

Tampa Bay Water

Regular Meeting

October 21, 2019 Minutes

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

BOARD MEMBERS PRESENT:

Present: Chair – Commissioner Sandra Murman, Hillsborough County
Vice Chair - Commissioner Dave Eggers, Pinellas County
Mayor Rob Marlowe, City of New Port Richey
Councilman Charlie Miranda, City of Tampa
Commissioner Ron Oakley, Pasco County
Commissioner Kathleen Peters, Pinellas County
Council Member Darden Rice, City of St. Petersburg
Commissioner Mariella Smith, Hillsborough County

Absent: Commissioner Kathryn Starkey, Pasco County

Staff: Matt Jordan, General Manager

Presenters: Michelle Stom, Chief Communications Officer
Maribel Medina, Senior Professional Engineer IV
Jon Kennedy, Engineering Senior Manager
Ken Herd, Chief Science and Technical Officer
Peter Dunbar, Dean Mead
Matthew Blair, Corcoran Partners
Andre Dieffenthaler, Hazen and Sawyer

General

Counsel: Barrie Buenaventura, General Counsel

A list of others present who signed the attendance roster was filed in the permanent files of Tampa Bay Water. Staff and consultants presenting to the Board are listed above.

Chairman Murman opened the Regular Board meeting. The Chair read the Imagine a Day Without Water Proclamation. Hearing no objections, the Proclamation was signed and made a part of the record.



Chairman Murman opened the meeting to public comment. The following speaker(s) made public comment to the Board of Directors:

Mark Klutho
David Geddis

Public comment was duly recorded and is filed in the permanent records of Tampa Bay Water.

CONSENT AGENDA

A. GENERAL MANAGER

1. Board Minutes for August 19, 2019, Regular Board Meeting – *Approve*
2. Board Meeting Schedule for 2020 – *Approve*
3. Tampa Bay Water Intelligence Dashboard - *Update*
4. Southwest Florida Water Management District Co-Funding Contracts for Fiscal Year 2020
 - a. Desalination Plant Expansion Feasibility Study (Project 09015), Authorize the General Manager to enter into a Cooperative Funding Contract with the Southwest Florida Water Management District – *Approve*
 - b. Surface Water Treatment Plant Expansion Feasibility Study (Project 09014), Authorize the General Manager to enter into a Cooperative Funding Contract with the Southwest Florida Water Management District – *Approve*
 - c. Demand Management Implementation Program, Authorize the General Manager to enter into a Cooperative Funding Contract with the Southwest Florida Water Management District – *Approve*
5. Eldridge-Wilde Pumps and Motors Project, Authorize General Manager to enter into a Funding Agreement with the Florida Department of Environmental Protection – *Approve*

B. GENERAL COUNSEL

No items were presented to the Board.

C. WATER PRODUCTION

1. Capital Improvements Program – Task Order Authorization - *Approve*
2. Energy Management Program – *Status Report*
3. Vulnerability Assessment Security Improvements Project No. 07500-Closeout- *Approve*
4. Real Property Acquisition- Right of Way Vacation and Easement to Tampa Bay Water in Pasco County- *Authorize General Manager to Execute Documents*
5. South-Central Hillsborough Regional Wellfield Improvements, Project No.06317, Award Contract No. 2020-031 to Instrument Specialists Inc. – *Approve*

D. SCIENCE AND TECHNOLOGY

1. Hydrologic Conditions Update – *Status Report*
2. Professional Services Contract Renewals – As-Needed Hydrologic Services Contracts Nos. 2017-048, 2017-050, 2017-051, 2017-052, and 2017-053 in the amount of \$100,000 per contract – *Approve*
3. Water Use Permit Renewal Application for the South-Central Hillsborough Regional Wellfield – *Approve*
4. As-Needed Planning & Systems Decision Support Professional Services for FYs 2020-2024, Contract Nos: 2020-017 thru 019 - *Approve*.
5. Regional Water Supplies and Member Demands Year End Summary– *Status Report*
6. As-Needed Source Water Quality Assessment and Protection Services Contracts Nos: 2020-013 thru 016 - *Approve*

