

A dynamic background image featuring a large splash of water against a solid blue sky. Numerous water droplets of various sizes are captured in mid-air, creating a sense of movement and freshness. The water is clear and bright, contrasting sharply with the deep blue background.

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY

FY 2019 BUDGET

[APPROVED: JULY 25, 2018]

‘Through cooperation and collaboration the Authority and its members shall create, maintain and expand a sustainable, interconnected regional water supply system’.



Peace River Manasota

Regional Water Supply Authority

FY 2019 BUDGET

October 1, 2018 to September 30, 2019

Board of Directors

Alan Maio Chair
Commissioner – Sarasota County

Elton Langford Vice Chair
Commissioner – DeSoto County

Pricilla Trace Member
Commissioner – Manatee County

Ken Doherty Member
Commissioner – Sarasota County

Executive Staff

Patrick Lehman Executive Director

Douglas Manson; Manson. Bolves, Donaldson, Varn, P.A. General Counsel

Mike Coates Deputy Director

Vision Statement

'Through cooperation and collaboration the Authority and its members shall create, maintain and expand a sustainable, interconnected regional water supply system.'

Mission Statement

'The mission of the Authority is to provide the region with a sufficient, high quality drinking water supply that is reliable, sustainable and protective of our resources now and into the future.'

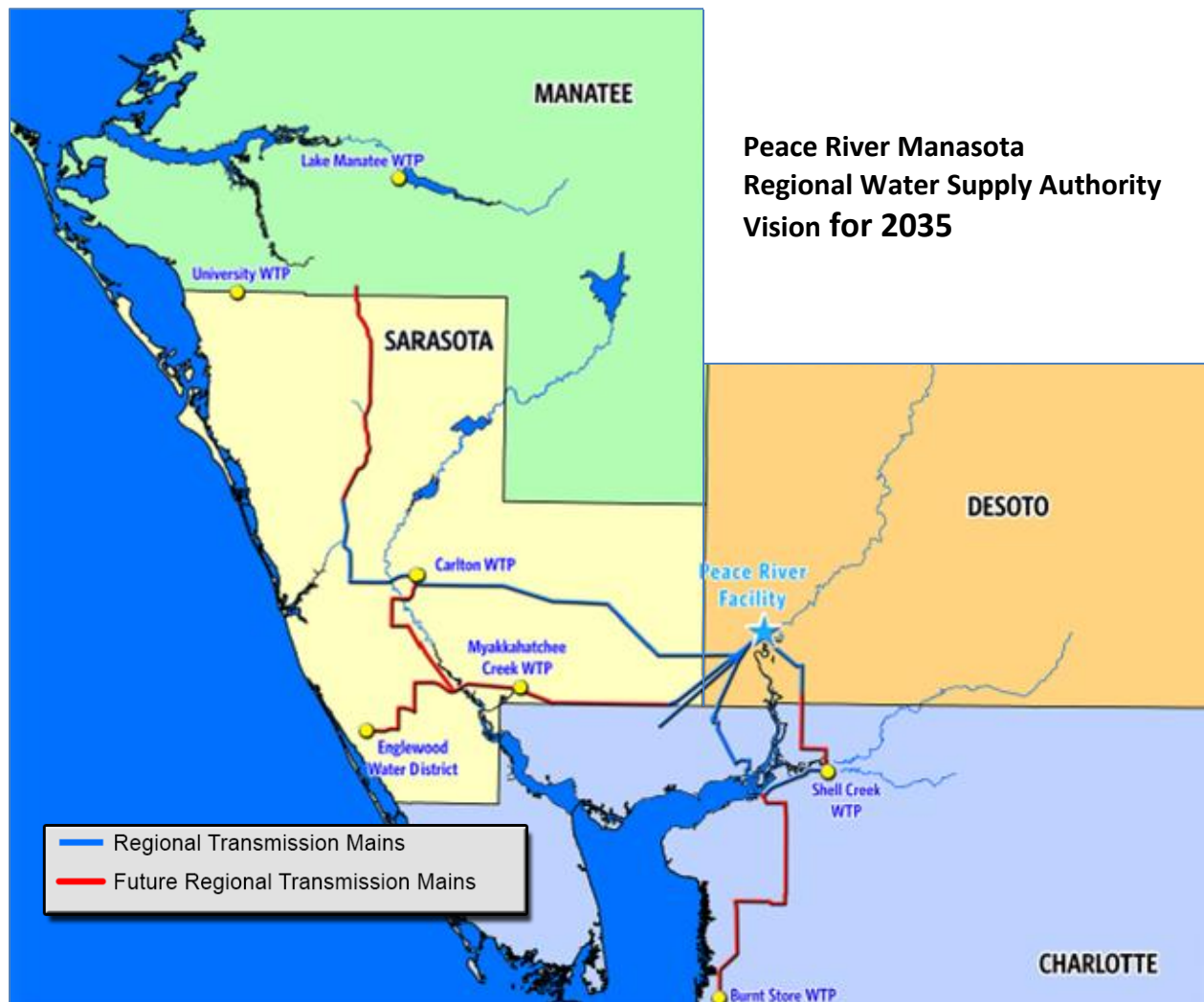


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Rate Resolution

Resolution No. 2018-09 'Resolution Setting Forth Rates, Fees and Charges for FY 2019'

Appendices

- Appendix A - Resolution No. 2005-08 'Resolution Setting Forth Rate Setting Methodology'
- Appendix B - Budget Policies
- Appendix C - Second Amended Interlocal Agreement Creating the Peace River Manasota Regional Water Supply Authority (October 2005)
- Appendix D - Peace River Manasota Regional Water Supply Authority Master Water Supply Contract (Amended August 2015)
- Appendix E - Peace River Manasota Regional Water Supply Authority Statement of Agency Organization and Operation (February 2018)
- Appendix F - Strategic Plan for Peace River Manasota Regional Water Supply Authority (revised 2017)
- Appendix G - 5-Year Capital Improvement Program and 20-Year Capital Needs Assessment (May 2018)

Organization Information

FY 2019 Budget

The Organization Information section provides the agency profile and organization of the Authority.

Agency Profile

The Peace River Manasota Regional Water Supply Authority is a regional water supply authority that provides wholesale drinking water to its member counties and the city of North Port supporting the region's economy and quality of life.

The Authority is an independent special district created and existing pursuant to Chapter 373, Florida Statutes, and Chapter 163, Florida Statutes by an interlocal agreement executed between Charlotte, DeSoto, Manatee and Sarasota Counties. The interlocal agreement was most recently amended in 2005 (Second Amended Interlocal Agreement Creating the Peace River Manasota Regional Water Supply Authority; October 5, 2005).



The boundaries of the Authority consist of all of DeSoto, Manatee and Sarasota Counties and those parts of Charlotte County which are under the jurisdiction of the Southwest Florida Water Management District.

The Board of Directors of the Authority consists of one representative of Charlotte

County, DeSoto County, Manatee County and Sarasota County that is a commissioner on the board of county commissioners for each respective county. Each representative is appointed by and serves at the pleasure of their respective Board of County Commissioners. The Authority Board of Director's officers consist of a chair and vice chair. The Board of Directors is vested with all the powers of the Authority.



Staff Organization

The Executive Director is the chief executive staff officer of the Authority and serves at the pleasure of the Board of Directors. The Executive Director administers the Authority, organizes staff efforts and employs necessary staff with Board approval. The General Counsel is the chief legal officer of the Authority, and also serves at the pleasure of the Board of Directors. The General Counsel provides legal advice and support to the Board of Directors and the Executive Director.

The organizational structure of the Authority staff provides a focus on the core competencies to achieve the mission of the Authority: Water Resources, Facilities and Finance/Administrative. The Authority's administrative office is located in Lakewood

Ranch, Florida. The Authority's operations and maintenance staff are located at the Peace River Facility in southwest DeSoto County, Florida. There are 49 budgeted staff positions.

Annual Budget Requirements

In accordance with the Second Amended Interlocal Agreement Creating the Peace River Manasota Regional Water Supply Authority the Authority adopted the budget for FY 2019 on July 25, 2018.

The Authority and its customers adopted the Second Amendment to the Master Water Supply Contract on August 5, 2015. The budget for FY 2019 incorporating the conditions of the amended Master Water Supply Contract was presented at a public hearing of the Authority Board of Directors on July 25, 2018 and approved by the Board at the same meeting.



The Authority operates as an Enterprise Fund. The available funds by revenue sources and expenditures are presented in the budget. The total FY 2019 budget is \$59,634,692.

The Master Water Supply Contract and bond documents establish the conditions

and charges related to water sales. The Authority issued the '2010 Bonds' to provide additional funding for the Regional Expansion Program and Phases 2 and 3A of the Regional Integrated Loop System and the '2014 Bonds' and '2015 Bonds' refunding the '2005 Bonds'.



The budget includes all anticipated revenue sources and expenditures including capital, operating, planning and administrative costs of the Authority for its projects and activities for FY 2019.

The Enterprise Fund is comprised of two cost centers: Administrative Office and Facilities. The Administrative Office includes the cost associated with the administrative functions of the Authority. The Facilities includes the costs associated with the water treatment and transmission system facilities of the Authority and pass through of funds for construction projects.

Project funding is provided in the budget through grant funds provided by state appropriation and the Southwest Florida Water Management District and Authority funds.

Member Fee is assessed to the four member counties to fund the

Administrative Office and Customer Planning Assessment is assessed to the four counties and the city of North Port to fund resource/supply development projects.

Copies of the FY 2019 budget are available at the Authority's Administrative Office located at 9415 Town Center Parkway, Lakewood Ranch, Florida 34202 and on the Authority's website at regionalwater.org.

Key Factors Affecting Budget

The Authority currently provides wholesale water supply to four public utility systems via long-term contract. The four customers are: Charlotte County, Sarasota County, DeSoto County and the city of North Port.



The Authority completed the Regional Expansion Program and placed in-service in 2009 increasing storage, treatment capacity and reliability of service. The Regional Transmission System is interconnected with the City of Punta Gorda's water system providing for more regional reliability.

Treatment capacity was increased further with the completion of the '1991 Rebuild' project to its current rated capacity of 51 MGD. The FY 2019 budget reflects the operation of these expanded facilities and

rehabilitation and reconstruction of aging infrastructure.



Key factors impacting the FY 2019 budget include the following.

- Operation and maintenance of water treatment facilities;
- Operation and maintenance of storage facilities including off-stream reservoir and ASR systems;
- Assure availability of contractual water allocations totaling 34.7 MGD;
- Delivery projected water demands totaling over 28 MGD;
- Extensive reservoir permit compliance and management program;
- Land management of RV Griffin Reserve;
- Operation and maintenance of Regional Transmission System including off-site storage and pumping facilities; and
- Updating the Water Supply Master Plan to assure meeting future needs.
- Funding provided by the Southwest Florida Water Management District and State appropriation for construction projects.

Water Supply

The Authority owns and operates the Peace River Facility located in southwest DeSoto County. The Peace River Facility is a 51 MGD surface water treatment facility utilizing the Peace River as a water source.

Water is withdrawn from the Peace River in accordance with a withdrawal schedule established by the Southwest Florida Water Management District in a water use permit issued to the Authority to protect the downstream estuary and Charlotte harbor.



The Authority owns and operates an off-stream reservoir system with 6.5 billion gallons storage and an ASR system consisting of 21 ASR wells.

The Authority also has interconnects with other water systems: Sarasota County Utilities, City of North Port Utilities, City of Punta Gorda Utilities and Englewood Water District. These interconnects are available to supply water in case of natural disaster, equipment maintenance or failure, resource stress or unforeseen or unplanned increase in water demand.

Regional integrated Loop System

The Authority currently maintains a network of approximately 70 miles of transmission pipeline for delivery of treated drinking water to its member governments and customers. The Authority's 20-year program identifies construction of additional interconnecting pipelines to support regional reliability, provide supplies to meet growing needs, share resources to the benefit of all residents in the four-county service area, and ensure that public water supply is provided in an environmentally sustainable manner.



Financial Performance

The Authority is a regional utility financed as an enterprise fund through the sale of water to our customer utilities. Financial status of the Authority is considered solid for a wholesale system by the three primary rating agencies (Fitch, Moody's, Standard and Poor). Current rating for the Authority is in the AA category by all three major rating agencies.

Authority Organization

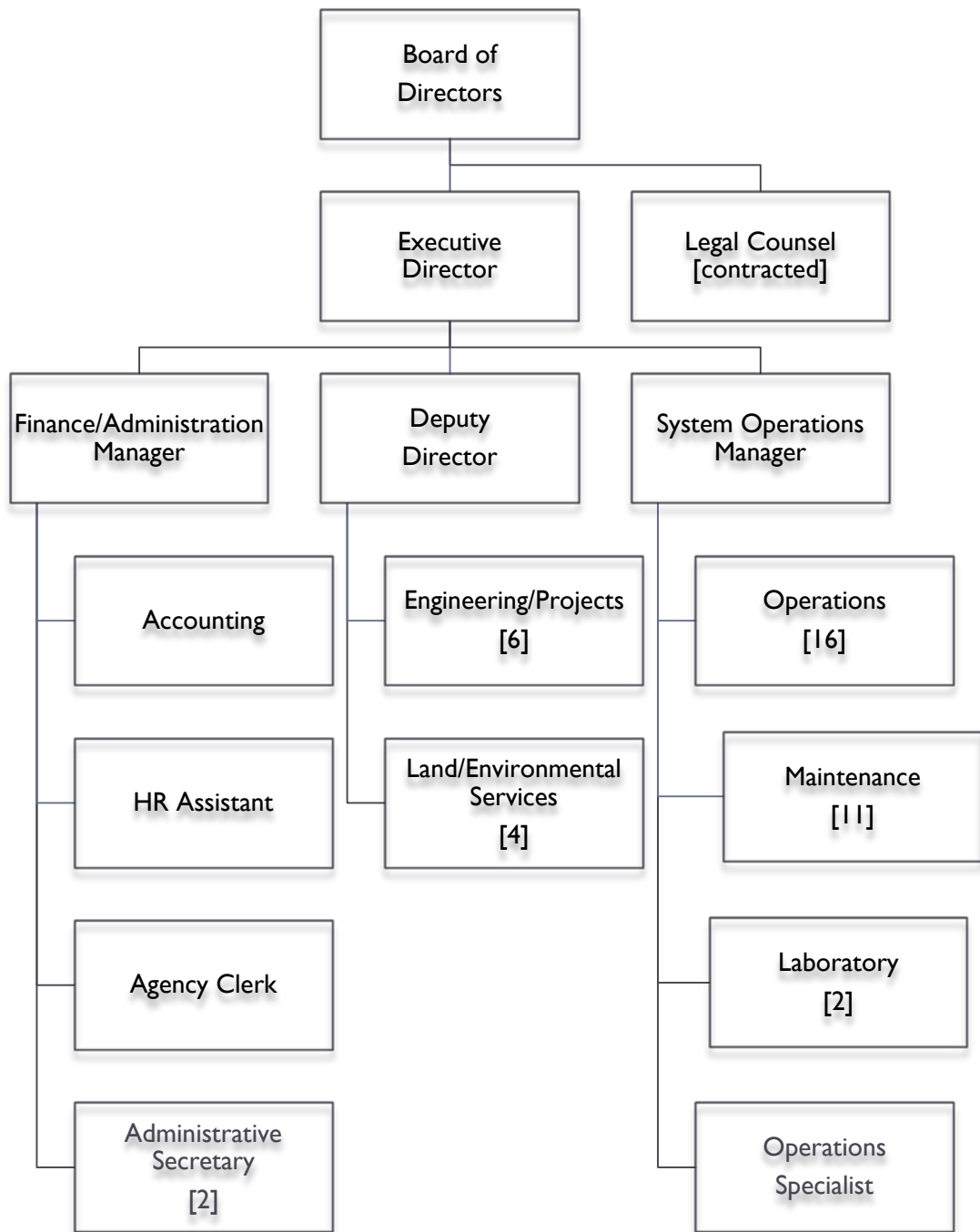
FY 2019 Budget

The Authority Organizational chart provides 49 budgeted full time positions.

Peace River Manasota Regional Water Supply Authority

Organizational Chart

[October 2018]



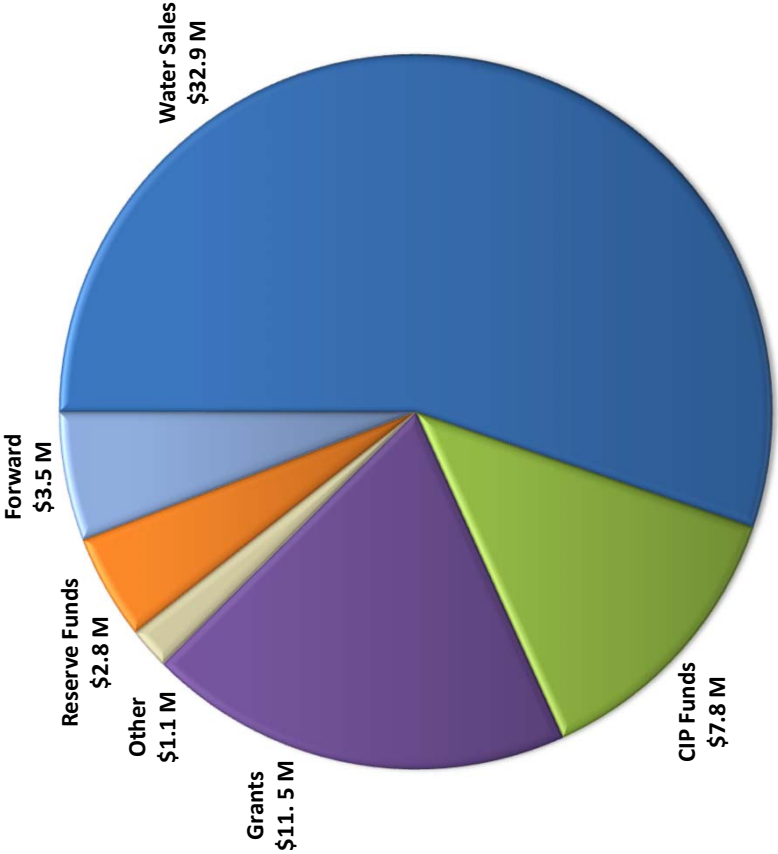
Total FTE: 49

Operating Budget Detail

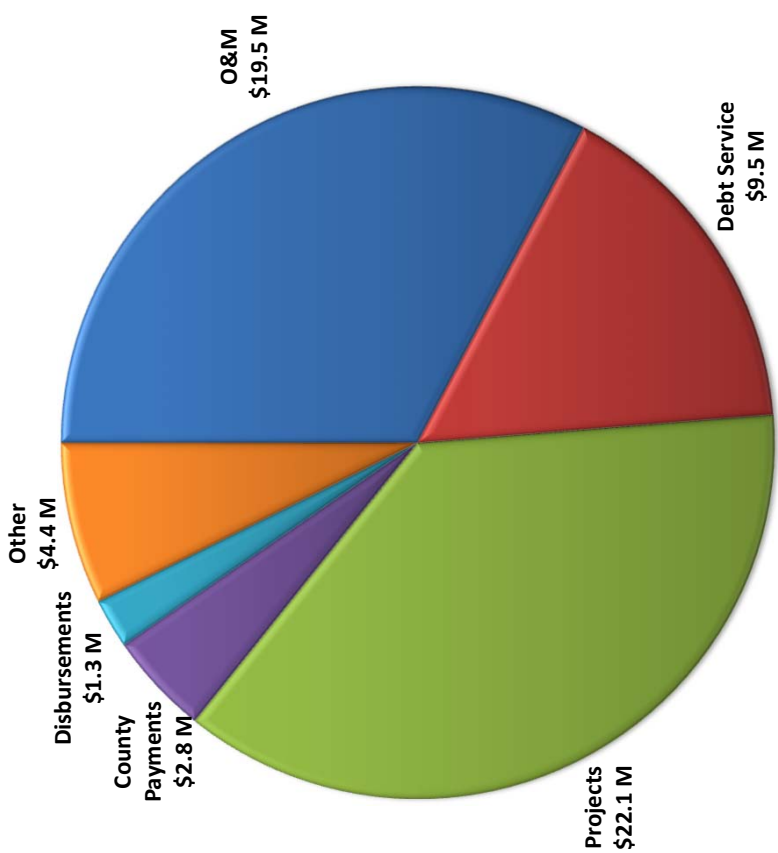
FY 2019 Budget

The Operating Budget Detail section provides revenue and expenditures for the Enterprise Fund.

AVAILABLE FUNDS
\$59.6 M



EXPENDITURES
\$59.6 M



Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

AVAILABLE FUNDS	Administrative Office	Facilities	Total Enterprise Fund
Revenue			
Water Sales		32,936,658	32,936,658
Member Fee	389,200		389,200
Planning Assessment		100,000	100,000
Anticipated Interest		40,000	40,000
Federal Direct Payment [2010B Bond Series]		578,300	578,300
Subtotal	389,200	33,654,958	34,044,158
Grants			
State Grant Funds		4,250,000	4,250,000
SWFWMD Grant Funds		7,265,000	7,265,000
Subtotal		11,515,000	11,515,000
Reserve Accounts			
Transfer from R&R Reserve Account		2,594,900	2,594,900
Transfer from Rate Stabilization		250,000	250,000
Subtotal		2,844,900	2,844,900
CIP Fund			
CIP Project Funds		7,760,000	7,760,000
Punta Gorda Payment		0	0
Subtotal		7,760,000	7,760,000
Funds Brought Forward			
Carry Forward from FY2018	375,000	1,750,000	2,125,000
Funds Brought Forward for Disbursement		1,345,634	1,345,634
Subtotal	375,000	3,095,634	3,470,634
Total Funds Available	764,200	58,870,492	59,634,692

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

EXPENDITURES	Administrative Office	Facilities	Total Enterprise Fund
<u>OPERATION & MAINTENANCE</u>			
Insurances			
Property/Liability/Workmen's Compensation		500,000	500,000
Auto		30,000	30,000
Public Officials Liability	7,400		7,400
Subtotal	7,400	530,000	537,400
Personnel			
Administration	339,400	509,100	848,500
Facility Operations/Maintenance		2,545,600	2,545,600
Subtotal	339,400	3,054,700	3,394,100
Benefits			
FICA Taxes	25,000	224,700	249,700
Fla. Retirement System	55,000	265,000	320,000
Health Insurance	73,900	1,157,900	1,231,800
Subtotal	153,900	1,647,600	1,801,500
Utilities			
Electric Power	7,000	2,563,000	2,570,000
Diesel Fuel		20,000	20,000
Vehicle Fuel	5,000	40,000	45,000
Telephone	2,000	50,000	52,000
Subtotal	14,000	2,673,000	2,687,000
Operating Supplies			
General Operations		45,000	45,000
Laboratory Supplies		70,000	70,000
Subtotal	0	115,000	115,000
Water Treatment Chemicals			
Aluminum Sulfate		1,735,000	1,735,000
Sodium Hydroxide		1,331,000	1,331,000
Carbon		1,763,000	1,763,000
Coagulant Aid		234,000	234,000
Sodium Hypochlorite		643,000	643,000
Aqua Ammonia		67,000	67,000
Copper Sulfate		90,000	90,000
Subtotal		5,863,000	5,863,000

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

EXPENDITURES	Administrative Office	Facilities	Total Enterprise Fund
Repairs & Maintenance			
Water Treatment Facilities		753,600	753,600
Water Resources		536,500	536,500
Land Management		490,300	490,300
Regional Transmission System		80,000	80,000
Vehicle Fleet Maintenance	2,000	41,500	43,500
Subtotal	2,000	1,901,900	1,903,900
Machinery & Equipment			
Machinery & Equipment		312,500	312,500
Contract Services			
Annual Audit	4,000	30,000	34,000
Engineering Services - General		150,000	150,000
Engineering Services - System Water Quality Master Plan		175,000	175,000
Hydrogeological Services		190,000	190,000
Environmental Services		85,000	85,000
Rate Consulting Services		30,000	30,000
Information/Technology Services	10,000	80,000	90,000
Reservoir Permit Monitoring		305,000	305,000
Equipment Rental	5,000	50,000	55,000
Legal Services	24,000	250,000	274,000
Legislative Monitoring Services		50,000	50,000
Off-Site Treatment Residual Hauling and Disposal		285,000	285,000
Outside Lab Services - Drinking Water/ASR/EPA		115,000	115,000
Watershed Programs/Monitoring/Protection [HBMP, MFL, Stewardship]		530,000	530,000
Charlotte Harbor NEP		3,500	3,500
Uniforms		15,000	15,000
Contract Services - Other	6,000	15,000	21,000
Subtotal	49,000	2,358,500	2,407,500

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

EXPENDITURES	Administrative Office	Facilities	Total Enterprise Fund
General Administration			
Office Rental	85,000	85,000	170,000
Office Maintenance	5,000	2,000	7,000
Advertising	3,500	6,000	9,500
Software	4,000	50,000	54,000
Office Supplies	5,000	25,000	30,000
Postage/Shipping	1,000	8,000	9,000
Books, Dues, Subs & Memberships	4,500	15,000	19,500
Training	2,000	2,000	4,000
Professional Development/Cont. Education	6,000	16,000	22,000
Mileage/Travel Reimbursement	12,000	20,000	32,000
Public Outreach/Education Programs/Website	50,000	50,000	100,000
Misc. Fees [permits, registrations, licenses, certifications, bank charges]	500	35,000	35,500
Subtotal	178,500	314,000	492,500
Total - Operations & Maintenance	744,200	18,770,200	19,514,400

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

EXPENDITURES	Administrative Office	Facilities	Total Enterprise Fund
<u>NON-OPERATION & MAINTENANCE</u>			
Annual Debt Service			
2010A Bond Series		591,300	591,300
2010B Bond Series		1,892,100	1,892,100
2014 Bond Series		4,538,200	4,538,200
2015 Bond Series		2,525,500	2,525,500
Subtotal		9,547,100	9,547,100
County Payments			
Capital Component Charge		1,971,557	1,971,557
DeSoto Payment		796,000	796,000
North Port Payment to Charlotte		4,781	4,781
Subtotal		2,772,338	2,772,338
Other Rate Related Expenditures			
Contribution to R&R Reserve		2,000,000	2,000,000
Transfer to CIP		500,000	500,000
Contingencies	20,000	500,000	520,000
Water Purchase		20,000	20,000
Debt Service Coverage Fund		1,345,320	1,345,320
Subtotal	20,000	4,365,320	4,385,320
Total Rate Related Expenditures	764,200	35,454,958	36,219,158

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

EXPENDITURES	Administrative Office	Facilities	Total Enterprise Fund
<u>NON-RATE RELATED EXPENDITURES</u>			
Projects			
CIP Projects		19,275,000	19,275,000
Renewal & Replacement Projects		2,594,900	2,594,900
Resource/Supply Development Projects		200,000	200,000
Subtotal		22,069,900	22,069,900
Fund Disbursements			
Charlotte County		268,843	268,843
DeSoto County		33,813	33,813
Sarasota County		889,570	889,570
North Port		153,408	153,408
Subtotal		1,345,634	1,345,634
Total Non-Rate Related Expenditures		23,415,534	23,415,534
Total Expenditures	764,200	58,870,492	59,634,692

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

DEBT SERVICE

Bond Series	Cost Allocation	Percent Allocation
2010A Bond Series		
REP Facility	\$591,300	
2010B Bond Series		
RTS - Phase 2 Pipeline	\$675,669	35.71%
RTS - Phase 3A Pipeline	\$1,216,431	64.29%
Subtotal	\$1,892,100	100.00%
Total	\$2,483,400	
2014A Bond Series		
REP Facility (includes 20-Inch RTS)	\$1,515,714	86.99%
REP Oversized Payment	\$60,636	3.48%
Bank of America Loan	\$166,051	9.53%
Subtotal	\$1,742,400	100.00%
2014B Bond Series		
REP Facility (includes 20-Inch RTS)	\$2,432,066	86.99%
REP Oversized Payment	\$97,294	3.48%
Bank of America Loan	\$266,440	9.53%
Subtotal	\$2,795,800	100.00%
Total	\$4,538,200	
2015 Bond Series		
PRO Facility	\$1,800,080	71.28%
PRO Oversized Payment	\$154,404	6.11%
42-inch RTS Pipeline	\$558,893	22.13%
24-inch RTS Pipeline	\$12,122	0.48%
Total	\$2,525,500	100.00%
Total Debt Service	\$9,547,100	

**Peace River Manasota Regional Water Supply Authority
FY 2019 Budget**

**2010A BOND SERIES
Customer Allocation**

Customer Debt Service Percentages			
Customer		2010A Bond Series REP Facility	
Charlotte County		0.00%	
DeSoto County		1.11%	
Sarasota County		84.79%	
City of North Port		14.10%	
	Total	100.00%	
Customer Debt Service Cost			
Customer	Debt Service Cost	2010A Bond Series REP Facility	
Charlotte County	\$0	\$0	
DeSoto County	\$6,563	\$6,563	
Sarasota County	\$501,363	\$501,363	
City of North Port	\$83,373	\$83,373	
Total	\$591,300	\$591,300	

**Peace River Manasota Regional Water Supply Authority
FY 2019 Budget**

**2010B BOND SERIES
Customer Allocation**

Customer Debt Service Percentages				
Customer	2010B Bond Series RTS Phase 2 Pipeline	2010B Bond Series RTS Phase 3A Pipeline		
Charlotte County	0.00%	0.00%		
DeSoto County	0.00%	0.00%		
Sarasota County	0.00%	100.00%		
City of North Port	100.00%	0.00%		
Total	100.00%	100.00%		
Customer Debt Service Cost				
Customer	Debt Service Cost	2010B Bond Series RTS Phase 2 Pipeline	2010B Bond Series RTS Phase 3A Pipeline	
Charlotte County	\$0	\$0	\$0	
DeSoto County	\$0	\$0	\$0	
Sarasota County	\$1,216,431	\$0	\$1,216,431	
City of North Port	\$675,669	\$675,669	\$0	
Total	\$1,892,100	\$675,669	\$1,216,431	
Federal Direct Payment [2010B Bond Series]				
Customer	Federal Subsidy	2010B Bond Series RILS Phase 2	2010B Bond Series RILS Phase 3A	
Charlotte County	\$0	\$0	\$0	
DeSoto County	\$0	\$0	\$0	
Sarasota County	(\$371,789)	\$0	(\$371,789)	
City of North Port	(\$206,511)	(\$206,511)	\$0	
Total	(\$578,300)	(\$206,511)	(\$371,789)	

**Peace River Manasota Regional Water Supply Authority
FY 2019 Budget**

**2014 BOND SERIES
Customer Allocation**

Customer Debt Service Percentages				
Customer	REP Facility	REP Oversized Payment	Bank of America Loan	
Charlotte County	27.21%	0.00%	27.21%	
DeSoto County	0.81%	1.10%	0.81%	
Sarasota County	61.72%	85.62%	61.72%	
City of North Port	10.26%	13.28%	10.26%	
Total	100.00%	100.00%	100.00%	

Customer Debt Service Cost				
Customer	Debt Service Cost	REP Facility	REP Oversized Payment	Bank of America Loan
Charlotte County	\$1,191,872	\$1,074,191	\$0	\$117,681
DeSoto County	\$37,217	\$31,977	\$1,737	\$3,503
Sarasota County	\$2,838,722	\$2,436,570	\$135,219	\$266,933
City of North Port	\$470,389	\$405,042	\$20,973	\$44,374
Total	\$4,538,200	\$3,947,780	\$157,929	\$432,490

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

2015 BOND SERIES
Customer Allocation

Customer Debt Service Percentages					
Customer		PRO Facility	PRO Oversized Payment	42-inch RTS Pipeline	24-inch RTS Pipeline
Charlotte County		33.33%	0.00%	0.00%	0.00%
DeSoto County		8.33%	12.50%	0.00%	100.00%
Sarasota County		58.34%	87.50%	100.00%	0.00%
City of North Port		0.00%	0.00%	0.00%	0.00%
	Total	100.00%	100.00%	100.00%	100.00%
Customer Debt Service Cost					
Customer	Debt Service Cost	PRO Facility	PRO Oversized Payment	42-inch RTS Pipeline	24-inch RTS Pipeline
Charlotte County	\$599,967	\$599,967	\$0	\$0	\$0
DeSoto County	\$181,370	\$149,947	\$19,301	\$0	\$12,122
Sarasota County	\$1,744,164	\$1,050,167	\$135,104	\$558,893	\$0
City of North Port	\$0	\$0	\$0	\$0	\$0
Total	\$2,525,500	\$1,800,080	\$154,404	\$558,893	\$12,122

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

CAPITAL COMPONENT CHARGE
Customer Allocation

Capital Component Charge			
	Capital Component Charge	Percent Allocation	
Debt to Charlotte County			
1991 Facility	\$1,664,191	84.41%	
36-inch RTS	\$307,366	15.59%	
Total	\$1,971,557	100.00%	
Cost Allocation Percentages			
		1991 Facility	36-inch RTS Pipeline
Charlotte County		89.65%	89.65%
DeSoto County		0.42%	0.42%
Sarasota County		0.00%	0.00%
City of North Port		9.93%	9.93%
Total		100.00%	100.00%
Capital Component Charge Cost			
	Capital Component Chare	1991 Facility	36-inch RTS Pipeline
Charlotte County	\$1,767,501	\$1,491,947	\$275,553
DeSoto County	\$8,281	\$6,990	\$1,291
Sarasota County	\$0	\$0	\$0
City of North Port	\$195,776	\$165,254	\$30,521
Total	\$1,971,557	\$1,664,191	\$307,366

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

RENEWAL AND REPLACEMENT RESERVE ACCOUNT EXPENDITURES

Item No.	Renewal & Replacement Projects	FY 2019
1	Treatment Processes	1,248,000
2	Reservoirs & Raw Water Pumping	380,000
3	ASR Wells & Monitoring Systems	227,500
4	Roads & Grounds	40,000
5	General Buildings	119,600
6	Transmission Systems and Remote Sites	384,800
7	SCADA, IT & Communications	125,000
8	Security	70,000
	Total	2,594,900

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

CAPITAL IMPROVEMENT PROGRAM
Funded CIP Projects

Item No.	CIP Project	FY 2019 Expenditures	Source of Funds				
			CIP Funds	SWFWMD Grant Funds	State Grant Funds	Punta Gorda Payment	Total
1	Regional Integrated Loop - Phase 1 [U.S. 17/Shell Creek]	6,700,000		3,200,000	3,500,000		6,700,000
2	Regional Integrated Loop - Phase 3B [S.R. 681 to Clark Road]	8,130,000	4,065,000	4,065,000			8,130,000
3	Raw Water ASR - [Pilot testing, Permitting, Implementation]	750,000			750,000		750,000
4	Facilities Improvements - [Maintenance Warehouse]	1,195,000	1,195,000				1,195,000
5	Facility Improvements - Filter Covers	2,500,000	2,500,000				2,500,000
	Total	19,275,000	7,760,000	7,265,000	4,250,000	0	19,275,000

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

PLANNING PROJECTS

Item No.	Planning Projects	FY 2019 Expenditure	Funds Brought Forward	Other Funding	FY 2019 Assessment
1	Water Advocacy/One Water Initiative	25,000	25,000		0
2	Integrated Regional Water Supply Plan 2020	175,000	75,000		100,000
	Total	200,000	100,000		100,000

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

WATER RATE [Authority Customers]
10/01/2018 to 09/30/2019

Total Monthly Water Charge to Customers [Charge per Month]	
Monthly Charge = Base Rate Charge + (Water Use Charge x Actual Water Delivered)	

Base Rate Charge [Annual costs to be allocated]	Totals
Non-Capital Cost Component	
Fixed O & M Cost Component	10,059,200
Contribution to R & R Reserve	2,000,000
Transfer to CIP	500,000
Contingencies	500,000
Projected Interest Earned	(40,000)
Transfer from Rate Stabilization Reserve	(250,000)
Funds Brought Forward	(1,650,000)
Sub-Total Non-Capital Cost Component	11,119,200
Water Purchase	20,000
Total Non-Capital Cost Component	\$11,139,200
Debt Service Cost	
2010A Bonds	591,300
2010B Bonds	1,892,100
2014 Bonds	4,538,200
2015 Bonds	2,525,500
Total Debt Service	\$9,547,100
Debt Service Coverage Payments	\$1,345,320
Debt Service Contributions	
Federal Direct Payment [2010B Bonds]	(\$578,300)
County Payments	
Capital Component Charge	1,971,557
DeSoto Payment	796,000
North Port Payment to Charlotte	4,781
Total County Payments	\$2,772,338
Total Base Rate Charge	\$24,225,658

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

Annual Base Rate Charge By Customer											
	Total	Non-Capital Cost Component	2010A Bonds	2010B Bonds	2014 Bonds	2015 Bonds	Debt Service Coverage Payment	Federal Subsidy 2010B Bonds	Capital Component Charge	DeSoto Payment	North Port Payment to Charlotte
Charlotte County	9,365,713	5,168,332	0	0	1,191,872	599,967	268,776	0	1,767,501	369,266	0
DeSoto County	499,370	216,685	6,563	0	37,217	181,370	33,773	0	8,281	15,482	0
Sarasota County	11,998,243	4,834,477	501,363	1,216,431	2,838,722	1,744,164	889,334	(371,789)	0	345,541	0
City of North Port	2,362,332	919,706	83,373	675,669	470,389	0	153,438	(206,511)	195,776	65,711	4,781
Total	\$24,225,658	\$11,139,200	\$591,300	\$1,892,100	\$4,538,200	\$2,525,500	\$1,345,320	(\$578,300)	\$1,971,557	\$796,000	\$4,781

Monthly Base Rate Charge By Customer											
Charlotte County	780,476										
DeSoto County	41,614										
Sarasota County	999,854										
City of North Port	196,861										
Total	\$2,018,805										

Master Water Supply Contract Water Allocation											
Million Gallons Per Day [MGD]											
	Annual Average Daily [MGD]										
Charlotte County	16.100										
DeSoto County	0.675										
Sarasota County	15.060										
City of North Port	2.865										
Total	34.700										

Water Use Charge											
[Charge per 1,000 gallons]											
	Total										
Water Use Rate Charge	\$0.74										

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

REDISTRIBUTION POOL
10/01/2018 to 09/30/2019

Redistribution Pool Water Quantities						
	(1) Water Allocation [MGD]	(2) New Water Supply [MGD]	Total Contracted Allocation [MGD]	(3) Available for Pool [MGD]	Requested from Pool [MGD]	(4) Budget Allocation [MGD]
Charlotte County	16.100	0.000	16.100	1.500	0.000	16.100
DeSoto County	0.675	0.000	0.675	0.000	0.000	0.675
Sarasota County	15.060	0.000	15.060	2.300	0.000	15.060
City of North Port	2.865	0.000	2.865	0.500	0.000	2.865
Total	34.700	0.000	34.700	4.300	0.000	34.700

Redistribution Pool Water Base Rate Charge Adjustment		
	Annual Cost [\$ /Year]	Annual Unit Cost [\$ /MGD]
Peace River Facility REP Debt Service	5,129,500	348,946
Non-Capital Component	11,139,200	321,014
DeSoto Payment	796,000	22,939
Redistribution Pool Water Base Rate		\$692,899

- (1) Peace River/Manasota Regional Water Supply Authority Master Water Supply Contract - Exhibit B 'Water Allocations' (Peace River Facility water allocations).
 (2) Peace River/Manasota Regional Water Supply Authority Master Water Supply Contract - Exhibit C 'New Water Supply Demands'.
 (3) Pool water based on Customer submittals (January 2018).
 (4) Total annual average water allocated for FY 2019 budget.

