

Minutes of Board of Directors Meeting
PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
DeSoto County Administration Building
Commission Chambers, First Floor
201 East Oak Street, Arcadia, Florida

December 6, 2017

Board Members Present:

Commissioner Alan Maio, Sarasota County, Chairman
Commissioner Elton A. Langford, DeSoto County, Vice Chairman
Mark Simpson, Manatee County Alternate
Commissioner Ken Doherty, Charlotte County

Staff Present:

Patrick Lehman, Executive Director
Doug Manson, General Counsel
Mike Coates, Deputy Director
Ann Lee, Finance/Administration Manager
Kevin Morris, Science and Technology Officer
Richard Anderson, System Operations Manager
Rachel Kersten, Agency Clerk

Others Present:

A list of others presents who signed the attendance roster for this meeting is filed with the permanent records of the Authority.

CALL TO ORDER

Commissioner Maio called meeting to order.

INVOCATION

Commissioner Langford offered the invocation.

PLEDGE OF ALLEGIANCE

The Board led the Pledge of Allegiance of the Flag of the United States.

PUBLIC COMMENTS

There were no public comments.

RESOLUTIONS/PRESENTATIONS

1. Employee Service Recognition

The Authority recognized nine (9) employees who had achieved significant milestones in their service to the agency.

2. Association of Metropolitan Water Agencies (AMWA) Platinum Award for Utility Excellence for 2017

The Authority received the Association of Metropolitan Water Agencies (AMWA) Platinum Award for Utility Excellence for 2017. The Platinum Award recognizes outstanding achievement in implementing the nationally recognized Attributes of Effective Utility Management.

CONSENT AGENDA

1. Minutes of October 4, 2017 Board of Directors Meeting
2. Minutes of October 4, 2017 Board of Directors Workshop
3. Board of Directors’ Meeting Schedule for Calendar Year 2018
4. Award Contract for Peace River Facility SCADA and Instrumentation Systems Improvements Project to J.H. Ham Engineering, Inc. for an amount not to exceed \$651,450
5. Resolution 2017-06 ‘Amending Conservation Rate for FY 2017’
6. Award Contract for 2017-18 Storm Water Management System Improvements (Phase 1) to Haskins, Inc. for an amount not to exceed \$699,675

Motion was made by Commissioner Langford, seconded by Commissioner Doherty, to approve the Consent Agenda. Motion was approved unanimously.

REGULAR AGENDA

1. Water Supply Conditions – Staff Presentation

Mr. Anderson presented Water Supply Conditions at the Peace River Facility as of November 19, 2017.

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

September Water Demand	25.67 MGD
September River Withdrawals	42.04 MGD
<u>Storage Volume:</u>	
Reservoirs	6.66 BG
ASR	<u>6.91 BG</u>
Total	13.57 BG

Mr. Anderson reviewed water supply conditions noting that Peace River flows remained above normal due to storms during hurricane season and that the Authority was still withdrawing water from the Peace River. He stated that reservoir storage reached 6.74 BG in November, and ASR storage is approximately 6.96 BG.

Mr. Anderson said the Authority and its customers have about 105 MGD in average day production capacity. In October, 24.0 MGD was delivered by the Authority and 43.7 MGD was produced by Authority customers for a total regional production of 68.0 MGD. Of that, about 3.3 MGD was delivered by Manatee County to non-Authority customers, making the total water demand for Authority Customers to 64.5 MGD for the month.

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.

2. Orange Hammock Ranch Conservation Update

Mr. Lehman provided an update on the Orange Hammock Ranch Conservation. Mr. Lehman said the SWFWMD (as lead negotiator) continues to work with Sarasota County and others in collaboration on exploring options to acquire the Orange Hammock Ranch (OHR). Both agencies are working to identify potential funding sources. Negotiations remain on-going for the acquisition of the property.

Several key considerations for the acquisition of OHR are that it provides an environmental buffer to the RV Griffin Reserve and it also provides opportunity for restoration and mitigation for water storage expansion on the RV Griffin Reserve. The OHR property is undeveloped and abuts the western boundary of the RV Griffin Reserve owned by SWFWMD and managed by the Authority for water supply infrastructure including the regional reservoir and ASR Wellfield.

Mr. Lehman also said the Peace River Facility WUP is in process of modification to allow increased withdrawals from the river which will support expansion of water supply facilities at the Peace River Facility and Orange Hammock provides land for mitigation to support new reservoir construction on RV Griffin.

Commissioner Doherty asked Mr. Lehman how long the negotiations were going to take. Mr. Lehman estimated 2 to 3 month.

