

Minutes of Board of Directors Meeting
PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
DeSoto County Administration Building
Commission Chambers, First Floor
201 East Oak Street, Arcadia, FL
December 6, 2023

Board Members Present:

Commissioner Elton Langford, DeSoto County, Chairman
Commissioner Joe Tiseo, Charlotte County
Commissioner George Kruse, Manatee County
Commissioner Mike Moran, Sarasota County

Staff Present:

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

Others Present:

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

CALL TO ORDER

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

INVOCATION

Commissioner Langford offered the invocation.

PLEDGE OF ALLEGIANCE

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

WELCOME GUESTS

Commissioner Langford offered host county remarks and welcomed guests to DeSoto County.

PUBLIC COMMENTS

Public comment was made by Sarasota County resident, Chris Sharek.

AWARDS/RECOGNITIONS

1. Employee Service Awards

Richard Anderson, along with the members of the Board, presented service recognition awards to the dedicated employees who achieved significant milestones in service with the Authority.

2. Government Finance Officers Association Certificate of Achievement Award

Mike Coates announced that for the fifth consecutive year, the Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Certificate of Achievement for Excellence in Financial Reporting to Peace River Manasota Regional Water Supply Authority for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022, and recognized Ms. Ann Lee and the Authority's finance & budget department for their work in achieving this award.

CONSENT AGENDA

- 1. Approve Minutes of the October 4, 2023 Board of Directors Meeting**
- 2. Approve Board of Directors Meeting Schedule for CY 2024**
- 3. Approve Special District Public Facilities Report (December 2023)**
- 4. Approve CY 2024 Peace River Hydrobiological Monitoring Program (HBMP Work Order with Janicki Environmental)**
- 5. Approve Purchase of Replacement Air Compressor for Reservoir No. 2**
- 6. Approve Contract for ASR WF#1 Chemical Feed Improvements**
- 7. Approve Purchase and Installation of Construction Trailer for Temporary Water Resources Offices**
- 8. Approve Work Order for Site Remediation on RV Griffin Reserve**
- 9. Approve Reservoir No. 2 Trash Rack and Staff Gauge Refurbishment**
- 10. Approve Receive and file Hurricane Ian Damage Repair Update**

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

Commissioner Tiseo asked for clarification on Consent Agenda Item 7, for the purchase and installation of construction trailer for temporary water resources offices due to hurricane damage. He stated that he did not see in the report if insurance was going to cover any part of the costs for this trailer. But then Consent Item 10 does discuss hurricane recovery and includes an element for roof repairs. Are these two items related?

Mike Coates replied that on Consent Item 7, for the temporary construction trailer for the Water Resources staff and the damaged Water Resources building we currently occupy on the property is owned by the Southwest Florida Water Management District. SWFWMD did not have insurance coverage on the building at the time of the storm, so there will not be any insurance reimbursement that might be used for the construction trailer. Mr. Coates clarified that this is unrelated to Consent Item 10, which does include insurance reimbursement for hurricane related roof repairs on several Authority owned buildings located on the property, but not this SWFWMD owned building.

Commissioner Tiseo questioned if our insurance policy didn't have coverage for continuing operations or similar, something that might have covered some of these things? Ann Lee explained that we do have coverage for continuing operations, however that's only on Authority-owned property. As Mr. Coates mentioned, the ranch house building is owned by SWFWMD and therefore we cannot file a claim for this damage.

Commissioner Tiseo asked if the Authority has a lease agreement with SWFWMD for this building? He stated that typically, even if it's non-monetary, this agreement would include provisions about who needs to have insurance coverage on the building and an agreement regarding liability. Who's responsible if something happens inside, a slip and fall or something of the sort. Ms. Lee replied that we do have a written agreement with SWFWMD that allows our use of that facility, but it is not a traditional lease agreement and does not include insurance details. Ms. Lee explained that even so, the Authority does have liability

coverage for injuries. But coverage for the structure is different because coverage on that goes with the ownership of the property.

Commssioner Tiseo thanked staff for clarifying his understanding on these items.

