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# IRL COUNCIL BOARD OF DIRECTORS

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## Minutes from the Special Meeting of August 24, 2018

**10:00 AM**

*Up the Creek Farms, Grant-Valkaria, FL*

**Attendance:** Chris Dzadovsky, Kathy LaMartina, Drew Bartlett, Doug Bournique, Susan Adams, Deb Denys, Ed Fielding Curt Smith.

**Agenda Item 1. Call to Order and Pledge of Allegiance**

Chris Dzadovsky, Chair, called the meeting to order and led those present in the Pledge of Allegiance.

**Agenda Item 2. Agenda Revisions**

Staff requested that New Appointments item be added following Public Comments.

A MOTION WAS MADE BY ED FIELDING, SECONDED BY DEB DENYS, TO ADD THE ITEM NEW APPOINTMENTS FOLLOWING PUBLIC COMMENT. MOTION CARRIED UNANIMOUSLY.

**Agenda Item 3. Approval of Minutes**

**Requested Action:** Approval of Minutes from the July 13, 2018 Board of Directors Meeting.

A MOTION WAS MADE BY DOUG BOURNIQUE, SECONDED BY DEB DENYS TO APPROVE THE MINUTES FROM THE JULY 13, 2018 BOARD OF DIRECTORS MEETING. MOTION CARRIED UNANIMOUSLY.

**Agenda Item 4. Public Comment**

None.

**Agenda Item 5. RFP for Financial Services**

Frank Sakuma briefed the Board regarding the RFP for financial services. 2 respondents submitted proposals and Special District Services obtained the highest score. Staff recommended that a contract be issued to Special District Services.

A MOTION WAS MADE BY ED FIELDING, SECONDED BY DEB DENYS, TO DIRECT STAFF TO NEGOTIATE AND ENTER INTO A CONTRACT WITH SPECIAL DISTRICT SERVICES TO PROCURE FINANCIAL SERVICES PURSUANT TO THE RESULTS OF RFP 2018-06. MOTION CARRIED UNANIMOUSLY.

## **Agenda Item 6. Presentations**

### **a. RFP Process, Evolution and Timeline**

Carolyn Ansay and Frank Sakuma briefed the Board on the history of the current RFP process. Carolyn reviewed the public procurement process stating that public procurement is a matter of public trust. She reviewed pertinent federal, state, and internal rules that govern the process.

The RFP must state what services are sought and what process will govern the evaluation of applicants that respond. It is important that the RFP be used to drive whatever the goals for the program are, but once a ranking is completed, it would be deemed arbitrary and capricious to make funding decisions that differ from the final rankings and the Board would have legal exposure.

### **b. Aligning IRLNEP Budget and Funding Strategy with NEP Role, responsibilities and revised CCMP**

Duane De Freese reviewed the role of an NEP, performance measures from EPA, 5-year program evaluations. He outlined staff and partner recommendations to fund projects more strategically. Under the scenario, internal NEP deliverables that help implement the CCMP would receive funding priority rather than continue the open RFP call for projects.

Senator Mayfield asked whether items in the CCMP are duplicative of what other agencies are working on. Duane De Freese replied that the CCMP has identified the lead agency for each item in each Action Plan. He stated that the idea would be for agencies to identify which of the 32 “lanes” they will work in. If agencies and entities “own” a problem, they should pick their lanes and work towards solving problems.

### **c. Summary List of Issues and Questions for Board Discussion**

Duane De Freese reviewed the list of questions and issues submitted by members for discussion and clarification. Will be discussed in Item 7.

## **Agenda Item 7. FY 2019-2020 Request for Proposals Development**

### **a. FY 2019-2020 RFP Categories, Priorities and Funding Allocations**

Options for Consideration – EPA Funding (~\$600,000):

- Retain current RFP process, priorities and budget allocations. (status quo)
- Apply EPA Section 320 funds to IRLNEP deliverables adopted in CCMP revision and in alignment with EPA performance measures of NEPs. (staff recommendation).
- Other IRL Council recommendations and direction.

Ed Fielding asked for additional guidance from staff about what is envisioned. Duane De Freese replied that immediate needs are a monitoring plan, habitat restoration plan for seagrasses, filter feeders and shorelines, Harmful algal blooms, mapping and data synthesis of lagoonwide information, communications plan. In 2019-2020, the immediate need is for informational resources.

Discussion and questions focused on a variety of funding scenarios and possible methods of requiring deliverables and outcomes.