Commissioner Maio said all jurisdictions are in full support of this initiative. He and Mr. Lehman assisted to a meeting with Sarasota County to sure the money from the county was set aside.

3. Authority 20-Year CIP – Staff Presentation

Mr. Kevin Morris presented a preliminary 20 Year Capital Improvement Program. Mr. Morris said Authority's 4-county service area will require a significant investment in water infrastructure in the next 20 years because of population growth. He noted that the Authority's Strategic Plan recognizes that need and includes an objective to develop a formal 20-Year Capital Improvements Program (CIP). The 20-year CIP is proposed to be included with the Authority's future budgets and will also support efforts to obtain co-funding from SWFWMD and the State for regional projects.

Mr. Morris explained that over the next 20 years The Authority's CIP contemplates more half a billion dollars of investment in infrastructure split roughly equally between pipelines and water supply projects. The 20 Year CIP has 19 individual projects. The CIP reflects a quarter of a billion dollars in prospective grant funding. This is not guaranteed, however, by sharing these projected need forecasts with SWFWMD, it gives them the ability to program it into their financial planning future needs of the Authority for grant funds.

Mr. Morris noted that Authority staff will present the draft 20-Year CIP to the Board for comment and direction again at the February meeting, with the goal of refining the document for inclusion into the FY 2019 budgeting process.

Commissioner Doherty suggested segregating the 1 -5 year as 'CIP' and changing terminology or years 6-20 'Capital Needs Assessment' to reflect the greater uncertainty of projects beyond the 5 year planning timeframe. These projects can be looked annually and rolled into 5 year "CIP" based on priorities and identifying funding.

4. SWFWMD Funding for Authority Integrated Regional Water Supply Plan 2020 – Staff Presentation

Mr. Coates discussed that SWFWMD has requested the Authority begin work on its 2020 Integrated Regional Water Supply Plan in FY 2018 (rather than 2019) in order to ensure that the data and projects in the Authority's plan are able to be timely incorporated into the District's 2020 Regional Water Supply for the Southern Region (Manatee, Sarasota, Charlotte & DeSoto Counties). To support this effort, in late September the SWFWMD Governing Board approved out-of-cycle funding beginning in FY 2018 for up to \$225,000 (50% funding) for the Authority's 2020 Integrated Regional Water Supply Plan. The total estimated cost for the Authority's plan is \$450,000.

Mr. Coates indicated that while the Authority recently submitted a FY 2019 cooperative funding application to SWFWMD for update of our Integrated Regional Water Supply Plan, advancing this project timeframe to commence in FY 2018 can be accomplished and may provide better support for SWFWMD planning efforts without compromising the Authority's planning efforts. He detailed the steps for advancing the project timeline and stated that staff recommendation is to begin the project in FY 2018.

Motion was made by Commissioner Doherty, seconded by Commissioner Langford, to approve authorize FY 2018 project initiation for the Authority Integrated Regional Water Supply Plan 2020. Motion was approved unanimously.

5. On-going Projects Update

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

Mr. Coates reviewed the Phase 1 Interconnect, indicating that it is approximately 6 miles of 24-inch diameter transmission main extending south along US 17 from the Walmart distribution center, to the City of Punta Gorda Shell Creek Water Treatment Plant. He also noted that the City is installing a brackish groundwater Reverse Osmosis water treatment plant at Shell Creek. The estimated cost for the Phase 1 Project is \$12M with funding coming from SWFWMD, the State of Florida, and the City of Punta Gorda.

Mr. Coates discussed the 3,500 foot of directional drilling that is required to under the Shell Creek downstream of the Hendrickson dam indicating that this activity was expected to take about 6 weeks to be completed. He provided the project schedule, stating that it is in the final design and permitting and property acquisition stage now. Pre-qualification of contractor will occur between January and April, and if the environmental permits are issued in a timely manner, the bidding phase will commence on spring. Mr. Coates said a construction contract for the project is tentatively scheduled to come to the Board in July. The project is expected to be complete the second quarter of FY 2020.

b. Regional Integrated Loop System Phase 3B Interconnect [S.R. 681 to Clark Road]

Mr. Coates stated that the Regional Integrated Loop Phase 3B Interconnect is 5 miles on 48-inch and 36-inch transmission main extending from the Authority's 681 interconnect with Sarasota County, north up to Clark Road and advancing the regional system closer to a regional connection with Manatee County. He noted that the project estimated cost is not \$16.7M which is reduced from the original \$27M project budget by elimination of a pumping and storage facility from the project. Funding is from SWFWMD, Sarasota County and the State.