E. FINANCE

1. Contract Renewals – *Approve*
2. Fiscal Year 2020 Insurance Program – *Ratify Insurance Coverage*
3. Fiscal Year 2020 Employee Insurance Program – *Ratify Insurance Coverage*
4. Investment Advisory Services Contract No. 2017-008, Amendment Three - *Approve*
5. Water Research Foundation Membership – Payment of Annual Dues - *Approve*

F. CONSENT DISCUSSION

Motion: Commissioner Eggers moved to approve the Consent Agenda. Commissioner Oakley seconded the motion.

Chairman Murman asked for a vote on the Consent Agenda.

Vote: The motion carried by a vote of 8-0.

REGULAR AGENDA

G. GENERAL MANAGER

1. Executive Committee Report and Minutes – No meeting was held in September.

Matt Jordan, General Manager, stated there was no Executive Committee meeting held in September. Mr. Jordan stated SWFWMD is scheduled to hold a Workshop to discuss water supply projects and initiatives at its board meeting on December 10, 2019. Mr. Jordan noted at the August meeting, the Board directed staff to bring back recommendations of possible agency staff members to serve as a workshop facilitator. Mr. Jordan explained that the agency does not have a staff member who could serve at the level required. Mr. Jordan stated staff could request quotes from the list of facilitators previously provided to the Board.

The Board agreed to schedule a workshop and discussed potential items and logistics. The Board directed staff to come back in December with recommendations of facilitators, location, and draft

agenda for Board's consideration to possibly schedule a workshop in January in place of an Executive Committee meeting.

Mr. Jordan stated due to the Martin Luther King, Jr. holiday, the Executive Committee meeting is scheduled for the fourth Monday in January.

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

No Board action was required on this item.

2. Granicus Government Meeting Technology Purchase – *Approve*

Michelle Stom, Chief Communications Officer, providing information on the agency's purchase of Granicus Government Meeting Technology. Ms. Stom stated the Board directed staff to research a more efficient way to provide board minutes and live stream meetings, and to review the current agenda process for possible improvements. Ms. Stom stated that Granicus Government Meeting Technology is currently being used successfully by several member governments, as well as other governmental entities. Staff recommended approval to purchase a one-year package with subsequent annual renewals as part of the budgeting process.

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

Motion: Commissioner Smith moved for approval of Agenda Item G.2. Council Member Rice seconded the motion.

Vote: The motion carried by a vote of 8-0.

3. 2020 Legislative and Grant Funding Goals and Priorities – *Approve*

Peter Dunbar, Dean Mead, provided a report on the upcoming Legislative Session noting there is no current legislation which would affect Tampa Bay Water. Mr. Dunbar stated there may be a major water reuse package filed, but no committee meetings have been scheduled to date. Matt Blair provided a status update on two items being recommended for Appropriations (the Starkey Wellfield Improvement and Cypress Bridge Wellfield Improvement).

Commissioner Smith asked about the intent of certain language in 3a of the Goals and Priorities. Chairman Murman directed Mr. Blair to ask the agency's federal representative to contact Commissioner Smith to discuss. Councilman Miranda asked for clarification of language concerning funding. Mr. Blair and Barrie Buenaventura provided clarification.

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

Motion: Mayor Marlowe moved for approval of Agenda Item G.3. Commissioner Oakley seconded the motion.

Vote: The motion carried by a vote of 7-1. Councilman Miranda voted nay.

H. GENERAL COUNSEL

No items were presented to the Board.

I. WATER PRODUCTION

1. Desalination Facility Briefing – *Presentation*

Maribel Medina, Senior Professional Engineer IV, provided an update presentation on Desalination Facility and Tampa Electric's (TECO) Big Bend modernization project. Ms. Medina noted TECO's change to natural gas could lower the cooling water temperature on the discharge side of the TECO tunnels. However, any impact to desalination operations will be minimal. Next, Ms. Medina stated a phased approach will be implemented: Phase 1 (Tunnel Connection) and Phase 2 (a new pump station and pipeline). TECO's project will be completed in 2023.

