

November 20, 2024

**POLK REGIONAL WATER COOPERATIVE
Lake Myrtle Sports Complex
201 Lake Myrtle Park Road
Auburndale, FL 33823**

Member Governments in Attendance:

Member Government

City of Auburndale
City of Bartow
City of Davenport
City of Dundee
City of Eagle Lake
City of Fort Meade
City of Frostproof
City of Haines City
City of Lake Alfred
Town of Lake Hamilton
City of Lake Wales
City of Lakeland
City of Mulberry
City of Polk City
City of Winter Haven
Polk County

Representative

Commissioner Keith Cowie, Primary
Mayor Trish Pfeiffer, Primary
Mayor Brynn Summerlin, Primary
Commissioner Bert Goddard, Primary
Absent
Absent
Absent
Vice-Mayor Morris West, Primary
Mac Fuller, Primary (Secretary/Treasurer)
Absent
Commissioner Keith Thompson, Primary
Mayor Bill Mutz, Primary (Chairman)
Absent
Mayor Joe LaCascia, Primary
Mayor Nathaniel Birdsong, Primary (Vice Chairman)
Commissioner Rick Wilson, Alternate

A. Call To Order

Chairman Bill Mutz called the meeting to order at 2:00PM. **Chairman Mutz** requested when a motion and second was made that the name be stated for recording purposes.

B. Recognition of new primary/alternate appointees of members.

Chairman Mutz asked the Board members to introduce themselves.

C. Agenda Revisions

Chairman Mutz asked if there are any revisions or deletions to the agenda. **PRWC Executive Director Eric DeHaven** indicated there was one addition to the Southeast Board. Item H.17 is requested to be added to approve a property purchase agreement with the Keys/Sistrunk families for the Southeast Transmission Main project.

D. Public Comments (Limited to 3 minutes)

Chairman Mutz asked if any members of the public wished to address the Board. There were no public comments.

E. Consent Items

E.1. Approve September 2024 BOD Regular Meeting Minutes (Action)

E.2. Approve Agreement WSA16 for FDEP AWS Grant Funding (Action)

E.3. Approve Amendment 3 to FDEP Standard Agreement LPA0212 for Heartland Headwaters Protection and Sustainability Act Grant Funding (Action)

E.4. Approve the PRWC Board of Directors Meeting Schedule for 2024 (Action)

Director DeHaven noted on this item that there was a conflict discovered for the July meeting. It was discussed that all PRWC meeting minutes for 2025 will continue to take place the third Wednesday of each month, except for July which is now scheduled for July 30, 2025 (5th Wednesday) due to a conflict.

E.5. Approve License Agreement with Florida Midland Railroad Company for Right-of-Way Use for the Southeast Wellfield Transmission Main Project (Action)

Motion for Staff to approve the Consent agenda in one motion for items E1. – E.5 was made by **Mayor Trish Pfieffer**, seconded by **Vice-Mayor Morris West**. Motion was unanimously approved.

F. Regular BOD Items

F.1. Approve the Heartland Headwaters Protection and Sustainability Act Annual Comprehensive Water Resources Report FY 2025-2026 (Action)

Mary Thomas discussed the Heartland Headwaters Annual Act. The purpose is to prioritize funding for critical state water resources in Polk County. The report summarizes all water resources projects implemented by PRWC members and provides a list of new and existing projects where funding is requested. A list was provided that shows the historical funding received from the Heartland Act. For FY 2025–2026, the plan prioritizes funding requests for PRWC land acquisition projects, the PRWC conservation program, and member alternative water receiving facilities. A list was provided that shows the current funding requests. The PRWC has coordinated with the FDEP on the funding requests.

Motion to approve the Heartland Headwaters Protection and Sustainability Act Annual Comprehensive Water Resources Report FY 2025-2026 was made by **Mayor Nathaniel Birdsong**, seconded by **Mayor Trish Pfieffer**. Motion was unanimously approved.

F.2. Updated Member Demand Projections for January 2025 Business Plan Update (Information)

Robert Beltran discussed the PRWC Business Plan for 2025. He began by reviewing the annual timeline to produce the Business Plan each year. The draft Business Plan will be provided to the Board at the January 2025 meeting and the final plan will be ready for the March 2025 meeting to coincide with members 2026 budget preparation.