Redistribution Pool Base Rate Charge Adjustment by Customer				
	Annual Base Rate Adjustment		Monthly Base Rate Adjustment	
	To Pool	From Pool	To Pool	From Pool
Charlotte County	0	0	0	0
DeSoto County	0	0	0	0
Sarasota County	0	0	0	0
City of North Port	0	0	0	0
Total	\$0	\$0	\$0	\$0

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

CUSTOMER PLANNING ASSESSMENT

10/01/2018 to 09/30/2019

Planning Assessments		Distribution (1)		
[Annual costs to be allocated]				
	Total	Water Advocacy/One Water Initiative	Integrated Regional Water Supply Plan 2020	
Charlotte County	17,643	0	17,643	
DeSoto County	3,408	0	3,408	
Manatee County	37,278	0	37,278	
Sarasota County	34,947	0	34,947	
City of North Port	6,724	0	6,724	
Total	\$100,000	\$0	\$100,000	

(1) Reserve Fund Assessments will be invoiced on October 1, 2018.

Water Allocation			
[Million Gallons Per Year]		Water Allocation [MGD]	Water Allocation [Percentage]
Charlotte County	16.100	46.4%	
DeSoto County	0.675	1.9%	
Manatee County	0.000	0.0%	
Sarasota County	15.060	43.4%	
City of North Port	2.865	8.3%	
Total	34.700	100.0%	

Population			
		Population	Population [Percentage]
Charlotte County	169,152	17.64%	
DeSoto County	32,676	3.41%	
Manatee County	357,404	37.28%	
Sarasota County	335,060	34.95%	
City of North Port	64,472	6.72%	
Total	958,764	100.00%	

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

MEMBER FEE

10/01/2018 to 09/30/2019

Contribution Amount to be Derived			
Administrative Office Authority Support Projected Interest Earned Estimated Brought Forward - Undesignated	Totals		
	\$764,200		
	\$0		
	(\$375,000)		
Amount to be Derived		\$389,200	
Population Basis			
Charlotte County DeSoto County Manatee County Sarasota County Total	*Population 4/1/2017	% of Total Population	
	169,152	17.64%	
	32,676	3.41%	
	357,404	37.28%	
	399,532	41.67%	
		100.00%	
Weighted Contribution			
Charlotte County DeSoto County Manatee County Sarasota County Total Weighted Contribution	Base Contribution	Pro Rated Share	
	\$48,650	\$34,333	\$82,983
	\$48,650	\$6,632	\$55,282
	\$48,650	\$72,542	\$121,192
	\$48,650	\$81,093	\$129,743
			\$389,200

Member Contribution Formula:

Base Contribution = 1/2 amount to be derived divided by 4

Pro rated share = 1/2 amount to be derived times % of Population

* Source: 'Estimates o Population by County and City in Florida [Bureau of Economic and Business Research; University of Florida, April 1, 2017]

Rate Resolution

FY 2019 Budget

The Rate Resolution section provides Resolution No. 2018-09 adopted by the Board of Directors establishing rates, fees and charges for FY 2019.

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY

Resolution 2018-09

**RESOLUTION SETTING FORTH SCHEDULES
OF RATES, FEES AND CHARGES FOR FY 2019**

The Peace River Manasota Regional Water Supply Authority, created pursuant to Section 373.1962, Florida Statutes, now found in Section 373.713, Florida Statutes, and Interlocal agreement pursuant to Section 163.01, Florida Statutes, in lawful session and in regular order of business properly presented, finds that:

WHEREAS, the Second Amended Interlocal Agreement Creating the Peace River Manasota Regional Water Supply Authority entered into on October 5, 2005 provides that:

'The Authority shall establish a tentative budget no later than May 15, for the ensuing Contract Year. The tentative budget shall include all anticipated expenditures of the Authority for its projects and activities for the ensuing Contract Year, including Operating and Maintenance Cost, Management and Planning Costs, and Debt Service Cost. As part of the budget process, the Authority shall adopt rates, fees, and charges to generate sufficient revenue to pay all budgeted expenditures on a water user basis for Authority Water Supply Facilities. Membership fees and rates shall be established annually and adopted by resolution at the time of budget adoption.' and

WHEREAS, the Authority has entered into the Peace River Manasota Regional Water Supply Authority Master Water Supply Contract with Charlotte County, DeSoto County, Manatee County, Sarasota County, and with the City of North Port on October 5, 2005 (as amended August 5, 2015) for the purpose of supplying water produced by the Authority from the Peace River Facility and new water supply sources; and

WHEREAS, the Master Water Supply Contract provides that:

'In conjunction with the Authority's annual budget development and adoption process, the Authority shall fix a Water Rate consisting of the Base Rate Charge (adjusted as necessary for customer financing), DeSoto Payment, and Water Use Charge to be paid on a monthly basis by the Customers for water furnished by the Authority. The rates are not subject to the supervision or regulation by any other commission, board, bureau, agency or other political subdivision or agency of the county or state.' and

WHEREAS, the Authority Board of Directors adopted the Budget for FY 2019 at their regularly scheduled meeting on July 25, 2018.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Peace River Manasota Regional Water Supply Authority does hereby set forth preliminary schedules establishing rates, fees and charges for the period beginning October 1, 2018 through September 30, 2019 attached hereto as Exhibit A.

Section 2. Conservation Charge for Exceedance.

In the event a customer should receive delivery of water in excess of their respective water allocation (as adjusted by New Water Supply Demand and/or Redistribution Pool) provided in the Master Water Supply Contract for the period beginning October 1, 2018 through September 30, 2019, the exceeding customer shall pay an additional charge, Conservation Charge for Exceedance, derived as follows unless the exceedance is the result of an emergency transfer as determined by the Authority Board, in which case no additional charge shall be placed upon the excess water usage occasioned by the emergency.

The Conservation Charge for Exceedance shall be based solely on Annual Average Day (AAD) Water Allocation set forth in Exhibit B of the Master Water Supply Contract (the Conservation Charge for Exceedance does not apply to the Peak Month Average Day and the Maximum Day Water Allocations if exceeded). Delivery of water shall be as recorded by the Authority's meters at the points of connection between the Authority transmission system and the distribution system of the customer.

Exceedance of AAD for Fiscal Year	Conservation Rate Calculation
1 st Exceedance	<u>No penalty.</u> Customer liable only for the Base Rate Charge set by resolution plus Water Use Charge set by resolution for their actual metered water usage. The Authority shall assist the customer in the performance of a water audit of its water system and implementation of audit recommendations.
2 nd Exceedance	Customer liable for the Base Rate Charge set by resolution plus <u>125% of the Redistribution Pool Water Base Rate Charge for water delivered in exceedance of Water Allocation</u> plus Water Use Charge set by resolution for their actual metered water usage.
3 rd Exceedance	Customer liable for the Base Rate Charge set by resolution plus <u>150% of the Redistribution Pool Water Base Rate Charge for water delivered in exceedance of Water Allocation</u> plus Water Use Charge set by resolution for their actual metered water usage.
4 th and all Subsequence Exceedances	Customer liable for the Base Rate Charge set by resolution plus <u>200% of the Redistribution Pool Water Base Rate Charge for water delivered in exceedance of Water Allocation</u> and Water Use Charge set by resolution for their actual metered water usage.

The Conservation Charge for Exceedance is progressive and penalty for exceedance is applied in subsequent fiscal years as provided above. The exceedances do not need to be in consecutive years and the number of exceedances does not reset each year.

The additional revenue received from such exceedance will, at the discretion of the Authority Board, be

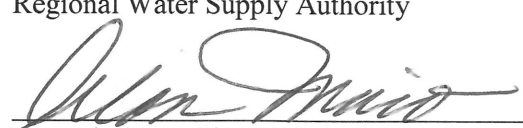
applied to the funding for management and planning as provided in section 17 of the MWSC for future water supply development.

Done at Sarasota, Florida this Twenty-Fifth day of July 2018.

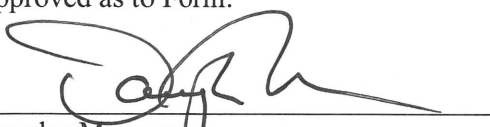
Attest:


Patrick J. Lehman
Executive Director

Peace River Manasota
Regional Water Supply Authority


Commissioner Alan Maio
Chairman

Approved as to Form:


Douglas Manson
General Counsel for the Peace River Manasota
Regional Water Supply Authority

BOARD APPROVED

JUL 25 2018

Peace River Manasota
Regional Water Supply Authority

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

WATER RATE [Authority Customers]

10/01/2018 to 09/30/2019

Total Monthly Water Charge to Customers [Charge per Month]		Monthly Charge = Base Rate Charge + (Water Use Charge x Actual Water Delivered)
Base Rate Charge [Annual costs to be allocated]	Totals	
Non-Capital Cost Component		
Fixed O & M Cost Component	10,059,200	
Contribution to R & R Reserve	2,000,000	
Transfer to CIP	500,000	
Contingencies	500,000	
Projected Interest Earned	(40,000)	
Transfer from Rate Stabilization Reserve	(250,000)	
Funds Brought Forward	(1,650,000)	
Sub-Total Non-Capital Cost Component	11,119,200	
Water Purchase	20,000	
Total Non-Capital Cost Component	\$11,139,200	
Debt Service Cost		
2010A Bonds	591,300	
2010B Bonds	1,892,100	
2014 Bonds	4,538,200	
2015 Bonds	2,525,500	
Total Debt Service	\$9,547,100	
Debt Service Coverage Payments	\$1,345,320	
Debt Service Contributions		
Federal Direct Payment [2010B Bonds]	(\$578,300)	
County Payments		
Capital Component Charge	1,971,557	
DeSoto Payment	796,000	
North Port Payment to Charlotte	4,781	
Total County Payments	\$2,772,338	
Total Base Rate Charge	\$24,225,658	

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

Annual Base Rate Charge By Customer											
	Total	Non-Capital Cost	2010A Bonds	2010B Bonds	2014 Bonds	2015 Bonds	Debt Service Coverage Payment	Federal Subsidy 2010B Bonds	Capital Component Charge	DeSoto Payment	North Port Payment to Charlotte
Charlotte County	9,365,713	5,168,332	0	0	1,191,872	599,967	268,776	0	1,767,501	369,266	0
DeSoto County	499,370	216,685	6,563	0	37,217	181,370	33,773	0	8,281	15,482	0
Sarasota County	11,998,243	4,834,477	501,363	1,216,431	2,838,722	1,744,164	889,334	(371,789)	0	345,541	0
City of North Port	2,362,332	919,706	83,373	675,669	470,389	0	153,438	(206,511)	195,776	65,711	4,781
Total	\$24,225,658	\$11,139,200	\$591,300	\$1,892,100	\$4,538,200	\$2,525,500	\$1,345,320	(\$578,300)	\$1,971,557	\$796,000	\$4,781

Monthly Base Rate Charge By Customer										
Charlotte County	780,476									
DeSoto County	41,614									
Sarasota County	999,854									
City of North Port	196,861									
Total	\$2,018,805									

Master Water Supply Contract Water Allocation										
Million Gallons Per Day [MGD]	Annual Average Daily [MGD]									
Charlotte County	16.100									
DeSoto County	0.675									
Sarasota County	15.060									
City of North Port	2.865									
Total	34.700									

Water Use Charge										
[Charge per 1,000 gallons]	Total									
Water Use Rate Charge	\$0.74									

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

REDISTRIBUTION POOL
10/01/2018 to 09/30/2019

Redistribution Pool Water Quantities

	(1) Water Allocation [MGD]	(2) New Water Supply [MGD]	Total Contracted Allocation [MGD]	(3) Available for Pool [MGD]	Requested from Pool [MGD]	(4) Budget Allocation [MGD]
Charlotte County	16.100	0.000	16.100	1.500	0.000	16.100
DeSoto County	0.675	0.000	0.675	0.000	0.000	0.675
Sarasota County	15.060	0.000	15.060	2.300	0.000	15.060
City of North Port	2.865	0.000	2.865	0.500	0.000	2.865
Total	34.700	0.000	34.700	4.300	0.000	34.700

Redistribution Pool Water Base Rate Charge Adjustment

	Annual Cost [\$ /Year]	Annual Unit Cost [\$ /MGD]
Peace River Facility REP Debt Service	5,129,500	348,946
Non-Capital Component	11,139,200	321,014
DeSoto Payment	796,000	22,939
Redistribution Pool Water Base Rate		\$692,899

- (1) Peace River/Manasota Regional Water Supply Authority Master Water Supply Contract - Exhibit B 'Water Allocations' (Peace River Facility water allocations).
 (2) Peace River/Manasota Regional Water Supply Authority Master Water Supply Contract - Exhibit C 'New Water Supply Demands'.
 (3) Pool water based on Customer submittals (January 2018).
 (4) Total annual average water allocated for FY 2019 budget.

Redistribution Pool Base Rate Charge Adjustment by Customer

	Annual Base Rate Adjustment		Monthly Base Rate Adjustment	
	To Pool	From Pool	To Pool	From Pool
Charlotte County	0	0	0	0
DeSoto County	0	0	0	0
Sarasota County	0	0	0	0
City of North Port	0	0	0	0
Total	\$0	\$0	\$0	\$0

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

INTERCONNECT WATER CHARGE [GOVERNMENT RATE]

10/01/2018 to 09/30/2019

Water Charge to Municipalities Interconnected to Regional Transmission System	
[Charge per 1,000 Gallons]	
Water Rate	
[Charge per 1,000 Gallons]	
	Water Rate Charge in \$/1,000 gallons metered water delivery for cumulative delivery to all interconnects up to quantity identified as
\$3.30	'Available from Pool' in the Redistribution Pool for the current fiscal year.
\$6.60	Water Rate Charge in \$/1,000 gallons metered water delivery for cumulative delivery to all interconnects in excess of the quantity identified as
	'Available from Pool' in the Redistribution Pool for the current fiscal year.

Revenue received from these water sales will, at the discretion of the Authority Board, be applied as a credit toward the obligations of the Authority Customers apportioned to each of their allocations to the 'Available from Pool' in the Redistribution Pool for the current fiscal year. Water rate for emergency use unless Interlocal Agreement provides alternative water rate.

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

CUSTOMER PLANNING ASSESSMENT
10/01/2018 to 09/30/2019

Planning Assessments [Annual costs to be allocated]		Distribution (1)		
		Total	Water Advocacy/One Water Initiative	Integrated Regional Water Supply Plan 2020
Charlotte County	17,643	0	17,643	
DeSoto County	3,408	0	3,408	
Manatee County	37,278	0	37,278	
Sarasota County	34,947	0	34,947	
City of North Port	6,724	0	6,724	
Total	\$100,000	\$0	\$100,000	

(1) Reserve Fund Assessments will be invoiced on October 1, 2018.

Water Allocation [Million Gallons Per Year]		Water Allocation [MGD]	Water Allocation [Percentage]
Charlotte County	16.100	46.4%	
DeSoto County	0.675	1.9%	
Manatee County	0.000	0.0%	
Sarasota County	15.060	43.4%	
City of North Port	2.865	8.3%	
Total	34.700	100.0%	

Population		Population	Population [Percentage]
Charlotte County	169,152	17.64%	
DeSoto County	32,676	3.41%	
Manatee County	357,404	37.28%	
Sarasota County	335,060	34.95%	
City of North Port	64,472	6.72%	
Total	958,764	100.00%	

Peace River Manasota Regional Water Supply Authority
FY 2019 Budget

MEMBER FEE

10/01/2018 to 09/30/2019

Contribution Amount to be Derived		Totals
Administrative Office Authority Support		\$764,200
Projected Interest Earned		\$0
Estimated Brought Forward - Undesignated		(\$375,000)
Amount to be Derived		\$389,200

Population Basis		
	*Population 4/1/2017	% of Total Population
Charlotte County	169,152	17.64%
DeSoto County	32,676	3.41%
Manatee County	357,404	37.28%
Sarasota County	399,532	41.67%
Total	958,764	100.00%

Weighted Contribution		
	Base Contribution	Pro Rated Share
Charlotte County	\$48,650	\$34,333
DeSoto County	\$48,650	\$6,632
Manatee County	\$48,650	\$72,542
Sarasota County	\$48,650	\$81,093
Total Weighted Contribution		\$389,200

Member Contribution Formula:

Base Contribution = 1/2 amount to be derived divided by 4

Pro rated share = 1/2 amount to be derived times % of Population

* Source: 'Estimates o Population by County and City in Florida [Bureau of Economic and Business Research; University of Florida, April 1, 2017]

Appendix A

FY 2019 Budget

Resolution 2005-08 'Resolution Setting Forth
Rate Setting Methodology'

PEACE RIVER/MANASOTA REGIONAL WATER SUPPLY AUTHORITY

Resolution 2005-08

RESOLUTION SETTING FORTH RATE SETTING METHODOLOGY

The Peace River/Manasota Regional Water Supply Authority, created pursuant to Chapter 373.1962, Florida Statutes, and interlocal agreement pursuant to Chapter 163.01, Florida Statutes, in lawful session and in regular order of business properly presented, finds that:

WHEREAS, the Authority has entered into a Master Water Supply Contract with DeSoto County, Charlotte County, Sarasota County, and with the City of North Port for the purpose of supplying water produced by the Authority from Authority Water Supply Facilities; and

WHEREAS, the Master Water Supply Contract provides the terms and conditions for the sale of water produced by the Authority; and

WHEREAS, the Master Water Supply Contract provides for the Water Rate to be set annual by Resolution by the Authority Board.

NOW, THEREFORE, BE IT RESOLVED:


Section 1. The Peace River/Manasota Regional Water Supply Authority does hereby set forth the following schedule, attached hereto as Exhibit A, establishing the rate setting methodology for the Water Rate resolution fixing and classifying rates, fees, and charges for the sale of water from the Authority Water Supply Facilities.

Section 2. North Port payment to Charlotte shall be in accordance with the Master Water Supply Contract Section 20.


Section 3. In the event a customer should receive delivery of water in excess of their respective water allocation provided in the Master Water Supply Contract the Authority Board shall establish within the rate resolution each year a conservation rate.

Done at Bradenton, Florida, this Fifth day of October, 2005.

Attest:


Patrick J. Lehman, P.E.
Executive Director

PEACE RIVER/MANASOTA REGIONAL
WATER SUPPLY AUTHORITY


Commissioner Patricia M. Glass
Chairman

Approved as to Form:

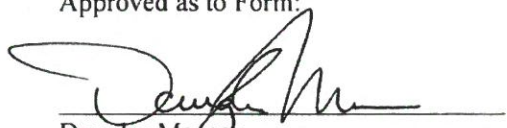

Douglas Manson
General Counsel



EXHIBIT A
Peace River/Manasota Regional Water Supply Authority
Master Water Supply Contract (MWSC)
Rate Setting Methodology

	Rate Component	Master Water Contract Methodology
Base Rate Charge	Capital Component Charge [Regional Water System]	Customer cost proportionate to 1991 Facility water allocation [MWSC Section 16.1, 19 and Exhibit F]
	PRO Bonds [Regional Water System]	Customer cost proportionate to PRO water allocation [MWSC Section 16.2 and Exhibit F]
	PRO Bonds [Payment for Oversized Facilities for PRO]	Customer cost per contract percentages: DeSoto 12.5% Sarasota 87.5% [MWSC Section 18.1]
	REP Bonds [Regional Water System]	Customer cost per contract percentages: Charlotte 27.21% DeSoto 0.81% Sarasota 61.72% North Port 10.26% [MWSC Section 16.1 and Exhibit F]
	REP Bonds [Payment for Oversized Facilities for REP]	Customer cost per contract percentages: DeSoto 1.1% Sarasota 85.62% North Port 13.28% [MWSC Section 18.2]
	Hydraulic Capacity Entitlement Cost	Customer cost of debt service proportionate to contract pipeline percentage or other pipeline contracts [MSWC Section 1.20, 23 and Exhibit E]
	Fixed O&M	Common Rate [Customer cost proportionate to total water allocation MWSC Section 1.6]
	DeSoto Payment [Replaces Facility Use Charge]	Customer cost of DeSoto Payment per contract payment schedule [MWSC Section 1.15 and Exhibit A]
	Contribution to R&R Reserve	Common Rate [Customer cost proportionate to total water allocation]
	Contingencies	Common Rate [Customer cost proportionate to total water allocation]
Water Use Rate Charge	Variable O&M	Common Rate [Customer cost by actual usage of metered water delivered]

Appendix B

FY 2019 Budget

Budget Policies

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY

BUDGET POLICIES [2013]

Purpose and Intent:

1. Establish policies for reserve accounts.
2. Identify the funds to which the policies apply.
3. Provide guidance as to how reserves are to be used and replenished.

General Considerations:

1. To maintain adequate reserves is important for the Authority's financial well-being, and for being prepared for periods of time of revenue shortfalls, natural disasters, unanticipated expenditures, and to ensure stable water rates.
2. Adequate fund balance levels are essential component of the Authority's overall financial management and a key factor in measurement of the Authority's financial strength by bond rating agencies.
3. The Authority seeks to maintain the highest possible credit ratings that can be achieved without compromising the mission of the Authority and meeting all contractual obligations.
4. The Authority will adopt fund classification guidelines reflecting the Government Accounting Standards Board (GASB) Statement No. 54.

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY

BUDGET POLICIES [2013]

1. Unrestricted Cash Reserve Policy [Redefine Existing Policy]:

Utility Reserve Fund:

The Authority establishes a policy to maintain an uncommitted Utility Reserve Fund with a minimum balance equivalent to 180 days of the total operations and maintenance expenditures in the Authority's annual budget. Utility Reserve Fund is the residual classification for the Enterprise Fund and represents fund balance that has not been restricted, committed or assigned to specific purposes within the Enterprise Fund.

2. Rate Stabilization:

The Authority establishes a policy to maintain Rate Stabilization account that can be used to mitigate water rate increase in the Authority's annual budget. The Authority Board of Directors may transfer into the Rate Stabilization Reserve such moneys which are on deposit in the Utility Reserve Fund as it deems appropriate. It is the goal of the Authority to maintain a balance at the end of each fiscal year of \$1 million in the Rate Stabilization account.

3. Renewal and Replacement Fund:

The Authority's bond documents [2005 Bonds and 2010 Bonds] establishes a Renewal and Replacement Reserve Fund requirement on the date of calculation, an amount of money equal to (1) five percent of the Gross Revenues for the preceding fiscal year or (2) such greater or lesser amount as may be certified by the consulting engineers in an amount appropriate. The Authority establishes a policy to maintain a minimum balance in the Replacement and Renewal Reserve Fund of two million dollars unless either of the above conditions requires a greater minimum amount be maintained in the fund.

Renewal and Replacement charges are established by the Authority for the exclusive purpose of funding renewals and replacements of water supply facilities. The charges are established to satisfy the requirements of the Authority's obligations and shall be set forth in the annual budget approved by the Authority board of directors. Renewal and Replacement costs are the capital expenditures set forth in the annual budget approved by the Authority board of directors for the ordinary renewal, replacement, upgrade and betterment of water supply facilities. Renewal and Replacement costs do not include capital expenditures associated with the expansion or addition of water treatment, storage, pumping or transmission capacity or the costs associated with reconstruction of any major components of the water supply facilities.

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY

BUDGET POLICIES [2013]

4. Debt Service Coverage:

For each fiscal year, the Authority covenanted in Bond resolutions to fix, establish, maintain and collect such rates, fees and charges, and revise them from time to time, whenever necessary, so as to always provide in each fiscal year net revenues equal to (1) at least 115% of the annual debt service becoming due in such fiscal year; and (2) at least 100% of any (a) amounts required by the terms of the Bond resolutions to be deposited in the Reserve Account or with any issuer of a Reserve Account Letter of Credit or Reserve Account Insurance Policy in such fiscal year, and (b) any payments required to be made to Charlotte County and DeSoto County pursuant to the Master Water Supply Contract due in such fiscal year.

The Authority establishes a policy to budget for debt service coverage of 150% to assure compliance with bond covenants and maintain the highest possible credit ratings that can be achieved without compromising the mission of the Authority and meeting all contractual obligations. Debt service coverage is budgeted based on each customer's respective debt obligation. Funds budgeted for debt service coverage for each customer is to be maintained on behalf of that customer.

5. General Fund [Operation, Maintenance and Administration Fund]:

Moneys in the Revenue Account shall first be used each month to deposit in the General Fund [aka Operation, Maintenance and Administration Fund] such sums as are necessary to pay operations and maintenance costs for the ensuing month; provided the Authority may transfer moneys from the Revenue Account at any time to pay operating and maintenance costs to the extent there is a deficiency in the Operation, Maintenance and Administration Fund for such purpose. Amounts in the Operation, Maintenance and Administration Fund shall be paid out from time to time by the Authority for operating and maintenance costs. The Authority establishes a policy to fund an operating reserve within the Operation, Maintenance and Administration Fund in an amount which shall be equal to the monthly average of operating and maintenance costs for the preceding fiscal year as provided in the Authority's preceding budget. Moneys in the operating reserve shall be used to pay operating and maintenance costs to the extent other moneys in the Operation, Maintenance and Administration Fund are not available for such purposes.

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY

BUDGET POLICIES [2008]

Unrestricted Cash Reserve:

~~The Authority establishes a goal to maintain an unrestricted cash reserve equivalent to 25% (90 days) of the total rate related expenditures in the Authority's annual budget.~~ **[Superseded February 6, 2013]**

Member Contribution:

Member contribution to the General Fund in the Authority's annual budget shall be calculated as follows:

- (1) 50% of the total contribution shall be equal to each Authority member; and
- (2) 50% of the total contribution shall be proportioned to each Authority member proportionate to their respective county's population to the regions total population.

Appendix C

FY 2019 Budget

Second Amended Interlocal Agreement Creating the
Peace River Manasota Regional Water Supply Authority
(October 2005)

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712 S. Oregon Avenue
Tampa, Florida 33606



SECOND AMENDED INTERLOCAL AGREEMENT CREATING THE
PEACE RIVER/MANASOTA REGIONAL WATER SUPPLY AUTHORITY

THIS SECOND AMENDED INTERLOCAL AGREEMENT CREATING THE PEACE RIVER/MANASOTA REGIONAL WATER SUPPLY AUTHORITY ("Agreement"), entered into this 5th day of October, 2005, by and between CHARLOTTE COUNTY, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing board thereof ("Charlotte"); DESOTO COUNTY, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing board thereof ("DeSoto"); MANATEE COUNTY, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing board thereof ("Manatee"); and SARASOTA COUNTY, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing board thereof ("Sarasota") (collectively, the "Counties").

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pursuant to the provisions of Section 373.1962, Florida Statutes, and pursuant to the provisions of Section 163.01, Florida Statutes; and

WHEREAS, it is recognized and found by the Counties that the provision of potable water and the protection of water resources can best be accomplished by maintaining a regional water supply authority whose primary function shall be to ensure future water supply and the development, recovery, storing and supplying of water resources for county or municipal purposes in such a manner as will give priority to encouraging conservation and reducing adverse environmental effects of excessive or improper withdrawals of water from concentrated areas; and

NOW, THEREFORE, in consideration of the foregoing premises, which shall be deemed an integral part of this Agreement, and of the mutual covenants and agreements hereafter set forth, Charlotte, DeSoto, Manatee and Sarasota intending to be legally bound hereby agree as follows:

1. **DEFINITIONS.** In the absence of a clear implication otherwise, capitalized terms used in this Agreement shall have the following meanings:

- 1.1. **Authority.** The Peace River/Manasota Regional Water Supply Authority.
- 1.2. **Authority Board.** The Authority's governing body.
- 1.3. **Authority Water Supply Facilities.** All real property, interest in real property, fixtures, personal property, wells, treatment systems, pumps, pipes, storage facilities, reservoirs, aquifer storage and recovery facilities, water transmission mains, any future expansion of said facilities and appurtenant or associated installations owned, leased or otherwise controlled by the Authority and used for the supply of potable water.

WITNESSETH:

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WHEREAS, Charlotte, DeSoto, Manatee and Sarasota find it is in the public interest and welfare to enter into this Second Amended Interlocal Agreement relating to the governance of the Peace River/Manasota Regional Water Supply Authority ("Authority"); and

WHEREAS, the Authority was first established by Charlotte, DeSoto, Manatee, Sarasota and Hardee Counties on February 26, 1982 through an Interlocal Agreement entered on the same date (the "1982 Interlocal"); and

WHEREAS, as a result of Hardee County's withdrawal from the Authority, Charlotte, DeSoto, Manatee and Sarasota entered into a new Interlocal Agreement, which superseded the 1982 Interlocal and reestablished the Authority on February 1, 1984 (the "1984 Interlocal"); and

WHEREAS, on May 21, 1991, the Counties entered into that certain "Amended Interlocal Agreement Creating the Peace River/Manasota Regional Water Supply Authority" (the "1991 Interlocal"), which superseded the 1984 Interlocal and incorporated the commitments made by the Counties in the Memorandum of Intent, attached as Exhibit "C" to the 1991 Interlocal; and

WHEREAS, in order to more effectively address the responsibilities and obligations of the Counties with respect to the growth and development of a regional water supply, the Counties desire to enter into this Second Amended Interlocal Agreement for the Peace River/Manasota Regional Water Supply Authority, which shall supersede and replace the 1991 Interlocal; and

WHEREAS, Charlotte, DeSoto, Manatee and Sarasota wish to set forth this Agreement among themselves with respect to the Peace River/Manasota Regional Water Supply Authority

1.4. **Capital Component Charge.** For any Contract Year, the charge established by resolution of the Authority for payment to Charlotte for the transfer of the Peace River Regional Water Treatment Facility. The Capital Component Charge shall be assessed pursuant to the Master Water Supply Contract.

1.5. **Contract Year.** The period between execution of the Contract and September 30, 2005, and each fiscal year of the Authority (beginning on each October 1, and ending on the immediately following September 30) thereafter during the term of this Contract.

1.6. **Customer(s).** Manatee, DeSoto, Charlotte, Sarasota and the City of North Port.

1.7. **Debt Service Cost.** For any Contract Year, all costs including reserve or coverage requirement, if any, incurred by the Authority during such Contract Year in connection with the Authority Water Supply Facilities for principal payments, Capital Component Charge, interest payments, redemption premiums, if any, and service charges with respect to payment of Obligations.

1.8. **Director.** A Member's appointed representative on the Authority Board.

1.9. **Exclusive Provider Customer.** A subset of Customers that designate the Authority as the exclusive provider of new potable water in the Master Water Supply Contract or similar agreement. Generally, the Exclusive Provider Customer agrees not to develop any additional Water Supply Sources unless the Authority and the Exclusive Provider Customer mutually agree to enter into a joint project to develop a new Water Supply Source. The Exclusive Provider Customer may sell or transfer any or all of its existing Water Supply Facilities to the Authority, but shall not sell or transfer existing Water Supply Facilities otherwise. The Exclusive Provider Customer shall be irrevocably committed to pay for the Water Allocation assigned to it by the Authority. If the Exclusive Provider Customer meets its

payment obligations under the Master Water Supply Contract or similar agreement, the Authority shall have the absolute and unequivocal obligation to develop and provide potable water to the Customer based upon its permissible future potable water demand.

1.10. Financing Documents. Any resolution or resolutions of the Authority, as well as any indenture of trust, trust agreement or similar document relating to the issuance or security of the Obligations.

1.11. Management and Planning Costs. Costs incurred by the Authority for management functions including, but not limited to, keeping records, recording and distribution of minutes, meeting announcements and coordination of respective member staff input and planning functions including but not limited to feasibility studies, planning processes, collecting and analyzing data, identifying and analyzing potential new Water Supply Sources, and planning related to developing, expanding or interconnecting regional transmission pipelines.

1.12. Master Water Supply Contract. The Peace River Manasota Regional Water Supply Authority Master Water Supply Contract executed concurrently with this Agreement and as may be amended in the future.

1.13. Member(s). Members of the Authority. This term refers jointly to Charlotte, DeSoto, Manatee and Sarasota.

1.14. Obligation(s). A series of bonds or other evidence of indebtedness, including but not limited to, Financing Documents, notes, commercial paper, capital leases or any other debt of the Authority issued or incurred.

1.15. Operating and Maintenance Cost. For any Contract Year, all costs budgeted and reserves established by the Authority for operating, maintaining and securing the Authority Water Supply Facilities during such Contract Year, including, but not limited to: a)

water use permit or individual water use permit issued by the Southwest Florida Water Management District or any entity.

1.18. Quorum. A Quorum shall consist of any three (3) Directors out of the four (4) Directors currently comprising the Authority Board.

1.19. Regional Water System. All real property, interest in real property, fixtures, personal property, wells, buildings, treatment system, pumps, pipes, storage facilities, reservoir(s), aquifer storage and recovery facilities and appurtenant or associated facilities owned by Authority, excluding the Regional Transmission System.

1.20. SWFWMD. The Southwest Florida Water Management District.

1.21. Water Allocation. The portion of the Regional Water System allotted to a Customer pursuant to the Master Water Supply Contract.

1.22. Water Supply Facilities. All real property, interest in real property, fixtures, personal property, wells, treatment systems, pumps, pipes, storage facilities, reservoirs, aquifer storage and recovery facilities, water transmission mains, any future expansion of said facilities and appurtenant or associated installations owned, leased or otherwise controlled by Charlotte, DeSoto, Manatee, Sarasota or the Authority and used for the provision of potable water supply.

1.23. Water Supply Source. Any project, construction, acquisition, transfer or transaction creating a new water source or expanding an existing water source for use by the Authority, Charlotte, Sarasota, Manatee or DeSoto.

2. FORMATION. The Authority was established on February 26, 1982 and has remained in continuous existence since that date. The Authority was created pursuant to Sections 373.196, 373.1962 and 163.01, Florida Statutes, and other applicable law.

personnel, staffing and operating costs of the Authority related to the operation, maintenance and security of the Authority Water Supply Facilities; b) the general and administrative costs of the Authority related to the operation, maintenance and security of the Authority Water Supply Facilities; c) minor capital expenditures of the Authority for items such as tools, parts, and other equipment and vehicles necessary for the operation, maintenance and security of the Authority Water Supply Facilities; and d) all costs incurred in obtaining and maintaining the Permits for the Authority Water Supply Facilities.

1.16. Peace River Regional Water Treatment Facility ("the 1991 Facility"). All real property, interest in real property, fixtures, personal property, wells, buildings, treatment systems, pumps, pipes, storage facilities, reservoirs, aquifer storage facilities and appurtenant or associated facilities located in DeSoto and Sarasota, which were transferred by Charlotte to the Authority pursuant to that certain "Acquisition Agreement" dated May 21st, 1991 by and among the Authority, Charlotte, DeSoto, Manatee, Sarasota and the Southwest Florida Water Management District, and any expansion of said facilities undertaken pursuant to that certain "Peace River Water Supply Contract" dated May 21st, 1991 by and among the Authority, Charlotte, DeSoto, Manatee and Sarasota. The foregoing notwithstanding, this term shall not include the construction, acquisition or use of any groundwater production wells. "Groundwater production wells" shall not include facilities withdrawing water from the Peace River through the use of horizontal wells not more than 50 feet deep or aquifer storage and recovery wells.

1.17. Permits. All licenses, permits, authorizations or other approvals from any government or governmental agency, whether federal, state, regional or local, necessary or convenient for the acquisition, construction, expansion and operation of Water Supply Facilities and Water Supply Sources, including but not limited to any general water use permit, temporary

3. TERRITORY. The geographic territory of the Authority consists of all of DeSoto County, Florida, Manatee County, Florida and Sarasota County, Florida and that portion of Charlotte County, Florida located within the territorial boundaries of the Southwest Florida Water Management District.

4. AUTHORITY BOARD. All powers, privileges and duties vested in or imposed on the Authority shall be exercised and performed by and through a governing body in accordance with the following:

4.1. Name. The governing body of the Authority shall be designated and known as the Authority Board.

4.2. Composition of the Authority Board. The Authority Board shall be composed of the Member representatives of the Authority. Each Member shall duly appoint one Director to the Authority Board. Such appointment shall be at the sole discretion of the appointing Member and shall be a member of the appointing Member's Board of County Commissioners. A Member may appoint an alternate Director to the Authority Board and such alternate shall have the power to vote in the absence of the primary designated Director. Alternate Directors do not have to be members of the appointing Member's Board of County Commissioners. Appointments to the Authority Board shall serve at the pleasure of the appointing Member.

4.3. Voting Procedure. All votes on questions, orders, resolutions, regulations, budgets or other decisions coming before the Authority Board shall be conducted as follows:

4.3.1. Each Member shall have one vote to be exercised by the Director or the alternate Director.

4.3.2. No Member shall use its authority under this Section to impede the Authority's ability to operate the Authority Water Supply Facilities.

4.3.3. A majority vote of the Members shall be necessary for any Authority Board action.

4.4. Authority Board Officers. The Authority Board shall elect one Director as chairman and one Director as vice-chairman. The chairman shall preside at Authority Board meetings and shall execute all contracts and other legal documents on behalf of the Authority. The chairman shall be elected for the term of one (1) year. If the chairman shall cease to be a Director or shall for any reason be unable to serve as chairman, a successor shall be elected by the Authority Board for the unexpired portion of the term. The vice-chairman shall be elected for a term of one (1) year and shall assume all of the duties of the chairman in his/her absence. If neither the chairman nor vice-chairman is in attendance or both are unwilling or unable to chair a meeting at which a Quorum is present, the Authority Board may elect a chairman pro-tem for the duration of that meeting.

4.5. Power of the Authority Board. All powers, privileges and duties vested in or upon the Authority shall be exercised and performed by and through the Authority Board in accordance with this Section; provided, however, the exercise of any and all executive, administrative and ministerial powers may be delegated by the Authority Board to any of its officers, staff, employees, agents or designees, which delegation may be redelegated or withdrawn by the Authority Board. The Authority Board shall fix and publish to the Members the time and place or places at which its regular meetings shall be held, and shall provide for the calling and holding of special meetings at the request of any Member upon appropriate notice.

