

Minutes of Board of Directors Meeting
PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
Manatee County Administrative Center
Commission Chambers, First Floor
1112 Manatee Avenue West, Bradenton, Florida

Board Members Present:

Commissioner Christopher G. Constance, Charlotte County, Chairman
Commissioner Alan Maio, Sarasota County, Vice Chairman
Commissioner Elton A. Langford, DeSoto County
Commissioner Betsy Benac, Manatee County

Staff Present:

Patrick Lehman, Executive Director
Doug Manson, General Counsel
Mike Coates, Deputy Director
Kevin Morris, Science and Technology Officer
Richard Anderson, System Operations Manager
Ann Lee, Finance/Administration Manager
Ford Ritz, Project Engineer
Jessica Benson, Agency Clerk

Others Present:

A list of others present who signed the attendance roster for this meeting is filed with the permanent records of the Authority. Commissioner Constance recognized Charlotte County Commissioner Ken Doherty, Charlotte County Assistant Administrator Hector Flores, Sarasota County Assistant Administrator Jonathan Evans and Southwest Florida Water Management District Executive Director Brian Armstrong in the audience.

CALL TO ORDER

INVOCATION

PRESENTATION OF THE COLORS/PLEDGE OF ALLEGIANCE

Led by the Board

PUBLIC COMMENTS

There were no public comments.

RESOLUTIONS/PRESENTATIONS

- 1. Resolution 2016-07 'Recognition of Commissioner John Chappie for Service to the Region and Peace River Manasota Regional Water Supply Authority'.**

The Authority recognized Commissioner John Chappie for his service to the region as a member of the Peace River Manasota Regional Water Supply Authority Board of Directors.

Motion was made by Commissioner Langford, seconded by Commissioner Maio, to approve Resolution 2016-0 'Recognition of Commissioner John Chappie for Service to the Region and Peace River Manasota Regional Water Supply Authority'. Motion was approved unanimously.

2. Brian Armstrong, Executive Director SWFWMD – Presentation

Brian Armstrong, Executive Director of the Southwest Florida Water Management District addressed the Board providing for the continuing partnership with the Authority in the future.

3. Awards Presentation

This item was deferred to a future Board meeting.

CONSENT AGENDA

Commissioner Constance requested Consent Item 2 and 14 to be removed for discussion.

1. Minutes of October 5, 2016 Board of Directors Meeting
2. Board of Directors' Meeting Schedule for Calendar Year 2017[REMOVED FOR DISCUSSION]
3. Approve by Affirmation DEP Grant Agreement No. LP58011 [Phase 3B Interconnect]
4. Approve Firms for 'General Professional Services for Water Facility Instrumentation and Control Systems and Low/Medium Duty Electrical'
5. Approve Firms for 'General Land Management Services'
6. Approve Firms for 'As-Needed Facility and Pipeline Mowing & Grounds Maintenance Services'
7. Approve Firms for 'As-Needed Construction Services - Water Well Drilling and Repair'
8. Approve Firms for 'As-Needed Construction Services - Sitework/Earthwork'
9. Approve Firms for 'As-Needed Construction Services - Building Construction/Modifications'
10. Approve Firms for 'As-Needed Construction Services - Water Treatment Process and Pipeline Construction/Repair/Replacement'
11. Approve Firm for 'As-Needed Construction Services – Electrical'
12. Approve Firm for 'As-Needed Construction Services – Painting'
13. Approve Disbursement of Funds to Customers for FY 2016 Debt Service Coverage Payments
14. Approve Change Order No. 1 and Project Close Out for 'Peace River Facility Plant 2 Concrete Coatings Restoration Project' with Crom Engineering and Construction Services [REMOVED FOR DISCUSSION]
15. Approve Revised Executive Director Annual Review Form

Motion was made by Commissioner Maio, seconded by Commissioner Langford, to approve the consent agenda, with the exception of Items 2 and 14. Motion was approved unanimously.

2. Board of Directors' Meeting Schedule for Calendar Year 2017

Commissioner Constance said he hoped to make an adjustment on the proposed Board meeting schedule for 2017. Commissioner Constance said Thursdays worked better for him. He also checked with the other

counties meeting schedules and they have no other meetings on that day. Commissioner Maio said he did not have any objection. Commissioner Benac pointed a conflict on December and October meeting schedule, there will be another meetings in Manatee County Chamber.

Commissioner Langford said this change was not going to work for him; he had already made arrangements with his other job based on the proposed meeting schedule. Commissioner Constance said he did not intend to cause any hardships and suggested to leave the motion for the original Board meeting schedule.

