

## December 15, 2008 Regular Board Minutes

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

### **BOARD MEMBERS PRESENT:**

**Present:** Chairman – Commissioner Susan Latvala, Pinellas County  
Vice Chairman – Commissioner Mark Sharpe, Hillsborough County  
Council Member James Bennett, City of St. Petersburg  
Commissioner Al Higginbotham, Hillsborough County  
Commissioner Ann Hildebrand, Pasco County  
Mayor Scott McPherson, City of New Port Richey  
Councilman Charlie Miranda, City of Tampa  
Commissioner Ted Schrader, Pasco County  
Commissioner Karen Seel, Pinellas County

### **Absent:**

**Staff:** Gerald J. Seeber, General Manager  
Rick Lotspeich, 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 below:

**Staff/** Paula Dye, Project Supervisor  
**Consultants** Phil Waller, Montgomery Watson Harza  
Jon Kennedy, Senior Manager, Planning & Engineering

Chairman Latvala called the meeting to order at 9:00 a.m.

### **PUBLIC COMMENT**

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

Chairman Latvala welcomed Pinellas County Commissioner Karen Seel back to the Board of Tampa Bay Water.

## **CONSENT AGENDA**

### **A. ADMINISTRATION**

1. Board Minutes for October 20, 2008 Board Meeting - *Approve*

### **B. FINANCE & ADMINISTRATIVE SERVICES**

1. General Manager's Travel - *Approve*
2. Review of Current Implications of the Agency's 2009 Budget - *Status Report*

### C. SCIENCE & ENGINEERING

1. Consolidated Water Use Permit – Renewal Application Development Process Status Report and Action Request from Hillsborough Board of County Commissioners – *Approve Chairman’s Letter Response*
2. Brandon Urban Dispersed Wells Water Use Permit Application for Modification and Renewal – Submittal to SWFWMD - *Approve*
3. Real Property Disposition – Cosme-Odessa Wellfield – Gunn Highway Well Collector Main – Easement Agreement and Amended Easement Agreement with Hillsborough County at no cost - *Approve*
4. Seasonal Climate Forecasts Research Project Agreement with the University of Florida – First Amendment to Agreement 2007-014 at no cost - *Approve*
5. Optimized Regional Operations Plan – Annual Report Development Process - *Status Report*
6. System Configuration II – Regional Surface Water Treatment Plant – Request for Modification of ERP No. 44020253.009 - *Approve Submittal to SWFWMD*
7. Production Update and Hydrologic Conditions Report - Status Report
8. Water Supply and Demands - *Status Report*
10. Real Property Disposition – South-Central Hillsborough Infrastructure Project, Phase II – Easement to Tampa Electric Company and Release of Easement at Site 5 Chloramination Facility - *Approve*
11. Real Property Disposition – Tampa Bypass Canal Pump Station Expansion –Easement Agreement with Tampa Electric Company - *Status Report*
12. Professional Services Agreement – Fifth Amendment to Contract #2002-050 with Geomatrix to Change Company Name - *Approve*

### D. OPERATIONS & FACILITIES

1. As-Needed Instrumentation & Control Contractor Services, Contract No. 2009-053 – Award I & C Contractor Services Agreement to the lowest, responsive, responsible bidder, Benro Enterprises, Inc. dba Rocha Controls, in the amount Not to Exceed \$75,000 per fiscal year - *Approve*
2. As-Needed High Voltage Electric Contractor Services Contract – Award contracts to the lowest responsive, responsible bidders, in an amount not to exceed \$250,000 per calendar year each - *Approve*
3. Janitorial Services Contract No. 2008-002 – Amendment No. One to S & C Janitorial, Inc. in the amount of \$28,000 - *Approve*
4. Water Treatment Chemicals – Contract Renewal
  - a. Aqueous Ammonia Supply Services Contract No. 2008-038 - First year extension of Airgas Specialty Products, Inc. contract through December 31, 2009 - *Approve*
  - b. Coagulation Aid Polymer Supply Services Contract No. 2006-060 - Third year extension of Polydyne, Inc. contract through December 31, 2009 - *Approve*
  - c. Dewatering Polymer Supply Services Contract No. 2006-061 - Third year extension of Polydyne, Inc. contract through December 31, 2009 - *Approve*
  - d. Sodium Chlorite Supply Services Contract No. 2008-043 - First year extension of International Dioxide, Inc. contract through December 31, 2009 - *Approve*
  - e. Sodium Bisulfite Supply Services Contract No. 2008-044 - First year extension of Southern Ionics, Inc. contract through December 31, 2009 - *Approve*