Members Alternative Water Supply needs were determined by comparing the potential reduction to the permitted quantity. **Mr. Beltran** reviewed member water use, projected water use, and alternative supply needs. He supplied an example using Winter Haven's water use and future projections. He then compared member use to the project phases of both the Southeast and West Polk projects.

Mr. Beltran also discussed per capita water use and the difference between gross per capita daily water use (rate of no greater than 115 gpd) and functional per capital daily water us (no greater than 100 gpd).

Mr. Beltran presented a graphic that showed surplus and deficit Southeast and West Polk quantities for each member. **Chairman Mutz** noted that these numbers might shift as time goes on.

Chairman Mutz asked for questions. He noted that we should appreciate that we are in front of the needs and the planning is important.

Mr. DeHaven mentioned the PRWC is working on a water swap policy which has been drafted and is anticipated to be brought to the January Board Meeting. **Chairman Mutz** noted that the policy would apply to everyone equally.

Mayor LaCascia asked if someone was tracking all of this. **Chairman Mutz** indicated yes, and **Mr. Beltran** added additional information on tracking. **Vice-Mayor West** asked if the swap would be between members directly. **Mr. Ed de la Parte** provided an example on how it would work – the PRWC would facilitate the process between members and all would be the same price. **Mr. Beltran** noted that there is a technical element to the process to ensure the transferring of quantities can physically occur.

Chairman Mutz recessed the Regular Board.

G. Recess Regular BOD/Commence Combined Projects BOD

Chairman Mutz opened the Combined Projects Board and noted there were no items on the agenda. The Combined Projects Board was adjourned.

H. Recess Combined Projects BOD/Commence Southeast Wellfield BOD

H.1. Financing Plan for the Southeast Wellfield Project (Information)

Chairman Birdsong opened the Southeast Project Board and introduced **Julie Santamaria** as the first speaker to discuss how the PRWC planned to close the PRWC funding gap. **Ms. Santamaria** with PFM Financial Advisers reviewed the funding gap the PRWC has, primarily due to construction cost increases. She discussed the types of additional financing needs to close out the gap: **long-term financing** needs due to cost increases which are \$123M for SE Wellfield and \$41M for West Polk; and **short-term financing** due to deferral of District funding. PFM analyzed three funding scenarios for long term needs: 1. SRF line of credit, 2. Combined SRF and WIFIA with Line of Credit, and 3. Tax-exempt bond funding. The SRF line of credit provides the lowest interest cost of 1.34% (total 1.38% with Line of Credit costs) with potential of principal forgiveness. She recommends requesting \$122.7M in funding for the Southeast Project in February 2025 SRF funding cycle, \$41.8M in funding from SRF for West Polk in 2030, and continuing to seek Heartland and other grants.

Chairman Birdsong asked if there were any questions and requested staff to proceed on the SRF applications. **Mr. DeHaven** indicated the PRWC would be following Scenario 1 with the SRF loan application.

H.2. Update on Southeast Wellfield Project (Information)

Chairman Birdsong introduced **Mary Thomas** who will be doing the update for **Mark Addison** today. She began by discussing that the Water Production Facility and Transmission Main have completed 90% of the design phase and some of the Transmission Main segments are at 100% design. The Southeast Injection Well #1 has been completed to a depth of 8,000 feet and a mechanical integrity test was performed as well as an acidification process. The final completion is scheduled for February 2025. A completion date of December 2026 is expected for the Production Wells.

Ms. Thomas continued with bidding information on the Water Production facility. The bid date has been extended to November 21 to encourage competition. GMP-3 for the Water Production facility is anticipated to be considered at the January meeting. GMP-2 for the transmission Main was approved at the last meeting.

GMP-1 Construction package 2A is under construction and 4,500' of 30" pipeline has been installed. This package should be complete by end of December 2024.

The Market Analysis and Stimulation of Bidder Interest Plan was discussed. The plan provides a path for greater competition with the intent to reduce price.

A summary plan of the GMP packages was provided. All GMP's will be brought to the Board by September 2025. **Ms. Thomas** also provided a summary of easement acquisition. Over 300 easements are required. A total of 119 have

been acquired so far and the PRWC is now rapidly moving on addition easements. Finally, she provided an update on permitting activities.

Chairman Birdsong asked if there were any questions.

H.3. Adopt Resolution 2024-34 to Modify Resolution 2023-06 Project Resolution of Necessity Approving the Southeast Wellfield Water Production Facility and Transmission Main Project due to a Change in the Transmission Main Route (Action)

Chairman Birdsong asked **Mr. DeHaven** to cover the easement items in front of the Board today. **Mr. DeHaven** indicated anytime a change needs to be made to the Transmission Main Route, Resolution 2023-06 must be modified. That is the purpose of this item today.