Council Member Rice asked Ms. Medina to explain the timeline concerning Units 1, 3 and 4. Ms. Medina explained Unit 1 will be converted from a coal-burning to a combined-cycle unit and replaced from the middle of 2021 to the middle of 2022. During that time, Units 3 and 4 will provide power. In 2023, Unit 1 will be used 100% of the time, Unit 3 will be used on an as-needed basis, and Unit 4 will be used 80 percent of the time. Council Member Rice asked if there was a way to get better than a 75 percent reliability in 2023. Ms. Medina explained once the connection to Tunnel 1 is made, reliability will return to 99 percent.

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

No Board action was required on this item.

2. South-Central Hillsborough County Supply Improvements Program- *Status Report*

Jon Kennedy, Engineering Senior Manager, provided a brief report on the status of the South-Central Hillsborough County Supply Improvements Program. Mr. Kennedy explained the status of the short- and long-term plan noting the agency has applied for co-funding from SWFWMD.

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

No Board action was required on this item.

3. Regional Facility Site Pump Station Expansion Project, Project 07010, Award Contract No. 2020-029 to the lowest responsive responsible bidder, PCL Construction Inc.—*Approve*

Jon Kennedy, Engineering Senior Manager, provided a presentation on the Regional Facility Site Pump Station Expansion Project. Mr. Kennedy explained the pump station was brought online in 2002 and currently has 7 pumps (6 large and 1 small). The small pump was retired. Mr. Kennedy

stated this expansion project will replace the small pump with a full-sized pump to increase the annual average flow through a new pipeline to South Hillsborough County. Mr. Kennedy noted that the agency has received co-funding from SWFWMD in the amount of \$1.2 million.

Commissioner Eggers asked if the capital costs for this project are included in the capital improvement program. Mr. Kennedy responded yes. They are in the capital program considered by the Board in June. Chairman Murman asked about co-funding from SWFWMD for a portion of the costs. Mr. Kennedy stated co-funding is considered a net benefit as part of the capital improvement program. Chairman Murman asked if the co-funding amount was in addition to the \$2.1 million for this agenda item. Mr. Kennedy explained the total for the project is \$2.6 million, including all costs. The \$2,168,480 requested is for construction. SWFWMD will co-fund \$1.2 million.

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

Motion: Councilman Miranda moved for approval of Agenda Item I.3. Commissioner Oakley seconded the motion.

Vote: The motion carried by a vote of 8-0.

4. Tampa Bypass Canal Gates Automation Project, Project 07072, Contract No. 2020-028 - cancel the Invitation to Bid and reject the sole bid received from Douglas N. Higgins—*Approve*

Jon Kennedy, Engineering Senior Manager, provided a presentation on the Tampa Bypass Canal Gates Automation Project. Mr. Kennedy provided a brief summary of the project noting Tampa Bay Water will receive co-funding from SWFWMD in the amount of \$516,000. The agency received only one bid; however, the bid was significantly over the project budget. Staff recommends the Board reject the sole bid. Staff are working with SWFWMD on ideas to get better results in a rebid or seek a piggy-back contract with a government agency within Florida.

Chairman Murman asked why the agency received only one bid. Mr. Kennedy explained the construction market is very busy and this project is less attractive than other projects.

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

Motion: Councilman Miranda moved for approval of Agenda Item I.4. Commissioner Oakley seconded the motion.

Vote: The motion carried by a vote of 8-0.

