

**PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
BOARD OF DIRECTORS MEETING**

**SUMMARY AGENDA
May 30, 2018 @ 9:30 a.m.**

Manatee County Administration Center
Commission Chambers
1112 Manatee Ave West, Bradenton, FL

ALL MEETINGS ARE OPEN TO THE PUBLIC

Commissioner Alan Maio, Sarasota County, Chairman
Commissioner Elton Langford, DeSoto County, Vice Chairman
Commissioner Ken Doherty, Charlotte County
Commissioner Priscilla Trace, Manatee County

CALL TO ORDER

INVOCATION

Commissioner Elton Langford

PLEDGE OF ALLEGIANCE

Led by the Board

WELCOME GUESTS

PUBLIC COMMENTS

Open to the Public - Three (3) minute time limit per person. Anyone wishing to address the Board on any agenda item or non-agenda issue should complete a 'request to speak' card and hand it to the recording clerk.

RESOLUTIONS/PRESENTATIONS

None.

CONSENT AGENDA

1. Minutes of April 4, 2018 Board of Directors Meeting

Recommended Action - **Motion** to approve minutes of April 4, 2018 Board of Directors meeting.

Draft minutes of the April 4, 2018 Board of Directors meeting are provided for Board approval.

2. Minutes of April 4, 2018 Board of Directors Workshop

Recommended Action - **Motion** to approve minutes of April 4, 2018 Board of Directors workshop.

Draft minutes of the April 4, 2018 Board of Directors workshop are provided for Board approval.

3. Set a Public Hearing for FY 2019 Budget for July 25, 2018

Recommended Action -

Motion to Set a Public Hearing for FY 2019 Budget for July 25, 2018 at 9:30 a.m., Sarasota County Administration Center, Commission Chambers, First Floor, 1660 Ringling Boulevard, Sarasota, Florida.

The Board approved the Tentative Budget for FY 2019 and Resolution 2018-04 ‘Resolution Setting Forth Preliminary Schedules of Rates, Fees and Charges for FY 2019’ at the Board meeting on April 4, 2018. This action sets a public hearing for the FY 2019 Budget to be scheduled for July 25, 2018 at 9:30 a.m., Sarasota County Administration Center, Commission Chambers, First Floor, 1660 Ringling Boulevard, Sarasota, Florida.

4. Mid-Year Financial Status and Semi-Annual Investment Reports

Recommended Action -

Motion to receive and file ‘Mid-Year Financial Status Report for FY 2018’.

Motion to receive and file ‘Semi-Annual Investment Report’ [March 31, 2018].

a. Receive and File Mid-Year Financial Status Report for FY 2018

Mid-Year Financial Status Report for FY 2018 is provided for the Board to receive and file.

b. Receive and File ‘Semi-Annual Investment Report’ [March 31, 2018]

‘Semi-Annual Investment Report’ [March 31, 2018] is provided for the Board to receive and file.

5. One-Year Extension of Agreement for Financial Advisory Services with FirstSouthwest Company, a Division of Hilltop Securities Inc.

Recommended Action -

Motion to approve one-year extension of Agreement for Financial Advisory Services with FirstSouthwest, a Division of Hilltop Securities Inc. through July 31, 2019.

The Authority’s current Agreement for Financial Advisory Services with FirstSouthwest Company will expire on July 31, 2018. The Agreement includes provision to extend contract time for additional periods upon mutual consent of the parties. Staff recommends a one-year extension of the Agreement through July 31, 2019 with all other terms and conditions of the agreement to remain unchanged. Staff intends to go out for bid for these services once it is determined that the Authority should issue new debt or the current bonds are callable.

6. One-Year Extension of Agreement for Investment Banking Services with Citigroup Global Markets, Inc.

Recommended Action -

Motion to approve one-year extension of Agreement for Investment Banking Services with Citigroup Global Markets, Inc. through July 29, 2019.

The Authority’s current Agreement for Investment Banking Services with Citigroup Global Markets, Inc. will expire on July 29, 2018. The Agreement includes provision to extend contract time for additional periods upon mutual consent of the parties. Staff recommends a one-year extension of the Agreement through July 29, 2019 with all other terms and conditions of the agreement remaining unchanged. Staff intends to go out for bid for these services once it is determined that the Authority should issue new debt or the current bonds are callable.

7. Information Technology Support and Management Services Firm Selection

Recommended Action -

Motion to approve ranking and authorize the Executive Director or their designee to execute a Professional Services contract for Information Technology Support and Management Services, pending review by General Counsel, with the highest ranked firm; Entech United, LLC, DBA: Entech.

