

Polk Regional Water Cooperative Meeting

Agenda - Final

September 17, 2025
POLK REGIONAL WATER COOPERATIVE
AdventHealth Fieldhouse

- A. Call To Order - 2:00 p.m.**
- B. Recognition of new primary/alternate appointees of members**
- C. Agenda Revisions**
- D. Public Comments (Limited to 3 minutes)**
- E. Consent Items**
 - E.1. Approve May 2025 BOD Regular Meeting Minutes (Action)
 - E.2. Approve July 2025 BOD Regular Meeting Minutes (Action)
 - E.3. Approve Brynjulfson CPA Auditing Services Engagement Letter for FY2025 Auditing Services (Action)
 - E.4. Approve the Clifton Larson Allen LLP FY2026 Statement of Work for Financial Management Accounting Services (Action)
 - E.5. Approve the Second Contract Amendment to SWFWMD Cooperative Funding Agreement 20CF0003425 Southeast Wellfield Regional Transmission Main (Q216) (Action)
 - E.6. Authorization to Submit the Annual SWFWMD Cooperative Funding Agreement Program Applications for the Southeast and West Polk Projects for FY2027 (Action)
 - E.7. Approve Change No. 002 (Deductive) to Guaranteed Maximum Price GMP-1 with Florida Water Partners for the Southeast Wellfield Water Production Facility (Action)
- F. Regular BOD Items**
 - F.1. Approve the Employment Agreement for the PRWC Southeast Wellfield Project Manager Position (Action)
 - F.2. Member Annual Water Charge True Up and Approve the Engagement Letter with Brynjulfson CPA Auditing Services for True Up Auditing Services (Action)

- F.3. Adopt Resolution 2025-26 for the Final PRWC Administrative Budget – FY2026 (Action)
- F.4. Adopt Resolution 2025-27 for the Final PRWC Conservation Budget – FY2026 (Action)
- F.5. Alafia River Water Supply Project Update (Information)

G. Recess Regular BOD/Commence Combined Projects BOD

- G.1. Adopt Resolution 2025-28 for the Final PRWC Combined Projects Budget – FY2026 (Action)

H. Recess Combined Projects BOD/Commence Southeast Wellfield BOD

- H.1. Adopt Resolution 2025-29 for the Final Southeast Wellfield Project Budget – FY2026 (Action)
- H.2. Update on Southeast Wellfield Project (Information)
- H.3. Adopt Resolution 2025-31 to Amend Resolution 2024-29 Parcel Resolution of Necessity to Replace the Sketch and Legal Description for Parcel 10013-TCE-A to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)
- H.4. Negotiated Settlement with Katclark, LLC and Stokes Grove, Inc. for PRWC Parcels 9006, 10000, 10001, and 10004 Permanent and Temporary Construction Easements (Information)

I. Recess Southeast Wellfield BOD/Commence West Polk BOD

- I.1. Adopt Resolution 2025-32 for the Final West Polk Project Budget – FY2026 (Action)
- I.2. Update on the West Polk Wellfield Project (Information)

J. Recess West Polk BOD/Commence Regular BOD

K. Open Discussion

L. Chair / Executive Director Report

M. Adjournment

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.

Agenda Item E.1.

9/17/2025

SUBJECT

Approve May 2025 BOD Regular Meeting Minutes (Action)

DESCRIPTION

The Board of Directors (BOD) will consider approval of the minutes for:

- Regular PRWC BOD meeting - May 21, 2025

RECOMMENDATION

Recommend approval of minutes for referenced meeting.

FISCAL IMPACT

No fiscal impact.

CONTACT INFORMATION

Eric DeHaven



May 21, 2025
POLK REGIONAL WATER COOPERATIVE
UF/IFAS Extension Office
1710 US Hwy 17 S
Bartow, FL

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 Commissioner
PRWC
PRWC

Representative

Commissioner Keith Cowie
Commissioner Trish Pfeiffer
Commissioner Tom Fellows
Absent
Commissioner Steve Williams
Absent
Absent
Mayor Morris West
Mayor Mac Fuller
Commissioner Phyllis Hall
Commissioner Keith Thompson
Mayor Bill Mutz
Commissioner Kathy Barsotti
Absent
Mayor Nathaniel Birdsong
Commissioner Becky Troutman
Eric DeHaven
Ed de la Parte

A. Call To Order – Mayor Bill Muntz called the meeting to order at 2:00 p.m.

B. Recognition of new primary/alternate appointees of members

Chairman Mutz welcomed the new members including Tom Fellows from Davenport who has returned to the Board, Steve Williams from Eagle Lake, Phyllis Hall from Lake Hamilton, and Kathy Barsotti from Mulberry. He recognized Bartow for participating in the PRWC Conservation Program.

C. Agenda Revisions

There were no agenda revisions.

D. Public Comments (Limited to 3 minutes)

There were no public comments. **Commissioner Becky Troutman** mentioned that more participation/coordination is needed because people from the City of Mulberry are being sent to Polk County for water supplies.

E. Consent Items

E.1. Approve March 2025 BOD Regular Meeting Minutes (Action)

E.2. Approve Contract Amendment to SWFWMD Cooperative Funding Agreement 23CF0004097 West Polk Wellfield (Q308) (Action)

E.3. Approve Two Facility Encroachment Agreements with CSX Transportation for the Southeast Transmission Line Project (Action)

Motion to approve Consent Items was made by **Commissioner Becky Troutman** seconded by Commissioner Trish Pfeiffer. Motion was unanimously approved.

F. Regular BOD Items

F.1. Draft Central Florida Water Initiative Regional Water Supply Plan Update (Information)

Mary Thomas mentioned that Polk County falls entirely within the area of the Central Florida Water Initiative, and is in a water use caution area meaning there are limited water use supplies. The 2025 Regional Water Supply Plan draft has been completed which includes an estimated 58% increase in public supply demands estimated over the next 25 years. An estimated 856 MGD of water supply will be needed to supply all purposes by 2045 and there is only 760 MGD of total Upper Floridan aquifer groundwater available per day available without causing unacceptable environmental harm. This means that 96 MGD of water whether by means of conservation or new water supply projects needs to be brought on-line by 2045. The report concludes that conservation/demand management remains the lowest-cost solution for meeting future demands and that new, non-UFA sources are still needed in Polk County. The PRWC Southeast and West Polk Wellfields are both memorialized in the RWSP as critical water sources and have named Peace River and Alafia River as potential future sources for Polk County.

F.2. Executive Director Contract Amendment (Action)

Ed de la Parte mentioned the contract with Mr. DeHaven was executed back in 2022 for \$115/year. Since then, the contract has been amended twice; in 2023 \$120,050 and in 2024 for \$126,786 and now in 2025 the recommendation is for an increase of 10% totaling \$139,467.00. **Chairman Mutz** noted that an evaluation was used that was broken up into 7 different areas that he explained. Some of the highlights regarding Eric's evaluation include he avoids surprises and we get to hear about things in advance, he is appropriately patient, he sets vision and tone, he represents us well as an organization, he facilitates flow of information in a very unbiased way, and he communicates very well. He noted that Mr. DeHaven is underpaid compared to other regional water supply entities and this sets the PRWC in a more competitive position for the future. **Chairman Mutz** concluded by congratulating Mr. DeHaven for his performance. Several other Board members provided additional input in favor of the contract amendment. Mr. DeHaven thanked the Board for their support and expressed his thanks to the PRWC team.

Motion to approve the Executive Director Contract Amendment was made by **Mayor Nathaniel Birdson** seconded by Commissioner **Trish Pfeiffer**. Motion was unanimously approved.

F.3. Alafia River Alternative Water Supply Permitting Project (Action)

Eric DeHaven noted that he provided a few comments back at the May meeting regarding the Alafia River as a future source of water for the PRWC. The Alafia River has been listed since 2017 as a potential water source and PRWC demand estimated indicate that 14-27 MGD of additional water supply will be needed by 2070. The Districts minimum flow rule allows 19% of the river flow to be used as water supply of which Tampa Bay water is currently using 10%. Tampa Bay is planning to submit a permit modification for the remaining 9% and this will reduce available water to the PRWC from this source.

