

# **Florida Governmental Utility Authority**

## **Board of Directors Meeting Minutes**

**Thursday, February 16, 2023**  
**WebEx Video Conference**

### **Board Members Present**

Pam Keyes, Vice Chair, Lee County  
Tina Malmberg, Citrus County  
Tamara Richardson, Chair, Polk County  
Jody Kirkman, Marion County  
Shane Parker, Vice Chair, Hendry County  
Heidi Petito, Flagler County

### **Staff Present**

Rob Dickson, FGUA Capital Program Manager, GSG  
William Fontaine, FGUA Operations Manager, GSG  
Matt Rihs, FGUA Community Services Manager, GSG  
Gene Adams, FGUA General Counsel, Pennington  
Dana Collier, FGUA IT Manager, GSG  
John Nieves, FGUA Central Area Community Services Representative  
Donna Lizotte, FGUA South Area Community Services Representative  
Mike Sweet, FGUA West Region Area Manager, GSG  
Mike Currier, FGUA South Region Area Manager, GSG  
John Worrell, FGUA Central Region Area Manager  
Heather Rafferty, GIS Coordinator, GSG  
Lauren Duckworth, FGUA Board Clerk  
Heather Encinosa, Utility Counsel, NG&N  
Mickey Joseph, Chief Financial Officer, FGUA  
Paul Arnett, Development Services Coordinator, GSG  
Scott Towler, FGUA Assistant System Manager, GSG  
Darius Bell, Development Services Technician, GSG  
Steve Spratt, Sr, Vice President MSD, GSG  
Doug Black, Property & Development Manager, GSG  
Mike Harrison, Utility Manager MacDill AFB  
Shannon Lewis, FGUA Assistant System Manager, GSG

### **Guests Present**

Lina Quintero, U.S. Water Services Corporation  
Chris Saliba, U.S. Water Services Corporation

### **Call to Order**

Ms. Tamara Richardson called the meeting to order at 1:00 p.m.

### **Invocation**

Ms. Tamara Richardson provided the invocation.

### **Pledge of Allegiance**

Ms. Tamara Richardson led the assembly in the Pledge of Allegiance to the flag.

## Public Comment

No members of the public were present to speak.

## Public Hearing

There were no public hearings.

## Minutes

**M 1** Approval of the February 16, 2023, FGUA Board of Directors Meeting Minutes

**Mr. Jody Kirkman motioned to approve M1. Ms. Heidi Petito seconded the motion. All were in favor and the motion was unanimously approved.**

## Consent Agenda

- CA 1** Approval of Work Authorization CPH 23-01 with CPH, LLC for Engineer Services associated with the Nassau Amelia Utilities WWTF Groundwater Monitoring Well Abandonments and Replacements in the lump sum of \$34,419 on a \$10,000 NTE allowance.
- CA 2** Approval of Amendment No. 1 to Work Authorization No. USW 21-05 with U.S. Water Services Corporation for the FY21 Wastewater System Planned R&R Project titled DFS Modifications & LS 1873 Control Modifications in the MacDill AFB Utility System for the amount of \$107,920.
- CA 3** Approval of Change Order No. 2 to the Standard Construction Agreement with KAT Construction and Materials, Inc. for the Seven Springs WWTF Reject Pond Improvements, FGUA Project No. PSP 12, located in the Pasco Utility System, Pasco County in the deductive amount of \$83,083.91.
- CA 4** Approval of Change Order No. 3 to the Standard Construction Agreement with Miller Pipeline, LLC for the Wastewater Gravity Collection System Lining and Improvement Project, FGUA Project No. NFP 07, located in the North Fort Myers Utility System, Lee County in the deductive amount of \$3,141.30.
- CA 5** Approval of Work Authorization No. RNE 23-01 with Riddle Newman Engineering Inc. for Tank Inspection Services for FGUA Lake Aqua, Unified Aqua, Dunnellon, Consolidated, and Flagler Utility Systems Five Year Hydro pneumatic tank and Ground Storage tank inspections in the lump sum of \$112,925.00.
- CA 6** Acceptance of the Conveyance Closeout Package for Bayshore Commons Phase 5, FGUA Developer Project No. 20-013 NFMD Located in the North Fort Myers Utility System in Lee County, Florida, and Authorization for Staff to Record the Conveyance Documents in the Public Records of Lee County, Florida with contributed assets.
- CA 7** Acceptance of the Conveyance Closeout Package for Palermo Phase 2, FGUA Developer Project No. 21-031 NFMD located in the North Fort Myers Utility System in Lee County, Florida, and Authorization for Staff to Record the Conveyance Documents in the Public Records of Lee County, Florida with contributed assets.
- CA 8** Acceptance of Conveyance Closeout Package for Multi-Tenant Project on Lee Blvd, FGUA Developer Project No. 21-033 LED located in the Lehigh Acres Utility System in Lee County, Florida, and Authorization for Staff to Record the Conveyance Documents in the Public Records of Lee County, Florida with contributed assets.

