



The Water Co-operative of Central Florida  
Wednesday, April 1, 2015  
2:00 PM  
Toho Administration Building  
951 MLK Boulevard  
Kissimmee, FL 34741

## **Agenda**

1. APPROVAL OF THE BOARD MEETING MINUTES FROM JANUARY 7, 2015
2. APPROVAL OF REIMBURSEMENT OF EXPENDITURES TO DATE BY TOHO WATER AUTHORITY ON BEHALF OF THE WATER CO-OPERATIVE OF CENTRAL FLORIDA
3. APPROVAL OF WATER COOPERATIVE DRAFT AMENDED BUDGET FOR FISCAL YEAR 2015
4. CYPRESS LAKE ALTERNATIVE WATER SUPPLY PROJECT NEXT STEPS
5. REPORT ON THE STATUS OF SOLUTIONS PHASE OF THE CENTRAL FLORIDA WATER INITIATIVE

<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 Peter Clarke, City of St. Cloud Commissioner Donald Shroyer.		
<b>Date</b>	01/07/2015	<b>Location</b>	Tohopekaliga Water Authority Board Room
	<b>ITEM</b>	<b>NOTES</b>	
2:11 PM	MEETING CALLED TO ORDER	Chairman Van Meter called the meeting to order at 2:11 PM.	
	APPROVAL OF THE BOARD MEETING MINUTES FROM OCTOBER 1, 2014	Commissioner Lindsey moved for approval of the October 1, 2014 meeting minutes and Commissioner Shroyer seconded the motion. Motion passed 3 to 0.	
	APPROVAL OF THE WATER COOPERATIVE AMENDED BUDGET FOR FISCAL YEAR 2015	Mr. Wheeler explained that the amended Draft FY2015 Budget had been approved at the October 1, 2014 meeting and then submitted to the member agencies for their review and comment. No comments or objections have been received from any of the member agencies. The amended budget for FY2015 was updated to reflect the current estimated Reserves/Carry-over from the FY2014 budget and to increase the legal expenditures category to cover the costs of representation by the Water Cooperative counsel on the Regulatory Team of the Central Florida Water Initiative. These adjustments do not change the overall budget and therefore, do not require resubmittal to the member agencies for review. Commissioner Lindsey moved for approval of the amended FY2015 Budget and Commissioner Shroyer seconded the motion. Motion passed 3 to 0.	
	APPROVAL OF REIMBURSEMENT OF EXPENDITURES TO DATE BY TOHO WATER AUTHORITY ON BEHALF OF THE WATER COOPERATIVE OF CENTRAL FLORIDA	Mr. Wheeler presented a table listing the expenditures by the Toho Water Authority (TWA) on behalf of the Water Cooperative from September 30, 2014 through December 31, 2014. Mr. Wheeler explained that at the October 2, 2014 meeting, the Board had approved a resolution authorizing reimbursing TWA on a quarterly basis for expenditures made on behalf of the Water Cooperative. The list of expenditures for the aforesaid time period came to a total of \$41,522.35.  Commissioner Lindsey moved for approval of reimbursing TWA for the expenditures as submitted and Commissioner Shroyer seconded the motion. Motion passed 3 to 0	

	<p>UNSOLICITED PROPOSAL SUBMITTED BY LOUIS BERGER FOR PRIVATE PUBLIC PARTNERSHIP WORKSHOP ON THE IMPLEMENTATION OF CYPRESS LAKE PROJECT</p>	<p>Mr. Wheeler explained that Louis Berger, a consulting engineering firm, had submitted an unsolicited proposal to the Water Cooperative proposing to conduct a workshop for the Board on the use of a Public Private Partnership for the implementation of the Cypress Lake Alternative Water Supply project. Mr. Brian Houston of Louis Berger had spoken to the board about this proposal. Staff advised the Board that evaluating and discussing project delivery methods was premature because the schedule and status of the project would not be established until after the completion of the Central Florida Water Initiative Solutions Phase later this year. Staff also advised that a workshop on project delivery methods should include all of the applicable methods for the Board to evaluate. There was discussion among the Board members on the staff recommendation and whether the individual Board members should meet with representatives of firms with proposals for implementation of the project. There was consensus by the Board that a workshop on Public Private Partnerships was premature. The Board also agreed that individual members could meet with individual firms at their request to hear proposals for project implementation to become educated on an alternative. Any discussion of selecting or proceeding with a particular proposal should be conducted by the full Board in a public meeting. The Chairman asked when the staff and Board would know more definitively of the schedule for implementation of the Cypress Lake AWS project. Mr. Wheeler advised that some more definitive direction may be known after the completion of the CFWI work later in the year.</p> <p>No action needed by the Board.</p>
	<p>STATUS REPORT FOR THE CYPRESS LAKE ALTERNATIVE WATER SUPPLY PROJECT</p>	<p>Ms. Deborah Beatty, Senior Engineer for TWA and Project Manager for the Preliminary Engineering phase of the Cypress Lake AWS project, gave a PowerPoint presentation updating the Board on the status of the Cypress Lake Alternative Water Supply Project. Following the report Mr. Wheeler recommended that the Board approve the solicitation for a consultant to provide assistance in the development of a cost sharing formula and methodology for the assessment of costs to the member agencies for the capital improvements recommended in the Water Wheeling study of the preliminary engineering phase. Commissioner Shroyer</p>