Under the existing TBW WUP, our estimates show that the PRWC would be able to take up to 15MGD withdrawal on 80% of days. If the water management district granted Tampa Bay Waters permit to take the remaining 9% of flow, the PRWC would only be able to take around 5 MGD over 17% of days.

Mr. DeHaven indicated that staff recommend that the PRWC also submit a water use permit application for the remaining 9% of flow to secure the estimated 15 MGD in future water use. TeamOne has developed a scope of work and fee estimate to submit the permit application. The estimated fee is \$69,543 and **Mr. DeHaven** provided the breakdown of members costs. The PRWC recommends funding the project through the PRWC 2025 Administrative budget, which will invoice members by close of FY 2025.

Mayor Birdsong asked how soon would Tampa Bay Water be submitting their permit application. **Mr. DeHaven** indicated by the end of May. **Mayor Birdsong** noted the Peace River permit challenge from the past and asked if Tampa Bay Water will work with the PRWC. **Mr. DeHaven** indicated he thought it was possible. Mayor Birdsong asked how long it will take the District to approve the permit. **Mr. DeHaven** indicated several months is typical.

Mr. de la Parte commented on the past Peace River permit challenge to provide the Board insight into the current Alafia situation. **Mr. de la Parte** indicated that filing a PRWC permit application establishes the PRWC's standing to challenge the Tampa Bay Water permit if a legal challenge was necessary.

Chairman Mutz suggested this is the least expensive option available to us at this stage and preserves our interest in the Alafia River as a water source. Several members mentioned the Alafia River originates in Polk County and we deserve use of some of that water. **Mr. de la Parte** also mentioned that Tampa Bay Water and Polk County had a similar conflict over the Alafia back in the 2010-2012 period and Tampa Bay Water dropped their pursuit of Alafia water. **Commissioner Cowie** asked if we should use this issue to anticipate other conflicts and get ahead of those. **Mr. DeHaven** indicated we can review the other projects the PRWC has considered in the past and bring a presentation to the Board on those. **Commissioner Thompson** asked how long it takes to bring one of these projects on-line and **Mr. DeHaven** responded ten years. **Commissioner Fellows** noted this water originates in Polk County and we need to protect it.

Motion to approve the TeamOne budget for the Alafia River Alternative Water Supply Permitting Project, amend the Administrative Budget by \$69,543, and authorize staff to submit a water user permit application was made by **Mayor Birdsong** seconded by **Commissioner Cowie**. Motion was unanimously approved.

F.4. Approve Change Order No. 001 for Florida Design Drilling for Construction of Southeast Wellfield Production Wells (Action)

Mark Addison mentioned the Florida Design Drilling agreement was approved on 09/18/2024, which includes 5 total wells at about \$19,461,250.00 with a substantial completion date of 12/31/2026. At Southeast Well 11 there was a high permeability interval encountered within the lower Floridian aquifer and over 5,000 sacks of cement were required to seal off the high permeability zone, instead of the scheduled 3,750. The total cost of the additional cement was \$86,190. A change order is needed to allocate \$49,985 in contingency funds plus \$36,205 in additional funds to pay for the additional cement. The revised contract price will increase to \$19,497,455 and the substantial completion date remains the same.

Commissioner Troutman requested clarification on the number of cement bags on the actual change order and the cost. **Mr. Addison** responded to clarify how the overage was covered and **Mr. DeHaven** indicated they would provide a summary of the cement sacks to the Board separately.

Motion to approve Change Order No. 001 for Florida Design Drilling for Southeast Wellfield Production Wells was made by **Mayor Birdsong** seconded by **Commissioner Cowie**. Motion was unanimously approved.

G. Recess Regular BOD/Commence Combined Projects BOD

There were no items for the BOD to consider under this agenda.

H. Recess Combined Projects BOD/Commence Southeast Wellfield BOD

H.1. Update on Southeast Wellfield Project (Information)

Mark Addison provided updates on Design and Bidding, GMP Status, Well Construction, Land Acquisition, and Permitting. Design of the water production facility is complete, and the metering stations CR 540A booster pump station 90% complete, and the Auburndale booster pump station is in final design. The bidding of the remaining transmission packages is on-going. Bid schedules remain subject to change based on easement acquisition. Regarding well construction, PW 10 is underway, PW 11 is complete, and PW9 site clearing is complete. The Water Production Facility land clearing is largely complete. Appraisals and offers are on-going for most segments and settlements have been reached on 182 parcels, totaling over \$8M.

Mr. DeHaven thanked Haines City and **Mayor West** for approving several easements for the pipeline transmission line.



H.2. Approve Change Order No. 002 (Deductive) for Youngquist Brothers Drilling, Inc. for Construction Contract 22-641 Southeast Wellfield Injection Well IW-1 (Action)

Chairman Birdsong noted that this item reflected a savings of close to \$1.5M to the PRWC. **Mark Addison** discussed the Youngquist Brothers Contract 22-641 for SEIW-1 was approved by board on 03/2/2023 for \$18,888,000, and a change order was approved by the Board 07/24/2024 with a revised price of \$42,237,310.00. The construction of the SEIW-1 is substantially complete as of March 2025 and the contractor has demobilized from the site. The balance to finish was savings to PRWC of \$1,148,300. Resulting in a final cost of \$17,739,700. The Substantial completion date remains June 24, 2027 to allow completion of the West Polk injection well.

Motion to approve to Approve Change Order No, 002 (Deductive) for Youngquist Brothers Drilling Inc. for Construction Contract 22-641 Southeast Wellfield Injection Well IW-1 was made by **Mayor Mutz** seconded by **Commissioner Troutman**. Motion was unanimously approved.

H.3. Approve Change Order No. 001 (Deductive) to Guaranteed Maximum Price GMP-2 with Florida Water Partners for the Southeast Wellfield Transmission Main (Action)

Mark Addison indicated that GMP-2 with Florida Water Partners was approved by the Board on September 18, 2024, with a 42" transmission main in Lake Wales and a 12" main in Bartow. GMP-2 will follow Owner Direct Purchase requirements and follow article 14 of the Agreement with FWP which states the Cooperative can exercise the right to purchase materials, supplies, and equipment. The CMAR is responsible for drawings, orders, delivery, installation/testing, and warranties, and the Cooperative is not liable for delays or defects associated with Cooperative Purchased Materials. The Construction Package 1 had a sales tax savings of \$648,722.32, and a revised guaranteed maximum price of \$60,112,604.87, with a substantial completion date of October 28, 2027.

Motion to approve Change Order No. 001 for (Deductive) to Guaranteed Maximum Price GMP-2 with Florida Water Partners for the Southeast Wellfield Transmission Main was made by **Commissioner Pfeiffer** seconded by **Commissioner Cowie**. Motion was unanimously approved.

H.4. Approve the Guaranteed Maximum Price (GMP-4) for Construction Packages 2B and 4A and the Early-Out Valve Package for the Southeast Wellfield Transmission Main (Action)

Mark Addison noted that GMP-2 consists of construction packages 2B and 4A. There were seven total bids on package 2B ranging from \$15,273,144 to \$18,256,363 with the low bid belonging to Garney. He noted that unit prices were much lower than the 90% construction estimate. Regarding package 4A there were also seven total bids ranging in price from \$5,441,227 to \$8,674,862 with the low bid submitted by Amici Construction. He again noted that unit pricing was well below the 90% construction estimate. The early out valve package had two bids with the low bid of \$786,394.76 submitted by Ferguson.

The GMP-4 total amount is \$28,639,140 with construction to begin in mid-2025 and complete by mid-2027. Overall, the GMP's approved by the Board are tracking about \$25M below the construction estimate.

