

Minutes of Board of Directors Meeting  
**PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY**  
Sarasota County Administration Center  
Commission Chambers, 1st Floor  
1660 Ringling Blvd., Sarasota, FL

August 7, 2024

***Board Members Present:***

Commissioner Elton Langford, DeSoto County, Chairman  
Commissioner Joseph Tiseo, Charlotte County, Vice Chairman  
Commissioner Jason Bearden, Manatee County  
Commissioner Michael Moran, Sarasota County

***Staff Present:***

Mike Coates, Executive Director  
Doug Manson, General Counsel  
Richard Anderson, Deputy Director  
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 Authority's permanent records.

**CALL TO ORDER**

Commissioner Langford called the meeting to order at 9:31 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 welcomed guests and recognized

**HOST COUNTY REMARKS**

Mark Cunningham, Assistant County Administrator, offered the host remarks and welcomed everyone to Sarasota County.

**PUBLIC COMMENTS**

Public comment was made by Brian Armstrong, Executive Director of Southwest Florida Water Management District.

**PUBLIC HEARING – BUDGET FOR FY 2025**

**1. Open Public Hearing**

Commissioner Langford opened the public hearing at 9:35 a.m.

**2. Presentation of Budget for FY 2025**

Richard Anderson presented the proposed final budget for FY 2025.

**3. Public Comment**

There were no public comments made.

**4. Close Public Hearing**

**Motion was made by Commissioner Tiseo, seconded by Commissioner Bearden, to close the Public Hearing. The motion was approved unanimously.**

Commissioner Langford closed the public hearing at 9:53 a.m.

**BUDGET FOR FY 2025**

**1. Adoption of Budget for FY 2025**

Mr. Anderson recommended approval of the proposed final budget for FY 2025 in the amount of \$255,896,482.

**Motion was made by Commissioner Tiseo, seconded by Commissioner Moran, to approve the Budget for FY 2025 in the amount of \$255,896,482. The motion was approved unanimously.**

**2. Resolution 2024-07 ‘Resolution Setting Forth Schedules of Rates, Fees, and Charges for FY 2025’**

Resolution 2024-07 formalizes the Board adoption of the Budget for FY 2025 and establishes the rates, fees, and charges by the Authority for FY 2025 in accordance with the ‘Second Amended Interlocal Agreement Creating the Peace River Manasota Regional Water Supply Authority’ and the ‘Master Water Supply Contract.’

**Motion was made by Commissioner Tiseo, seconded by Commissioner Moran, to approve Resolution 2024-07 ‘Resolution Setting Forth Rates, Fees and Charges for FY 2025’. The motion was approved unanimously.**

**CONSENT AGENDA**

1. **Approve Minutes of the June 5, 2024, Board of Directors Meeting**
2. **Approve Resolution 2024-08 'Florida Water Professionals Month'**
3. **Approve U.S. Geological Survey Joint Funding Agreement #25MCJFA0105 for Monitoring in the Peace River**
4. **Approve Annual Regulatory Plan 2024-2025**
5. **Approve Resolution 2024-10: Second Amendment to the Authority Revolving Credit Agreement Dated October 7, 2022 with PNC Bank National Association**
6. **Approve Resolution 2024-11: First Amendment to the Authority Amended and Restated Non-Revolving Credit Agreement Dated September 28, 2022 with PNC Bank National Association**

**Motion was made by Commissioner Tiseo, seconded by Commissioner Bearden, to approve the Consent Agenda. The motion was approved unanimously.**

**REGULAR AGENDA**

Commissioner Langford announced that the order of presentations for Regular Agenda items had been rearranged to expedite action items and accommodate a possible Commissioner's absence later in the meeting. The minutes of the Regular Agenda items are listed in the order in which they were addressed by the Board.

**5. Master Water Supply Contract Revisions**

Mike Coates provided an update on revisions to the Master Water Supply Contract (MWSC).

Mr. Coates reviewed that updates to the Master Water Supply Contract (MWSC) are necessary to support the development of the next water supply source (Surface Water System Expansion Program) and allocation of the 18 MGD annual average day quantity generated by that new supply. Specifically, Exhibits A, B, C, and F in the Master Water Supply Contract will require an amendment to support the new regional water supply allocation. These exhibits deal with capacity allocation at the Peace River Facility and the DeSoto County payment.

At the Board's direction, staff met with the customer's administrators to discuss the presented changes to the Master Water Supply Contract Exhibits—particularly the methodology for Exhibit A (DeSoto Payment)—to develop a recommendation from that group for the Board's consideration. Two Administrators' meetings were held (May 17 and August 1), and consensus was reached on the proposed changes to Exhibits A, B, C, and F at the August 1, 2024 meeting and were presented for the Board's consideration.

