

Minutes of Board of Directors Meeting  
**PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY**  
Charlotte County Administration Center  
Commission Chambers, Room 119  
18500 Murdock Circle, Port Charlotte, Florida  
June 1, 2022 @ 9:30 a.m.

***Board Members Present:***

Commissioner Alan Maio, Sarasota County, Chairman  
Commissioner Elton Langford, DeSoto County, Vice Chairman  
Commissioner Ken Doherty, Charlotte 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, 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 Maio called the meeting to order at 9:30 a.m.

**INVOCATION**

Commissioner Elton Langford offered the invocation.

**PLEDGE OF ALLEGIANCE**

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

**WELCOME GUESTS**

Commissioner Maio recognized and welcomed Commissioner Ken Doherty from Charlotte County as Commissioner Truex's alternate.

**HOST COUNTY REMARKS**

Commissioner Ken Doherty made welcoming remarks.

**PUBLIC COMMENTS**

Public comment was made by Erik Howard.

**CONSENT AGENDA**

1. **Approve Minutes of April 6, 2022, Board of Directors Meeting**
2. **Approve Setting of Public Hearing for FY 2023 Budget for August 3, 2022**
3. **Approve Receive and File of Authority Financial Reports:**
  - a. **Mid-Year Financial Report for FY 2022**
  - b. **Semi-Annual Investment Report for March 31, 2022**
4. **Approve Award of Sludge Hauling Contract to DM Construction**
5. **Approve Ratify Execution of Water Treatment Chemical Contract (Aqua Ammonia) with Tanner Industries**
6. **Approve Award of Belt Filter Press Rehabilitation Contract**

Motion was made by Commissioner Langford, seconded by Commissioner Doherty, to approve the Consent Agenda. Motion was approved unanimously.

**REGULAR AGENDA**

**1. Water Supply Conditions**

Richard Anderson presented Water Supply Conditions at the Peace River Facility as of May 17, 2022.

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

April Water Demand	30.54 MGD
April River Withdrawals	1.50 MGD
<u>Storage Volume:</u>	
Reservoirs	3.82 BG
ASR	<u>8.11 BG</u>
Total	11.93 BG

**2. Strategic Plan Update**

Terri Holcomb presented an annual update on the Objectives and Initiatives to the Authority’s Strategic Plan as approved by the Board on February 3, 2021.

**3. 5 -Year Capital Improvements Plan & 20-Year Capital Needs Assessment for 2023 to 2042**

Ms. Holcomb presented the Authority’s 5-Year CIP and 20-Year CNA for Board approval. This document summarizes the number, type, and timing of water supply, regional transmission, and other capital projects planned over these periods. Capital planning drives the planning, design, and construction of significant infrastructure projects forecasted to serve the region’s needs. These projections must be coordinated with

financial planning, selection of engineering consultants, and acquisition of internal resources to complete these projects by the time they are needed. There are two schedule horizons in the Authority’s capital planning efforts: the 5-Year Capital Improvements Plan (CIP) which includes projects that are relatively certain and well-defined, and the 20-Year Capital Needs Assessment (CNA) that includes the 5-Year CIP and looks out beyond that period to years 6 – 20 years where projects are less certain and defined.

The 5-Year CIP beginning in FY 2023 through FY 2027 currently includes the following:

Regional Transmission Projects	\$ 140,560,475	25.4%
Water Supply Projects	\$ 393,522,400	71%
Other Projects	\$ 20,250,000	3.6%
<b>Total</b>	<b>\$ 554,332,875</b>	<b>100%</b>

And the 20-Year CNA beginning in FY 2023 through FY 2042 includes the following:

Regional Transmission Projects	\$ 385,752,789	41.8%
Water Supply Projects	\$ 516,237,476	56%
Other Projects	\$ 20,250,000	2.2%
<b>Total</b>	<b>\$ 922,240,265</b>	<b>100%</b>

Capital planning has also identified \$445 million (\$266.4 million in 5-Year CIP) in offsetting cooperative grant funding opportunities for these collective projects based upon past generous participation by the Southwest Florida Water Management District as well as several FDEP (Federal) grants. The draft 5-Year CIP and 20-Year CNA were presented and discussed with Customer utility staff on March 9<sup>th</sup> and May 4<sup>th</sup> and presented to the Board (Regular 4) at the April 6, 2022 Board meeting.

Commissioner Doherty complimented staff on their work and remarked on how the total is getting close to the \$1 Billion mark but said that he is looking forward to the challenges that would bring.

Commissioner Maio commented that this really shows how much it costs to plan and build ahead so it is there when you need it and that we are doing our job keeping pace with our customer demands.

**Motion was made by Commissioner Doherty, seconded by Commissioner Langford, to approve the 5-Year Capital Improvement Plan and 20-Year Capital Needs Assessment for 2023-2042. Motion was approved unanimously.**

**4. Water Treatment Facility Expansion Alternatives**

Mr. Anderson, along with Chris Kuzler from the Authority’s Consultant, Ardurra, Inc. provided an update to the Board on the status of the Project, including the five highest ranked expansion options and conceptual level cost estimates.

The Authority’s Integrated Regional Water Supply Plan 2020 and Customer demand projections have identified a need for additional regional water supply in the 2028 timeframe. To meet this need, the Authority’s CIP/CNA Plans includes a capacity expansion project at the Peace River Facility, that when combined with a new 9 BG reservoir will yield up to 18 MGD of average daily supply that can be allocated to Authority Customers to meet growing needs. The plant expansion project and the new reservoir project must be completed and operational at about the same time.