5. Water Treatment Chemicals – Contract Award
  - a. Sodium Hydroxide Supply Services Contract No. 2009-044 – Award to the lowest responsive, responsible bidder, Allied Universal Corporation at the unit price of \$1,098.45 per dry ton - *Approve*
  - b. Liquid Carbon Dioxide Supply Services Contract No. 2009-045 – Award to the lowest responsive, responsible bidder, Airgas Inc., at the unit price of \$125.00 per ton - *Approve*
  - c. Liquid Oxygen Supply Services Contract No. 2009-046 – Award to the lowest responsive, responsible bidder, Praxair Inc., at the unit price of \$114.21 per ton - *Approve*
  - d. Ferric Sulfate Supply Services Contract No. 2009-047 – Award to the lowest responsive, responsible bidder, Kemira Water Solutions, Inc. at the unit price of \$2.20 per gallon - *Approve*
  - e. Diatomaceous Earth – Awards Supply Service Contract No. 2009-048 to the lowest responsive, responsible bidder, Univar USA, Inc., at the unit price of \$0.33 per pound - *Approve*
  - f. Calcium Hydroxide Supply Services Contract No. 2009-049 – Award to the lowest responsive, responsible bidder, Chemical Lime Co., Inc., at the unit price of \$237.38 per ton - *Approve*
  - g. Sodium Hypochlorite Supply Services Contract No. 2009-050 – Award to the lowest responsive, responsible bidder, Odyssey Manufacturing Corporation, at the unit price of \$0.748 per gallon - *Approve*
  - h. Quicklime Supply Services Contract No. 2009-051 – Award to the lowest responsive, responsible bidder, Carmeuse Lime & Stone, Inc., at the unit price of \$216.15 per ton - *Approve*
  - i. Sulfuric Acid Supply Services Contract No. 2009-052 – Award to the lowest responsive, responsible bidder, Univar USA, Inc., at the unit price of \$0.1675 per pound - *Approve*
6. System Configuration II Construction Progress - *Status Report*
7. West Pasco Infrastructure Project – Fourth Amendment to Agreement for Professional Engineering Services with Parsons Water & Infrastructure, Inc. (Parsons) at a cost of \$25,000 - *Approve*
8. Water Quality Update - *Status Report*
9. Water Quality Data Analysis – Amendment No. Two with Clancy Environmental Consulting, Contract No. 2005-059, in the amount of \$65,000 - *Approve*

## E. GENERAL COUNSEL

Council Member Bennett requested Agenda Item C9 be pulled for discussion.

**Motion:** Commissioner Hildebrand moved approval of the remainder of the Consent Agenda. Council Member Bennett seconded the motion. The motion carried unanimously (9-0).

### EXTRA:

Mr. Seeber stated that he had two things to bring to the Board's attention. As he mentioned in October, the National Council for Public Private Partnerships presented an award to Tampa Bay Water for distinguished public/private partnership innovation at a meeting held in November and

recognized Tampa Bay Water for the Desalination facility. Mr. Seeber noted that throughout the country Tampa Bay Water is being viewed as an example of how to get things done.

Mr. Seeber then called the Board's attention to the fact that Chuck Carden, Director of Operations and Facilities, was recognized by the Florida Section of the American Water Works Association at its December meeting. Chuck received the Allen B. Roberts Award, their highest award, for his service to the organization, his outstanding contribution to the successful operation of the Florida section. He was selected for his creativity and service in water related fields, most precisely his valuable and outstanding leadership for the Florida 2030 initiative that was undertaken this year, and work that was instrumental in putting together many of the ideas brought forward at the Water Congress held in late September. Chuck has been recognized by his peers for those characteristics that those of us that work with him recognized right away; his character, leadership and dependability. Congratulations to Mr. Carden for his good work.

## **REGULAR AGENDA**

### **F1. Status of Regional Water Supplies and Member Demands - *Presentation***

Mr. Seeber stated that the first item for discussion, an important issue at this juncture, deals with our supply system and member demands. A Phase III Extreme Water Shortage Condition, with river flows extremely low when compared to historic data, remains in effect. Several actions undertaken in response to this situation include the use of the reservoir facility in late September at a time when the rivers should have been at their maximum flows. We also began supplying the City of Tampa with about 10 million gallons of water at the Morris Bridge connection five months earlier than expected because of the lack of water in the river systems. The weather forecast for the winter is not positive and a number of concerted efforts are underway to address the short-term situation.

Mr. Seeber added that the good news was that the Consolidated Water Use Permit, the 12-month running average at the end of November, is less than 90 mgd (89.63). The 90 mgd target that was set in 1998 and our contractual commitments, both to the public and to the Water Management District, have been met.

Mr. Seeber stated that as a wholesale water supply agency, staff is developing some ideas to supplement supply during the drought. We received excellent cooperation from the City of Tampa in working on a collaborative approach to manage the surface water resource that we share. The City is taking 20 mgd at Morris Bridge and because of the way our plumbing is set up, that has an impact on our Consolidated Water Use Permit limitation.

Mr. Seeber stated that the use of the reservoir has been maximized to meet demands, using 40 mgd since the end of September. If we continue at the current rate, we expect to be below the trigger in the Water Shortage Mitigation Plan to declare a Phase IV Water Emergency during the month of February. We are also maximizing use of the desalination facility, averaging over 20 mgd for this calendar year at that facility.

Mr. Seeber stated that nine other initiatives are being investigated to bolster supply during this drought situation. Some involve the City of Tampa, some the Water Management District, one Pasco County and one Pinellas County. With the District's help, two of the initiatives have already been achieved. One was to obtain approval to extend the wet season withdrawal from the Alafia

River, so if it starts to rain again we will have the ability to use up to 19 percent of the excess flows rather than 10 percent. In addition, the District has approved our request to increase the drawdown in the Tampa Bypass Canal middle pool from 10 feet down to 9 feet. We are also working with the District to use the Morris Bridge Sink to supplement supply in the canal and river system. That should be online by the end of January and provide up to 4 mgd. It is a District project and we are working with them to make that available.

Mr. Seeber noted that all of these steps are being undertaken with the expectation that if we can bolster supply in the surface water system, we would then be able to reduce proportionately the withdrawal at the Morris Bridge connection in the same amount. We are looking at a number of alternatives to bolster supply.