		asked why a consultant was needed and why the work could not be performed by staff. . Mr. Wheeler explained that the Water Wheeling implementation was complex and the work needed was too sophisticated for staff. There was additional discussion by the Board about the need and selection of the consultant. There was no action taken by the Board. .
	REPORT ON THE STATUS OF THE SOLUTIONS PHASE OF THE CENTRAL FLORIDA WATER INITIATIVE (CFWI)	Mr. Wheeler presented a PowerPoint presentation on the status of the Solutions Phase of the Central Florida Water Initiative. .
	BOARD MEMBER COMMENTS	<p>Silvia Alderman provided a summary to the board of the status of the CFWI Solutions phase and her involvement representing the Water Cooperative.</p> <p>Brian reminded the Board that they needed to elect new officers for the Board. Commissioner Lindsey nominated Mr. Van Meter to continue as Chairman and Commissioner Shroyer seconded. Motion passed 4 to 0.</p> <p>Commissioner Lindsey nominated Commissioner Shroyer as Vice Chairman and Commissioner Clarke seconded the motion. Motion passed 4 to 0.</p> <p>Commissioner Lindsey nominated Commissioner Clarke to be Secretary and Commissioner Shroyer seconded. The motion passed 4 to 0</p>
3:32 PM	ADJOURNED	<p>There being no further business to come before the Board, Chairman Van Meter adjourned the meeting at 3:32 PM.</p> <p>_____</p> <p>Bruce R. Van Meter, Chairman</p> <p>_____</p> <p>Secretary</p> <p style="text-align: right;">ncd</p>

CATEGORY: Water Cooperative of Central Florida

Attachments: Itemized list of expenditures by Toho Water Authority from January 1, 2015 thru February 28, 2015

**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.

REIMBURSEMENTTWAEXPENSE.04.01.2015BLW

**Toho Water Authority List of Expenditures (December 30, 2014 – March 5, 2015)  
on behalf of the Water Cooperative of Central Florida**

<b>Vendor</b>	<b>Date</b>	<b>Invoice</b>	<b>Amount</b>
<b>The Ledger</b>	<b>12/31/2014</b>	<b>957859</b>	<b>\$150.50</b>
<b>Akerman LLP</b>	<b>1/8/2015</b>	<b>8983647</b>	<b>\$1,170.00</b>
<b>Akerman LLP</b>	<b>1/8/2015</b>	<b>8983646</b>	<b>\$15,617.22</b>
<b>Orlando Sentinel</b>	<b>12/31/2014</b>	<b>1723063</b>	<b>\$496.25</b>
<b>Akerman LLP</b>	<b>2/4/2015</b>	<b>8992107</b>	<b>\$4,364.18</b>
<b>Akerman LLP</b>	<b>2/4/2015</b>	<b>8992106</b>	<b>\$16,968.18</b>
<b>Akerman LLP</b>	<b>3/5/2015</b>	<b>9001049</b>	<b>\$9,058.74</b>
<b>Sun Publications of Florida</b>	<b>1/20/2015</b>	<b>442826</b>	<b>\$27.86</b>
<b><i>Water Cooperative Subtotal</i></b>			<b>\$47,852.93</b>

CATEGORY: 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 \$100,00 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