REGULAR AGENDA

1. Water Supply Conditions and Year-End Summary for CY 2023

Richard Anderson presented the Water Supply Conditions at the Peace River Facility as of November 15, 2023 and the Year-End Summary for CY 2023 for the Board’s information:

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

November Water Demand	27.87 MGD
November River Withdrawals	48.90 MGD
<u>Storage Volume:</u>	
Reservoirs	6.66 BG
ASR	<u>8.72 BG</u>
Total	15.38 BG

2. Construction Manager at Risk Contract with Archer Western for PR3 Project Components

Terri Holcomb presented the Construction Manager at Risk (CMAR) contract and Package 1A Scope and fee with Archer Western for the Peace River Regional Reservoir No. 3 (PR3) Project components.

Ms. Holcomb reviewed that the current Board-approved water supply project to meet member demands is the Surface Water Supply Expansion Project (SWSEP), consisting of the Peace River Regional Reservoir No. 3 (PR3) Project and the PRF Expansion Project. The PR3 Project is comprised of a new 9-billion-gallon reservoir, a new 258 MGD river intake pump station, a new reservoir pump station, and conveyance piping connecting these new components to the Authority’s existing facilities.

She stated that at the October 4, 2023, Board meeting, Archer Western Contractors, LLC was selected as the Construction Management at-risk (CMAR) Contractor to provide (1) Phase I Preconstruction Services, and (2) Phase II Construction Services for the PR3 Pumping and Conveyance Facilities.

The PR3 Pumping and Conveyance Facilities – Phase 1 (Package 1A) Scope and Fee for preconstruction services are intended to provide the Authority with constructability reviews, value engineering evaluations, risk reviews, and schedule estimates for the PR3 Project. In addition, the CMAR will develop conceptual cost estimates for the 30% designs of the PRF Expansion Project and the Brackish Groundwater Reverse Osmosis (BWRO) project, as well as develop a 30% cost model for the PR3 Project Components. The Phase 1 (Package 1A) fee is \$1,251,900. The schedule for delivery of the Package 1A Services is approximately 5 months, through June 2024, with delivery of the cost estimates by March 11th, 2024.

Motion was made by Commissioner Tiseo, seconded by Commissioner Moran, to approve the Construction Agreement between the Authority and Construction Management At-Risk (CMAR) for the Peace River Regional Reservoir No. 3 (PR3) Pumping and Conveyance Facilities and authorize the Executive Director to make non-monetary edits to Agreement. Motion was approved unanimously.

Motion was made by Commissioner Tiseo, seconded by Commissioner Moran, to approve the Phase 1 Preconstruction Services Package 1A Services in the amount of \$1,251,900 with Archer Western Contractors, LLC to provide Preconstruction Services for the Peace River Regional Reservoir No. 3 (PR3) Pumping and Conveyance Facilities Project. Motion was approved unanimously.

3. Agreement Between the Florida Department of Environmental Protection and the Authority for Dam Safety Review by Independent Consultant

Ms. Holcomb presented the Environmental Resource Permitting (ERP) for the Authority's Peace River Reservoir No. 3 (PR3) Project. She explained that this permitting process requires consideration of environmental and safety regulations associated with the construction and operation of these facilities. The Environmental components of the permit application review are being conducted by SWFWMD. SWFWMD and Florida Department of Environmental Protection (FDEP) are entering into a coordination agreement for FDEP to review and provide comments to SWFWMD on embankment design and dam operation and safety aspects of the Authority's PR3 ERP Application.

Ms. Holcomb stated that to support FDEP's review of its portion of the PR3 ERP application, the FDEP requires that the Authority provide and pay for the services of a qualified professional engineering consultant to assist the FDEP in their regulatory review of the PR3 design. The agreement between the FDEP and the Authority for '*Dam Safety Review by Independent Consultant*' identifies the need for those services and establishes that the Authority will make such services available.

Authority staff recommended that Black and Veatch conduct these services for the FDEP. Black and Veatch would be hired by the Authority through their existing continuing engineering services contract. Black and Veatch recently completed the 3rd Party Review for SWFWMD (required for cooperative funding) on the PR3 preliminary design, so they are very familiar with the project, and have the expertise necessary to support the FDEP in the dam safety review. Work Order No. 1 for the FDEP regulatory review by Black and Veatch is proposed at a cost not to exceed \$56,492. Ms. Holcomb stated that any subsequent work orders associated with the Agreement will be provided for Board consideration in the future to support FDEP oversight of the reservoir project construction, filling, and initial operations.