Displaying a graphic of the demand management efforts of the six member governments, Mr. Seeber stated that the graphic indicates that demand was lower in December and shows some signs of success in demand management. The deliveries to five of the six members have been lower over the last several weeks. He stated that we need to stay focused on the task because rainfall is not expected this winter. The staff members of all six member governments have been in communication on this matter and as we move forward and additional supply facilities become available, we believe it will help us reduce the withdraw from the Consolidated Wellfields.

Mr. Seeber's next graphic projected future demands and compared demands from last year to those expected in January, February, March, April and May of 2009. Referring to the higher demands anticipated for 2009, he reminded the Board that in 2008 we were fortunate to receive winter rainfall. This cycle, the experts are predicting a cooler and dryer winter, so demands are expected to stay where they have been unless rainfall is received.

Mr. Seeber stated that as a wholesale water utility, Tampa Bay Water does not have direct contact with customers so he wanted to give the Board members an opportunity to talk about what their respective governments were doing, and share with their colleagues how to address this issue over the next 90 days.

Mr. Seeber felt there was an opportunity at this point in time to impact the amount of water that is used during the winter months, but the opportunity would be gone by the spring when the weather warms and plants require more water. Tampa Bay Water's goal is to continue to meet the 90 mgd limitation of the Consolidated Wellfield Permit, as well as to meet member governments' demands. The lack of rainfall is making the achievement of the 90 mgd goal a bit more difficult. We need to stay focused on the education and enforcement efforts over the next three months and reduce outdoor water uses over the next 90 days, since we will need that resource in the spring.

Referring to the dire situation the region was facing, Chairman Latvala stated that she did not think the citizens were as aware as they need to be. She stated that Pinellas County has increased enforcement, education and is running ads on TV. Additionally, the Board has a short conversation about the situation at every meeting. One thing she felt was important, not just through this situation but long-term, was to make sure that citizens know that in the winter landscaping does not need as much water.

Mayor McPherson stated that the new watering restrictions and severe drought information contained in the SWFWMD order has been included on the City's website and in a newsletter as

well. Publications regarding water conservation and the use of reclaimed water have been increased at the City's library and the City is doing what it can to make citizens aware that this information will be available to them. Staff is presently pursuing expansion of the City's reclaimed water distribution system in the North River neighborhood area, and an ordinance has been adopted in New Port Richey prohibiting the use of potable water for purposes of irrigation where reclaimed water service is available. Mayor McPherson stated that City staff members in both public works and code enforcement have participated in training sessions with Tampa Bay Water on the click to Gov site, also known as Water Hogs, a tool that can be used to identify those individuals who are using more water than you might anticipate that could lead to better code enforcement by pinpointing those individuals who might be wasting water. The New Port Richey Police Department, as well as public works and all city staff have been notified of the severe drought conditions and code enforcement efforts have been ramped up across the board. Water conservation retrofit kits are available free of charge to City utility customers, and finally City staff has been directed to produce water conservation and watering restriction information in digital format to be broadcast on public access television. Mayor McPherson stated that apart from that he was talking about it at every City Council meeting, blogging about it to some extent on the internet and talking about it to anybody who will listen.

Following up on the City of New Port Richey, Commissioner Hildebrand stated that Pasco County has been extremely aggressive. Although the County used to give warnings, it now just issues citations and has issued 248 in the last 30 days. The County utilizes the media, the web and everything else available such as utility bills to help our customers recognize the drastic situation that we have and that they don't need to water their grass every day to keep it green.

Commissioner Higginbotham stated that on December 11 Hillsborough County issued a letter from the Water Resource Director outlining the proactive steps the County has taken, everything from increase in citations to the purchase and distribution of low flow shower/toilet devices purchased by the County. Commissioner Higginbotham commended Hillsborough County staff for incorporating the direct mailing and advertising within existing contracts without any increase in fees.

Chairman Latvala added that all member governments were putting notices in utility bills every month or every other month when they go out.

Councilman Miranda stated that the City of Tampa has increased enforcement to a 24/7 schedule including holidays for both commercial and residential customers. Since 2006 the City staff has had the authority to issue fines for violators on first observation, with no warning. The City continues to follow-up on all reports of violation and make sure that everything is done according to the law. Tampa has a zero tolerance policy for poorly managed irrigation systems and faulty equipment. Tampa also has a system that takes violators directly to court and has increased monitoring of locations of repeated violators. With regard to education and communication, Councilman Miranda stated that Tampa posts weekly conservation tips on the City website and has recurring messages on the City's government television station. The City also partnered with the Hillsborough County Extension Services for a pilot series of six micro-irrigation retrofitting workshops and that will start April 2009, and has placed signs and brochures in City locations that serve 25,000 customers per month.

Councilman Miranda stated that all of the Member Governments have to carry the message. No one likes to conserve, people have become very complacent. He spoke about turning in his water bill every month and challenged all Board Members and the media to do the same. He felt the public wanted a debate on these issues but added that people are looking for leaders today. He suggested a need to create something to help people understand what this is all about, such as a neighbor-to-neighbor contest.

Councilman Miranda stated that the City will stand behind Tampa Bay Water in a partnership to make sure that the 90 mgd of water to be withdrawn from wells is never exceeded. He stated that various meetings have been held with Mr. Seeber and the City, staff has advised him that when the City has available water, anything over the 75 mgd the City needs, it is Tampa Bay Water's. The City can do 140 mgd on a short term 30-40 days and pump 120 million. So if Tampa Bay Water goes over for a month or two, the City of Tampa will make sure that the running average of 90 mgd is not broken.

