

CONFLICT OF INTEREST

**MEMBER OF GOVERNING BOARD OF WATER MANAGEMENT DISTRICT
HAVING CONTRACTUAL RELATIONSHIP WITH BUSINESS ENTITY APPLYING
FOR COST-SHARE GRANT**

To: George T. Reeves, Attorney (Suwannee River WMD)

SUMMARY:

Under the unique circumstances presented, members of the Governing Board of a water management district will not have a conflict of interest under Section 112.313(7)(a), Florida Statutes, if their tenants or businesses apply to their agency for reimbursement of irrigation equipment under a cost-share grant program created by the agency. CEO 88-65, CEO 12-7, and CEO 12-14, are referenced.

QUESTION:

Will a member of the governing board of a water management district (WMD) have a prohibited conflict of interest if he or she has a contractual relationship with an agricultural producer that applies for and receives a cost-share grant from the WMD?

Under the unique circumstances presented, this question is answered in the negative.

According to your inquiry, the Governing Board of a water management district (District/WMD) created a grant program in 2012. The grant program allows eligible agricultural producers who control property within the District to purchase approved improvements at their own expense and, subsequent to the purchase, the District will reimburse seventy-five percent of the cost, to a maximum of \$300,000. Approved improvements include retrofitting or modernizing irrigation systems to make them more efficient, saving groundwater in the District. According to you, the upgrades are typically nozzle and end gun changes to irrigation systems, which use less water, and soil moisture probes. In the case of soil moisture probes, the District will also reimburse the service costs of the first few years of monitoring of the probes.

To avail themselves of this program, agricultural producers must submit an application to the District and District staff review the application to ensure the upgrade to be purchased satisfies the goals of the grant program and verify that the agricultural producer is eligible for the grant. Once the staff completes its review, eligible applications are sent to the District's Executive Director or its Governing Board for final approval.¹ Upon that final approval, the District then

¹ In response to a Commission staff inquiry, you inform us that, in practice, the Executive Director, who has contracting authority of up to \$30,000, approves the applications and contracts for reimbursement for \$30,000 or less with no review or action by the Governing Board. If the cost-