

Minutes of Board of Directors Meeting
PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
Peace River Facility
Water Quality & Training Center
8998 SW County Road 769 (Kings Highway), Arcadia, FL 34269
February 8, 2023 @ 9:30 a.m.

Board Members Present:

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

Staff Present:

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

Others Present:

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

CALL TO ORDER

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

INVOCATION

Commissioner Langford offered the invocation.

PLEDGE OF ALLEGIANCE

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

WELCOME GUESTS

HOST COUNTY REMARKS

Authority Executive Director, Mike Coates made welcoming remarks.

PUBLIC COMMENTS

Public comment made by Lauren Knowles, Sarasota County.

AWARDS/RECOGNITIONS**1. Employee Service Recognition Awards**

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

2. Recognition of Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for FY 2021 Award

Mike Coates announced that for the fourth 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, 2021, and recognized Ms. Ann Lee and the Authority's finance & budget department for their work in achieving this award.

3. Florida Section/American Water Works Association (AWWA) Awards

Terri Holcomb on behalf of the Florida Section of the American Water Works Association presented the following awards:

- a. Best Paper Award – to Ford Ritz and Terri Holcomb; and Douglas Eckmann, Heather Ripley, and Jordan Miller, Kimley-Horn and Associates for “Using a GIS Total Model to Quantitatively Analyze Large Pipeline Route Alternatives.”
- b. Operators and Maintenance Council Chair Service Award – to Andrew Greenbaum
- c. Public Affairs Council Chair Service Award – to Terri Holcomb
- d. Volunteer of the Year (Region X) – to Katie Gilmore, Manatee County Utilities
- e. Recognition of the Authority BBQ Team - Shawn Lewis, Donald Morton, and Tim Grannell for their achievement in taking First-Place Chicken, First-Place Pork Ribs, and First-Place Overall - BBQ Grand Champion at the Florida Section AWWA 2022 Annual Fall Conference.

CONSENT AGENDA

- 1. Approve Minutes of the December 7, 2022, Board of Directors Meeting**
- 2. Approve Receive and File of Year-End Financial Status and Semi-Annual Investment Reports for FY 2022**
- 3. Approve First Amendment to SWFWMD Co-Funding Agreement # 22CF0003723 (DeSoto Booster Station Project)**
- 4. Approve Change Order No. 3 (Project Close-Out) for Trains 5 and 6 Rehabilitation Project at the Peace River Facility**

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

REGULAR AGENDA

1. Water Supply Conditions Report

Mr. Anderson presented the Water Supply Conditions at the Peace River Facility as of January 19, 2023 for the Board’s information.

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

January Water Demand	29.60 MGD
January River Withdrawals	24.6 MGD
<u>Storage Volume:</u>	
Reservoirs	6.79 BG
ASR	<u>8.78 BG</u>
Total	15.57 BG

2. FY 2022 Annual Comprehensive Financial Report and Independent Auditors’ Report

Ann Lee along with Tiffany Mangold of Purvis Gray& Company presented on the Authority’s FY 2022 Annual Comprehensive Financial Report and Independent Auditors’ Report.

The firm of Purvis Gray & Company completed the annual audit of the Authority’s financial records for the fiscal year ending September 30, 2022. There were no matters involving the internal control over financial reporting or significant deficiencies in operation noted in the audit that would be considered a material weakness.

Staff recommends the Board ‘receive and file’ the Annual Comprehensive Financial Report and Independent Auditors’ Report of the Authority for period ending September 30, 2022 and approve its submittal to the GFOA Certificate of Achievement for Excellence in Financial Reporting Program, pending the changes related to GASB 68.

Motion was made by Commissioner Truex, seconded by Commissioner Kruse to receive and file ‘Peace River Manasota Regional Water Supply Authority FY 2022 Annual Comprehensive Financial Report and Independent Auditors’ Report’ as submitted and approve its submittal to the GFOA Certificate of Achievement for Excellence in Financial Reporting Program, pending the changes related to GASB 68. Motion was approved unanimously.

3. Hurricane Ian Damage and Repair Update

Chris Rogers along with Ann Lee presented an update on Hurricane Ian damage, ongoing repairs, insurance, and FEMA reimbursement.

While the Authority’s Regional supply and transmission facilities continued to operate and deliver water throughout Hurricane Ian, some of these facilities did sustain damage. At the December 7, 2022, meeting the Board authorized transfer of \$150,000 from the Disaster Recovery Reserve (DRR) to the General Fund for expenses related to Hurricane Ian, and also authorized the Executive Director to continue to transfer Disaster Recovery Reserve funds to the General Fund up to a total of \$500,000 for Hurricane Ian expenses.

As of January 31st, the Authority has expended \$326,751 on hurricane related repairs. Additional repairs are both underway and pending that will require additional funds (above the currently authorized \$500,000 from the DRR) to complete.

Staff recommended the Board authorize the Executive Director to approve transfer of funds from the Disaster Recovery Reserve to the General Fund up to a total of \$1,000,000 for Hurricane Ian repairs.