Commissioner Schrader noted that Commissioner Hildebrand mentioned some of the things being undertaken in Pasco County. He stated, however, that recognizing the population swell in the Tampa Bay region, one of the things that Mr. Seeber didn't allude to was the dramatic drop in water usage on days when it rains or subsequent days, which indicates that water is being used for lawn irrigation. He stated that Pasco County recognized that many years ago and initiated an aggressive reclaimed water system. The agriculture community in close proximity, tapped into that resource recognizing the opportunity to shut down their pumps and to use free water when no one else wanted the water. Now it has become a commodity that Pasco County and other member governments want to provide and be able to offset some of those costs. Since a critical part of a reclaimed system is what to do with the water during the wet weather, Commissioner Schrader stated that Pasco County has been extremely aggressive building reservoirs to store reclaimed water during the wet times of the year. He added that Pasco County has hooked up over 10 percent of its residential users, as well as commercial and agricultural producers.

Commissioner Schrader stated that although he knows Tampa Bay Water's role is to provide potable water supply to the Tampa Bay region, he was sure that the Water Management District in reviewing our water use permit application, would be looking at what the member governments are doing to make better use of the resources. It was his belief that Pasco County is one of the leaders, not only in the Tampa Bay region, but probably in the state with respect to reclaimed water and making it available to the customers and to the region. He was hopeful that the Member Governments were as aggressive as Pasco County, and indicated a willingness to share their information in any way possible.

Chairman Latvala assured Commissioner Schrader that all of the members were using their reclaimed water almost to the maximum as quickly as they can build the lines, adding that it is the best way to reduce outside water use. She observed that there is never enough reclaimed water and Pinellas County has citizens demanding it now as opposed to not long ago when the County was begging them to take it. Stating that desperate times call for desperate measures, Chairman Latvala urged all Board Members to talk about this at their meetings on television. She added that she talks about water at every civic meeting or community group because citizens still don't realize how dire the situation is. Chairman Latvala felt that all the Member Governments were doing a great job, working hard, noting that it was a #1 priority with Pinellas County Utility staff. She stated that all

the Board Members needed to continue to assist the best way possible because the situation was going to get worse since this was just the beginning of the dry season.

**F2a. 2008 Long-Term Water Supply Plan and Master Water Plan Update - *Adopt Resolution***

Ms. Paula Dye explained that she would present Item F2a, the Long-term Water Supply Plan and Master Water Plan update, Mr. Phil Waller from MWH would present the results of his Surface Water Expansion Study, looking at two potential reservoir sites to move forward into the next phase of evaluations, and Mr. Seeber would cover F2c, the status report on outside funding efforts.

Ms. Dye stated that her presentation on item F2c represents the culmination of two years worth of work on the update of the Long-term Water Supply Plan and the Master Water Plan. She then took a moment to thank System Engineer Black & Veatch, recognizing Mr. Steve Simpson, project manager, on this effort. Ms. Dye also thanked the staff of the Tampa Bay Regional Planning Council who helped with the public involvement outreach. She added that both teams put forth a great effort making it possible to present this item to the Board today while staying on budget and on schedule.

Ms. Dye stated that the Board's October workshop covered three potential policy areas for further planning work and also a list of potential projects to update the Master Water Plan. The policy areas included protecting the current water supply, conserving the current supply, providing assistance with regional water planning, and updating the Master Water Plan by continuing to study seven project ideas in the 2009 through 2011 timeframe. She stated that she would touch on each one of these items briefly and provide a summary of what staff heard the Board say at the workshops which provided the basis for today's recommendations.

In the area of source water protection planning, Ms. Dye stated that staff heard a consensus from the Board at the workshop that creating an integrated source water protection plan would be a good idea. Staff will continue the Board's existing source water protection efforts while the plan is being developed during the 2009 - 2011 timeframe. This effort will be managed with existing staff and paid for through a portion of the long-term planning budget in those fiscal years. An evaluation of existing and potential efforts in the source water protection arena will be undertaken to determine the most cost-effective and beneficial options. Ms. Dye stated that while source water protection is first and foremost a public health effort, it also protects the public pocketbook making it one of the most cost-effective supply sources available. If a supply source is lost to contamination, you not only have to pay off the bonds on it, but also develop a new supply source. For this reason we are excited to have the opportunity, should you approve it today, to create an integrated source water protection plan over the next couple of years.

In the area of demand management plan, Ms. Dye stated that from Board discussions staff heard a consensus that updating the demand management plan would also be a good idea. This would be managed by existing during 2009 - 2011 and again paid for with a portion of the planning budget in those years. This effort would evaluate both existing and potentially new water-efficient technologies; quantify their costs and their savings so that the Board and Member Government staff will be fully informed of the available options. Staff would also assist the Board to update the demand management goals since they have not been updated in quite a long time.

Ms. Dye stated that with regard to the area of regional reclaimed water planning, there was a lot of Board discussion in October. Staff did hear support to continue efforts assisting the City of Tampa through the Memorandum of Understanding to provide planning support to them as they compile their 20-year regional reclaimed water plan. Staff also heard that we should coordinate with the other member governments on regional reclaimed water planning, but this would involve planning assistance only. Tampa Bay Water would not be getting into the regional reclaimed water business, but instead would be providing planning assistance to member governments based totally upon their interests and priorities. Again, this would be conducted over the years 2009 - 2011 and brought back to the Board.