Mr. Coates discussed that Exhibit C outlines the new water supply demands from the region, including requests from Charlotte (3 MGD), DeSoto (1 MGD), Sarasota (12-14 MGD), and North Port (0-2 MGD). He said that North Port's decision on capacity is contingent on their development of a potential agreement with the developer for Wellen Park. If North Port does not take 2 MGD, that amount will be reallocated to Sarasota County. He continued that Exhibit B summarizes the current and new water capacity allocations, while Exhibit F addresses cost allocation based on these changes.

Mr. Coates stated that after extensive discussions among administrators, a consensus proposal for Exhibit A, the DeSoto payment, was reached to gradually increase the payment starting in 2026, reaching a cap of \$3 million by 2036. Contributions will be split between members, with Manatee County's share gradually increasing due to their current lack of water allocation.

Mr. Coates stated that the goal is to finalize these changes and send them to customers for approval by November 15, aiming for the Board to approve the third amendment to the Master Water Supply Contract at the December 4, 2024, meeting. Execution of the MWSC is crucial to meeting the 2028 water delivery deadline.

Commissioner Tiseo asked for clarification on the allocation commitments in Exhibit C and the arrangement with the City of North Port and Sarasota County. He asked if his understanding was correct that Sarasota County already determined its needs are 12 MGD, but it's willing to take on the responsibility of an additional 2MGD if the City of North Port comes back and decides not to participate?

Mr. Coates confirmed that, yes, this is correct. If North Port does not take 2 MGD, that amount will be reallocated to Sarasota County. Their Board has approved taking up to 17 MGD from the project should no other customers want this amount, they will take whatever is left.

**Motion was made by Commissioner Tiseo, seconded by Commissioner Moran, to approve the Third Amendment to the Peace River Manasota Regional Water Supply Authority Master Water Supply Contract and authorize transmittal of the Third Amendment (including Exhibits) to Authority Customers for approval by their respective County and City Commissions. The motion was approved unanimously.**

Commissioner Tiseo thanked the respective county administrators and staff who worked on this contract update. A lot of work went into coming up with these different schedules and getting us here. He continued that he was glad to see that, at this point, Manatee appears to be participating in the process. He felt it was good for all the members to remain and participate in this together.

#### **4. 2014B Bond Refunding & Phase 3C Pipeline Financing**

Ann Lee, along with the Authority's Financial Advisor, Natalie Sidor of Public Resource Advisory Group, and the Authority's Bond Counsel, Tom Giblin of Nabors Giblin & Nickerson, presented the documents for refunding the Bond Series 2014B and Phase 3C Pipeline financing for the Board's information and consideration for approval.

**Motion was made by Commissioner Moran, seconded by Commissioner Tiseo, To Approve Resolution 2024-09 'A Resolution Of The Board Of Directors Of The Peace River/Manasota Regional Water Supply Authority Supplementing A Resolution Entitled "A Resolution Of The Board Of Directors Of The Peace River/Manasota Regional Water Supply Authority, Authorizing The Issuance Of Not Exceeding \$95,000,000 In Aggregate Principal Amount Of Utility System Revenue Bonds, Series 2005A And Not Exceeding \$45,000,000 In Aggregate Principal Amount Of Utility System Refunding Revenue Bonds, Series 2005B To Finance The Cost Of Making Improvements To The System And To Refinance Certain Indebtedness Of The Authority; Pledging The Net Revenues Derived From Or Resulting From The Operation Of Such System To Secure Payment Of The Principal Of And Interest On Said Bonds; Providing For The Rights Of The Holders Of Said Bonds; And Providing For An Effective Date For This Resolution; "Authorizing The Refunding Of All Or A Portion Of The Utility System Refunding Revenue Bonds, Series 2014B And The Acquisition And Construction Of Certain Capital Improvements; Authorizing The Issuance Of Its Peace River/Manasota Regional Water Supply Authority Utility System Refunding Revenue Bonds, Series 2024A In An Aggregate Principal Amount Not To Exceed \$60,000,000 In Order To Effect Such**

**Refunding And Its Peace River/Manasota Regional Water Supply Authority Utility System Revenue Bonds, Series 2024B In An Aggregate Principal Amount Not To Exceed \$47,000,000 In Order To Finance Such Capital Improvements; Authorizing A Negotiated Sale Of Said Bonds; Delegating Certain Authority To The Executive Director For The Authorization, Execution And Delivery Of A Purchase Contract With Respect Thereto And The Approval Of The Terms And Details Of Said Bonds; Establishing A Book-Entry System Of Registration For The Bonds; Appointing The Paying Agent And Registrar For Said Bonds; Authorizing The Distribution Of A Preliminary Official Statement And The Execution And Delivery Of An Official Statement With Respect Thereto; Authorizing Execution And Delivery Of An Escrow Deposit Agreement And Appointing An Escrow Agent Thereto; Authorizing The Execution And Delivery Of A Continuing Disclosure Certificate; And Providing An Effective Date.** The motion was approved unanimously.