Commissioner Moran asked for clarification on the transfer and use of these Disaster Recovery funds, and if there was a timeline or plan to replenish these reserves.

Ms. Lee explained that the timeline is going to be largely dependent on the property insurance company and FEMA's claims processing response time. However, her experience thus far is that they have both been fairly quick to respond. Regarding the Disaster Recovery funds replenishment, Ms. Lee stated that she believes we could handle this within our normal budget process in the same way we do the Utility Reserve fund contributions, as a portion of the base rate calculations.

Motion was made by Commissioner Truex, seconded by Commissioner Kruse to authorize the Executive Director to approve transfer of funds from the Disaster Recovery Reserve as appropriate to continue Hurricane Ian related repairs at Authority facilities up to a total of \$1,000,000. Motion was approved unanimously.

4. FY 2023 Budget Amendment Preview

Ms. Lee discussed an amendment of the Authority's FY 2023 Budget to reflect changes associated with factors, such as unanticipated events, cost increases and additions to CIP expenses. Staff proposes to bring an amended 2023 budget to the Board at the April meeting.

5. FY 2024 Budget - Schedule and Budget Considerations

Mr. Coates provided budget considerations for Board direction in preparation of the FY 2024 Budget. The tentative budget will be brought to the Board for consideration at the April meeting.

6. CIP Grant Funding Update

Ms. Holcomb presented a progress update on the Authority's CIP grant funding initiative for the Board's information.

At the October 2022 Board Meeting, the Board approved staff to pursue state funding through the State of Florida legislative local funding initiative programs in the house and senate for three regional water supply projects. Ms. Holcomb explained that in addition, staff has been pursuing additional funding opportunities through the SWFWMD's Cooperative Funding Initiative and the Resilient Florida Program for these regional projects. The three projects and their respective future (FY23&24) funding dollar requests by funding program are described in the table below:

Project	Resilient Florida Program		SWFWMD Cooperative Funding		FEDP AWS Program	Requested State Funds FY23-24	Estimated Total Project Cost
	FY22	FY23	FY23	FY24	FY23		
PR3	\$7.25M	\$15.0M	-	\$29.0M	-	\$25.0 M	\$571.6 M
Phase 2B	-		\$0.75M	\$15.0M	\$1.5M	\$5.0 M	\$75.0 M
Phase 3C	-		\$1.25M	\$11.0M	\$2.5M	\$5.0 M	\$69.6 M

Funding has been secured.

\$13.25M in grant funding has already been secured for these regional projects. An additional \$105M in grant funding requests have been submitted for the next year’s funding cycle.

7. Regional Integrated Loop Phase 3C Interconnect – Update on Early Procurement of Materials

Mike Knowles presented an update on the early procurement of materials for the Authority’s Regional Integrated Loop Phase 3C Pipeline Project for the Board’s information.

Mr. Knowles explained that the Phase 3C Pipeline Project includes installation of approximately 9 miles of 42-inch diameter pipe in northern Sarasota County. The Garney Companies, Inc. Design-Build Team was approved at the August 3rd Board meeting to deliver the project through a Progressive Design Build procurement which is intended meet the compressed time schedule to have the Project online to meet Sarasota County’s needs by March of 2025.

The Phase 1 Scope and Fee for Design Services on the project approved at the October 2022 Board meeting, will develop the design of the pipelines and pump station to a 60% design level as well as provide the Authority with a Guaranteed Maximum Price (GMP) to complete the remaining design, permitting and construction as part of Phase 2 of the Project. In conjunction with these design efforts, in order to meet a spring 2025 project completion date, it will be necessary for the Authority (as owner) to immediately begin purchase of certain long-lead items for the Phase 3C Regional Interconnect. Owner Direct Purchase (ODP) included long lead items and was approved in the December 2022 Board meeting, with a total estimated cost of not-to-exceed \$10 Million. The Contractor solicited bids for these ODP items are shown in Table 1.

Table 1 – Current ODP Purchase Orders

Item	Company	Purchase Order
Valves	Ferguson Waterwork	\$540,468.92
Pipe	American Spiral Welded Pipe Company	\$7,866,075.00
Total		\$8,406,543.92

The Regional Integrated Loop Phase 3C Pipeline Project – Phase 2 Contract Addendum for final design, construction permitting, construction, testing, commissioning, turnover services, and development of the GMP is scheduled to be presented for Board consideration at the April 2023 Board Meeting.

GENERAL COUNSEL’S REPORT

Mr. Manson provided an update on the status of the Master Water Supply Contract Revisions for the Board's information.

EXECUTIVE DIRECTOR'S REPORT

Mr. Coates provided a legislative update for the Board's information.

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


April 5, 2023 @ 9:30 a.m.
Charlotte County Administration Center
Commission Chambers, Room 119
18500 Murdock Circle, Port Charlotte, Florida

Future Authority Board Meetings

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

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 11:20 a.m.



Commissioner Elton Langford
Chairman

BOARD APPROVED

APR - 5 2023

Peace River Manasota
Regional Water Supply Authority