

Minutes of Board of Directors Meeting  
**PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY**  
Sarasota County Administration Center  
Commission Chambers, First Floor  
1660 Ringling Boulevard, Sarasota, Florida  
October 5, 2022 @ 9:30 a.m.

***Board Members Present:***

Commissioner Alan Maio, Sarasota County, Chairman  
Commissioner Bill Truex, Charlotte 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, 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 Maio 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**

Commissioner Maio made welcoming remarks.

**PUBLIC COMMENTS**

Public comment was made by Tim Richie and Patrick Lehman.

**CONSENT AGENDA**

1. Approve Minutes of August 3, 2022 Board of Directors Meeting
2. Approve Disbursement of Funds for FY 2022 Debt Service Coverage Payments
3. Approve Resolution 2022-08 ‘Resolution Authorizing Alternative Signatory Delegation’
4. Approve Final Reconciliatory Change Order with J.H. Hamm to Close Out 25kV Main Power Switchgear Replacement Project
5. Approve Award of Work Order to TLC Diversified, Inc., for the DeSoto Booster Station Modification Project
6. Approve Termination of Co-Funding Agreement No. 18CF0000854 with SWFWMD for Partially Treated Water ASR Project

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

**REGULAR AGENDA**

**1. Water Supply Conditions**

Richard Anderson presented the Water Supply Conditions at the Peace River Facility as of September 18, 2022.

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

July Water Demand	26.1 MGD
July River Withdrawals	25.8 MGD
<u>Storage Volume:</u>	
Reservoirs	6.46 BG
ASR	<u>8.23 BG</u>
Total	14.69 BG

**2. Legislative Priorities for FY 2023**

Laura Donaldson discussed the proposed legislative priorities for the Authority in 2023. Board approved legislative priorities will be presented to each of the Authority Members legislative delegations and will guide the Authority’s legislative lobbying efforts for the year. Regular session in the state legislature is scheduled from March 7, 2023 – May 5, 2023.

**Motion was made by Commissioner Kruse, seconded by Commissioner Truex to adopt Legislative Priorities for 2023. Motion was approved unanimously.**

**3. \$100 Million Line of Credit Approval**

Ann Lee along with Tom Giblin of Nabors, Giblin & Nickerson, PA presented on this item. At the August 5, 2022 Board meeting, the Board approved PNC Bank, NA as the lender for the \$100M line of

credit that will support the Authority’s pipeline projects and surface water expansion program. Resolution 2022-09 authorizes the issuance of a \$100,000,000 revolving line of credit and the Authority’s Legal Counsel, Bond Counsel, and Financial Advisors have all reviewed and approved the Resolution and supporting documentation.

**Motion was made by Commissioner Kruse, seconded by Commissioner Truex to approve Resolution 2022-09: A Resolution Of The Board Of Directors Of The Peace River/Manasota Regional Water Supply Authority With Respect To Issuance Of A Tax-Exempt 2022 Revolving Credit Bond In An Aggregate Principal Amount Not To Exceed \$100,000,000 From Time To Time To Finance Certain Capital Improvement Projects; Approving The Form And Authorizing The Execution And Delivery Of A Revolving Credit Agreement With Respect To Such Bond; Making Certain Covenants And Agreements In Connection Therewith; Providing Certain Other Details With Respect Thereto; Providing For Severability; And Providing An Effective Date For This Resolution. Motion was approved unanimously.**

**4. Projects for State of Florida Grant Funding (Local Funding Initiatives)**

Terri Holcomb presented three regional water supply projects proposed for state funding through the State of Florida legislative local funding initiative programs in the house and senate. The projects and funding dollar requests are described in the table below. With Board approval, staff will work with the local legislative delegation on sponsorship for these projects.