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terms and conditions as the Authority Board shall deem necessary and prudent and to improve such land or lands so acquired in any manner which promotes or has a tendency to promote the public good of the region and which relate to the duties and authority specified in this Agreement; and

5.6. The right to exercise the power of eminent domain in the manner provided by law for the condemnation of real property for public use, to acquire title to such interest in real property as is necessary to the exercise of the powers herein granted, except any property held by a Member; and

5.7. The right to apply for and receive Permits; and

5.8. The authority to borrow money, issue bonds and other types of securities, mortgage, pledge or otherwise encumber any of the Authority's property or assets upon terms and conditions to be determined by the Authority Board. This power shall be full and complete in all respects in order to promote, construct, accomplish, maintain, and operate any of the public purposes or projects enumerated in this Section; provided, however, that the power to borrow money and issue water revenue bonds shall be limited to requiring only those parties who voluntarily consent to pay back any borrowed money or pledge their water revenue to the payment of any issued Authority bonds; and

5.9. The right to adopt and enforce reasonable rules and regulations or procedures pertaining to the use, acquisition, maintenance, development, operation, or disposal of any of the services, facilities, or projects enumerated or authorized in this Section; and

5.10. The right to acquire, to do, and to perform all things enumerated in this Section separately or in conjunction with a county, municipality or other political subdivision of the state whether the same is within or without the territorial limits of the Authority; and

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The Authority Board shall adopt rules, regulations, resolutions and orders for conducting its business.

4.6. Compensation of Directors. Directors shall serve without compensation, but shall be reimbursed for per diem and travel in accordance with Section 112.061, Florida Statutes.

5. GENERAL POWERS OF THE AUTHORITY. In addition to and supplementing any other privileges, benefits and powers granted by Section 163.01, Florida Statutes, the Authority shall have the following powers and duties:

5.1. The right to exercise any and all provisions or powers granted to the Authority by Section 373.1962, Florida Statutes, said provisions being incorporated by reference herein, and whatever rules, regulations, resolutions, by-laws, and organization necessary to perform the intended functions of the Authority. The procedures for conducting any elections or referenda required and the qualifications of an elector shall be as provided by Chapters 97 through 106, Florida Statutes, known as "The Florida Election Code;" and

5.2. The full and complete right to contract; and

5.3. The authority to prescribe, fix, maintain, and regulate fees, charges, or rents for the use of any of the Authority facilities or services by persons or things at the discretion of the Authority Board; and

5.4. The right to lease, as lessor or lessee, to or from any person, firm, corporation association or body, public or private, facilities or property of any nature for the use of the Authority to carry out any of the purposes authorized by this Agreement; and

5.5. The right to acquire land, submerged lands and properties, real or personal or interests therein by purchase, gift, or otherwise, and to hold or dispose of same upon such

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5.11. The authority to employ a staff and such other technical assistants and other employees as the Authority Board shall determine to be necessary; and

5.12. The right to conduct and pay for studies, plans, and designs to effectuate the purpose of the Authority, which action may include, but is not limited to, work plans for providing existing or new water supply and for expansion, staffing plans, and financing plans as provided pursuant to this Agreement; and

5.13. The right to enter into interlocal agreements or other contracts with public or private entities, if necessary, for the purpose of selling or purchasing water; and

5.14. The right to produce and supply water on a regional basis; provided, however, the Authority shall not engage in local distribution of water; and

5.15. The right to enter into contracts with public or private entities for provision of assistance in planning, financing and constructing any and all facilities and services as determined appropriate and desirable by the Authority Board; provided however, the Authority shall not enter into any management contract with respect to Authority Water Supply Facilities, which jeopardizes the tax exempt status of any revenue bonds issued by Members regarding said facilities; and

5.16. The right to secure funding and to contract for appropriate engineering and financial feasibility studies to evaluate the applicability of the Authority assuming responsibility for the production and supply of water on a regional basis or to further effectuate the purposes of the Authority; and

5.17. The right to maintain an office at such place or places within the territorial boundary of the Authority as the Authority Board may designate; and

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5.18. The right to employ and compensate such personnel, consultants and technical and professional assistants as the Authority Board shall deem necessary to exercise the Authority's powers and to perform the duties set forth in this Agreement; and

5.19. The right to accept and receive, utilize or expand, in furtherance of its functions, funds, grants, and services from the federal government or its agencies, from departments, agencies and instrumentalities of state, municipal, county, or other local governments, or from private or civic sources; and

5.20. The right to invest any surplus money in the Authority treasury, including such money in any sinking fund or other fund established for the purpose of providing for the payment of the principal or interest of any bonded or other indebtedness or for any other purpose, not required for the immediate necessities of the Authority, in its bond, or in treasury notes, or bonds, of the United States, or of this state, and such investment may be made by direct purchase of any issue of such bonds, or treasury notes, or part thereof, at the original sale of the same, or by subsequent purchase of such bonds or treasury notes. Any bonds or treasury notes thus purchased and held may from time to time, be sold and the proceeds reinvested in bonds or treasury notes, as above provided. Sales of any bonds or treasury notes thus purchased and held shall, from time to time, be made in season so that the proceeds may be applied to the purposes for which the money, with which the bonds or treasury notes were originally purchased, were placed in the treasury of the Authority; and

5.21. The right to have and exercise such powers as are reasonably implied herefrom and necessary and proper to carry out the objectives and purposes of the Authority; and

5.22. The right to provide other services as may be agreed upon by the Members through amendment of this Agreement.

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9. **WITHDRAWAL FROM THE AUTHORITY.** A Member may withdraw from the Authority only upon giving the other Members one hundred and eighty (180) days prior written notice of its intention to withdraw. Any Member who withdraws from the Authority shall continue to be responsible for any financial or contractual obligations it has specifically assumed while a Member of the Authority, including but not limited to the withdrawing Member's obligations under the Master Water Supply Contract and any subsequent amendments, contracts or agreements between the Members and the Authority.

10. **NEW MEMBERS.** Admission of new Members to the Authority and any amendment of this Agreement to reflect said new Members shall be by unanimous vote of the Authority Board.

11. **AMENDMENT.** This Agreement may be amended in writing executed by all the then current Authority Members in the same manner as this Agreement.

12. **PRIOR AGREEMENTS.** All negotiations, proposals and agreements prior to the date of this Agreement, including but not limited to the Interlocal Agreement of February 26, 1982, the Interlocal Agreement of February 1, 1984, the Memorandum of Intent and the Amended Interlocal Agreement Creating the Peace River/Manasota Regional Water Supply Authority dated May 21, 1991 are superseded. This Agreement shall constitute the entire interlocal agreement of the Members with respect to the formation, general powers and general obligations of the Authority. The foregoing notwithstanding, this Agreement shall not supersede the Master Water Supply Contract which shall be read in pari material with this Agreement.

13. **BUDGETS.** The Authority shall establish its budgets in the following manner:

13.1. **Tentative Budgets.** The Authority shall establish a tentative budget no later than May 15, for the ensuing Contract Year. The tentative budget shall include all

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6. **FUNDING FOR MANAGEMENT AND PLANNING.** It is acknowledged that Management and Planning Costs of the Authority may be obtained from the Customers in a manner determined by the Authority Board, and that additional funds available for Management and Planning Costs shall be sought by the Authority from the federal and state government, including but not limited to the Florida Department of Environmental Protection, Florida Department of Community Affairs, the Southwest Florida Water Management District, the Basin Boards of the Southwest Florida Water Management District and appropriate utilities and agencies.

7. **EXISTING OPERATION.** The Customers shall have a preferential right to purchase water from the Authority.

8. **PROVISION OF NEW WATER SUPPLY.** The Authority will develop new potable water supply for Customers as set forth in the Master Water Supply Contract and paid for by the Customer in advance, or the Authority may finance the required funds based upon the Customer's irrevocable commitment to pay the required amount contained in the Master Water Supply Contract or similar agreement.

8.1. **Election of Exclusive Provider Status.** A Customer's election to become an Exclusive Provider Customer shall be declared in the Master Water Supply Contract. The Master Water Supply Contract provides the specific guideline for implementation of this Section.

8.2. **Customer Consent.** Pursuant to Section 22 of the Master Water Supply Contract, the Authority must have the written consent of the governing body of a Customer in whose jurisdiction the Authority intends to expand, acquire, develop, construct or operate new Authority Water Supply Facilities.

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anticipated expenditures of the Authority for its projects and activities for the ensuing Contract Year, including Operating and Maintenance Cost, Management and Planning Costs, and Debt Service Cost. As part of the budget process, the Authority shall adopt rates, fees, and charges to generate sufficient revenue to pay all budgeted expenditures on a water user basis for Authority Water Supply Facilities. Membership fees and rates shall be established annually and adopted by resolution at the time of budget adoption.

13.2. **Final Budgets.** The Authority shall establish a final budget and corresponding rate resolution no later than August 15 for the ensuing Contract Year. The final budget shall include all anticipated expenditures of the Authority for its projects and activities for the ensuing Contract Year, including, but not necessarily limited to, Operating and Maintenance Cost, Management and Planning Costs, and Debt Service Cost.

13.3. **Budget Adoption Procedure.** The Authority's tentative budget shall be adopted at a regularly scheduled meeting in accordance with normal notice and procedure requirements applicable to such meeting. The Authority's final budget shall be adopted at a public hearing preceded by published notice in a newspaper of general circulation within the territorial boundaries of each of the Authority's Members. This notice shall be published one time only at least fourteen (14) days prior to the public hearing. Additionally, the Authority shall provide copies of the tentative budget and all supporting documentation to its Members at least thirty (30) days prior to the public hearing. The public shall be given a reasonable opportunity to address the Authority Board.

13.4. **Audit.** At the close of each Contract Year, the Authority shall have an audit performed of all of its accounts by an independent certified public accounting firm.

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14. **DEFAULT AND REMEDY.** The Members agree the sole remedy for a breach of this Agreement shall be specific performance. However, nothing in this Section shall limit the Authority's remedies to recover payments due for the provision of water pursuant to the Master Water Supply Contract.

15. **DISSOLUTION OR MODIFICATION OF THE AUTHORITY.** Should the Authority be adjudged bankrupt or insolvent or dissolved by law or other proceeding, or transferred or assigned to another governmental agency or body, or if the Legislature of the State of Florida changes (a) the composition of the current Members of the Authority or (b) the method of determining the composition of the Members of the Authority or the Directors of the Authority Board, other than as set forth in this Agreement, then the Authority Water Supply Facilities and shall be transferred by operation of law to those Members holding a Water Allocation in the Authority Water Supply Facilities in proportion to the sum of all Water Allocations in their boundaries under the Master Water Supply Contract; provided, the Members receiving any ownership interests in the Authority Water Supply Facilities shall continue making payments, when due, on their applicable portion, as computed directly above, of any and all Obligations.

16. **RECLASSIFICATION OF THE PEACE RIVER.** The Authority shall not use its formation or existence as grounds for requesting the Florida Department of Environmental Protection to reclassify all or any portion of the Peace River as an Outstanding National Resource Water, an Outstanding Florida Water or Class I Water as those terms are defined and used in Florida Administrative Code.

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Agreement, except for any bond holders and/or credit enhancers relating to revenue bonds issued with respect to Authority Water Supply Facilities owned, leased or otherwise controlled by the Authority.

22. **WAIVER.** Unless otherwise specifically provided by the terms of this Agreement, no delay or failure to exercise a right resulting from any breach of this Agreement shall impair such right or shall be construed to be a waiver thereof, but such right may be exercised from time to time and as often as may be deemed expedient. Any waiver shall be in writing and signed by the party granting such waiver. If any representation, warranty or covenant contained in this Agreement is breached by any party and thereafter waived by another party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive, either expressly or impliedly, any other breach under this Agreement.

23. **SECTION CAPTIONS AND REFERENCES.** The section headings and captions contained herein are included for convenience only and shall not be considered part of this Agreement or affect in any manner its construction or interpretation. Except as otherwise indicated, all references herein to sections are to sections of this Agreement.

24. **SEVERABILITY.** In the event that any provision of this Agreement shall, for any reason, be determined invalid, illegal or unenforceable in any respect the parties hereto shall negotiate in good faith and agree to such amendments, modifications or supplements of this Agreement or such other appropriate actions as shall, to the maximum extent practicable in the light of such determination implement and give effect to the intentions of the parties as reflected herein, and the other provisions of this Agreement, as amended, modified, supplemented or otherwise affected by such action, shall remain in full force and effect.

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17. **APPLICABLE LAW AND VENUE.** The laws of the State of Florida shall govern the validity, interpretation, construction and performance of this Agreement and venue for any suit involving this Agreement shall be in Hillsborough County, Florida.

18. **ASSIGNMENT.** No assignment, delegation, transfer or novation of this Agreement or any part thereof shall be made unless approved in writing by all Members.

19. **NOTICES.** All notices, demands, requests and other communications hereunder shall be deemed sufficient and properly given, if in writing and delivered in person to the following address or sent by certified or registered mail or by overnight delivery, postage prepaid with return receipt requested, at such addresses; provided, if such notices, demands, requests or other communications are sent by mail, they shall be deemed as given on the third day following such mailing which is not a Saturday, Sunday or a day on which United States mail is not delivered: the Authority Executive Director's Office, the Charlotte County Administrator's Office, the DeSoto County Administrator's Office, the Manatee County Administrator's Office and the Sarasota County Administrator's Office. The Authority or any Member may, by like notice, designate any further or different address to which subsequent notices shall be sent. Any notices hereunder signed on behalf of the notifying party by a duly authorized attorney at law shall be valid and effective to the same extent as if signed on behalf of such party by a duly authorized officer or employee.

20. **RELATIONSHIP OF THE PARTIES.** Nothing herein shall be deemed to constitute any Member as a partner or joint venturer, or to create any fiduciary relationship among the Members.

21. **THIRD PARTY BENEFICIARIES.** No right or cause of action shall accrue upon or by reason hereof, or for the benefit of any person not expressly named as a party in this

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25. **ATTORNEYS FEES AND COST.** In the event there is a breach of this Agreement and it becomes necessary for any party to employ the services of an attorney either to enforce the Agreement or pursue other remedies, with litigation or adversarial administrative proceedings, the losing party or parties shall pay to the successful party or parties reasonable attorney's fees and such reasonable costs and expenses as are incurred in enforcing the Agreement or pursuing other remedies.

26. **FURTHER ASSURANCES.** The Members each shall use all reasonable efforts to provide such information, execute such further instruments and documents and take actions as may be reasonably requested by another party and not inconsistent with the provisions of this Agreement and not involving the assumption of obligations or liabilities different from, in excess of or in addition to those expressly provided for in this Agreement to carry out the intent of this Agreement.

27. **CONSENTS.** To the extent the consent of any party to this Agreement is required as a condition to the action of other parties, such consent shall not be unreasonably withheld.

28. **EXECUTION OF DOCUMENTS.** This Agreement shall be executed in fifteen (15) duplicate originals, any of which shall be regarded for all purposes as an original and all of which shall constitute one and the same instrument. A true and correct copy of this Agreement and any subsequent amendments shall be recorded with the clerk of the circuit court in Charlotte, DeSoto, Manatee and Sarasota Counties.

29. **SOVERIGN IMMUNITY.** The Members intend to avail themselves of the benefits of Sections 768.28 and 163.01(9)(c), Florida Statutes, and of other statutes and common law governing sovereign immunity to the fullest extent possible. In accordance with Section 163.01(5)(o), Florida Statutes, the Members are not jointly liable for the torts of the officers or

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employees of the Authority, or any other tort attributable to the Authority, and that only the Authority shall be liable for torts attributable to it or for torts of its officers or employees, and then only to the extent of the waiver of sovereign immunity or limitation of liability specified in Section 768.28, Florida Statutes. The Members intend the Authority to have all the privileges and immunities from liability and exemptions from laws, ordinances, rules and common law which apply to the municipalities and counties of the State of Florida. Nothing in this Agreement is intended to inure to the benefit of any third-party for the purposes of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

30. AMBIGUITY. The parties agree that each one has played an equal part in the negotiation and drafting of this Agreement, and in the event of any ambiguity should be asserted or realized in the interpretation or construction of this Agreement, the result of such ambiguity shall be equally assumed and realized by each party.

IN WITNESS WHEREOF, Charlotte, DeSoto, Manatee and Sarasota have executed this Contract on the day, month and year first above written.

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WITNESS:

Janette S. Knowlton
Approved as to form
Attorney for Charlotte County
Janette S. Knowlton
LR #05-43

CHARLOTTE COUNTY
BOARD OF COUNTY COMMISSIONERS

By: *Sara J. Devos*
Sara J. Devos, Chairman
Date: 9/2/2005

ATTEST:
Barbara T. Scott, Clerk of Circuit
Court and Ex-Officio Clerk to the
Board of County Commissioners
Barbara T. Scott
Deputy Clerk

STATE OF FLORIDA
COUNTY OF CHARLOTTE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, Sara J. Devos, to me known to be the person described in and who executed the foregoing instrument on behalf of the Charlotte County, and acknowledged before me that _____, executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 29th day of September, 2005.

Stacey K. Miller
Notary Public, My
Commission
Expires: _____
NOTARY PUBLIC STATE OF FLORIDA
Stacey K. Miller
Commission # DD448505
Expires: JULY 07, 2009
Sited Three Atlantic Building Co., Inc.

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WITNESS:

Carol Treadwell
Carol Treadwell

DESOTO COUNTY

By: *Ronald P. Neads*
Date: September 13, 2005

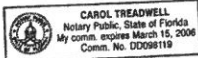
Approved as to form:
Carol Treadwell
Attorney for DeSoto County

STATE OF FLORIDA
COUNTY OF DESOTO

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, Ronald P. Neads, to me known to be the person described in and who executed the foregoing instrument on behalf of the DeSoto County, and Ronald P. Neads, acknowledged before me that _____, executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 14th day of September, 2005.

Carol Treadwell
Notary Public, My
Commission
Expires: _____



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Second Amended Interlocal Agreement Creating the Peace River/Manatee Regional Water Supply Authority

WITNESS:

MANATEE COUNTY

By: *Ronald P. Neads*
Date: 9/20/05

Approved as to form:
Not applicable
Attorney for Manatee County

ATTEST: R. B. SHORE
Clerk of the Circuit Court
By: *Juanita B. Shore*



STATE OF FLORIDA
COUNTY OF MANATEE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, _____, to me known to be the person described in and who executed the foregoing instrument on behalf of the Manatee County, and _____, acknowledged before me that _____, executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this _____ day of _____, 2005.

Notary Public, My
Commission
Expires: _____

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Appendix D

FY 2019 Budget

Master Water Supply Contract
(October 2005, as amended August 2015)

Linda Stewart
9445 Town Center Blvd
Lakeview Land, FL 34202



SECOND AMENDMENT TO PEACE RIVER/MANASOTA REGIONAL WATER
SUPPLY AUTHORITY MASTER WATER SUPPLY CONTRACT

THIS SECOND AMENDMENT TO PEACE RIVER/MANASOTA REGIONAL
WATER SUPPLY AUTHORITY MASTER WATER SUPPLY CONTRACT ("Second
Amendment") is made and entered into as of the 5th day of AUGUST, 2015, by and
between the PEACE RIVER/MANASOTA REGIONAL WATER SUPPLY AUTHORITY,
a regional water supply authority created and existing pursuant to Sections 373.713 and 163.01,
Florida Statutes, and other applicable law, acting by and through its governing board
("Authority"); MANATEE COUNTY, a political subdivision of the State of Florida, acting by
and through its Board of County Commissioners ("Manatee"); CHARLOTTE COUNTY, a
political subdivision of the State of Florida, acting by and through its Board of County
Commissioners, ("Charlotte"); DESOTO COUNTY, a political subdivision of the State of
Florida, acting through its Board of County Commissioners, ("DeSoto"); SARASOTA
COUNTY, a political subdivision of the State of Florida, acting by and through its Board of
County Commissioners, ("Sarasota"); and the CITY OF NORTH PORT, a municipal
corporation of the State of Florida, acting by and through its Board of City Commissioners,
("North Port") (collectively "Customers").

WITNESSETH:

WHEREAS, the Authority and Customers entered into the Peace River/Manasota
Regional Water Supply Authority Master Water Supply Contract effective October 5, 2005
("MWSC") and entered into a First Amendment to Peace River/Manasota Regional Water
Supply Authority Master Water Supply Contract on June 4th, 2008; and

WHEREAS, the Authority and Charlotte County entered into an Interlocal Agreement
Resolving 1991 Rebuild Project Dispute ("Settlement") on November 25, 2014. This Settlement,
in part, provides for Charlotte County and the Authority to cooperate to modify certain
provisions of the MWSC including changing the definition of the term "Renewal and
Replacement Costs" and modifying portions of Exhibit B entitled Water Allocation for Sarasota
and City of North Port; and,

RECORDED IN OFFICIAL RECORDS
INSTRUMENT # 2015080511
August 05, 2015 10:11 AM
CLERK OF THE CIRCUIT COURT
SARASOTA COUNTY, FL

CHARLOTTE COUNTY CLERK OF CIRCUIT COURT
OR BOOK 3089 PAGE 612 PAGE 1 OF 13
FILED 8/5/2015 Doc Type AGA
Recorded 8/5/2015 at 12:05 PM
Rec Fee RECORDING \$112.00
Clerk by MICHELLE



Recorded with
Manatee County Official Records at
www.manateeclear.com

WHEREAS, pursuant to the MWSC, each Customer submitted to the Authority a report
which identified its projections for Authority Supplied Water and the quantity of water it shall
purchase from the Authority in the designated Contract Year. The New Water Supply Demands
in Exhibit "C" of the MWSC provides for the quantity of water each Customer is irrevocably
committed to purchase from the Authority, and the Authority agrees to supply such water; and

WHEREAS, the Customers have sought to modify the MWSC to remove all request for
additional water from Exhibit "C" of the MWSC; and

WHEREAS, the MWSC may only be amended by in writing duly executed by the
Authority, Manatee, Charlotte, DeSoto, Sarasota and North Port and pursuant to the terms and
conditions of the MWSC.

NOW, THEREFORE, in consideration of the foregoing recitals, Authority and the
Customers agree as follows:

1. **Incorporation of Rights.** The foregoing recitals are true and correct and are
incorporated herein by reference.

2. **Amendments.**
2.1 Exhibit "B" of the MWSC, entitled Water Allocation is deleted in its
entirety and replaced with the Exhibit "B" table attached to this Second Amendment.

2.2 Exhibit "C" of the MWSC, entitled "New Water Supply Demands" and
previously modified by the First Amendment to Peace River/Manasota Regional Water Supply
Authority Master Water Supply Contract dated June 4th, 2008, is deleted in its entirety and
replaced with the Exhibit "C" table attached to this Second Amendment.

2.3 The definition of Renewal and Replacement Costs at provision 1.36 of the
MWSC is deleted in its entirety and replaced with the following: "1.36 Renewal and
Replacement Costs. The capital expenditures set forth in the annual budget approved by the
Authority for the ordinary renewal, replacement, upgrade and betterment of the Authority Water
Supply Facilities. Renewal and Replacement Costs do not include capital expenditures associated
with the expansion or addition of water treatment, storage, pumping or transmission capacity."

2.4 Paragraph 16.7 DeSoto Payment shall be deleted in its entirety and
replaced with the following: "16.7 DeSoto Payment. The Authority shall collect from its

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Customers in accordance with Exhibit "A", the DeSoto Payment and remit it to DeSoto. If the
quantities of water allocated to the Authority under SWFWMD Water Use Permit Number
20010420.008 are modified and Authority Customer's Water Allocation in Exhibit "B" is
amended for more than 34.7 MGD (Annual Average Daily) or if additional entities become
Customers of the Authority, then the amount and methodology of the DeSoto Payment to be paid
shall be readressed by all Parties to the Contract."

2.5. Exhibit "A" of the MWSC, entitled Water Allocation is deleted in its
entirety and replaced with the Exhibit "A" table attached to this Second Amendment.

IN WITNESS WHEREOF, the Authority, Manatee, Charlotte, DeSoto, Sarasota, and
North Port have caused this Second Amendment to be executed effective as of the date first
above written.

IN WITNESS WHEREOF, have executed this Second Amendment on the day, month
and year first above written.



PEACE RIVER/MANASOTA REGIONAL
WATER SUPPLY AUTHORITY

John Chappie, Chairman

Date: August 5, 2015

Approved as to form:

General Counsel for Peace River/Manasota
Regional Water Supply Authority

BOARD APPROVED

AUG - 5 2015

Peace River/Manasota
Regional Water Supply Authority

STATE OF FLORIDA
COUNTY OF MANATEE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State
aforesaid and in the County aforesaid to take acknowledgements, personally appeared, John
Chappie, to me known to be the person described in and who executed the foregoing instrument
on behalf of the Peace River/Manasota Regional Water Supply Authority and John Chappie,
acknowledged before me that John Chappie, executed same as a free act and deed for the uses
and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 5th day
of August, 2015.

Notary Public

My Commission Expires:



Ann Lee
COMMISSION # 178478
EXPIRES February 05, 2019
www.aanleynotary.com

BOARD OF COUNTY COMMISSIONERS
OF CHARLOTTE COUNTY

By: William J. Hines
Chairman
Date: July 16, 2015

ATTEST:
Barbara T. Scott, Clerk of Circuit
Court and Ex-Officio Clerk to the
Board of County Commissioners

By: James J. [Signature]
Deputy Clerk

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

Janette S. Knowlton
Janette S. Knowlton, County Attorney

STATE OF FLORIDA
COUNTY OF CHARLOTTE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State
aforesaid and in the County aforesaid to take acknowledgements, personally appeared,
Wm G. Trues, to me known to be the person described in and who executed the
foregoing instrument on behalf of Charlotte County, and NA
acknowledged before me that Wm G. Trues executed same as a free act and deed for
the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 14th
day of July, 2015.



Bonnie J. Thomas
Notary Public
My Commission Expires: 7/16/17

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DESOTO COUNTY
BOARD OF COUNTY COMMISSIONERS

By: [Signature]
Chair
Date: May 26, 2015

WITNESS:
Mandy J. Hines
MANDY J. HINES

Approved as to form:

[Signature]
Attorney for DeSoto County

STATE OF FLORIDA
COUNTY OF DESOTO

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State
aforesaid and in the County aforesaid to take acknowledgements, personally appeared,
Gabriel Rivas, to me known to be the person described in and who executed the
foregoing instrument on behalf of DeSoto County, and Bora
acknowledged before me that Gabriel Rivas executed same as a free act and deed for
the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 3rd
day of June, 2015.

Julie Thompson
Notary Public
My Commission Expires:



JILL THOMPSON
Notary Public, State of Florida
My Comm. Expires Jan. 28, 2016
Commission No. EE 104023

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MANATEE COUNTY
BOARD OF COUNTY COMMISSIONERS

By: Wm G. Trues
Chair
Date: June 16, 2015

ATTEST: R. B. SHORE
Clerk of Circuit Court

By: Wm G. Trues
Deputy Clerk

STATE OF FLORIDA
COUNTY OF MANATEE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State
aforesaid and in the County aforesaid to take acknowledgements, personally appeared,
Betsy Benge, to me known to be the person described in and who executed the
foregoing instrument on behalf of Manatee County, and
acknowledged before me that She executed same as a free act and deed
for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this Monday
day of June, 2015.



Kathleen C. Ellis
Notary Public
My Commission Expires: 6-17-2015

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SARASOTA COUNTY
BOARD OF COUNTY COMMISSIONERS

By: [Signature]
Chair
Date: June 16, 2015

WITNESS:

Charles Maloney

Approved as to form:

[Signature]
Attorney for Sarasota County

STATE OF FLORIDA
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State
aforesaid and in the County aforesaid to take acknowledgements, personally appeared,
Raymond J. Mason, to me known to be the person described in and who executed the
foregoing instrument on behalf of Sarasota County, and She
acknowledged before me that She executed same as a free act and deed
for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 7th
day of July, 2015.

Jo Ann D. Mann
Notary Public
My Commission Expires:



JO ANN D. MANN
Notary Public - State of Florida
My Comm. Expires Jul 18, 2016
Commission # FF 104410

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WITNESS:

CITY OF NORTH PORT

Seth Scott
Sarah Hays

By: *Roy D. Franco*
 Mayor

Date: *6-8-15*

Approved as to form:

Attorney for City of North Port

ATTEST:

Helen M. Raimbeau
 Helen M. Raimbeau, MMC
 City Clerk

STATE OF FLORIDA
 COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, *Mayor Roy D. Franco*, to me known to be the person described in and who executed the foregoing instrument on behalf of the City of North Port, and acknowledged before me that *Roy D. Franco* executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this *8th* day of *June*, 2015.



Notary Public
 My Commission Expires: *11/24/17*

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EXHIBIT "A"

DeSoto Payment Schedule
(approved 2015)

DeSoto Payment (Annual Assessment)					
Contract Fiscal Year	Charlotte County	DeSoto County	Sarasota County	City of North Port	Total
FY05	\$368,564	\$15,889	\$101,111	\$34,436	\$520,000
FY06	\$368,564	\$15,889	\$101,111	\$34,436	\$520,000
FY07	\$368,564	\$15,889	\$101,111	\$34,436	\$520,000
FY08	\$368,564	\$15,889	\$101,111	\$34,436	\$520,000
FY09	\$361,403	\$15,424	\$177,073	\$44,346	\$598,247
FY10	\$363,140	\$15,341	\$244,396	\$53,586	\$676,463
FY11	\$369,266	\$15,482	\$303,326	\$61,927	\$750,000
FY12	\$369,266	\$15,482	\$303,326	\$61,927	\$750,000
FY13	\$369,266	\$15,482	\$303,326	\$61,927	\$750,000
FY14	\$369,266	\$15,482	\$303,326	\$61,927	\$750,000
FY15	\$369,266	\$15,482	\$303,326	\$61,927	\$750,000
FY16	\$369,266	\$15,482	\$345,541	\$65,711	\$796,000
Remaining Years	\$369,266	\$15,482	\$345,541	\$65,711	\$796,000

EXHIBIT "B"

Water Allocation
(approved 2015)

Annual Average Daily (MGD)					
Contract Fiscal Year	Charlotte County	DeSoto County	Sarasota County	City of North Port	Total
FY05	12.525	0.535	3.048	1.192	17.300
FY06	12.758	0.550	3.500	1.192	18.000
FY07	12.758	0.550	3.500	1.192	18.000
FY08	12.758	0.550	3.500	1.192	18.000
FY09	13.895	0.593	6.808	1.705	23.001
FY10	15.031	0.635	10.116	2.218	28.000
FY11	16.100	0.675	13.225	2.700	32.700
FY12	16.100	0.675	13.225	2.700	32.700
FY13	16.100	0.675	13.225	2.700	32.700
FY14	16.100	0.675	13.225	2.700	32.700
FY15	16.100	0.675	13.225	2.700	32.700
FY16	16.100	0.675	15.060	2.865	34.700
Remaining Years*	16.100	0.675	15.060	2.865	34.700

Peak Monthly Average Day (MGD)					
Contract Fiscal Year	Charlotte County	DeSoto County	Sarasota County	City of North Port	Total
FY05	15.030	0.642	3.658	3.146	22.476
FY06	15.310	0.660	4.200	3.146	23.316
FY07	15.310	0.660	4.200	3.146	23.316
FY08	15.310	0.660	4.200	3.146	23.316
FY09	16.187	0.690	7.931	3.146	27.954
FY10	17.512	0.740	11.785	3.146	33.183
FY11	18.757	0.786	15.407	3.146	38.096
FY12	18.757	0.786	15.407	3.146	38.096
FY13	18.757	0.786	15.407	3.146	38.096
FY14	18.757	0.786	15.407	3.146	38.096
FY15	18.757	0.786	15.407	3.146	38.096
FY16	19.320	0.810	18.084	3.438	41.652
Remaining Years*	19.320	0.810	18.084	3.438	41.652

Maximum Day (MGD)					
Contract Fiscal Year	Charlotte County	DeSoto County	Sarasota County	City of North Port	Total
FY05	17.535	0.749	4.267	3.780	26.331
FY06	17.861	0.770	4.900	3.780	27.311
FY07	17.861	0.770	4.900	3.780	27.311
FY08	17.861	0.770	4.900	3.780	27.311
FY09	19.453	0.830	9.531	3.780	33.594
FY10	21.043	0.889	14.162	3.780	39.874
FY11	22.540	0.945	18.515	3.780	45.780
FY12	22.540	0.945	18.515	3.780	45.780
FY13	22.540	0.945	18.515	3.780	45.780
FY14	22.540	0.945	18.515	3.780	45.780
FY15	22.540	0.945	18.515	3.780	45.780
FY16	22.540	0.945	21.084	4.011	48.580
Remaining Years*	22.540	0.945	21.084	4.011	48.580

Annual Average Day, Peak Monthly Average Day, Maximum Day are expressed in million gallons per day (MGD).

*Remaining Years means the remaining years of the term of this MWS.

EXHIBIT "C"
New Water Supply Demands
 (approved 2015)

Annual Average Daily Quantity (MGD)						
Fiscal Year	Charlotte County	DeSoto County	Manatee County	Sarasota County	City of North Port	Total
FY15	0.000	0.000	0.000	0.000	0.000	0.000
FY16	0.000	0.000	0.000	0.000	0.000	0.000
FY17	0.000	0.000	0.000	0.000	0.000	0.000
FY18	0.000	0.000	0.000	0.000	0.000	0.000
FY19	0.000	0.000	0.000	0.000	0.000	0.000
FY20	0.000	0.000	0.000	0.000	0.000	0.000
FY21	0.000	0.000	0.000	0.000	0.000	0.000
FY22	0.000	0.000	0.000	0.000	0.000	0.000

Peak Month Average Daily Quantity (MGD)						
Fiscal Year	Charlotte County	DeSoto County	Manatee County	Sarasota County	City of North Port	Total
FY15	0.000	0.000	0.000	0.000	0.000	0.000
FY16	0.000	0.000	0.000	0.000	0.000	0.000
FY17	0.000	0.000	0.000	0.000	0.000	0.000
FY18	0.000	0.000	0.000	0.000	0.000	0.000
FY19	0.000	0.000	0.000	0.000	0.000	0.000
FY20	0.000	0.000	0.000	0.000	0.000	0.000
FY21	0.000	0.000	0.000	0.000	0.000	0.000
FY22	0.000	0.000	0.000	0.000	0.000	0.000

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Maximum Daily Quantity (MGD)						
Fiscal Year	Charlotte County	DeSoto County	Manatee County	Sarasota County	City of North Port	Total
FY15	0.000	0.000	0.000	0.000	0.000	0.000
FY16	0.000	0.000	0.000	0.000	0.000	0.000
FY17	0.000	0.000	0.000	0.000	0.000	0.000
FY18	0.000	0.000	0.000	0.000	0.000	0.000
FY19	0.000	0.000	0.000	0.000	0.000	0.000
FY20	0.000	0.000	0.000	0.000	0.000	0.000
FY21	0.000	0.000	0.000	0.000	0.000	0.000
FY22	0.000	0.000	0.000	0.000	0.000	0.000

Annual Average Day, Peak Month Average Day and Maximum Day are expressed in million gallons per day (MGD).

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EXHIBIT "C"
New Water Supply Demands
 (approved April 1, 2009)



Annual Average Daily Quantity (MGD)						
Fiscal Year	Charlotte County	DeSoto County	Manatee County	Sarasota County	City of North Port	Total
FY09	0.000	0.000	0.000	0.000	0.250	0.250
FY10	0.000	0.032	0.000	0.000	0.250	0.282
FY11	0.000	0.123	0.000	0.000	0.250	0.373
FY12	0.000	0.279	0.000	0.000	0.250	0.529
FY13	0.000	0.409	0.000	0.000	0.400	0.809
FY14	1.658	0.539	0.000	0.000	0.500	2.697
FY15	1.658	0.763	0.000	0.000	0.500	2.921
FY16	1.658	0.763	0.000	0.000	0.500	2.921

Peak Month Average Daily Quantity (MGD)						
Fiscal Year	Charlotte County	DeSoto County	Manatee County	Sarasota County	City of North Port	Total
FY09	0.000	0.000	0.000	0.000	0.400	0.400
FY10	0.000	0.038	0.000	0.000	0.400	0.438
FY11	0.000	0.148	0.000	0.000	0.400	0.548
FY12	0.000	0.335	0.000	0.000	0.400	0.735
FY13	0.000	0.491	0.000	0.000	0.600	1.091
FY14	1.990	0.647	0.000	0.000	1.000	3.637
FY15	1.990	0.916	0.000	0.000	1.000	3.906
FY16	1.990	0.916	0.000	0.000	1.000	3.906

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Maximum Daily Quantity (MGD)						
Fiscal Year	Charlotte County	DeSoto County	Manatee County	Sarasota County	City of North Port	Total
FY09	0.000	0.000	0.000	0.000	0.500	0.500
FY10	0.000	0.045	0.000	0.000	0.500	0.545
FY11	0.000	0.172	0.000	0.000	0.500	0.672
FY12	0.000	0.391	0.000	0.000	0.500	0.891
FY13	0.000	0.573	0.000	0.000	1.000	1.573
FY14	2.321	0.755	0.000	0.000	1.500	4.576
FY15	2.321	1.068	0.000	0.000	1.500	4.889
FY16	2.321	1.068	0.000	0.000	1.500	4.889

Annual Average Day, Peak Month Average Day and Maximum Day are expressed in million gallons per day (MGD).

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Peace River Manasota
894 Manatee Co. Suite 40
Bradenton, FL 34202

2008079467

FIRST AMENDMENT TO PEACE RIVER/MANASOTA REGIONAL WATER SUPPLY
AUTHORITY MASTER WATER SUPPLY CONTRACT

THIS FIRST AMENDMENT TO PEACE RIVER/MANASOTA REGIONAL WATER SUPPLY AUTHORITY MASTER WATER SUPPLY CONTRACT (this "Amendment") is made and entered into as of the 4th day of JUNE, 2008, by and between the PEACE RIVER/MANASOTA REGIONAL WATER SUPPLY AUTHORITY, a regional water supply authority created and existing pursuant to Sections 373.196, 373.1962 and 163.01, Florida Statutes, and other applicable law, acting by and through its Board of Directors, the governing board thereof ("Authority"); MANATEE COUNTY, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing board thereof ("Manatee"); CHARLOTTE COUNTY, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing board thereof ("Charlotte"); DeSOTO COUNTY, a political subdivision of the State of Florida, acting through its Board of County Commissioners, the governing board thereof ("DeSoto"); SARASOTA COUNTY, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing board thereof ("Sarasota"); and the CITY OF NORTH PORT, a municipal corporation of the State of Florida, acting by and through its Board of City Commissioners, the governing board thereof ("North Port") (collectively "Customers").

