

Minutes of Board of Directors Meeting  
**PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY**  
Sarasota County Administration Center  
Commission Chambers, First Floor  
1660 Ringling Boulevard, Sarasota, Florida

***Board Members Present:***

Commissioner Christopher G. Constance, Charlotte County, Chairman  
Commissioner Alan Maio, Sarasota County, Vice Chairman  
Commissioner Elton A. Langford, DeSoto County  
Commissioner John R. Chappie, Manatee County

***Staff Present:***

Patrick Lehman, Executive Director  
Doug Manson, General Counsel  
Mike Coates, Deputy Director  
Kevin Morris, Science and Technology Officer  
Richard Anderson, System Operations Manager  
Ann Lee, Finance/Administration Manager  
Ford Ritz, Project Engineer  
Jessica Benson, 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. Commissioner Constance recognized Charlotte County Commissioners Ken Doherty and Bill Truex, and North Port Commissioner Cheryl Cook.

**CALL TO ORDER**

**INVOCATION**

**PLEDGE OF ALLEGIANCE**

**HOST COUNTY ADMINISTRATOR REMARK**

Mark Cunningham, Sarasota County Assistant Administrator, provided opening remarks. Mr. Cunningham also introduced Jonathan Evans as the new county assistant administrator who will be assuming his role with the County with regards to the Authority.

**PUBLIC COMMENTS**

Joe Gilberti, LandTech Design Group, spoke about a groundwater supply on property in Sarasota County.

Sam Esber, Nokomis, Florida spoke about the spring water source.

**RESOLUTIONS/PRESENTATIONS**

**1. Employee Service Recognition**

The Authority recognized the following employee for their service:

Milestone	Employee	Position
10 Years	Mike Coates	Deputy Director

**CONSENT AGENDA**

Commissioner Constance requested Consent Item 3 to be removed for discussion.

1. Minutes of July 28, 2016 Board of Directors Meeting
2. Annual Regulatory Plan 2016-2017
3. [REMOVED FOR DISCUSSION] ‘Classification & Pay Plan’ Pay Range Indexing
4. Award Contract the ‘Peace River Intake Pump Station Dredge Project’ to Marine Contracting Group Inc. and authorize the Executive Director to execute the contract for \$262,669
5. Letter of appreciation to Linda Stewart for service to the Authority upon retirement
6. Letter of appreciation to Wendy Griffin for service on the SWFWMD Governing Board
7. Letter of appreciation to Thomas Bronson for service on the SWFWMD Governing Board

Motion was made by Commissioner Langford, seconded by Commissioner Chappie, to approve the consent agenda, with the exception of Item 3. Motion was approved unanimously.

**3. ‘Classification & Pay Plan’ Pay Range Indexing**

Commissioner Constance asked why Desoto County was not part of the salary survey charts for the classification and Salary Range Indexing. Ms. Ann Lee explained all member counties were contacted, but Desoto County did not respond to the request for information.

Commissioner Constance questioned why Lee County was included and has a higher pay scale than the other counties. Ms. Lee responded that Lee County was included because it is direct competition for jobs and provides a full picture of current labor market.

Motion was made by Commissioner Chappie, seconded by Commissioner Langford, to approve the ‘Classification & Pay Plan’ Pay Range Indexing of 5% effective October 1, 2016. Motion was approved unanimously.

**REGULAR AGENDA**

**1. Water Supply Conditions – Staff Report  
Presented by Richard Anderson, System Operations Manager**

Mr. Anderson said we had unusual weather in August –September period with hurricane Hermine and extra wet weather after the hurricane. This weather provided higher amount of rainfall in the Florida west coast but did not reach the Peace River basin. Rainfall in the Peace River basin has been average around 8 inches. River flow, after hurricane Hermine made landfall, was between 1,000 - 6,000 cubic feet per second [cfs]. River withdrawal in August was 38.52 MGD and September was 10.97 MGD. Surface

water storage is at 6.34 BG for both reservoirs and there is 6.39 BG in the ASR system. Water quality and water quantity is excellent.

Commissioner Constance requested to add weather information on the reports to provide a clear understanding in the historical record of the withdrawals and conditions. Commissioner Maio agreed.

Commissioner Constance asked if the ASR can be over filled. Mr. Anderson said it is not physically possible.

For the region, Mr. Anderson said the Authority and its customers maintain close to 104.7 MGD of finished water supply capacity. For the month of August, the Authority produced about 22.5 MGD and the member utilities produced 40.0 MGD for a total regional use of 62.5 MGD which is about 60% of the region's capacity.