With regard to the Master Water Plan Update, Ms. Dye stated that the System Engineer is continuing to recommend that the seven projects (Small Footprint Reverse Osmosis - Pinellas County, Tampa Bay Seawater Desalination Expansion, Gulf Coast Desalination, additional Groundwater for Existing Northern Tampa Bay Wellfields, Thonotosassa Wells, Alafia Expansion - with a reservoir as a potential phase filled with Alafia water, Alafia augmentation and/or other supply sources, Aquifer Recharge) move forward into the next phase of work. Planning studies would be conducted over 2009 - 2011, paid for through bonds as previously approved by the Board. Ms. Dye recommended that the Board adopt Resolution 2009-004. All of staff's recommendations are included in that resolution that would direct the General Manager and his staff to move forward with the next phase of the planning work.

Commissioner Schrader asked Ms. Dye for further explanation with regard to the Aquifer Recharge Project since he felt it could mean a multitude of things. He also referred to page 5 of the Resolution, bullet #1, which stated - to prepare a source water protection plan to illuminate the most cost-effective and beneficial methods for achieving the Board's goals and protecting the resource. Commissioner Schrader asked if words to the effect "without damage to the environment" could be included as an addition to protecting that resource.

Ms. Dye responded yes, to Commissioner Schrader's second point about the source water protection plan, stating that it was very much an environmentally beneficial effort. If you are protecting the public health, you are also protecting the environment and vice versa, so the two are very compatible. She thought such language would make it very clear that environmental protection and source water protection are compatible and that is our goal.

In regard to Commissioner Schrader's question on aquifer recharge, Ms. Dye explained that is groundwater recharge and is actually the newest idea in the Long-term Water Supply Planning process. It came about as a result of work that the Southwest Florida Water Management District is conducting. This is looking at the use of reclaimed water to recharge the aquifer to make sure that the aquifer quantity stays whole so you can take groundwater in another location in the same basin, but far enough away from it that you are using groundwater as the source of supply for drinking water. This is currently being looked at by the Southwest Florida Water Management District from a resource perspective to see how it might work. The Board's efforts on this would be to build upon the District's results and look at the potable side, the infrastructure cost, the permitting aspects related to potable drinking water supply.

Commissioner Schrader asked if it was more of a surface water type recharge as opposed to an injection process recharge.

Ms. Dye responded that it could be either since it is a groundwater recharge and there are two ways to do that. The first is called rapid infiltration basins and is a surface water approach that would work best in areas like southern Pasco County or Polk County. The Water Management District is looking at the Polk County area more for the surface water method of getting the reclaimed water into the aquifer. The Water Management District is also looking at potential deep well injection in the areas where there is a very tight confining layer, so that surface water application would not filter into the groundwater. That application would work well for a salt water intrusion type barrier along the coast. It might provide dual benefits of providing some offsetting potable supply from existing groundwater sources, while providing a salt water barrier that would protect the area of ground water where that is injected. Ms. Dye noted that there is the potential here for some real environmental benefits in a few different ways and the District has undertaken modeling efforts on that. Should that study prove successful, then staff would take this up on behalf of the Board for potable supply source development.

Commissioner Schrader questioned whether the Board would be asked then a little more specifically as far as the projects to support. Ms. Dye responded that was correct. The District is not scoped to do the specific utility evaluations that would be required to see if this is a feasible idea or not, their study is more directed at a regional and resource related review. The Board would need to move forward to the next phase.

Commissioner Schrader stated that he was not sure how the Board members felt, but he was still a little unsure of deep well injection, and that's why he raised those questions.

Chairman Latvala asked Ms. Dye for information about the reverse osmosis project in Pinellas County, the potential locations. Ms. Dye replied that the potential Small Footprint Reverse Osmosis Project in Pinellas County at this point would be a monitoring project. There are two cities that are looking at doing these projects, the City of Tarpon Springs and the City of Oldsmar. While we wish them good luck in their efforts, should they choose not to move forward then we would look at them from a regional perspective to see if Tampa Bay Water could develop them. These two locations for reserve osmosis were found to be probably the most beneficial ones, the most probable ones for success. Ms. Dye clarified that Tampa Bay Water however would not in any way interfere with what the cities' are proceeding with, but would monitor that for the Board to see if they move forward or not.

For the benefit of new Board Members, Chairman Latvala stated that this was not the Pinellas Park project. She explained that three or four years ago the Board spent about \$5 million looking into that project and although the project was not taken off the list, the Board voted not to spend any more money on it. Chairman Latvala clarified that approving this list will not put that project back on the table to spend money on.

Commissioner Higginbotham commented that the Hillsborough BOCC submitted their comments and concerns in a letter, and questioned if it would become a part of the record.

Chairman Latvala responded that it was a part of the record (Attachment B for Agenda Item F2a).

**Motion:** Commissioner Schrader moved adoption of the resolution with the noted change. Commissioner Hildebrand seconded the motion. The motion carried unanimously (9-0).

**F2b. Future Surface Water Expansion Study - Approve the Top Potential Reservoir II Sites for Further Evaluation**

Mr. Seeber stated that Agenda Item F2b is a presentation by Phil Waller from Montgomery Watson Harza (MWH) with regard to the potential Reservoir II project sites.

Mr. Waller, Vice President of MWH, stated that he would be presenting the Future Surface Water Expansion Study, and the siting of the potential second reservoir.

Mr. Waller explained that there were four tasks that were part of the future water expansion study. The first task was water quality and quantity analyses where potential surface water supply sources and their ability to augment the existing surface water supply system, as well as the potential to supply a second reservoir were examined. The tasks undertaken included a public involvement program to receive input on siting criteria for the potential second reservoir; intergovernmental coordination and planning for outside funding; and screening of potential Reservoir II sites.