**Requested Action:** Board to discuss identification of funding priorities, RFP Categories and funding allocations within categories. Motion is requested to direct staff to implement recommended changes, prepare RFP announcements and release FY 2019-2020 RFPs in Fall 2018.

**Public comment:** Mel Bromberg asked if there would be 32 different RFPs or just ones specific to issues. Duane De Freese replied, no, that RFPs would be specific to those issues set as priorities for a particular year.

Ed Fielding commented his feeling that additional study is needed before a decision is made. Chris Dzadovsky noted that a policy

A MOTION WAS MADE BY DEB DENYS, SECONDED BY DUG BOURNIQUE, TO SUPPORT THE STAFF RECOMMENDATION FOR USE OF THE EPA FUNDING FOR NEP DELIVERABLES, DIRECT STAFF TO IMPLEMENT THE RECOMMENDED CHANGE, PREPARE RFPS AND RELEASE RFPS FOR FY 2019-2020. MOTION CARRIED UNANIMOUSLY.

### **Options for Consideration – Local partner funding (~\$860,000)**

- Retain current RFP process, priorities and budget allocations. Water quality and habitat restoration projects are evaluated and ranked together. (status quo).
- Separate water quality and habitat restoration projects into independent RFPs.
- Modify RFP process review criteria to evaluate both shovel-ready projects and D&E proposals that will move projects into the funding pipeline (staff recommendation).
- Other IRL Council recommendations and direction.

**Requested Action:** Board to discuss identification of funding priorities, RFP Categories and funding allocations within categories. Motion is requested to direct staff to implement recommended changes, prepare RFP announcements and release FY 2019-2020 RFPs in Fall 2018.

Duane reviewed the options for use of the local cost-share funding and reviewed the staff recommendation for including Design and Engineering projects as eligible for funding to get them to a shovel-ready status where they can be funded by the state or by an agency.

Kathy LaMartina asked for a definition of what “restoration” is. She doesn’t feel that staff salaries for volunteer restorations should be eligible for funding. Ed Fielding suggested that smaller municipalities septic issues should qualify for D and E projects or that NEP funding could provide match so they city could then go to the state for funding. Drew cautioned not to restrict allocations between D and E and Restoration in the RFP because funding should go towards whatever the best projects are. Susan Adams agreed that restoration projects should be better defined between what is engagement and what is restoration. She wondered whether there was a mechanism that could be implemented to insure that D and E projects get accomplished and not shelved. Drew mentioned that match should be brought by applicants for D and E projects. Chris Dzadovsky mentioned that phased projects could be given bonus points as final phases are completed. Deb Denys stated the opposite, feeling it was most important to get projects off the ground. Drew Bartlett suggested that when capital projects pop up, the NEP could look for other pots of money to help fund these projects. Kathy LaMartina mentioned that water quality and habitat restoration had bonus points in the RFP associated with education outcomes. Duane responded that staff will address that.

Duane also addressed the question of how to evaluate whether a project is a restoration or an engagement project. NEP does not want to be too restrictive but doesn’t want to spend restoration dollars on education. Kathy LaMartina reiterated that she does not like paying for staff as part of a restoration project.

**Public Comment:** Dianne Hughes felt like the scoring section of the RFP did not mirror the RFP language. She recommended extra points for partnerships. She noted Martin County is looking for grant sources to encourage people to abandon their septic tanks and hook up to sewer. She suggested using small grants or education funding for that. Kathy LaMartina noted that SFWMD funding for license plates does allow for that.

Jessy Wayles noted RFP language did not reflect scoring. This should be changed before new RFPs are issued. Senator Mayfield noted that the NEP should be viewed as a farm team. To be successful, projects must be completed. NEP should look at getting projects completed and over the line. She encouraged NEP to work on behalf of partners to get their projects funded.

A MOTION WAS MADE BY DOUG BOURNIQUE, SECONDED BY ED FIELDING, TO BETTER DEFINE THE TERM ‘RESTORATION’ TO BE INCLUDED IN THE RFPS, AND THAT FUTURE RFPS INCLUDE BOTH SHOVEL-READY AND D AND E PROJECTS.

ED FIELDING MODIFIED THE MOTION TO INCLUDE THAT A DEFINITION OF ‘RESTORATION’ EXCLUDE ENGAGEMENT/EDUCATION. CHRIS DZADOVSKY ALSO MODIFIED THE MOTION TO INCLUDE THAT SCORING CRITERIA MIRROR RFP LANGUAGE. MOTION CARRIED UNANIMOUSLY.