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CLERK OF THE CIRCUIT COURT
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WHEREAS, the Authority and Customers entered into the Peace River Manasota Regional Water Supply Authority Master Water Supply Contract effective October 5, 2005 (the "Agreement"); and

WHEREAS, pursuant to the Agreement, each Customer submitted to the Authority a report which identified its projections for Authority Supplied Water, each Customer identified that quantity of water it shall purchase from the Authority in the designated Contract Year. For the initial time period through Contract Year 2013, the New Water Supply Demands in Exhibit "C" was the water each Customer irrevocably committed to purchase from the Authority, and the Authority agreed to supply such water; and

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OR BOOK 02264 PAGES 3341 - 3349
MANATEE COUNTY CLERK COURT
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WITNESS:

Linda Stewart

Approved as to form:

[Signature]
Attorney for Peace River Manasota Regional
Water Supply Authority

STATE OF FLORIDA
COUNTY OF MANATEE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, Shannon Staub, to me known to be the person described in and who executed the foregoing instrument on behalf of the Peace River Manasota Regional Water Supply Authority and Shannon Staub, acknowledged before me that Shannon Staub, executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 4th day of June, 2008

[Signature]
Notary Public, My
Commission

Exp: *[Signature]*
EDWARD YATES
Commission ID 780115
Expires March 17, 2012
Bonded Through Atlantic Bonding Co., Inc.

PEACE RIVER MANASOTA REGIONAL
WATER SUPPLY AUTHORITY

By: *[Signature]*
Shannon Staub, Chairman

Date: 6-4-08



WHEREAS, at the time Customers submitted their New Water Supply Demands to the Authority in 2005, Customers were experiencing rapid population growth and intense development; and

WHEREAS, the Customers have since submitted their New Water Supply Demands to the Authority in 2008, the rapid population growth and intense development previously experienced by the Customers has declined; and

WHEREAS, the Agreement may only be amended by a writing duly executed by the Authority, Manatee, Charlotte, DeSoto, Sarasota and North Port and pursuant to the terms and conditions of the Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, Authority and the Customers hereby agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are true and correct and are incorporated herein by reference.

2. **Amendments.**
2.1 Exhibit "C" of the Agreement, entitled "New Water Supply Demands" is hereby deleted in its entirety and replaced with the amended Exhibit "C" attached to this amendment.

3. **Ratification.** The terms and conditions of the Agreement, as amended by this Amendment, are hereby ratified and confirmed by the parties.

IN WITNESS WHEREOF, the Authority, Manatee, Charlotte, DeSoto, Sarasota, and North Port have caused this Amendment to be executed effective as of the date first above written.

IN WITNESS WHEREOF, have executed this Contract on the day, month and year first above written.

BOARD OF COUNTY COMMISSIONERS
OF CHARLOTTE COUNTY

By: *[Signature]*
Thomas C. D'Amico, Chairman

Date: *[Signature]*

ATTEST:
Barbara T. Scott, Clerk of Circuit
Court and Ex-Officio Clerk to the
Board of County Commissioners

By: *[Signature]*
5-13-08 Deputy Clerk JUNE 2005-048

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

[Signature]
Ingelle S. Knowlton, County Attorney
LR 2008-43

STATE OF FLORIDA
COUNTY OF CHARLOTTE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, Tom D'Amico, to me known to be the person described in and who executed the foregoing instrument on behalf of Charlotte County, and acknowledged before me that Tom D'Amico, executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 14th day of May, 2008.

[Signature]
Notary Public
My Commission Expires: *[Signature]*
NOTARY PUBLIC, STATE OF FLORIDA
Bonnie S. Stotter
Commission # 01147969
Expires: JULY 06, 2009
Bonded Through Atlantic Bonding Co., Inc.

MAY 27 2008

WITNESS:

[Signature]
Carol Headwell

Approved as to form:

[Signature]
Attorney for DeSoto County

STATE OF FLORIDA
COUNTY OF FLORIDA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, Carol Headwell, to me known to be the person described in and who executed the foregoing instrument on behalf of DeSoto County, and Carol Headwell, executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 16th day of May, 2008.

[Signature]
Notary Public, My
Commission
Expires:

BETTY PHILLIPS
Notary Public, State of Florida
My comm. expires Dec. 18, 2011
Comm. No. DD741978

DESOTO COUNTY
BOARD OF COUNTY COMMISSIONERS

By: [Signature]

Date: May 16, 2008

MANATEE COUNTY
BOARD OF COUNTY COMMISSIONERS

WITNESS:

By: [Signature]

Date: 4/22/08

Approved as to form:

Attorney for Manatee County

ATTEST: R. B. SHORE
CLERK OF CIRCUIT COURT
[Signature]



STATE OF FLORIDA
COUNTY OF MANATEE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, [Signature], to me known to be the person described in and who executed the foregoing instrument on behalf of Manatee County, and [Signature], executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this day of , 2008.

Notary Public, My
Commission
Expires:

6

WITNESS:

[Signature]
Paula J. Hinton

Approved as to form:

[Signature]
Attorney for Sarasota County

STATE OF FLORIDA
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, Sharon Stais, to me known to be the person described in and who executed the foregoing instrument on behalf of Sarasota County, and Sharon Stais, executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 26th day of May, 2008.

[Signature]
Notary Public, My
Commission
Expires:



SARASOTA COUNTY
BOARD OF COUNTY COMMISSIONERS

By: [Signature]

Date: 5/26/2008

WITNESS:

[Signature]
[Signature]

Approved as to form:

[Signature]
Attorney for City of North Port

STATE OF FLORIDA
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, Eric E. Towse, III, to me known to be the person described in and who executed the foregoing instrument on behalf of the City of North Port, and [Signature], executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 5th day of May, 2008.



Notary Public, My
Commission
Expires:

CITY OF NORTH PORT

By: [Signature]

Date: April 22, 2008



EXHIBIT "C"
New Water Supply Demands

Annual Average Daily Quantity (MGD)						
Fiscal Year	Charlotte County	DeSoto County	Manatee County	Sarasota County	City of North Port	Total
FY08	0.000	0.000	0.000	0.000	0.250	0.250
FY09	0.000	0.000	0.000	0.000	0.250	0.250
FY10	0.000	0.032	0.000	0.000	0.250	0.282
FY11	0.000	0.123	0.000	0.000	0.250	0.373
FY12	0.000	0.279	0.000	0.000	0.250	0.529
FY13	0.000	0.409	0.000	0.000	0.400	0.809
FY14	1.858	0.539	0.000	0.000	0.500	2.697
FY15	1.858	0.763	0.000	0.000	0.500	2.921

Peak Month Average Daily Quantity (MGD)						
Fiscal Year	Charlotte County	DeSoto County	Manatee County	Sarasota County	City of North Port	Total
FY08	0.000	0.000	0.000	0.000	0.400	0.400
FY09	0.000	0.000	0.000	0.000	0.400	0.400
FY10	0.000	0.038	0.000	0.000	0.400	0.438
FY11	0.000	0.148	0.000	0.000	0.400	0.548
FY12	0.000	0.335	0.000	0.000	0.400	0.735
FY13	0.000	0.491	0.000	0.000	0.600	1.091
FY14	1.990	0.647	0.000	0.000	1.000	3.637
FY15	1.990	0.916	0.000	0.000	1.000	3.906

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Maximum Daily Quantity (MGD)						
Fiscal Year	Charlotte County	DeSoto County	Manatee County	Sarasota County	City of North Port	Total
FY08	0.000	0.000	0.000	0.000	0.500	0.500
FY09	0.000	0.000	0.000	0.000	0.500	0.500
FY10	0.000	0.045	0.000	0.000	0.500	0.545
FY11	0.000	0.172	0.000	0.000	0.500	0.672
FY12	0.000	0.391	0.000	0.000	0.500	0.891
FY13	0.000	0.573	0.000	0.000	1.000	1.573
FY14	2.321	0.755	0.000	0.000	1.500	4.576
FY15	2.321	1.068	0.000	0.000	1.500	4.889

Annual Average Day, Peak Month Average Day and Maximum Day are expressed in million gallons per day (MGD).

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CLERK OF THE CIRCUIT COURT
SARASOTA COUNTY, FLORIDA
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Return to:
Douglas Manson, Esq.
Carey, O'Malley, Whitaker & Manson, P.A.
712 S. Oregon Avenue
Tampa, Florida 33606

PEACE RIVER/MANASOTA REGIONAL WATER SUPPLY AUTHORITY MASTER WATER SUPPLY CONTRACT

THIS CONTRACT, entered into this 5th day of October, 2005, by and between the **PEACE RIVER/MANASOTA REGIONAL WATER SUPPLY AUTHORITY**, a regional water supply authority created and existing pursuant to Sections 373.196, 373.1962 and 163.01, Florida Statutes, and other applicable law, acting by and through its Board of Directors, the governing board thereof ("Authority"); **MANATEE COUNTY**, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing board thereof ("Manatee"); **CHARLOTTE COUNTY**, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing board thereof ("Charlotte"); **DESOTO COUNTY**, a political subdivision of the State of Florida, acting through its Board of County Commissioners, the governing board thereof ("DeSoto"); **SARASOTA COUNTY**, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing board thereof ("Sarasota"); and the **CITY OF NORTH PORT**, a municipal corporation of the State of Florida, acting by and through its Board of City Commissioners, the governing board thereof ("North Port") (collectively "Customers").

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according to the terms and conditions of this Contract; and

WHEREAS, recognizing the benefits provided by the REP and future Water Supply Sources, the Customers and the Authority agree that the Authority shall implement a common Debt Service Cost for the Water Rate only for the REP and all future Water Supply Source projects of the Authority; and

WHEREAS, the Customers desire that the Authority facilitate the transfer of Authority water among Customers, with such transfers being made through the Authority at the same Water Rate assessed by the Authority; and

WHEREAS, this Contract is intended to constitute the entire agreement of the Authority, Manatee, Charlotte, DeSoto, Sarasota and North Port with respect to the Water Allocations and the terms and conditions contained herein; and

NOW, THEREFORE, in consideration of the foregoing premises, which shall be deemed an integral part of this Contract and of the mutual covenants and agreements hereafter set forth, the Authority and the Customers intending to be legally bound hereby agree as follows:

1. **DEFINITIONS.** In the absence of a clear implication otherwise, capitalized terms used in this Contract and in the attached exhibits shall have the following meanings:

- 1.1 **Annual Average Daily Quantity.** The total water quantity provided by the Authority to a Customer in a Contract Year divided by 365 as set by its Water Allocation.
- 1.2 **Authority.** The Peace River/Manasota Regional Water Supply Authority.
- 1.3 **Authority Board.** The Authority's governing body.
- 1.4 **Authority Water Supply Facilities.** All real property, interest in real property, fixtures, personal property, wells, treatment systems, pumps, pipes, storage facilities, reservoirs, aquifer storage and recovery facilities, water transmission mains, any future expansion of said facilities and appurtenant or associated installations owned, leased or otherwise controlled by the Authority and used for the provision of potable water supply.
- 1.5 **Available Water.** That portion of a Customer's Water Allocation that is temporarily available to other Customers.
- 1.6 **Base Rate Charge.** For any Contract Year, the rate established by resolution of the Authority for payment of the Authority Obligations, Bond Coverage Costs, Debt Service Costs, Charlotte Oversized Facilities Payment, Capital Component Charge, Hydraulic

WITNESSETH:

WHEREAS, the Authority was created for the purpose of developing, storing and supplying water for county and municipal purposes and exists pursuant to the Second Amended Interlocal Agreement Creating the Peace River/Manasota Regional Water Supply Authority executed concurrent with this Contract; and

WHEREAS, the Authority has determined that the potable water supply needs for citizens residing within Charlotte, Manatee, DeSoto and Sarasota Counties and North Port, can best be met in whole or in part by expanding the Authority Water Supply Facilities, in a cooperative and coordinated manner; and

WHEREAS, the Authority and the Customers agree it is necessary to expand the Peace River Regional Water Treatment Facility to be known as the Regional Expansion Program ("REP"), as more specifically set forth in Exhibit "G" and incorporated herein by reference in order to provide a total of 32.7 MGD of water to meet the water supply needs of the Authority's Customers; and

WHEREAS, it is the intent of the Parties that this Contract govern the operation, maintenance, alteration, replacement and expansion of the Authority Water Supply Facilities; and

WHEREAS, the Authority has applied and the Southwest Florida Water Management District ("SWFWMD") has provided New Water Source Initiative funds to assist in development and construction of the REP; and

WHEREAS, the Authority and its Customers recognize that as a result of increased Customers' demands, the REP will not satisfy all future Customers' demands and the Authority has begun developing other water supplies; and

WHEREAS, Manatee has adopted Resolution No. R-05-108 on June 7, 2005 conditionally requesting the development of potable water by the Authority for Manatee beginning January of 2014; and

WHEREAS, expansions to the Authority Water Supply Facilities and the design and construction of new Water Supply Sources may be financed for the Customer(s) through the issuance of Authority revenue bonds, capital contributions from the Customer(s), capital contributions from SWFWMD, or other governmental grants, or any combination thereof; and

WHEREAS, the Customers desire to purchase water from the Authority according to the terms and conditions of this Contract, and the Authority desires to provide the Customers water

Pipeline Capacity Entitlement Cost and Renewal and Replacement Costs for the Authority Water Supply Facilities. The Base Rate Charge also includes the Fixed Operations and Maintenance Costs budgeted by the Authority for expanding, operating, repair and replacement, maintaining and securing the Authority Water Supply Facilities regardless of the quantity of water, if any, being produced or delivered by the Authority, with such fixed costs being assessed proportionately in accordance with the Annual Average Daily Water Allocation.

- 1.7 **Bond Coverage Costs.** The costs of providing the coverage requirements established by the Financing Documents.
- 1.8 **Capital Component Charge.** For any Contract Year, the charge established by resolution of the Authority for payment of the Capital Component Charge paid to Charlotte for the transfer of the Peace River Regional Water Treatment Facility. The Capital Component Charge shall be assessed by the percentages in Exhibit "F" for the Peace River Regional Water Treatment Facility.
- 1.9 **Charlotte Oversized Facilities Payment.** The 1991 Facility was stated to possess certain components that had a larger capacity than the 1991 Facility treatment capacity. Charlotte acquired the 1991 Facility then transferred to the Authority the entire 1991 Facility. However, payment for the oversized components was deferred until the Authority used these oversized components. Under the PRO and REP, the Authority will pay for all the remaining oversized components.
- 1.10 **Conservation Rate.** For any Contract Year, the charge established by resolution by the Authority to any Customer that exceeds its Water Allocation set forth in Exhibit "B".
- 1.11 **Contract Year.** The period between execution of the Contract and September 30, 2005, and each fiscal year of the Authority (beginning on each October 1, and ending on the immediately following September 30) thereafter during the term of this Contract.
- 1.12 **Customers.** Manatee, DeSoto, Charlotte, Sarasota and North Port.
- 1.13 **Debt Service Cost(s).** For any Contract Year, all costs including reserve or coverage requirement, if any, incurred by the Authority during such Contract Year in connection with the Authority Water Supply Facilities for principal payments, interest payments, redemption premiums, if any, and service charges with respect to payment of Obligations.

- 1.14 Delivery Point(s). The point(s) of connection between the Regional Transmission System and the distribution system of the Customers to this Contract having a Water Allocation. The Delivery Point(s) for each Customer is attached hereto as Exhibit "D."
- 1.15 DeSoto Payment. For any Contract Year, an amount included in the Water Rate, transmitted by the Authority to DeSoto in the amounts set forth on Exhibit "A" for the term of the Contract. The DeSoto Payment as defined herein supersedes the "Facility Use Cost" as defined in Section 1.8 of the Peace River Regional Water Supply Contract dated May 21, 1991.
- 1.16 Exclusive Provider Customer. A subset of Customers that includes only DeSoto in this Master Water Supply Contract.
- 1.17 Financing Documents. Any resolution or resolutions of the Authority, as well as any indenture of trust, trust agreement or similar document relating to the issuance or security of the Obligations.
- 1.18 Fixed Operating and Maintenance Costs. All operating and maintenance costs and expenses other than Variable Operating and Maintenance Costs incurred by the Authority for the operation, maintenance, management, security and development of the Authority Water Supply Facilities.
- 1.19 Hydraulic Capacity Entitlement. The Hydraulic Capacity Entitlement for the Regional Transmission System for each Customer is attached as Exhibit "E."
- 1.20 Hydraulic Capacity Entitlement Cost. The debt service cost associated with Customers' Hydraulic Capacity Entitlement.
- 1.21 Maximum Daily Quantity. The maximum water quantity to be provided by the Authority to a Customer for any given day as set by its Water Allocation.
- 1.22 Member Governments. Members of the Authority. This term refers jointly to Charlotte, DeSoto, Manatee and Sarasota.
- 1.23 MGD. Million gallons per day.
- 1.24 New Water Supply Demands. The new water supplies the Authority is committed by this Contract to develop and complete to meet Customer demands as shown on Exhibit "C" as updated annually pursuant to Section 11.
- 1.25 Obligation(s). A series of bonds or other evidence of indebtedness, including but not limited

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- Allocation.
- 1.30 Permits. All licenses, permits, authorizations or other approvals from any government or governmental agency, whether federal, state, regional or local, necessary or convenient for the acquisition, construction, expansion and operation of Water Supply Facilities and Water Supply Sources, including but not limited to any general water use permit, temporary water use permit or individual water use permit issued by the Southwest Florida Water Management District or any entity.
 - 1.31 PRO. The Amended Peace River Option Water Supply Contract dated March 8th, 1996 that expanded the Peace River Regional Water Treatment Facility by adding 6 MGD annual average daily quantity of water to the System Capacity.
 - 1.32 Redistribution Pool. A depository of each Customer's Available Water for any Contract Year for purchase by all Customers.
 - 1.33 Regional Transmission System. Those facilities, including appurtenant and associated facilities, owned by the Authority pertaining to the delivery and measurement of potable water to the Customers of the Authority including but not limited to primary transmission pipes, real property, interest in real property, fixtures and personal property. Regional Transmission System does not include the Aquifer, Storage and Recovery ("ASR") system or its connecting piping.
 - 1.34 Regional Water System. All real property, interest in real property, fixtures, personal property, wells, buildings, treatment system, pumps, pipes, storage facilities, reservoir(s), aquifer storage and recovery facilities and appurtenant or associated facilities owned by the Authority, excluding the Regional Transmission System.
 - 1.35 Renewal and Replacement Charges. The charges established by the Authority for the exclusive purpose of funding renewals and replacements of the Authority Water Supply Facilities. The charges will be established to satisfy the requirements of the Authority's Obligations and shall be set forth in the annual budget approved by the Authority for the ordinary renewal, replacement, upgrade and betterment of the Authority Water Supply Facilities.
 - 1.36 Renewal and Replacement Costs. The capital expenditures set forth in the annual budget approved by the Authority for the ordinary renewal, replacement, upgrade, and betterment of

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to, Financing Documents, notes, commercial paper, capital leases or any other debt of the Authority issued or incurred.

- 1.26 Operating and Maintenance Cost(s). For any Contract Year, all costs budgeted and reserves established by the Authority for operating, maintaining and securing the Authority Water Supply Facilities during such Contract Year, including, but not limited to: a) personnel, staffing and operating costs of the Authority related to the operation, maintenance and security of the Authority Water Supply Facilities; b) the general and administrative costs of the Authority related to the operation, maintenance and security of the Authority Water Supply Facilities; c) minor capital expenditures of the Authority for items such as tools, parts, and other equipment and vehicles necessary for the operation, maintenance and security of the Authority Water Supply Facilities; and d) all costs incurred in obtaining and maintaining the Permits for the Authority Water Supply Facilities.
- 1.27 Party or Parties. Party shall mean a signatory to this Contract. Parties shall mean DeSoto, Charlotte, Sarasota, Manatee, North Port and the Authority.
- 1.28 Peace River Regional Water Treatment Facility (the "1991 Facility"). All real property, interest in real property, fixtures, personal property, wells, buildings, treatment systems, pumps, pipes, storage facilities, reservoirs, aquifer storage facilities and appurtenant or associated facilities located in DeSoto and Sarasota, which were transferred by Charlotte to the Authority pursuant to that certain "Acquisition Agreement" dated May 21st, 1991 by and among the Authority, Charlotte, DeSoto, Manatee, Sarasota and the Southwest Florida Water Management District and any expansion of said facilities undertaken pursuant to that certain "Peace River Water Supply Contract" dated May 21st, 1991 by and among the Authority, Charlotte, DeSoto, Manatee and Sarasota. The foregoing notwithstanding, this term shall not include the construction, acquisition or use of any groundwater production wells. "Groundwater production wells" shall not include facilities withdrawing water from the Peace River through the use of horizontal wells not more than 50 feet deep or aquifer storage and recovery wells.
- 1.29 Peak Month Average Daily Quantity. The total water quantity provided by the Authority during the calendar month of the Customer's highest water use, divided by the number of days in that month and expressed in MGD as set by the Customer's Water

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the Authority Water Supply Facilities. Renewal and Replacement Costs do not include capital expenditures associated with the expansion or addition of water treatment, storage, pumping or transmission capacity or the costs associated with reconstruction of any major components of the Authority Water Supply Facilities.

- 1.37 Renewal and Replacement Fund. The fund established by the Authority for the exclusive purpose of funding renewals and replacements of the Authority Water Supply Facilities. The deposits to such fund shall be made in accordance with the requirements of the Financing Documents of the Authority. The balances on deposit in the Renewal and Replacement Fund will be expended for those Renewal and Replacement Costs specifically identified in the annual budget approved by the Authority.
- 1.38 Second Amended Interlocal Agreement. The Second Amended Interlocal Agreement Creating the Peace River/Manasota Regional Water Supply Authority executed concurrently with this Contract.
- 1.39 System Capacity. The total combined capacities of the various components of the Regional Water System in terms of a quantity of water on an average annual daily basis expressed in MGD.
- 1.40 Variable Operating and Maintenance Costs. All operating and maintenance costs and expenses of the Authority for the operation, maintenance and management of the Authority Water Supply Facilities that change in proportion to changes in the volume of water produced by the Authority, including, but not limited to, power, chemicals and water purchases.
- 1.41 Water Allocation. The portion of the System Capacity of the Regional Water System allotted to a Customer for the term of this Contract as initially specified at Exhibit "B" as increased from time to time pursuant to Section 11.
- 1.42 Water Rate. For any Contract Year, the rate established by resolution of the Authority for the sale of water, which, to the extent applicable, shall be comprised of a Base Rate Charge, the DeSoto Payment, and a Water Use Charge.
- 1.43 Water Supply Emergency. A loss or reduction in System Capacity caused by drought or a sudden, unexpected, unavoidable interruption in water delivery as declared by resolution by the Authority Board.

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- 1.44 **Water Supply Facilities.** All real property, interest in real property, fixtures, personal property, wells, treatment systems, pumps, pipes, storage facilities, reservoirs, aquifer storage and recovery facilities, water transmission mains, any future expansion of said facilities and appurtenant or associated installations owned, leased or otherwise controlled by Charlotte, DeSoto, Manatee, North Port, Sarasota or the Authority and used for the provision of potable water supply.
- 1.45 **Water Supply Source.** Any project, construction, acquisition, transfer or transaction creating a new water source or expanding an existing water source developed by the Authority, Charlotte, Sarasota, Manatee, DeSoto or North Port.
- 1.46 **Water Use Charge.** For any Contract Year, the rate established by the Authority for payment of the Variable Operating and Maintenance Costs. This Water Use Charge shall be based on Customer metered water usage and shall be the same charge per thousand gallons used for each Customer.

2. **TERM.** - The term of this Contract shall begin on the date of its complete execution by all Parties and end on the last day of the Contract Year in which the thirty-fifth (35th) anniversary of the execution date falls. The rights and obligations of any Customer may be extended prior to expiration of the initial term at the option of that Customer for another thirty-five (35) years, said extension to expire on the last day of the Contract Year in which the seventieth (70th) anniversary of the execution date falls. Such option must be exercised at least two (2) years prior to expiration. If during the Contract term, the Authority issues Obligations to construct additional System Capacity to provide additional or maintain existing Water Allocation of the Customers that is secured from the payments made by the Customers for service from the Authority and which repayment period extends beyond the termination date of the Contract as set forth above, the Contract will automatically be extended to include the last payment date of such additional Obligations. Before the expiration of this Contract, the Authority and Customers recognize that a new contract or extension of this Contract will need to be in place to provide ongoing water service from the Authority Water Supply Facilities and all Parties agree to work together in good faith to extend this Contract or create a new contract prior to this Contract's expiration date to meet the overall intent of the Authority to provide regional drinking water.

3. **AUTHORITY CAPACITY.** The Authority shall not be prohibited from maintaining

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unallocated capacity of the Authority Water Supply Facilities.

4. **CONDITIONS PRECEDENT.** All rights, obligations and liabilities of the Authority and the Customers shall be subject to the satisfaction of the conditions precedent identified in Section 4.1.

4.1 **Conditions Precedent.** The following are conditions precedent to the Parties' rights, obligations and liabilities under this Contract:

- 4.1.1 The complete execution of this Contract by the Authority and the Customers.
- 4.1.2 The representations set forth in Section 8 are true and correct as of the date this Contract is fully executed by all Parties.
- 4.1.3 No change shall have occurred on or before the date this Contract is fully executed by all the Parties in any applicable federal, state or local law, or any applicable federal, state or local rule, regulation or ordinance thereunder, or an interpretation thereof by any applicable regulatory authority or court of competent jurisdiction, that would make the execution or delivery of this Contract, or that would make compliance by the Parties with the terms and conditions of said Contract or the consummation by the Parties of the transactions contemplated thereunder, a violation of such law, rule, regulations or ordinance.
- 4.1.4 The Authority and North Port shall execute a Settlement Agreement that requires North Port to file a Voluntary Dismissal with prejudice in City of North Port v. Peace River/Manasota Regional Water Supply Authority, Case No. 05-05254, Thirteenth Judicial Circuit in and for Hillsborough County, Florida within ten (10) days of execution of this Contract.
- 4.1.5 DeSoto and the Authority shall execute a transfer agreement pursuant to Section 21 herein.
- 4.1.6 Notwithstanding Paragraphs 8.4 and 10.5 herein, Charlotte and Sarasota shall establish a means to settle their disagreement over the "Water Sale and Purchase Agreement" between Charlotte and Sarasota dated March 8, 1996.
- 4.2 **Satisfaction of the Conditions Precedent.** The Parties shall exercise good faith and due diligence in satisfying the conditions precedent set forth above and the Authority shall give prompt notice to the other Parties when the foregoing conditions precedent have been

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satisfied or waived in writing by all the Parties.

5. **FUNDING FROM THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY ("EPA").** The funding from the EPA grant dated March 28, 1993 shall be used for the construction of the REP.

6. **INTANGIBLE ASSETS OF THE CUSTOMERS.** Each Customer's Water Allocation and Hydraulic Capacity Entitlement is an intangible asset of that Customer's utility system pursuant to the terms and conditions of the Contract.

7. **FUNDING FROM SWFWMD.** The funding from the SWFWMD New Water Sources Funding Agreements shall be used for the construction of the REP. All Parties shall work to obtain the maximum amount of funding from SWFWMD for the REP, any future expansion of or addition to the Authority Water Supply Facilities and new Authority Water Supply Sources.

8. **REPRESENTATION OF THE PARTIES.** The Authority, Manatee, Charlotte, DeSoto, Sarasota and North Port make the following representations:

- 8.1 Each Party is duly organized and existing in good standing under the laws of the State of Florida and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Contract.
- 8.2 Each Party has the power, authority and legal right to enter into and perform its obligations set forth in this Contract, and the execution, delivery and performance hereof by it a) has been duly authorized by its governing board; b) does not require any other approvals by any other governmental officer or body; c) does not require any consent or referendum of the voters for Authority financed projects; d) will not violate any judgment, order, law or regulation applicable to the Party; and e) does not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon the assets of the Party under any agreement or instrument to which it is a Party or by which the Party and its assets may be bound or affected except as provided herein under Sections 16.5 and 16.6.
- 8.3 This Contract has been duly entered into and delivered by the respective governing boards and, as of the date of its full execution by all Parties, constitutes a legal, valid and binding obligation of said Party, fully enforceable in accordance with its terms provided the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally, or by the exercise of

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judicial discretion in accordance with general principles of equity.

8.4 There is no action, suit or proceeding, at law or in equity, before or by any court or governmental authority, pending or, to the best of the Party's knowledge, threatened against the Party which is not resolved by the execution of this Contract, wherein any unfavorable decision, ruling or finding would materially adversely affect the performance by the Party of its obligations hereunder or the other transactions contemplated hereby, or which, in any way, would adversely affect the validity or enforceability of this Contract, or any other agreement or instrument entered into by the Party in connection with the transaction contemplated hereby.

9. **REP CONSTRUCTION.** In consideration for financial and other commitments made by the Customers herein, the Authority agrees to permit and construct the REP as a necessary Water Supply Source for the Water Allocations. The cost of construction and construction schedule are attached as Exhibit "G". The Authority agrees to use its best efforts to construct the REP in accordance with the schedule set forth in Exhibit "G". The Customers recognize that the construction schedule may be affected by circumstances beyond the control of the Authority including, but not limited to, weather, availability of material and contractors, governmental approvals, and other force majeure. The Authority agrees to keep the Customers apprised of the progress made in construction of the REP and of any delays that may affect the scheduled completion date.

9.1 **Cost of Construction.** The Authority will use its best efforts to complete the REP construction project within the budgeted amount shown in Exhibit "G". The Authority will comply with its procurement procedures in the construction of the REP.

9.2 **Insurance.** The Authority shall require suitable payment and performance bonds from all principal contractors working on the construction of the project. The Authority shall further require the provision by the principal contractors of hazard insurance, general liability insurance, and worker's compensation insurance from such carriers and at such limits as are customary.

10. **DELIVERY OF WATER.** During each Contract Year, the Authority shall deliver water to each Customer in accordance with their Water Allocations and the terms and conditions of this Contract. Customers shall pay for and the Authority shall timely develop and deliver new Water

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Supply Sources and facilities to meet the needs of its Customers as set forth in Sections 11 and 12 herein.

- 10.1 Allocation. The Authority shall be required to deliver water for a Customer's water demand from its Water Allocation. Future Water Allocations will be delivered only in accordance with a Customer's New Water Supply Demands in Exhibit "C" as modified by projected water demands pursuant to Section 11 herein. If a Customer meets its payment obligations to the Authority, the Authority shall have the absolute and unequivocal obligation to develop and provide for the Customer's permissible future potable water demand in its Water Allocation and New Water Supply Demands.
- 10.2 Limitation of Allocation. The Authority shall not be required to deliver water to a Customer if prohibited by any applicable federal, state, regional or local statute, rule, ordinance, law, administrative order or judicial decree or in violation of applicable Permits. If, at any time, there is insufficient potable water available to fully meet the Water Allocations described above for any reason, then the Customers shall have their Water Allocations reduced on a pro-rata basis.
- 10.3 Delivery Point. The Authority shall deliver water through the Regional Transmission System to each Customer only at their respective Delivery Point(s) as identified in Exhibit "D". Additional Delivery Point(s) may be added by mutual agreement of the Authority and receiving Customer(s).
- 10.4 Exceedance of Delivery Schedule. Subject to Section 10.5 herein, in the event a Customer should receive delivery of water in excess of its Peak Month Average Daily Quantity, its Maximum Daily Quantity, and/or its Annual Average Daily Quantity of its Water Allocation, the Customer shall pay a Conservation Rate as set forth in the Water Rate resolution. During emergency conditions as declared by resolution of the Authority Board, the Authority shall not charge the Conservation Rate for water delivery in excess of the Water Allocation.
- 10.5 Authority Water Transfers. Upon execution of this Contract by all Customers, all prior contracts transferring Authority water between any of the Customers shall terminate. All Authority water transfers shall be provided solely through the Authority. Notwithstanding the termination of the Water Sale and Purchase Agreement between Charlotte and Sarasota pursuant to this paragraph, both Charlotte and Sarasota hereby reserve and do not in any

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- demand for water than there is Available Water in a given year, the Authority shall distribute the water on pro-rata basis based on the proportionate Customer demand in the New Water Supply Demands for the year at issue.
- 10.5.2 Payment. Payment adjustments to the Customers supplying Available Water shall be on a pro-rata basis, based on the percentage of water supplied to the Redistribution Pools for water sold from each Redistribution Pool.
 - 10.5.3 Assessment of Conservation Rate. Only for purposes of calculating the assessment of the Conservation Rate, the Water Allocation of the Customer(s) receiving the Available Water and the Customer(s) providing the Available Water to the Redistribution Pool will be adjusted by the transferred water quantity.
- 10.6 Water Supply Emergency. The Authority and its Customers shall seek the interconnection of the Water Supply Facilities with other water supply facilities in the region and the Authority's Water Supply Facilities for the purpose of facilitating the transfer of water among the Authority and the Customers under emergency conditions. The Authority and its Customers shall make available capacity, if any, in their respective Water Supply Facilities to the Customers experiencing a Water Supply Emergency at the established rate of the supplying entity. In a Water Supply Emergency, Conservation Rates, inclining block rates, or excess demand charges of any type shall be waived by all Parties to this Contract for the duration of the declared Water Supply Emergency.
11. FUTURE WATER SUPPLY PROCEDURE. It is the intention of the Parties that this Section set forth the manner in which each Customer will request, and the Authority will provide, future water supply from the Authority Water Supply Facilities. The Customers acknowledge that a procedure is necessary to provide the Authority with sufficient lead-time for planning and development of new Water Supply Sources to meet New Water Supply Demands.
- 11.1 No later than January 15th of each Contract Year, each Customer shall submit to the Authority a report which identifies the following:

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manner waive any rights or causes of action that one may have against the other with regard to any past due obligations or debts arising out of said Water Sale and Purchase Agreement, to be resolved pursuant to Section 4.1.6. As part of the New Water Supply Demands process set forth below, each Customer shall annually provide to the Authority its projected Authority Water Demands for the next twenty (20) years. The Authority shall then determine the total Customer demands for Authority Water. The Authority shall determine the difference between each Customer's Water Allocation and projected water demands for the next ten (10) years on an annual basis. By February 15 of each year, the Authority shall provide each Customer with a Notice of Available Water indicating the amount of Water Allocation, if any, above the Authority's projected water demands for each of the next ten (10) years. Each Customer shall file a response with the Authority within thirty (30) days of receipt of the Notice of Available Water, either accepting the Available Water quantities as determined by the Authority or providing alternative Available Water quantities, if any, for each of the next ten (10) years. Failure of a Customer to respond within thirty (30) days shall result in that Customer's Available Water quantity as determined by the Authority, being transferred into the Redistribution Pool. Nothing herein shall be construed to require any Customer that timely responds to the Notice of Available Water to provide any of its Water Allocation to the Redistribution Pool. The Redistribution Pool shall be maintained by the Authority to provide the amount of Available Water by Contract Year for up to ten (10) years. Each year shall have a separate Redistribution Pool of water quantities designated. A receiving Customer's failure to pay for water transferred from the Redistribution Pool shall be treated as a default of this Contract. The Authority shall not transfer more water than the amount of Available Water placed in the Redistribution Pool. Nothing in this Section shall relieve a Customer from the irrevocable commitment to pay for its Water Allocations in this Contract.

- 10.5.1 Assignment and Payment. The Authority shall assign the Available Water based upon Customer request and written confirmation by their governing body of the corresponding payment obligations under this Contract. Customers may request Available Water from the Redistribution Pool for the corresponding timeframe of their need for additional water. If there is more

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- (i) Total projected water demand by Contract Year for the next 20 years ("Total 20 Year Demand");
- (ii) That portion of the Total 20 Year Demand the Customer requires the Authority to fulfill ("Authority Supplied Water") in terms of Annual Average Daily Quantity, Peak Month Average Daily Quantity and Maximum Daily Quantity; and
- (iii) The basis for each projection.

The Authority shall review, coordinate, and compile the submitted Total 20 Year Demand and Authority Supplied Water and provide such information to all Customers and the Authority Board. The Authority shall also report to the Customers and Authority Board, its estimation of water demand projections to be supplied by the Authority for its Customers on an annual basis for the applicable twenty-year planning period. The Authority shall use this data, as well as other population and water demand data, as a basis for the planning and development of new Water Supply Sources to meet New Water Supply Demands. Each Customer may modify its Total 20 Year Demand and projections for Authority Supplied Water with each subsequent annual filing, subject to the provisions in this Section.

- 11.2 By submitting its projections for Authority Supplied Water, each Customer is identifying that quantity of water it shall purchase from the Authority in the designated Contract Year. For the initial time period through Contract Year 2013, the New Water Supply Demands as modified at Exhibit "C" shall be the water each Customer irrevocably commits to purchase from the Authority, and the Authority agrees to supply such water. After Contract Year 2013, by submitting its projection for Authority Supplied Water each Customer agrees to purchase, and the Authority agrees to supply, that quantity of Authority Supplied Water identified in the first seven (7) Contract Years of the Total 20 Year Demand. Each Customer may annually update its Total 20 Year Demand and its projection of Authority Supplied Water. However, unless it otherwise has excess water capacity available, the Authority shall not be obligated to accept any change in demand for Authority Supplied Water within the upcoming seven (7) Contract Year period. Annually, the Authority shall issue an addendum to the Contract to update the New Water Supply Demands table at Exhibit "C" for the applicable years beyond Contract Year 2013 to reflect the first seven (7) Contract Years of projected demand for Authority Supplied Water by the Customers.

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11.3 The parties acknowledge that the planning, permitting and construction of new Authority Water Supply Sources cannot exactly match the annual New Water Supply Demands. Therefore, the Authority will, from time to time, develop new Authority Water Supply Sources with water quantities that exceed immediate Customer demands. Upon the Authority determination to develop a specific Water Supply Source, the Authority shall assign a proportionate share of the new Water Supply Source Water Allocation to the Customers, to the extent practicable, by applying the new Water Supply Source project quantity to the most immediate New Water Supply Demands. The Authority shall assign Water Allocations to the Customers pro-rata based on their proportionate New Water Supply Demands at the time when the new Water Supply Source Water Allocation would be fully utilized by the total New Water Source Demand. For example, in year 2006, the Authority designates a new Water Supply Source project for 6 MGD to provide water by 2008. The total of New Water Supply Demands does not exceed 6 MGD until 2010, when it is 6.7 MGD. The Water Allocation assigned by the Authority to Customer A for the 6 MGD project is calculated by taking Customer A's New Water Supply Demand of 2.3 MGD for 2010 divided by the total of all the Customers' New Water Supply Demands of 6.7 for 2010 to determine the Customer Water Allocation Cost Percentage of 34.33%. When the Authority approves a new Water Supply Source project, it shall issue addendum to the following: (1) to increase and update the Water Allocation table at Exhibit "B;" (2) to update the Cost Allocation Percentages table at Exhibit "F" to show the new project's cost allocation percentages; and, (3) to update the table at Exhibit "H" to show the new project water quantity allocation. The Customers may only be assigned a Water Allocation for their New Water Supply Demands. All costs associated with a new Water Supply Source project, including, but not limited to, planning, design, and construction, shall be recovered from the Customer receiving the Water Allocations of the new Water Supply Source project.