Mr. Waller said to the Board that a year ago he presented the results of the screening analysis that was performed for the entire three-county region served by Tampa Bay Water. As a result of that analysis, a large portion of the three-county area was shown to not be possible for reservoir development and screened out leaving possible areas in south Pasco County, Northeast Hillsborough County and Southeast Hillsborough County that are within feasible distances from water treatment facilities and potential supply sources.

Mr. Waller stated that the result of the screening analysis led to six potential sites for evaluation. He displayed a map showing the original six sites, as well as a seventh site which was added based on public input. All seven sites are in Hillsborough County and were subjected to the second phase of the site evaluation process. Mr. Waller stated that an extensive public outreach effort was conducted to obtain input on the site evaluation criteria and the site evaluation process. A general public meeting was held, as well as over 21 small group presentations to various stakeholder groups. Meetings and discussions were held with the land owners of the seven sites and an expert panel was convened to review the siting process and provide input.

Mr. Waller stated and an extensive report documenting and summarizing the site evaluation process was prepared and an executive summary of that report is a part of the Board's agenda packet. The site evaluation process has resulted in four sites being recommended for more detailed evaluation. Two of the sites are adjacent to the existing reservoir and are on land owned by the Water Management District. Another site is owned by Mosaic and is planned to be mined, and one site is an agricultural site proposed for borrow pits.

Mr. Waller stated that the next steps would involve further discussion with the property owners regarding potential opportunities to work cooperatively on reservoir development, on site investigations to quantify specific site issues, and additional property acquisition evaluations.

Ms. Dye advised the Board that staff recommends approval of the top Reservoir II sites which are included in the Long-term Planning Resolution to be studied further in the Master Water Plan phase of work as a part of the Alafia River Expansion. She stated that specific action on the reservoir sites is recommended so that federal funding of future phases, when eligible, can be pursued based upon direction from the Board.

In response to a question from Commissioner Schrader, Ms Dye stated that staff has met several times with the Water Management District, but has not discussed purchase of the sites at this point. Once the Board approves the short list of potential candidate sites, a more specific discussion will be held with the District to find out what their preferences are; if they would prefer us to purchase the sites or allow us to develop it. She stated that conservation mitigation efforts will be required on those sites should they move forward as well. Ms. Dye noted that there are several remaining items that staff needs to work with the Management District on.

Commissioner Schrader suggested that if the District is willing to sell the property, staff discuss the possibility of it being done as a contribution or an in-kind contribution. Ms. Dye responded that would be a good way and that staff would encourage that.

Mr. Seeber noted that it may be an issue for discussion at the Joint Meeting scheduled for late January.

**Motion:** Commissioner Sharpe moved approval. Commissioner Schrader seconded the motion. The motion carried unanimously (9-0).

#### **F2c. Outside Funding - Receive Status Report**

Mr. Seeber advised that this item is not an action item but a report regarding obtaining outside funding for some of the upcoming projects.

Mr. Seeber noted that this agency has enjoyed considerable success in the past in obtaining money both from the Water Management District and from the state and federal government. Ten years of very successful collaboration with the other levels of government, a \$299 million commitment from the Water Management District over the last 12 years is a fairly significant element of that success. That doesn't happen by accident, it is a function of work that the Board and its predecessors have undertaken in their capacity as Board members for this agency.

Mr. Seeber stated that a Cooperative Funding Agreement in the amount of \$34 million was submitted to the Water Management District to complete the District's commitment of \$116 million for the Configuration II schedule of projects that we plan to get under construction in 2009. Staff has also applied for \$2.5 million to move forward with two different Master Water Plan projects just adopted, the Expansion of Surface Water Facility and the Ground Water Recharge Project, both projects are located in Hillsborough County.

Mr. Seeber advised that staff is also in conversation with the Water Management District to work with them on a collaborative basis to seek funding from the Legislature in the 2009 session for projects that would impact the Southern Water Use Caution Area (SWUCA), those projects that are related closely to the Master Water Plan efforts in portions of Hillsborough County that lie within the SWUCA.

With regard to federal funding, Mr. Seeber stated that USEPA funds in the amount of \$1.4 million are going to be available as part of the federal stimulus package, Tampa Bay Water has five projects ready to go to bid in 2009. Since these infrastructure projects are important to this region, Mr. Seeber asked Board Members to remember Tampa Bay Water when interacting with local legislators. He stated that

the agency's ability to obtain funding will be a result of the successful relationship the Board has with those individuals. He stated that he would be happy to provide specific project detail to the Board.

In response to a question from Chairman Latvala, Mr. Seeber replied that the Configuration II projects are shovel-ready. Specifically the pump station improvements at the Regional Reservoir, the Lithia Hydrogen Sulfide Facility which will impact water supply facilities in Hillsborough County, as well as a number of projects that will expand surface and groundwater capabilities in Hillsborough County. These projects were approved a number of years ago and are moving through the design and permitting phase and are close to the construction phase.

Commissioner Schrader asked if Bond Counsel was providing advice on the tax credit bonds. Mr. Seeber responded that some preliminary conversations have been held with Bond Counsel and staff will be learning more about that to see what applicability they would have to our situation going forward. He added that, obviously, the federal stimulus package, as well as other innovative financing opportunities, will have a beneficial impact on us if it can save some of the dollars already obligated for repayment of the debt issuance earlier this year.