Motion was made by Commissioner Langford, seconded by Commissioner Maio, to approve to approve Board of Directors' meeting schedule for calendar year 2017. Motion was approved unanimously.

14. Approve Change Order No. 1 and Project Close Out for 'Peace River Facility Plant 2 Concrete Coatings Restoration Project' with Crom Engineering and Construction Services

Mr. Mike Coates proceeded to explain Change Order No. 1 and Project Close Out for 'Peace River Facility Plant 2 Concrete Coatings Restoration Project' with Crom Engineering and Construction Services.

Mr. Coates said Crom Engineering and Construction Services was awarded the Peace River Facility Plant 2 Concrete Coatings Restoration Project as approved by the Board in January 2016, worked efficiently and to the Authority's satisfaction and completed the effort within the contract price. Authority staff competitively negotiated additional work funded by unspent reserves under the original contract. That additional work required additional time and has since been successfully completed without the need for any supplemental funds beyond the originally approved contract price of \$615,850.

The additional work did require additional contract time and staff, with support from the Engineer-of-Record for this project, TKW Consulting Engineers, recommends the Board authorize Change Order No. 1 which adds 83 days of time to the contract at no additional cost be approved as a part of the project closeout to extend the contract duration to its proper end. Staff recommends the Board authorize the Executive Director to execute the Change Order and any other pertinent contract closeout documentation as may be needed.

Mr. Lehman elaborated on the costs of this work order. Mr. Lehman said the Board approved \$615,000 as the original contract. The project's cost came in \$54,000 less than what it was provided in the contract. Also, there was an allocation of \$75,000 owner's allowance for additional work in the original contract for as needed work to be approved by the Executive Director. This was used to continue the same type work in other units and authorized by Mr. Lehman per the contract.

Commissioner Constance said he did not have any problems with the decision Mr. Lehman had taken as far as the work. Commissioner Constance asked when Crom Engineering finished the work. Mr. Coates replied the job was finished August 4th, it was either on time or ahead of schedule. Commissioner Constance said he has an issue with the approach of the decision. It should have been discussed with the Board first. Commissioner Constance asked Mr. Lehman if the work order was not approved for the 83 extra days, would Corm assess liquidated damage? Mr. Lehman said that would have to be a Board decision.

Commissioner Constance asked Mr. Manson if it was the appropriate time to make the decision to approve the change of order No. 1 after the work was done. Mr. Manson said the issue was about the process. He needed to review the contract. Also, under contract and in certain cases, work orders can be changed and he Board can override. Mr. Manson also clarified Crom engineering was not in violation, under the contract, with timing. There would not be any liquidated damage against the contractor. He also suggested creating policy to address this type issue in the future.

Commissioner Benac asked if the extra work was within the same scope of work. Commissioner Constance said was within the same scope of work and he would approve the requested motion.

Motion was made by Commissioner Langford, seconded by Commissioner Maio, to approve and authorize Executive Director to execute Change Order No. 1 for “Peace River Facility Plant 2 Concrete Coating Restoration Project” with Crom Engineering and Construction Services. Motion was approved unanimously.

REGULAR AGENDA

**1. Water Supply Conditions – Staff Report
Presented by Richard Anderson, System Operations Manager**

Water Supply Conditions at the Peace River Facility as of November 20, 2016.

- Water Supply Quantity: Excellent
- Treated Water Quality: Excellent

November Water Demand	28.39 MGD
November River Withdrawals	33.12 MGD
<u>Storage Volume:</u>	
Reservoirs	6.55 BG
ASR	<u>6.74 BG</u>
Total	13.29 BG

Rainfall in the Peace River basin has been average around 1 inch for the past 60 days. River flow had declined since September, was between 1,000 - 4,000 cubic feet per second [cfs]. River withdrawal this period was 31 MGD in October and 33 MGD in November. Surface water storage is at 6.55 BG for both reservoirs and there is 6.74 BG in the ASR system. Water quality and water quantity is excellent.

Commissioner Benac asked what caused the large dips on the surface water storage chart. Mr. Anderson said in preparation for the dry season they can store more water; for that reason, the chart fluctuates.

For the region, Mr. Anderson said the Authority and its customers maintain close to 104.7 MGD of finished water supply capacity. For the month of October, the Authority produced about 23.86 MGD and the member utilities produced 42.80 MGD for a total regional use of 66.66 MGD which is about 63% of the region’s capacity.