On April 11, 2018 the Authority issued a Request for Qualifications for Information Technology Support and Management Services. Only one (1) proposal was received by the deadline on May 11, 2018. In accordance with the Authority’s Procurement Policy the Professional Services Evaluation Committee met on May 15th in a publicly noticed meeting in to review SOQs and develop an order of preference.

The only firm to submit a SOQ for this work (Entech) is the firm currently under contract to the Authority for these services. Based on review of the Entech SOQ and their past work history for the Authority, the Authority’s Professional Services Evaluation Committee recommends Board confirmation of the ranking below and authorization for the Executive Director to execute a Professional Services contract for Information Technology Support and Management Services with Entech United, LLC, DBA Entech. Work orders issued under the proposed contract will be negotiated on an as-needed basis. This is a budgeted line item.

Rank	Firm	Office Location
1	Entech United, LLC, DBA: Entech.	Bradenton, FL

REGULAR AGENDA

1. Water Supply Conditions

Presenter -

Mike Coates, Deputy Director

Recommended Action -

Status Report. This item is presented for the Board’s information and no action is required.

Water Supply Conditions at the Peace River Facility as of May 15, 2018.

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

May Water Demand	28.61 MGD
May River Withdrawals	00.00 MGD
<u>Storage Volume:</u> Reservoirs	4.88 BG
ASR	<u>6.92 BG</u>
Total	11.80 BG

2. Adopt 5-Year Capital Improvement Plan (CIP) and 20-Year Capital Needs Assessment (CNA)

Presenter - Kevin Morris, Manager of Engineering & Projects

Recommended Action - **Motion** to adopt the 5 Year Capital Improvement Plan (CIP) and 20 Year Capital Needs Assessment (CNA) as supplemental information important to the development of the Fiscal Year 2019 Budget.

The 5-Year Capital Improvement Plan (CIP) and 20-Year Capital Needs Assessment (CNA) define a roadmap which captures the vision of the Board for how the organization will grow to serve current and emerging customer needs and adapt to changes in the region. The CIP and CNA are both flexible planning documents which will be revised annually to reflect priorities created by new information, opportunities and growth/development pressures. These documents also help the Authority communicate capital funding needs to vitally important stakeholders like the Southwest Florida Water Management District to support cooperative funding of regional project which help to offset member costs.

The Authority formulates its budget on an annual basis and while the 5 Year CIP is an important part of that process, it only substantively affects each subsequent year's budget. It does, however, reflect the Board's commitment to continuing projects as well as those capital projects which fall in the near-term planning horizon. The 20-Year CNA includes the 5-Year CIP but looks beyond the near-term where planning becomes less certain.

Staff will deliver a presentation and recommend that the Authority Board adopt the 5-Year Capital Improvement Plan (CIP) and 20-Year Capital Needs Assessment (CNA) as supplemental information important to development of the Fiscal Year 2019 Budget.

Budget Action: Adopt as supplemental information to the FY 2019 Budget

3. ~~Peace River Facility Water Use Permit Modification/Renewal~~ (Item Moved to General Counsel's Report)

4. Regional Integrated Loop System Phase 3B Interconnect [681/Preymore Interconnect to Clark Road (State Road 72)]

Presenter - Kevin Morris, Manager of Engineering & Projects

Recommended Action - **Motion** to approve Resolution 2018-07; A Resolution Determining the Necessity to Construct a Transmission Pipeline and Appurtenant Facilities Connecting The Terminus of the Peace River Manasota Regional Water Supply Authority Delivery System, from West of the Sarasota County Central County Solid Waste Disposal Complex North to Clark Road (State Road 72) in Sarasota County ("Regional Integrated Loop System, Phase 3B")

Motion to approve Resolution 2018-08; A Resolution Authorizing the Acquisition of Certain Real Property Located Within Sarasota County, Florida, To Be Used For The Public Purpose Of Constructing, Operating, and Maintaining the Transmission Pipeline And Appurtenant Facilities From West of the Sarasota County Central County Solid Waste Disposal Complex North to Clark Road (State Road 72) in Sarasota County ("Regional Integrated Loop System, Phase 3B")

a. Phase 3B Interconnect Project Update

This project will extend the Regional system from central Sarasota County about 5 miles further North to Clark Road (State Road 72). Staff will review the project and progress to-date.

b. Resolution 2018-07, Phase 3B Interconnect Alignment

This is a resolution affirming the need for the project and the recommended alignment. Staff will review the alignment, project benefits and need.

c. Resolution 2018-08, Necessity for Acquisition of Certain Properties Along the Phase 3B Alignment

This is a resolution authorizing acquisition of certain easements required for construction and operation of the project. Staff will discuss the required easements.