- CA 9** Acceptance of the Conveyance Closeout Package for Autozone 2856 Trinity, FGUA Developer Project No. 21-080 SSD Located in the Pasco (Seven Springs) Utility System in Pasco County, Florida, and Authorization for Staff to Record the Conveyance Documents in the Public Records of Pasco County, Florida with contributed assets.

**Mr. Shane Parker motioned to approve CA 1 – CA 9. Ms. Pam Keyes seconded the motion. All were in favor and the motion was unanimously approved.**

## Finance and Administration

- FA 1** Other Items

## Operations

- OP 1** Approval of a Progressive Design-Build Agreement with Wharton-Smith, Inc. for Phase 1 Work related to the Lehigh Acres Water System Improvements, FGUA Project Nos. LEP25 and LEP28, located in the Lehigh Acres Utility System, Lee County

Mr. Steve Spratt provided a brief introduction of this item explaining how it is a priority item in the Lehigh Acres area. FGUA has always had a bulk water supply agreement with Fort Myers that provided for 2 million gallons of supplemental water per day. FGUA has discovered that Fort Myers has capacity issues producing water. Rob Dickson provided further explanation by saying how in December the FGUA authorized staff to move forward with negotiating a progressive design build contract with Wharton Smith. Over the last month, staff has been dealing and working with Wharton Smith. The project is essentially 2 major projects in one. The first and most important project is recommissioning of water plant number 2. That plant was decommissioned 10 or so years ago. This project will recommission to a roughly 2 MGD reverse osmosis water treatment facility. The second phase is upgrading a softening plant and the project will upgrade that to a nano filtration plant. Three components compose the presented scope. Staff initiated an SRF process for extra funding late last year. Cost is a range of \$20 million dollars. FGUA tried cutting as much as possible and looked at the raw design cost and compared to the expected construction costs which is roughly on the order of 8% of the construction costs. Interim solutions to the situation include some form of a temporary reverse osmosis skid which would require a deep injection well which this project will be constructing. Rob thanked John Carlson for his due diligence with the project.

**Ms. Heidi Petito motioned to approve OP 1. Ms. Pam Keyes seconded the motion. All were in favor and the motion was unanimously approved.**

- OP 1a** Approval of Work Authorization No. GSG 23-29 with Government Services Group, Inc. for Capital Project Administration Services related to the Progressive Design-Build Agreement Phase 1 Work for the Lehigh Acres Water Supply Improvements, FGUA Project Nos. LEP 25 and 28, located in the Lehigh Acres Utility System, Lee County, in the amount of \$105,310.37.

Mr. Rob Dickson briefly explained the GSG work authorization companion item by stating the amount of the authorization.

**Mr. Shane Parker motioned to approve OP 1a. Ms. Pam Keyes seconded the motion. All were in favor and the motion was unanimously approved.**

**OP 1b** Approval of Budget Amendment 2023-06 Lehigh Acres LEP25 WTP No. 2 Improvements and LEP28 WTP No. 1 Improvements  
**Mr. Shane Parker motioned to approve OP 1b. Ms. Heidi Petito seconded the motion. All were in favor and the motion was unanimously approved.**

**OP 2** Great American Water Taste Test 2023 Update

Please find the attached Powerpoint presentation from Will Fontaine regarding the contest.

**OP 3** Flagler FGUA Service Area Update

Mr. Doug Black provided a brief explanation of this item. He began by stating the item presented is a consideration of an expansion of the Flagler County area. In October the Board considered a transfer of some of the Flagler County service area to Volusia County due to the fact that the Wexford development was going to be expanding and the developer wanted to serve water in that area. While researching that project some questions came up regarding the exact boundary line. Flagler County presented to their Board a clarification of what the county intended to be the service area that the FGUA would service as part of the agreements. A Resolution was passed by the Board of Commissioners and the purple area on the map is the new, adjusted area. Please find area map attached.

**Ms. Heidi Petito motioned to approve OP 3. Mr. Shane Parker seconded the motion. All were in favor and the motion was unanimously approved.**

**OP 4** Clean Water Allocations

Mr. Will Fontaine provided a brief update on this item with the map and chart included. Mr. Gene Adams explained about some sponsors who have also worked with the FGUA. (Insert PDF Pictures)

### Informational Items

**IN 1 Monthly Status Update on the Capital Improvement Project (CIP) Program**

The Capital Improvement Project report was provided to the Board.

**IN 2 Monthly Status Update on the Community Outreach Program**

The Update on the Community Outreach Program was provided to the Board.

**IN 2a Public Comment Follow-up Report**

The follow up report was provided to the Board.

**IN 3 FGUA Monthly Inactive Account Collection Summary**

The Inactive Account Collection Summary was provided to the Board.

**IN 4 Monthly Report on Executed Utility Infrastructure Conveyance and Service Agreements**

The Monthly Report on Executed Utility Infrastructure Conveyance and Service Agreements was provided to the Board.

