

Minutes of Board of Directors Meeting  
**PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY**

Manatee County Administration Center  
Honorable Patricia M. Glass Chambers, First Floor  
1112 Manatee Avenue West, Bradenton, Florida

December 7, 2022 @ 9:30 a.m.

***Board Members Present:***

Commissioner Elton Langford, DeSoto County, Chairman  
Commissioner Bill Truex, Charlotte County, Vice-Chairman  
Commissioner Mike Moran, Sarasota County  
Commissioner George Kruse, Manatee County

***Staff Present:***

Mike Coates, Executive Director  
Doug Manson, General Counsel  
Richard Anderson, Director of Operations  
Terri Holcomb, Director of Engineering  
Jim Guida, Director of Water Resources & Planning  
Ann Lee, Finance & Budget Sr. Manager  
Mike Knowles, Engineering & Projects Sr. Manager  
Rachel Kersten, Executive Assistant & 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.

**CALL TO ORDER**

Commissioner Langford called the meeting to order at 9:30 a.m.

**INVOCATION**

Commissioner Bill Truex offered the invocation.

**PLEDGE OF ALLEGIANCE**

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

**WELCOME GUESTS**

**HOST COUNTY REMARKS**

Manatee County Administrator, Dr. Scott Hopes made welcoming remarks.

**PUBLIC COMMENTS**

No public comments were made.

**CONSENT AGENDA**

1. **Approve Minutes of the October 5, 2022 Board of Directors Meeting**
2. **Approve Board of Directors Meeting Schedule for CY 2023**
3. **Approve Special District Public Facilities Report (December 2022)**
4. **Approve CY 2023 Peace River Hydrobiological Monitoring Program (HBMP Work Order with Janicki Environmental)**
5. **Approve Procurement Policy Revision for Owner-Direct Purchase Program**
6. **Approve Contract with Ovivo USA, LLC for Replacement of Solids Contact Clarifier Units at Plant 1 of the Peace River Water Treatment Facility**
7. **Approve Declaration of Surplus**
8. **Approve Disaster Recovery Reserve Fund Transfer**

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

**REGULAR AGENDA**

**1. Water Supply Conditions**

Richard Anderson presented the Water Supply Conditions and Year-End Summary for FY 2022.

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

November Water Demand	28.3 MGD
November River Withdrawals	63.2 MGD
<u>Storage Volume:</u>	
Reservoirs	6.65 BG
ASR	<u>8.47 BG</u>
Total	15.12 BG

**2. Regional Integrated Loop Phase 3C Pipeline Early Procurement Package**

Mike Knowles presented an update on the Regional Integrated Loop Phase 3C Pipeline Project. This project includes installation of approximately 9 miles of 42-inch diameter pipe and a new regional pumping and storage facility in northern Sarasota County. The Garney Companies, Inc. Design-Build Team was approved at the August 3rd Board meeting to deliver the project through a Progressive Design Build procurement which is intended meet the compressed time schedule to have the Project online to meet Sarasota County’s needs by March of 2025.

The Phase 1 Scope and Fee for Design Services on the project approved at the October 2022 Board meeting, will develop the design of the pipelines and pump station to a 60% design level as well as provide the Authority with a GMP to complete the remaining design, permitting and construction as part of Phase 2 of the Project. In conjunction with these design efforts, in order to meet a spring 2025 project completion date, it will be necessary for the Authority to directly purchase certain long-lead items for the Phase 3C Regional

Interconnect. Owner Direct purchase will include long lead items with a total estimated cost of not-to-exceed \$10 Million. The Contractor will solicit bids for these items while meeting the Authority's owner direct purchase policy requirements. Staff recommends Board approval for the owner direct purchase of the early procurement package items as follows not-to-exceed \$10 million: steel pipeline (raw materials and finished product), pipeline valves, pumps, generator, electrical gear, and yard piping and authorization for the Executive Director to approve such purchases.

The Regional Integrated Loop Phase 3C Pipeline Project – Phase 2 Contract Addendum for final design, construction permitting, construction, testing, commissioning, turnover services, and development of the GMP is scheduled to be presented for Board consideration and approval at a subsequent Board Meeting.

