



The Water Cooperative of Central Florida  
Wednesday, January 8, 2014  
2:00 PM  
Toho Administration Building  
951 MLK Boulevard  
Kissimmee, FL

### **Agenda**

1. Approval of the Board Meeting Minutes from October 2, 2013
2. Approval of Reimbursement of Toho Water Authority for Water Cooperative Expenditures
3. Approval of Amendment to FY2014 Budget Authorizing Legal Expenses Related to the Central Florida Water Initiative
4. Status Report on the Cypress Lake Wellfield Alternative Water Supply Project
5. Board Member Comments

<b>Description</b>	Regular meeting of the Water Cooperative of Central Florida. Present at the meeting were TWA Board Chairman Bruce Van Meter, Polk County Commissioner George Lindsey, Orange County Commissioner Tiffany Moore Russell, City of St. Cloud Councilman Donald Shroyer.		
<b>Date</b>	10/02/2013	<b>Location</b>	Tohopekaliga Water Authority Board Room
	<b>ITEM</b>	<b>NOTES</b>	
2:03 PM	MEETING CALLED TO ORDER	Chairman Van Meter called the meeting to order at 2:03 PM.	
	APPROVAL OF THE BOARD MEETING MINUTES FROM JULY 10, 2013	Commissioner Lindsey motioned for approval of the July 10, 2013 meeting minutes and Commissioner Shroyer seconded the motion. Motion passed 3 to 0.	
	APPROVAL OF A SCHEDULE OF MEETINGS FOR 2014	Commissioner Shroyer moved for approval of the Schedule of Meetings for 2014 and Commissioner Lindsey seconded the motion. The Water Coop will meet on Wednesday, January 8, 2014, Wednesday, April 2, 2014, Wednesday, July 2, 2014, and Wednesday, October 1, 2014. Motion passed 3 to 0.	
	APPROVAL OF RESOLUTION WC-002-2013 REGARDING REIMBURSEMENT OF AGENT'S EXPENSES	Mr. Wheeler explained that the FY2013 budget needed to be amended to provide for the reimbursement to Toho Water Authority for expenditures made by the Authority on behalf of the Water Cooperative in FY2011 and FY2012. These expenses were incurred by the Authority during the startup of the Water Cooperative and occurred prior to the Water Cooperative adopting its first budget. In FY2011 \$679 was expended and in FY2012 \$10,712.30 was expended. To reimburse the Authority out of funds from the FY2013 budget, the budget must be amended by the Board to include the previous fiscal years' expenditures. There was some uncertainty as to whether the budget could be amended by motion or needed to be amended by resolution. Amending by resolution was the most conservative approach. Commissioner Lindsey moved for approval of Resolution WC-002-2013 and Commissioner Shroyer seconded the motion. Motion passed 3 to 0.	
	APPROVAL OF REIMBURSEMENT OF EXPENDITURES TO DATE BY	Mr. Wheeler advised the Board that by adopting the resolution drafted by the General Counsel authorizing the reimbursement of expenses incurred by Toho Water Authority on behalf of the Water Coop on a quarterly basis the Authority could submit a detailed list of expenses	