Project	Requested State Funds	Estimated Total Project Cost	Project Description
Peace River Reservoir No. 3	\$25.0 M	\$571.6 M	9 BG Reservoir, New Intake Pump Station on River, new reservoir pump station, interconnecting pipelines to meet growing water supply needs in the region.
Phase 2B Regional Interconnect	\$5.0 M	\$75.0 M	13-mile, 42-inch diam. water pipeline to meet growing need in Charlotte County Murdock and Rotunda/West County Rotunda. Second phase of this pipeline (not included in this cost estimate) will extend the line 19-miles north to connect with Carlton WTP in Sarasota County
Phase 3C Regional Interconnect	\$5.0 M	\$69.6 M	9-mile, 42-inch diam. water pipeline and 10 MGD pumping station to meet growing need in northeast Sarasota County. The second phase of this pipeline project (not included in cost estimate) will extend the pipeline approximately 11-miles north and west to connect with Manatee County’s Water system.

**Motion was made by Commissioner Truex, seconded by Commissioner Kruse to approve the pursuit of grant funding from the State Legislature in 2023 for three regional projects. Motion was approved unanimously.**

**5. SWFWMD FY 2024 Cooperative Funding Initiative – Updated Project Co-Funding Applications**

Jim Guida presented on the FY2024 Cooperative Funding Initiative applications for the Southwest Florida Water Management District (SWFWMD) that are due October 7, 2022.

Five (5) Authority projects are proposed for submittal requesting a minimum of 50% funding of eligible costs for each project. SWFWMD policy requires that an applicant provide a funding order ranking if more than one project is submitted in a funding year. The recommended project ranking and updated cost estimates for the Peace River Reservoir No. 3 (PR<sub>3</sub>), Phase 3C Interconnect and Phase 2B Interconnect Projects are shown in the table below. Updated costs for the PR<sub>3</sub> Project are based upon recent 15% Design stage cost estimate, and those for the Phase 3C and 2B Interconnect Projects reflect the cost estimates from their respective Interlocal Agreements.

Rank	Project	Estimated Total Project Cost
1	Peace River Reservoir No. 3 Project – Final Design and Construction	\$559,000,000
2	Regional Integrated Loop System Phase 3C Interconnect Design-Build	\$69,600,000
3	Regional Integrated Loop System Phase 2B Interconnect Design-Build	\$75,000,000
4	Integrated Regional Water Supply Master Plan 2025	\$700,000
5	Regional Reclaimed Water Supply System – Feasibility Study	\$400,000

**Motion was made by Commissioner Truex, seconded by Commissioner Kruse to authorize submittal of the Authority’s FY2024 Cooperative Funding Initiative Applications to the Southwest Florida Water Management District for five regional projects and approve recommended project cooperative funding ranking. Motion was approved unanimously.**

**6. Phase 3C Regional Interconnect Contract Approval and Guaranteed Maximum Price No. 1**

Mike Knowles presented on the Regional Integrated Loop Phase 3C Pipeline Project. This project includes approximately 9 miles of 42-inch diameter pipe and a new regional pumping and storage facility. The Garney Companies, Inc. Design-Build Team was approved at the August 3<sup>rd</sup> Board meeting to deliver the Progressive Design Build Project. The Progressive Design Build delivery method was chosen due to the compressed schedule to have the Project online to meet Sarasota County’s needs by March of 2025.

Mr. Knowles stated that the Regional Integrated Loop Phase 3C Pipeline Project - Phase 1 Scope and Fee for 60% Design Services is proposed at a cost not to exceed \$3,545,450. Phase 1 services would develop the design of the pipelines and pump station to a 60% level as well as provide the Authority with a Guaranteed Maximum Price (GMP) to complete the remaining design, permitting and construction as part of Phase 2 of the Project. The next phase of the progressive design-build project, Phase 2, would include a contract Addendum for final design, permitting, construction, testing and commissioning at the GMP. Phase 2 is scheduled for Board consideration at the February 2023 Board Meeting.

**Motion was made by Commissioner Truex, seconded by Commissioner Kruse to approve the Regional Integrated Loop Phase 3C Pipeline Contract and Phase 1 Services in the amount of \$3,545,450 and authorize the Executive Director to make minor, non-monetary modifications to the Contract. Motion was approved unanimously.**

**7. Phase 2B Regional Interconnect Contract Approval and Guaranteed Maximum Price No. 1**

Mr. Knowles presented on the Regional Integrated Loop Phase 2B Pipeline Project. This project includes approximately 13.1 miles of 42-inch diameter pipe in Charlotte County. The Woodruff and Sons Design-Build Team was approved at the August 3<sup>rd</sup> Board meeting to deliver the Progressive Design Build Project. The Progressive Design Build delivery method was chosen due to the compressed schedule to have the Project online to meet Charlotte County's needs by March of 2026.

