opinions of the construction cost and schedule including value engineering and present value analyses of selected processes and equipment, and anticipated operations and maintenance costs.

Energy Study Report – Consultant(s) will conduct a study and summarize findings to ensure design consideration of energy conservation/efficiency measures to minimize carbon footprint, including on-site power generation alternatives.

Preliminary Raw Main Route Planning - Consultant(s) will assist with and identify the preliminary selection of the raw water main route and the well and plant connection points to facilitate pipeline easement acquisition.

Preliminary Design Report – Based on the findings and conclusions from the preliminary design tasks, consultant(s) will prepare a preliminary design report to present the results from the preliminary engineering effort, at a minimum to include: master site plan with phasing of capacity; treatment process selection and schematic(s); process design criteria for equipment, and preliminary equipment selections; preliminary layout of facilities; treatment process residuals management and disposal, proposed power distribution layout; instrumentation and control diagrams; regulatory design requirements (Osceola County, SFWMD, FDEP); preliminary opinion of probable construction costs and projected annual power and chemical costs of the proposed facilities; and program schedule.

Property Acquisition Assistance – Consultants will conduct Surveys, and Prepare Sketch and Legal Descriptions to assist with the preparation and negotiation of land purchases and easement agreements.

PART B TRANSMISSION MAINS AND WATER WHEELING STUDY

The parties propose to interconnect their respective water distribution systems to establish a regional water distribution grid system capable of moving and transmitting water effectively among the parties.

Management and Administration – Consultant(s) will prepare presentations, reports, communiqués and notifications, administer workshops, Board meetings and public meetings, and provide other miscellaneous management and administrative duties, including conducting design workshops to attain consensus from the participating parties.

Hydraulic Analysis/Water Wheeling Study – Consultant(s) will perform a hydraulic analysis by incorporating the existing hydraulic models of the parties and related information into a regional hydraulic model to identify transmission main sizing and improvements to the existing transmission systems as necessary for the movement of transient water from Cypress Lake, and to optimize the transfer and transmission of potable water between the parties. In conjunction with the hydraulic analysis, an evaluation will be performed to address compatibility of the individual parties systems' water quality and pressure to ensure compatibility at system delivery points.

Finished Water Main Route Planning - Consultant(s) will assist with and identify the preliminary selection of the finished water main routes and the parties' transmission systems connection points to facilitate pipeline easement acquisition.

Easement Acquisition – Consultant(s) will recommend easement requirements, and assist with surveys, sketch and descriptions, and perform other miscellaneous tasks related to easement acquisition.

Permitting – Consultant(s) will provide preliminary permitting services including interaction with necessary permitting agencies and identification of permitting requirements for final design and construction. Agencies anticipated to require permitting include, but are not limited to: Osceola County, FDEP, FDOT and various other governmental agencies as necessary.

Preliminary Design Report – Based on the findings and conclusions from the preliminary design tasks, consultant(s) will prepare preliminary design reports to present the results from the preliminary engineering effort, at a minimum to include: proposed transmission main layout and routing, necessary improvements to the parties existing transmission systems; illustrative pipe alignment layout, basis of design, permitting requirements, preliminary opinion of probable construction costs; and program schedule.

2. PHASE III

The following tasks and descriptions generally describe anticipated services required for the Phase III Work. Said Work will be completed in three separate Stages as follows: Stage 1 - Cost Allocation Methodologies and Rate Design Study; Stage 2 - Appraisal, Surveys and Legal Services related to the acquisition of property for twelve (12) well sites and one Water Treatment Facility site; and Stage 3 – data development and permitting to support a treatment reject concentrate disposal system. It is anticipated that multiple consultants including a Financial Consultant, engineering, surveying, environmental, hydrogeological, appraisal, and legal services will be required.

Stage 1: Cost Allocation Methodologies and Rate Designs - A Financial Consultant will assist with the development of cost allocation methodologies and rate designs that will provide an equitable cost sharing and recovery arrangement for the PARTIES as they relate to the water wheeling/transmission system portion of the PROJECT.

Stage 2: Appraisals, Surveys and Related Legal Services - Various consultants will assist with appraisals and surveys for sketches and descriptions of twelve well sites, a raw water main route, and a site for location of the Water Treatment Facility. Legal services will be required to assist with preparation of documents for easement, purchases of property, acquisition of property options, or other property acquisition related services.

Stage 3: Permitting and Data Development to Support Permitting - Consultants will assist with data development and interact with permitting agencies to develop strategies for permitting water treatment reject concentrate disposal options. Permitting efforts will be undertaken at this Stage, if appropriate.