Commissioner Troutman asked about the local preference for bidders. Mr. Addison responded that our funding agreements do not allow for local preference.

Motion to approve GMP-4 for Construction Packages 2B and 4A and the Early-Out Valve Package with Florida Water Partners for the Southeast Wellfield Transmission Main was made by **Mayor Mutz** seconded by **Commissioner Pfeiffer**. Motion was unanimously approved

H.5 – H.8. Adopt Resolution 2025-18 through 2025-21 Parcel Resolutions of Necessity to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)

Chairman Birdsong noted that we can take action on agenda items H.5 through H.8 with a single presentation, motion and vote. He asked **Mark Addison** to begin. **Mark Addison** reviewed the four resolutions including the locations of the parcels involved. These resolutions cover 12 permanent easements and 19 temporary construction easements over 17 parcels.

Chairman Birdsong asked for clarification on the number of parcels acquired. **Mr. DeHaven** provided explanation and noted that we are making good progress.

Motion to approve Resolution 2025-18 through Resolution 2025-21 Parcel Resolutions of Necessity to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects was made by **Commissioner Troutman** seconded by **Commissioner Pfeiffer**. Motion was unanimously approved

H.9. Approve Agreement with Greater Tampa Bay Area Council, Inc. Boy Scouts of America for the Purchase of Skink Mitigation Credits for the Southeast Wellfield Project (Action)

Eric DeHaven provided an overview of sand skinks and indicated they were a protected species and required mitigation for impacts through our loans and under permit requirements. He reviewed a previous purchase of mitigation credits for the water production facility and now we need mitigation credits for the transmission main. There are 15.49 credits needed and staff negotiated a fee of \$20,000 per credit with the mitigation bank. Payment for 0.49 credits is needed now for \$9,800 and a 30% reservation fee of \$90,000 for the remaining credits for a total cost of \$99,800.

Discussion ensued regarding skink credits among the Board members.

Motion to approve the agreement with Greater Tampa Bay Area Council, Inc. Boy Scouts of America for the purchase of skink mitigation credits was made by **Commissioner Cowie** seconded by Mayor West. Motion was unanimously approved

I. Recess Southeast Wellfield BOD/Commence West Polk BOD

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

Chairperson Pfeiffer opened the West Polk Board meeting and asked **Tom Mattiacci** to provide the West Polk update. He provided an overview of the West Polk scheduled and indicated final design of the plant is deferred to late 2025. He noted construction is underway of Test Production Well #2 and the Injection Well and provided pictures of the construction. He concluded by speaking about future well site acquisition. **Eric DeHaven** noted that we can provide tours to the West Polk Injection Well. He asked those interested to send an email.

Chairperson Pfeiffer asked about Heartland grants and **Mary Thomas** responded with status. .

J. Recess West Polk BOD/Commence Regular BOD

K. Open Discussion Polk Water School

Chairman Mutz resumed the Regular Board meeting and asked for open comments from the Board. **Commissioner Williams** asked for additional clarification on the CFWI rules and **Mary Thomas** responded with an overview that members are restricted to their 2025 demands from the Upper Floridan. The PRWC intends to provide that future demand through alternative water. Additional discussion took place on the costs of the alternative water. **Mr. DeHaven** suggested that we go over the revenue options at the next Board meeting. **Mayor Mutz** responded that we all need to be prepared for the increasing costs of water. **Mr. DeHaven** provided comments regarding how the water management district will implement the CFWI rule.

Mr. de la Parte provided an overview of the PRWC permitting plan that was approved by this Board and the District. That provides a mechanism to bridge the gap.

Commissioner Troutman encouraged the PRWC work with members that have not been as proactive with the PRWC and this Board. **Commissioner Pfeiffer** indicated we need to ensure we are communicating to residents that water costs are increasing and also continue to pursue grants funding to lower costs. Chairman Mutz echoed these comments. **Commissioner Thompson** discussed the Polk Water School provides good education for this Board and encourages others to attend. Conservation is an important component to assist with costs.

L. Chair / Executive Director Report

M. Adjournment by Bill Muntz 3:35PM.

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Agenda Item E.2.

9/17/2025

SUBJECT

Approve July 2025 BOD Regular Meeting Minutes (Action)

DESCRIPTION

The Board of Directors (BOD) will consider approval of the minutes for:

- Regular PRWC BOD meeting - July 30, 2025

RECOMMENDATION

Recommend approval of minutes for referenced meeting.

FISCAL IMPACT

No fiscal impact.

CONTACT INFORMATION

Eric DeHaven



JULY 30, 2025
POLK REGIONAL WATER COOPERATIVE
Advent Health Conference Center
210 Cypress Gardens Blvd SW
Winter Haven, FL

Member Governments in Attendance:

<u>Member Government</u>	<u>Representative</u>
City of Auburndale	Commissioner Alex Cam (A)
City of Bartow	Commissioner Trish Pfeiffer
City of Davenport	Commissioner Tom Fellows
City of Dundee	Commissioner Bert Goddard
City of Eagle Lake	Commissioner Steve Williams
City of Fort Meade	Absent
City of Frostproof	Absent
City of Haines City	Mayor Morris West
City of Lake Alfred	Mayor Mac Fuller
Town of Lake Hamilton	Commissioner Phyllis Hall
City of Lake Wales	Absent
City of Lakeland	Mayor Bill Mutz (Via Zoom)
City of Mulberry	Commissioner Kathy Barsotti
City of Polk City	Absent
City of Winter Haven	Mayor Nathaniel Birdsong
Polk County Commissioner	Commissioner Becky Troutman
PRWC	Eric DeHaven
PRWC	Ed de la Parte

A. Call To Order – Vice-Chairman Birdsong called the meeting to order at 2:00 p.m. He Asked **Mr. DeHaven** if a quorum was present. Mr. DeHaven indicated all Board had a quorum.

B. Recognition of new primary/alternate appointees of members
Vice-Chairman Birdsong welcomed all members and asked for introductions around the room.

C. Agenda Revisions
There were no agenda revisions.

D. Public Comments (Limited to 3 minutes)
Tom Palmer, Chair of Ancient Islands Conservation, asked about the Alafia Project and how it would work out financially and who would benefit from the 15 MGD that might be available. **Commissioner Birdsong** thanked **Mr. Palmer** for his comments. **Mr. DeHaven** asked for former SWFWMD employee **Cindy Rodriguez** to say a few words as she is retiring from the District. **Ms. Rodriguez** indicated it was an honor to work with this Board and water security is one of the keys to Polk



County's future. **Vice-Chairman Birdsong** thanked **Ms. Rodriguez** and indicated that the PRWC would miss her.

E. Consent Items

E.1. Approve Change Order No. 002 to Florida Design Drilling Contract for Acidization of the Southeast Production Well PW-10 (Action)

E.2. Approve Change Order No. 001 (Deductive) to Guaranteed Maximum Price GMP-3 with Florida Water Partners for the Southeast Wellfield Water Production Facility (Action)

E.3. Approve Change Order No. 001 (Deductive) to Guaranteed Maximum Price GMP-4 with Florida Water Partners for the Southeast Wellfield Water Transmission Main (Action)

Vice-Chairman Birdsong asked **Mr. DeHaven** to briefly review the three consent items. He provided a quick overview of each item.

Motion to approve Consent Items was made by **Mayor West** seconded by **Mayor Fuller**. Motion was unanimously approved.

F. Regular BOD Items

F.1. Adjust Date for PRWC Board of Directors Election of Officers (Action)

Mr. DeHaven indicated that **Mayor Mutz** was available to remain as PRWC Chairman through the November PRWC Board of Directors meeting. The PRWC typically conducts elections in September of each year in preparation for a new slate of officers beginning at the November Board meeting. Since **Mayor Mutz** is available for the November meeting, the recommendation was to adjust the date of elections from September to November. The new officers would then begin serving as of December 1, 2025 rather than October 1, 2025.

