1. Call to Order - Dan O'Keefe, Chairman, Governing Board
Chair O'Keefe called the meeting to order at 9:02 AM.

2. Pledge of Allegiance - Dan O'Keefe, Chairman, Governing Board
Mr. Moran led the Pledge of Allegiance.

3. Employee Recognitions - Presented by Peter Antonacci, Executive Director
Mr. Antonacci presented the employee recognitions, including: January Employee of the Month, Lucy Kelly; 2015 Employee of the Year, Laura Corry; 2015 Team of the Year, Lake Okeechobee Southern Release Planning & Oversight Team; 25 Year Service Award, Ivan Clements; and a special recognition; the Deering Estate Foundation presented the District with the Champion Partner of the Year Award, Ms. Batchelor and Brahm Carrion accepted the award.

The Board members and Mr. Antonacci congratulated Ms. Trost on her tenure and retirement from the District, thanked her for her dedication and hard work, and
wished her well in her retirement.

4. **Agenda Revisions - Marcia Kivett, Director, Office of Governing Board & Executive Services**

   There were no changes to the agenda.

5. **Abstentions by Board Members from items on the Agenda**

   Mr. O'Keefe abstained from Consent Agenda item 15, for approval of release of canal and road reservations, and issuance of non-use commitment for BBX Capital Asset Management LLC. Mr. O'Keefe's firm, Shutts & Bowen, LLP, represents BBX Capital Asset Management LLC on unrelated matters.

6. **Project & Lands Committee Report - Clarke Harlow, Chair**

   Mr. Harlow provided a report on the Projects & Lands Committee meeting held January 13th in West Palm Beach. Items discussed at the committee meeting included a presentation on the Automation of S-197, Florida City Canal Structure, Lake Okeechobee Low Lake Level Enhancement Plan, Ten Mile Creek Design, Real Estate update and the Cooperative Funding Program.

7. **Water Resources Advisory Commission (WRAC) Report - Jim Moran, Chair**

   Mr. Moran provided a report from the Water Resources Advisory Commission meeting held January 7th in Homestead.

   Lauren Para from US Senator Bill Nelson's Office and Kate Delosh & Jessica Davis from State Representative Holly Reshaud's office were in attendance.

   Welcomed WRAC's newest members Beth Lewis from Nature Conservancy and Seminole Tribe Councilman Sisaro Osceola.

   Recreational stakeholders who water fowl hunt in the STA's were very pleased to learn that we are currently evaluating additional water fowl hunting on Fridays and staff will present next recommendations at the next meeting in March.

   Participants thanked the District for exotic vegetation work at the Allapattah property.

   Mr. Brown provided a brief refresher on the Ethics and Sunshine law.

   Mr. Wilcox provided a presentation to highlight some of the options through the ongoing South Dade Investigation process formed to address the issue of flooding in the region.

   Mr. McBryan gave a Restoration Strategies program update. Several WRAC members complimented the District on the success of the implementations of Everglades water quality improvement projects over the past two decades.

   WRAC members also discussed the complexity of integrating flow equalization basins with current and new stormwater treatment areas.
Ms. Bates provided a staff report on the current flow and salinities in Florida Bay and Barns Sound.

WRAC members discussed the operation of the S-197 structure. Staff reported that there were no immediate sea grass impacts or fish kills observed in Manatee Bay or Barns Sound as a result of the freshwater discharges.

Additional ecological surveys will be conducted this month and this information will be shared with the Board during today's discussion agenda under Item 23.

The next WRAC Meeting will be February 4th at District Headquarters.

8. Approval of the Minutes for the December 10, 2015 Governing Board Meeting, held in West Palm Beach

| RESULT: | ADOPTED [8 TO 0] |
| MOVER: | Daniel O'Keefe, Chair |
| SECONDER: | Sam Accursio |
| AYES: | O'Keefe, Powers, Accursio, Barber, Batchelor, Harlow, Hutchcraft, Moran |
| AWAY: | Peterson |

Consent Agenda

9. Public Comment on Consent Agenda

Tabitha Cale with Audubon Florida expressed support for item #20.

10. Move Consent Agenda Items to Discussion Agenda

No items were moved from the Consent Agenda to Discussion.