Motion was made by Commissioner Moran, seconded by Commissioner Tiseo, to approve Agreement Between the Florida Department of Environmental Protection and the Authority for Dam Safety Review by an Independent Consultant and Authorize the Executive Director Approve de minimis changes if required by FDEP. Motion was approved unanimously.

Motion was made by Commissioner Tiseo, seconded by Commissioner Moran, to approve the hire of Black and Veatch under their continuing Engineering Services Contract to Conduct this Work and Authorize the Executive Director to Execute Work Order No. 1 with Black and Veatch to Provide Design Review for the Peace River Reservoir No. 3 Project on behalf of the FDEP in an amount not to exceed \$56,492. Motion was approved unanimously.

4. PR3 Project Mitigation and Future RV Griffin Land Use Considerations

Jim Guida provided the Board with an update and overview of the latest estimate of anticipated wetland impacts, preliminary Onsite Permittee Responsible Mitigation and Mitigation Bank options, and RV Griffin future land use-related considerations.

Mr. Guida stated that the Peace River Regional Reservoir No. 3 Project (PR3) will develop a new 9 BG off-stream reservoir on the RV Griffin Reserve. At the February 2022 meeting, the Board approved HDR to proceed with the preliminary design and permitting phase of the Project, which includes development and submittal of Environmental Resource Permit (ERP) application for State regulatory consideration and

approval. An ERP Application was submitted to the Southwest Florida Water Management District (SWFWMD) on September 15, 2023.

Mr. Guida explained that in addition to review by the SWFWMD, the Florida Department of Environmental Protection (FDEP) will also be participating in review of the ERP Application regarding dam safety considerations. A key consideration for the permit is wetland impacts and the need to compensate for resultant losses in functional wetland habitat. Mitigation options currently under consideration include wetland creation, restoration, and enhancement onsite at the RV Griffin Reserve (“Onsite Permittee Responsible Mitigation”), purchase of mitigation credits from wetland mitigation banks within corresponding watersheds (Peace and Myakka River Basins), or some combination thereof.

Mr. Guida added that he will continue to provide the Board with updates and anticipated future presentations that will be provided to assist the Board in its ultimate selection of a preferred mitigation option for the PR3 Project.

5. Brackish Groundwater Supply Project Update

Mr. Guida presented the Board with an update on the Brackish Groundwater Supply Project, including the status of a WUP modification to increase authorized withdrawal quantities, the well drilling and testing program, and associated wellfield and water treatment plant design considerations.

The Authority’s Water Use Permit (WUP) for the Peace River Facility was modified in October 2022 to authorize the withdrawal of up to 9 MGD of brackish groundwater from wells on the RV Griffin Reserve, which would yield an estimated 5 MGD average annual day of finished water for allocation to Customers. In September 2023, a WUP modification request was submitted to SWFWMD seeking an increase in the Authority’s authorized withdrawal quantities to increase the allocable finished supply capacity. Mr. Guida stated that he was pleased to announce that this WUP Modification was approved by SWFWMD’s Governing Board on November 14, 2023, and as a result, the Authority has received an increase in authorized withdrawal quantity that will take us from 5 MGD yield to an estimated 7.5 MGD annual average of allocable finished supply.

Mr. Guida reviewed that on April 5, 2023, the Board approved the selection of Carollo Engineers to conduct the preliminary design and testing for the project, and the contract, scope, fee, and Work Order No. 1 were authorized by the Board on June 7, 2023. Under this contract, Work Order No. 1 for Preliminary Design and Testing Services will include well construction, aquifer, and groundwater quality testing, and preliminary design of 1) raw water mains and well sites; 2) injection well(s); and 3) brackish groundwater treatment facilities. He stated that the preliminary design and testing for the Brackish Groundwater Project is scheduled for completion in March 2024.

Commissioner Tiseo asked for clarification on the WUP permit expiration date and if the approved modification has any effect on this date. Mr. Guida responded that the Authority holds a 50-year WUP permit, which has approximately 46 years left, and that the modification has no impact on this expiration date.

On an issue related to the Brackish Groundwater Project, Doug Manson stated that as part of the permit application process that Mr. Guida discussed, there is a Certification of Financial Responsibility for Local Governments. And under this specific statute, Special Districts such as the Authority, are considered local governments and therefore must complete this certification form as part of this permit application. Mr. Manson asked the Board for a motion to approve the signature of this certification of financial responsibility for local government for the deep injection wells that would be required for the Brackish Groundwater Project.