Motion to approve the election date change was made by **Commissioner Pfeiffer** seconded by **Mayor West**. Motion was unanimously approved

F.2. Preliminary PRWC Administrative and Conservation Budgets – FY2026 (Information)

Laura Guy-Rice provided an overview of the proposed FY2026 Administration budget. She provided an overview of expected expenditures and noted that the \$176,550 was less than last years budget as salary funds are now reflected in project budget as well as this budget. She then reviewed the revenue side of the budget which shows member costs. She indicated this budget might change for the final budget in July due to an item Mr. DeHaven will discuss later in the meeting.

Ms. Guy-Rice then reviewed the conservation budget and provided an overview of expenditures and revenues. This budget is the same amount as last years budget at \$150,000 with members providing 50% of that cost.

Chairman Birdsong asked if there were any questions.

F.3. Heartland Headwaters Protection & Sustainability Act Fund Allocations and Project Applications (Action)

Mary Thomas began her presentation by providing a recap of the Heartland Act. The PRWC receives funding from the legislature through the Heartland Act through the annual report. For the FY2025 session the PRWC received \$1.56M. She provided an overview of past funding appropriation. She noted that in our most successful years, there was a high level of coordination between members in support of Heartland funding. The PRWC is recommending to allocate the FY2025 funds to the Southeast Wellfield Project and the Conservation Program. **Ms. Thomas** noted that this allocation of funds benefits all members by reducing their contributions to the projects.

Ms. Thomas also discussed total Alternative Water Supplies funding from the State. She indicated the PRWC has received over \$44.8M in grant funds. She noted that the FDEP Grant Portal was open for applications and members should apply. She provided a table that showed the cumulative benefit to each member from these funds. She also indicated that Heartland applications from the members are due in September.

Chairman Birdsong asked if there were any questions. **Mayor Pfeiffer** wanted to make sure the Board members had the necessary material from the PRWC to advocate for funding. She discussed future Data Centers and water needs with future growth. She said that as we advocate for our own projects, we need to also advocate for the PRWC and Heartland funding. She noted we need to be more active with Heartland requests. **Chairman Birdsong** agreed and wanted the PRWC to pull out all stops for obtaining funds. He suggested a dual approach from the members and their lobbyists. **Mr. DeHaven** indicated we have three years of construction to obtain funding. The approach of members requesting funds and their lobbyists is what the PRWC also suggests. **Mr. DeHaven** noted that at the upcoming legislative delegation meeting it would be of benefit for the members to mention Heartland funding.

Motion to approve the Heartland funding allocation was made by **Commissioner Pfeiffer** seconded by **Mayor Fuller**. Motion was unanimously approved.

F.4. PRWC Alternative Water Supply Project Options (Information)

Mary Thomas indicated that during the last Board meeting there was discussion about the history of PRWC project selection. She first reviewed a timeline from 2006 to present as to how we got to the position we are today and noted Upper Floridan quantities are limited and AWS is needed. She defined Alternative Water supply including surface water brackish water supply. She discussed there were over 200 possible projects that were reviewed and distilled to nine and then four candidate projects. She showed a list of the nine projects and the four candidate projects. She noted that there is no more cheap water and provided cost information. She discussed the CFWI rule and water restrictions of the Upper Floridan aquifer.

Ms. Thomas then discussed future possible projects including the Alafia and Peace Rivers. She also mentioned reclaimed water as a source and conservation.



Chairman Birdsong asked for questions and noted this was for the Boards information.

F.5. Member Revenue Options (Information)

Murray Hamilon began his presentation by noting the Board has seen this information several times in the past but it is important to review. He started with the member projected PRWC costs for FY2026 to FY2033. These program cost estimates are based on the 90% construction estimate and include grants as presented in January. This presentation is geared to cost recovery the members might use. **Mr. Hamilton** noted seven members have done recent rate assessments, three members are currently doing rate studies and three others are likely beginning.

Mr. Hamilton first covered member special assessments and noted this option has not been previously favored by the members. He next covered capital connection fees, otherwise know as impact fees by new development and re-development. He noted these are a popular option among the members. He proceeded to identify project capacity costs and noted that seven members are currently evaluating increases to impact fees. Mr. Hamilton next covered AWS surcharges. He noted two members are using these, Polk County and Davenport. Finally, Mr. Hamilton discussed monthly user fees or service rates that are paid by current customers of the system. He described what items should be recovered in the rates such as debt service costs and fixed/variable expenses.

Chairman Birdsong asked for questions.

F.6. Alafia River Water Supply Project Update and Request to File and Administrative Challenge to the Tampa Bay Water Alafia River Permit Modification (Action)

Eric DeHaven began his presentation by providing background on the Alafia River and PRWC future water supply needs. He noted that the Minimum flow rule allows 19% of flow to be used for supply and Tampa Bay Water is currently permitted to use 10% of that flow. Tampa Bay Water received a permit modification on July 22, 2025 to use the remaining 9% of flow available.

He next noted that under the original permit, the PRWC could access up to 15 million gallons per day with flow available on 80% of days. With the TBW permit modification, the PRWC would only be able to access 5 million gallons er day on 17% of days. The permit modification granted to Tampa Bay Water would make it very difficult to cost effectively implement a PRWC project on the river.

Mr. DeHaven noted the PRWC has submitted a permit application for the remaining 9% of flow and a response to the District request for additional in formation is in progress. The PRWC has also obtained a time extension to the permit challenge period to continue to work with Tampa Bay Water on options. There is upcoming meeting schedule for August 5, 2025 with Tampa Bay Water. The PRWC needs to be prepared to challenge the permit. A scope-of-work and cost has been developed for a permit challenge. The expected cost would be \$204,820 to challenge the permit through the entry of a recommended order but a more refined estimate can be provided at the beginning of any administrative action. These costs are recommended to be included in the 2026 administrative budget. A table of member costs was provided.



The staff recommendation was presented as follows:

- 1) Approve the legal challenge budget of \$204,820;
- 2) Amend the administrative budget by this amount;
- 3) Ratify the Executive Directors action to seek a time extension to file a petition;
- 4) Authorize the Executive Director to approve additional time extensions if negotiations are ongoing;
- 5) Authorize staff to file an administrative challenge if negotiations reach an impasse.

Mr. DeHaven also addressed comments made by Tom Palmer at the beginning of the meeting. He noted Polk County alternative water supply options are limited and those that we have access to should be protected.

Commissioner Troutman asked who was attending the meeting on August 5th. **Mr. DeHaven** noted it would be Tampa Bay Water, SWFWMD, and MR. Gary Hubbard from Winter Haven. **Commissioner Fellows** noted that the Peace River and Alafia River are important to Polk County but what do we do without these sources. **Mr. DeHaven** noted that the PRWC has a reasonable project based on past legal actions with the Peace River/Manasota Regional Water Supply Authority. He noted that the SWFWMD is in the process of modifying minimum flows on the Upper Peace River which could have a negative impact on a potential project. The PRWC is monitoring those minimum flow developments. **Mr. DeHaven** noted that is why we are considering the action at hand.

Commissioner Fellows noted the permit seemed very fast tracked to him. **Mr. DeHaven** noted that Tampa Bay Water had used the 9% in the past under an emergency drought order which was one of the reasons why this permit moved quickly. However, it does seem that Polk County's needs are not being addressed.

Commissioner Williams asked about why is their water available if to us if the rivers originate in Polk County. **Mr. DeHaven** indicated there is water available, just not as much as in the downstream areas of these rivers. **Commissioner Williams** noted we already approved funds for the permit application and now we are being asked to approve more funds and we are unsure of the outcome. **Mr. DeHaven** noted these are future projects and funds would need to be made available formally evaluate it. The ultimate result is to bring on water to Polk County residents.