11. Board Comment on Consent Agenda

There was no Board comment.

12. Waivers for Water Resource Advisory Commission (WRAC) members pursuant to Section 112.313, Florida Statutes

13. Regulatory Consent Items

14. Right of Way Regulatory Consent

15. Resolution No. 2016 - 0101 Approve release of canal and road reservations, and issuance of non-use commitment. (Real Estate staff contact, Kathy Massey, ext. 6835)

Mr. O'Keefe abstained from Consent Agenda item 15, for BBX Capital Asset
16. Resolution No. 2016 - 0102 Approve extending the termination date for satisfaction of the terms, conditions and requirements of Resolution No. 2014-1003; in connection with the release of an access easement containing 4.20 acres, more or less, in exchange for a new access easement containing 2.26 acres, more or less, C-23 Canal, located in Section 36, Township 37 South, Range 40 East, Martin County. (Real Estate staff contact, Kathy Massey, ext. 6835)

17. Resolution No. 2016 - 0103 Approve declaring surplus land interests containing 39.76 acres, more or less, in Palm Beach County, together with any structures and improvements and personal property appurtenant thereto and approve conveying said property to Palm Beach County for $405,000. (Real Estate staff contact, Ray Palmer, ext. 2246)

18. Resolution No. 2016 - 0104 Approve entering into a Right-of-Way Consent Agreement with Florida Power and Light Company for the STA 1 West Expansion No. 1 Project. (Contract number 4600003361) (Operations, Engineering & Construction staff contact, Jeff Kivett, ext. 2680)

19. Resolution No. 2016 - 0113 Approve an amendment to the 2015-2016 Budget in an amount up to $470.0 million to reflect the refinancing of the District's outstanding debt to reduce annual debt service costs. (Administrative Services staff contact, Doug Bergstrom, ext. 6214)

20. Resolution No. 2016 - 0105 Authorize a one (1) year Memorandum of Agreement for in-kind services with the National Park Service - Big Cypress National Preserve (NPS-BICY) for the purpose of continuing the collection of hydrologic and water quality data within Big Cypress National Preserve. (Water Quality, staff contact, Stuart Van Horn, ext. 6628)

21. Board Vote on Consent Agenda Items 13, 14, 15, 16, 17, 18, 19, 20

Mr. O'Keefe abstained from Consent Agenda item 15, for BBX Capital Asset Management LLC

RESULT: ADOPTED [UNANIMOUS]
MOVER: Daniel O'Keefe, Chair
SECONDER: Kevin Powers, Vice Chair
AYES: O'Keefe, Powers, Accursio, Barber, Batchelor, Harlow, Hutchcraft, Moran, Peterson

22. Board Comment

Having attended the Everglades Coalition Conference January 7-10th in Coral Gables, Mr. Moran commented on the interactions with the Department of Interior (DOI) on exotics in the Refuge. DOI is working to ameliorate the effects of the
Discussion Agenda

23. Technical Reports

A) WATER CONDITIONS REPORT - JEFF KIVETT, DIVISION DIRECTOR, OPERATIONS, ENGINEERING & CONSTRUCTION

Mr. Kivett presented the Water Conditions report. Rainfall has been above average during the last 30 days. The rainfall distribution is in the southern region of the District.

Lake Kissimmee water level is low.

Canals in the southern region have the capability to move water from Lake Okeechobee to the Stormwater Treatment Areas (STA). With the A1 Flow Equalization Basin (FEB) being brought online, the District is processing that lake water from the FEB thru STA's, which is how it was designed for water quality.

Water Conservation Areas (WCA) are above schedule, the District is looking at a very wet dry season in the next couple of months. If El Nino conditions begin, the US Army Corps of Engineers (USACE) will start releasing water from Lake Okeechobee into estuaries.

Mr. Kivett reported vegetation removal from the three flow ways along the C-111 Canal.

Board Comment
Upon question from Mr. Barber, Mr. Kivett stated that S-197 gate has just bottom opening weirs and if upgraded to slides, it would not operate better. The existing gate provides the District the ability to control and adjust flow to meet the desired flows that is needed.