**Motion was made by Commissioner Doherty, seconded by Commissioner Kruse to authorize the Executive Director to approve the purchase of materials for the Regional Integrated Loop Phase 3C Pipeline not to exceed \$10 million dollars for items which are being procured under Section 5.4.4 [Owner Direct Purchasing] of the Authority's Procurement Policy. Motion was approved unanimously.**

### **3. Peace River Water Treatment Plant Facility Expansion Pilot Testing and Design Criteria Package Development Work Order to Brown & Caldwell**

The Authority intends to expand the PRF finished water treatment capacity from 51 MGD to 75 MGD (increase of 24 MGD) as part of the ongoing 5-year Capital Improvement Program. The Authority recently completed a PRF capacity increase evaluation for various treatment configuration options. The top-ranked option involved a stand-alone treatment system co-located with the existing process trains (i.e., Plants 1 – 4) which included inclined plate settlers and ceramic membranes as part of the overall treatment process (May 2022).

In order to expedite the project, enabling timely estimation of costs and opportunities for project staging such as initial construction of a portion of the treatment capacity, followed by completion of the full capacity at a later date as demand dictates, staff proposed development of a Design Criteria Package (DCP) which is similar to development of a 30% design for the project, but would also include pilot testing of treatment processes under consideration. Development of a DCP will meet new requirements for submitting the project for SWFWMD co-funding, and while the project delivery method is undetermined at this time, a DCP would also support either conventional "Design-Bid-Build" (DBB) method, or alternative delivery methods such as "Construction Manager-At-Risk" (CMAR) or "Progressive Design-Build" (PDB).

The DCP would be developed through the Authority's Owner's Agent, Brown and Caldwell, to support the overall project timeline and delivery process. Cost is not to exceed \$1,884,400 which includes a \$150,000 Owners Allowance, use of which requires Executive Director approval. Immediate funding for the project is proposed through access to the Authority's \$100M Line of Credit. Ultimate funding allocations will be based on Customer's final participation in the supply project expansion.

Commissioner Kruse asked in regard to the multiple pilot tests, if there is a case study that exists that can be used to point us in the right direction? Are there any other water treatment facilities any place, for instance Manatee County pulling and treating water from the Manatee River, where we have a general idea of which one is the most likely option on this or do we really just have to run multiple tests on multiple different options?

Mike Condran with Brown and Caldwell, the Authority's Owner's Agent representative, explained that in working closely with Authority's operations management staff at the Peace River Facility over the past several months that they examined the technologies that were identified in the evaluation report that was

presented to the board in June and determined that the water quality coming out of the reservoir is unique. And so, while there are other case studies that have been done for other plants, this process selection is very specific to your local water supply. So, the piloting is needed to address the specific water quality conditions of your water supply at the Peace River Facility.

Commissioner Moran asked in respect of Commissioner Kruse's comment, can you go a little deeper to explain how much different than other testing are we really going to be doing here? How unique or different is the water that we're talking about or is there a cost benefit to this that we might want to just pause on this for a minute? Commissioner Moran added that he has no hard opinion on this, he just felt it was a thoughtful question.

Mr. Condran stated that to go back to his comment about looking at specific technologies and examining how they would apply, these include incline plate settlers, which are not currently used at the at the Peace River facility. Also, ceramic membranes and polymeric membranes, as well as the Authority's use of powdered activated carbon. While the various individual techniques are widely used in the water industry, each and every application is slightly different because of water quality and operational differences between facilities. He said that in testing, we're going to be looking at the detailed water quality conditions that are unique to Peace River and for which these technologies may have applicability.

What we want to make sure is that if in fact one of those Technologies doesn't work properly, if it doesn't achieve the results that we need to operate the plant effectively, we have an off-ramp and find a different approach to meeting the future demand conditions with your water supply. Because it is a unique situation the Peace River water quality is different than Manatee county's supply and other utilities using surface water in the region.

**Motion was made by Commissioner Doherty, seconded by Commissioner Kruse to approve, and authorize Executive Director to execute Work Order with Brown and Caldwell for an amount not to exceed \$1,884,400 for Peace River Water Treatment Facility Expansion Pilot Testing and Design Criteria Package and authorize use of the Authority's \$100M Line of Credit for project funding. Motion was approved unanimously.**

#### **4. Water Use Permit for Brackish Groundwater Development at the Peace River Facility**

James Guida presented this as an information item to the Board. In coordination with Sarasota County's relocation of WUP quantities from their University Park Wellfield to their Carlton Wellfield, the Authority was able to permit a 9.0 MGD brackish groundwater wellfield at the Peace River Facility located at the RV Griffin Reserve. The Brackish Groundwater Project is in our 20-year CNA and includes a 9.0 MGD brackish groundwater wellfield, conveyance pipelines, reverse osmosis treatment facility and concentrate disposal wells. The 9.0 MGD brackish groundwater withdrawal is expected to yield the following allocable supply quantities: 5.0 MGD Average Day, 6 MGD Peak Month and 7.2 MGD Maximum Day. The next step on this project is to hire a consultant to conduct preliminary design for these facilities. This will provide a back-up for the Surface Water System Expansion Project.