Mr. de la Parte provided background on the Peace River project as this is very similar to what happened on that project. The result of that effort allowed for a potential project to supply 20-30 million gallons per day to the PRWC on the Peace River. **Commissioner Pfeiffer** asked for clarification on who did the PRWC challenge. **Mr. de la Parte** indicated it was the PRMRWSA. **Commissioner Williams** asked how many gallons come from the Peace River now. **Mr. de la Parte** indicated this water would be in the future and the agreement with the PRMRWSA allows for that use. He noted that permits are good for 50 years and Polk County needs to keep looking into the future to secure its water future.

Chairman Birdsong asked if there were any other questions.

Motion to approve the Alafia River staff recommendation presented above was made by **Commissioner Troutman** seconded by **Commissioner Pfeiffer**. Motion was unanimously approved.



Mayor Mutz indicated he was in favor of the allocation request.

G. Recess Regular BOD/Commence Combined Projects BOD

Chairman Birdsong opened the Combined Projects Board.

G.1. Preliminary PRWC Combined Projects Budget – FY2026 (Information)

Laura Guy-Rice provided an overview of the preliminary Combined Projects Budget. She noted the expenditure portion of the budget was \$2.34 million and the PRWC portion was \$1.17 of that portion.

Mayor Birdsong asked if there were any questions and noted the final budget would be brought to us at the September Board meeting.

H. Recess Combined Projects BOD/Commence Southeast Wellfield BOD

Chairman Birdsong opened the Southeast Project Board.

H.1. Preliminary Southeast Wellfield Project Budget (information)

Laura Guy-Rice provided an overview of the preliminary Southeast Budget. She noted that the expenditure portion of the budget was \$183.94 with \$122.69 provided by the PRWC. She noted that salary costs had been moved to this budget.

Mayor Birdsong asked if there were any questions and noted the final budget would be brought to us at the September Board meeting.

H.2. Adopt Resolution 2025-22 to Approve the Third Amendment to FDEP SRF Loan DW532001 for the Southeast Wellfield Project (Action)

Eric DeHaven indicated that this SRF loan was used for the Southeast Wellfield design process and is now complete. The amendment reduces the loan amount by \$19,602 with a total loan amount of \$21,886,688. The first semiannual payment of \$1,240,875.79 is due September 15, 2025.

Motion to approve to the Third Amendment to SRF Loan DW532001 was made by **Mayor West** seconded by **Commissioner Pfeiffer**. Motion was unanimously approved.

H.3. Adopt Resolution 2025-23 to Authorize SRF Construction Loan DW532003 for Construction of the Southeast Wellfield Project (Action)

Julie Santamaria with PFM Financial Advisors began her presentation noting that SRF loans provide the lowest cost to the PRWC for additional construction funds. She provided a chart comparing interest rates and noted SRF is lowest. FDEP has awarded an initial \$14M in construction funds with \$2.4M in loan forgiveness. The FDEP has requested the PRWC provide an authorizing resolution which is the purpose of this item. Once FDEP provides the loan agreement it will be brought to the PRWC BOD for consideration.

Motion to approve Resolution 2025-23 was made by **Commissioner Pfeiffer** seconded by **Mayor Fuller**. Motion was unanimously approved.

H.4. Adopt Resolution 2025-24 to Approve the First Amendment to the Truist Loan Agreement (Action)

Julie Santamaria continued on to agenda item H.4 and provided an overview of the Truist loan agreement. The Truist loan is a \$154M tax exempt loan at an interest rate of 3.55% and is used as an interim financing tool to the WIFIA loan, which has a 4.02% interest rate. The Truist loan has a tender date beginning in November 2025 and every six months thereafter until November 2028. The use of the Truist loan provides savings compared to the higher interest WIFIA loan and also allows for potential refinancing of the WIFIA loan.

Ms. Santamaria indicated that the PRWC has requested a loan extension to the Truist loan and Truist is agreeable. The Truist loan amendment extends the first tender date to November 13, 2026, waive the extension fee of \$100,000, and adjusts the interest rate to 3.78%. She provided a graphic of historical treasury interest rates and discussed that interest rates are expected to decline.

Motion to approve the Truist Loan Agreement made by **Commissioner Pfeiffer** and seconded by **Mayor West**. Motion was unanimously approved.

H.5 Update on the Southeast Wellfield Project (Information)

Mark Addison provided an agenda of his update. He noted that design is largely complete and the only items remaining are the booster pump stations and member receiving facilities. GMP's 1-4 are in construction, GNP-5 is on the Board agenda today, and GMP is expected to come to the Board in November. A final GMP will be this spring for pump stations and metering. Well construction is occurring at well site 9, acidification needs to occur at 10, and 11 is complete. Site clearing is largely complete at the water production facility.

On the transmission system, Construction package 2A is complete, package 6 is 90% complete and construction package 1 is underway. On land acquisition all offers have been tendered to all parcels. 195 settlements have been reached. He noted a summary of closed parcels was provided as a handout. **Mr. Addison** concluded by noting that most permits are complete.

Chairman Birdsong asked if there were any questions.

H.6. Approve Guaranteed Maximum Price (GMP-5) for Construction Packages 3A, 4B and 5 for the Southeast Wellfield Transmission Main (Action)

Mark Addison began his presentation by showing the locations of these construction packages. He then provided details of package 3A. Four bids were received and the CMAR recommendation is to award the package to Midsouth as low bidder for \$12,425,052. He noted significant reduction in bid pricing from the construction estimate. He reviewed construction package 4B. Seven bids were received and the



CMAR recommends award of the bid to the second low bidder, Killebrew, at \$7,338,080 due to better qualifications for the package. **Mr. Addison** then reviewed package 5 and noted that five bids were received. The CMAR recommends award to the low bidder, ADS, at \$7,881,420 and noted an extra 20% contingency was included due to the bid price.

Mr. Addison indicated the total base bid price was \$30,409,007. After adding in the CMAR costs the GMP-5 total is \$39,273,265. Construction should start this fall. Presently the PRWC is seeing a savings reduction of approximately \$55M in bids prices compared to the 90% construction estimate.

Chairman Birdsong asked when the other bid packages go out. He noted that it is important to get the remaining bid packages out soon based on current bid pricing. **Mr. Addison** noted the next package is scheduled for the November Board based on the land acquisition schedule. **Commissioner Troutman** asked for a review of the GMP-5 cost and Mr. Addison provided a recap.

Motion to approve the Guaranteed Maximum Price (GMP-5) for Construction Packages 3A, 4B, and 5 was made by **Commissioner Fellows** seconded by **Mayor West**. Motion was unanimously approved

H.7. Adopt Resolution 2025-25 Parcel Resolution of Necessity to Acquire Specified Parcels to Implement the Southeast Wellfield Lower Floridan Aquifer Water Production Facility and Transmission Main Projects (Action)

Mark Addison began by noting this resolution covers two parcels located in Lake Hamilton area and one in the Dundee area. He provided a map of the parcel locations.

Motion to approve the Guaranteed Maximum Price (GMP-5) for Construction Packages 3A, 4B, and 5 was made by **Mayor West** seconded by **Commissioner Cam**. Motion was unanimously approved

H.8. Approve the Negotiated Settlement with Reed E. Venrick for PRWC Parcel Number 10016 Permanent and Temporary Construction Easements (Action)

Eric DeHaven started by noting that we are close to completing the necessary parcel resolutions for this project. He then provided a location map of the Venrick property and noted that the PRWC appraised the property at \$91,450 as a future commercial property. He reviewed a timeline associated with the property acquisition and noted that the counter offer received by the PRWC was \$396,000. A settlement was reached at \$198,000 and attorney costs and expert fees were owed to reach a final easement cost of \$248,473.50. The easement is over 0.57 acres and a jury trial was avoided.

Mr. DeHaven provided a review of the total easement status. He noted \$11M has been spent of our \$21M budget.

Motion to approve the Negotiated Settlement with Reed E. Venrick was made by **Commissioner Pfeiffer** seconded by **Mayor Fuller**. Motion was unanimously approved



I. Recess Southeast Wellfield BOD/Commence West Polk BOD

Chairman Birdsong recessed the Southeast Board and turned the meeting over to **Chairwoman Pfeiffer** to begin the West Polk Board.