J. SCIENCE AND TECHNOLOGY

1. Master Water Plan Feasibility Studies – Consulting Engineering Contracts –
 - a. Tampa Bay Desalination Water Treatment Plant Expansion Feasibility Study (Project 09015) Award Contract 2020-011 to Black and Veatch Corporation— *Approve*

- b. Surface Water Treatment Plant Expansion Feasibility Study (Project 09014) Award Contract 2020-012 to Hazen and Sawyer, P.C.– *Approve*
- c. New Wellfield via SHARP Credits Feasibility (Project 01611) Award Task Assignment under Contract 2017-051 to HSW Engineering, Inc.– *Approve*

Ken Herd, Chief Science and Technical Officer, provided a presentation on the Tampa Bay Desalination Water Treatment Plant Expansion Feasibility Study, Surface Water Treatment Plant Expansion Feasibility Study, and New Wellfield via SHARP Credits Feasibility Study. Mr. Herd explained that in December 2018, the Board approved the Long-term Master Water Plan update and identified three top-ranked projects for further study. Mr. Herd reviewed the timeline for new water supply implementation noting the demand forecast is updated annually and staff will come back to the Board in December with its next update. Mr. Herd provided an overview of the scopes for the three feasibility projects and recommended Board approval of the subject contracts and task assignment.

Commissioner Smith mentioned that the proposed feasibility work for SHARP will be currently proceeding without an agreement on the reclaimed water credit costs. Commissioner Smith suggested staff work with all the member governments to develop an overall price for reclaimed water credits. Mr. Herd stated that staff developed a reclaimed water credit value formula while working with member governments and this formula was included in the SHARP Memorandum of Understanding that was deferred by Hillsborough County. Mr. Herd added that staff welcomes the opportunity to meet with member government staff to review the formula in an effort to agree on a price for reclaimed water credits. Chairman Murman asked that each item be voted on individually and recommended developing a policy on the determination of reclaimed water credit value that could be discussed at a Board workshop.

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

Chairman Murman asked for a motion to approve Agenda Item J.1.a, b and c.

Motion: Commissioner Oakley moved for approval of Agenda Item J.1.a, b, and c with an amendment asking staff to work with all member governments to develop a price for credits for reclaimed water. Mayor Marlowe seconded the motion.

Vote: The motion carried by a vote of 8-0.

2. Water Quality Update – *Status Report*

Ken Herd, Chief Science and Technical Officer, provided an overview of the Exhibit D Water Quality study. Mr. Herd noted agency staff met with member government staff to introduce the first draft of the report. Staff's goal is to bring the report to the Board in December for direction on next steps. Mr. Herd provided background on Exhibit D and an overview of regional system water quality. Mr. Herd introduced Andre Dieffenthaler, Hazen and Sawyer. Mr. Dieffenthaler reviewed the proposed water quality parameters with a main focus on evaluating Total Organic

Carbon (TOC). Mr. Dieffenthaler reviewed the approach to be taken to achieve the goals. A model was developed to evaluate the impact of TOC reduction on all sources. Mr. Dieffenthaler discussed the benefits of reducing TOC in the regional system and reviewed the associated costs.

Commissioner Eggers asked for an explanation of the wide range of TOC removal. Mr. Dieffenthaler stated each well may require a different level of treatment depending on the original source of water quality.

Mr. Dieffenthaler reviewed the planning level cost assumptions, next steps, and the preliminary implementation schedule.

Commissioner Eggers asked how the costs relate to the four scenarios in the presentation. Mr. Dieffenthaler explained a lower number would be based on a 2.0 mg per liter of TOC and a higher number would be based on a 1 mg per liter target, so the range is based on the TOC target. Council Member Rice asked for clarification on the number of sources/wellheads. Are they actual sources or wellheads. Mr. Dieffenthaler stated they were sources. Chairman Murman asked if there are any differences in the 2006 study and the current study. Mr. Dieffenthaler explained differences between the two studies. Commissioner Eggers asked if the project will be paid from the uniform rate. Mr. Dieffenthaler responded yes. Christina Sackett, Chief Finance Officer, stated the analysis includes issuing the full debt amount over 30 years at six percent interest, divided by 179 mgd to come up with equal payments. Once the debt is issued, staff would look at pay/go and look at debt structure to minimize the rate impact and take advantage when the interest rate dropped. Chair Murman asked why the project takes so long. Mr. Herd reviewed the preliminary implementation schedule noting it takes roughly five years to design, construct and implement these types of projects plus one year of operation to evaluate what level of TOC reduction is realized at full scale. Mr. Herd noted that agency staff will work closely with member government staff to look at ways to expedite the process.