#### **5. Water Supply Project Costs, Funding Considerations, Projected Rate Impacts, and Path Forward**

Mike Coates and Terri Holcomb presented this information item to the Board. Customer-projections for the 2023-2042 planning period show a need for up to 24 MGD in new regional supply capacity by 2042. Most of the new supply need is proposed to be met through an expansion of the surface water supply system at the Peace River Facility that will yield 18 MGD on an average daily basis. This surface water expansion project, as approved by the Board on August 3, 2022, will include construction of a new 9 BG off-stream

reservoir, new pumping facilities on the Peace River, a 24 MGD capacity expansion at the Peace River Water Treatment Facility and associated connecting pipelines.

Recently updated cost estimates for the surface water expansion system project bring total costs to about \$650M. At the same time, high demand for SWFWMD co-funding dollars has reduced the available match from the District for this project to about \$112M.

Commissioner Moran asked for confirmation on what unrestricted reserves the Authority might have. He clarified that he wasn't talking about any reserves that have been Board directed in the past towards operational, maintenance or anything of the sort.

Ms. Lee responded that the Authority holds roughly five to seven million dollars in unrestricted reserves. All others are restricted either from a GASB standpoint or from board policies, such as the Utility Reserve.

Commissioner Moran asked for an example of when the Authority would use that that five to seven million reserves, if not now?

Ms. Lee replied that we have not had to use the reserves in the past. Previously our unrestricted reserves are used to mitigate budget impacts through our budget process where we can decrease those type of impacts through transfers from our general fund to the CIP - which we've done for the last couple of years, or at times where we are transferring from the general fund to our Disaster Recovery Reserve or our Utility Reserve fund to meet board policy.

Commissioner Moran, referring back to the federal and state funding presentation slide, then asked Ms. Holcomb if we are comfortable saying that we know of all the available fund sources?

Ms. Holcomb replied that no, we would not purport to say that we know of all the sources, but that we are actively seeking any and all additional avenues that we can with these types of infrastructure projects.

Commissioner Moran then asked if we deal with any third parties to make sure that we have all of those state and federal opportunities or do we subcontract to folks where that's all they do for a living?

Ms. Holcomb stated that no, we do not currently. However, we are considering reaching out to consultants to help assist in identifying these additional funding opportunities.

Commissioner Moran thanked Ms. Lee and Ms. Holcomb and had no additional question.

#### **GENERAL COUNSEL'S REPORT**

Mr. Manson had no further update for the Board.

#### **EXECUTIVE DIRECTOR'S REPORT**

Mr. Coates had no further update for the Board.

#### **ROUTINE STATUS REPORTS**

There were no Board comments on routine status reports.

#### **BOARD MEMBER COMMENTS**

There were no additional Board Member comments.

**PUBLIC COMMENTS**

No public comment was made.

**ANNOUNCEMENTS**

Next Authority Board Meeting

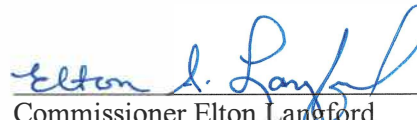
February 8, 2023 @ 9:30 a.m. Peace River Facility  
Water Quality and Training Center  
8998 SW County Rd. 769, Arcadia, Florida

Future Authority Board Meetings

April 5, 2023 @ 9:30 a.m. – Charlotte County  
June 7, 2023 @ 9:30 a.m. – DeSoto County  
August 2, 2023 @ 9:30 a.m. – Manatee County  
October 4, 2023 @ 9:30 a.m. – Sarasota County  
December 6, 2023 @ 9:30 a.m. – DeSoto County

**ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 11:10 a.m.

  
\_\_\_\_\_  
Commissioner Elton Langford  
Chairman

**BOARD APPROVED**

**FEB - 8 2023**

**Peace River Manasota  
Regional Water Supply Authority**