Mr. Anderson reviewed the current demand and supply conditions for each of the members/customers for the month of October including their twelve-month rolling average and historical annual average usage. Authority members continue to account for about 75% of the region's demand.

Commissioner Constance asked when the maximum capacity could be reached based on projected increase in demands. Commissioner Constance also said when that happened would be good a good time to decide when to increase storage and expand the treatment plant.

2. Legislative Priorities for 2017

Ms. Salz presented the legislative priorities for 2017. She said there would be changes on the Senate. She pointed that fifty per cent of senators were freshmen. The changes in the House rules also results in all house representatives getting trained. She added some announcements were made for key appointments, and changes in rules regarding state appropriation process were coming.

Ms. Salz said limited state funding was expected for next year. The house requires a general bill to be filed for each water project in order to be included in the state budget. Legislature will meet before regular sessions on March 7th.

No questions were asked.

Commissioner Maio commented the description on the 2017 legislative priorities draft of the Orange Hammock Ranch was an excellent summary. Commissioner Constance agreed.

Motion was made by Commissioner Maio, seconded by Commissioner Langford, to adopt Legislative Priorities for 2017. Motion was approved unanimously.

3. Strategic Plan Implementation Process

Mr. John Shearer presented the strategic plan implementation process. Mr. Shearer said after reviewing the vision and mission statement and addressing issues four core values were identified and outlined.

1. REGIONALIZATION & DIVERSIFICATION
2. FINANCIAL STABILITY
3. COOPERATION & COLLABORATION
4. WATER ADVOCACY

Each core value has recommended objectives and initiatives and also a team leader. Mr. Shearer explained in detail each core value. He said the implementation steps were five. First, board approval would be on the next Board meeting, second, begin to address initiative's, third, incorporate the plan into future budgets, fourth, provide the Board with periodic status report and finally he would provide the Board with a completion of the plan goals.

Commissioner Benac said she could not recall having any discussion with her board on the strategic plan before. She would like to discuss the plan with her board before giving any response for its implementation.

Commissioner Constance asked if the strategic plan started five years ago. Mr. Lehman clarified the

strategic plan started seven years ago and it was revised on October 2014.

Commissioner Constance also said the mission statement was 'members shall create' and he thought it was already created and would be better 'maintain and expand'. That statement would reflect the current situation he said. He also suggested adding transparency by creating a public access to look at information on water flows, pumps, for example to which would help to fix problems quickly.

Mr. Shearer said he could expand and incorporate that on objective 1-1. Commissioner Constance suggested Mr. Shearer to visit each commission and explain the plan. Mr. Shearer would be able to answer questions and give better details.

Commissioner Maio agreed and said next year commissions would be having one on one interviews and it would be a good idea for Mr. Shearer go and explain the plan to the Sarasota Commissioners.

Commissioner Maio agreed with Commissioner Constance and also suggested to add 'expand' on the mission statement.

4. Regional Integrated Loop System Phase 1 Interconnect Project [U.S. 17 to Punta Gorda]

a. Phase 1 Interconnect Project Update

Mr. Ford Ritz introduced the Phase 1 Project. He said a work order was approved in February 2016 for preliminary engineering and development of the Basis of Design Report (BODR) with King Engineering. Mr. Ritz said the project was funded by SWFWMD, State Appropriations and Punta Gorda for a total budget of \$12-million. King submitted the Draft BODR in November 2016.

b. Draft Basis of Design Report

Chris Kuzler from King Engineering presented the Draft Basis of Design Report for the Phase 1 Interconnect Project. King hydraulically modeled the Phase 1 Interconnect and determined that the proposed 24-inch diameter pipe would meet flow and pressure demand requirements in accordance with the SWFWMD Cooperative Funding Agreement for the Regional System to deliver 4-mgd to the Shell Creek Facility (SCF) and for the SCF to deliver 2-mgd to the Regional System through the Phase 1 Interconnect.

King assessed 3 alternate pipeline routes for final evaluation. All 3 routes cross Shell Creek by horizontal directional drilling. The 3 routes were compared and evaluated based upon several factors including cost, environmental factors/permitting, constructability, property/easement requirements, long term planning and public input and route 2 was recommended. Mr. Kuzler also indicated that the Engineer's Opinion of Probable Cost for the project was \$11.96M and that the projected final completion date was February 2020.

Commissioner Constance asked if it would take over a year to build the pipeline. Mr. Kuzler said yes.

Commissioner Constance asked why the previous engineering study, done in 2006 showed the pipeline being installed up-stream of the dam. Mr. Kuzler said he did not know but King recommends that it be installed down-stream to protect the dam as well as the environment.