Mr. Anderson reviewed the current demand and supply conditions for each of the members/customers for the month of August including their twelve-month rolling average and historical annual average usage.

Commissioner Constance opined that everyone seems to be using little less water and queried if that was due to efficiencies. Mr. Anderson responded that the values for FY 2015 were fairly close to FY 2016.

Authority members continue to account for about 75% of the region's demand.

## **2. MBDV P.A. Agreement for General Counsel Services First Amendment**

Mr. Manson explained that the Agreement for General Counsel Services with Manson Bolves Donaldson Varn, P.A was entered into August 5, 2015 for a term of three years (October 1, 2015 through September 30, 2018). The Agreement authorizes FY 2016 fees for in-scope activities not to exceed \$180,000. For each subsequent Agreement year, the Board is to set the amount for legal services by amendment.

Mr. Manson stated the amendment is to establish a maximum fee amount for FY 2017 for \$180,000 dollar, same as FY 2016. Mr. Manson said all other provisions of the Agreement remain the same.

Commissioner Constance clarified that the original contact was 3 years, but it set up so it can be re-visited each year to confirm or change the fee amount. The amendment is for one year FY 2017. Mr. Manson said that is correct, next year there will be another amendment.

Commissioner Constance said invoices for FY 2016 through 11 months so far are \$ 142,320 and the fiscal year should finish well below the maximum fee amount allowed.

**Motion was made by Commissioner Langford, seconded by Commissioner Chappie, to approve First Amendment of the Agreement of General Counsel Services with MBDV, PA. Motion was approved unanimously.**

### 3. State Lobbyist Services Selection

Mr. Leman said the Authority issued Request for Proposals (RFP) for State Lobbyist services which it includes not only legislative services but DEP and SWFWMD. It was properly noticed per the Authority's Procurement Policy. Four (4) firms submitted proposals in response to the RFP:

- Diana R Salz, Governmental Consulting
- Manson Bolves Donaldson Varn, P.A.
- Peebles & Smith LLC
- The Advocacy Group at Cardenas Partners, LLC

All four member counties' administrators were notified to provide the option for them to appoint a member to the selection committee. Mandy Hines from DeSoto County and Emily Lewis from Charlotte County were volunteered to participate on the selection committee as well as Ann Lee and Patrick Lehman from the Authority. Manatee and Sarasota Counties did not respond to the request.

The selection committee reviewed and ranked the submittals. Two firms ranked high and two ranked low.

The selection committee recommended two firms to the board which have the highest scores for presentations and Board selection:

- Diana R Salz, Governmental Consulting
- Manson Bolves Donaldson Varn, P.A.

Commissioner Constance asked why Sarasota and Manatee were not represented on the selection committee. Mr. Lehman said he did not receive a response from either of the counties and the ultimately the selection is up to the board.

Commissioner Constance said the total score criteria was 105 total points. Diana Salz scored 90, Manson Bolves Donaldson Varn PA 95, the Advocacy Group and Peebles 70. Commissioner Constance also asked if only the top two firms were invited. Mr. Lehman said because of the large difference in scores between the top 2 and the bottom 2 firms, the selection committee recommended to invite only the top 2 firms.

Commissioner Constance asked if the selection committee had any verbal conversation with the firms and if the committee only used the submittals for scoring. Mr. Lehman said the selection committee did not contact the firms. It is not policy to contact them unless requested by the selection committee if more information was needed.

Commissioner Maio clarified Sarasota County did not send a representative to the selection committee not because of lack of interest; they had a discussion and decided not to send a participant. They will handle it differently in the future.

Mrs. Laura Donaldson form MBDV presented first. She had 18 years of experience. She has been a lobbyist since 2001. She has been working with PRMWSA since 2003 in legal issues and also assisting with legislative issues. Mrs. Donaldson worked at SWFWMD as general counsel. She had experience in special districts, environment, growth management, and local government issues.

Diane Salz was next with her presentation. She is the owner of her consulting firm. She has served the Authority for the past 10 years. Her expertise was in government affair with 30 years of experience in Tallahassee. She has successfully secured \$35M for the Authority during her 10 years of service with

\$6M dollars in the last three years.

Commissioner Constance asked Mr. Manson if his firm would be able to separate the fees for each contract legal and lobbyist if MBDV were to be selected. Mr. Manson said they have done it in the past, and that is why their proposed lobbyist fee is only \$36,000 per year because of the synergy between legal and legislative services.

Commissioner Langford asked if they were voting by ballot. Commissioner Langford said he appreciate the work Diana Salz and MBDV have done for the Authority and he has no problem with Diana Salz continuing with government services and Manson with legal services and working together as in the past. Commissioner Langford recommendation was for Mrs. Diane Salz.