To support an increase in treatment capacity at the Peace River Facility, Authority consultant Ardurra, Inc. has evaluated treatment capacity expansion options and costs at the Peace River Facility. Initially ten (10) expansion options were evaluated, and results were provided to the Board on February 2, 2022. Subsequently, the top five (5) expansion projects were further evaluated, and the results of that analysis will be presented here for review and discussion. Treatment capacity expansion options that were evaluated ranged from approximately 4 MGD to 24+MGD to create a “menu” of choices with which to meet customer needs.

Commissioner Maio asked for clarification on what the intent and overall game plan is here. What is the next step in the process? Mr. Anderson said that this effort was needed to identify options to suit the needs once customers have signed on and we know how much water will be needed from the next expansion. He said the next step would be a pilot test of process equipment as proof of concept and to gather specific design criteria for this site.

Commissioner Maio commented that just building a new reservoir was not sufficient enough, and the treatment facilities would be needed as well. Mr. Anderson confirmed this point.

Commissioner Doherty complimented staff on an excellent presentation. He said that he had been involved with many projects like this and the judicious selection of ranking criteria and their relative weighting seemed good to him. He echoed the thought that pilot testing was the next logical step.

## **5. Owner’s Agent Selection and Professional Services Contract**

Mike Knowles presented an update on the Owner’s Agent selection and professional services contract process.

The Owner’s Agent will provide professional services needed for various aspects of work to complete Capital Improvement Plan (CIP) and other projects. The Authority would issue separate work orders for professional services to be provided by Agent, with each work order individually negotiated between the Authority and Agent. Specific examples may include procurement & bidding assistance, authoring design criteria packages, quality control reviews on contract documents and/or designs, value engineering, construction engineering & inspection, hydraulic modeling, public engagement, project management, and land acquisition assistance.

Proposals were requested from consultants for the purpose of providing Owner’s Agent Services on March 22, 2022, and five (5) Proposals were timely received by the April 22, 2022, submittal deadline. The Proposals were evaluated by the Authority’s Professional Services Evaluation Committee (PSEC) on May 6, 2022, and in accordance with the Authority Procurement Policy, the PSEC short listed and interviewed the top three (3) firms. Staff recommends Board approval of the PSEC ranking and authorization for the Executive Director to execute the contract for ‘Professional Services’ to be the Authority’s Owner’s Agent with the top ranked firm, Brown & Caldwell.

**Motion was made by Commissioner Langford, seconded by Commissioner Doherty, to approve Professional Services Evaluation Committees recommended ranking and authorize the Executive Director to execute the contract for Professional Services with the top-ranked firm, Brown and Caldwell to perform Owner’s Agent Services. Motion was approved unanimously.**

**6. Staff Presentation on Progressive Design Build Process**

Mr. Knowles discussed the Progressive Design Build process for the Regional Integrated Loop System Phase 2B and Phase 3C Projects for the Board's information.

The Authority has executed Interlocal Agreements with Charlotte County and Sarasota County for the construction of the Regional Integrated Loop System Phase 2B and Phase 3C respectively. The Authority is to make all reasonable efforts to complete the 13-mile Phase 2B Project by March 1, 2026, and the 9-mile Phase 3C Project by March 1, 2025. Utilizing a Progressive Design Build (PDB) procurement process allows the contractor and the engineer to be brought on simultaneously as a Design-Build Team with the contract executed between the Authority and the contractor.

These projects both have unique challenges that the PDB process can assist in addressing. The cost of pipeline materials is in a state of flux with the market experiencing escalation in pricing related to a multitude of circumstances. Having the contractor onboard at the start of the project will allow for more targeted purchase of the materials to take advantage of changing market conditions. The lead time for production and delivery 42-inch diameter pipe is also a challenge due to other large diameter pipeline projects commencing in neighboring counties at the same time as the Authority's projects. Allowing the contractor to make quicker purchasing decisions also provides the ability to time the market for cost as well as certain manufacturer's lead-times to keep pace with construction. The schedule of both projects doesn't allow for a significant amount of float (slack-time) between design, easement acquisition, materials ordering, installation, and placing the infrastructure into operation. The PDB process is suited to deliver projects on tight schedules as the contractor can begin ordering materials and beginning construction activities after the 60% design is achieved. The nature of the Design-Build Team also allows the opportunity for constructability reviews and value engineering with the contractor's input.

Commissioner Doherty commented that he's had the opportunity to be involved with PDB projects and they work really well when the contractor and designer have a prior relationship and not so well if they are less acquainted with one another. He asked to confirm if the designer would be subservient to the contractor. Mr. Knowles confirmed that yes, the contractor would be the prime.

**GENERAL COUNSEL'S REPORT**

Mr. Manson had no further update for the Board.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Coates had no further update for the Board.

**ROUTINE STATUS REPORTS**

There were no Board comments on routine status reports.

**BOARD MEMBER COMMENTS**

There were no additional Board Member comments.

**PUBLIC COMMENTS**

Public comment was made by Tim Ritchie.

**ANNOUNCEMENTS**

Authority Board Workshop

June 1, 2022, immediately following regular Board Meeting  
Charlotte County Administration Center  
Commission Chambers Room 119  
18500 Murdock Circle, Port Charlotte, Florida

Next Authority Board Meeting

August 3, 2022 @ 9:30 a.m.  
DeSoto County Administration Building, Commission Chambers, First Floor  
201 East Oak Street, Arcadia, Florida

**ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 10:40 a.m.

**BOARD APPROVED**

**AUG - 3 2022**

**Peace River Manasota**  
Regional Water Supply Authority



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Commissioner Alan Maio  
Chairman