12. **DESOTO DESIGNATION OF THE AUTHORITY AS ITS EXCLUSIVE PROVIDER OF WATER.** Notwithstanding the foregoing and pursuant to Section 8.1 of the Second Amended Interlocal Agreement, DeSoto elects to be an Exclusive Provider Customer. DeSoto agrees not to develop any additional Water Supply Sources beyond those currently existing identified in Exhibit "I" unless as a joint project with the Authority. If DeSoto meets its payment

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15. **SUPERSEDING AND REPLACING ALL PRIOR WATER SUPPLY CONTRACTS.** Upon full execution of this Contract and payment described in Section 14, this Contract shall supersede and replace the Amended Peace River Option Water Supply Contract dated March 8, 1996. Upon full execution of this Contract, this Contract shall supersede and replace all other water supply contracts with the Authority, including but not limited to the Peace River Option Water Supply Contract, dated September 20, 1995; the Peace River/Manasota Regional Water Supply Authority/City of North Port, Florida dated May 30, 1991; Peace River Water Supply Contract dated May 21, 1991; and the Acquisition Agreement dated May 15, 1991.

16. **WATER RATE.** For each Contract Year, each Customer with a Water Allocation from the Regional Water System shall pay the Authority the Water Rate adopted by resolution of the Authority Board.

16.1 **Rate Setting.** In conjunction with the Authority's annual budget development and adoption process, the Authority shall fix a Water Rate consisting of the Base Rate Charge (adjusted as necessary for customer financing), DeSoto Payment, and Water Use Charge to be paid on a monthly basis by the Customers for water furnished by the Authority. The Authority shall charge and collect rates that are reasonable and just for all Customers. The rates are not subject to the supervision or regulation by any other commission, board, bureau, agency or other political subdivision or agency of the county or state. Unless a common rate is established for all Debt Service Cost components of the Authority Water Supply Facilities, in determining a Customer's Water Rate, the Authority shall allocate to each Customer, a Base Rate Charge as follows: (1) the Base Rate Charge for 12 MGD 1991 Facility known as the Peace River Regional Water Treatment Facility pursuant to the 1991 Facility percentages set forth on Exhibit "F", (2) the 6 MGD PRO shall be allocated pursuant to the PRO percentages

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obligations to the Authority, the Authority shall have the absolute and unequivocal obligation to develop and provide adequate potable water for DeSoto based upon its permissible future potable water demand as outlined herein. The Authority is free to meet DeSoto's water demands by any means it deems fit, including but not limited to using water from the Redistribution Pool or assignment of Water Allocation to meet DeSoto's demands and assigning the associated cost of constructing that portion of new Water Supply Sources to DeSoto as outlined herein.

12.1 **Exclusive Provider Customer Water Allocation.** DeSoto and the Authority agree that the current Water Allocation system must be adapted to assure that the Authority maintains its absolute and unequivocal obligation to provide adequate potable water for DeSoto and still assure that DeSoto pays its fair share of new water source development costs. For New Water Supply Demands, DeSoto has provided and agrees to continue to provide the Authority water demand projections in the same manner as other Customers pursuant to Section 11; however, the Authority shall use DeSoto's projections as well as other data collected by the Authority to set DeSoto's New Water Supply Demands for each Contract Year. DeSoto shall provide water demand projections in good faith and the Authority shall use its best efforts to match DeSoto's water demand to its assigned Water Allocation. This Water Allocation shall be used to determine DeSoto's Base Rate Charge and other share of costs in the same manner as all other Customers. Nothing in Section 12 shall allow the Authority to assign all or any portion of another Customer's Water Allocation to DeSoto.

12.2 **Exclusive Provider Customer Water Allocation for the Redistribution Pool.** The Authority may designate any portion of the DeSoto's Water Allocation as part of the Redistribution Pool.

13. **ALTERNATIVE DELIVERY.** The Authority shall consider alternative delivery, such as design-build, when developing new Water Supply Sources, including the REP.

14. **REFUNDING THE PRO BONDS.** The Authority shall issue Obligations to refund any and all debt outstanding and provide for the rights of bond holders for the PRO. Such refunding obligations shall be issued in an amount sufficient to provide for the payment of the principal of, redemption premium, if any, and interest on the outstanding debt to be refunded.

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set forth on Exhibit "F", and (3) the Base Rate Charge for the 14.7 MGD REP shall be allocated pursuant to the REP percentages set forth on Exhibit "F". All Debt Service Cost for new Authority Water Supply Sources and other costs associated therewith, such as reserves, coverages, expansion of existing water supply, or the fixed water purchase costs associated with a new Water Supply Source shall be combined with the REP Debt Service Cost for the common Debt Service Cost in the Water Rate. Provided, however, any Customer has the right to carry its own financing or pay in advance for their portion of a new Water Supply Source or expansion of the Authority Water Supply Facility and, in such event, the Debt Service Costs component of the Water Rate shall be adjusted accordingly.

16.2 **Customer Financing.** Each Customer shall have the option to issue their own debt or pay with its available money with respect to its portion of any new Authority Water Supply Source. The entire payment for a Customer's proportionate share shall be made to the Authority within fourteen (14) days of the Authority bond closing. The Authority shall provide notice to all Customers of the Authority bond closing date thirty (30) days prior to the Authority bond closing. To the extent not inconsistent with the Financing Documents, the Base Rate Charge for a Customer who issues its own debt or pays in advance for any such new Water Supply Source (including the REP) shall be adjusted to remove that Customer's Debt Service Costs attributed to the Customer's Water Allocation corresponding to the payment by the Customer for that new Water Supply Source or expansion.

16.3 **Accounting, Audits and Adjustments.** The Authority shall maintain accounts and records for all funds received and disbursed by it with respect to the Authority Water Supply Facilities in accordance with generally accepted accounting practices applicable to governmental owned and operated water utilities. On an annual basis, the Authority shall

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provide for an audit to be conducted by a recognized certified public accounting firm experienced in water utility audits.

- 16.4 Joint Authority and Customer REP Review and Oversight. Each Party shall designate a staff representative for a joint Authority and Customer committee for the review and oversight of the REP design and construction activities. The Executive Director of the Authority shall be the Authority representative on the committee.
- 16.5 Water Charge to Customers. Each Customer shall pay the Authority its invoiced Water Rate and any applicable Conservation Rate charges on a monthly basis following the calendar month in which the charges were incurred and invoiced. The Customers shall submit payment to the Authority for the monthly charges within thirty (30) days of receipt of the invoice. Failure to pay monies shall create a debt with respect to the non-paying Customer's utility system. A Customer that fails to pay within ninety (90) days after the Authority has mailed its invoice shall be in default pursuant to this Contract. Upon thirty (30) days written notice, the Authority may discontinue delivery of water to any Customer in default for nonpayment and/or may transfer the defaulting Customer's Water Allocation in whole or in part to another Customer in good standing, for the remaining term of this Contract.
- 16.6 Source of Payments. Each Customer's obligation to pay any monies due under this Contract does not constitute general indebtedness. Neither the Authority nor the holders of any obligations issued by the Authority in order to finance or refinance the expansion, alteration, improvement, replacement or operation of the Authority Water Supply Facilities shall have a right to require or compel any Customer to exercise its ad valorem taxing power to pay its obligations and liabilities under this contract or to compel payment from any source other than as indicated in this Section. Each of the Customers, however, shall and do hereby

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with Sarasota paying 87.5% and DeSoto paying 12.5%.

- 18.2 Payment for Oversized Facilities for the REP. The Authority shall pay Charlotte all remaining oversized facility charges totaling \$3,287,098.00 upon closing of the bond issuance for the REP. This payment is calculated as the total oversized facility charge of \$4,515,864.00 less Charlotte's portion of 27.21% of the REP allocation percentage from Exhibit "F", or \$1,228,766.00. All obligations to Charlotte for oversized facilities payment set forth in all previous contracts or agreements, including but not limited to, the Peace River Water Supply Contract dated May 21, 1991; the Amended Interlocal Agreement creating the Peace River/Manasota Regional Water Supply Authority dated May 21, 1991; and the Acquisition Agreement dated May 21, 1991, shall be satisfied upon receipt of the payment by Charlotte of the \$3,287,098.00. The REP oversized facilities payment is to be paid by Customers other than Charlotte, and shall be based on the Debt Service Cost associated with financed portion of the oversized facilities payment to Charlotte of \$3,287,098.00 for the REP and shall be allocated with Sarasota paying 85.62%, North Port paying 13.28% and DeSoto paying 1.1%.

19. **PAYMENT TO CHARLOTTE FOR PEACE RIVER REGIONAL WATER TREATMENT FACILITY ("1991 FACILITY").** Upon payment of the \$3,287,098.00 specified above, the Authority's total debt to Charlotte for the transfer from Charlotte of the 1991 Facility shall be \$18,299,274.17 with the Authority annually paying \$1,971,557.00 in equal installments on a monthly basis, with the last payment being on October 1, 2021. The redemption of this debt shall be governed by Exhibit "J". The Authority's payment to Charlotte for the 1991 Facility shall be allocated among DeSoto, Charlotte and North Port pursuant to the 1991 Facility cost allocation percentages set forth on Exhibit "F". This payment schedule shall supersede and replace any prior agreement, contract or other document for any payment or Obligation to Charlotte for transfer of the

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covenant to set water rates for its respective customers at a level sufficient to pay all monies due the Authority under this Contract.

- 16.7 DeSoto Payment. The Authority shall collect from its Customers in accordance with Exhibit "A", the DeSoto Payment and remit it to DeSoto. If the quantities of water allocated to the Authority under SWFWMD Water Use Permit Number 2010420.01 issued in 1996 for 32.7 MGD annual average water use are modified or if additional entities become Customers of the Authority, then the amount of the DeSoto Payment to be paid to DeSoto shall be readressed by all Parties to this Contract.

17. **FUNDING FOR MANAGEMENT AND PLANNING.** It is acknowledged that Management and Planning Costs of the Authority may be obtained from the Customers in a manner determined by the Authority Board, and that additional funds available for Management and Planning Costs shall be sought by the Authority from the federal and state government, including but not limited to the Florida Department of Environmental Protection, Florida Department of Community Affairs, the Southwest Florida Water Management District, the Basin Boards of the Southwest Florida Water Management District, and appropriate utilities and agencies.

18. **PAYMENT TO CHARLOTTE FOR OVERSIZED FACILITIES.** Pursuant to prior contract provisions, payment is due to Charlotte for certain oversized facilities. Any Customer may prepay its portion of the Charlotte Oversized Facilities Payment directly to Charlotte, but must elect to do so on or before October 15, 2005 with immediate notice to the Authority and payment to Charlotte by November 30, 2005.

- 18.1 Payment for Oversized Facilities for the PRO. The PRO oversized facility payment was made to Charlotte in the amount of \$3,191,883.00. When the PRO bonds are refunded, Customers other than Charlotte are to pay the Debt Service Cost on the remaining financed portion of the \$3,191,883.00

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1991 Facility or any other assets, real estate, facilities or any other property or service to the Authority prior to the date of this Contract.

20. **NORTH PORT PAYMENT TO CHARLOTTE.** Pursuant to the Peace River/Manasota Regional Water Supply Authority/City of North Port, Florida Water Supply Contract dated May 30, 1991, Charlotte reserved water capacity for a period of time for North Port. North Port was then obligated to repay the cost of the water reservation to Charlotte. Payment by North Port through the Authority to Charlotte has been made since 1992 at a monthly amount of \$398.42. Since the Master Water Supply Contract supersedes the Peace River/Manasota Regional Water Supply Authority/City of North Port, Florida Water Supply Contract dated May 30, 1991, this North Port obligation is established in this Contract. North Port shall pay the Authority \$398.42 monthly with the last payment on October 1, 2021. The Authority shall pass through the payment being made to Charlotte each month.

21. **TRANSFER OF DESOTO FACILITY.** Provided a transfer agreement is executed by DeSoto and the Authority, the Authority shall pay DeSoto \$800,000.00 for DeSoto to transfer to the Authority the real property and water well, appurtenances and any necessary permits for use of the water well and specified facilities in place identified in the transfer agreement. This payment from the Authority shall be funded from REP Debt Service Cost. The payment to DeSoto will be in the form of a credit for DeSoto's payment obligation pursuant to the DeSoto County Regional Pipeline Extension Amended Pipeline Agreement dated June 21, 2004.

22. **DEVELOPMENT OF FUTURE WATER SOURCES.** The Authority and its Customers shall develop new Water Supply Facilities as follows:

- 22.1. General. The Authority shall develop new Authority Water Supply Facilities to meet the water demands of its Customers in Exhibits "B" and "C" which will reflect the projections

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provided as specified above or at the determination of the Authority for DeSoto.

22.2 Procedures for New Authority Water Supply Facilities. The Authority shall have written consent of the governing body of a Customer in whose jurisdiction the Authority intends to acquire, develop, construct or operate new Authority Water Supply Facilities. For new Authority Water Supply Facilities located or proposed to be located within the jurisdiction of North Port, North Port shall be the sole entity that grants or denies consent to the Authority.

22.2.1. The Authority shall provide written notification of its intention to apply or seek the transfer of a Permit for new Authority Water Supply Facilities to the Customer in whose jurisdiction the Authority Water Supply Facilities are located or will be located. Such notification shall be given no less than sixty (60) days prior to submitting the Permit application or requesting the Permit transfer. The Customer shall notify the Authority within sixty (60) days of its decision to grant or deny consent to the Authority to acquire, develop, construct or operate the new Authority Water Supply Facilities within its jurisdiction. If a Customer denies consent, the Customer's notification shall provide an explanation of the reasons for denial.

22.2.2. Upon notification of denial by a Customer to the Authority, a meeting between the staff of the Authority and the Customer shall be held within forty-five (45) days of the notification of denial. This meeting shall be organized and scheduled by the Authority. During this meeting, the staff of the Authority and the Customer shall attempt to reach an agreement to grant consent to the Authority to acquire, develop, construct or operate new Authority Water Supply Facilities within the Customer's jurisdiction.

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22.2.3. If no agreement is reached within forty-five (45) days of notification of denial, the Authority and the Customer shall participate in mediation, the costs of which shall be equally divided between them. The Authority and the Customer shall endeavor in good faith to select a mutually acceptable mediator. If the Authority and the Customer are unable to mutually agree on a mediator within fourteen (14) days after the staff meeting held pursuant to paragraph 22.2.2., the Authority and the Customer shall agree to accept a mediator selected by the Florida Conflict Resolution Consortium. Upon the selection of a mediator, the Authority and the Customer shall schedule mediation to occur within fourteen (14) days. Mediation shall be completed within forty-five (45) days of the first mediation conference unless extended by mutual written agreement of the Authority and the Customer. Subsections (b), (c), (d), and (e) of Rule 1.720 of the Florida Rules of Civil Procedure are applicable to the mediation proceedings. Designees of the Authority and the Customer attending the mediation shall include a governing body member who has the full authority to negotiate on behalf of its entity and to recommend an agreement to its governing body. In the event of any breach or failure to perform mediation under this section, the Authority or Customer may seek appropriate remedies to mandate this mediation process.

22.2.4. If consent to the Authority by a Customer is not agreed to at the mediation, the Authority shall withdraw the Permit application or request for Permit transfer.

22.3 Procedure for the Authority's Customers. Whenever a Customer ("Applicant Customer")

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intends to apply or seek the transfer of a Permit for Water Supply Facilities located or that will be located within the jurisdiction of another Customer, the Applicant Customer shall provide written notification of its intention to apply or seek the transfer of a Permit for Water Supply Facilities to the Customer ("Host Customer") in whose jurisdiction the Water Supply Facilities are located or will be located. Such notification shall be given no less than sixty (60) days prior to submitting the Permit application or requesting the Permit transfer. The Host Customer shall notify the Applicant Customer within sixty (60) days of its decision to grant or deny consent to the Applicant Customer to acquire, develop, construct or operate the Water Supply Source within its jurisdiction. If a Host Customer denies consent, the Host Customer's notification shall provide an explanation of the reasons for denial. The Applicant Customer shall immediately withdraw its Permit application or request for transfer of a Permit upon notification of denial by the Host Customer.

23. **HYDRAULIC CAPACITY ENTITLEMENT IN REGIONAL TRANSMISSION SYSTEM.** Each Customer shall be provided its respective Hydraulic Capacity Entitlement of the hydraulic capacity in the transmission facilities that has been constructed at the time of execution of this Contract or will be constructed by the Authority during the term of this Contract for the benefit of such Customer(s) to deliver potable water from the Regional Water System to the respective Customer(s) Delivery Point. Each Customer's Hydraulic Capacity Entitlement percentage or amount in the current Regional Transmission System is set forth on Exhibit "E". A Customer's Hydraulic Capacity Entitlement in segments of the Regional Transmission System constructed after the date of this Contract will be determined on a transmission line segment basis by the Authority. All Hydraulic Capacity Entitlement Cost of the Hydraulic Capacity Entitlement will be the sole responsibility of the Customer(s) benefiting from such facilities. If more than one Customer uses the

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same transmission segment as designated by the Authority, then each shall pay their proportionate share of the Hydraulic Capacity Entitlement Cost.

23.1 In the event a Customer requests capacity in a transmission line segment that is an existing component of the Regional Transmission System, and the capacity percentage of which has been fully allocated, the Authority shall not grant capacity to the requesting Customer without first obtaining approval from the Customer(s) to whom the hydraulic capacity in that transmission line has previously been allocated. In the event the Authority modifies the Hydraulic Capacity Entitlement, the application of all future service rates and charges will be adjusted accordingly.

23.2 If requested by North Port, the Authority shall construct, and North Port shall pay for its proportional share of the Hydraulic Capacity Entitlement Cost of a new segment of the Regional Transmission System between Delivery Points identified by North Port and acceptable to the Authority on the basis of system hydraulics. The Authority and North Port may agree to a water delivery alternative utilizing the existing stub-outs along the 42-Inch RTS (2) transmission main identified in Exhibit "D", subject to the change of apportionment of Hydraulic Capacity Entitlement Cost on terms mutually agreeable to North Port, Sarasota and Authority.

24. **ADDITIONAL REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE AUTHORITY.** The Authority hereby represents, warrants and covenants to the Customers as follows:

24.1 System Operation. Operation and maintenance of the Authority Water Supply Facilities shall be the responsibility and the obligation of the Authority. The Authority shall be responsible to adopt an adequate budget to pay all of the Operating and Maintenance Costs of the

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Authority, to satisfy all the Authority's Obligations, to provide for the requisite Bond Coverage Costs to meet all required tests set forth in the Financing Documents, to provide for renewal and replacement costs to keep the Authority Water Supply Facilities in good operating order and to provide for any sinking funds and other reserves necessary to provide the water service as set forth in this Master Water Supply Contract. The Authority shall provide sufficient personnel, with appropriate experience to undertake all regulatory requirements, including, but not limited to, those imposed by the Florida Department of Environmental Protection, the Southwest Florida Water Management District, the State of Florida Department of Health and the United States Environmental Protection Agency. If new regulatory requirements necessitate capital improvements or budget amendments, the Authority shall take all necessary actions to accomplish the same. The Authority shall be responsible for all regulatory violations including compliance costs or penalties assessed for same, which arise out of or are solely created through: (1) material errors or omissions by its personnel and agents in the day-to-day operations of the Authority Water Supply Facilities; or (2) the failure of the Authority to timely proceed administratively to undertake or complete a requirement imposed by any regulatory agency in any consent order or operating permit. The Authority shall maintain adequate catastrophic insurance on the Authority Water Supply Facilities on such terms and amounts as established by the Authority.

- 24.2 Water Quality. The Authority shall use its best efforts to deliver water of good and uniform quality from the Authority Water Supply Facilities to the Delivery Point(s). The water delivered by the Authority to the Delivery Point(s) shall be stabilized and shall meet all federal, state or regional regulations and orders relating to drinking water, which are applicable to water produced, stored and transported at and through the Authority Water

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the Customers with water in accordance with the Water Allocations, New Water Supply Demands and its duty to its Exclusive Provider Customer(s).

- 24.5 Financing the Authority Water Supply Facilities. The Authority shall use its best efforts to borrow funds and to set adequate reserves and budgeted expenditures necessary to cover costs to be incurred in constructing, acquiring, operating, maintaining, repairing, replacing or upgrading the Authority Water Supply Facilities.
- 24.6 Acquisition of Real Property. The Authority shall use its best efforts to acquire all interest in real and personal property (if any) necessary for the expansion, construction, management and operation of the Authority Water Supply Facilities. The Authority shall retain in its own name any interest in real property acquired in connection with the Authority Water Supply Facilities.
- 24.7 Water Pressures. The Authority shall use its best efforts to supply water under normal operating conditions at the Annual Average Daily Quantity at a pressure not less than 65 psi at the Customer Delivery Point(s) to the Customer unless a different pressure is specified in Exhibit "D". The Authority will not be responsible for interruptions or abnormal operating conditions that cause reduced pressures for interim periods that are beyond the Authority's control.
- 24.8 Priority of Payment. All monies received by the Authority from the Customers pursuant to this Contract shall be applied in the following order of priority:

FIRST: To the payment of Operating and Maintenance Cost (other than renewal of replacement costs) as provided in the Financing Documents for the Obligations;

SECOND: To the payment of Debt Service Cost as provided in the Financing Documents for the Obligations;

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Supply Facilities.

- 24.3 Water Measurement. The Authority shall use its reasonable efforts to measure all water delivered to the Delivery Point(s) of Customers. The Authority shall own and maintain the meters at all Delivery Point(s). The Authority shall maintain complete and accurate records of its water measurements. Water flow measurements recorded by the Authority shall be the exclusive means of determining the quantity of water delivered to the Delivery Point(s) under this Contract. The metering equipment shall be of standard make and type, installed at a readily accessible location, and shall record flow with accuracy sufficient to meet all applicable reporting requirements. The Authority will check the accuracy of the meters annually, provide a report regarding the condition, accuracy and state of the meters and provide for a certified calibration test and any appropriate recalibration. Upon request and at the expense of the Customer, the Authority shall make arrangements for a meter test to be conducted by an independent testing facility who shall conform to the manufacture's standards and where appropriate conduct the test as a field test. The Customers may be present when the meters are checked for accuracy, and the test records shall be made available for inspection by the Customers upon reasonable request. If the accuracy of the meter is determined to be at least four (4) percent beyond the limits prescribed by the manufacturer, the meter will be assumed to have been inaccurate from the mid-point of the time since the last annual inspection, or the last calibration, or the last independently certified test, or the last six (6) months whichever is less. The following month's billing will be adjusted taking into account the nature of the inaccuracy to show a credit or additional charge to the respective Customer for the metered flow for that period.

- 24.4 Permits. The Authority shall use its best efforts to obtain all Permits necessary to provide

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THIRD: To the payment of the renewal and replacement costs;

FOURTH: To the payment of the DeSoto Payment and Charlotte Obligations;

FIFTH: To the payment of any charges or Obligations due and owing by the Authority.

25. **ADDITIONAL REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE CUSTOMERS.** The Customers hereby represent, warrant and covenant to the Authority as follows:

- 25.1 Irrevocable Commitment to Pay. The Customers recognize that circumstances, such as equipment maintenance or failure, construction delays, failure to obtain Permits, limitations on Permits, transmission line ruptures or defects, acts of God, etc., may prevent the performance by the Authority of its obligations pursuant to this Contract. Under such circumstances, the Customers shall continue to pay their respective Water Rate throughout the term of this Contract. Said payments by the Customers shall be made without notice or demand and without set-off, counterclaim, abatement, suspension or deduction. The Authority is undertaking construction of the REP and additional water supply projects and operation and maintenance of the Authority Water Supply Facilities based in part on the representations, warranties and covenants of the Customers set forth in this Contract.
- 25.2 Acquisition of Real Property. Subject to Section 22 herein, the Customers shall promptly cooperate with the Authority in acquiring all interests in real property necessary to construct, manage and operate the Authority Water Supply Facilities and Water Supply Sources.
- 25.3 Utility System Charges. The Customers shall fix, revise, maintain and collect such fees, rates, tariffs, rentals or other charges for the use of products, services and facilities of their water utility systems as shall be necessary to fund the timely payment of their respective

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obligations and liabilities under this Contract as well as all other obligations payable from the revenues of their water systems.

- 25.4 Cooperation on Permits. Subject to Section 22 herein, for the construction and operation of the facilities necessary for the REP and future Authority Water Supply Sources, the Customers shall promptly cooperate with the Authority in obtaining any and all Permits necessary or convenient for construction, expansion, alteration, replacement or operation.
- 25.5 Cooperation on the REP. The Customers shall promptly cooperate with the Authority in operating or expanding for the REP.
- 25.6 Utility System Operation and Maintenance Account. Each Customer shall maintain its water utility system operation and maintenance accounts throughout the term of this Contract for the purpose of paying its obligations and liabilities under this Contract. At all times during the term of this Contract, the Customers' obligations and liabilities under this Contract shall be considered an operating expense of its water utility systems and shall be paid from its water utility systems operation and maintenance accounts or capacity fee account or facility investment fees, if appropriate; provided, however, that such obligations and liabilities of a Customer shall not be considered an operating expense of its water utility system nor need it be paid from the operation and maintenance account to the extent the Customer has budgeted and appropriated legally available moneys for such purpose and is current on all its obligations arising hereunder. For the purpose of paying their obligations and liabilities under this Contract, Customers may utilize, in addition to their water utility operation and maintenance accounts, facility investment fees or other capacity fees as identified in their adopted rate resolutions.
- 25.7 Cooperation on Issuance of Authority Obligations. Each Customer shall cooperate with the

Customer's Water Allocation from the Authority. If any of the defaulting Customer's Water Allocation remains after the expiration of sixty (60) days notice period, then each non-defaulting Customer may by mutual agreement with the Authority take any or all of the remaining Water Allocation and corresponding payment obligation created by the default. Any portion of the defaulting Customer's Water Allocation that remains unallocated shall be added to the Redistribution Pool or designated as Authority water capacity; however, these actions shall not relieve the defaulting Customer of its payment obligation to the Authority.

26. **PLEDGE OF CONTRACT REVENUES.** The Authority may pledge any payments, interest or other income or revenues derived under this Contract for the purpose of securing any revenue bonds issued by the Authority to finance the REP and new water supply projects of the Authority Water Supply Facilities.

27. **NORTH PORT'S OPTION TO BECOME A MEMBER.** If the Authority pursuant to the process set forth in the Second Amended Interlocal Agreement, adds a municipality as an Authority Member Government, then North Port at its option may become a member of the Authority upon the same terms and conditions as the new municipality member. North Port must exercise its option within thirty (30) days of the effective date of the amendment to the Second Amended Interlocal Agreement adding the new municipality as a member.

28. **IMPLEMENTATION AGREEMENT.** An Implementation Agreement dated March 8, 1996 was entered into by the Authority and Charlotte that provides, in part, that no further expansion of the Peace River Regional Water Treatment Facility beyond the PRO can be implemented without the Southwest Florida Water Management District setting the Minimum Flow and Levels for the Peace River. Charlotte, without waiving the application of the Implementation Agreement to any further expansion of the Authority Water Supply Facilities beyond the REP, agrees

Authority in issuance of the Authority's Obligations. In such connection, each Customer and the Authority shall comply with reasonable requests of each other and will, upon request, do as follows: (i) make available general and financial information about itself; (ii) consent to publication and distribution of its financial information; (iii) certify that its general and financial information is accurate, does not contain any untrue statements of a material fact and does not omit a material fact necessary to make the statements in the information, in light of circumstances under which they are made, not misleading; (iv) make available certified copies of official proceedings; (v) provide reasonable certifications to be used in a transcript of closing documents; and (vi) provide and pay for reasonable requested opinions of counsel as to the validity of its actions taken in respect to and the binding effect of the Second Amended Interlocal Agreement and this Contract, and pending litigation which could materially affect its performance hereunder. Each Customer shall provide the Authority reasonable assurance that no actions taken by it shall adversely affect the exclusion from gross income of interest on the Authority's Obligations for purposes of federal income taxation. Each Customer covenants to assist the Authority in any reasonable manner with respect to the issuance of such Obligations, including but not limited to participation and assistance with any court proceeding seeking to validate the Obligations pursuant to Chapter 75, Florida Statutes.

- 25.8 Payment for Obligations. If a Customer defaults on the payment of its Water Rate established pursuant to this Contract, each non-defaulting Customer shall have the option to take the defaulting Customer's pro-rata share (based of each Customer's percentage of the total Water Allocation of the Authority) and corresponding payment obligation of the defaulting Customer's Water Allocation within sixty (60) days of notice of the defaulting

not to apply the provision of the Implementation Agreement to the development, construction or operation of the REP. However, the Implementation Agreement applies to any further expansion of the Peace River Regional Water Treatment Facility beyond the REP; and it requires that before any further expansion is implemented, Minimum Flows and Levels must be set for the Peace River or the Authority must complete a Section 403.412, Florida Statutes, action including an appeal of an adverse ruling of the lower tribunal, against the District to require it to set Minimum Flows and Levels for the Peace River.

29. **RE-RATING REGIONAL WATER SYSTEM.** To the extent that any component of the Regional Water System is re-rated or treatment capacity is modified with the appropriate regulatory agencies (either an increase or decrease in capacity), then each Customer's corresponding Water Allocation will be adjusted pro-rata on a basis consistent with the Cost Allocation percentage of each Customer. The Authority agrees not to initiate a re-rating process with the intent to reduce System Capacity. For example, a Customer with a Water Allocation of 10% would receive an increase in Water Allocation of 100,000 gallons per day for a 1,000,000 gallon per day re-rating increase. To the extent that the re-rating of the Regional Water System results in the incurrence of additional capital expenditures, the Authority will notify the affected Customers of such expenditures. The expenditures required for and the associated re-rating will be allocated proportionately pursuant to the Water Allocation percentage unless any Customer(s) decide not to participate in the cost and associated benefits of the re-rating. If a Customer does not participate in the re-rating, then the change in Water Allocation and the expenditures will be allocated pro-rata to the participating Customers in accordance with their Water Allocation. All expenditures associated with re-rating will be the responsibility of the participating Customers and are to be paid to the Authority in accordance with the Contract. To the extent any increase in Water Allocation is not

allocated to the Customers, it shall be transferred to the Redistribution Pool.

30. **DEFAULT AND REMEDY.** Recognizing the region's paramount need for a safe and dependable source of water supply, the Parties agree this Contract may not be terminated prior to the normal expiration date specified in Section 2 and the remedy for a breach of the Contract shall be specific performance, injunctive relief and any other equitable relief, as well as monetary damages.

31. **DESIGNATION AS REPRESENTATIVE AND CO-APPLICANT STATUS.** The Authority and the Customers shall be co-applicants for any SWFWMD water use permits needed for the Authority Water Supply Facilities and Authority Water Supply Sources. Subject to Section 22 herein, the Customers shall waive all objections to the Permit applications relating to the acquisition, operation, replacement or expansion of the Authority Water Supply Facilities and Authority Water Supply Sources issued by a federal, state, or regional governmental entity. The Customers hereby designate the Authority as their representative with respect to any such Permit or in any administrative or judicial proceeding relating thereto.

32. **APPLICABLE LAW AND VENUE.** The laws of the State of Florida govern the validity, interpretation, construction and performance of this Contract and venue for any suit involving this Contract shall be in Hillsborough County, Florida.

33. **NO ASSIGNMENT.** The rights, obligations and interests of the Customers and Authority under this Contract may not be wholly or partially sold, assigned, transferred, pledged or hypothecated unless approved in writing by all Parties.

34. **NOTICE.** All notices, demands, requests and other communications shall be deemed sufficient and properly given, if in writing and delivered in person to the following addresses, sent by certified or registered mail, or by overnight delivery, postage prepaid with return receipt requested, at such addresses; provided, if such notices demands, requests or other

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any Party and thereafter waived by another Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive, either expressly or impliedly, any other breach under this Contract.

38. **AUTHORIZED REPRESENTATIVES.** For purposes of this Contract, the Parties authorized representatives are as follows: the Authority Executive Director, the Charlotte County Administrator, the DeSoto County Administrator, the Manatee County Administrator, the Sarasota County Administrator, and the City of North Port City Manager. Any Party may change its authorized representative at any time by written notice to all other Parties.

39. **SECTION CAPTIONS AND REFERENCES.** The section headings and captions contained herein are included for convenience only and shall not be considered part of this Contract or affect in any manner its construction or interpretation. Except as otherwise indicated, all references herein to sections are to sections of this Contract.

40. **SEVERABILITY.** In the event any provision of this Contract shall, for any reason, be determined invalid, illegal or unenforceable in any respect, the Parties shall negotiate in good faith and agree to such amendments, modifications or supplements to this Contract or such other appropriate actions as shall, to the maximum extent practicable in the light of such determination, implement and give effect to the intentions of the Parties as reflected herein, and the other provisions of this Contract, as amended, modified, supplemented or otherwise affected by such action, shall remain in full force and effect.

41. **ATTORNEYS FEES AND COST.** In the event there is litigation arising under or related to this contract, the losing Party or Parties shall pay to the successful Party or Parties all attorney's fees and costs and expenses incurred in enforcing the Contract, including attorneys' fees incurred on appeal, in adversarial administrative proceedings and in connection with bankruptcy

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communications are sent by mail or overnight delivery, they shall be deemed as given on the third day following such mailing which is not a Saturday, Sunday or a day on which United States mail is not delivered: The Authority's Executive Director's Office, 1645 Barber Road, Suite A, Sarasota, Florida 34240; the Charlotte County Administrator's Office, Charlotte County Administration Center, 18500 Murdock Circle, Port Charlotte, Florida 33948-1094; Manatee County Administrator's Office, Manatee County Administration Center, 1112 Manatee Avenue West, Suite 920, Bradenton, Florida 34205; the DeSoto County Administrator's Office, 201 East Oak Street, Arcadia, Florida 34266; the Sarasota County Administrator's Office, 1660 Ringling Boulevard, Sarasota, Florida 34236; and the North Port City Manager's Office, 5650 North Port Boulevard, North Port, Florida 34287. Any Party may, by like notice, designate any further or different addresses to which subsequent notices shall be sent.

35. **RELATIONSHIP OF THE PARTIES.** Nothing herein shall be deemed to constitute any Party a partner or joint venturer, or to create any fiduciary relationship among the Parties.

36. **THIRD PARTY BENEFICIARIES.** No right or cause of action shall accrue upon or by reason hereof, or for the benefit of any person not expressly named as a Party in this Contract, except for any holders of Obligations and/or credit enhancers relating to Obligations who shall be third party beneficiaries of this Contract.

37. **WAIVER.** Unless otherwise specifically provided by the terms of this Contract, no delay or failure to exercise a right resulting from any breach of this Contract shall impair such right or shall be construed to be a waiver thereof, but such right may be exercised from time to time and as often as may be deemed expedient. Any waiver shall be in writing and signed by the Party granting such waiver. If any representation, warranty or covenant contained in this Contract is breached by

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proceedings, to the extent allowed by law. This provision shall survive the termination of this Contract.

42. **AMENDMENT.** This Contract may only be amended by a writing duly executed by the Authority, Manatee, Charlotte, DeSoto, Sarasota and North Port and only to the extent permitted by the Financing Documents authorizing the issuance of the Obligations.

43. **ENTIRE AGREEMENT.** This Contract shall constitute the entire agreement of the Authority, Charlotte, Manatee, DeSoto, Sarasota, and North Port with respect to the Authority's provision of drinking water supply.

44. **FURTHER ASSURANCES.** The Authority, Manatee, Charlotte, DeSoto, Sarasota, and North Port each shall use all reasonable efforts to provide such information, execute such further instruments and documents and take actions as may be reasonably requested by another Party and not inconsistent with the provisions of this Contract and not involving the assumption of obligations or liabilities different from, in excess of or in addition to those expressly provided for in this Contract to carry out the intent of this Contract.

45. **CONSENTS.** To the extent that the consent of any Party to this Contract is required as a condition to the action of other Parties, such consent shall not be unreasonably withheld.

46. **SUCCESSORS AND ASSIGNS.** This Contract shall be binding upon and inure to the benefit of the respective successors, permitted assigns, administrators and trustees of the Authority, Manatee, Charlotte, DeSoto, Sarasota, and North Port.

47. **EXECUTION OF DOCUMENTS.** This Contract shall be executed in fifteen (15) duplicate originals, any of which shall be regarded for all purposes as an original and all of which shall constitute one and the same instrument.

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48. **INTERLOCAL AGREEMENT.** This Contract shall constitute an interlocal agreement pursuant to Section 163.01, Florida Statutes. A true and correct copy of this Contract and any subsequent amendments shall be recorded by the Authority with the clerk of the circuit court in Manatee, Charlotte, DeSoto and Sarasota.

49. **AMBIGUITY.** The Parties agree that each one has played an equal part in the negotiation and drafting of this Contract, and in the event any ambiguity should be asserted or realized in the interpretation or construction of this Contract, the result of such ambiguity shall be equally assumed and realized by each Party.

50. **SOVEREIGN IMMUNITY.** The Customers intend to avail themselves to the benefits of Sections 768.28 and 163.01(9)(c), Florida Statutes, and of other statutes and common law governing sovereign immunity to the fullest extent possible. In accordance with Section 163.01(5)(o), Florida Statutes, therefore the Customers are not jointly liable for the torts of the officers or employees of the Authority, or any other tort attributable to the Authority, and that only the Authority shall be liable for torts attributable to it or for torts of its officers or employees, and then only to the extent of the waiver of sovereign immunity or limitation of liability specified in Section 768.28, Florida Statutes. The Customers intend the Authority to have all the privileges and immunities from liability and exemptions from laws, ordinances, rules and common law which apply to the municipalities and counties of the State of Florida. Nothing in this Contract is intended to inure to the benefit of any third-party for the purposes of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

51. **CONFLICT WITH INTERLOCAL AGREEMENT.** To the extent any provision herein shall conflict with a provision in the Second Amended Interlocal Agreement, the provision in the Second Amended Interlocal Agreement shall be controlling.