I.2. Preliminary West Polk Project Budget (Information)

Laura Guy-Rice provided an overview of the West Polk Project budget. She indicated the total budget for the West Polk project is \$16.68M. She noted salaries have been distributed into the project budgets from the administration budget.

Chairwoman Pfeiffer asked if there were any questions.

I.2. Update on the West Polk Wellfield Project (Information)

Tom Mattiacci provided an overview of the West Polk schedule and indicated final design of the plant is deferred to early 2026. He noted construction is underway of Test Production Well #2 and the Injection Well and provided pictures of the construction. He concluded by speaking about future well site acquisition.

I.3. Adopt Resolution 2025-24 to Approve the First Amendment to the Truist Loan Agreement (Action)

Eric DeHaven indicated that this item was approved by the Southeast Board earlier in the meeting and that the PRWC is asking the West Polk Board to also approve.

Motion to approve the First Amendment to the Truist Loan was made by **Commissioner Troutman** seconded by **Commissioner Cam**. Motion was unanimously approved

Chairwoman Pfeiffer closed the West Polk Project Board and **Chairman Birdsong** re-opened the Regular Board.

J. Recess West Polk BOD/Commence Regular BOD

Chairman Birdsong indicated that there was an additional item that needs to be considered by the Regular Board. Mr. DeHaven indicated that on the advice of legal counsel, the Regular Board should also vote on the First Amendment to the Truist Loan item that was just approved by the West Polk Board and was previously approved by the Southeast Board. **Mr. DeHaven** provided the staff recommendation.

Motion to approve the First Amendment to the Truist Loan was made by **Mayor West** seconded by **Commissioner Pfeiffer**. Motion was unanimously approved

K. Open Discussion

Chairman Birdsong asked if there were any items to be discussed from the Board members. There were none.



L. Chair / Executive Director Report

Eric DeHaven indicated that our usual meeting location at Lake Myrtle was still under construction for the September meeting and asked if the Board had any preferences on the next meeting location. **Commissioner Pfeiffer** inquired about the FDOT training room in Bartow. **Mr. DeHaven** indicated that it was not available. **Chairman Birdsong** suggested returning to this location and the Board generally agreed.

M. Adjournment by Chairman Birdsong at 3:45PM.

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.

Agenda Item E.3.9/17/2025

SUBJECT

Approve Brynjulfson CPA Auditing Services Engagement Letter for FY2025 Auditing Services (Action)

DESCRIPTION

Brynjulfson CPA, P.A. has been providing the Polk Regional Water Cooperative (PRWC) auditing services since 2017, beginning with Fiscal Year (FY) 2016. Since then, the PRWC has extended the contract for auditing services each year. In FY2019, additional services were added to the contract to include a State Single Audit for work required related to the Florida Department of Environmental Protection (FDEP) State Revolving Fund (SRF) Loans which continue today. In FY2024, the PRWC added the preparation of financial statements to the scope of services previously performed by the PRWC accounting firm, Clifton Larson Allen (CLA).

Presented for the Board's consideration is an engagement letter for auditing services. The fee for the FY2025 audit for basic financial statements is \$27,615, for the state single audit is \$5,730, and for the federal single audit is \$4,650. Additional hourly rates are provided in the engagement letter for preparation of the audited financial statements which is expected to cost approximately \$4,000. The anticipated final costs for auditing services for FY2024 is approximately \$42,000.

The tentative FY2026 PRWC Budget provides appropriations of \$43,695 for this engagement letter for auditing services.

RECOMMENDATION

Approve the engagement letter from Brynjulfson CPA for FY2025 auditing services, including the state single audit, federal single audits and preparation of audited financial statements.

FISCAL IMPACT

The financial impact to the PRWC for FY2025 will be approximately \$42,000 for auditing services.

CONTACT INFORMATION

Eric DeHaven
Laura Guy Rice

August 11, 2025

Polk Regional Water Cooperative

c/o Eric DeHaven, Executive Director

We are pleased to confirm our understanding of the services we are to provide Polk Regional Water Cooperative (the "Cooperative"), an independent special district created pursuant to Chapter 189, Florida Statutes and Section 373.1962, Florida Statutes for the year ended September 30, 2025.

Audit Scope and Objectives

We will audit the financial statements of each major fund and the disclosures, which collectively comprise the basic financial statements of the Cooperative as of and for the year ended September 30, 2025. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Cooperative's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Cooperative's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis

We have also been engaged to report on supplementary information other than RSI that accompanies the Cooperative's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole:

- 1) Schedule of Expenditures of Federal Awards or State Financial Assistance (as necessary).
- 2) Schedule of Revenues and Expenses – budget to actual – admin.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objective also includes reporting on –

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and/or major state projects and an opinion (or disclaimer of opinion) on compliance with federal and/or state statutes, regulations, and the terms and conditions of federal and/or state awards that could have a direct and material effect on each major program/project in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and/or Chapter 10.550, Rules of the Auditor General.

A Single Audit will be required if expenditures of federal awards equal or exceed \$1,000,000 during the fiscal year (2 CFR §200.501). A State Single Audit will be required if expenditures of state financial assistance equal or exceed \$750,000 (Section 215.97, Florida Statutes).

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General (as applicable) and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risks of material misstatement as part of our audit planning:

- Due to the different sources (members, federal, state, loans..etc) committed to funding Cooperative expenses, the allocation, reporting and payment of these amounts create a significant risk of material misstatement.
- Direct payments to third parties by funding agencies creates a significant risk of material misstatement.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion.

As required by the Uniform Guidance and/or Chapter 10.550, Rules of the Auditor General, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal or state award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance and Chapter 10.550, Florida Statutes.

However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance and/or Chapter 10.550, Rules of the Auditor General.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Cooperative's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

The Uniform Guidance and Chapter 10.550, Rules of the Auditor General requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal and/or state statutes, regulations, and the terms and conditions of federal and/ or state awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the OMB *Compliance Supplement* and/or the State of Florida's State Projects *Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Cooperative's major programs or major state projects. For federal or state programs that are included in the respective Compliance Supplements, our compliance and internal control procedures will relate to the compliance requirements that those Compliance Supplements identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the Cooperative's compliance with requirements applicable to each of its major programs/projects in our report on compliance issued pursuant to the Uniform Guidance and/or Chapter 10.550, Rules of the Auditor General.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported.

Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements

Management is responsible for making all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and Government Auditing Standards.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You are responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards and/or state financial assistance (including notes and noncash assistance received) in conformity with the Uniform Guidance and/or Chapter 10.550, Rules of the Auditor General. You agree to include our report on the schedule of expenditures of federal awards and/or state financial assistance in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards and/or state financial assistance. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon.

Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards and/or state financial assistance in accordance with the Uniform Guidance and/or Chapter 10.550, Rules of the Auditor General; (2) you believe the schedule of expenditures of federal awards and/or state financial assistance, including its form and content, is stated fairly in accordance with the Uniform Guidance or Chapter 10.550. Rules of the Auditor General; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards and/or state financial assistance.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards and/or state financial assistance, and related notes and disclosures.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Non-Audit/Non-Attest Services

We will also assist in preparing the financial statements and related notes of the Cooperative in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

PUBLIC RECORDS In accordance with the provisions of Chapter 119.0701(2), Florida Statutes;

IF THE AUDITOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE AUDITOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (863) 248-7388, RECORDSCUSTODIAN@PRWCWATER.ORG, 330 W. CHURCH STREET, DRAWER AT01, BARTOW, FLORIDA 33830.