## System Manager

### **SM 1** March Strategic Planning Session Meeting Location Update

Mr. Steve Spratt reminded the Board of the approaching Strategic Planning Session and Board Meeting. FGUA has reserved the Polk County Administration Building for April 20, 2023, for use.

### **SM 2** Howey in the Hills Developer Progression Update

Mr. Steve Spratt provided an update on this item and began by stating how the FGUA is becoming more well known for its water and wastewater assistance with local cities and counties in regards to utility expansions. FGUA has interlocal agreements with Sumter County to assist with the Lake Pan area and Coleman. FGUA has an agreement with Howey In the Hills in Lake County which requested the FGUA complete a wastewater facility expansion. The city has faced tremendous growth pressures. As a portion of the agreement in Howey, Howey has a developer by the name of Blue Sky Capital which wishes to build around 175 units. Sean O' Keefe and the developer have requested that the FGUA build wastewater service to the development. The developer would pay for all infrastructure and all costs would be covered.

### **SM 3** Sponsorship Items for Member Projects

Mr. Steve Spratt provided a brief description of this item referencing the forms located in the book. Money was set aside by the Governor that was recommended for members of the House of Representatives called member projects that the representatives would have an opportunity to sponsor in their districts. FGUA has sponsors on both the House and Senate sides. The projects are filed by representatives in the House and Senate and FGUA has a great chance at getting them approved.

### **SM 4** Nassau County Water and Sewer Update

Mr. Steve Spratt explained how the FGUA was approved to move forward with all advancements in Nassau County. FGUA has completed all due diligence financial analysis and rate requirements of debt capacity. The full report is in the Board book. Nassau has asked for a franchise payment arrangement that the county now has with JEA.

### **SM 5** Staff Updates

Mr. Steve Spratt introduced Ms. Shannon Lewis as the new Assistant Director of Municipal Services Division. He provided a brief summary of Shannon's background, and the Board wished her good luck in her new role. Mr. Spratt also reminded the Board that Mickey Joseph's last day would be on February 28, 2023. All Board members thanked Mickey for his service. Mr. Spratt concluded the discussion by letting the Board know that the FGUA was diligently working to find a replacement CFO.

## Utility Counsel

### **UC 1** Approval of an Amended and Restated FGUA Comprehensive Capacity Connection Fee Resolution No. 2023-14

Ms. Heather Encinosa briefly explained Resolution 2023-14 by stating how the resolution doesn't impose specific dollar rates but covers the general provisions relating to things such as payment and collection and use and credits. Each system will have a separate resolution that actually imposes the connection fee rates for that system based upon an individual database. This is a proposed amendment to the master resolution. The last time this was updated was approximately a decade ago and since that time, the Florida Legislature has enacted provisions in section 163.31801 which recognizes the unique position that water and sewer occupy. Most revisions were to conform terminology to Section 163.31801, Florida Statutes. Additional substantive revisions including the following. A second "B" section was added to Section 4.02 to clarify how connection fees will be calculated upon changes of size and use to cover situations such as a building being converted from an insurance office to a laundromat. The second substantive revision made was adding additional details in the developer contribution credit section which is 4.04. A new subsection E has been included and takes into account a situation such as a developer coming forward and donating land to the FGUA and get a credit from water and sewer, etc. This section outlines how those credits would be analyzed. Land is essentially valued by an appraisal, equipment or any sort of facility donation, would be based upon actual costs.

Ms. Tamara Richardson asked if there was a downside to having impact fees instead of connection fees. Ms. Encinosa explained that it is still a fee. FGUA is using the governments terms so that the information is more clear to customers.

**Mr. Shane Parker motioned to approve UC 1. Ms. Heidi Petito seconded the motion. All were in favor and the motion was unanimously approved.**

## General Counsel

### **GC 1** Legislative Update

Mr. Gene Adams highlighted a few of the bills mentioned in the Board item. The first was provision for a municipal or county review and inspection of laterals. The provision would allow counties and cities to go on to private property and repair those laterals, all of this in an attempt to stop contamination of underground water supplies. Based on the bill proposed last year, this bill would mandate all steel used in government construction projects had to be U.S. produced. The Governor has rolled out a very comprehensive lineup of water quality protection measures. The lineup includes another half billion dollars for Everglades restoration. It also includes an additional \$50 million for conservation, reuse and water supply projects. \$50 million for Springs protection. \$100 million is allocated to the water management district to be utilized to protect contamination and improve upon the releases on the Caloosahatchee side going west and releases from Okeechobee going to the St. Lucie Canal on the east.

## Board Items

### **BD 1** Other Item

Ms. Tamara Richardson asked all Board Members if they had anything further to discuss. Ms. Pam Keyes thanked the staff for all their hard work and funding in Lee County and thanked Mickey Joseph for his service to the company. Ms. Heidi Petito thanked all staff as well. Ms. Richardson adjourned the FGUA Board of Directors meeting at 1:54 p.m.

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Chair/Vice Chair