B) ECOLOGICAL CONDITIONS REPORT - TERRIE BATES, DIVISION DIRECTOR, WATER RESOURCES

Ms. Bates provided the ecological conditions for the last 30 days and stated conditions in Lake Kissimmee have not had a lot of change from last month. Ms. Bates stated that even though the Lake Kissimmee is low, we are still continuing minimal discharges to the rivers to maintain dissolved oxygen levels. Ms. Bates stated that the USACE started work on the McArthur Ditch Backfill and that it is the last construction project to take place on Lake Kissimmee.

Lake Okeechobee has water static levels; from an ecological stand point a gradual slow recession in the lake this time of year for the marshes to dry out is ideal.

Ms. Bates reported that there has been no discharges from Lake Okeechobee into
the St. Lucie Estuary. The one significant rainfall from December resulted in significant inflow into the estuary from local basins and the C-44. There are still continuous oyster spats within the estuary.

Ms. Bates reported that there has been regular discharges from Lake Okeechobee into the Caloosahatchee Estuary. Ms. Bates stated that the tape grass is recovering well.

Ms. Bates reported that the STA’s have provided good performance throughout this water year. Ms. Bates mentioned that the STA-1 East hasn’t had great performance in the past and there are rehabilitation projects underway to correct this issue. Ms. Bates stated the Eastern Flow way is now fully online.

Ms. Bates reported that the Everglades Water Depths conditions are a little dryer than last month and the weather will determine if those conditions will persist.

In Biscayne Bay, salinity has risen due to heavy discharges from December and is still in a good range for this time of year.

In Florida Bay, salinity is less than 1psu now that we have inflows through from the creek system with good flows into the system at this time.

Ms. Bates added when fresh water released into the mix of salinity water from the S-197, there was no impact on sea grass.

**Board Comment**

Responding to a question from Mr. Harlow, Ms. Bates stated that the S-197 area is being mapped by a number of different entities that have portions of the Bay that they work in. There are fairly large areas of sea grass die off and we will see how that system responds after the sea grass dies and decomposes and if it is going to generate other impacts.

Upon questions from Ms. Peterson, Ms. Bates stated that if the S-197 is automated and staff would work together on protocols. There was significant direct rainfall in December, which gave the systems a chance to moderate a bit.

C) PROJECT SPOTLIGHT - S13 PUMP STATION MAJOR REFURBISHMENT - JEFF KIVETT, DIVISION DIRECTOR, OPERATIONS, ENGINEERING & CONSTRUCTION

Mr. Carter provided a presentation on the S-13 Pump Station Repower and Automation in South Broward Count, including; taking out three main pumps, engines and gear boxes, electrical system; and refurbishing or replacing and reinstalling.

**Board Comment**

Upon question from Mr. Accursio, Mr. Carter stated the engines are kept for a year to use for spare parts and then they are sold.
24. Indian River Lagoon as a Bioreactor: New Perspectives on Sewage Pollution, Dr. Brian LaPointe, Research Professor, Florida Atlantic University – Harbor Branch Oceanographic Institute

Dr. Brian La Pointe discussed the issues with septic tanks in the Indian River Lagoon and how it is effecting the water quality. Dr. LaPointe suggested doing septic to sewer conversions.

**Board Comment**

Board Members discussed the issue and the importance of implementing solutions, how the tanks and the local biochemistry reacts to the soil, and how the local initiative and collaboration can help bring awareness and funds to the issue.

25. Resolution No. 2016 - 0106 Authorizing an amendment to agreement 4600002925 with Caulkins Citrus Company, LLC for the Caulkins Water Farming Pilot Project to increase the funding in the amount of $282,465, for which funds are budgeted,(Everglades Policy & Coordination, staff contact, Jeff Sumner, ext. 3023)

Mr. Sumner discussed the Caulkins Citrus Water Farming Project contract amendment of the 3 year contract; including a history of the pilot project, operations, and water storage achieved since 2014. The contract has been amended twice to increase operations and maintenance funding and has achieved higher water storage capacity at a lower per acre-foot cost to below $60.

**Board Comment**

In response to a question from Mr. Moran, Mr. Sumner stated that the District completed a seepage analysis on the first year of data and is working on the second year. Mr. Sumner stated that up to 75% was vertical seepage and not seeping laterally into canals.