Mr. Knowles stated that the Regional Integrated Loop System Phase 2B Pipeline Project - Phase 1 Scope and Fee for 60% Design Services is proposed at a cost not to exceed \$5,067,144.81. Phase 1 Services would develop the design of the pipeline and appurtenances to a 60% design level as well as provide the Authority with a Guaranteed Maximum Price (GMP) to complete the remaining design, permitting and construction as part of Phase 2 of the Project. Staff expects to bring an early procurement package for long-lead materials to the Board in early CY 2023 and the phase 2 services which will involve a contract Addendum for final design, permitting, construction, testing and commissioning at the GMP in late CY 2023.

**Motion was made by Commissioner Truex, seconded by Commissioner Kruse to approve the Regional Integrated Loop Phase 2B Pipeline Contract and Phase 1 Services in the amount of \$5,067,144.81 and authorize the Executive Director to make minor, non-monetary modifications to the Contract. Motion was approved unanimously.**

**8. Peace River Reservoir No. 3 (PR<sup>3</sup>) Project Update**

Ms. Holcomb along with Katie Duty of HDR Engineering provided the first update to the Board on the Work Order No. 2 'Preliminary Design, Permitting and Third-Party Review' phase of the Peace River Regional Reservoir (PR<sup>3</sup>) Project including a review of the 15% Design documents, draft Basis of Design Report (BODR) and updated cost estimates for the project components.

The Peace River Regional Reservoir No. 3 Project (PR<sup>3</sup>) will develop a new 9 BG off-stream reservoir on the RV Griffin Reserve. The project also includes a new pumping station on the Peace River and pipelines connecting a new pump station with the expanded reservoir system. Work Order No. 1, the Feasibility and Siting Phase for the Project is complete and the Consultant, HDR Engineering, Inc., presented their findings and recommendations for the sizing, siting, and configuration of the project components to the Board at the December 1, 2021, meeting. At the February 2, 2022, meeting, the Board approved HDR to proceed with the Preliminary Design, Permitting, and Third-Party Review Phase of the Project.

Work Order No. 2 'Peace River Regional Reservoir (PR<sup>3</sup>) Project Preliminary Design, Permitting and Third-Party Review' will advance the project through the preliminary design phase and includes robust geotechnical, surveying, and bathymetry investigations to inform the design development. This Phase of the project also includes the submittal of the Environmental Resource Permit (ERP) and 404 Permit applications which will correlate to approximately 60% design for civil and geotechnical disciplines, with other disciplines developed to approximately 30% level of design. The fee for Work Order No. 2 is \$7,249,699. The Project is currently on schedule and on budget.

Commissioner Truex asked what the full contingency percentage is for this project. Ms. Holcomb and Ms. Duty confirmed that this amount is right around 23% currently. Commissioner Truex then suggested that given the current state of the construction business and the way things are heading, we may want to plan this at 25%.

**9. Regional Water Treatment Plant Expansion Project Update**

Mr. Knowles along with Mike Condran of Brown & Caldwell updated the Board on the Regional Water Treatment Plant Expansion Project.

The Authority owns and operates the Peace River Facility (PRF) surface water treatment plant. The current PRF finished water treatment capacity is 51 million gallons per day (MGD). The Authority intends to expand the PRF finished water treatment capacity by approximately 24 MGD in conjunction with the new reservoir project to meet projected regional demands. The project is 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.

The Authority will be seeking cooperative capital funding for the PRF expansion through the Southwest Florida Water Management District (SWFWMD). To meet SWFWMD documentation requirements for the Cooperative Funding Initiative application process, a Design Criteria Package (DCP) with sufficient detail as defined by SWFWMD is required on or before October 2023 to keep the project on schedule. The project delivery method is undetermined at this time and may proceed as a conventional “Design-Bid-Build” (DBB) method, or an alternative delivery method such as “Construction Manager-At-Risk” (CMAR) or other.