Exhibit 3 – Revised
Total Costs for Phase II, Parts A and B
And Funding Summary To Date

EXHIBIT 3 – REVISED

**COSTS FOR PHASE II PART A & PART B AND
FUNDING SUMMARY TO DATE**

I. Costs for Phase II, Part A and Part B

PART A WATER TREATMENT FACILITY

Funding Allocated **\$2,115,000.00**

Task 1 Work Management* **\$285,500.00**

Work Administration

Status Reports

Quality Management

Meetings

* This does not include Project Management by TWA

Subtask Public Involvement & Communications **\$20,000.00**

Public Meetings – Agendas, Attendance, Presentations

Task 2 Concept Development **\$836,674.00**

Data Collection

Water Quality & Quantity Assessment

Finished Water Quality Goals

Treatment Process Alternatives

By-Product Management Alternatives

Preliminary Site Plan

Site Selection

Phase I Environmental

Preliminary Geotechnical

Preliminary Ecological Assessment

Energy Conservation and Generation Concepts

Regulatory Requirements

Raw Water Main Routing

Reports

Task 3 Preliminary Design **\$651,613.00**

Regulatory Requirements

Architectural Programming

Treatment Process Optimization

Treatment Process Schematic

Design Criteria and Equipment Selection

Reports

Task 4 Property Acquisition Assistance **\$71,600.00**

Surveys and Legals: WTP site, Well Sites, Wellhead Protection

Task 5 Deep Injection Well Exploratory Testing Plan	\$15,196.00
Exploratory DIW Testing Plan	
Miscellaneous (Other Direct Costs)	\$15,000.00
Total Funds Encumbered for Part A	\$1,895,583.00
Remaining Funding Available from Part A	\$219,417.00
<u>PART B TRANSMISSION MAINS</u>	
Hydraulic Analysis/Water Wheeling Study Total Funding Allocated	\$1,405,000.00
<u>Task 1 Work Management*</u>	\$209,789.88
Administration	
Status Reports	
Quality Management	
Team Meetings	
Public Meetings	
* This does not include Project Management by TWA	
<u>Task 2 Hydraulic Model/Conjunctive Use Model</u>	\$198,286.44
Data Acquisition	
Model/GIS Coordination and Combination	
Demands and Phasing	
Hydraulic Model Development	
Conjunctive Use Model Development	
<u>Task 3 Phase I Water Wheeling Plan (without CL Supply)</u>	\$167,543.56
Phase I Water Supply Evaluation	
Identify Interconnect Locations	
Water Wheeling Hydraulic Evaluation	
Phase I Water Wheeling Report	
<u>Task 4 Phase II Water Wheeling Plan (with CL Supply)</u>	\$227,337.40
Phase II Water Supply Evaluation	
Facility Capacity Deficit Assessment	
Transmission Routing and Sizing	
Phase II Water Wheeling Report	
<u>Task 5 Initial Conceptual Design Plan</u>	\$100,469.12
Identify Plan Alternatives	
Alternatives Evaluation	
Routing Feasibility	
Work Implementation and Schedule	
Initial Conceptual Design Report	

<u>Task 6 Operational Needs Assessment</u>	\$169,545.36
Extended Period Simulation and Water Quality Model Upgrade	
Water Quality Blending Analysis	
<u>Task 7 Final Conceptual Design</u>	\$88,505.64
Construction and Operations Phasing	
Capital Improvements Plan	
Conceptual Design Reports	
Total Funds Encumbered for Part B	\$1,161,477.40
SFWMF Funding Reducing PARTIES' Commitment	(\$465,000.00)
Funds Provided by PARTIES	\$696,477.40
Remaining Funding Available from Part B (\$243,522.60 + 465,000)	\$708,522.60

II. Funding Summary To Date

<u>FUNDING SUMMARY TO DATE</u>	
Total Interlocal Agreement Funding Obligation	\$3,520,000.00
Less Funds for Phase II, Part A, and Part B	(\$2,592,060.40)
REMAINING FUNDING (\$219,417+ 708,522.60)	\$927,939.60
Funding targeted for Phase III (See Exhibit 4)	\$750,000.00
Reduction from PARTIES' original funding obligation (\$927,939.60 - \$750,000)	(\$177,939.60)

Exhibit 4

Total Estimated Costs for Phase III

EXHIBIT 4

**Total Estimated Costs
for Phase III Stage 1, Stage 2 and Stage 3**

<u>Stage 1: Cost Allocation and Rate Designs Study</u>	\$150,000.00
Review Water Wheeling Study Documents	
Coordinate with Water Wheeling Consultant	
Provide Cost Allocation Methodologies and Rate Design Options	
Recommend Rate Structures	
Other Miscellaneous Work	
<u>Stage 2: Land Acquisition</u>	\$450,000.00
Appraisals (12 wells sites; Water Treatment Plant site)	
Surveys with Sketch and Legal Descriptions	
Legal Services for Purchase and Easement Agreements	
Acquire Purchase Option	
Other Miscellaneous Work	
<u>Stage 3: Permitting/Concentrate Disposal Options</u>	\$150,000.00
Coordinate with Permitting Agencies	
Explore Concentrate Disposal Well Options	
Develop Data to Support Well Disposal Options	
Preparation of Permit Application	
Other Miscellaneous Work	

CATEGORY: Water Cooperative of Central Florida

Attachments: None

PRESENTATION ON MEMBRANE WATER TREATMENT CONCENTRATE DISPOSAL BY DEEP WELL INJECTION

Explanation: At the April 2015 meeting, staff discussed with the Board the construction of a membrane water treatment concentrate deep injection test well to establish the capability and capacity for the disposal of the concentrate from the proposed Cypress Lake alternative water supply treatment system. The Board expressed concern about the cost of the test well and requested additional information on the construction of deep injection wells to better understand the costs. Staff committed to having the consultant for the preliminary design provide a presentation to the Board on the deep injection test well construction. Representatives of Tetra-Tech and MWH Consultants will be present to provide a presentation on the deep injection test well construction.

Recommendation: No action is required.

Presentation Water Treatment Concentrate Disposal DIW.07.08.15.blw