**Options for Consideration – IRL Specialty Tag Funding from Volusia, Brevard and Indian River (~\$125,000)**

- Retain current RFP process, priorities and budget allocations. (status quo)
- Modify RFP process to focus on shovel-ready restoration projects.
- Other IRL Council recommendations and direction.

**Requested Action:** Board to discuss identification of funding priorities, RFP Categories and funding allocations within categories. Motion is requested to direct staff to implement recommended changes, prepare RFP announcements and release FY 2019-2020 RFPs in Fall 2018.

Duane De Freese reviewed how license plate funding is typically rolled into restoration funding but noted the suggestions for a grants program might be an attractive change. Discussion revolved around the various aspects of how these restoration dollars might be spent. Duane suggested tabling implementing a small grants incentive program for septic to sewer for next year until it can be thought through and a plan for implementation can be developed. Kathy LaMartina noted that the SFWMD grants are given to utilities, not to homeowners.

Consensus of the Board was to maintain the staff recommendation to roll license plate funding into the restoration category.

**Public Comment:** Senator Mayfield reviewed the meeting held with candidate DeSantis and water quality in the IRL. She notes that session organization will occur after the November elections. Committee hearings will be held in January and February, and session will begin in March. She intends to file a \$50M funding source for matching dollars for the lagoon region to help fund projects.

**BREAK FOR LUNCH**

**Public Comment (Continued from previous item):** Greg Wilson asked about funding opportunities for innovation. Which category would projects using new technology come under? Duane De Freese replied that the NEP does not fund innovation but looks toward state agencies with larger budgets for that. What the NEP is currently doing is developing a directory of technology companies.

Jessy Wayles felt that the Council seems to be eliminating funding for community-based shoreline restoration and oyster restoration projects. She noted community-based restorations are most important for having the public understand the importance of why restoration is needed. Leesa Souto echoed Jessy's comments and felt that by reducing the value of citizen participation, you are reducing the number of people who engage with volunteering, you reduce the cost-benefit, and you are eliminating your NGO partners. Without funding, work cannot be done. Staff are

needed and projects do not get done for free. Duane De Freese noted that habitat restoration is still going to be funded, but that emphasis on the citizen engagement side must be coupled with the value of the actual restoration (nutrients removed, acres restored, etc.). NGOs will have to provide the restoration value as part of the proposal if they compete in the restoration category. Kathy LaMartina clarified that she doesn't see engagement projects as restoration projects. Jessy pushed back on that, noting that far more funding is available for restoration than citizen engagement. Susan Adams agrees with Kathy, noting that she reviewed projects last year and it was very hard to evaluate an engagement project against a nutrient reduction project. She felt that if projects were in the proper category, they can be more fairly evaluated. Greg Wilson felt that shoreline restorations cut across several categories and feels that it's the engagement that leads to support for future restoration. Duane summarized by stating that the Board has just allowed the management conference to look at funding based on CCMP implementation. He doesn't see that funding is becoming limited, but it's likely that more funding can be placed into citizen engagement than has been true in the past.

### **Proposal Cost-Share Matching Requirements (for RFPs that require a cost-share)**

#### **Options for Consideration:**

- Current proposal matching requirements: 50% Restoration; CCMP project implementation (25% Science/Technology, 25% Citizen Engagement).
- Change proposal matching requirements.
- Other IRL Council recommendations and direction.

Duane reviewed the match requirements and asked the Board for their preference as to how this could be refined. Chris Dzadovsky noted that smaller communities are disadvantaged financially by higher match requirements, so the Board should keep this in mind. Deb Denys worried about creating hardships for smaller non-profits. She suggested leaving match requirements at the current levels. Kathy LaMartina asked if indirect cost rates are capped. There is currently no cap and the NEP is required to accept federal negotiated rates if an applicant already has a negotiated rate for federal funds.

Duane De Freese suggested that contract negotiations on a contract by contract basis may be more flexible than setting a cap so as not to eliminate potential applicants. Deb Denys advocated for setting a cap and felt applicants would still apply. Drew suggested using a lower indirect cost as an incentive during proposal review and giving points for low indirect costs. Chris Dzadovsky suggested that when specialized equipment is used as part of a project, we could make considerations for that and have the applicant justify indirect costs, and if sensible,

allow for that. Duane retracted his idea of negotiating contract by contract. He favored setting review criteria that incentivizes lower indirect costs.