	<p>TOHO WATER AUTHORITY ON BEHALF OF THE WATER COOPERATIVE OF CENTRAL FLORIDA</p>	<p>incurred each quarter to the Board and be reimbursed on a quarterly basis instead of once annually as has been done in the past. Commissioner Russell moved for approval and Commissioner Shroyer seconded the motion. Motion was passed 4 to 0. The Board was then presented with an itemized listing of expenses of the Water Cooperative which had been paid by Toho Water Authority since January 1, 2013 through September 6, 2013 in the amount of \$9,348.62. Motion passed 4 to 0.</p>
	<p>APPROVAL OF THE FIRST AMENDMENT TO THE INTERLOCAL AGREEMENT FOR THE PRELIMINARY ENGINEERING AND PERMITTING OF THE CYPRESS LAKE WELLFIELD PROJECT</p>	<p>Mr. Wheeler explained that the FY2014 Budget approved at the July 10<sup>th</sup> Board meeting included funding for the management and administration of the Coop alternative water supply (AWS) projects and; specifically, the Cypress Lake AWS. When the Cypress Lake AWS progresses to the point that specific projects emerge to be designed and constructed, TWA would retain the services of a project manager and the Coop would reimburse TWA for the time the project manager expended on the project(s) on an hourly basis to include benefits. To provide for the reimbursement to TWA for project management costs incurred through a TWA employee, the Cypress Lake Wellfield Project Interlocal Agreement requires amendment. After approval by the Board, the Amendment will be submitted to each of the participating governments for approval. The Amendment does not authorize the expenditure of any additional funds. Commissioner Lindsey moved for approval of the first amendment to the Interlocal Agreement and Commissioner Russell seconded the motion. Motion passed 4 to 0.</p>
	<p>STATUS UPDATE ON THE CYPRESS LAKE WELLFIELD ALTERNATIVE WATER SUPPLY PROJECT</p>	<p>Deb Beatty gave a PowerPoint presentation providing a summary of the status of the Cypress Lake Wellfield Alternative Water Supply project. Ms. Beatty reported on the status of the two (2) contracts for the preliminary engineering phase; (1) Cypress Lake Transmission, Optimization, and Interconnection Hydraulic Analysis Project; and (2) Cypress Lake Water Treatment Plant Wellfield and Raw Water Main Projects. Ms. Beatty advised that a consolidated water distribution system model has been completed, the water wheeling analysis performed and final report is in review. The near term benefits of the potential water wheeling were not addressed by the existing Scope of Services. Amendment #1 to scope is in review and will consider the benefits of interconnections for reliability prior to the need for additional capacity. St. Cloud Commissioner Shroyer requested that Ms.</p>

		<p>Beatty's report be sent to him via email as the city of St. Cloud Councilmen wanted the report sent to them. Polk County Commissioner Lindsey asked when the Cypress Lake wellfield was expected to be operational. Ms. Beatty responded that due the high cost of the project the actual construction would not be scheduled until the timing of the demand for the water was known. Construction of the project is estimated to take around three years. Mr. Wheeler added that the results of the Central Florida Water Initiative (CFWI) indicate that Central Florida is reaching the end of the available groundwater supply which might accelerate this project. Polk County Commissioner Lindsey expressed an interest in the project costs. Ms. Beatty explained some of the project costs and advised that the project will be costly to build and to operate. There was general discussion about other alternative water supply projects such as the St. Johns River/Taylor Creek Project. TWA Chairman Van Meter inquired about the needs for easement and right-of-way acquisition for the Cypress Lake Project. Mr. Wheeler responded the project will make use of public right-of-ways as much as possible but that there will be a need to acquire some easements from private property owners. Chairman Van Meter asked how long before the parties will have to start doing water wheeling. Mr. Wheeler said that there are already some interconnects; two with Polk County and one with Orange County out west, two with city of St. Cloud and one with Disney which will allow some water wheeling now.</p>
	<p><b>BOARD MEMBER COMMENTS</b></p>	<p>The Board discussed that the next meeting will be January 8, 2014.</p>
<p>2:38 PM</p>	<p><b>ADJOURNED</b></p>	<p>There being no further business to come before the Board, Chairman Van Meter adjourned the meeting at 2:38 PM.</p> <hr/> <p>Bruce R. Van Meter, Chairman</p> <hr/> <p>Tiffany Moore Russell, Secretary</p>

CATEGORY: Water Cooperative of Central Florida

Attachment(s): Itemized list of expenditures by Toho Water Authority from September 27, 2013 thru December 30, 2013

**APPROVAL OF REIMBURSEMENT OF EXPENDITURES TO DATE BY TOHO WATER AUTHORITY ON BEHALF OF THE WATER CO-OPERATIVE 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 Co-operative 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 Co-operative 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.