During the final design and permitting, a portion of the alignment at the far western end of the transmission main was found to be impractical, and an alternative analysis was conducted to select a new route. Alternative 3B was recommended as the best route to go and also represents the lowest cost. This resolution modifies the original resolution to account for the route change.

Chairman Birdsong asked if there were questions.

Motion to adopt resolution 2024-34 to modify resolution 2023-06 Project resolution of Necessity Approving the Southeast Wellfield Water Production Facility and Transmission Main Project was made by **Commissioner Keith Cowie**, seconded by **Vice-Mayor Morris West**. Motion was unanimously approved.

H.4. Adopt Resolution 2024-35 Parcel Resolution of Necessity to Acquire Specified Parcels (Parcels 8012-PE and 8012-TCE) to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)

Mr. DeHaven stated the PRWC is asking the Board for permission to acquire parcel 8012 to construct the transmission line on the new route identified under item H.3.

Chairman Birdsong asked if there were any questions.

Motion to adopt resolution 2024-35 Parcel Resolution of Necessity to Acquire Specified Parcels (Parcels 8012-PE and 8012 - TCE) was made by **Mayor Trish Pfieffer**, seconded by **Vice Mayor Morris-West**. Motion was unanimously approved.

H.5. Adopt Resolution 2024-36 to Amend Resolution 2023-14 Parcel Resolution of Necessity to Remove Specified Parcels (Parcel 8001-PE) to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)

Mr. DeHaven stated the PRWC is asking the Board for permission to modify Resolution 2024-14 to remove parcel 8001 because it is no longer needed for the project as discussed under item H.3.

Chairman Birdsong asked if there were any questions.

Motion to adopt resolution 2024-36 to amend Resolution 2023-14 Parcel Resolution of Necessity to Remove Specified Parcels (Parcel 8001-PE) was made by **Mayor Trish Pfeiffer**, seconded by **Commissioner Keith Cowie**. Motion was unanimously approved.

H.6. Adopt Resolution 2024-37 to Amend Resolution 2024-22 Parcel Resolution of Necessity to Replace the Sketch and Legal Description for Parcel 10049-TEC-B to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)

Mr. DeHaven indicated that this resolution will replace the legal descriptions and sketches under the original resolution due to an error discovered in the original documents.

Chairman Birdsong asked if there were any questions.

Motion to adopt resolution 2024-37 to amend Resolution 2024-22 Parcel Resolution of Necessity to Replace the Sketch and Legal Description for Parcel 10049-TEC-B was made by **Vice-Mayor Morris West**, seconded by **Commissioner Keith Cowie**. Motion was unanimously approved.

H.7. Adopt Resolution 2024-38 Parcel Resolution of Necessity to Acquire Specified Parcels (Land Acquisition Package # 15A) to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action).

H.8. Adopt Resolution 2024-39 Parcel Resolution of Necessity to acquire Specified Parcels (Land Acquisition Package # 15B) to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)

H.9. Adopt Resolution 2024-40 Parcel Resolution of Necessity to Acquire Specified Parcels (Land Acquisition Package # 15C) to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action).

H.10. Adopt Resolution 2024-41 Parcel Resolution of Necessity to Acquire Specified Parcels (Land Acquisition Package # 15D) to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action).

H.11. Adopt Resolution 2024-42 Parcel Resolution of Necessity to Acquire Specified Parcels (Land Acquisition Package #15E) to Implement the

Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)

H.12. Adopt Resolution 2024-43 Parcel Resolution of Necessity to Acquire Specified Parcels (Land Acquisition Package #15F) to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)

H.13. Adopt Resolution 2024-44 Parcel Resolution of Necessity to Acquire Specified Parcels (Land Acquisition Package #15G) to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)

H.14. Adopt Resolution 2024-45 Parcel Resolution of Necessity to Acquire Specified Parcels (Land Acquisition Package # 15H) to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)

Chairman Birdsong indicated that the next seven items, H.7 through H.14, can be covered in one presentation and Board motion. He asked **Mr. DeHaven** to review these items.

Mr. DeHaven mentioned that Resolutions 2024-38 through 2024-45 authorizes the Cooperative to acquire 38 permanent easements and 34 temporary construction easements over 49 parcels. He provided an overview of the area covered by each resolution.