Commissioner Constance asked the term of the contract. Mr. Lehman responded that the contract is a three years contract with two one year renewals.

Commissioner Maio expressed concern about the length of the contract. He said he is concerned about making a decision for the next five year and the success of the two teams working together. Commissioner Maio said his vote was of Diane Salz.

Commissioner Constance asked Mr. Lehman if they could change terms of the agreement to two year contract with three one year renewal to have flexibility. Mr. Leman added the contracts can be cancel with 30 day prior notice.

Commissioner Maio if the contact could be changed to two year with three one year option. Mr. Lehman said that was not an issue if the other party agrees.

Commissioner Langford asked Mrs. Salz if she agreed to the new contract terms. Mrs. Salz agreed.

Commissioner Constance stated that would be part of the motion.

Commissioner Chappie said both firms had the expertise to do the job. The Authority had great success so far and for that reason he didn't see the reason to switch. Commissioner Chappie recommended Mrs. Diane Salz.

**Motion was made by Commissioner Langford, seconded by Commissioner Constance to authorize Executive Director to execute Agreement for State Lobbyist Services with Diane Salz [2 year term with three one-year renewal option]. Motion was approved unanimously.**

#### **4. Southwest Florida Water Management District FY 2018 Cooperative Funding Applications**

Mr. Mike Coates presented information for FY 2018 Cooperative Funding Initiative applications for the Southwest Florida Water Management Districts (SWFWMD) that are due on October 7, 2016. Mr. Coates provided information on four Authority projects which are proposed for submittal requesting up to 50% of eligible costs for each project. Recommended project ranking is shown in table below.

Rank	Project	Estimated Project Cost
1	Regional Integrated Loop System - Phase 3B Interconnect [S.R. 681 to Clark Road]	\$26.9 M
2	Regional Integrated Loop System - Phase 3D Interconnect [Fruitville Road to Manatee County]	\$4.95 M
	Regional Integrated Loop System – Phase 4 Interconnect (Segment 1) [Burnt Store WTP to Phase 1A]	\$4.9 M
4	Partially Treated Surface Water ASR	\$7.7 M

Commissioner Maio pointed out a misspelling on the regular agenda to correct to Fruitville so there would not be any misunderstanding in the future.

**Motion was made by Commissioner Langford, seconded by Commissioner Maio, to authorize submittals of FY 2018 Cooperative Funding Initiative Applications to SWFWMD for four projects adopt recommended project co-funding ranking. Motion was approved unanimously.**

**5. Partially Treated Water Aquifer Storage & Recovery (ASR) Concept**

Mr. Coates provided a presentation. The Authority owns and operates the largest aquifer storage and recovery (ASR) System in the eastern United States. The system has been installed incrementally over more than 30 years and now includes 21 ASR production wells and 24 monitoring wells. While this system is a critical storage component, contributing to the yield and reliability of the Peace River Facility, it is operationally expensive. Water in ASR is fully treated twice to drinking water standards; first prior to injection in accordance regulatory requirements; and again on recovery because of the potential of naturally occurring arsenic picked up during storage in the limestone aquifer. Operationally this makes water from ASR twice as expensive as water from the reservoir system.

In April 2016, staff briefed the Board on a concept evaluation recently completed for the Authority by CH2M for the option of storing partially treated surface water, rather than fully treated water in the ASR system. The CH2M study indicated that significant operational cost savings were possible for the Authority assuming the partially treated ASR concept could be proven up, permitted and implemented.

In August the Authority submitted an application to the DEP to modify the ASR system operating permit to allow pilot testing of the partially treated surface water concept at two wells in ASR Wellfield 2. Staff expects that the DEP will issue this permit modification this month which will provide for pilot testing.

Work Order 16-04 to CH2M is for turn-key services to complete pilot testing of the partially treated water ASR concept in accordance with the requested permit modification. Up to three cycles (one cycle = recharge + storage + recovery) of testing/monitoring results from the production wells and surrounding monitor wells will be evaluated to assess the efficiency of using partially treated surface water for ASR at the Authority’s site. Testing is expected to be completed by fall 2017. Test results will be presented to the Board, and if favorable and approved by the Board, modification of the Authority’s ASR permits would be requested from DEP.

With successful permit modification, future work on the project would include design and construction of new pumping facilities adjacent to Reservoir 1 to enable recharging ASR with partially treated surface water. The FY 2017 budget CIP includes this project, with completion anticipated in 2020.