<b>Vendor</b>	<b>Date</b>	<b>Invoice</b>	<b>Amount</b>
Dept. of Economic Opportunity	10/1/2014	FY2013/14 annual fee	\$200.00
Akerman Senterfitt	9/30/2013	8846343	\$65.00
		<b>TOTAL</b>	<b>\$265.00</b>

CATEGORY: Water Cooperative of Central Florida

Attachment(s): Approved FY2014 Budget  
Proposed Amended Budget for FY2014

### **AMENDMENT TO FY2014 BUDGET PROVIDING FOR LEGAL EXPENSES FOR THE CENTRAL FLORIDA WATER INITIATIVE**

**Explanation:** The Board of Supervisors approved the FY2014 Budget at the July 2013 meeting based on projected expenditures for the fiscal year. Since that budget approval a projected expenditure not anticipated in the budget process has been presented. The first phase of the Central Florida Water Initiative (CFWI) concluded in the fall of 2013 resulting in a groundwater availability evaluation that indicates that there is insufficient groundwater available to meet existing water use permit allocations and to meet projected future water demands for the region for 2035.

To address the future water supply needs of the CFWI area and resolve the groundwater use permitting a second phase of the CFWI has been initiated called the Solutions Phase. The Solutions Phase will consist of six teams composed of representatives from the Water Management Districts, FDEP, Agricultural interests, Environmental interests and utilities to evaluate potential alternative water supply solutions for the area. One additional team, called the Regulatory Team, will evaluate existing statutes, rules, and regulations which may affect the implementation of the potential solutions developed in the Solutions Phase. Additionally the Regulatory Team will develop recommendations for rules, regulation, and policy to assist in administering water use permitting and related programs for the CFWI area in conjunction with the Solutions Phase. The Regulatory Team consists of representatives from the same entities or interest groups participating in the Solutions Phase teams. A legal advisory team to the Regulatory Team has been developed to provide guidance and assist in developing specific recommendations for policy, rules and regulations. The Legal Advisory Team is composed of an attorney for each of the three water management districts (SFWMD, SJRWMD, and SWFWMD) and an attorney to represent the utilities collectively. The seven utilities which provided the utility support and involvement for the first phase of the CFWI, four utilities that compose the Water Cooperative, Reedy Creek Improvement District (RCID), Seminole County, and Orlando Utility Commission (OUC), agreed upon an attorney to represent the utilities on the Legal Advisory Team to the Regulatory Team.

To cover the cost of the legal representation by a single attorney for the group an equal cost sharing by the utilities has been proposed. Because the Cooperative represents four utilities the cost share for the Cooperative would be 4/7 of the cost. Orlando Utility Commission, Seminole County and RCID each would be responsible for 1/7 of the cost. Each entity would receive a separate invoice from the attorney detailing the total cost and representing the proportionate share for each entity. To fund this unforeseen legal expense will require an amendment to the FY2014 Budget. The proposed amended budget is attached along with the approved FY2014 budget for comparison. The total budget of \$214,000 remains the same but a line item for the CFWI representation has been added in the amount of \$28,000, the Property and Easement Acquisition line item has been reduced to \$20,000, the Miscellaneous legal line item has been reduced to \$5,500 and the Reserves have been reduced from \$30,000 to \$18,000. The actual amount required for the legal representation for the CFWI is unknown however the budget amendment sets a limit for the expenditure. Only the actual time and amount expended would be reimbursed to OUC from the line item. If the level of effort does not require the full budget amount the remainder will flow back to Reserves. On the other hand if the level of effort would require a higher amount, the Board would have to approve the additional expenditure through an additional budget amendment.