Chairman Birdsong asked if there were any questions.

Motion to adopt Resolutions 2024-38, 2024-39, 2024-40, 2024-41, 2024-42, 2024-43, 2024-44 and 2024-45, Parcel Resolutions of Necessity to Acquire Specified Parcels to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Transmission Line Projects was made by Commissioner Rick Wilson , seconded by Commissioner Keith Cowie . Motion was unanimously approved.

H.15. Approve the Mediated Settlement Agreement with Frank Amore, Jr. and Anne Amore for PRWC Parcel Number 2033 Permanent and Temporary Construction Easements (Action)

Mr. DeHaven indicated that this easement involves a permanent and temporary easement on about 0.6 acres. The easement is along Edwards Road. The PRWC will be removing a decorative fence, driveway entrance with gate, and trees. On October 16, 2024 a mediated settlement session was held. The PRWC appraisal amount was \$60,600 and the Amore's counter-offered at \$234,500. An overall settlement was reached at \$130,000 which requires PRWC to pay for attorney fees and expert costs which brings the total settlement cost to \$178,912.88.

Chairman Birdsong asked if there were any questions. **Mayor LaCascia** asked how the Amore's came to an original number for their counter offer. **Mr. DeHaven** reviewed the process on how the Amore's arrived at their counter offer. **Mr. Fuller** discussed how the risk associated with the trial process is avoided and Mr. de la Parte provided additional input. **Commissioner Wilson** indicated that he thought this was a reasonable settlement based on his experience in Polk County. **Vice-Mayor West** asked if the settlement was essentially already approved before coming before the Board. **Mr. de la Parte** indicated all the settlements that come to the Board include a provision that require Board approval for the settlement to become official. **Chairman Birdsong** agreed with Mr. de la Parte. **Mayor LaCascia** asked if the settlement was for the entire property or just easements. Chairman Birdsong indicated it was for easements.

Motion to approve the mediated settlement agreement with Frank Amore, Jr. and Anne Amore for PRWC Parcel Number 2033 Permanent and Temporary Construction Easements was made by **Mayor Trish Pfieffer**, seconded by **Vice-Mayor Morris-West**. Motion was unanimously approved.

H.16. Approve the Negotiated Settlement Agreement with Wheeler Farms for PRWC Parcel Numbers 4005 PE and TCE, 4006 PE and TCE, 4083 TCE, 7003 PE and TCE, 7004 PE and TCE, 7005 PE and TCE, 7008 PE and TCE, 7010 PE and TCE (Action)

Mr. DeHaven indicated that this settlement agreement includes 8 parcels, totaling 7 permanent easements and 8 temporary construction easements and covers approximately 1.5 miles of transmission line with 5.6 acres of easements. This easement acquisition removes 539 citrus trees, 57 sycamore trees, fencing, as well as impacting the grove irrigation system.

The PRWC appraisal amount for the easements was \$600,800. Wheeler Farms provided a counter-offer of \$1,400,000. On November 7, 2024 an agreement was reached at \$990,000. There are statutory attorney fees of \$120,000 and no expert costs. The total cost of the easements is \$1,110,000.00.

Mr. DeHaven provided a list of benefits to the PRWC including the avoidance of a jury trial which could have exposed the PRWC to over \$300,000 in additional costs. This is a large easement area that is critical for the PRWC to acquire.

Motion to approve the Negotiate Settlement Agreement with Wheeler Farms for PRWC Parcel Numbers 4005 PE and TCE, 4006 PE and TCE, 4083 TCE 7003 PE and TCE, 7004 PE and TCE, 7005 PE and TCE, 7008 PE and TCE, 7010 PE and TCE was made by **Mayor Trish Pfieffer**, seconded by **Commissioner Keith Cowie**. Motion was unanimously approved.

H.17. Approve the Negotiated Purchase Agreement with Sistrunk/Key/Jordan Family for PRWC Parcel Numbers 1044 and 1045 (Action)

Chairman Birdsong indicated that this is the walk-on agenda item that **Mr. DeHaven** mentioned at the beginning of the meeting. **Mr. DeHaven** indicated that the PRWC has negotiated a purchase agreement with the owners for two 4,750 square foot residential lots, one that is vacant and one that includes a small home in poor condition. **Mr. DeHaven** noted **Vice Mayor West** was instrumental in assisting the PRWC in acquiring these lots and thanked him for his help.