**G1. 2009 Legislative Program - Approve**

Mr. Lotspeich stated that the only addition to this year's legislative program would be the initiation of water legislation as a direct result of the Century Commission's efforts. He noted that there is a general consensus that policy direction on conservation from Tallahassee is needed along with an increased need for regional solutions.

**Motion:** Commissioner Sharpe moved approval. Commissioner Hildebrand seconded the motion. The motion carried unanimously (9-0).

**G2. A Special Attorney/Client briefing session between the Tampa Bay Water Board of Directors and legal counsel pursuant to Section 286.011(8), Florida Statutes, to discuss possible litigation expenditures and/or settlement negotiations in Tampa Bay Water v. HDR Engineering, Inc. et al, will be held at the conclusion of the Regular Board Meeting**

Mr. Lotspeich advised the Board that upon completion of the agenda items, the Board will go into closed session and then return to the dais and adjourn the meeting.

**I1. South-Central Hillsborough Infrastructure Project Phase III – Lithia Hydrogen Sulfide Facility – Owner's Engineer Services Contract No. 2009-055 with Carollo Engineers, P.C., in the amount of \$2,550,002 - Approve**

Mr. Seeber stated that South-Central Hillsborough Infrastructure Project is ready for the next step, the removal of hydrogen sulfide and requested Board approval of the contract.

**Motion:** Commissioner Schrader moved approval. Councilman Miranda seconded the motion. The motion carried by a vote of 8-0 (Commissioner Sharpe was not present).

**I2. C.W. Bill Young Regional Reservoir – Investigation of Flat-Plate Soil-Cement Activity Program and Notice of Continuing Interim Repair Work for FY2009 - Status Report**

Mr. Jon Kennedy provided the Board with an update to the August Board presentation regarding the Regional Reservoir. His presentation included: background and current status; a plan of action for

both a short-term approach to repairs and developing and implementing a permanent fix; and cost and schedule considerations.

Reviewing the background information, Mr. Kennedy stated that unacceptable soil cement cracking occurred during normal use of the reservoir. The first crack was discovered in December 2006, and more frequent inspection activity began at that time by HDR, the design engineer, and David Carrier representing FDEP. Inspection activity has continued to be shared between Tampa Bay Water and FDEP. In the summer of 2007, Tampa Bay Water began to fill cracks as the reservoir levels declined, to maintain the soil cement, and has been provided status reports to the Board since.

Mr. Kennedy displayed a cross-section graphic of the reservoir noting that at its deepest end, the width of the embankment at the bottom of this facility is over 300 feet wide, and the height of the embankment is approximately 65 feet. He stated that the issue of concern is two-fold: it is the 16-inch thick soil cement flat-plate on the interior of the reservoir, and the soil wedge underneath the soil cement flat-plate on top of the geomembrane.

Mr. Kennedy emphasized that the reservoir remains safe. All of the experts employed by Tampa Bay Water and by FDEP agree that the facility is safe and there is no public safety hazard posed. Further, it is important to note that all of the ongoing monitoring, including the annual monitoring of the embankment performance and the special monitoring authorized by the Board in October 2007, indicate that the problems are limited to those in the soil-cement flat-plate and to the soil wedge underneath the cracks in the soil-cement flat-plate.

Mr. Kennedy noted that the reservoir continues to be an integral part of the surface water supply system and it is needed to meet compliance with the 90 mgd Consolidated Water Use Permit even at the reduced capacity of 6.4 billion gallons, and steps are being taken at this time to accomplish two goals. First, we are seeking FDEP approval to regain use of the entire storage volume of the reservoir. If we can secure FDEP's concurrence with test repair methods, then we will commit to spend the money necessary, it may be a million dollars or more, to fill the cracks and fix the eroded areas in the soil wedge beneath the cracks this winter and spring. As-needed contractors previously approved for this work will be used. The goal is to store all 15 billion gallons, if flows are available in 2009, and continue our best efforts to comply with the 90 mgd Consolidated Water Use Permit.

Mr. Kennedy stated that the second goal is for the short-term repairs to buy time until the root cause of the cracking has been determined. Obtaining physical data from the soil cement flat-plate and the soil wedge beneath it and pore pressures from operating the reservoir is necessary to determine the root cause.

In response to a question from Commissioner Schrader, Mr. Kennedy explained that the purpose of the soil cement is to act as an erosion barrier.

Mr. Kennedy stated that data collection continues and is expected to reach a milestone this spring as the current reservoir draw down cycle is completed.

Mr. Kennedy stated that at the August Board meeting staff described two pit tests that had been conducted over the summer, and pursuant to the Board's authorizing resolution in October, the System Engineer, Black & Veatch, remobilized to conduct five additional pit tests in the soil cement flat-plate and the wedge beneath it. Using photographic, Mr. Kennedy demonstrated the scale of

each pit test noting that the soil cement in these photos was the right thickness and yet it was a cracked area. He stated that the pit tests are important to make sure that the permanent fix addresses both the soil cement and the condition of the soil wedge underneath it. The pit tests were completed last week and the System Engineer has started to test maintenance and repair methods.