Mr. Powers mentioned that his take away was, even on the 25% of that is timing and it takes a long time for that to perk; it's a long filtration process on the nutrient reduction. Mr. Powers stated that the pilot project has been delivering incredible results.

Chair O'Keefe stated that it is a great pilot project and that it's producing results that we like. Chair O'Keefe supports this project.

**Public Comment**

Two speakers expressed support for this project; Mark Perry, Florida Oceanographic Society and Tabitha Cale, Audubon of Florida.
26. Resolution No. 2016 - 0107 Approve the ten year update of the Lake Marion and Reedy Creek and Shingle Creek General Management Plans (2016-2026). (Field Operations & Land Management staff contact, Karen Estock, ext. 6282)

Mr. Coughlin presented a resolution to approve two 10 year agreements:
- Lake Marion Creek/Reedy Creek Management Area
- Shingle Creek Management Area

Mr. Coughlin stated that General Management Plans for these areas are updated every ten years to conform to the timeline used by state agencies for the management of state owned properties. The review of these agreements are conducted by a statutorily defined review committee composed of representatives of the Florida Fish and Wildlife Conservation Commission, Florida Forest Service, Florida Department of Environmental Protection, the District, a private land owner, a representative of an environmental organization, someone from the local county or government, and someone from local soil and water conservation district.

Board Comment
Upon question from Mr. Accursio, Mr. Coughlin explained the rating system.

Public Comment
Drew Martin of the Sierra Club, expressed support for the Shingle Creek project.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Kevin Powers, Vice Chair
SECONDER: Mitch Hutchcraft
AYES: O'Keefe, Powers, Accursio, Barber, Batchelor, Harlow, Hutchcraft, Moran, Peterson
AWAY:

27. Resolution No. 2016 - 0108 Approve entering into a Facilities Relocation Agreement with Florida Power and Light Company in the amount of $4,383,894.22 for the STA 1 West Expansion No. 1 Project, for which $4,383,894.22 is budgeted in the Save Our Everglades Trust Fund and the Land Acquisition Trust Fund. (Contract number 4600003210) (Operations, Engineering & Construction staff contact, Jeff Kivett, ext. 2680)

Mr. Mitnik discussed the STA 1W Expansion facilities relocation of power poles and transmission lines agreement with Florida Power & Light (FPL) that is located in western Palm Beach County. There is a series of transmission lines that run right through the expansion area and run up through FPL's easement. Mr. Mitnik explained that the District isn't necessarily relocating those transmission lines; they are being raised to accommodate the additional water depth that's associated with the expanded storm water treatment area.

RESULT: ADOPTED [8 TO 0]
MOVER: Rick Barber
SECONDER: Sandy Batchelor
AYES: O'Keefe, Powers, Accursio, Barber, Batchelor, Hutchcraft, Moran, Peterson
AWAY: Harlow
28. Resolution No. 2016 - 0109 Authorize entering into a 580-day contract with Enviro-Tech Systems, Inc., the lowest responsive and responsible bidder, for the Southern Corkscrew Regional Ecosystem Watershed Project, in the amount of $2,897,987.61, for which funds are budgeted. (Contract Number 4600003334) (Operations, Engineering & Construction staff contact, Jeff Kivett, ext. 2680)

Mr. Mitnik discussed the Southern Corkscrew Regional Ecosystem Watershed project located in Lee County. The project will restore the natural hydrology and ecology to the parcel without significant adverse impacts outside the project boundary.

Mr. Mitnik presented staff’s recommendation.

RESULT: ADOPTED [8 TO 0]
MOVER: Mitch Hutchcraft
SECONDER: James J. Moran
AYES: O'Keefe, Powers, Accursio, Batchelor, Harlow, Hutchcraft, Moran, Peterson
AWAY: Barber

29. Resolution No. 2016 - 0110 Authorize entering into a 680-day contract with ENCO, LLC, the lowest responsive and responsible bidder, for the C-4 Canal Bank Improvements and Flood Protection Berm Palmetto Phase 1 Project, in the amount of $2,221,000, which is budgeted in the 2015-2016 budget. (Contract number 4600003364) (Operations, Engineering & Construction staff contact, Jeff Kivett, ext. 2680)

Mr. Mitnik presented a project map and staff’s recommendation for the C-4 Canal Bank Improvements and Flood Protection Berm Palmetto phase project.