The PRWC appraised value for the two lots totaled \$232,400 and a settlement amount was reached with the owners at \$300,000 plus \$5,000 for probate attorney costs. There are 3 owners that will share 1/3 of the costs each - one share has to go through a probate process.

Chairman Birdsong asked if there were any questions. **Mayor Fuller** asked for clarification of where the house was located on the property. **Mr. DeHaven** provided a map and pointed out the house location and orientation of the two lots. He also mentioned that the PRWC will demolish the house shortly after the sale is complete. **Mayor Summerlin** asked what will become of the property after the PRWC completes construction. **Mr. DeHaven** indicated the PRWC is in discussions with Haines City on possible combined uses, such as a parking lot to service the community center, after construction is complete. **Vice Mayor West** asked if the easements were exclusive or not. **Mr. de la Parte** indicated the easements are non-exclusive with limitations to protect the pipeline. **Vice Mayor West** asked if he needed to exclude himself from the vote and **Mr. de la Parte** indicated he did not.

Motion to approve three purchase agreements with Sistrunk/Key/Jordan Family for PRWC Parcel Numbers 1044 and 1045 was made by **Mayor Trish Pfieffer**, seconded by **Vice Mayor Morris West**. Motion was unanimously approved.

Chairman Birdsong asked **Mr. DeHaven** how much of the pipeline has been acquired. **Mr. DeHaven** responded that we are about a third of the way through acquiring the easements needed. **Mayor Mutz** confirmed that the PRWC has acquired 119 of the 300 easements needed. Additional discussion occurred on easement status.

Mayor Mutz indicated he is very encouraged on the recent pace of easement acquisitions and the ability of the PRWC to negotiate settlements to avoid jury trials.

Mayor Birdsong adjourned the Southeast Board of Directors meeting.

I. Recess Southeast Wellfield BOD/Commence West Polk BOD

I.1. Update on the West Polk Wellfield Project (Information)

Chairman Mutz opened the West Polk BOD meeting and welcomed **Tom Mattiacci** to provide an update on the West Polk project. **Mr. Mattiacci** mentioned that the 60% plant design has been deferred to 2025. However, mobilization of the West Polk injection well is underway with 24/7 drilling planned beginning in early 2025 through the well completion in July of 2026. A community meeting was held on July 30, 2024 with the nearby neighborhood. Well construction of TPW # 2 is also planned for 2025.

The water production facility land transfer is on today's agenda. Heartland appropriations are to be used for all purchases.

Mayor LaCascia asked for clarification on the depth of the injection well versus the Lower Floridan Aquifer production zone. **Mr. Mattiacci** provided clarification.

Mayor Mutz asked for any additional questions.

I.2. Approve the Acquisition of the West Polk Water Production Facility Site from the City of Lakeland, Including the Execution of Two Easement Agreements. (Action)

Mr. Mattiacci provided an overview of the acquisition of the land from Lakeland for the water production facility. The area encompasses approximately 12.5 acres and the entrance road is off of Providence Road. **Mr. Mattiacci** provided the 30% design layout of the plant on the property, which is subject to change. The sale includes easements for Lakeland and Lakeland Power to access their existing wells on the site. The total sales price for PRWC is \$498,558.80.

Motion to approve the acquisition of the West Polk Water Production Facility Site from the City of Lakeland, Including the Execution of Two Easement Agreements was made by Mayor Nathaniel Birdsong , seconded by Commissioner Keith Cowie . Motion was unanimously approved.
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Chairman Mutz ended the West Polk Bod and re-opened the Regular meeting.

J. Recess West Polk BOD/Commence Regular BOD

K. Open Discussion

Mr. DeHaven requested to see Mayor Mutz, Mayor LaCascia, Mayor Birdsong, and Mayor Pfeiffer after the meeting for signatures.

L. Chair / Executive Director Report

M. Adjournment by Mayor Bill Mutz at 3:30 PM.

In accordance with the American with Disabilities Act, persons with disabilities needing special accommodations to participate in this proceeding should contact the Polk County Communications Office not later than forty-eight hours prior to the proceeding. Their offices are located in the Neil Combee Administration Building, 330 West Church Street in Bartow. Telephone (863) 534-6090, TDD (863)

534-7777 or 1-800-955-8771, Voice Impaired 1-800-955-8770 via Florida Relay Service.

If a person decides to appeal any decision made by the board with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.