Mr. Kennedy explained that the short-term repair program process will be to continue filling the cracks to prevent further erosion damage. Tests will be conducted this month of repair approaches and in January the test results will be presented to FDEP to obtain their concurrence with the chosen approach. Staff believes it will take approximately five months to implement the short-term repair approach after FDEP's concurrence is received. The goal is to be ready to fill the reservoir in the wet season of 2009, and the short-term repairs over the next six months are part of the overall action program to restore the full operating volume of the reservoir. During this time we will continue to evaluate causes of the cracking by analyzing the data that has been collected to date, and the additional data that will be collected as we draw the reservoir down to meet the dry season demands for the current water year. By June, we expect to have analyzed the information and developed potential long-term remedies to permanently fix the problem. The process to select a design engineer to design the permanent fix would then begin with the design and permitting activities taking approximately 18 months. The permitting will be similar to the permitting undertaken for the original reservoir project. After a construction bidding period, mobilization of a construction contractor for the permanent repair would occur in the summer of 2011 and the project would take approximately 24 months to complete in 2013.

With regard to cost and schedule considerations, Mr. Kennedy stated that the cost for the permanent fix will depend on the type and extent of the repair solution which will be determined by the soil cement and the subsurface conditions of the wedge beneath it. We currently know that there is unacceptable cracking in two areas of the reservoir but not in the entire facility. The repair in the cracked areas may be different from areas that are not cracked, or it may be the same. Time is needed to collect and analyze the data in order to provide a conclusion and a recommendation in which the Board can have confidence. As possible solutions are developed from this data, staff will present the findings and recommendations to the Board. Mr. Kennedy emphasized that the goal will be to develop a targeted repair that will be the most cost effective.

In summary, Mr. Kennedy stated that staff is developing and working on an action plan that is responsive to the immediate need to restore full operating volume of the reservoir in the near term, and also developing and implementing a solution for a permanent fix in the long-term. This action plan is a deliberate approach to target a solution and minimize the cost to the extent possible. We are currently testing the repair methods and will report progress to the Board at the February 2009 meeting. We are also collecting data and analyzing solutions and will present the findings and recommendations to the Board as they are developed.

Chairman Latvala asked if areas of the reservoir that were not cracked had been tested. Mr. Kennedy replied that soil borings have been taken around the reservoir and one of the new pit tests being performed is in an area that has no cracking to enable us to draw an accurate comparison.

Council Member Bennett complimented the use of the pictures which gave an idea of the thickness of the soil cement slurry that was put down. He asked if filling the cracks was the immediate concern for the short-term. Mr. Kennedy responded that crack filling is important as is putting grout underneath the cracks in the soil wedge, where the wedge may have eroded.

Council Member Bennett referred to the fact that Board has heard that one of the reasons for the cracks is the buildup of water and the pressure of that between the substrate and the slurry causing it to fall in, and that possibly the placement of a weep hole could be used to relieve the pressure. He asked Mr. Kennedy if that was what he generally thought was going to happen during the bidding and construction of a permanent fix.

Mr. Kennedy replied that there is no doubt that there is going to have to be a drain capability of the soil wedge in this facility.

Council Member Bennett asked if that was the determination, was that what will take from 2011-2013 to finish, to which Mr. Kennedy replied yes.

Mayor McPherson noted that the last time Mr. Kennedy presented to the Board he laid out a multi-phased approach to discovering causation and it was the Mayor's recollection that the approach laid out at that time was not identical to what was presented today. Today's presentation seems more optimistic that the schedule can be accelerated in terms of discovering causation and then remedies. Based on his recollection from the last report of the multi-phased approach, Mayor McPherson asked if that had changed. Mr. Kennedy stated that today's presentation is generally consistent with what was presented to the Board in August, although at that time staff presented between a four and five year schedule.

Commissioner Higginbotham asked if his understanding was correct that during the test and the repairs it would be possible to put water back into the reservoir. Mr. Kennedy responded yes.

Commissioner Higginbotham then asked how much water was expected to be to put in during that time for use. Mr. Kennedy stated that it would depend on what nature provides of course, but now we are capped at 6.4 billion gallons in the reservoir. Our goal is to recover all 15 billion gallons of volume by demonstrating to FDEP that we have adequately addressed the two cracked areas.

Hearing no further comments or questions, Chairman Latvala thanked Mr. Kennedy adding that the Board looks forward to this being resolved in the near future.

#### **K. Consent discussion, Old Business and Other Administrative Matters**

##### **C9. Regional Water Shortage Mitigation Plan - *Adopt Resolution***

Council Member Bennett advised that due to the size of the document, the St. Petersburg legal counsel has asked that approval of the Plan be moved to the February Board Meeting in order to provide ample time for review.

**Motion:** Council Member Bennett moved to defer Agenda Item C9 until February 16, 2009. Commissioner Schrader seconded the motion. The motion carried by a vote of 9-0.

##### **K1. Election of Officers - *Board Organizational Action***

Chairman Latvala introduced the item and passed the gavel to Mr. Seeber who opened the floor for nominations for the position of Chairman.

Councilman Miranda nominated Commissioner Mark Sharpe as Chairman. Commissioner Hildebrand seconded the nomination. The nomination carried by a unanimous vote.

Commissioner Schrader nominated Commissioner Hildebrand to be the Vice Chairman. Council Member Bennett seconded the nomination. The nomination carried by a unanimous vote.


**L. Receive & File**

**Motion:** Commissioner Schrader moved approval of Receive & File. Councilman Miranda seconded the motion. The motion carried unanimously (9-0).

The Board convened an Attorney/Client Briefing Session at 10:15 a.m.

**Adjournment:**

Following the conclusion of the Executive Session on Litigation regarding the reservoir, the Board adjourned at 11:20 a.m.

Attest:   
Gerald J. Seeber, Secretary

Date: February 16 2009