The auditor must comply with public records laws, specifically to:

- 1) Keep and maintain public records required by the Cooperative in order to perform the service(s).
- 2) Upon request from the Cooperative's custodian of public records, provide the Cooperative with a copy of the requested records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- 3) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the term of the Agreement and following completion of the Agreement if the Firm does not transfer the records to the Cooperative.
- 4) Upon completion of the Agreement, transfer, at no cost to the Cooperative, all public records in possession of the Auditor or keep and maintain public records required by the Plan to perform the service. If the Auditor transfers all public records to the Client upon completion of the Agreement, the Auditor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Auditor keeps and maintains public records upon completion of the Agreement, the Auditor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Cooperative, upon request from the Cooperative's custodian of public records, in a format that is compatible with the information technology systems of the Cooperative.

Brynjulfson CPA, P.A. acknowledges that Section 287.133, Florida Statutes provides that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or a consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

This agreement may be executed in two or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by facsimile, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (".pdf") or tagged image file format (".tiff"), shall be equally effective as delivery of a manually executed counterpart thereof.

Engagement Administration, Fees, and Other

We understand that your employees or designated agent will (1) provide us with an accurate and complete trial balance of all funds prepared on the proper basis of accounting; (2) prepare all cash or other confirmations we request and will locate any documented selected by us for testing.

We will provide copies of our reports to the Cooperative; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Brynjulfson CPA, P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of Florida or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Brynjulfson CPA, P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the State of Florida. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings, as necessary. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards and/or state financial assistance, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

Mike Brynjulfson is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for the *audit services* will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, typing, postage, travel, copies, telephone...etc.) Our estimated total fee can be found in Attachment A of this letter.

Our fee for the *financial statement preparation assistance* will be billed based on actual time incurred at our standard hourly rates as set forth in Attachment A to this letter and will be billed separately from the audit services.

Our invoices for professional services will be rendered as work progresses and are payable on receipt. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we have to terminate our service for nonpayment, or if you should elect to terminate our services, you will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination even if we have not completed our report. The fees quoted herein are based on anticipated cooperating from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, for example, because of changes in the nature and/or scope of the audit due to changes in audit or accounting standards, new grants or funding sources, etc., we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. If only minimal additional time is necessary, we will proceed with the work and separately bill this when the services are completed. The quoted rates in Attachment A will be used in the event that additional work outside the scope of this fee proposal is requested or required of us throughout the period of this agreement.

E-Verify: Auditor shall register with and use the Homeland Security's E-Verify System to verify that all employees hired after January 1, 2021 are citizens of the United States or are otherwise legally permitted to perform services in the State of Florida in accordance with F.S. §448.095.

Reporting

We will issue a written report upon completion of our audit of Cooperative's financial statements. Our report will be addressed to members of the Board of Directors of the Cooperative. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by Government Auditing Standards. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Cooperative is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards may not satisfy the relevant legal, regulatory, or contractual requirements.

We will also issue the management letter required by Chapter 10.550, Rules of the Florida Auditor General and a report on the examination of compliance with Section 218.415, Florida Statutes (see next section for detail of this report).

AICPA Professional Standards, AT-C Section 315 – Examination of Compliance with Sections 218.415, Florida Statutes.

Section 218.415, Florida Statutes provides requirements applicable to investment policies adopted by the Cooperative and specifies the types of authorized investments. Pursuant to Section 218.415(22), Florida Statutes, auditors of local government units must include a report as to whether the local governmental unit has complied with Section 218.415, Florida Statutes. Our audit will include such an examination and will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

An examination is designed to obtain reasonable assurance about whether the Cooperative complied with the specified requirements in Section 218.415.

The objective of an examination is the expression of an opinion in a written report about whether the Cooperative complied with Section 218.415, Florida Statutes, in all material respects. Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, an unavoidable risk exists that some material noncompliance may not be detected, even though the examination is properly planned and performed in accordance with the attestation standards.

You are responsible for, and must evaluate, the Cooperative's compliance with Section 218.415, Florida Statutes and the Cooperative's internal control over compliance.

This agreement is entered into in accordance with Section 218.391(7), Florida Statutes and may be hereafter renewed or extended by mutual agreement of both parties. Furthermore, either party may terminate this agreement upon thirty days written notice.

We appreciate the opportunity to be of service to Cooperative and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,
for **Brynjulfson CPA, P.A.**



RESPONSE:

This letter correctly sets forth the understanding of the **Polk Regional Water Cooperative**.

By: _____ Date: _____

Title: _____

Attachment A – Audit Fee Estimate and Rates
Polk Regional Water Cooperative
August 11, 2025

	Fiscal Year Ending September 30, 2025	
<hr/>		
<u>Audit Fees</u>		
Audit of the Basic Financial Statements	\$	27,615
Federal Single Audit - per Major Program (if required)	\$	5,730
State Single Audit - Per Major Program (if required)	\$	4,650
<u>Rates per Hour</u>		
Partner/Shareholder/Principal	\$	250
Audit Supervisor	\$	200
Audit Senior	\$	160
Clerical/Administrative	\$	100

Audit fees do not include preparation of the basic financial statements, required supplementary information, other supplementary information and related footnote disclosures, preparation of the Schedule of Expenditures of Federal and/or State awards, if required, or the preparation of the annual report to the State of Florida Division of Accounting and Auditing.

If the scope of work to be performed changes significantly due to increased activity or new audit or accounting requirements, we reserve the right to renegotiate the fee. Increased project related activities, including loan or grant funding as well as the related project costs, are expected and will be assessed as part of our audit planning procedures. If we deem the scope of the audit work has changed significantly, we will contact the Board of Directors and executive management to discuss a new fee estimate before we incur the additional costs.

Agenda Item E.4.

9/17/2025

SUBJECT

Approve the Clifton Larson Allen LLP FY2026 Statement of Work for Financial Management Accounting Services (Action)

DESCRIPTION

Presented for the Board's consideration is the Statement of Work (SOW) for accounting and financial support services for Fiscal Year 2026. Clifton Larson Allen (CLA) will continue to provide normal accounting services (such as account receivables, budgeting, business metrics, and cash access) and assistance in the management of cash flow and reporting. Financial statements for auditing purposes will continue to be prepared by the PRWC auditor.

The fixed fee for the accounting services will remain at last year's rate - a fixed monthly fee of \$3,800 per month plus out-of-pocket expenses. The fixed fee includes unlimited meetings and phone calls to discuss operations, business matters, and accounting issues of the PRWC. The out-of-pocket expenses include out-of-town travel, meals, and lodging.

The FY2026 PRWC administrative budget provides appropriations of \$47,880 for the CLA accounting services. Sufficient funds are in the administrative budget for the financial management tasks.

RECOMMENDATION

The financial impact to the PRWC for FY2026 will be a fixed fee of \$47,880 per month plus out-of-pocket expenses.

FISCAL IMPACT

Approve the Clifton Larson Allen Statement of Work for FY2026.

CONTACT INFORMATION

Laura Guy-Rice



Date: August 7, 2025

Statement of Work – Client Accounting & Advisory Services

This agreement constitutes a statement of work ("SOW") under the master service agreement ("MSA") dated August 14, 2024, or superseding MSA, made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and Polk Regional Water Cooperative ("you" and "your"). The purpose of this SOW is to outline certain services you wish us to perform through September 30, 2026 in connection with that agreement.

Scope of professional services

Kristen Labbe is responsible for the performance of the initial, recurring and/or consulting services identified in this agreement.

Recurring services:

- Process accounts payable for management's approval and issuance of checks
- Prepare billings, record billings, and enter cash receipts and track account receivables.
- Reconcile bank accounts monthly and prepare journal entries
- Reconcile balance sheet accounts annually and prepare journal entries
- Attend PRWC board meetings

Consulting services:

- Assist management with cash flow analysis
- Assist management with the budgeting/forecasting process
- Assist management in preparation for annual financial statement audit
- Prepare federal Form 1099 and Form 1096 from information provided by you and transmit federal Form 1099 to federal and state taxing authorities on your behalf

CLA shall be authorized to the following cash access services:

- Obtain access to electronic signatures or signatures embedded into cloud-based software for the purpose of drafting payments on your behalf.
- Prepare checks and/or electronic funds transfers (EFT, ACH, wire, etc.) to be drawn upon your bank account(s) and to use the above noted methods to thereby finally approve such checks for payment by the corresponding bank(s).