Budget Action: None (Project funded by State and SWFWMD grants and Sarasota County)

5. SWFWMD Cooperative Funding Initiative Application Procedures

Presenter - Mike Coates, Deputy Director

Recommended Action - **Motion** to approve recommended procedures and authorize staff to develop a Policy for Board consideration on preparation and submittal of Cooperative Funding Initiative Applications to SWFWMD.

Annually the Authority submits cooperative funding applications to the Southwest Florida Water Management District for regional water supply and transmission projects. Some of the projects are generated specifically by the Authority, while others are requested by Authority Customers or Partners. The SWFWMD process for evaluating co-funding applications requires detailed project information including, for some projects, interlocal agreements committing local cost-match. All of this information is utilized by SWFWMD staff to evaluate and rank projects for funding priority, and missing information may adversely affect project ranking.

Insuring that the Authority's applications are as complete as possible improves opportunities for SWFWMD co-funding of regional water projects. To that end, staff has developed procedures for Board consideration that are intended to standardize preparation and submittal of cooperative funding applications. Staff will review proposed procedures and request Board authorization to develop an Authority Policy on cooperative funding applications for Board consideration at a future meeting.

Budget Action: No Action Needed

6. 'DeSoto County Water System Assessment' Progress Report

Presenter - Mike Coates, Deputy Director

Recommended Action - **Status Report.** This item is presented for the Board's information and no action is required.

The Board approved Resolution 2017-06 'Amending Conservation Rate for FY 2017' at the December 06, 2017 Board of Director's meeting as a result of DeSoto County's exceedance of their water allocation for FY 2017. Resolution 2017-06 amended the Conservation Rate for FY 2017, requiring the Authority to assist DeSoto County in performance of a water audit of the DeSoto County water system and implementation of the audit recommendations. Result of the water audit and implementation of the recommendations are to be reported to the Authority Board within six months.

The Authority and County worked with Black and Veatch to perform a system assessment/water audit to identify opportunities to improve flushing, reduce non-revenue water and develop Standard Operating Procedures for the distribution system. Additionally, Black and Veatch developed a menu of CIP options for long term improvements which are included in the report completed in February. The results of this effort show that DeSoto County's water usage has been significantly reduced in FY 2018 to-date. For the 7 month period from October 2017 through April 2018, Authority water delivery to the County has decreased by 350,000 gpd (36.5%) compared to the previous year.

DeSoto County and the Authority continue to coordinate on implementation of water audit recommendations as well as other opportunities to reduce non-revenue water usage.

Budget Action: No Action Needed

7. Professional Services Contract Negotiations for 'Integrated Regional Water Supply Plan 2020'

Presenter - Mike Coates, Deputy Director

Recommended Action - **Motion** to terminate contract negotiations with Carollo Engineers, Inc. and authorize the Executive Director, or designee, to negotiate a Professional Services contract, scope of work and fee for the 'Integrated Regional Water Supply Plan 2020' with HDR Engineering, Inc.

At the April 4, 2018 meeting the Authority Board approved initiation of negotiations with Carollo Engineers, Inc., on a contract, scope and fee for the Authority's Regional Integrated Water Supply Plan 2020 (see April 4th Meeting Consent Item No. 4). On May 18, 2018 Carollo withdrew from consideration on this project. The firm ranked second by the Authority's Professional Services Evaluation Committee for the 2020 Master Plan was HDR Engineering, Inc. Staff believes that HDR is well qualified to perform this work, and requests Board authorization to negotiate a contract, scope and fee with HDR Engineering Inc., to complete the Authority's Regional Integrated Water Supply Plan 2020.

The negotiated contract, scope and fee is expected to be presented for Board consideration at the July 25, 2018 Meeting. The Project Budget remains at \$450,000, and a 50% co-funding share (up to \$225,000) has already been authorized from SWFWMD.

Budget Action: No Action Needed.

BOARD DISCUSSION AGENDA

1. Inventory of Water Systems Within the Region

Presenter - Mike Coates, Deputy Director
James Guida, Progressive Water Resources

Recommended Action - **Status Report.** This item is presented for the Board's information and no action is required.

Staff will present an inventory of water systems within the region for Board discussion.