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WITNESS:

[Signature]
[Signature]
Approved as to form:
[Signature]
Attorney for Charlotte County
Janette S. Knowlton
LR #85-43

CHARLOTTE COUNTY
BOARD OF COUNTY COMMISSIONERS

By: [Signature]
Sara J. Devos, Chairman
Date: 9/29/05

ATTEST:
Barbara T. Scott, Clerk of Circuit
Court and Ex-Officio Clerk to the
Board of County Commissioners
By: [Signature]
Deputy Clerk

STATE OF FLORIDA
COUNTY OF CHARLOTTE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, Sara J. Devos, to me known to be the person described in and who executed the foregoing instrument on behalf of the Charlotte County, and [Signature], acknowledged before me that [Signature], executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 29th day of September, 2005.

[Signature]
Notary Public, My
Commission
Expires:
STACEY K. MILLER
Notary Public, State of Florida
Commission # DD448505
Expires: JULY 07, 2009
Bonds: Third Atlantic Bonding Co., Inc.

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52. **GOOD FAITH.** The Parties agree to exercise good faith and fair dealing in respect to all matters relating to this Contract.

53. **WATER PURCHASE.** The Customers shall have a preferential right to purchase water from the Authority. The Authority may purchase water from any source available.

IN WITNESS WHEREOF, the Authority, Manatee, Charlotte, DeSoto, Sarasota, and North Port have executed this Contract on the day, month and year first above written.

WITNESS:

[Signature]
[Signature]
Approved as to form:
[Signature]
Attorney for Peace River/Manasota
Regional Water Supply Authority

PEACE RIVER/MANASOTA REGIONAL
WATER SUPPLY AUTHORITY

By: [Signature]
Date: October 5, 2005



STATE OF FLORIDA
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, Patricia M. Glass, to me known to be the person described in and who executed the foregoing instrument on behalf of the Peace River/Manasota Regional Water Supply Authority, and Patricia M. Glass, acknowledged before me that Patricia M. Glass, executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 5th day of October, 2005.

[Signature]
Notary Public, My
Commission
Expires:



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WITNESS:

[Signature]
[Signature]
Approved as to form:
[Signature]
Attorney for DeSoto County

DESOTO COUNTY

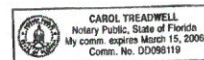
By: [Signature]
Date: September 13, 2005

STATE OF FLORIDA
COUNTY OF DESOTO

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, RONALD P. NEADS, to me known to be the person described in and who executed the foregoing instrument on behalf of the DeSoto County, and RONALD P. NEADS, acknowledged before me that RONALD P. NEADS, executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 14th day of September, 2005.

[Signature]
Notary Public, My
Commission
Expires:



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WITNESS:

MANATEE COUNTY

By: [Signature]

Date: 9/20/05

Approved as to form:

Not applicable
Attorney for Manatee County

ATTEST: R. B. SHORE

Clerk of the Circuit Court

By: [Signature]

STATE OF FLORIDA
COUNTY OF MANATEE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, _____, to me known to be the person described in and who executed the foregoing instrument on behalf of the Manatee County, and _____, acknowledged before me that _____, executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this ____ day of _____, 2005.

Notary Public, My
Commission
Expires:

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SARASOTA COUNTY

WITNESS:

[Signature]
[Signature]

By: [Signature]

Date: SEP 28 2005

Approved as to form:

[Signature]
Attorney for Sarasota County

STATE OF FLORIDA
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, PAUL H. MERCIER, to me known to be the person described in and who executed the foregoing instrument on behalf of the Sarasota County, and _____, acknowledged before me that _____, executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 28th day of SEPTEMBER, 2005.

Notary Public, My
Commission
Expires:

John W. Owens
My Commission 00282878
Expires June 09, 2007

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WITNESS:

[Signature]
[Signature]

Approved as to form:

[Signature]
Attorney for City of North Port

CITY OF NORTH PORT

Richard A. Lockhart, Commission Clerk

By: [Signature]

Date: October 4, 2005

STATE OF FLORIDA
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared, Commissioner Richard A. Lockhart, to me known to be the person described in and who executed the foregoing instrument on behalf of the City of North Port, and Commissioner Richard A. Lockhart acknowledged before me that Commissioner Richard A. Lockhart executed same as a free act and deed for the uses and purposes therein stated.

WITNESS my hand and official seal in the County and State last aforesaid this 14th day of October, 2005.

Patsy C. Adkins
Notary Public, My
Commission
Expires: October 15, 2007

Patsy C. Adkins
Commission # 00258739
Expires October 15, 2007
Sarasota Bay Area Insurance, Inc. 800-360-7019

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PR Contract Exhibits

- A DESOTO PAYMENT
- B WATER ALLOCATION
- C NEW WATER SUPPLY DEMANDS
- D REGIONAL TRANSMISSION SYSTEM DELIVERY POINTS
- E REGIONAL TRANSMISSION SYSTEM HYDRAULIC CAPACITY ENTITLEMENT
- F COST ALLOCATION PERCENTAGES
- G REGIONAL EXPANSION PROGRAM
- H WATER ALLOCATION BY PROJECT
- I DESOTO EXISTING WATER SOURCES TO REMAIN AFTER DESIGNATION OF THE AUTHORITY AS EXCLUSIVE PROVIDER
- J PEACE RIVER REGIONAL WATER TREATMENT FACILITY - ANNUAL CAPITAL COMPONENT CHARGE REDEMPTION PROVISION

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EXHIBIT "A"

FL#2005012976 B 570 P1055
REC NO. 07528506341

DeSoto Payment Schedule

DeSoto Payment (Annual Assessment)					
Contract Fiscal Year	Charlotte County	DeSoto County	Sarasota County	City of North Port	Total
FY05	\$368,564	\$15,889	\$101,111	\$34,436	\$520,000
FY06	\$368,564	\$15,889	\$101,111	\$34,436	\$520,000
FY07	\$368,564	\$15,889	\$101,111	\$34,436	\$520,000
FY08	\$368,564	\$15,889	\$101,111	\$34,436	\$520,000
FY09	\$361,403	\$15,424	\$177,073	\$44,346	\$598,247
FY10	\$363,140	\$15,341	\$244,396	\$53,586	\$676,463
FY11	\$369,266	\$15,482	\$303,326	\$61,927	\$750,000
FY12	\$369,266	\$15,482	\$303,326	\$61,927	\$750,000
FY13	\$369,266	\$15,482	\$303,326	\$61,927	\$750,000
FY14	\$369,266	\$15,482	\$303,326	\$61,927	\$750,000
Remaining Years	\$369,266	\$15,482	\$303,326	\$61,927	\$750,000

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FL#2005012976 B 570 P1057
REC NO. 07528506341

Annual Average Day, Peak Monthly Average Day, Maximum Day are expressed in million gallons per day (MGD).

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EXHIBIT "B"

FL#2005012976 B 570 P1056
REC NO. 07528506341

Water Allocation

Annual Average Daily (MGD)					
Contract Fiscal Year	Charlotte County	DeSoto County	Sarasota County	City of North Port	Total
FY05	12.525	0.535	3.048	1.192	17.300
FY06	12.758	0.550	3.500	1.192	18.000
FY07	12.758	0.550	3.500	1.192	18.000
FY08	12.758	0.550	3.500	1.192	18.000
FY09	13.895	0.593	6.808	1.705	23.001
FY10	15.031	0.635	10.116	2.218	28.000
FY11	16.100	0.675	13.225	2.700	32.700
FY12	16.100	0.675	13.225	2.700	32.700
FY13	16.100	0.675	13.225	2.700	32.700
FY14	16.100	0.675	13.225	2.700	32.700
Remaining Years	16.100	0.675	13.225	2.700	32.700

Peak Monthly Average Day (MGD)					
Contract Fiscal Year	Charlotte County	DeSoto County	Sarasota County	City of North Port	Total
FY05	15.030	0.642	3.658	3.146	22.476
FY06	15.310	0.660	4.200	3.146	23.316
FY07	15.310	0.660	4.200	3.146	23.316
FY08	15.310	0.660	4.200	3.146	23.316
FY09	16.187	0.690	7.931	3.146	27.954
FY10	17.512	0.740	11.785	3.146	33.183
FY11	18.757	0.786	15.407	3.146	38.096
FY12	18.757	0.786	15.407	3.146	38.096
FY13	18.757	0.786	15.407	3.146	38.096
FY14	18.757	0.786	15.407	3.146	38.096
Remaining Years	18.757	0.786	15.407	3.146	38.096

Maximum Day (MGD)					
Contract Fiscal Year	Charlotte County	DeSoto County	Sarasota County	City of North Port	Total
FY05	17.535	0.749	4.267	3.780	26.331
FY06	17.861	0.770	4.900	3.780	27.311
FY07	17.861	0.770	4.900	3.780	27.311
FY08	17.861	0.770	4.900	3.780	27.311
FY09	19.453	0.830	9.531	3.780	33.594
FY10	21.043	0.889	14.162	3.780	39.874
FY11	22.540	0.945	18.515	3.780	45.780
FY12	22.540	0.945	18.515	3.780	45.780
FY13	22.540	0.945	18.515	3.780	45.780
FY14	22.540	0.945	18.515	3.780	45.780
Remaining Years	22.540	0.945	18.515	3.780	45.780

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EXHIBIT "C"
New Water Supply Demands

Annual Average Day (MGD)					
Fiscal Year	Charlotte Co.	DeSoto Co.	Sarasota Co.	North Port	Total
FY05	0.000	0.000	0.000	0.000	0.000
FY06	0.000	0.153	0.000	0.808	0.961
FY07	0.000	0.578	0.000	1.558	2.136
FY08	0.000	1.200	0.000	2.308	3.508
FY09	0.000	2.080	0.000	2.065	4.145
FY10	0.000	3.114	0.000	2.082	5.196
FY11	1.658	3.429	0.000	2.200	7.287
FY12	1.658	3.785	0.000	2.700	8.143
FY13	1.658	4.140	3.000	3.200	11.998

Peak Monthly Average Day (MGD)					
Fiscal Year	Charlotte Co.	DeSoto Co.	Sarasota Co.	North Port	Total
FY05	0.000	0.000	0.000	0.000	0.000
FY06	0.000	0.184	0.000	1.547	1.731
FY07	0.000	0.694	0.000	2.731	3.425
FY08	0.000	1.440	0.000	3.714	5.154
FY09	0.000	2.496	0.000	4.740	7.236
FY10	0.000	3.737	0.000	5.255	8.992
FY11	0.000	4.115	0.000	5.825	9.940
FY12	1.990	4.542	0.000	6.229	12.761
FY13	1.990	4.968	3.600	6.599	17.157

Maximum Day (MGD)					
Fiscal Year	Charlotte Co.	DeSoto Co.	Sarasota Co.	North Port	Total
FY05	0.000	0.000	0.000	0.000	0.000
FY06	0.000	0.214	0.000	2.460	2.674
FY07	0.000	0.809	0.000	4.010	4.819
FY08	0.000	1.680	0.000	5.285	6.965
FY09	0.000	2.912	0.000	6.606	9.518
FY10	0.000	4.360	0.000	7.245	11.605
FY11	0.000	4.801	0.000	7.950	12.751
FY12	2.321	5.299	0.000	8.430	16.050
FY13	2.321	5.796	4.200	8.860	21.177

Annual Average Day, Peak Month Average Day, Peak Day are expressed in million gallons per day (MGD)

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EXHIBIT "D"
**Regional Transmission System
Delivery Points**

FL#2005012976 B 570 F1059
REC NO. 07528506341

	Delivery Points	Pressure (5)
36-Inch/12-Inch RTS (1)	Charlotte County: <ul style="list-style-type: none"> Harbor Boulevard @ Bachman Kings Highway @ DeSoto/Charlotte County Line DeSoto County: <ul style="list-style-type: none"> Pem Brook Pines Kings Highway @ Lake Suzy Utilities City of North Port: <ul style="list-style-type: none"> Raintree @ Serris Drive 	65 psi
42-Inch RTS (2)	Sarasota County: <ul style="list-style-type: none"> T. Mabry Carlton Jr. WTP 	20 psi
24-Inch Kings Highway RTS (3)	Charlotte County: <ul style="list-style-type: none"> Kings Highway @ Kingsway Circle DeSoto County: <ul style="list-style-type: none"> Kings Highway @ Riverside RV Park Kings Highway @ Peace River Street* Kings Highway @ adjacent to Lake Suzy* 	65 psi
20-Inch DeSoto Regional Pipeline (4)	DeSoto County: <ul style="list-style-type: none"> 8 delivery points along the transmission line as identified in the contract* 	65 psi

- The 36-Inch/12-Inch RTS consists of approximately 7 miles of 36-inch pipeline starting at the Peace River Water Treatment Facility and ending south of the Charlotte/Sarasota County border; and 12-inch pipeline extending from the 36-inch pipeline at the DeSoto/Sarasota County border south to Kings Highway and ending at the DeSoto/Charlotte County line.
- The 42-inch RTS consists of approximately 23 miles of 42-inch pipeline starting at the Peace River Water Treatment Facility and ending at the T. Mabry Carlton Jr. Water Treatment Plant in Sarasota County.
- The 24-inch Kings Highway RTS consists of approximately 5 miles of 24-inch pipeline starting at the Peace River Water Treatment Facility and paralleling Kings Highway ending at the DeSoto/Charlotte County line. See contract entitled: Kings Highway

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Segment Regional Transmission System Pipeline Agreement between The Peace River/Manasota Regional Water Supply Authority and Charlotte County dated October 27, 1998.

- The 20-Inch DeSoto Regional Pipeline. See contract entitled: DeSoto County Regional Pipeline Extension Amended Pipeline Agreement dated June 21, 2004.
- Water pressure at delivery points at a quantity no greater than the average annual daily rate as designated on Exhibit "B" or as specifically designated by the Authority for a delivery point.

* Future Delivery Points already in planning, design or construction.

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EXHIBIT "E"
**Regional Transmission System
Hydraulic Capacity Entitlement**

FL#2005012976 B 570 F1061
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	Charlotte County	DeSoto County	Sarasota County	City of North Port
36-Inch/12-Inch RTS (1)	89.65%	0.42%	0.00%	9.93%
42-Inch RTS (2)	0.00%	0.00%	100%	0.00%
24-Inch Kings Highway RTS (3)	80%	20%	0.00%	0.00%
20-Inch DeSoto(4)	0.00%	3.1 MGD	0.00%	0.00%

- The 36-Inch 12-Inch RTS consists of approximately 7 miles of 36-inch pipeline starting at the Peace River Water Treatment Facility and ending south of the Charlotte/Sarasota County border; and 12-inch pipeline extending from the 36-inch pipeline at the DeSoto/Sarasota County border south to Kings Highway and ending at the DeSoto/Charlotte County line.
- The 42-inch RTS consists of approximately 23 miles of 42-inch pipeline starting at the Peace River Water Treatment Facility and ending at the T. Mabry Carlton Jr. Water Treatment Plant in Sarasota County.
- The 24-inch Kings Highway RTS consists of approximately 5 miles of 24-inch pipeline starting at the Peace River Water Treatment Facility and paralleling Kings Highway ending at the DeSoto/Charlotte County line. See contract entitled: Kings Highway Segment Regional Transmission System Pipeline Agreement between The Peace River/Manasota Regional Water Supply Authority and Charlotte County dated October 27, 1998.
- The 20-Inch DeSoto Regional Pipeline. See contract entitled: DeSoto County Regional Pipeline Extension Amended Pipeline Agreement dated June 21, 2004.

Current pipelines are more than adequate to transport Charlotte's 16.1 MGD to its water system.

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EXHIBIT "F"

FL#2005012976 B 570 F1062
REC NO. 07528506341

COST ALLOCATION PERCENTAGES

	Charlotte	DeSoto	Sarasota	North Port
Peace River Regional Water Treatment Facility (1991 Facility) Cost Allocation	89.65%	0.42%	0.00%	9.93%
PRO Cost Allocation	33.33%	8.33%	58.34%	0.00%
REP Cost Allocation*	27.21%	0.81%	61.72%	10.26%

* The REP cost allocation percentages were applied to the total oversized facilities payment to Charlotte for the REP; however, Charlotte paid in advance for its portion so that payment by the remaining participating Customers is made pursuant to the cost allocation percentages in Section 18.2, as follows: Sarasota paying 85.62%, North Port paying 13.28% and DeSoto paying 1.1%.

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EXHIBIT "G"

Regional Expansion Program
Proposed Project Plan

FL#2005012976 B 570 F1066
REC NO. 07528506341

Authority Water Supply Facilities Overview

The Authority Water Supply Facilities, located in DeSoto County, provide public drinking water to residents of Charlotte, DeSoto and Sarasota counties. The facilities allow for the use of surface water to alleviate further stress on groundwater supplies and resultant degradation in the Southern Water Use Caution Area ("SWUCA").

The Regional Expansion Program ("REP") is to build out the Authority Water Supply Facilities to its existing water use permit ("WUP") capacity and intended to meet water demand in the Authority's system service area, as detailed in Figure A, attached. The issuance of the WUP in 1996 provides for expansion of the Authority Water Supply Facilities to meet an anticipated demand of 32.7 million gallons per day ("MGD") by the year 2016. The permit includes future water quantities to meet the needs of Charlotte, DeSoto and Sarasota counties and the City of North Port.

The Authority Water Supply Facilities have a current delivery capacity to supply 18 MGD of water and is located next to the Peace River in southwest DeSoto County. The Authority Water Supply Facilities utilizes the Peace River as a primary source and integrates the use of an off-stream reservoir for raw water storage and aquifer storage and recovery (ASR) wellfield for treated water storage. The reservoir and ASR wellfield are used for source supply when river flow is below minimum limits for withdrawal or when river water quality is poor.

PROJECT Description

The existing water treatment plant capacity is 24 MGD to provide for ASR recharge capacity. The treatment process provides for color removal of surface water including alum coagulation, filtration and disinfection. Build out of the facility to meet projected water demands projected within the WUP of 32.7 MGD by 2016 is proposed by the Authority's Regional Expansion Program. The Southwest Florida Water Management District ("SWFWMD") issued a WUP to the Authority in 1996 that allows for withdrawal from the Peace River to meet a demand of 32.7 MGD. The term of the permit is for 20 years through 2016.

The source of raw water for the Authority Water Supply Facilities is the Peace River. Under the SWFWMD's WUP issued to the AUTHORITY, the AUTHORITY can divert up to 10 percent of the Peace River flow to the Authority Water Supply Facilities when flow exceeds 130 cubic feet per second (cfs). During periods of high flows from the Peace River, raw water is stored in an off-stream reservoir and any water after treatment in excess of customers' demand is stored in the ASR wellfield which consists of 21 ASR wells. When the conditions of the Peace River are such that the ability to withdraw from the river is partially or completely eliminated, the off-stream reservoir and ASR wellfield are utilized to meet the water supply demands of the Authority's customers.

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activated carbon (PAC) contact basins, rapid mix, flocculation and sedimentation basins, filters, chlorine contact basins, chemical feed systems, above ground storage tanks, high service pumping, backwash recovery basins, residual thickening and mechanical dewatering system, instrumentation and controls. The additional treatment components will be incorporated into the existing treatment scheme and supervisory control and data acquisition (SCADA) system. The expansion also includes the construction of an operations center.

Improvements to the river raw water pump station will include the addition of new river pumps to increase the installed diversion pumping capacity to 90 MGD, consistent with the maximum day withdrawal allowed by the Authority's WUP, and construction of a second 48-inch raw water pipeline from the river pumping station to the reservoir site.

New pumps will be added to the existing reservoir pumping station to increase the reservoir pumping capacity to a firm capacity of 54 MGD of raw water from the reservoir to the treatment plant. A new 30-inch pipeline from the reservoir pump station to the treatment plant is also planned to accommodate the increased capacity of the reservoir pumping station.

DeSoto County Regional Transmission System Extension

The DeSoto County Regional Transmission System (RTS) extension will provide transmission of potable water from the Authority Water Supply Facilities to extended areas of DeSoto County. The RTS extension consists of approximately 5 miles of 20-inch diameter pipeline from the Peace River Facility to an end point at U.S. 17 and Enterprise Drive where it connects to the DeSoto County utility system. The pipeline route is adjacent to County Road 761 and U.S. 17 and is entirely within DeSoto County.

The RTS is sized beyond DeSoto's need to provide the capacity for potential future expansion of the Authority Water Supply Facilities to locations beyond DeSoto County and future interconnection with other neighboring utilities within DeSoto and Charlotte counties. Further interconnection of utility systems would enhance regional supply management and provide the opportunity to rotate and rest sources of supply.

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The Authority's Regional Expansion Program will provide expanded facilities to provide the ability to deliver the total allocation of 32.7 MGD to the Authority's customers. The PROJECT includes expanding the raw water reservoir capacity with a second new off-stream reservoir with a capacity of 6 billion gallons, increasing the water treatment plant capacity by 24 MGD and extension of the regional transmission system to serve areas of DeSoto County.

Regional Reservoir Expansion

The existing off-stream reservoir capacity is approximately 0.6 billion gallons for the purpose of storing raw water withdrawn from the Peace River. The reservoir is used for raw water supply to the Authority Water Supply Facilities when river flow is below minimum limits for withdrawal or when river water quality is poor. The proposed Regional Reservoir Expansion is to provide approximately 6 billion gallons of additional storage, resulting in a total reservoir storage capacity of approximately 6.6 billion gallons. This storage volume is required to provide a sustainable supply to meet the Authority's customers' demand during dry periods when withdrawal from the Peace River is limited in order to maintain minimum flow to the downstream estuary and Charlotte Harbor.

The new reservoir will be an above-ground basin formed by an engineered earthen embankment approximately 30 feet above existing ground surface. The embankment will consist of compacted fill with a geosynthetic membrane and an impervious, water retaining zone within the embankment. A soil-bentonite slurry wall will be installed extending from the geosynthetic membrane zone to the underlying clay layer to cut off underseepage beneath the embankment. In addition, an internal chimney drain will be installed to intercept potential seepage through the embankment. A perimeter seepage collection ditch will be constructed at the downstream toe of the embankment to collect and convey seepage. Access to the reservoir will be limited for security reasons.

Mitigation for the reservoir impacts is planned through restoration of the RV Griffin Reserve. This reservoir is the largest surface area that can reasonably be built on the site without the need for off-site mitigation of on-site wetland impacts.

New piping to pump up to 90 MGD of raw water from the river to the reservoir and piping to transfer water from the new reservoir to the existing reservoir is also included in the project. The PROJECT includes design, permitting and construction of the reservoir expansion, including raw water piping improvement to improve the ability to divert raw water from the Peace River to the Reservoir.

The reservoir expansion will be located on AUTHORITY property and the RV Griffin Reserve owned by the SWFWMD. The land use plan presented in "A Plan for the Use and Management of the RV Griffin Reserve" (SWFWMD, November 1996) provides a conceptual siting of a reservoir expansion.

Peace River Water Treatment Plant Treatment Capacity Expansion

The current water treatment plant treatment capacity is 24 MGD. The proposed expansion is anticipated to provide an additional 24 MGD of treatment capacity and result in a total capacity of 48 MGD. The facility expansion is to include raw water pumping (river and reservoir), powder

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Schedule

The anticipated schedule is provided in Table 1.

Table 1
Authority Water Supply Facilities Expansion
Project Schedule

	Regional Reservoir Expansion	Water Treatment Plant Expansion	DeSoto County RTS Extension
Consultant Selection	Completed	Completed	Completed
Expansion Analysis	Completed	Completed	Completed
'Water Quality Master Plan Update'	N/A	Completed	N/A
'Basis of Design Report'	September 2005	September 2005	Completed
Permitting	September 2006	September 2006	Completed
Detailed Plans and Specifications	September 2006	September 2006	Completed
Bidding	November 2006	November 2006	Completed
Award Construction Contract	December 2006	December 2006	Completed
Project Substantial Completion*	October 2008	October 2008	September 2005
Final Completion of Construction	March 2009	March 2009	September 2005

*Project Substantial Completion is the beneficial use of the facilities to produce and deliver water.

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Costs

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The summary of probable costs (2005 dollars) is provided in Table 2.

Table 2
Authority Water Supply Facilities Expansion
Summary of Probable Costs

Activity	Total Project Cost
Regional Reservoir Expansion	\$49,000,000
Water Treatment Plant Expansion	\$70,768,000
DeSoto County RTS Extension	<u>\$3,632,000</u>
TOTAL REP COST	\$123,400,000

The probable costs shown are hard costs for engineering services and construction. The costs do not include Authority administrative costs or cost of bond issuance.

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EXHIBIT "I"

FL#2005012976 B 570 F1069
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DeSoto Existing Water Sources to Remain After Designation of the Authority as Exclusive Provider

- 1) Sources associated with that certain Interlocal Bulk Water and Wastewater Supply Agreement Between the City of Arcadia and DeSoto County dated January 30, 2001.
- 2) The Reverse Osmosis Facility at DeSoto Correctional Institute.
- 3) The Reverse Osmosis Facility at the G. Perce Wood Memorial Hospital Facility.

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EXHIBIT "H"

FL#2005012976 B 570 F1068
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Water Allocation by Project

	Charlotte	DeSoto	Sarasota	North Port
Peace River Regional Water Supply Facility (1991 Facility)	10.758	0.050	0.000	1.192
PRO Water Allocation	2.000	0.500	3.500	0.000
REP Water Allocation	3.342	0.125	9.725	1.508

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EXHIBIT "J"

FL#2005012976 B 570 F1070
REC NO. 07528506341

Peace River Regional Water Treatment Facility – Annual Capital Component Charge Redemption Provision

Annual Capital Component Charge After REP Oversized Capacity Payment made to Charlotte County of \$3,287,098.00	\$1,971,557.00
Monthly Capital Component Charge payable To Charlotte County beginning January 1, 2006 Through and including October 1, 2021	\$ 164,296.42
Level Debt Service Factor based on Allocable Amount of Bond Issue related to Peace River Facility	7.491893%
Redemption value of Capital Component Charge Assuming a Series 2005 bond closing of December 14, 2005 and a Level Debt Service Factor of 7.491893% (Illustrative purposed only)	\$18,299,274.17

Redemption of Annual Capital Component Charge

Upon mutual agreement between the Authority and Charlotte, the remaining Annual Capital Component Charges of \$1,971,557.00 can be redeemed on any date at the following redemption price:

The sum of the present values of the remaining scheduled Annual Capital Component Charges on a monthly basis (\$164,296.42) discounted to the date of redemption on a monthly basis (assuming a 360 day year consisting of twelve 30-day months) at the Capital Component Charge for Peace River Regional Water Treatment Facility – level debt service factor based on allocable amount of 7.491893%.

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Appendix E

FY 2019 Budget

Statement of Agency Organization and Operation
(February 2018)

Board Approved: February 2, 2018

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY STATEMENT OF ORGANIZATION AND OPERATION

This statement is issued and maintained under the authority of Section 120.54, Florida Statutes ("F.S."), and Chapter 28-101, Florida Administrative Code ("F.A.C.").

I. Agency Description

The Peace River Manasota Regional Water Supply Authority ("Authority") is a regional water supply authority whose primary function is to ensure future water supply and the development, recovery, storing and supplying of water resources for county or municipal purposes in such a manner as will give priority to encouraging conservation and adverse environmental effects of excessive or improper withdrawals of water from concentrated areas. It is an independent special district authorized by Section 373.1962, F.S., as subsequently reenacted in Section 373.713, F.S., and created by an interlocal agreement executed pursuant to Section 163.01, F.S., in 1982. The Authority is currently operating pursuant to the Second Amended Interlocal Agreement Creating the Peace River Manasota Regional Water Supply Authority dated October 5, 2005 and executed by Charlotte County, DeSoto County, Manatee County, and Sarasota County ("Second Amended Interlocal Agreement").

The Authority's boundaries consist of all of DeSoto County, Manatee County, and Sarasota County, and those parts of Charlotte County which are under the jurisdiction of the Southwest Florida Water Management District, pursuant to Section 373.069(1)(d), F.S.

II. Statutes and Rules Affecting Agency Operations

Pursuant to Section 373.713, F.S., and Section 163.01, F.S., the Authority has the responsibility for developing, storing, and supplying water for county and municipal purposes in such a manner as will give priority to reducing adverse environmental effects of excessive or improper withdrawals from concentrated areas. In carrying out its responsibility, the Authority is specially affected by Chapters 373 and 403, F.S., and Chapters 40D and 60, F.A.C.

In addition, and pursuant to Section 163.01, F.S., the Second Amended Interlocal Agreement grants the Authority rulemaking power necessary to perform its intended functions. The Authority also has the authority to adopt and enforce rules pertaining to

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The organizational structure of the Authority staff provides a focus on the core competencies to achieve the mission of the Authority: Water Resources, Facilities, and Finance/Administration.

Water Resources Department

This department is headed by the Deputy Director. The Water Resources Department is responsible for planning, managing, and implementing Capital Improvement Projects including the construction and modification of new water supply facilities and the modification of existing facilities, including surface water treatment capacity expansions, ASR wellfield expansions, water transmission mains, and the offline raw water storage reservoir. The Water Resources Department is responsible for monitoring, analyzing and evaluating hydrologic and environmental conditions in, and around, Authority facilities, obtaining environmental permits and implementing regulatory requirements, monitoring and managing reservoir and ASR conditions, coordinating with facilities operation to minimize environmental impacts, identifying environmental concerns associated with water supply projects and developing mitigation programs to minimize impacts and managing agency computer software and hardware, networking infrastructure and database applications.

Facilities Department

This office is headed by the System Operations Manager, who provides supervisory oversight for the operation of the Authority's facilities. This department is responsible for the day-to-day operation and maintenance of Authority infrastructure, including utility operations, process control, water quality, regulatory compliance, and project management. The department oversees start-up, testing, operation and maintenance of all facilities and equipment used to produce, treat and deliver water to the Authority's customers.

Finance/Administration Department

This division is headed by the Finance/Administration Manager, who is responsible for providing staff support in the areas of finance, human resources, information services, and Board records. The division manages the finance of new and existing water supply facilities, budgeting, accounting, financial reporting, accounts payable and receivable, payroll, debt management, records retention, telecommunications, and employee relations/human resources. Outside professional accountants may assist the department in keeping the Authority's financial records, preparing its financial statements and reports, and in preparing its proposed budgets and the annual financial

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the use, acquisition, maintenance, development, operation, or disposal of any of the Authority's services, facilities, or projects.

The Authority does not have any existing rules and currently has no expectation to adopt rules. Because it does not have any existing rules, it does not grant variances or waivers. The Authority currently does not grant or issue licenses, permits, or other certifications.

III. Agency Head

The Board of Directors ("Board") of the Authority is the agency head. In accordance with the Second Amended Interlocal Agreement, Charlotte County, DeSoto County, Manatee County, and Sarasota County each appoint one member to the Board, who must be a member of the appointing county's Board of County Commissioners. Each representative is appointed by and serves at the pleasure of the appointing county's Board of County Commissioners. The Board meets on the first Wednesday of every other month, unless otherwise announced. The Board's officers consist of a chairman and a vice chairman, each of whom shall serve for a term of a one year, or until their respective successor is elected and qualified. The Board is vested with all the powers of the Authority.

IV. Agency Organization

The Board has delegated the day-to-day activities of the Authority to the Executive Director, while retaining and exercising its general supervisory authority. The Authority's staff is composed of employees needed to operate and maintain the Authority's facilities, and administrative staff needed to support operations, planning, design, and construction of water supply facilities. The internal structure of the staff is periodically reviewed and updated by the Executive Director and presented graphically on an organizational chart. The Authority carries out its responsibilities through the Executive Director, who is the chief executive staff officer of the Authority and serves at the pleasure of the Board. The Executive Director oversees all departments of the Authority and exercises those powers and duties delegated by the Board, including to hire or terminate the employment of any employee; to secure services, labor, or material pursuant to the Procurement Policy; to prepare proposed budgets; to advise the Board on budget matters; to keep correct minutes and records of Board meetings; to prepare agendas; and to represent the Authority at public meetings.

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audit. Additional functions carried out by personnel located in the department include the recordation of board minutes; preparation of all necessary notices and agendas, scheduling of workshops and meetings; oversight of all consultants; certification of the authenticity of documents; and filing of all final agency decisions and notices of appeal.

General Counsel

The General Counsel is the chief legal officer of the Authority, and serves at the pleasure of the Board. The General Counsel provides legal advice and support to the Board and the Executive Director.

V. Authority Location and Office Hours

The Authority is open for business Monday through Friday, from 8 a.m. to 5 p.m., except for recognized holidays, and closings as directed by the Executive Director. The Authority's administrative offices are located at 9415 Town Center Parkway, Lakewood Ranch, Florida 34202.

VI. Public Information and Inspection of Records

The following provisions explain how to view and copy public information and records maintained by the Authority. A public records request may be submitted directly to the Agency Clerk at: 9415 Town Center Parkway, Lakewood Ranch, Florida 34202; (941) 316-1776 Telephone; (941) 316-1772 Facsimile; or peacecerver@regionalwater.org.

All public records, as defined by Section 119.011(1), F.S., maintained by the Authority and not otherwise exempt by law may be copied or inspected at reasonable times and under reasonable conditions. Any member of the public wishing to inspect and copy Authority public records may contact the Agency Clerk. Upon receipt of a public records request, the Agency Clerk will determine the location and supervise the compilation of the records. **Inspection and copying of Authority public records must be done at its office.** All records will be provided in the form of media in which they are maintained (e.g., paper, computer files, video tapes, audio tapes) and Authority duplication of the records will be in the same media.

Any person requesting to copy public records may bring their own means of duplication (e.g., computer drives and photocopier) to the Authority to duplicate the records. Otherwise, there are charges for duplication of Authority records, as prescribed by the Authority's public records policy. A copy of this policy may also be obtained by contacting the Agency Clerk. Fees may be paid by cash, check, or money order. All

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fees must be paid in advance before the requested copies will be released to the requester.

As prescribed by Section 119.07(1)(b), F.S., when the nature or volume of requested records requires extensive clerical or supervisory assistance by Authority personnel, or extensive use of information technology resources, the Authority may charge, in addition to the actual cost of duplication, a reasonable charge based on the cost incurred by the District in providing the service.

VII. Agency Clerk and Official Reporter

(1) Agency Clerk

The Authority's Agency Clerk is Rachel Kersten. Any person may contact the Agency Clerk at: 9415 Town Center Parkway, Lakewood Ranch, Florida 34202; (941) 316-1776 Telephone; (941) 316-1772 Facsimile; or peacerver@regionalwater.org. The Agency Clerk is the records management liaison officer for the purposes of Section 257.36(5)(a), F.S. The Agency Clerk also oversees the maintenance of official files of record. The Agency Clerk has the responsibility for filing and recording the date of all final agency decisions and orders pursuant to Section 120.53, F.S. The Agency Clerk's duties include, but are not limited to, the following:

- (a) Dating and filing all orders entered by the Board or Executive Director;
- (b) Forwarding copies of all orders rendered after a proceeding affecting substantial interests to the Authority's official reporter;
- (c) Acting as the "Clerk of the Lower Tribunal" for purposes of the Florida Rules of Appellate Procedure;
- (d) Receiving and filing the original of any pleading (filing of legal documents) received by the Authority;
- (e) Transmitting all necessary files to the Division of Administrative Hearings ("DOAH") upon referral of a matter to DOAH; and
- (f) Performing such other duties as may be authorized by the Board or Executive Director.

(2) Filing of Legal Documents and Pleadings

Legal documents and pleadings to be filed with the Authority may be filed by hand delivery, U.S. Mail or other delivery service and sent or delivered to the Agency Clerk at 9415 Town Center Parkway, Lakewood Ranch, Florida, 34202, or by facsimile transmission to (941) 316-1772. The following documents may be filed by email at peacerver@regionalwater.org:

- (a) Requests for extension of time to file a petition for administrative hearing and responses thereto;
- (b) Petitions for administrative hearing;
- (c) Motions to dismiss or strike petitions for administrative hearing and responses thereto;
- (d) Exceptions and other documents filed by parties to an administrative hearing after issuance of a recommended order, but prior to rendering of the final order; and
- (e) Notices of protest (or formal protest) of procurement solicitations or awards.

The documents identified above that may be filed by email are subject to the following conditions:

- (a) A party who filed the document via email is thereby representing that the original physically signed document will be retained by that party for the duration of the proceeding and any subsequent appeal or other proceeding in that cause, and that the party will produce it upon the request of any other party.
- (b) A party who elects to file a document by email is responsible for any delay, disruption, or interruption of the electronic signals and readability of the document, and accepts the full risk that the document may not be properly filed with the Agency Clerk as a result. In addition, a party who files a document by email accepts full risk that the Authority's email filters may prevent their email from being received. A party may contact the Agency Clerk at (941) 316-1776 to verify that the Authority has received a document filed by email. Additionally, a party may send a written request to the Agency Clerk at 9415 Town Center Parkway, Lakewood Ranch, Florida 34202, requesting that his/her email address be added to the Authority's list of "safe senders" before emailing a document.
- (c) The filing date for a document filed by email shall be the date the Agency Clerk receives the complete document. A document filed by email will not be considered complete until it is received by the Authority in a manner capable of being stored and printed by the Authority. Emailed documents received after 5 p.m. shall be filed as of 8 a.m. on the next regular business day.
- (d) Emailed documents must be in PDF format.
- (e) If a document filed by email is required by rule to be accompanied by one or more copies, copies of the original filing must be filed by hand delivery or US mail within five (5) days after the filing date of the email.
- (f) Email filing procedures do not vary bond filing requirements. For example, if a bond must be filed along with a formal procurement protest and the procurement protest document is filed electronically, the protest bond must

5

6

still be physically filed with the Agency Clerk within the time period for filing a formal procurement protest as required by Chapters 120 and 287, F.S., Chapter 28, F.A.C., and the Authority's policies.

Any document received by the Agency Clerk after 5 p.m. shall be filed as of 8 a.m. on the next regular business day. If transmission of a facsimile-transmitted document is begun prior to 5 p.m. but is not complete until after 5 p.m., the document shall be considered as received after 5 p.m.

(3) Final Orders and Official Reporter

The Authority designates the Florida Administrative Law Reports, Inc., publishers of the Florida Administrative Law Reports, as its official reporter for the purpose of publishing and indexing by subject matter all Authority orders rendered after a proceeding has been held which affects substantial interests. The Agency Clerk maintains the official reporter and the subject matter index pursuant to the retention schedule approved by the Department of State, Division of Library and Informational Services. All final orders of the Authority and the subject matter index of these final orders are available for public inspection and copying. The Agency Clerk will assist the general public in using the Authority's subject matter index and locating Authority final orders.