Public Comment
Drew Martin commented on the Environmental Report and believes the District and USACE allowed over development, which contributes to drainage issues.

RESULT: ADOPTED [8 TO 0]
MOVER: James J. Moran
SECONDER: Melanie Peterson
AYES: O'Keefe, Powers, Accursio, Batchelor, Harlow, Hutchcraft, Moran, Peterson
AWAY: Barber

30. Ten Mile Creek Update (Everglades Policy & Coordination, staff contact: Tom Teets, ext. 6993)

Mr. Teets discussed the status and future plans for Ten Mile Creek, a critical project
that was authorized by Congress. The USACE will be transferring full ownership to the District. Within the next 180 days the District will develop the transfer agreement and plans on completing the design authorization with the construction by May 2016.

**Board Comments**

In response to questions from Mr. Moran, Mr. Teets explained that if this project would have stayed with our federal partners, that the long-term maintenance cost would not be cost-shared and limitations to environmental projects does not preclude the District from using it in the future as a source for water supply. Mr. Teets also stated that the District has not ascertained amount or availability the settlement agreement for the project and staff will continue to request the information.

Mr. Powers continues to support the District’s de-authorization of this important project and stated that this is the right next best step for this project.

**Public Comment**

Don West of the St. Lucie County Commission expressed support of the Ten Mile Creek project.

31. **Daycare Facility Lease Expiration and Future Use Discussion (Real Estate staff contact, Richard Bassell, ext. 2510)**

Mr. Bassell discussed the Daycare Facility located at District headquarters and the future use of that facility. Mr. Bassell mentioned that our leases with Insight and CCLC are expiring in September 2016, and there are required steps the District must take to regain full control of the property. The District would need to go through a notice period with the current tenant to let them know if we will extend their lease or terminate it.

**Board Comment**

The Board discussed the current lease and in general are in favor of keeping the on-site daycare facility for staff and local employers. The Board requested staff to provide additional information on maintenance and repair costs, market rent, parking calculations for alternative uses, and recurring annual expenses.

Mr. Bassell stated currently 115 enrolled students are at the facility and staff will look into retaining a daycare facility in a lease and that there would be some kind of termination option that we would have, so it would preserve our long-term options.

The Board agrees that we should keep the parcel and the facility as a daycare because it squares off the property, provides a convenience, we can retain control, and have a positive cash flow. Requested staff to go through the leasing process with the determined use as a requirement and go to market rate.

Mr. Bassell will come back to the Board with additional information.

32. **General Public Comment**

Jim Harvey of Florida Bay Initiative, Inc., thanked Mr. Moran for his service as
WRAC chair and for doing something good with the Florida Bay project.

Mark Perry of the Florida Oceanographic Society, is grateful the Ten Mile Creek project is underway, addressed the septic tank issues, stating that the issue is costly and commented on the recovery in Florida Bay and the importance of a better water policy from the State Legislature.

Tabitha Cale commented on the C-111 ground breaking for of Contract 8, provided a fact sheet on the project and expressed her concern from the ecological conditions report. Ms. Cale mentioned that it is good to see that salinity levels are back down, but it is still important for Florida Bay to balance inflows for the natural areas and keep inflows away from the agricultural areas.

Drew Martin requested that the ecological conditions report include the pond out front of District headquarters, addressed the surplus of the McMurrion property, the invasive plant problem in the Loxahatchee Wildlife Refuge and requested the District withdraw this property from consideration for surplus. Mr. Martin also commented on operational changes to Florida Bay and Dr. LaPointe presentation on the Indian River Lagoon.

Caroline McLaughlin of the National Parks Conservation Association, discussed issues that have arisen recently in the cooling canal system at Turkey Point. Ms. McLaughlin encouraged the District to analyze the data Mayor Stoddard of South Miami provided to figure out if it's accurate and if it is to work with FPL and other agencies to immediately address these problems and also make it available to the public. Ms. McLaughlin also commented on the public comment change and is disappointed with the number of public comment opportunities.

