

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 4, 2024

***Board Members Present:***

Commissioner Elton Langford, DeSoto County, Chairman  
Commissioner Joseph Tiseo, Charlotte County, Vice Chairman  
Commissioner Jason Bearden, Manatee County  
Commissioner Ron Cutsinger, Sarasota County

***Staff Present:***

Richard Anderson, Executive Director  
Doug Manson, General Counsel  
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 9:30 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 welcomed guests.

**HOST COUNTY REMARKS**

Greg Harris, DeSoto County Utilities Director, offered the host remarks and welcomed everyone to DeSoto County.

**PUBLIC COMMENTS**

Public comment was made by Orvell Howard.

**AWARDS/RECOGNITIONS**

**1. Employee Service Awards**

Authority staff, along with board members, presented service recognition awards to dedicated employees who achieved significant milestones in service with the Authority.

**2. Government Finance Officers Association Certificate of Achievement Award**

Richard Anderson announced that for the sixth 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, 2023.

**CONSENT AGENDA**

- 1. Approve Minutes of the October 2, 2024 Board of Directors Meeting**
- 2. Approve Board of Directors Meeting Schedule for CY 2025**
- 3. Approve Special District Public Facilities Report (December 2024)**
- 4. Approve CY 2025 Peace River Hydrobiological Monitoring Program (HBMP) Work Order with Environmental Science Associates**
- 5. Approve Regional Integrated Loop Phase 3C Easement Acquisition**
- 6. Approve Resolution 25-01 Authorizing Alternate Signatory Delegation**
- 7. Approve Receiving Hurricane Ian Damage Repair Update**
- 8. Approve Declaration of Surplus**

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

**REGULAR AGENDA**

**1. Water Supply Conditions and Year-End Summary for FY 2024**

Jim Guida presented the Water Supply Conditions at the Peace River Facility as of November 20, 2024 and Year-End Summary for FY 2024 for the Board’s information.

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

November Water Demand	28.66 MGD
November River Withdrawals	47.30 MGD

<u>Storage Volume:</u>	
Reservoirs	6.68 BG
ASR	<u>8.75 BG</u>
Total	15.43 BG

**2. 2024 Hurricane Season Update**

Doug Leath gave the Board an update on the 2024 hurricane season and its effects on Authority facilities and operations. Mr. Leath reviewed that this season was an active one for the four-county region the Authority serves with 3 tropical systems impacting the Region. Debby, Helene and Milton combined to create historic rainfall and flooding in the area as well as storm surge effects to our coastal communities. Milton made landfall near Siesta Key as a Category 3 hurricane with sustained winds of 120 mph. The Peace River Facility (PRF) experienced tropical storm and hurricane-force winds and rainfall totaling 7.64” because of the 3 storms (about 15% of average annual rainfall). Mr. Leath stated that the Authority’s regional supply and transmission facilities continued to operate and deliver water throughout these events and sustained minimal superficial damages.

Commissioner Tiseo asked if the Authority had a direct FPL liaison available to us during the storms when the Authority lost power. Mr. Leath stated that we have an account representative who was not physically present but who stayed in touch and was always responsive.

**3. Third Amended Master Water Supply Contract - Final Action**

James Guida provided a status update on revisions to the Master Water Supply Contract (MWSC) and recommended final action.

Mr. Guida 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.

Draft updates of four (4) Exhibits (A, B, C, and F) in the MWSC were approved at the August 2024 Authority Board Meeting and transmitted to Authority Customers for their respective County and City Commissions' approval. Mr. Guida stated that all Master Water Supply Contract changes require approval by all parties to the agreement and announced that all five Authority Customers approved these amendments to the MWSC agreement on September 24, 2024, and October 22, 2024.

Staff recommended that the Board approve the Third Amended Master Water Supply Contract, including Exhibits A, B, C, and F, based on unanimous customer approvals as required in the agreement.

**Motion was made by Commissioner Tiseo, seconded by Commissioner Cutsinger to approve the Third Amended Peace River Manasota Regional Water Supply Authority Master Water Supply Contract. The motion was approved unanimously.**

#### 4. 2025 Projects Schedule Milestones

Mr. Knowles presented information on the Authority's 2025 project schedule milestones to the Board. He explained that the Authority is embarking on its largest-ever 5-year Capital Improvement Plan (CIP), with the Surface Water Supply Expansion Project as its largest component. He provided updates on the projects and the Professional Services Contract schedule and outlined the strategy for advancing the 5-year CIP through design and construction in alignment with the 2025 calendar year Authority Board meetings. Additionally, Mr. Knowles reviewed the approach and proposed financing schedule for packaging the projects to secure CIP funding, as well as the associated construction, engineering, and inspection activities.

Commissioner Tiseo asked for staff's perspective on the current financing landscape. He said that he knew projections had been made earlier but also knows a lot has changed since those earlier discussions. Ms. Lee acknowledged the dynamic economic climate and emphasized the importance of staying attentive over the next month or two, especially with potential economic impacts as President Trump begins his second term. She mentioned that kickoff calls were starting this week with PRAG and the Authority's bond counsel to discuss project timing and ensure funding packages align with the schedule required by Mike to start the projects. Ms. Lee expressed hope that interest rates would continue to decline gradually, as that would be highly beneficial.

Commissioner Tiseo stated he was curious about a rate change or potential rate change's impact on the current modeling for the ratepayers and their cost of construction. Ms. Lee explained that a change in the interest rate will affect any modeling efforts and should be continually updated for those interest rate changes. She said that we are currently updating the Authority's own internal model for the refunding effort just completed with a savings of about \$9 Million, as well as the Phase 3C financing efforts so that we can really dive deep into the perspective interest rates PRAG forecasts.