2. Current Business Plan Member's Existing Investment and Methodology

Presenter - Patrick Lehman, Executive Director

Recommended Action - **Status Report.** This item is presented for the Board's information and no action is required.

Staff will present the current business plan methodology for infrastructure projects and the investment in the regional system by each member/customer for Board discussion.

GENERAL COUNSEL'S REPORT

1. Peace River Facility Water Use Permit Modification/Renewal

Presenter - Douglas Manson, General Counsel

Recommended Action - **Motion** to approve Amendment for litigation services for Water Use Permit and easement condemnation litigation.

The Authority's Water Use Permit application was submitted to SWFWMD on October 2, 2017. On April 23, 2018, SWFWMD issued a Notice of Proposed Agency Action to approve the Authority's Water Use Permit with the conditions below.

- Increase in maximum day river withdrawals from the current 120 MGD to 258 MGD (consistent with the MFL for the lower Peace River),
- 50-Year permit duration to reflect the long-term regional commitment to this alternative water supply, and
- Elimination of the ADF delivery quantity (34.855 MGD) to support the SWUCA goals of prioritized use of alternative water supplies such as the Peace River Facility.

The SWFWMD Governing Board was scheduled to act on the Authority's Water Use Permit on May 22, 2018. Petitions for formal administrative hearing on the proposed agency action have been filed by the Polk Regional Water Cooperative, Polk County, and the City of Winter Haven. The City of Lakeland also filed a request for an administrative hearing, which was dismissed without prejudice. Due to the filing of these petitions, the SWFWMD Governing Board will not take action on the Authority's Water Use Permit until resolution of the administrative proceeding(s).

Furthermore, in the construction of the Phase 1 pipeline project, it has become necessary to commence litigations to secure the necessary easements to complete the project.

Section 13.2 and 13.3 of the Agreement for General Counsel Services with Manson Bolves Donaldson Varn, P.A. provides litigation legal services to be contracted by amendment to the agreement.

Budget Action: \$550,0000

2. Closed Door Attorney-Client Session

Closed Door Attorney-Client Session pursuant to Section 286.011(8), Florida Statutes, to discuss settlement negotiations and/or strategy related to litigation expenditures in Polk Regional Water Cooperative v. Peace River Manasota Regional Water Supply Authority and Southwest Florida Water Management District; Polk County, Florida v. Peace River Manasota Regional Water Supply Authority and Southwest Florida Water Management District; City of Lakeland, Florida v. Peace River Manasota Regional Water Supply Authority and Southwest Florida Water Management District; City of Fort Meade, Florida v. Peace River Manasota Regional Water Supply Authority and Southwest Florida Water Management District; City of Wauchula, Florida v. Peace River Manasota Regional Water Supply Authority and Southwest Florida Water Management District; City of Bartow, Florida v. Peace River Manasota Regional Water Supply Authority and Southwest Florida Water Management District; and Winter Haven, Florida v. Peace River Manasota Regional Water Supply Authority and Southwest Florida Water Management District -- TIME CERTAIN 11:00 AM

3. Action Items (if any) stemming from Items 1 and 2

EXECUTIVE DIRECTOR'S REPORT**Presenter -**

Patrick Lehman, Executive Director

Recommended Action -**Status Report.** This item is presented for the Board's information and no action is required.**ROUTINE STATUS REPORTS**

1. Hydrologic Conditions Report
2. Check Registers for March and April 2018
3. Regional Integrated Loop System Phase 1 Interconnect Project [U.S. 17 to Punta Gorda]
4. Partially Treated Water Aquifer Storage & Recovery
5. Peace River Facility Aquifer Storage & Recovery Operating Permit Renewal
6. Peace River Basin Report

BOARD MEMBER COMMENTS**PUBLIC COMMENTS**

Open to the Public - Three (3) minute time limit per person. Anyone wishing to address the Board on any agenda item or non-agenda issue should complete a 'request to speak' card and hand it to the recording clerk.

ANNOUNCEMENTSNext Authority Board Meeting & Public Hearing for FY 2019 Budget

Wednesday, July 25, 2018 @ 9:30 a.m.
Sarasota County Administration Center
Commission Chambers, First Floor
1660 Ringling Boulevard, Sarasota, FL

Future Authority Board Meetings

October 3, 2018 @ 9:30 a.m. – DeSoto County Administration Building, Arcadia, Florida
December 5, 2018 @ 9:30 a.m. - Charlotte County Administration Center, Port Charlotte, Florida

ADJOURNMENT

Visit the Board Meetings page of our website www.regionalwater.org to access the Agenda Packet