Mr. Coates indicated that the project is currently in the final design and permitting phase now and that no property acquisition is needed. Like the Phase 1 Project, pre-qualification for contractors will be ongoing

between January and April, and if environmental permits are issued on time, the bidding phase will begin this spring. He stated that a construction contract is scheduled to come to the Board in late summer. Construction will take about 24 months and the estimated completion time for the project is the fourth quarter or FY 2020.

c. Partially Treated Water Aquifer Storage & Recovery Pilot Testing

Mr. Coates explained that the ASR Pilot Test project is testing the viability of using partially treated water rather than fully treated water for storage in the ASR system. He said the pilot testing for the concept began in ASR Wellfield 2 about a year ago and will be complete this month. Mr. Coates said a technical report on the results is proposed to be complete in February 2018. If the partially treated system is determined to be feasible, a new pumping station will be needed on Reservoir 1 to enable recharge of the ASR system. It will save considerable costs on ASR operations. The project budget is \$7.6M and is co-funded by SWFWMD.

Mr. Coates went over the schedule for this project. He said the permitting activities are in process. If the permits are approved, the Board will be asked to approve moving ahead with design of a new pumping facility by summer. Final design and bidding is expected to take place in spring 2019 and 2020. The project is expected to be completed in 2021.

d. Peace River Facility Water Use Permit Modification/Renewal

Mr. Coates explained the project consist on the modification and renewal of the Peace River Facility Water Use Permit. The new permit request is to increase the maximum allowed withdrawal quantity from 120 MGD to 258 MGD, issue the permit for a 50-year duration, and remove the delivery quantity limitations in the current permit.

He stated that the renewal application was submitted in early October 2017. SWFWMD requested additional information and the Authority is working on the request. The additional information will be formally submitted by mid-January and the expected permit issuance date is May 2018.

6. Summary of Board Workshop and Next Steps

Mr. Lehman reviewed key points from the October 4, 2017 Board workshop. He indicated that additional workshops – including one following the April 2018 Board meeting in Charlotte County are proposed to further the conversation and develop implementation of the Boards strategic plan for the agency.

Commissioner Doherty confirmed that Charlotte County does have a room available to host a workshop following the regular Board meeting in April 2018.

Commissioner Maio asked the Board Members for a consensus to confirm moving forward with the scheduling of the workshop following the regularly scheduled April 2018 Board Meeting. The board agreed unanimously.

7. Annual Review of Executive Director

The Board discussed Mr. Lehman's annual review noting that his performance in the past year has been commendable. Commissioner Maio asked if there were any comments that the Board Members would like to add regarding Mr. Lehman's performance.

Commissioner Doherty stated that while he has only been a Board member for a short time, he has known

Mr. Lehman for quite a while and that he especially appreciated his efforts with the October workshop. Commissioner Doherty said that when looking at Mr. Lehman's performance as the Executive Director, you have to look at the overall success of the Authority as an organization. And this Authority is recognized across the state of Florida as a model. Commissioner Doherty thanked Mr. Lehman for leading his team to making that possible.

Commissioner Langford commented that he agreed with Commissioner Doherty's comments, and reiterated that he appreciated Mr. Lehman's ability to build and maintain his team of staff to make the Authority the success that is and stated that each one of our communities benefits from Mr. Lehman's leadership of the Authority.

Commissioner Maio thanked Mr. Lehman for his willingness to help and the patience he displays during the interim conversations and meetings they have had together during this period of his being Chairman. He stated that he echoes what the other Board members have said and commended him for his leadership of the Authority and getting us to that next growth "hump".

Motion was made by Commissioner Doherty, seconded by Commissioner Langford, to approve the renewal of Mr. Lehman's contract and include a 4% salary increase as recommended. Motion was approved unanimously.

GENERAL COUNSEL'S REPORT

Mr. Manson had nothing to report.

EXECUTIVE DIRECTOR'S REPORT

Mr. Lehman had nothing additional to report.

ROUTINE STATUS REPORTS

1. Hydrologic Conditions Report
2. Check Registers for September and October 2017
3. Peace River Basin Report
4. ASR Operating Permit Renewal

BOARD MEMBER COMMENTS

PUBLIC COMMENTS

There were no public comments.

ANNOUNCEMENTS

Next Authority Board Meeting

Friday, February 2, 2018 @ 9:30 a.m.

Peace River Facility

Water Quality/Training Facility

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

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 11:00 a.m.

BOARD APPROVED

FEB - 2 2018

Peace River Manasota
Regional Water Supply Authority



Commissioner Alan Maio
Chairman