Staff is proposing that the DCP will be developed through the Authority’s Owner’s Agent, Brown and Caldwell for the planned PRF expansion to support the overall project delivery process. The DCP Work Order is expected to be available for Board consideration the December 7<sup>th</sup> meeting and will include pilot-testing for the inclined plate settlers and membrane filter technologies necessary to support the DCP development. This is informational only.

**10. New Water Allocations and Contracting for Surface Water Supply Expansion Project at Peace River Facility**

Mr. Coates along with Mr. Manson discussed Master Water Supply Contract (MWSC) modification and funding decisions required to move new supply project work ahead.

Mr. Coates stated that the MWSC establishes the process by which Customers request, and the Authority develops new water supplies to meet Customer needs. New supply capacity to be developed within the next seven (7) years is identified in “Exhibit C” of the MWSC. A revised “Exhibit C” reflecting New Water Supply Demands identified in the 2023-2042 Customer projections is shown in Tab A of the Board item, and this revised Exhibit C was included in the Amended Master Water Supply Contract package that was sent recently to all Authority Customers for local BOCC action.

Mr. Coates explained that while new supply needs identified for 2029 in “Exhibit C” total 3.03 MGD, Customer-projected need for new regional supply capacity continues to increase through the 20-year planning period, reaching 15 MGD by 2037, and a projected 24 MGD by 2042. The majority of the new supply need is proposed to be met through a expansion of the surface water supply system at the Peace River Facility that’s been discussed in regular Items 8 & 9.

Mr. Coates indicated that an in-depth discussion on new supply projects and funding is proposed for the December 7<sup>th</sup> Board meeting.

## **CHAIRMAN'S REPORT**

### **1. Annual Review of Executive Director**

Authority policy provides that the Chairman shall review the evaluation forms completed and submitted by each Board member and develop any appropriate recommendations which shall be presented for consideration by the Board. All Board members' performance evaluations were favorable of the Executive Director's performance.

Commissioner Maio stated that, after discussions with Mr. Coates, it is his recommendation that the Board amend the Executive Director's employment agreement to include a 5% pay increase, plus an additional \$500/month to be rolled into the Executive Director's salary in lieu of an automobile allowance with these changes being retroactive to August 1, 2022.

**Motion was made by Commissioner Truex, seconded by Commissioner Kruse to approve Amendment to Employment Agreement for Executive Director increasing annual salary by 5% and providing an additional \$500/month to be rolled into the Executive Directors salary in lieu of an automobile allowances, both effective August 1, 2022. Motion was approved unanimously.**

### **2. Awards**

Mr. Coates presented a service award to Authority Board Chairman Alan Maio who is leaving the Authority Board and the Sarasota County Commission in November at the end of his BOCC term. Commissioner Maio has served on the Authority Board for eight years, with four of those years as Chairman.

Mr. Coates presented a "20-year plus" service award to the Authority's General Counsel, Doug Manson.

## **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.

## **ELECTION OF OFFICERS**

### **1. Election of Chairman and Vice-Chairman for 2023**

Doug Manson, General Counsel, conducted the election of officers for Chairman and Vice-Chairman and opened the floor for nominations.

Commissioner Maio moved to nominated Commissioner Langford as Chairman and Commissioner Truex as Vice-Chairman.

Mr. Manson received the nominations and consent to close nominations. Nomination of Commissioner Langford for Chairman and Commissioner Truex for Vice-Chairman was approved unanimously.

**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**

Friends of Peace Water BBQ

November 4, 2022 @ 11:30 a.m.

Peace River Facility Ranch House

8998 SW County Road 769, Arcadia, FL 34269

Next Authority Board Meeting

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

Manatee County Administration Center

Honorable Patricia M Glass Chambers, First Floor

1112 Manatee Avenue West, Bradenton, Florida

**ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 11:35 a.m.

**BOARD APPROVED**

**DEC - 7 2022**

**Peace River Manasota**  
Regional Water Supply Authority



Commissioner Elton Langford  
Chairman