(4) Variances and Waivers

The Authority currently does not have any rules, and thus does not have any rules that may require variances or waivers.

Appendix F

FY 2019 Budget

Strategic Plan for Peace River Manasota Regional
Water Supply Authority (revised 2017)



Peace River Manasota

Regional Water Supply Authority

Strategic Plan

[Revised 2017]

Strategic Plan for Peace River Manasota Regional Water Supply Authority

October 15, 2014
[Revised February 1, 2017]

Overview

The Peace River Manasota Regional Water Supply Authority is a regional water supply authority that provides wholesale drinking water to its member counties and the City of North Port supporting the region's economy and quality of life.

The Authority is an independent special district created and existing pursuant to Florida Statutes and interlocal agreement between Charlotte, DeSoto, Manatee and Sarasota Counties. The boundaries of the Authority consist of all of DeSoto, Manatee and Sarasota Counties and those parts of Charlotte County which are under the jurisdiction of the Southwest Florida Water Management District. The Board of Directors is vested with all the powers of the Authority.

Statutory Requirements

Pursuant to Section 373.713, Florida Statutes, the Authority shall design, construct, operate, and maintain facilities in locations and at the times necessary to ensure that an adequate water supply will be available to all citizens within the Authority. By statute, the Authority is to maximize the economic development of the water resources while supplying water in such a manner as will give priority to reducing adverse environmental effects.

Vision Statement

Through cooperation and collaboration the Authority and its members shall create, maintain and expand a sustainable, interconnected regional water supply system.

Mission

The mission of the Authority is to provide the region with a sufficient, high-quality, safe drinking water supply that is reliable, sustainable and protective of our natural resources now and into the future.

Core Values

I. Cooperation

Maintaining a strong spirit of cooperation and addressing regional water supply needs through the leadership of the Authority and its member governments.

Unlike other areas of the state where conflict over water supplies has been intense and protracted, the four-county region of DeSoto, Manatee, Sarasota, and Charlotte Counties has avoided "water wars" by maintaining a strong spirit of cooperation and addressing regional water supply needs through the regional partnership of the Peace River Manasota Regional Water Supply Authority and its members.

II. Collaboration

The Authority will seek to develop a significant, constructive role for all local governments in regional water supply planning and management.

The Authority has reached out to non-member local governments through the facilitation of the Water Alliance for communicating and collaborating with all water providers in the region. The Authority will continue to develop a

constructive role for non-member local governments in regional water-supply planning and management.

III. Regionalization

The long-term aim of the Authority is to forge a system that is environmentally sensitive and sustainable, highly interconnected, diversified and affordable.

The Authority will continue to expand the regional water-supply system to meet projected demand by undertaking projects that yield mutual benefits for its member counties and customers and maximization of economic development of the water resources within the region. The long-term aim is to forge a system that is environmentally sensitive and sustainable, highly interconnected, diversified, and affordable. In striving to achieve this vision, the Authority will develop benchmarks for monitoring performance and measuring progress.

IV. Diversification

The Authority will work with its members and water providers in the region to further diversify supplies, integrate additional water supplies into the Authority's regional system, and protect and enhance water-dependent natural resources.

The Authority will work with its member counties, customers, and other water providers in the region to further diversify the region's water supplies, increase water conservation and wastewater reuse, interconnect facilities across the four-county region, and integrate additional water supplies into the Authority's regional system to support protection or enhance water dependent natural resources.

V. Financial Stability

The Authority will maintain financial policies to assure its financial stability while providing affordable water rates that are fair and equitable.

The Authority seeks to maintain policies to retain the highest possible credit ratings that can be achieved without compromising the mission of the Authority or its Customers and meeting all contractual obligations. The Authority will keep its rates as reasonable as possible while balancing costs with environmental and source-water protection and infrastructure needs. The Authority will actively seek funding from outside sources for projects to reduce costs to the residents of the region.

VI. Water Advocacy

The Authority will be a leader for water advocacy through participation in legislative water policy and environmental stewardship for water source, water supply and resource protection.

The Authority will actively engage in legislative and regulatory proceedings to promote environmental stewardship through science based regulation and water resource development and coordinate with respective agencies including the Florida Department of Environmental Protection and Southwest Florida Water Management District and with other water users.

Website: www.regionalwater.org

9415 Town Center Parkway
Lakewood Ranch, FL 34202
(941) 316-1776

OBJECTIVES & INITIATIVES

1-Regionalization & Diversification

- Mike Coates, Team Lead

Approved: April 12, 2017

Goal: The long-term aim of the Authority is to forge a system that is environmentally sensitive and sustainable, highly interconnected, diversified & affordable.

Goal: The Authority will work with its members and water providers in the region to further diversify supplies, integrate additional water supplies into the Authority's Regional System, and protect and enhance water-dependent natural resources.

REGIONALIZATION & DIVERSIFICATION	
Objectives	
Objective 1-1	Develop a regional operational protocol for interconnected facilities that supports economical and sustainable use of resources, and emergency operation.
Initiative 1.	Formalize Emergency Operational protocols in 2017.
Initiative 2.	Establish an operational protocol for interoperability of the interconnected regional water facilities to optimize flexibility and rotational supply in 2019.
Objective 1-2	Develop a "regional program plan" for capital funding of future regional pipelines and sources with SWFWMD, including sub-regional interconnections and Regional Participation in sub-regional projects of regional significance.
Initiative 1.	Develop a comprehensive 5-Year CIP in 2017.
Initiative 2.	Develop a comprehensive 20-year CIP in 2017.
Initiative 3.	Coordinate regional program plan with SWFWMD in 2018.
Objective 1-3	Interconnect all major supply facilities to the Regional Transmission System
Initiative 1.	Establish processes for when new water supply is developed, how new supply projects are selected, and provide range of options for regional participation in 2017.
Initiative 2.	Interconnect all <u>existing</u> major supply facilities to the Regional Transmission System by 2026.
Initiative 3.	Interconnect all <u>new</u> major supply facilities to the Regional System as they are developed.

2- Financial Stability

- Ann Lee, Team Lead

Approved: April 12, 2017

Goal: The long-term aim of the Authority is to forge a system that is environmentally sensitive and sustainable, highly interconnected, diversified & affordable.

FINANCIAL STABILITY	
Objectives	
Objective 2-1	Strengthen the Authority's bond credit rating to optimize interest rates on future debt refunding and new issuances. Initiative 1. Formulate strategy for future debt service coverage in 2018. Initiative 2. Review & optimize reserve funds targets in 2018.
Objective 2-2	Identify capital improvement funding needs, including, new connections to the regional system and regional pipelines for members and partners. Initiative 1. Prepare a 5 year capital improvement plan in 2017 Initiative 2. Prepare a 20 year capital improvement plan in 2017
Objective 2-3	Establish contractual and financial policies that facilitate new connections for both supply from and delivery to the Regional System from Members and partners. Initiative 1. Establish standard financial delivery & receiving terms/requirements for water conveyed through the Regional System in 2018. Initiative 2. Establish terms for regional system connection and capacity fees in 2018. Initiative 3. Evaluate 2-year budgeting to support rate stability in 2017.
Objective 2-4	Investigate new funding sources and mechanisms outside of SWFWMD and state grants including the State Revolving Loans, WIFIA et. al. (ongoing) Initiative 1. Participate in state and federal legislative opportunities to create and provide a continuous source for funding of water infrastructure (ongoing).
Objective 2-5	Review Authority financial policies to ensure they support agency financial goals and modify as needed. Initiative 1. Perform comprehensive review of Master Water Supply Contract to ensure it meets the current & future needs of Authority Customers (2018 through 2019). Initiative 2. Establish a CIP reserve fund for non-R&R, CIP Authority projects in 2018.

3- Cooperation & Collaboration

- Richard Anderson, Team Lead

Approved: April 12, 2017

Goal: Maintaining a strong spirit of cooperation and addressing regional water supply needs through the leadership of the Authority and its member governments.

Goal: The Authority will seek to develop a significant, constructive role for all local governments in regional water supply planning and management.

COOPERATION & COLLABORATION	
Objectives	
Objective 3-1	Establish a mechanism for both Current Customer and Partner input into the water supply planning process.
Initiative 1.	Working with Local Governments, identify projects of a regional nature that can be implemented using existing infrastructure between Authority, Members/Customers and Partners in 2018.
Initiative 2.	Develop region-wide 'Program Plan' to optimize water quality consistency of current and future sources of supply through the Regional System in 2017.
Objective 3-2	Update Regional Water Supply Master Plan every 5-years or at greater frequency if conditions warrant (next scheduled update 2020).
Initiative 1.	Complete an inventory of all existing reclaimed and storm water systems that have potential as future raw water sources in the region for inclusion in the next Regional Water Supply Plan Update in 2019.
Initiative 2.	Develop a 'One Water' initiative in conjunction with Regional Water Supply Plan Update in 2019.
Initiative 3.	Coordinate process for developing water demand projections on a regional basis with Customers, Partners and SWFWMD in 2019.
Objective 3-3	Enhance Short term and long-term relationships with all water suppliers in the Authority service area.
Initiative 1.	Identify and seek to improve existing infrastructure that could be used cooperatively among Authority Customers and Partners to increase available water for delivery and exchange and maintain connections in readiness to serve status in 2018.

4- Water Advocacy

- Pat Lehman, Team Lead

Approved: April 12, 2017

Goal: The Authority will be a leader for water advocacy through participation in legislative water policy and environmental stewardship for water source, water supply and resource protection.

WATER ADVOCACY Objectives	
Objective 4-1	Maintain an ongoing collaborative relationship with Customer government governing bodies and staff. Initiative 1. Coordinate a list of water infrastructure needs to support legislative funding in 2017. Initiative 2. Develop mechanisms for regional involvement/support on sub-regional projects of regional significance in 2019.
Objective 4-2	Provide a forum for partnership building with local governments, community organizations, business organizations and the public on water issues within the region. Initiative 1. Identify key contacts and develop communications strategies in 2017. Initiative 2. Promote the value of water to the public and business community to build understanding and support (ongoing). Initiative 3. Host outreach initiatives including annual BBQ at Peace River Facility and water forum to engage local and state officials in water issues (ongoing).
Objective 4-3	Conduct routine annual surveys of Customers and Partners leadership to determine effectiveness of the Authority's communications and outreach programs. Initiative 1. Develop survey to communicate to Customers and Partners in 2017.

Appendix G

FY 2019 Budget

5-Year Capital Improvement Program and
20-Year Capital Needs Assessment [May 30, 2018]



**5-Year Capital Improvements Program
and
20-Year Capital Needs Assessment**

Fiscal Period: 2019 - 2038

[Approved: May 30, 2018]

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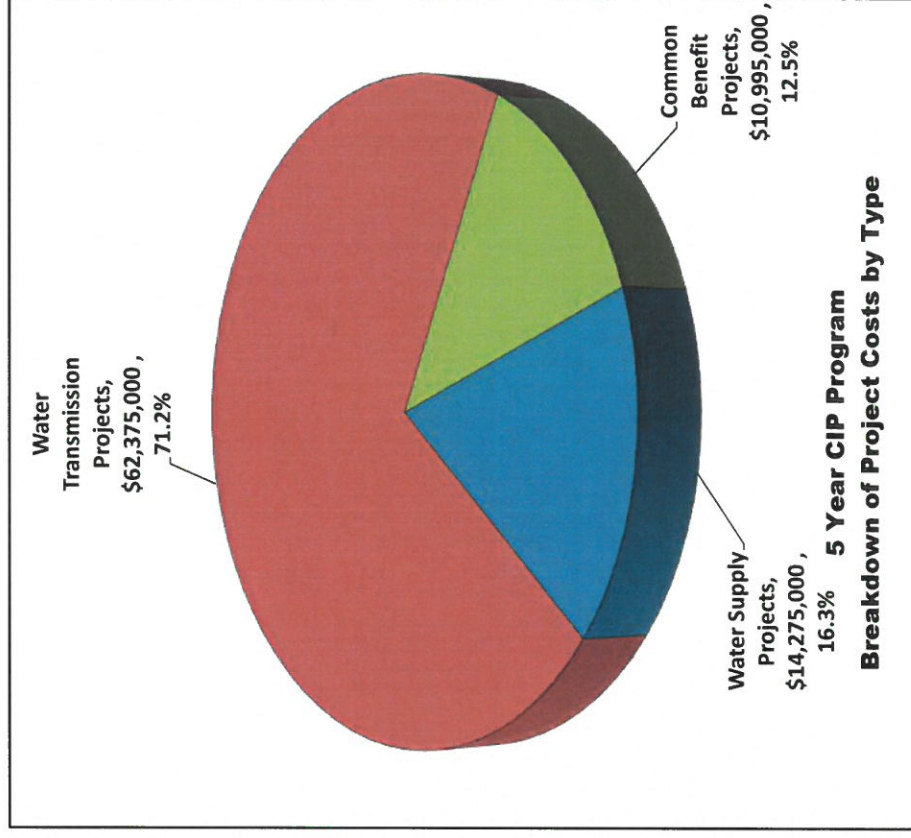
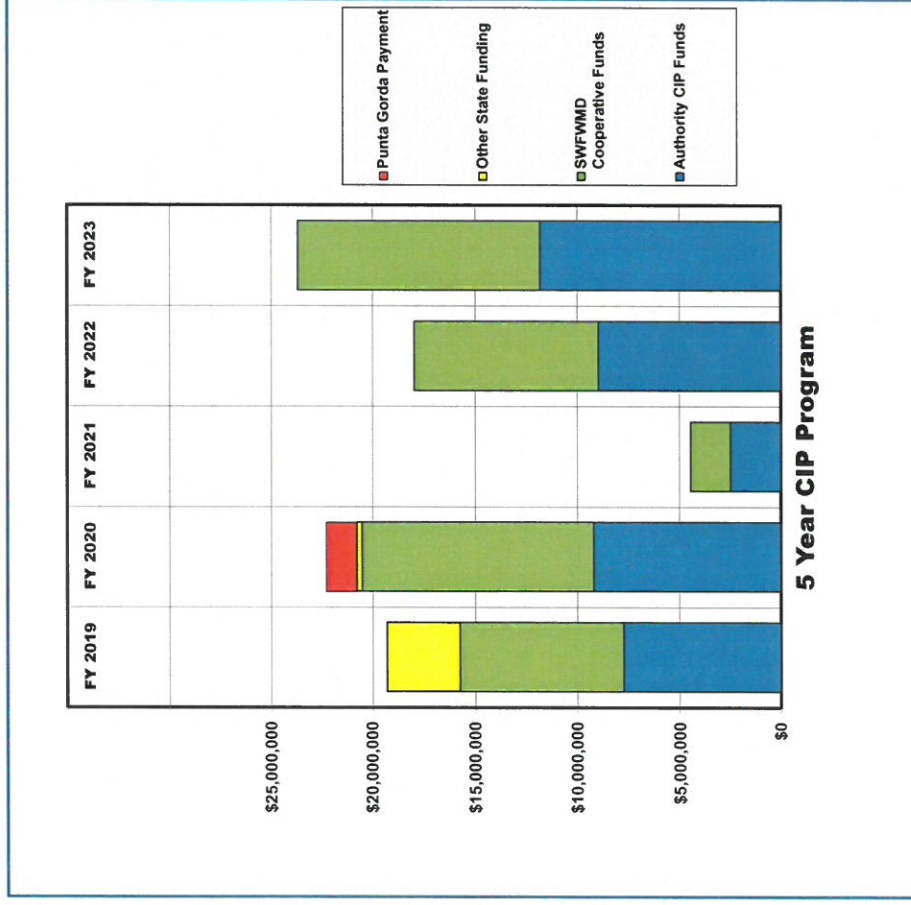
**Peace River
Manasota**

Regional Water Supply Authority

5-Year Capital Improvements Program

Fiscal Period: 2019 - FY 2023

5 Year Capital Improvements Program Summary by Year and Type of Project



Total Investment Planned Over the Period	\$ 87,645,000 , excluding prior year costs
Anticipated Offsetting Grant Funding	\$ 45,838,000 , excluding prior year grant funding



Capital Needs Assessment - Project Description Sheet

Project Name or Title: Regional Integrated Loop - Phase 1 (U.S. 17/Shell Creek)

Shorthand Identifier: T1

Project Location, Site or Route: US 17 from the DeSoto/Charlotte County Line to Shell Creek WTP

Type of Project - Related to Major Purpose (check multiple boxes if applicable)

- ☐ Raw Water Pumping, Storage or Conveyance
☐ Water Treatment
☐ Finished Water Storage and Pumping
☒ Finished Water Pipelines
☐ Plant Power, Switchgear, Fuel & Generator Sets
☐ ASR Systems
☐ General Buildings, Structures & Security
☐ SCADA, ADAS or General IT Systems
☐ Roads and Sitework
☐ Solid Residuals Management

Reference and Description of Need

The Phase 1 Pipeline consists of approximately 7 miles of finished water pipe and will provide a looped, plant-to-plant interconnection between the Authority's Peace River Facility and the City of Punta Gorda's Shell Creek WTP. This pipeline will bring regional water supply to the Shell Creek WTP for improved operational blending of finished water, extend regional supply to new areas within DeSoto and Charlotte Counties and increased resiliency and sustainability for all parties interconnected to the regional loop system.

Does the Project Generate Additional Water Supply/Yield?

- ☐ Yes
☒ No
- If Yes, How Much? 0.00 MGD on AADF basis
- If Yes, any Requisite Companion Projects? none
- Collective Capital Cost of Associated Projects \$ 12,000,000
- Participant Cost (inclusive of expected grant funds) \$ \$2,000,000
- Effective Net Unit Capital Cost - cost per gallon of yield generated

Estimated Project Cost

Preliminary Engineering (see note)	\$ 280,000
Final Design & Permitting	\$ 1,090,000
Land Acquisition	\$ -
Construction Management	\$ 970,000
Construction	\$ 9,660,000
Total	\$ 12,000,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding

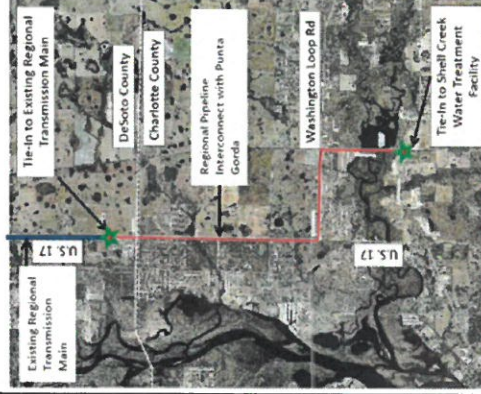
Projected Authority (Cooperator) Funding or TBD	\$ 2,000,000
Projected SWFWMD Grant Funding	\$ 6,000,000
Projected State and Other Grant Funding	\$ 4,000,000
Total	\$ 12,000,000

Projected Schedule

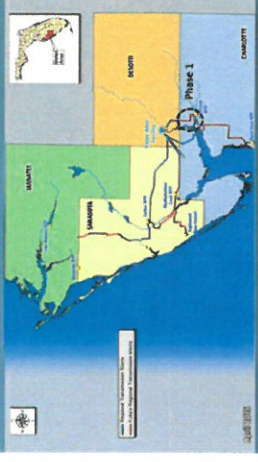
Design Commencement	2015
Construction Start	2019
Operational Date	2020

Location Map or Concept Sketch

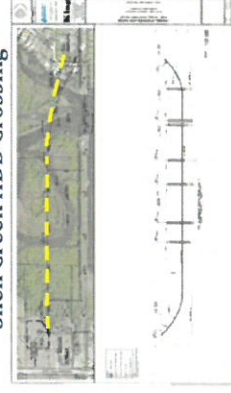
Phase 1 Selected Route



Peace River Manasota Regional Water Supply Authority Regional Vision for 2035



Shell Creek HDD Crossing



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Project Name or Title: Regional Integrated Loop - Phase 3B [S.R. 681 to Clark Rd]

Shorthand Identifier: T2

Project Location, Site or Route: From the Preymore Interconnect at 681 northward to Clark Road

Type of Project - Related to Major Purpose

(check multiple boxes if applicable)

- ☐ Raw Water Pumping, Storage or Conveyance
☐ Water Treatment
☐ Finished Water Storage and Pumping
☒ Finished Water Pipelines
☐ Plant Power, Switchgear, Fuel & Generator Sets
☐ ASR Systems
☐ General Buildings, Structures & Security
☐ SCADA, ADAS or General IT Systems
☐ Roads and Sitework
☐ Solid Residuals Management

Estimated Project Cost

Preliminary Engineering (see note)	\$	400,000
Final Design & Permitting	\$	820,000
Land Acquisition	\$	-
Construction Management	\$	1,310,000
Construction	\$	14,170,000
Total	\$	16,700,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding

Projected Authority (Cooperator) Funding or TBD	\$	8,100,000
Projected SWFWMD Grant Funding	\$	8,100,000
Projected State and Other Grant Funding	\$	500,000
Total	\$	16,700,000

Projected Schedule

Design Commencement	2015
Construction Start	2019
Operational Date	2021

Reference and Description of Need

The phase 3B pipeline includes approximately 5 miles of pipe to extend water service northward within Sarasota County from the current termination of the regional integrated loop system at the Preymore Interconnects (681) near the Sarasota County Central Solid Waste Management Complex northward to Clark Road (SR72). These improvements will enable the regional system to better serve central Sarasota County, an area which is rapidly developing and also move the system one step closer to being able to exchange water with Manatee County.

Does the Project Generate Additional Water Supply/Yield?

☐ Yes ☒ No

If Yes, How Much? 0.00 MGD on AADF basis

If Yes, any Requisite Companion Projects? none

Collective Capital Cost of Associated Projects \$ 16,700,000

Participant Cost (inclusive of expected grant funds) \$ \$8,100,000

Effective Net Unit Capital Cost - cost per gallon of yield generated

Location Map or Concept Sketch



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Project Name or Title: Raw Water ASR - [Pilot Testing, Permitting, Implementation]

Shorthand Identifier: A1

Project Location, Site or Route: At the Peace River Facility (and associated property holdings either fee simple or via permanent easements)

Type of Project - Related to Major Purpose (check multiple boxes if applicable)

- ☐ Raw Water Pumping, Storage or Conveyance
☐ Water Treatment
☐ Finished Water Storage and Pumping
☐ Finished Water Pipelines
☐ Plant Power, Switchgear, Fuel & Generator Sets
- ☒ ASR Systems
☐ General Buildings, Structures & Security
☐ SCADA, ADAS or General IT Systems
☐ Roads and Sitework
☐ Solid Residuals Management

Estimated Project Cost

Preliminary Engineering (see note)	\$	455,000
Final Design & Permitting	\$	750,000
Land Acquisition	\$	-
Construction Management	\$	550,000
Construction	\$	6,000,000
Total	\$	7,755,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding

Projected Authority (Cooperator) Funding or TBD	\$	3,990,000
Projected SWFWMD Grant Funding	\$	3,765,000
Projected State and Other Grant Funding	\$	-
Total	\$	7,755,000

Projected Schedule

Design Commencement	2016
Construction Start	2019
Operational Date	2020

Reference and Description of Need

The raw water ASR project consists of pilot testing, permitting, design and construction of facilities to partially treat raw water from the reservoirs and inject it below ground in the ASR system. The expected benefits of this program would be significant operational cost savings because the water injected below ground would no longer have to go through potable water treatment first. This would leverage our injection capability, improve recovered water quality and free up treatment capacity at the water treatment plant providing additional operational flexibility.

Does the Project Generate Additional Water Supply/Yield?

☐ Yes ☒ No

If Yes, How Much? MGD on AADF basis

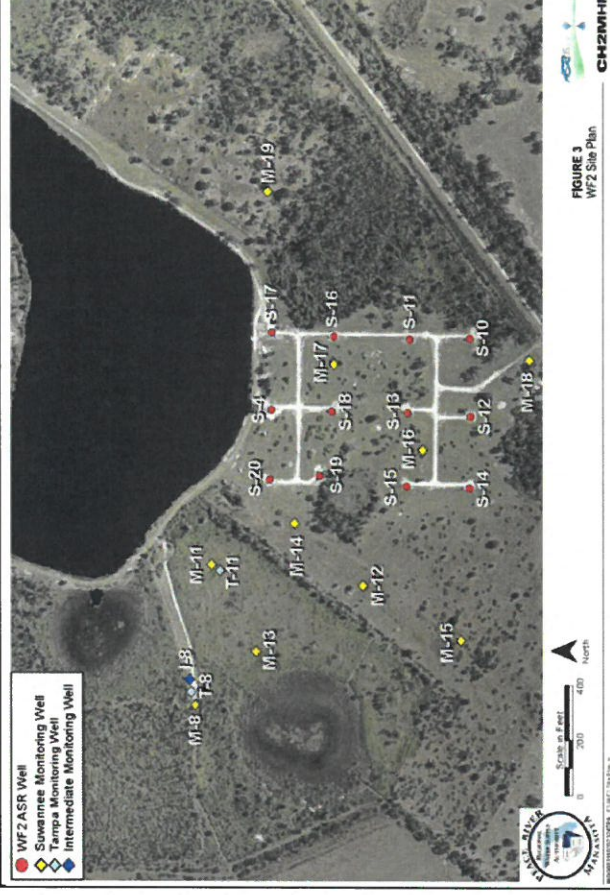
If Yes, any Requisite Companion Projects?

Collective Capital Cost of Associated Projects \$

Participant Cost (inclusive of expected grant funds) \$

Effective Net Unit Capital Cost cost per gallon of yield generated

Location Map or Concept Sketch



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Project Name or Title: Facility Improvements - Maintenance Warehouse

Shorthand Identifier: B1

Project Location, Site or Route: At the Peace River Facility (and associated property holdings either fee simple or via permanent easements)

Type of Project - Related to Major Purpose (check multiple boxes if applicable)

- ☐ Raw Water Pumping, Storage or Conveyance
☐ Water Treatment
☐ Finished Water Storage and Pumping
☐ Finished Water Pipelines
☐ Plant Power, Switchgear, Fuel & Generator Sets
☐ ASR Systems
☒ General Buildings, Structures & Security
☐ SCADA, ADAS or General IT Systems
☐ Roads and Sitework
☐ Solid Residuals Management

Estimated Project Cost

Preliminary Engineering (see note)	\$	50,000
Final Design & Permitting	\$	150,000
Land Acquisition	\$	-
Construction Management	\$	195,000
Construction	\$	2,100,000
Total	\$	2,495,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding

Projected Authority (Cooperator) Funding or TBD	\$	2,495,000
Projected SWFWMD Grant Funding	\$	-
Projected State and Other Grant Funding	\$	-
Total	\$	2,495,000

Projected Schedule

Design Commencement	2017
Construction Start	2019
Operational Date	2020

Reference and Description of Need

The Authority Maintenance Department has been housed in a temporary construction trailer for nearly 8 years after their planned new building was cut from the budget as a result of funding shortfalls that occurred with the Regional Expansion Program in 2008-9. There is also no consolidated warehousing space, parts and inventory are scattered throughout several converted and repurposed outbuildings. A previous design has been resurrected, shifted onsite and updated to meet projected staffing needs and improve overall site integration and traffic flow patterns.

Does the Project Generate Additional Water Supply/Yield?

☐ Yes ☒ No

If Yes, How Much? MGD on AADF basis

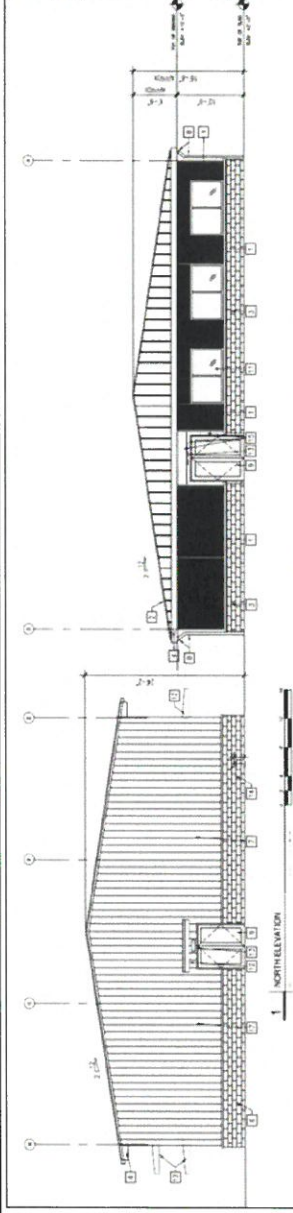
If Yes, any Requisite Companion Projects?

Collective Capital Cost of Associated Projects \$

Participant Cost (inclusive of expected grant funds) \$

Effective Net Unit Capital Cost cost per gallon of yield generated

Location Map or Concept Sketch



7,500-sf warehouse space with small, partitioned 700-sf air conditioned electronics storage room.

4,200-sf air conditioned general office space with restroom facilities.

YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Project Name or Title:

Facility Improvements - Filter Covers
Shorthand Identifier: B2

Project Location, Site or Route: At the Peace River Facility (and associated property holdings either fee simple or via permanent easements)

Type of Project - Related to Major Purpose (check multiple boxes if applicable)

- ☐ Raw Water Pumping, Storage or Conveyance
☒ Water Treatment
☐ Finished Water Storage and Pumping
☐ Finished Water Pipelines
☐ Plant Power, Switchgear, Fuel & Generator Sets
☐ ASR Systems
☒ General Buildings, Structures & Security
☐ SCADA, ADAS or General IT Systems
☐ Roads and Sitework
☐ Solid Residuals Management

Estimated Project Cost

Preliminary Engineering (see note)	\$	35,140
Final Design & Permitting	\$	179,980
Land Acquisition	\$	-
Construction Management	\$	100,000
Construction	\$	2,400,000
Total	\$	2,715,120

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Plot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding

Projected Authority (Cooperator) Funding or TBD	\$	2,715,120
Projected SWFWMD Grant Funding	\$	-
Projected State and Other Grant Funding	\$	-
Total	\$	2,715,120

Projected Schedule

Design Commencement	2017
Construction Start	2019
Operational Date	2020

Reference and Description of Need

Per F.A.C. 62-550.817, the disinfection and filtration treatment technique requirements for Subpart H surface water systems require at least 3-log removal or inactivation of giardia lamblia and at least 4-log removal or inactivation of viruses between a point where the raw water is not subject to recontamination by surface water runoff or exposed during treatment to the open atmosphere. Current industry practice is to cover chlorine contact chambers and all of filters to avoid risk from airborne contamination. However, some of the PRF chlorine contact chambers and all of the filter facilities were not originally equipped with this feature; the Authority is working towards adding these improvements as time and budgets allow.

Does the Project Generate Additional Water Supply/Yield?

☐ Yes ☒ No

If Yes, How Much? 0.00 MGD on AADF basis

If Yes, any Requisite Companion Projects? none

Collective Capital Cost of Associated Projects \$ 2,715,120

Participant Cost (inclusive of expected grant funds) \$ -

Effective Net Unit Capital Cost - cost per gallon of yield generated

Location Map or Concept Sketch

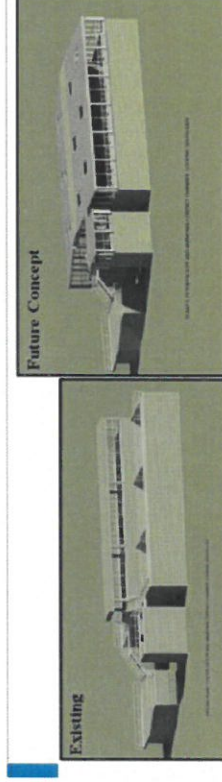


FIGURE 4 - Conceptual Filter Covers at the PRF - Plant 1

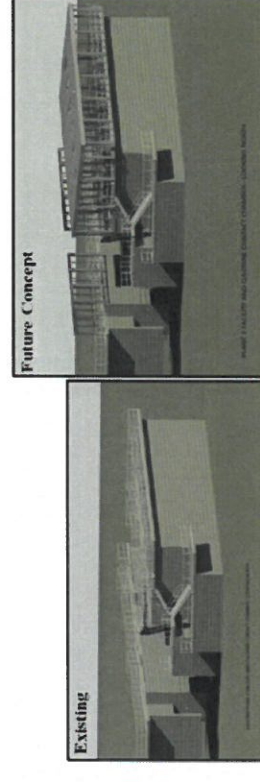


FIGURE 5 - Conceptual Filter Covers at the PRF - Plant 2

Note, these Before/After sketches were presented to the Board of Directors in Spring 2017 when funds for engineering were requested. The concept for Plants 1 & 2 are shown the concept for Plants 3/4 were similar but have not been included here for the sake of brevity. The reader is cautioned that the design is expected to evolve through design and the final project may look somewhat different.

YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Project Name or Title:	<u>Bachman Regional Pumping & Storage Facility</u>
Shorthand Identifier:	<u>T5</u>
Project Location, Site or Route:	<u>At the nexus of Bachman and Harbor Boulevards, just off Veterans Boulevard, Port Charlotte</u>

Type of Project - Related to Major Purpose (check multiple boxes if applicable)	
<input type="checkbox"/> Raw Water Pumping, Storage or Conveyance	<input type="checkbox"/> ASR Systems
<input type="checkbox"/> Water Treatment	<input type="checkbox"/> General Buildings, Structures & Security
<input checked="" type="checkbox"/> Finished Water Storage and Pumping	<input type="checkbox"/> SCADA, ADAS or General IT Systems
<input type="checkbox"/> Finished Water Pipelines	<input type="checkbox"/> Roads and Sitework
<input type="checkbox"/> Plant Power, Switchgear, Fuel & Generator Sets	<input type="checkbox"/> Solid Residuals Management

Estimated Project Cost	
Preliminary Engineering (see note)	\$ 207,500
Final Design & Permitting	\$ 1,037,500
Land Acquisition	\$ -
Construction Management	\$ 830,000
Construction	\$ 9,925,000
Total	\$ 12,000,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding	
Projected Authority (Cooperator) Funding or TBD	\$ 6,000,000
Projected SWFWMD Grant Funding	\$ 6,000,000
Projected State and Other Grant Funding	\$ -
Total	\$ 12,000,000

Projected Schedule	
Design Commencement	2020
Construction Start	2121
Operational Date	2023

Reference and Description of Need

This storage and repump facility located near the current main connection to Charlotte County will provide a vital support linkage for the Regional Integrated Loop System supporting future pipeline segments to the west towards North Port, Englewood and Venice. The proposed facility may include elevated storage, ground storage, pumping and/or chemical feed facilities. The composition of assets will be determined during preliminary design.

Does the Project Generate Additional Water Supply/Yield?

<input type="checkbox"/> Yes	If Yes, How Much?	<input type="text" value="0.00"/> MGD on AADF basis
<input checked="" type="checkbox"/> No	If Yes, any Requisite Companion Projects?	<input type="text" value="none"/>
Collective Capital Cost of Associated Projects		<input type="text" value="\$ 12,000,000"/>
Participant Cost (inclusive of expected grant funds)		<input type="text" value="\$ 6,000,000"/>
Effective Net Unit Capital Cost		<input type="text" value="-"/> cost per gallon of yield generated

Location Map or Concept Sketch



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Project Name or Title: Regional Integrated Loop Phase 2B [Serris Blvd. to Myakkahatchee Creek WTP]

Shorthand Identifier: T9

Project Location, Site or Route: Extension of the Regional Loop System from Phase 2A at Serris Westward to the Myakkahatchee Creek WTP

Type of Project - Related to Major Purpose
(check multiple boxes if applicable)

<input type="checkbox"/> Raw Water Pumping, Storage or Conveyance	<input type="checkbox"/> ASR Systems
<input type="checkbox"/> Water Treatment	<input type="checkbox"/> General Buildings, Structures & Security
<input type="checkbox"/> Finished Water Storage and Pumping	<input type="checkbox"/> SCADA, ADAS or General IT Systems
<input checked="" type="checkbox"/> Finished Water Pipelines	<input type="checkbox"/> Roads and Sitework
<input type="checkbox"/> Plant Power, Switchgear, Fuel & Generator Sets	<input type="checkbox"/> Solid Residuals Management

Estimated Project Cost	
Preliminary Engineering (see note)	\$ 500,000
Final Design & Permitting	\$ 3,400,000
Land Acquisition	\$ 550,000
Construction Management	\$ 2,650,000
Construction	\$ 23,300,000
Total	\$ 30,400,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding	
Projected Authority (Cooperator) Funding or TBD	\$ 15,475,000
Projected SWFWMD Grant Funding	\$ 14,925,000
Projected State and Other Grant Funding	\$ -
Total	\$ 30,400,000

Projected Schedule	
Design Commencement	2020
Construction Start	2022
Operational Date	2024

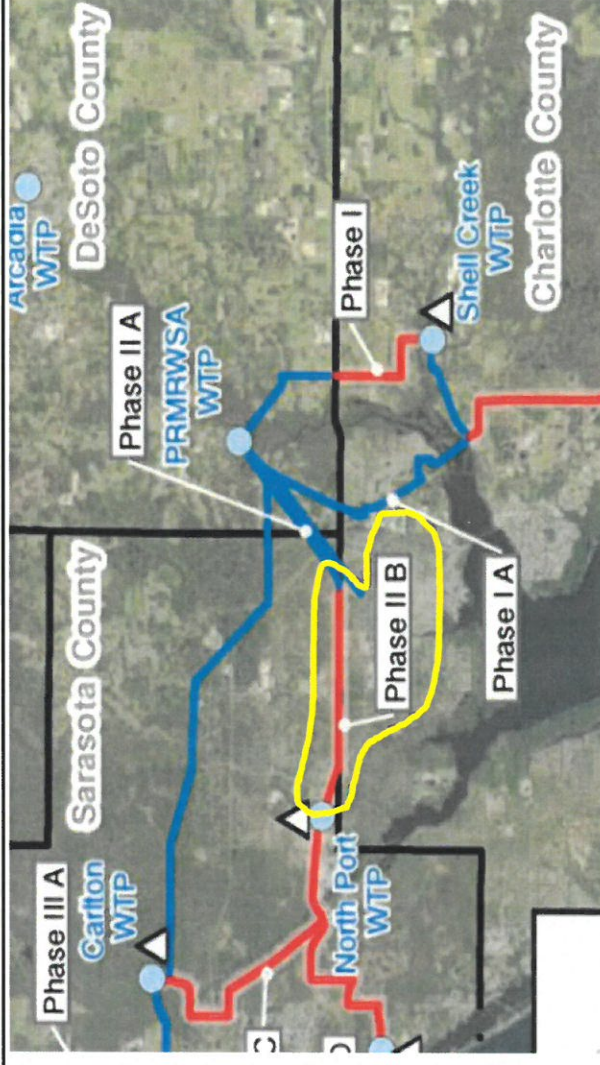
Reference and Description of Need

This pipeline project is comprised of 10 miles of pipe tentatively sized as 36" to 42" diameter running from the current terminus of the Phase 2A regional loop pipeline near Veterans Blvd. and Serris Dr. westward to the City of North Port's Myakkahatchee WTP. This segment completes a plant-to-plant tie with North Port's facilities that will boost regional resiliency, bi-directional water transfer capability and lays the groundwork for the southern regional loop with future pipeline projects. The project will also bring improved delivery to the western Charlotte County peninsula.