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

No Board action was required on this item.

3. Demand Management -

a. Demand Management and Member Conservation Update- *Status Report*

Ken Herd, Chief Science and Technical Officer, provided an update presentation on the Demand Management and Member Conservation. Mr. Herd reviewed the on-going conservation and demand management efforts and how these efforts support the regional water supply plan.

Council Member Rice asked the what can the Board expect concerning Requests for Proposal's in the future. Mr. Herd stated there will be support services needed to move forward and implement the program. Council Member Rice expressed concern over costs.

Mr. Herd stated staff will be monitoring the budget and reporting to the Board as the program goes forward.

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

No Board action was required on this item.

- b. Professional Services for Regional Demand Management Program Administrator, Contract No: 2020-010- *Approve*

Ken Herd, Chief Science and Technical Officer, provided a presentation on the Professional Services for Regional Demand Management Program Administrator. Mr. Herd provided a brief background overview of the program. Mr. Herd reviewed the responsibilities of the third-party administrator noting he/she would work with the member governments on the implementation of the program. Mr. Herd stated there would be an opt-out option for any member government each year. He explained the duties of the administrator and how the selection process worked. Mr. Herd mentioned that Bruce Matulich, Electric and Gas Industries Association was in attendance to respond to any Board questions.

Commissioner Eggers asked what the water supply projects mentioned earlier would be generating. Mr. Herd stated between 10-15 million gallons per day (mgd) with a cost of approximately \$200 million. Mr. Matulich approached the podium to field questions from the Board on the company's history and experience. Council Member Rice asked if the 11 mgd in the savings goal included all member governments participating in the program. Dr. Tirusew Asefa, Planning and Decision Support Manager, approached the podium and explained once the data is received, staff will perform yearly assessments in-house. The data assumes all member governments are participating. Councilman Miranda noted the City of Tampa opted out of the program. Mr. Herd acknowledged the City of Tampa opted out for 2020. Commissioner Smith asked for clarification on co-funding from SWFWMD. Mr. Herd explained that the co-funding amount on the slide was for just for SWFWMD share of the Administrator contract amount. SWFWMD would provide additional funding for the remainder of the program. Commissioner Smith asked if the funding included a cash rebate program. Mr. Herd responded there are certain components based on rebates. Commissioner Smith asked if the costs included printing and mailing costs. Mr. Herd responded yes.

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

Chairman Murman asked for a motion to approve Agenda Item J.3.b.

Motion: Council Member Rice moved for approval of Agenda Item J.3.b. Commissioner Oakley seconded the motion.

Vote: The motion carried by a vote of 8-0.

K. FINANCE

There were no items to present to the Board.

L. OLD BUSINESS AND OTHER ADMINISTRATIVE MATTERS

1. General Manager's Employment Agreement

Chairman Murman stated no requested changes were received by Roberta Kety, Human Resources Director; therefore, the General Manager's contract stands as-is.

M. RECEIVE & FILE

1. Human Resources Activity Report for August and September 2019
2. General Counsel Activity Report
 - a. Legal Services Activity Report for August and September 2019
 - b. Legal Services Budget Report for August and September 2019
3. Public Affairs Activity Report for August and September 2019
4. Finance Activity Report:
 - a. Finance and Administration Activity Report for August and September 2019
 - b. Comprehensive Check List with Delegated Approval for July and August 2019
 - c. Investment Schedule as of July and August 2019
 - d. Financial Statements and Fund Analysis through August 2019
 - e. Disposition of Assets through August 2019
 - f. Vendor Status Report through August 2019
5. Water Production Activity Report for August and September 2019
6. Science and Technical Activity Report for August and September 2019

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

Motion: Councilman Miranda moved for approval of Receive & File. Commissioner Oakley seconded the motion.

Vote: The motion carried by a vote of 8-0

IV. ADJOURNMENT

The Board adjourned at 11:52 a.m.

Attest: _____
Matt Jordan, General Manager/Secretary

Date: _____