Notice to proceed on Work Order 16-04 will only be issued upon DEP approval of the requisite permit modification. Staff recommends approval of Work Order 16-04 to CH2M for an amount not to exceed \$199,586.

Commissioner Constance asked if we are getting cooperative funding for this project or if it is coming from our general funds. Mr. Coates said at this point, the pilot testing will come from the general fund. The Board earlier in the meeting approved submittal of an application for SWFWD funds in FY 2018 for this project. Mr. Coates said he can go back to SWFWMD and asked for out of cycle funding. Commissioner Constance also asked if it can be part of the motion to try to get cooperative funds. Mr. Coates said yes.

**Motion was made by Commissioner Langford, seconded by Commissioner Chappie, to approve Work Order 16-04 'Partially Treated Surface Water ASR Pilot Study' to CH2M for an amount not to exceed \$199,586 [and to request funding from SWFWMD prior to FY 2018 for the project]. Motion was approved unanimously.**

## **6. Annual Review of Executive Director**

Commissioner Constance said everyone had the chance to review the evaluation and the motion was to accept the Executive Director evaluations.

**Motion was made by Commissioner Maio, seconded by Commissioner Langford to accept the Executive Director evaluations. Motion was approved unanimously.**

[Commissioner Chappie later in the meeting requested to return to this agenda item.]

Commissioner Chappie asked if there was a recommendation for a raise made by the Chair. He said that there was no recommendation from the Chairman and they just accepted the evaluations and they did not discuss anything else. Commissioner Chappie asked Commissioner Constance if he had any recommendation for a salary increase.

Commissioner Constance said he didn't have any recommendation. He thinks the executive director is well compensated with his salary, car allowance, and health insurance.

Commissioner Chappie said he would like to hear from the other board members. Commissioner Chappie said an increase for the cost of living 4% would be more than appropriate.

Commissioner Langford said in the past this was normally discussed, and he agrees to a 4% or a living adjustment.

Commissioner Maio said it can be a cost of living adjustment or 4% raise.

Commissioner Chappie said Manatee County usually does raises for employees of 4%, average. He said Mr. Lehman has an excellent review over the last year. Commissioner Maio said he had no problem for 4% increases.

Commissioner Constance asked Mr. Lehman about his compensation. Mr. Lehman provided details of his compensation package.

**Motion was made by Commissioner Maio, seconded by Commissioner Chappie, to approve 4% pay increase for Executive Director. Motion was approved 3 to 1 with Commissioner Constance dissenting.**

#### **GENERAL COUNSEL'S REPORT**

Mr. Manson talked about the 40 feet wide 300 feet deep sinkhole at Mosaic site in Polk County. The incident was reported to DEP on August 28, 2016. On September 23, 2016 The DEP and EPA representatives went to the site to investigate what Mosaic was doing to capture all the contaminated water.

Mr. Manson said all water is flowing to the West. It is not an issue for the water to flow into the Peace River. Mosaic is testing and pumping water from 28 wells, samples have been collected from a 3 mile radius of the site and no increased radiation has been detected. Mr. Manson said this is not going to harm the Peace River because of the location, distance and flow direction of both surface water and the groundwater.

Commissioner Constance asked if they are testing what is flowing into the sinkhole. Mr. Manson said he had called DEP and asked, but he has not received a response yet. Mr. Manson will provide more information.

#### **EXECUTIVE DIRECTOR'S REPORT**

##### **1. Legislative Priorities**

Mr. Lehman said has included draft Legislative Priorities for 2017 for board review. Final action will be requested at the December board meeting. This draft will include funding request submitted to SWFWMD for state water projects. Mr. Lehman added that part of the priorities is to keep track of the implementation of new legislation for the Springs Act and Central Florida Initiative that will be doing rule making. Another priority is to keep track where the money is going for Amendment 1 and to keep inform in order to get a fair share. Mr. Lehman said in the federal level, we do not have a federal lobbyist, but we work with national organizations and their services in order to keep track on issues at that level.

##### **2. Orange Hammock Ranch Conservation – Update**

Mr. Lehman stated that an update on Orange Hammock Ranch Conservation efforts was presented at a joint meeting of the Sarasota County BOCC and North Port City Commission on September 12. He asked the Chairman to recognized Commissioner Maio to provide input on the joint meeting.

Commissioner Maio said various jurisdictions involved, the State, the Counties, and SWFWMD made representations. It was said that the desire to support the purchased was with full recognition that at no time it was intend to put a third reservoir, nor an attempt to touch any potable surface water that flows to the south and can be used by North Port for its system. Commissioner Maio said Sarasota County, Manatee County, Charlotte County, Desoto County, the City of North Port and the Authority have unanimously voted in favor of purchasing this property. The price is coming up approximately the appraised value. Negotiations are still occurring. The property owners indicated they would like see



considerable progress. Mr. Maio said they are in a great position to do mitigation and mediation on that piece of property as it was done on the RV Griffin property.