Does the Project Generate Additional Water Supply/Yield?

<input type="checkbox"/> Yes	If Yes, How Much?	<input type="text" value="0.00"/> MGD on AADF basis
<input checked="" type="checkbox"/> No	If Yes, any Requisite Companion Projects?	<input type="text" value="none"/>
	Collective Capital Cost of Associated Projects	<input type="text" value="\$ 30,400,000"/>
	Participant Cost (inclusive of expected grant funds)	<input type="text" value="\$15,475,000"/>
	Effective Net Unit Capital Cost	<input type="text" value="-"/> cost per gallon of yield generated

Location Map or Concept Sketch



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Project Name or Title:	Regional Integrated Loop - Phase 4 - Segment 1 (Burnt Store Interconnect)
Shorthand Identifier:	T3

Project Location, Site or Route:	Along Burnt Store Road from the area near Tern Bay Golf and Country Club northeast to Tucker's Grade and I-75
----------------------------------	---

Type of Project - Related to Major Purpose (Check multiple boxes if applicable)	
<input type="checkbox"/> Raw Water Pumping, Storage or Conveyance	<input type="checkbox"/> ASR Systems
<input type="checkbox"/> Water Treatment	<input type="checkbox"/> General Buildings, Structures & Security
<input type="checkbox"/> Finished Water Storage and Pumping	<input type="checkbox"/> SCADA, ADAS or General IT Systems
<input checked="" type="checkbox"/> Finished Water Pipelines	<input type="checkbox"/> Roads and Sitework
<input type="checkbox"/> Plant Power, Switchgear, Fuel & Generator Sets	<input type="checkbox"/> Solid Residuals Management

Estimated Project Cost	
Preliminary Engineering (see note)	\$ -
Final Design & Permitting	\$ -
Land Acquisition	\$ -
Construction Management	\$ -
Construction	\$ 4,925,000
Total	\$ 4,925,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding	
Projected Authority (Cooperator) Funding or TBD	\$ 2,462,500
Projected SWFWMD Grant Funding	\$ 2,462,500
Projected State and Other Grant Funding	\$ -
Total	\$ 4,925,000

Projected Schedule	
Design Commencement	-
Construction Start	-
Operational Date	2020

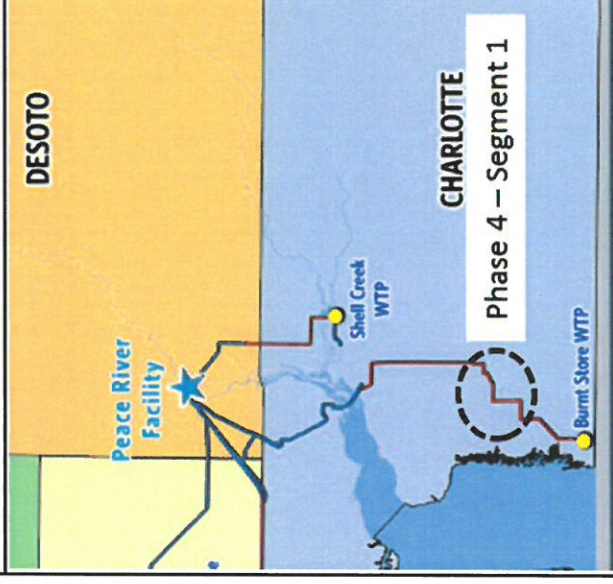
Reference and Description of Need

The Phase 4D, Segment 1 Regional Integrated Loop project is comprised of an approximately 4 miles of developer-installed 16 inch water line which commences nearly 4 miles north of the Burnt Store RO WTP and extends northeast towards I75 at Tucker's Grade. This signifies the important first link in the Phase 4 pipeline segment which will intertie the Burnt Store area of southern Charlotte County in with the remainder of the regional loop system. This pipeline segment will be developer-installed.

Does the Project Generate Additional Water Supply/Yield?

<input type="checkbox"/> Yes	If Yes, How Much?	0.00 MGD on AADF basis
<input checked="" type="checkbox"/> No	If Yes, any Requisite Companion Projects?	none
	Collective Capital Cost of Associated Projects	\$ 4,925,000
	Participant Cost (inclusive of expected grant funds)	\$ 2,462,500
	Effective Net Unit Capital Cost	- cost per gallon of yield generated

Location Map or Concept Sketch



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Project Name or Title: Peace River Facility Phase 2 Capacity Increase

Shorthand Identifier: \$1

Project Location, Site or Route: At the Peace River Facility (and associated property holdings either fee simple or via permanent easements)

Type of Project - Related to Major Purpose
(check multiple boxes if applicable)

<input checked="" type="checkbox"/> Raw Water Pumping, Storage or Conveyance	<input type="checkbox"/> ASR Systems
<input checked="" type="checkbox"/> Water Treatment	<input type="checkbox"/> General Buildings, Structures & Security
<input type="checkbox"/> Finished Water Storage and Pumping	<input type="checkbox"/> SCADA, ADAS or General IT Systems
<input type="checkbox"/> Finished Water Pipelines	<input type="checkbox"/> Roads and Stewwork
<input type="checkbox"/> Plant Power, Switchgear, Fuel & Generator Sets	<input checked="" type="checkbox"/> Solid Residuals Management

Estimated Project Cost	
Preliminary Engineering (see note)	\$ 200,000
Final Design & Permitting	\$ 1,200,000
Land Acquisition	\$ -
Construction Management	\$ 1,000,000
Construction	\$ 11,400,000
Total	\$ 13,800,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding	
Projected Authority (Cooperator) Funding or TBD	\$ 6,900,000
Projected SWFWMD Grant Funding	\$ 6,900,000
Projected State and Other Grant Funding	\$ -
Total	\$ 13,800,000

Projected Schedule	
Design Commencement	2021
Construction Start	2023
Operational Date	2023

Reference and Description of Need

The Phase 2 Capacity Expansion reflects modifications to the PRF to increase the permitted capacity of the facilities and generate an estimated 3.5 MGD of annual yield. Those improvements include adding additional alum storage capacity, upgrading the river pump station, adding an additional high service pump and adding a third sludge press. Other minor improvements may also be necessary and will be evaluated by a study conducted at the initiation to this project. This project as a companion project to other projects will generate an estimated additional safe yield of 3.5 MGD (also see project A2).

Does the Project Generate Additional Water Supply/Yield?

☒ Yes ☐ No

If Yes, How Much? 3.50 MGD on AADF basis

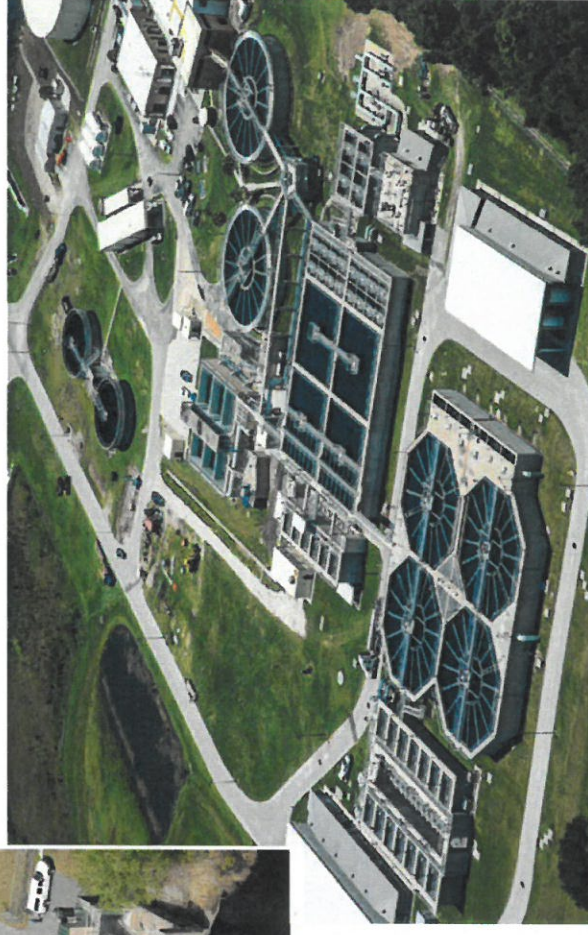
If Yes, any Requisite Companion Projects? A2

Collective Capital Cost of Associated Projects \$ 28,800,000

Participant Cost (inclusive of expected grant funds) \$ 14,400,000

Effective Net Unit Capital Cost \$ 4.11 cost per gallon of yield generated

Location Map or Concept Sketch



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Project Name or Title: ASR Wellfield Expansion (12 New Wells)

Shorthand Identifier: A2

Project Location, Site or Route: At the Peace River Facility (and associated property holdings either fee simple or via permanent easements)

Reference and Description of Need

The ASR Wellfield Expansion would be comprised of an additional 12 ASR wells that would be extended from the existing ASR Wellfield No. 2 footprint, located south of Reservoir 1. At this time it is envisioned that the wells would be developed into the Suwannee Formation, however, spacing, location and depth are to be determined. Benefits include increased yield, ability to store and recover water faster from ASR, improved water quality in recovered water and improved system reliability/resilience. This project as a companion project to other projects will generate an estimated additional safe yield of 3.5 MGD (also see project S1).

Type of Project - Related to Major Purpose (check multiple boxes if applicable)

- ☐ Raw Water Pumping, Storage or Conveyance
☐ Water Treatment
☐ Finished Water Storage and Pumping
☐ Finished Water Pipelines
☐ Plant Power, Switchgear, Fuel & Generator Sets
- ☒ ASR Systems
☐ General Buildings, Structures & Security
☐ SCADA, ADAS or General IT Systems
☐ Roads and Sitework
☐ Solid Residuals Management

Does the Project Generate Additional Water Supply/Yield?

- ☒ Yes ☐ No If Yes, How Much? 3.50 MGD on AADF basis SI
- If Yes, any Requisite Companion Projects? ☐
- Collective Capital Cost of Associated Projects \$ 28,800,000
- Participant Cost (inclusive of expected grant funds) \$ 14,400,000
- Effective Net Unit Capital Cost \$ 4.11 cost per gallon of yield generated

Estimated Project Cost

Preliminary Engineering (see note)	\$ 225,000
Final Design & Permitting	\$ 1,500,000
Land Acquisition	\$ -
Construction Management	\$ 1,000,000
Construction	\$ 12,275,000
Total	\$ 15,000,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

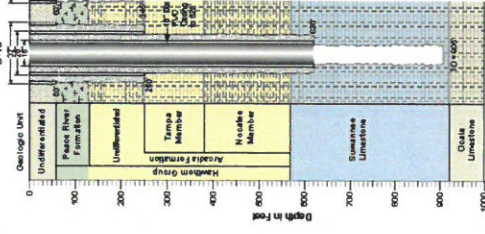
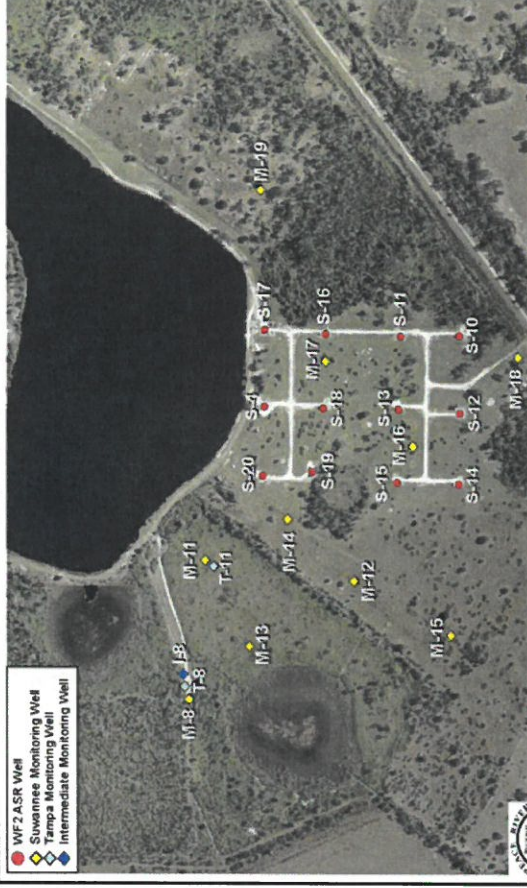
Projected Sources of Funding

Projected Authority (Cooperator) Funding or TBD	\$ 7,500,000
Projected SWFWMD Grant Funding	\$ 7,500,000
Projected State and Other Grant Funding	\$ -
Total	\$ 15,000,000

Projected Schedule

Design Commencement	2023
Construction Start	2024
Operational Date	2026

Location Map or Concept Sketch



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Peace River Manasota

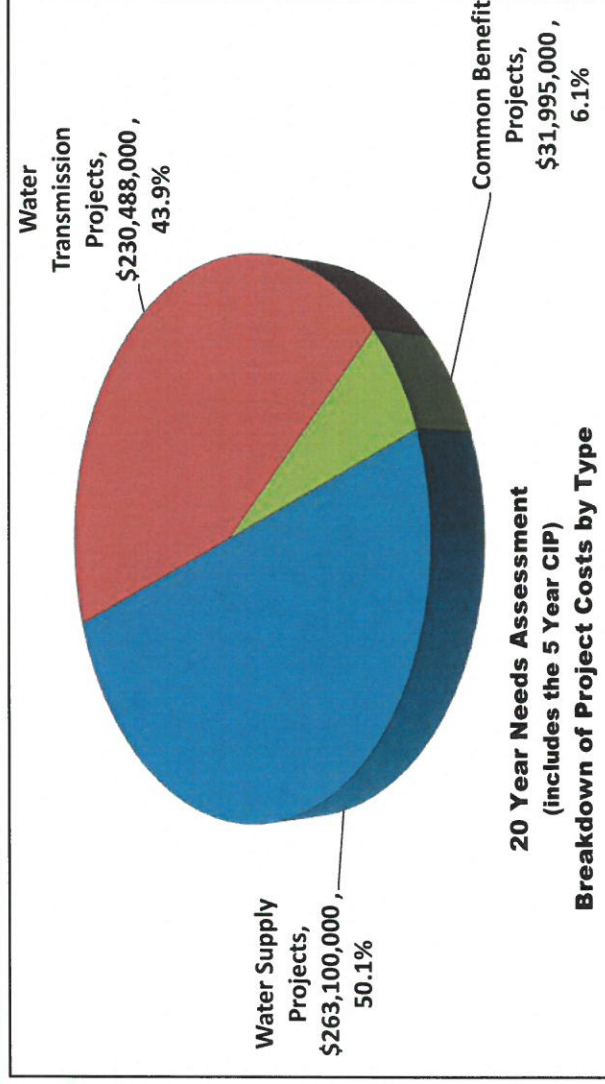
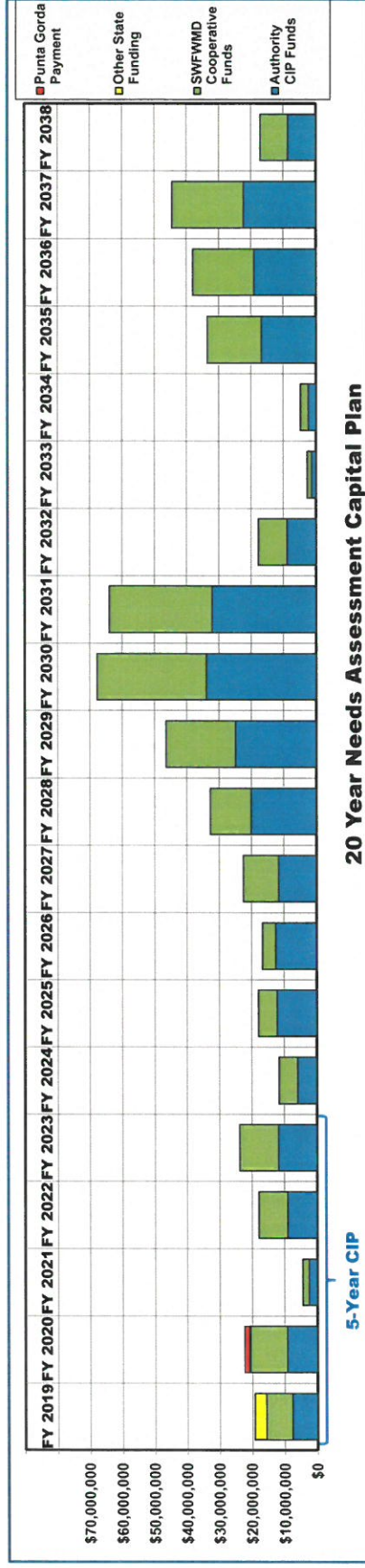
Regional Water Supply Authority

20-Year Capital Needs Assessment

FY 2024 - FY 2038

Editor's Note: The 20-Year Capital Needs Assessment includes the 5 Year CIP but those first 5 Years are not repeated in this section to avoid redundancy.

20 Year Capital Needs Assessment Summary by Year and Type of Project (includes the 5-Year CIP)



Total Investment Planned Over the Period	\$ 525,583,000 , excludes prior year costs	\$0	identified beyond the 20-year horizon
Anticipated Offsetting Grant Funding	\$ 251,552,000 , excludes prior year grant funding	\$0	identified beyond the 20-year horizon



Capital Needs Assessment - Project Description Sheet

Project Name or Title:	Replace Kings Highway 24" Due to Road Widening
Shorthand Identifier:	T4
Project Location, Site or Route:	Kings Highway from the Peace River Facility to the County Line

Reference and Description of Need

The Kings Highway 24" Regional Transmission Main provides water to Charlotte and DeSoto Counties and was installed within the roadway right-of-way. The FDOT is planning to widen Kings Highway since it represents a significant arterial connector between Arcadia and Port Charlotte, is an area of growing commerce and land development and can serve as a major hurricane evacuation route to the inland. This pipeline will be replaced with the same size line offset in the new, wider right-of-way and the old pipeline removed.

Type of Project - Related to Major Purpose

(check multiple boxes if applicable)

- | | |
|---|---|
| <input type="checkbox"/> Raw Water Pumping, Storage or Conveyance | <input type="checkbox"/> ASR Systems |
| <input type="checkbox"/> Water Treatment | <input type="checkbox"/> General Buildings, Structures & Security |
| <input type="checkbox"/> Finished Water Storage and Pumping | <input type="checkbox"/> SCADA, ADAS or General IT Systems |
| <input checked="" type="checkbox"/> Finished Water Pipelines | <input type="checkbox"/> Roads and Sitework |
| <input type="checkbox"/> Plant Power, Switchgear, Fuel & Generator Sets | <input type="checkbox"/> Solid Residuals Management |

Does the Project Generate Additional Water Supply/Yield?

<input type="checkbox"/> Yes	If Yes, How Much?	0.00 MGD on AADF basis
<input checked="" type="checkbox"/> No	If Yes, any Requisite Companion Projects?	none
	Collective Capital Cost of Associated Projects	\$ 12,000,000
	Participant Cost (inclusive of expected grant funds)	\$ \$12,000,000
	Effective Net Unit Capital Cost	- cost per gallon of yield generated

Estimated Project Cost

Preliminary Engineering (see note)	\$ 180,000
Final Design & Permitting	\$ 1,100,000
Land Acquisition	\$ -
Construction Management	\$ 1,000,000
Construction	\$ 9,720,000
Total	\$ 12,000,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

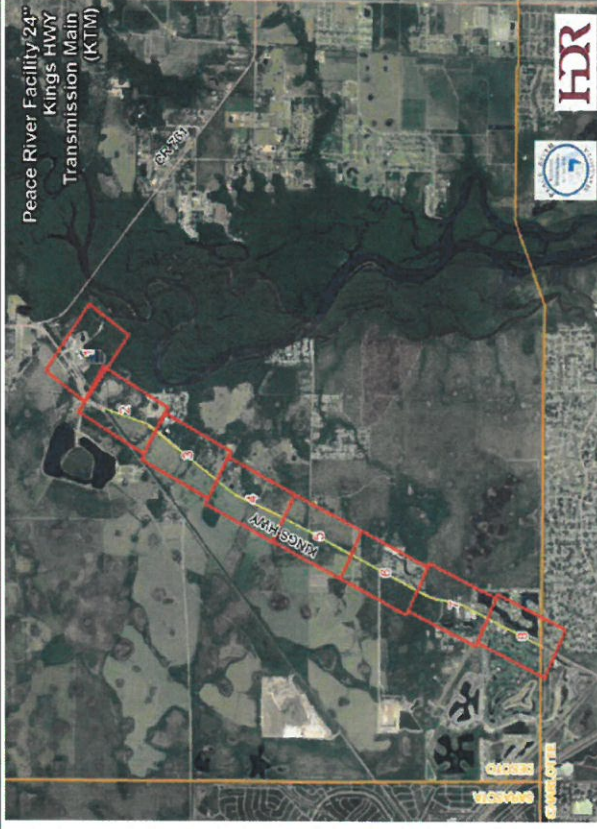
Projected Sources of Funding

Projected Authority (Cooperator) Funding or TBD	\$ 12,000,000
Projected SWFWMD Grant Funding	\$ -
Projected State and Other Grant Funding	\$ -
Total	\$ 12,000,000

Projected Schedule

Design Commencement	2024
Construction Start	2025
Operational Date	2026

Location Map or Concept Sketch



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Project Name or Title:	Regional Integrated Loop - Phase 3C [Clark Rd. to Fruitville Rd.]
Shorthand Identifier:	T6
Project Location, Site or Route:	Between Clark Road (SR 72) and Fruitville Road

Type of Project - Related to Major Purpose (check multiple boxes if applicable)	
<input type="checkbox"/> Raw Water Pumping, Storage or Conveyance	<input type="checkbox"/> ASR Systems
<input type="checkbox"/> Water Treatment	<input type="checkbox"/> General Buildings, Structures & Security
<input checked="" type="checkbox"/> Finished Water Storage and Pumping	<input type="checkbox"/> SCADA, ADAS or General IT Systems
<input checked="" type="checkbox"/> Finished Water Pipelines	<input type="checkbox"/> Roads and Sitenwork
<input type="checkbox"/> Plant Power, Switchgear, Fuel & Generator Sets	<input type="checkbox"/> Solid Residuals Management

Does the Project Generate Additional Water Supply/Yield?	
<input type="checkbox"/> Yes	
<input checked="" type="checkbox"/> No	
If Yes, How Much?	0.00 MGD on AADF basis
If Yes, any Requisite Companion Projects?	none
Collective Capital Cost of Associated Projects	\$ 36,000,000
Participant Cost (inclusive of expected grant funds)	\$19,550,000
Effective Net Unit Capital Cost	- cost per gallon of yield generated

Location Map or Concept Sketch

Phase 3D

Phase 3C

Phase 3B Repump Facility

Phase 3B

Phase 3A

Carlton WTP

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding	
Projected Authority (Cooperator) Funding or TBD	\$ 19,550,000
Projected \$ SWFWMD Grant Funding	\$ 16,450,000
Projected State and Other Grant Funding	\$ -
Total	\$ 36,000,000

Projected Authority (Cooperator) Funding or TBD	\$ 19,550,000
Projected SWFWMD Grant Funding	\$ 16,450,000
Projected State and Other Grant Funding	\$ -
Total	\$ 36,000,000

Projected Schedule	
Design Commencement	2024
Construction Start	2026
Operational Date	2028

Design Commencement	2024
Construction Start	2026
Operational Date	2028

[illegible]



Capital Needs Assessment - Project Description Sheet

Type of Project - Related to Major Purpose (check multiple boxes if applicable)		Does the Project Generate Additional Water Supply/Yield?	
<input type="checkbox"/> Raw Water Pumping, Storage or Conveyance	<input type="checkbox"/> ASR Systems	<input type="checkbox"/> Yes	If Yes, How Much?
<input type="checkbox"/> Water Treatment	<input type="checkbox"/> General Buildings, Structures & Security	<input checked="" type="checkbox"/> No	
<input checked="" type="checkbox"/> Finished Water Storage and Pumping	<input type="checkbox"/> SCADA, ADAS or General IT Systems		Collective Capital Cost of Associated Projects
<input checked="" type="checkbox"/> Finished Water Pipelines	<input type="checkbox"/> Roads and Sitework		Participant Cost (inclusive of expected grant funds)
<input type="checkbox"/> Plant Power, Switchgear, Fuel & Generator Sets	<input type="checkbox"/> Solid Residuals Management		Effective Net Unit Capital Cost
			cost per gallon of yield generated

[illegible]



Capital Needs Assessment - Project Description Sheet

Project Name or Title: New Reservoir and Expanded Treatment at PRF

Shorthand Identifier: S2

Project Location, Site or Route: At the Peace River Facility (and associated property holdings either fee simple or via permanent easements)

Reference and Description of Need

Reliability Modeling reflects that a combination of 6 BG additional raw water storage combined with at least 200 MGD of river diversion pumping and raw water conveyance capacity and a treatment plant capacity expansion of 24 MGD will produce an additional yield of 13.5 MGD out of this system. Resultant reliability ratings would be > 99.5% for quantity and > 95% for quality (based on total dissolved solids).

Type of Project - Related to Major Purpose

(check multiple boxes if applicable)

- ☒ Raw Water Pumping, Storage or Conveyance
☒ Water Treatment
☒ Finished Water Storage and Pumping
☐ Finished Water Pipelines
☒ Plant Power, Switchgear, Fuel & Generator Sets
☐ ASR Systems
☐ General Buildings, Structures & Security
☒ SCADA, ADAS or General IT Systems
☐ Roads and Sitework
☐ Solid Residuals Management

Does the Project Generate Additional Water Supply/Yield?

- ☒ Yes ☐ No If Yes, How Much? 13.50 MGD on AADF basis
If Yes, any Requisite Companion Projects? none
Collective Capital Cost of Associated Projects \$ 200,000,000
Participant Cost (inclusive of expected grant funds) \$ \$100,000,000
Effective Net Unit Capital Cost \$ 7.41 cost per gallon of yield generated

Estimated Project Cost

Preliminary Engineering (see note)	\$ 3,000,000
Final Design & Permitting	\$ 18,000,000
Land Acquisition	\$ -
Construction Management	\$ 16,000,000
Construction	\$ 163,000,000
Total	\$ 200,000,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Plot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding

Projected Authority (Cooperator) Funding or TBD	\$ 100,000,000
Projected SWFWMD Grant Funding	\$ 100,000,000
Projected State and Other Grant Funding	\$ -
Total	\$ 200,000,000

Projected Schedule

Design Commencement	2026
Construction Start	2030
Operational Date	2032

Location Map or Concept Sketch



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Project Location, Site or Route:	This Pipeline runs near the DeSoto/Charlotte County Lines and connects Two Major Transmission Mains

Estimated Project Cost	
Preliminary Engineering <i>(see note)</i>	\$ 40,000
Final Design & Permitting	\$ 200,000
Land Acquisition	\$ -
Construction Management	\$ 225,000
Construction	\$ 2,035,000
Total	\$ 2,500,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Schedule	
Design Commencement	2027
Construction Start	2028
Operational Date	2028

Does the Project Generate Additional Water Supply/Yield?	
<input type="checkbox"/> Yes	If Yes, How Much?
<input checked="" type="checkbox"/> No	If Yes, any Requisite Companion Projects?
	Collective Capital Cost of Associated Projects
	Participant Cost (<i>inclusive of expected grant funds</i>)
	Effective Net Unit Capital Cost
	MGD on AADF basis
	cost per gallon of yield generated

Peace River Facility 12" Lake Suzy Transmission Main (LSTM)

Location Map or Concept Sketch

[illegible]



Capital Needs Assessment - Project Description Sheet

Project Name or Title: PRF Combined Clearwell and Chemical Trim Facilities

Shorthand Identifier: S3

Project Location, Site or Route: At the Peace River Facility (and associated property holdings either fee simple or via permanent easements)

Type of Project - Related to Major Purpose (check multiple boxes if applicable)

- ☐ Raw Water Pumping, Storage or Conveyance
☒ Water Treatment
☐ Finished Water Storage and Pumping
☐ Finished Water Pipelines
☐ Plant Power, Switchgear, Fuel & Generator Sets
☐ ASR Systems
☐ General Buildings, Structures & Security
☐ SCADA, ADAS or General IT Systems
☐ Roads and Sitework
☐ Solid Residuals Management

Estimated Project Cost

Preliminary Engineering (see note)	\$	90,000
Final Design & Permitting	\$	470,000
Land Acquisition	\$	-
Construction Management	\$	540,000
Construction	\$	5,400,000
Total	\$	6,500,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Plot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding

Projected Authority (Cooperator) Funding or TBD	\$	3,250,000
Projected SWFWMD Grant Funding	\$	3,250,000
Projected State and Other Grant Funding	\$	-
Total	\$	6,500,000

Projected Schedule

Design Commencement	2027
Construction Start	2028
Operational Date	2029

Reference and Description of Need

This project will consolidate the filter effluent from each treatment train to a central in-ground collection well where the waters will blend, chemicals can be adjusted to fine tune pH and disinfectant residual and several large VFD transfer pumps will lift the water to ground storage. This will eliminate less efficient transfer pumping from each train, improve consistency of water quality and provide a common, consolidated feed for the future should any further treatment be required. The design will be redundant so that it can operate at full capacity with either half out-of-service. This project is a companion project to other projects will generate an estimated additional safe yield of 5.5 MGD (also see project S4).

Does the Project Generate Additional Water Supply/Yield?

☒ Yes ☐ No If Yes, How Much? 5.50 MGD on AADF basis S4

If Yes, any Requisite Companion Projects? ☐ No

Collective Capital Cost of Associated Projects \$ 40,800,000

Participant Cost (inclusive of expected grant funds) \$ 20,400,000

Effective Net Unit Capital Cost \$ 3.71 cost per gallon of yield generated

Location Map or Concept Sketch



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038



Capital Needs Assessment - Project Description Sheet

Type of Project - Related to Major Purpose (check multiple boxes if applicable)		Does the Project Generate Additional Water Supply/Yield?	
<input type="checkbox"/> Raw Water Pumping, Storage or Conveyance	<input type="checkbox"/> ASR Systems	<input type="checkbox"/> Yes	<input type="text" value="0.00"/> MGD on AADF basis
<input type="checkbox"/> Water Treatment	<input type="checkbox"/> General Buildings, Structures & Security	<input checked="" type="checkbox"/> No	<input type="text" value="none"/>
<input checked="" type="checkbox"/> Finished Water Storage and Pumping	<input type="checkbox"/> SCADA, ADAS or General IT Systems	If Yes, any Requisite Companion Projects?	
<input checked="" type="checkbox"/> Finished Water Pipelines	<input type="checkbox"/> Roads and Sitework	Collective Capital Cost of Associated Projects \$ <input type="text" value="49,700,000"/>	
<input type="checkbox"/> Plant Power, Switchgear, Fuel & Generator Sets	<input type="checkbox"/> Solid Residuals Management	Participant Cost (inclusive of expected grant funds) \$ <input type="text" value="\$24,850,000"/>	
		Effective Net Unit Capital Cost <input type="text" value="-"/> cost per gallon of yield generated	

[illegible]

Capital Needs Assessment - Project Description Sheet

Project Location, Site or Route:	At the Peace River Facility (and associated property holdings either fee simple or via permanent easements)

Does the Project Generate Additional Water Supply/Yield?	
<input checked="" type="checkbox"/> Yes	<p>If Yes, How Much?</p> <p>If Yes, any Requisite Companion Projects?</p> <p>Collective Capital Cost of Associated Projects</p> <p>Participant Cost (<i>inclusive of expected grant funds</i>)</p> <p>Effective Net Unit Capital Cost</p>
<input type="checkbox"/> No	<p>5.50 MGD on AADF basis</p> <p>\$3</p> <p>\$ 40,800,000</p> <p>\$ 20,400,000</p> <p>\$ 3.71 cost per gallon of yield generated</p>

 Location Map or Concept Sketch |

**Preliminary Investigation of
Brackish Groundwater Development Opportunities
at the Peace River Facility**

Groundwater Resource Evaluation

Section I: Background

Section II: Geologic and Hydrogeologic Framework

Section III: Available Information Resources at the PEF

Section IV: User Permitting Evaluation

Conclusions

References

City of Fort Worth

TARRANT COUNTY TEXAS

AECOM

Prepared for: C-1127491 HILL
of water utility work

January 2012

This map displays the San Francisco Bay Area with various overlays. A legend in the bottom right corner defines the symbols: a red dot for 'Simulated Wave Location', a red circle for 'Groundswell (ft)', a hatched area for 'Tidal Propagation Area', a solid black line for 'Boundary Contours', a green line for 'Coastline (1982)', and a blue line for 'Bay Frame'. The map shows a central area with concentric contour lines, a hatched area in the lower left, and a coastline along the bottom. A scale bar at the top right indicates distances from 0 to 32 miles.

[illegible]

Capital Needs Assessment - Project Description Sheet

Type of Project - Related to Major Purpose (check multiple boxes if applicable)	
<input type="checkbox"/> Raw Water Pumping, Storage or Conveyance	<input type="checkbox"/> ASR Systems
<input type="checkbox"/> Water Treatment	<input type="checkbox"/> General Buildings, Structures & Security
<input checked="" type="checkbox"/> Finished Water Storage and Pumping	<input type="checkbox"/> SCADA, ADAS or General IT Systems
<input checked="" type="checkbox"/> Finished Water Pipelines	<input type="checkbox"/> Roads and Siftework
<input type="checkbox"/> Plant Power, Switchgear, Fuel & Generator Sets	<input type="checkbox"/> Solid Residuals Management

Estimated Project Cost	
Preliminary Engineering (see note)	\$ 520,000
Final Design & Permitting	\$ 3,120,000
Land Acquisition	\$ -
Construction Management	\$ 2,760,000
Construction	\$ 28,200,000
Total	\$ 34,600,000

The map illustrates the proposed expansion of the Sarasota County WTP. Key features include:

- Phase I A:** Located near Shell V.
- Phase I B:** Located near North Port WTP.
- Phase II A:** Located near PRMRWSA WTP.
- Phase II B:** Located near North Port WTP.
- Phase II C:** Located near Venice WTP.
- Phase II D:** Located near Englewood WTP.
- Phase III A:** Located near Carlton WTP.
- Phase III B:** Located near Venice WTP.

The map also shows the locations of several existing WTPs: Arca WTP, PRMRWSA WTP, North Port WTP, Venice WTP, Englewood WTP, and Carlton WTP. The project area is bounded by Sarasota County to the north and west, and Manatee County to the south and east.

<u>Projected Schedule</u>	
Design Commencement	2034
Construction Start	2037
Operational Date	2038

page 25



Capital Needs Assessment - Project Description Sheet

Project Name or Title: Phase 4 [Segments 2 & 3]

Shorthand Identifier: T12

Project Location, Site or Route: Along Burnt Store Road from the area near Tern Bay Golf and Country Club northeast to Tucker's Grade and I-75

Type of Project - Related to Major Purpose

(Check multiple boxes if applicable)

- ☐ Raw Water Pumping, Storage or Conveyance
☐ Water Treatment
☒ Finished Water Storage and Pumping
☒ Finished Water Pipelines
☐ Plant Power, Switchgear, Fuel & Generator Sets
☐ ASR Systems
☐ General Buildings, Structures & Security
☐ SCADA, ADAS or General IT Systems
☐ Roads and Sitework
☐ Solid Residuals Management

Estimated Project Cost

Preliminary Engineering (see note)	\$	340,000
Final Design & Permitting	\$	2,040,000
Land Acquisition	\$	-
Construction Management	\$	1,800,000
Construction	\$	18,600,000
Total	\$	22,780,000

Note: Preliminary Engineering may include Conceptual Design, Feasibility Studies, Pilot Testing and other necessary work to lay a foundation for a large CIP project.

Projected Sources of Funding

Projected Authority (Cooperator) Funding or TBD	\$	11,390,000
Projected SWFWMD Grant Funding	\$	11,390,000
Projected State and Other Grant Funding	\$	-
Total	\$	22,780,000

Projected Schedule

Design Commencement	2034
Construction Start	2037
Operational Date	2038

Reference and Description of Need

Phase 4D, Segments 2 & 3 Regional Integrated Loop projects comprised approximately 11 miles of 24 inch water line commencing at I75 and Tucker's Grade and extending north to the Authority's Phase 1A crossing on the south side of the Peace River in the town of Cleveland on the outskirts of Punta Gorda. This completes a plant-to-plant link between the Burnt Store WTP and the remainder of the regional loop system allowing water to flow in either direction boosting system resiliency and sustainability. This project also includes storage and pumping elements.

Does the Project Generate Additional Water Supply/Yield?

☐ Yes ☒ No

If Yes, How Much? 0.00 MGD on AADF basis

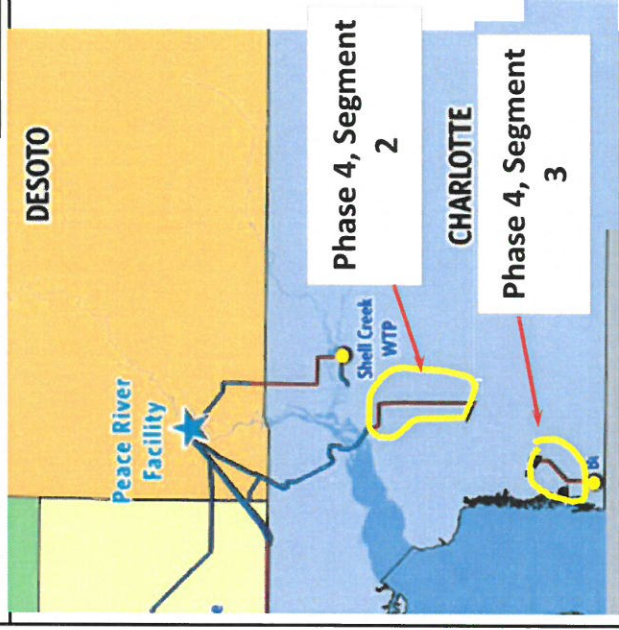
If Yes, any Requisite Companion Projects? none

Collective Capital Cost of Associated Projects \$ 22,780,000

Participant Cost (inclusive of expected grant funds) \$ \$11,390,000

Effective Net Unit Capital Cost - cost per gallon of yield generated

Location Map or Concept Sketch



YEAR

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038