## CHAIRMAN'S REPORT

### 1. Executive Director Transition

#### a. Employment Agreement for Executive Director with Richard Anderson

Commissioner Langford reviewed the agreement for the Executive Director with Mr. Anderson, negotiated as directed by the Board during the discussion of the Executive Director succession plan at the June 5, 2024, Board meeting.

**Motion was made by Commissioner Moran, seconded by Commissioner Tiseo, to approve and authorize the Chairman to execute the negotiated employment agreement for Executive Director with Richard Anderson. The motion was approved unanimously.**

#### b. Amendment to Employment Agreement for Executive Director with Mike Coates

Commissioner Langford reviewed the amendment to the employment agreement for the Executive Director with Mr. Coates, negotiated as directed by the Board during the discussion of the Executive Director succession plan at the June 5, 2024, Board meeting.

**Motion was made by Commissioner Moran, seconded by Commissioner Tiseo, to approve and authorize the Chairman to execute the negotiated amendment to the employment agreement to Senior Advisor with Mike Coates. The motion was approved unanimously.**

## REGULAR AGENDA

### 3. Southwest Florida Water Management District FY 2026 Cooperative Funding Initiative Applications

Mike Knowles presented the FY 2026 Cooperative Funding Initiative applications for the Southwest Florida Water Management Districts (SWFWMD) that are due October 4, 2024. Four (4) Authority projects are proposed for submittal, requesting a minimum of 50% funding of eligible costs for each project. SWFWMD policy requires that an applicant provide a funding order ranking if more than one project is submitted in a funding year. The recommended project ranking is shown in the table below:

Rank	Project	Estimated Project Cost*
1	Peace River Regional Reservoir No. 3 Project (Q272)	\$375,077,000
2	Regional Integrated Loop System Phase 3C (Q313)	\$70,270,000
3	Regional Integrated Loop System Phase 2B (Q355)	\$87,440,000
4	Peace River Facility (PRF) Expansion	\$168,120,000

Mr. Knowles explained that these projects already have current co-funding agreements in place. The submittal of these projects for the upcoming funding year ensures they will be considered for continued funding.

**Motion was made by Commissioner Tiseo, seconded by Commissioner Moran, to authorize the submittal of the Authority’s FY 2026 Cooperative Funding Initiative Applications to the Southwest Florida Water Management District for four regional projects and approve the recommended project cooperative funding ranking. The motion was approved unanimously.**

**2. Projects Update**

Mr. Knowles provided the Board with an update on four ongoing projects in the Authority’s 5-Year Capital Improvements Program. The table below identifies the projects and their status:

No.	Project	Current Project Status
1	Peace River Reservoir No. 3 Project	Reservoir Storage - Working on Final Design and Permitting; Pumping & Conveyance - Working on Final Design.
2	Regional Integrated Loop System Phase 3C	Pipeline 2.7 Miles Installed to date; Pump Station - Working on 30% Design.
3	Regional Integrated Loop System Phase 2B	Pipeline 1.7 Miles Installed to date.
4	Peace River Facility (PRF) Expansion	Pilot Testing Completed; Project Design is ongoing.

**1. Water Supply Conditions Report**

Jim Guida presented the water supply conditions at the Peace River Facility as of July 20, 2024, for the Board’s information:

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

July Water Demand	27.54 MGD
July River Withdrawals	54.80 MGD
<u>Storage Volume:</u>	
Reservoirs	5.23 BG
ASR	<u>8.31 BG</u>
Total	13.54 BG

**GENERAL COUNSEL’S REPORT**

Mr. Manson has no further updates for the Board.

**EXECUTIVE DIRECTOR’S REPORT**

Mr. Coates expressed his gratitude and appreciation for the years of support the Board has shown during his career at the Authority.

**ROUTINE STATUS REPORTS**

There were no Board comments on routine status reports.

**BOARD MEMBER COMMENTS**

There were no additional Board comments.

**PUBLIC COMMENTS**

Katie Knowles, Emily Knowles, Zachary Hudson, Mike Condran, and Patrick Lehman made public comments.

**ANNOUNCEMENTS**

Next Authority Board Meeting

October 2, 2024 @ 9:30 a.m.  
Charlotte County Administration Center  
Commission Chambers, Room 119  
18500 Murdock Circle, Port Charlotte, FL

Future Authority Board Meetings

December 4, 2024 @ 9:30 a.m. – DeSoto County

**ADJOURNMENT**

With no further business to come before the Board, the meeting adjourned at 10:52 a.m.

**BOARD APPROVED**

**OCT - 2 2024**

**Peace River Manasota**  
Regional Water Supply Authority

  
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Commissioner Elton Langford  
Chairman