Dennis Hanisak noted that universities are used to caps on indirect costs as long as they are in the RFP. Currently, the RFP does not allow universities to reduce indirect costs as part of the match. Instituting that would help. Duane would not favor reducing indirect costs because it is basically a swap out of line items. The NEP would still be paying high indirect costs, but they would be called something else.

Chris Dzadovsky summarized that the current match requirements would be maintained, that a cap on indirect costs should be stated in the RFP to give applicants documentation for use with administrators; OR an incentive system that awards points during proposal review for low indirect costs will be implemented.

A MOTION WAS MADE BY DREW BARTLETT, SECONDED BY KATHY LAMARTINA TO DIRECT STAFF TO STATE A CAP ON INDIRECT COSTS IN THE RFP OR DEVELOP AN INCENTIVE SYSTEM IN THE PROPOSAL REVIEW PROCESS THAT AWARDS BONUS POINTS FOR LOW INDIRECT COSTS. MOTION CARRIED UNANIMOUSLY.

## **Support for Project Staff Compensation**

### **Options for Consideration:**

- Retain funding support for staff and personnel working on IRLNEP-funded projects. (Status quo – staff recommendation).
- Modify IRL Council funding support for staff and personnel working on IRLNEP funded projects.

Duane De Freese reviewed the options available for amending the policy towards staff compensation. Staff recommends that the NEP continues to pay staff salaries as part of a grant program. He noted that without compensating students, or staff at non-profits, projects simply could not be done.

**Public Comment:** Leesa Souto noted that if she can't pay someone to do a program, it will not get done. There must be dedicated personnel to manage projects.

Kathy LaMartina reiterated that it is not sustainable for organizations to continue to pay people through grants and that the NEP should not be paying salaries. Duane De Freese suggested that sustainability of an organization is not the NEP's issue. The NEP only needs to care about the quality of work delivered. Ed Fielding supported the idea of continuing to pay staff salaries as part of the RFP process. Deb Denys agreed. Drew Bartlett agreed.

A MOTION WAS MADE BY ED FIELDING, SECONDED BY SUSAN ADAMS, TO SUPPORT THE STAFF RECOMMENDATION TO CONTINUE PAYING STAFF

COMPENSATION AS PART OF PROJECT FUNDING. MOTION CARRIED UNANIMOUSLY.

### **Awards Issued per RFP category and Fiscal Year**

#### **Options for Consideration**

- No caps on number of proposals or awards that a principal investigator (PI) or organization can submit or receive. (status quo)
- Cap on number of proposals that a PI can submit under each RFP category (example: one proposal per PI per category).
  - Cap on number of awards that an individual PI and/or organization can receive for each RFP Category.
  - No caps on proposals or awards. Construct proposal ranking criteria to address the issue.
  - Other IRL Council recommendations and direction.

Duane reviewed the options available for amending the RFP process to limit either the number of applicants or the number of proposals awarded to an entity. He noted that legal review favored allowing the process to continue without limits because in an open, competitive process, we want the best proposals to rise to the top regardless of who applies. Staff recommends that the open competitive process continue.

Kathy LaMartina noted that SFWMD RFP proposers get asked to restrict themselves to a single proposal. Carolyn noted this is acceptable but that after a ranking list is compiled, the rankings must be accepted and funding should be applied accordingly to avoid “arbitrary and capricious” legal exposure.

Duane De Freese noted there are no performance issues with any contracts that have been let. Deb Denys requested a report showing project status to increase accountability of projects. Duane agreed to provide these at each meeting and that staff will look at getting this on the website. He also noted that an interactive map is in development for the website that could contain this information.

**Public comment:** None

Chris Dzadovsky summarized that no caps are recommended, progress reports will be provided, and as part of scoring the RFPs that there will be a scoring penalty for deficient projects.

A MOTION WAS MADE BY SUSAN ADAMS, SECONDED BY ED FIELDING, TO NOT CAP THE NUMBER OF PROPOSALS FROM A SINGLE PRINCIPAL INVESTIGATOR OR ORGANIZATION; THAT PROJECT TRACKING AND MONITORING OF PROGRESS

WILL BE REPORTED TO THE BOARD, AND THAT DEFICIENT PROJECTS CAN BE COUNTED AGAINST FUTURE PROPOSALS DURING PROPOSAL SCORING. MOTION CARRIED UNANIMOUSLY.