Commissioner Tiseo questioned if this was time-sensitive and stated that he thought items the Board makes a motion on had to be posted publicly on the agenda. He asked if they do a walk- on motion like this without having it properly noticed?

Mr. Manson stated that we can do a walk-on motion as this item is before us on the agenda and was properly noticed. He explained that there is no expenditure here, and it is not a budget issue. This is just a matter of saying that the Authority is certifying that if the deep injection wells for the project are built, and if in the future they are no longer needed, the Authority will be responsible for a current estimated abandonment cost of \$864,000 and it is because of this amount that he is requesting the motion. He explained that this issue is time-sensitive because we can't submit the completed permit application for this project without this including form.

Motion was made by Commissioner Kruse, seconded by Commissioner Moran, to approve and authorize signature of the certification of financial responsibility for local governments form as part of the FDEP UIC application for the Brackish Groundwater Supply Project. Motion was approved unanimously.

6. Regional Integrated Loop Phase 2B Interconnect Project – Revised Interlocal Agreement and Guaranteed Maximum Price

Mike Knowles presented the Board with this update on the Regional Integrated Loop Phase 2B Interconnect Project, which includes approximately 13.1 miles of 42-inch diameter pipe mostly within Charlotte County, bordering Sarasota County. Woodruff and Sons Design-Build Team was approved at the August 3rd Board meeting to deliver the Progressive Design Build Project. The Progressive Design-Build delivery method was chosen due to the compressed schedule to have the Project online to meet Charlotte County's needs by March of 2026.

Mr. Knowles stated that the Interlocal Agreement between the Authority and Charlotte County for the Regional Integrated Loop Phase 2B Pipeline Project was also approved by the Board in April of 2022. He explained the project cost has increased, He identified the reasons for that cost increase and discussed a revised interlocal agreement with Charlotte County that will cover the new upper limit cost of the project and also includes changes that allow Charlotte County to include utility improvements that are parallel to the Phase 2B Pipeline.

Motion was made by Commissioner Tiseo, seconded by Commissioner Kruse, to approve the revised Interlocal Agreement for Regional Integrated Loop System Phase 2B Interconnect between the Peace River Manasota Regional Water Supply Authority and Charlotte County and Authorize the Executive Director to approve de minimis changes if needed. Motion was approved unanimously.

Motion was made by Commissioner Tiseo, seconded by Commissioner Kruse, to authorize the Executive Director and General Counsel to finalize and execute a contract amendment with Woodruff & Sons, Inc. to complete the design and construction of the Regional Integrated Loop Phase 2B Pipeline Project for a Guaranteed Maximum Price not to exceed \$70,668,982.87. Notice to Proceed will not be issued until Charlotte County approves the revised Interlocal Agreement to fully fund the project. Motion was approved unanimously.

GENERAL COUNSEL'S REPORT

Mr. Manson had no further update for the Board.

EXECUTIVE DIRECTOR’S REPORT

Mr. Coates discussed the Board meeting schedule & timeframe for new Supply Project selection, indicating that a workshop is proposed during the Authority’s February 7th meeting to facilitate decisions on projects and master water supply contract revisions in April 2024, in order to deliver new supplies when Customers need them in 2028.

ROUTINE STATUS REPORTS

There were no Board comments on routine status reports.

BOARD MEMBER COMMENTS

There were no additional Board Member comments.

PUBLIC COMMENTS

No additional public comments were made.

ANNOUNCEMENTS

Next Authority Board Meeting

February 7, 2024 @ 9:30 a.m.
Peace River Facility
Water Quality and Training Center
8998 SW County Rd. 769, Arcadia, FL

Future Authority Board Meetings

April 3, 2024 - DeSoto County
June 5, 2024 - Manatee County
August 7, 2024 - Sarasota County
October 2, 2024 - Charlotte County
December 4, 2024 - DeSoto County

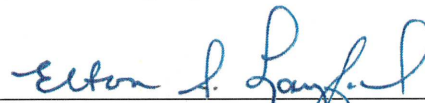
ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 11:15 a.m.

BOARD APPROVED

FEB - 7 2024

Peace River Manasota
Regional Water Supply Authority



Commissioner Elton Langford
Chairman