**Public Hearing**


Chair O'Keefe opened the Public Hearing.

Mr. Palmer presented the annual update of the South Florida Environmental Report on the 2016 Florida Forever Work Plan.

This is an annual communication document that provides significant information about the District’s real estate acquisitions and changes in different projects that the district works on. Mr. Palmer provided information on 3 basic areas:

1. List of projects that are available for funding under the Florida Forever Act
2. Summary of acreage to be acquired
3. Associated changes that occurred from last year’s report

Mr. Palmer asked the board to adopt the annual update this year that will go combined with the South Florida Environmental Report to Tallahassee by March 1st.
There was no public comment

Chair O'Keefe closed the Public Hearing


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<td>MOVER:</td>
<td>Rick Barber, Sandy Batchelor</td>
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<td>AYES:</td>
<td>O'Keefe, Powers, Accursio, Barber, Batchelor, Harlow, Hutchcraft, Moran, Peterson</td>
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Staff Reports

34. Monthly Financial Report - Doug Bergstrom
   Mr. Bergstrom provided the financial report through November 2015.

35. General Counsel's Report - Brian Accardo
   Mr. Accardo had no report this month. Mr. Accardo thanked the District and Board for welcoming him and he’s very excited to help accomplish the districts mission.

36. Executive Director's Report - Peter Antonacci
   Mr. Antonacci asked the Board to adopt the Merit Bonus Policy, Resolution 2016-0112. The policy is based on performance and management observation. Mr. Powers made a motion to approve Resolution 2016-0112, which was seconded by Ms. Batchelor.

Board Comment
In response to a question from Mr. Moran, Mr. Bergstrom mentioned that in the policy proposed, the top two thirds of employees would get a bonus based on merit.

Mr. Moran and Ms. Batchelor are concerned some staff will be excluded from this bonus policy and he doesn't agree with it but will support the resolution.

Mr. Antonacci addressed concerns, stating the policy will provide the best opportunity to be fair and ensure that the top performers are rewarded.

Public Comment
Drew Martin supports the resolution, commented on the legislative update, is concerned with the water bill taking away some of the consumptive use powers of the District's, and does not support fracking. Mr. Martin commented on the Consumptive use situation with Turkey Point and illustrates how important consumptive use decisions are because we now see damage to Biscayne Bay because of the consumptive use permit we gave to FPL.

Mr. Antonacci provided a report on District activity and discussed; headquarters office space, the District health care provider and benefits and provided an update on the Public Employee Union Counsel.
Legislative Update

Mr. Sumner provide an update on the 2016 Water Bill.

Ms. Barnett provided an update on Governor Scott's 20-Year Plan and Senator Negron's Legacy Florida.

Resolution 2016 - 0112

RESULT: ADOPTED [UNANIMOUS]
MOVER: Kevin Powers, Vice Chair
SECONDER: Melanie Peterson
AYES: O'Keefe, Powers, Accursio, Barber, Batchelor, Harlow, Hutchcraft, Moran, Peterson

37. Board Comment

Chair O'Keefe commented on Governor Scott's million jobs created in the state of Florida and the Million Miles for a Million Jobs event in Orlando.

Mr. Barber requested an update on the Picayune Pump Station and C-43 Reservoir.

Ms. Peterson thanked Mr. Antonacci for the detailed report on his work here since he arrived. In addition, she requested an update and the best approach by staff to receive funding for the U.S. Fish & Wildlife Conservation for the Refuge.

Ms. Batchelor supported Ms. Peterson's recommendation.

Mr. Moran concurred with Ms. Peterson and requested that legal present to Governing Board.

Chair O'Keefe stated the February Board Meeting will be held in Osceola County.

ADJOURN

Chair O'Keefe adjourned the meeting at 12:38 PM

RESULT: ADOPTED [UNANIMOUS]
MOVER: James J. Moran
SECONDER: Kevin Powers, Vice Chair
AYES: O'Keefe, Powers, Accursio, Barber, Batchelor, Harlow, Hutchcraft, Moran, Peterson

Dan O'Keefe, Chairman
Governing Board
South Florida Water Management District