Commissioner Benac asked how deep they would go in the directional drilling. Mr. Kuzler said in this case, they would go about 50 feet below the creek bed because of loose soil conditions.

Mr. Lehman clarified this presentation was for information only and in the next board meeting the Board would have to approve the Basis of the Design along with the contract.

5. Regional Integrated Loop System Phase 1A Interconnect Operational Protocol with Punta Gorda

Mr. Mike Coates provided an overview of the operational protocol with City of Punta Gorda. He stated that in addition to providing service to Charlotte County in the Deep Creek area, the Phase 1A Pipeline interconnects the Authority's Regional System with the City of Punta Gorda's distribution system on US 17. This connection is intended to improve reliability for both systems, providing service in event of emergencies, as well as supporting water purchase or transfer when needed by the City and the Regional System.

Phase 1A was placed in service in October 2012 and includes approximately nine-miles of 24-inch diameter pipeline, and a 6 MGD pumping station with 500,000 gallon finished water storage tank. There are five (5) connections serving Charlotte County on the north side of the Peace River, and one connection with the City of Punta Gorda water system along U.S. 17 south of the river. Operation of the connection with the City of Punta Gorda is conducted in accordance with a September 2013 'Water Systems Interconnect and Water Transfer Contract' between the Authority and the City. That Contract was amended in February 2016 to include the Phase 1 Regional Interconnect which is currently in the design stage.

Commissioner Constance asked what the stars on the map were. Mr. Coates said each star identified a delivery point with Charlotte County and City of Punta Gorda on the Phase 1A Interconnect. Commissioner Constance asked where the downstream meter and upstream meter were located on the pipeline. Mr. Coates said meters were located by near the county line Kings Highway pipeline.

Mr. Coates explained that the water transfer contact between the Authority and the City contemplated seasonal water exchange. He explained that water needed to be moving through the pipeline at all times to keep the pipe disinfected and in a state of readiness for service and that was why a water exchange system was created. During winter, the water from the City of Punta Gorda didn't meet the drinking water requirements so the Authority delivers water to the city as part of the exchange. The Authority takes water from the City of Punta Gorda in summer when the drinking water standards were met. The amounts delivered and received are intended to net zero (balance) at the end of the fiscal year.

Mr. Coates stated that Authority operates and maintains everything associated with the interconnect from the pump station on US 17 and north of the Peace River. He noted that and there is a 1.5 mile segment of pipe that was also installed as part of the Phase 1 project along Washington Loop Road that the City operates. This piece of pipe was installed to ensure there was sufficient hydraulic capacity available to aid the Region in times of need.

Commissioner Constance asked how the connections with Punta Gorda would work when the Phase 1 pipeline is working. Mr. Coates explained that under the current project schedule the City RO plant would likely be completed about the same time as the Phase 1 Interconnect. Under the circumstances we would probably be exchanging water constantly with the City – with regional deliveries to the city down

the Phase 1 Interconnect and City delivery of equal amount up the Phase 1A pipeline since City water is expected to meet water quality requirements at all times with the RO Facility.

GENERAL COUNSEL'S REPORT

Mr. Manson said he is still working on agreement for the class action law suit regarding water treatment chemicals and he would give an update in the future.

EXECUTIVE DIRECTOR'S REPORT

ROUTINE STATUS REPORTS

Routine status reports are provided for informational purposes and no presentation is made.

- 1. Hydrologic Conditions Report
- 2. Check Registers for September and October 2016
- 3. Regional Integrated Loop System Phase 3B Interconnect [S.R. 681 to Clark Road]
- 4. Partially Treated Water Aquifer Storage & Recovery Pilot Testing
- 5. Peace River Basin Report

BOARD MEMBER COMMENTS

PUBLIC COMMENTS

There were no public comments.

BOARD APPROVED

SCHEDULE OF FUTURE MEETINGS

FEB - 1 2017

Next Authority Board Meeting

Wednesday, February 1, 2017 @ 9:30 a.m.

Peace River Facility

Water Quality/Training Facility

8998 SW County Road 769 (Kings Highway), Arcadia, Florida

**Peace River Manasota
Regional Water Supply Authority**

Future Authority Board Meetings

April 12, 2017 @ 9:30 a.m. – DeSoto County Administration Building, Arcadia, Florida

June 7, 2017 @ 9:30 a.m. – Charlotte County Administration Center, Port Charlotte, Florida

Adjournment

There being no further business to come before the Board, the meeting adjourned at 11:31 a.m.

Commissioner Alan Maio
Chairman