**Recommendation:** Staff recommends approval of the budget amendment for the FY2014 Budget.



Water Cooperative of Central Florida  
Budget  
Fiscal Year October 1, 2013 – September 30, 2014  
Amended January 8, 2014

**Income – Annual Working Capital Contributions**

Reserves Carry-over \$33,000.00

Toho Water Authority

General Administration \$10,000.00

Cypress Lake Project Management \$49,000.00

(Approved in Project Interlocal  
Agreement)

Orange County

General Administration \$10,000.00

Cypress Lake Project Management \$38,500.00

(Approved in Project Interlocal  
Agreement)

City of St. Cloud

General Administration \$10,000.00

Cypress Lake Project Management \$25,514.00

(Approved in Project Interlocal  
Agreement)

Polk County

General Administration \$10,000.00

Cypress Lake Project Management \$17,500.00

(Approved in Project Interlocal  
Agreement)

**Miscellaneous Income**

Reedy Creek Improvement District

Cypress Lake Project Management \$ 10,486.00

(Approved in Project Interlocal  
Agreement)

**TOTAL:**

**\$214,000.00**

**Expenses:**

Water Supply Project Management and Administration:

Reimbursement to Toho Water Authority	\$125,000.00
Advertising Meetings	\$ 1,000.00
Legal	
Meetings (4 Regular & 1 Special)	\$ 13,000.00
Central Florida Water Initiative	\$ 28,000.00
Property and Easement Acquisition	\$ 20,000.00
Miscellaneous	\$ 5,500.00
<b>TOTAL LEGAL</b>	<b>\$66,500.00</b>
Accounting (Annual Report)	\$ 2,000.00
Annual Filings	\$ 500.00
Board Expenses	\$ 1,000.00
<b>TOTAL:</b>	<b>\$196,000.00</b>
<b>Reserves:</b>	<b>\$ 18,000.00</b>

Water Cooperative of Central Florida  
Budget  
Fiscal Year October 1, 2013 – September 30, 2014

**Income – Annual Working Capital Contributions**

Reserves Carry-over \$33,000.00

Toho Water Authority

General Administration \$10,000.00

Cypress Lake Project Management \$49,000.00

(Approved in Project Interlocal Agreement)

Orange County

General Administration \$10,000.00

Cypress Lake Project Management \$38,500.00

(Approved in Project Interlocal Agreement)

City of St. Cloud

General Administration \$10,000.00

Cypress Lake Project Management \$25,514.00

(Approved in Project Interlocal Agreement)

Polk County

General Administration \$10,000.00

Cypress Lake Project Management \$17,500.00

(Approved in Project Interlocal Agreement)

**Miscellaneous Income**

Reedy Creek Improvement District

Cypress Lake Project Management \$ 10,486.00

(Approved in Project Interlocal Agreement)

**TOTAL: \$214,000.00**

**Expenses:**

Water Supply Project Management and Administration:

Reimbursement to Toho Water Authority	\$125,000.00
Advertising Meetings	\$ 1,000.00
Legal	
Meetings (4 Regular & 1 Special)	\$ 13,000.00
Property and Easement Acquisition	\$ 35,000.00
Miscellaneous (20hrs @ \$325/hr)	\$ <u>6,500.00</u>
<b>TOTAL LEGAL</b>	<b>\$54,500.00</b>
Accounting (Annual Report)	\$ 2,000.00
Annual Filings	\$ 500.00
Board Expenses	\$ 1,000.00
<b><u>TOTAL:</u></b>	<b>\$184,000.00</b>
<b>Reserves:</b>	<b>\$ 30,000.00</b>

**CATEGORY:** Water Cooperative of Central Florida

Attachments: None

**STATUS UPDATE OF THE CYPRESS LAKE WELLFIELD ALTERNATIVE WATER SUPPLY PROJECT**

**Explanation:** Ms. Deborah Beatty, project manager for the Cypress Lake Wellfield Alternative Water Supply Project, will provide a brief report on the status of the project and progress since the last Board of Supervisors meeting in October 2013.  
**Recommendation:** There is no action required by the Board.