Commissioner Constance added this project should be brought to the city of Punta Gorda to have additional support. Also, Commissioner Constance and Mr. Lehman suggested including different municipalities on support by proving letters saying they understand, agree, and support the project.

### **3. Fitch Ratings Reaffirmation of Bond Rating ‘AA-‘**

Mr. Lehman said Fitch Ratings recently completed an analysis of the Authority and reconfirmed its rating of ‘AA-‘with a stable outlook. The rating reflects a good opinion of the Authority’s finances, management and fiscal policies which are been handled successfully by Mrs. Lee.

### **4. Imagine a Day Without Water**

Mr. Lehman said The Authority is trying to get more press in the value of water and joined others across the country in recognizing ‘Imagine a Day without Water’ by providing the public message on the importance of maintaining reliable water stem. This is trying to bring up infrastructures need people don’t see until they are out of water. Mr. Lehman gave an example of the tank truck spill that recently affected the City of North Port’s water supply. The City of North Port was able to pull all water supply from the Peace River Facility through interconnects.

## **ROUTINE STATUS REPORTS**

Routine status reports are provided for informational purposes and no presentation is made.

1. Hydrologic Conditions Report
2. Check Registers for July and August 2016
3. Regional Integrated Loop System Phase 1 Interconnect [U.S. 17 to Punta Gorda]
4. Regional Integrated Loop System Phase 3B Interconnect [S.R. 681 to Clark Road]
5. Peace River Basin Report

Commissioner Constance said he understood the Authority is paying for lobbyist services for Mr. Ray Pilon. He asked if the contract will be ending by the end of the year and if it was not going to be renewed.

Mr. Lehman said that was correct and the contract expires at the end of the year. The Authority will go out for RFP on continuing services for public relations.

## **BOARD MEMBER COMMENTS**

Commissioner Maio said he has been on the board for 1 year and 9 month; he cannot take any credit of the successes of the Authority. He said Sarasota Herald Tribune got it perfect in the recent editorial. The 6.3 billion gallons in the reservoir and using 60% of available capacity it is great and this is why we are what others would like to be. Commissioner Maio would like to discuss sooner than later the possibility of building a third reservoir. He would like to begin to discuss, there is 25 years of documentation of water still flowing on the Peace River when to apply to permits.

Commissioner Maio asked Mr. Lehman if there are funds that can be lobbied for the purchase of the Orange Hammock Conservation.

Mr. Lehman said all process started 20 years ago when the RV Griffin was bought in 1991 and took 15

year for the concept to grow to what it is today. Mr. Lehman said the board will continue the discussions and make sure there is water available in the Peace River. Mr. Lehman also said there is more than 25 years of documentation of the Peace River flows. Orange hammock provides the opportunity to enhance water development on the RV Reserve property.

Commissioner Constance asked if the 60% capacity refers to what is on the reservoir or it refers to the production capacity. Mr. Lehman said the capacity referred to the treated finished water that is ready to be delivered. Commissioner Constance then suggested the Authority will have to look at production side to expand the treatment capacity not only building a reservoir for the future.

Commissioner Maio agreed to expand capacity of the plant plus build another reservoir.

Commissioner Chappie suggested looking at this as a regional system, taking in consideration the capacity of each member. Commissioner Chappie said for future planning it should be considered not only the Peace River facility's capacity, but also the capacity to each county.

Commissioner Langford provided dialogue on the performance of the Authority staff and was in full agreement to the raise for executive director and appreciates all the hard work Mr. Lehman has done.

Commissioner Constance recognized Commissioner Chappie as this is his last Board meeting and invited him to attend the next Authority Board meeting on December 7 for formal recognition.

**PUBLIC COMMENTS**

Joe Gilberti, LandTech Design Group, made comment on the proposed water supply project he presented at the beginning of the meeting.

**SCHEDULE OF FUTURE MEETINGS**

Next Authority Board Meeting  
Wednesday, December 7, 2016 @ 9:30 a.m.  
Manatee County Administrative n  
Commission Chambers, First Floor  
1112 Manatee Avenue West, Bradenton, Florida

**Adjournment**

There being no further business to come before the Board, the meeting adjourned at 11:30 a.m.

**BOARD APPROVED**



Commissioner Christopher G. Constance  
Chairman

**DEC - 7 2016**

**Peace River Manasota  
Regional Water Supply Authority**