Water Cooperative of Central Florida

Proposed Amended Budget (April 1, 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

## Miscellaneous Income

Reedy Creek Improvement District  
Cypress Lake Project Management \$ 11,238.00  
(Approved in Project Interlocal  
Agreement)

**TOTAL:** **\$347,052.52**

## Expenses:

Water Supply Project Management and Administration:

Reimbursement to Toho Water Authority \$150,000.00

Advertising Meetings \$ 1,000.00

Legal

Meetings (4 Regular & 1 Special) \$ 7,000.00

Central Florida Water Initiative \$165,000.00

Property and Easement Acquisition \$ 12,000.00

Miscellaneous \$ 1,000.00

**TOTAL LEGAL** **\$185,000.00**

Accounting (Annual Report) \$ 2,000.00

Annual Filings \$ 500.00

Board Expenses \$ 1,000.00

**TOTAL:** **\$338,500.00**

**Reserves:** **\$ 8,552.52**

Water Cooperative of Central Florida

Approved Budget

Fiscal Year October 1, 2014 – September 30, 2015

**Income – Annual Working Capital Contributions**

Reserves Carry-over	\$52,850.00
Reimbursement from Reedy Creek Improvement District	\$ 7,800.00
Toho Water Authority	
General Administration	\$10,000.00
Cypress Lake Project Management (Approved in Project Interlocal Agreement)	\$52,500.00
Orange County	
General Administration	\$10,000.00
Cypress Lake Project Management (Approved in Project Interlocal Agreement)	\$41,250.00
City of St. Cloud	
General Administration	\$10,000.00
Cypress Lake Project Management (Approved in Project Interlocal Agreement)	\$26,262.00
Polk County	
General Administration	\$10,000.00
Cypress Lake Project Management (Approved in Project Interlocal Agreement)	\$18,750.00

## Miscellaneous Income

Reedy Creek Improvement District  
Cypress Lake Project Management \$ 11,238.00  
(Approved in Project Interlocal  
Agreement)

**TOTAL:** **\$250,650.00**

## Expenses:

Water Supply Project Management and Administration:

Reimbursement to Toho Water Authority \$150,000.00

Advertising Meetings \$ 1,000.00

### Legal

Meetings (4 Regular & 1 Special) \$ 7,000.00

Central Florida Water Initiative \$ 65,000.00

Property and Easement Acquisition \$ 12,000.00

Miscellaneous \$ 1,000.00

**TOTAL LEGAL** **\$85,000.00**

Accounting (Annual Report) \$ 2,000.00

Annual Filings \$ 500.00

Board Expenses \$ 1,000.00

**TOTAL:** **\$239,500.00**

**Reserves:** **\$ 11,150.00**

# Water Cooperative of Central Florida

FY2015 Budget Year Ending Estimate

For the Period Ending February 28, 2015

	<u>YTD Actual</u>	<u>2015 Budget</u>
<b>RESERVES CARRYOVER</b>	<b>\$ 48,540</b>	<b>\$ 52,850</b>
<b>INCOME</b>		
Member Contributions	\$ 40,000	\$ 239,412
Miscellaneous Income	<u>13,174</u>	<u>11,238</u>
<b>TOTAL INCOME</b>	<b>53,174</b>	<b>250,650</b>
<b>EXPENSES</b>		
Legal Expenses	\$ 73,310	\$ 85,000
Accounting & Auditing	-	2,000
Advertising Meetings	675	1,000
Board Expenses	-	1,000
Licenses and Filing Fees	175	500
Project Management Services	<u>-</u>	<u>150,000</u>
<b>TOTAL EXPENSES</b>	<b>74,160</b>	<b>239,500</b>
<b>RESERVES ENDING BALANCE</b>	<b><u>\$ 20,986</u></b>	<b><u>\$ 11,150</u></b>

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.

CATEGORY: Water Cooperative of Central Florida

Attachments: None

**REPORT ON THE STATUS OF THE SOLUTIONS PHASE OF THE CENTRAL  
FLORIDA WATER INITIATIVE**

**Explanation:** The Board of Supervisors requested that a briefing be provided on the status of the Solutions Phase of the Central Florida Water Initiative at the meetings. Staff and Board counsel will provide a status report for the Board.

**Recommendation:** No action is required. 04.01.15 BLW