## **RFP Review Committee Structure and Composition**

### **Options for Consideration:**

- Any members of the Management Conference (including IRL Council Board members and alternates) can volunteer to serve on RFP review committees. Staff do not serve on RFP review committees (status quo).
- Restrict IRL Board of Director members and their assigned alternates from serving on RFP review committees.
- Other IRL Council recommendations and direction.

Duane De Freese outlined the issues brought up regarding proposal review, particularly as it pertains to the elected officials. Staff recommends that policy board members should not review proposals.

Susan Adams noted she reviewed proposals and found it eye-opening. Kathy LaMartina suggested that appropriate people need to be enlisted for the review process. Susan Adams suggested that the Board could assist in finding people with expertise to assist in reviewing the extensive proposals. Deb Denys advocated for the Board to have “clean hands” and avoid being involved in the review process. Duane De Freese noted the Management Board is tapped first for their expertise, but that agency staff is not precluded from review and that NEP staff will reach into the agencies to find additional expertise.

Duane also noted that there are some people appointed to the management conference that do not engage or attend meetings. He stated staff will bring a list of inactive volunteers for action later in the year.

Chris Dzadoovsky suggested that it was hard to find people to serve based on time commitments and driving distances.

**Public Comment:** Kevin Shropshire felt that the ranking and scoring of the proposals was very clear and straightforward. He was comfortable with the process and found the documents simple. Chuck Jacoby felt the consistency between years in the RFP was not adequate. He suggested a training session and noted that feedback is important. He'd like staff to incorporate feedback as part of the process.

Kathy LaMartina offered that the proposals this year were written sloppily and scoring should reflect that. Susan Adams agreed and suggested a meeting on what

expectations are for proposals. Jessy Wayles reiterated that what was written in the RFP was not reflected in the scoring; so that language needs to be tightened and aligned.

A MOTION WAS MADE BY ED FIELDING, SECONDED BY SUSAN ADAMS, TO RESTRICT BOARD OF DIRECTORS AND ALTERNATES FROM SCORING PROPOSALS BUT TO PROVIDE ASSISTANCE TO THE STAFF TO INSURE THAT ADEQUATE NUMBERS OF EXPERT REVIEWERS ARE ENLISTED TO PERFORM PROPOSAL EVALUATIONS. MOTION CARRIED UNANIMOUSLY.

### **IRL Council motions regarding RFP process and timeline**

#### 1. FY 2019-2020 RFP Announcement

**Requested Action:** IRL Council motion directing staff to implement recommended RFP changes; prepare FY 2019-2020 RFP announcements pursuant to those changes; and release FY 2019-2020 RFPs in Sept/Oct 2018.

Duane requested a motion to direct staff to implement RFP changes, prepare and release RFPs in the September/October timeframe, receive proposals and rank them, develop the business plan and annual workplan.

No public comment.

A MOTION WAS MADE BY KATHY LAMARTINA, SECONDED BY DEB DENYS, TO DIRECT STAFF TO IMPLEMENT RFP CHANGES, DEVELOP AND RELEASE RFPs. MOTION CARRIED UNANIMOUSLY.

#### 2. RFP Annual Timeline

**Requested Action:** IRL Council motion to identify the July Board meeting as the annual strategic planning meeting to address RFP priorities, process and funding allocations for the next fiscal year.

A MOTION WAS MADE BY KATHY LAMARTINA, SECONDED BY ED FIELDING, TO IDENTIFY JULY AS THE ANNUAL STRATEGIC PLANNING MEETING TO ADDRESS RFP PRIORITIES, PROCESS AND FUNDING ALLOCATIONS FOR THE NEXT FISCAL YEAR. MOTION CARRIED UNANIMOUSLY.

No public comment.

### **Agenda Item 8. Public Comment**

No comments.

**Agenda Item 9. Board Final Comments**

Ed Fielding asked drew to reiterate his top 3 proposal review criteria. Drew answered with bang for the buck, readiness to proceed, and match.

**Agenda Item 10. Member Reports**

No staff update. Duane thanked the Board for the recent support.

Doug Bournique reported a new location for a water farm in Sebastian near the high school is taking place. It is 60% designed. He also reported a safe harbor agreement for farmers that should free up land for water farming.

Ed Fielding encouraged the Board to consider glyphosate effects and work within their organizations to begin an examination of the issues and possible remediation.

**Agenda Item 11. Next Meeting Announcements**

Next meeting will be held at Sebastian City Council Chamber on October 12, 2018 at 9:30 a.m.

**Agenda Item 12. Adjourn**

Meeting adjourned.