Commissioner Cutsinger noted that direct owner purchase for electrical was mentioned and asked if this approach would be applied to other aspects of projects to help reduce the project costs. Mr. Knowles replied, yes, absolutely. Contractors for both the Surface Water Expansion and PR3 Project are on board, and their goal is to identify all major items we can purchase through Owner-Direct purchase. The earlier, the better, because inflation only appears to be going up. He stated that the electrical just came to the forefront because schedule-wise, we need that to happen sooner rather than later.

#### 5. Owner Direct Purchase of Pipe Materials for PR3

Mr. Knowles presented the owner direct purchase of pipe materials for the PR3 Project for the Board's consideration and action. He reviewed that the Authority has successfully procured steel pipe through the owner-direct purchase (ODP) process in two prior large-diameter pipeline projects, the Phase 2B and 3C pipelines. Those ODPs represent a savings of over \$5 million combined for both pipeline projects, which is in part due to the tax savings, timing of the steel coil market, and general inflation based on today's non-material costs (i.e., labor, fuel, etc.).

Mr. Knowles discussed that the Peace River Regional Reservoir No. 3 (PR3) Project includes several components with large diameter pipelines represented in Volume 4 Conveyance Pipelines. This Volume 4 portion of the PR3 project is anticipated to need a large-diameter pipe delivered to the RV Griffin Reserve beginning in December 2025. While the lead time for production is on the order of 4-5 months, the steel coil market is currently trending low when compared to the last three years. Our neighboring water authority to the north, Tampa Bay Water, recently authorized the purchase of a 60-inch diameter steel pipe. He stated

that while the future steel coil market pricing is uncertain, staff recommends the purchase of the Volume 4 Conveyance Pipeline steel pipe, associated pipe fittings, and valves at this time.

**Motion was made by Commissioner Tiseo, seconded by Commissioner Cutsinger to authorize the Executive Director to approve the purchase of materials for the Peace River Regional Reservoir No. 3 not to exceed \$7 million dollars for items that are being procured under Section 5.4.4 of the Authority's Procurement Policy. The motion was approved unanimously.**

#### GENERAL COUNSEL'S REPORT

Mr. Manson discussed that the Authority and the Progressive Design-Build Team for the Regional Integrated Loop Phase 2B Project have been pursuing easements through the Myakka State Forest. The alternative to the easement through the forest represents a capital cost savings to the Phase 2B Project in excess of \$5 Million as the alternative was open cutting the adjacent road, Campbell Street, and acquiring easements on privately held waterfront property.

Mr. Manson explained that the Myakka State Forest is co-owned by the Southwest Florida Water Management District (SWFWMD) and the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida. The SWFWMD approved the easements as part the October 22, 2024, Governing Board Meeting. The Florida Department of Environmental Protection (FDEP) approved the easements at their November 1, 2024, Acquisition and Restoration Council Meeting contingent on a net-positive benefit commitment from the Authority as agreed to by the department managing the forest, Florida Department of Agriculture & Consumer Services.

The Authority has been working with the Florida Forest Service, a division under the Florida Department of Agriculture & Consumer Services, to establish a net-positive benefit for the project. The Florida Forest Service compensation is 1.5 times the opinion of value for the 14.5-acre easements estimated at \$123,150 (1.5 x \$82,100) plus any fees (i.e. recording, survey, etc.) set by FDEP. Those funds will be wired to the Friends of Florida State Forest (FFSF) / Myakka State Forest, a direct support organization of the Florida Forest Service that supports recreation and reforestation projects on Florida's state forests. Mr. Manson stated that the Authority will also set a fence along the easement separating the Phase 2B pipeline from the residential lots north of the Myakka River for approximately 1.35 miles. The funds to FFSF and the fence satisfy the Florida Forest Service's net-positive benefit for the Phase 2B easements.

**Motion was made by Commissioner Cutsinger, seconded by Commissioner Tiseo to authorize the Executive Director to approve a Letter of Commitment to the Florida Department of Agriculture & Consumer Services and funds not to exceed \$130,000 for Friends of Florida State Forest / Myakka State Forest. The motion was approved unanimously.**

Mr. Manson commended the Board for their actions to continue building a resilient water supply system to meet the future needs our 4 County region.

#### EXECUTIVE DIRECTOR'S REPORT

Mr. Anderson had no further updates to the Board.

#### ROUTINE STATUS REPORTS

There were no Board comments on routine status reports.

**BOARD MEMBER COMMENTS**

There were no additional Board comments.

**PUBLIC COMMENTS**

There were no additional public comments.

**ANNOUNCEMENTS**

**Next Authority Board Meeting**


February 05, 2025 @ 9:30 a.m.  
Peace River Facility  
Water Quality and Training Center  
8998 SW County Rd. 769, Arcadia, Florida

**Future Authority Board Meetings**

April 2, 2025 - Charlotte County  
June 4, 2025 - Sarasota County  
August 6, 2025 - Manatee County  
October 1, 2025 - DeSoto County  
December 3, 2025 - Charlotte County

**ADJOURNMENT**

With no further business before the Board, the meeting adjourned at 10:25 a.m.

  
Chairman Joe Tiseo

**BOARD APPROVED**

**FEB - 6 2025**

**Peace River Manasota  
Regional Water Supply Authority**