Engagement objectives, limitations, and responsibilities

CLA has not been engaged to prepare financial statements and financial statements will not be provided.

We will perform this engagement in accordance with the Statement on Standards for Consulting Services issued by the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement. You agree that we shall not be responsible for any misstatements in the entity's financial statements that may not be identified as a result of misrepresentations made to us by you.

CLA personnel cannot be recognized or act in the capacity of your chief executive officer, chief financial officer, or any other management role and accordingly, CLA cannot accept the corporate responsibility for financial reports and internal control.

For all nonattest services we may provide to you, your management team agrees to assume all management responsibilities; oversee the services within this agreement; designate an individual, preferably within senior management, who possesses suitable skills, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

CLA's relationship with you shall be solely that of an independent contractor and nothing in the MSA or a SOW shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

Your management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services, review and approve the services.

As management, you are also responsible for and the services are contingent on the following:

- Assigning a primary contact that will act as the main conduit for communications, logistics and other such interaction.
- The selection of the financial reporting framework to be applied in the preparation of the

financial statements and determining that the financial reporting framework is acceptable in the circumstances.

- The design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- The prevention and detection of fraud.
- To ensure that the entity complies with the laws and regulations applicable to its activities.
- The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
- Responding to requests for data, documentation or other information materials necessary to complete this engagement in a timely manner. Any delays in providing such materials may impact CLA's ability to deliver services based on previously communicated dates. CLA will have no obligation to perform services until you have provided such information. You agree to grant CLA an express, limited license to use such materials in any way necessary to the performance of the services outlined in this SOW.
- To provide us with the following:
 - Access to all information relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - Additional information that may be requested for the purpose of the engagement.
 - Unrestricted access to persons within the entity with whom we determine it necessary to communicate.
- To the extent we are assisting management with the completion of any Federal or State regulatory filings you are responsible for ensuring the completeness and accuracy of those filings.
- You will be solely responsible for making all decisions concerning the contents of our communications and reports, for the adoption of any plans, and for implementing any plans you may develop, including any that we may discuss with you.

Beneficial ownership information reporting

Beginning in 2024 under the Corporate Transparency Act (CTA), certain entities organized in the U.S. (including entities that are disregarded for federal income tax purposes) and foreign entities doing business in the U.S. are required to report information to the Financial Crimes Enforcement Network (FinCEN) as to their beneficial ownership. The report must provide each beneficial owner, each company applicant and other required information. Entities subject to the beneficial ownership information (BOI) reporting include a corporation, limited liability company, or any other entity created by the filing of a document with the secretary of state or similar office under state, Tribal or foreign country law. Note that some entities are

exempt from the BOI reporting requirements (including many nonprofits and certain large operating companies).

It is your responsibility to prepare and submit any BOI report to FinCEN that is required under the CTA. We have no obligation to identify any filing requirements or provide any services related to BOI reporting.

You agree that CLA will not be providing any services that could be viewed as having control or being a beneficial owner of the entity that would require you to list CLA, its partners, principals, directors, officers, employees or agents, in any BOI report. We will not act as a corporate agent or in any capacity where we are preparing or filing legal documents on your behalf. We also will not make any management decisions that indicate substantial control of your entity, including the following decisions:

- Reorganization, dissolution or merger of the reporting company; compensation and incentives of senior officers;
- Making, terminating, fulfilling or not fulfilling significant contracts;
- Selecting, terminating business lines, ventures, or geographic focus;
- Making major expenditures, incurring significant debt, issuing securities, approving operating budgets, selling, transferring, leasing or mortgaging principal assets;
- Amending governing documents; or
- Determining the nature, scope and attributes of the business conducted.

Management responsibilities relevant to CLA's access to your cash

Eric DeHaven, or their successor, is responsible for the processes below. Management is responsible to communicate changes in the individual responsible in a timely fashion. All approvals listed must be documented in writing, either electronically or manually:

- Approve all invoices and check payments.
- Approve all new vendors and customers added to the accounting system.
- Approve all electronic funds transfers (EFT, ACH, wire, etc.) to external parties.
- Review and approve (or delegate to the CLA consulting team if applicable) all bank statements and affiliated monthly reconciliations.
- All requests or approvals received via email, text or IM will be confirmed via phone.

Recurring Services Fees

Our professional fee is \$3,800.00 per month.

General Fee Terms

We will also bill for expenses (including travel, report production, word processing, postage, internal and administrative charges, etc.) plus a technology and client support fee of five percent (5%) of all professional fees billed. Any fee estimate provided is based on anticipated cooperation from your personnel and their assistance with locating requested documents and preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher. Our invoices, including applicable state and local taxes, will be rendered as work progresses and are payable on presentation.

We will also bill any third-party software subscription fees that you direct CLA to purchase and incur on your behalf.

Employee Hire Fee

You acknowledge that the personnel provided by CLA under this Agreement possess unique skills and knowledge acquired through their work with CLA. Should you directly or indirectly hire or engage any CLA employee, whether as an employee, contractor or consultant, who has been involved in providing services under this Agreement within the preceding 12 months, you agree to pay CLA a Placement Fee. The Placement Fee shall be calculated as the greater of 30% of either 1) the CLA's employee's annual salary upon separation from CLA or 2) the individual's annual salary, bonuses and any other form of remuneration as offered by you.

The fee shall be due and payable within 30 days of the employee's commencement of work with you.

The Employee Hire Fee Provision shall not apply where the employee independently applies to a publicly advertised position or if the employee has not provided services to you within the last 12 months prior to their employment.

Failure to comply with this provision shall entitle CLA to seek legal remedies, including but not limited to injunctive relief and recovery of legal costs incurred in enforcing this clause.

Indemnity

For the services described in this SOW, you agree to indemnify and hold harmless CLA, its successors and affiliates, officers, employees, and agents from any claims brought or asserted by any other person, third party, or governmental body for any loss, damages, liabilities, remedies, or cause of action, and from any reasonable expenses incurred in defending against any such claims or actions (including attorney fees) arising from or relating to the services performed by any CLA party.

Termination of SOW

Either party (you or CLA) may terminate this particular SOW at any time by giving 30 days written notice to the other party. Upon termination of this particular SOW, the provisions of this SOW and the existing MSA shall continue to apply to all services rendered prior to termination.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below to indicate your acknowledgement and understanding of, and agreement with, this SOW.

CliftonLarsonAllen LLP

Kristen Labbe

Principal

863-680-5615

kristen.labbe@claconnect.com

Response

This SOW correctly sets forth the understanding of Polk Regional Water Cooperative and is accepted by:

CLA
CliftonLarsonAllen LLP

SIGN:

Kristen Labbe, Principal

DATE:

Client
Polk Regional Water Cooperative

SIGN:

Eric DeHaven

DATE:

Agenda Item E.5.

9/17/2025

SUBJECT

Approve the Second Contract Amendment to SWFWMD Cooperative Funding Agreement 20CF0003425 Southeast Wellfield Regional Transmission Main (Q216) (Action)

DESCRIPTION

On May 11, 2022 the PRWC Southeast Wellfield Board of Directors approved an agreement with the Southwest Florida Water Management District (SWFWMD) to provide \$80,963,000 (inclusive of \$4,950,000 in FDEP grants) in co-funding for the Southeast Wellfield Transmission Main Project. On March 19, 2025 the Board of Directors approved the first amendment to the agreement to add an additional \$3,438,487 in FDEP grant funds.

The agreement is now being amended a second time to provide an additional \$10,000,000 in FDEP Alternative Water Supply grant funding and also extend the contract period from December 31, 2027 to December 31, 2030. The full contract amount, inclusive of FDEP funds is now \$94,401,487.

RECOMMENDATION

Approve the contract amendment to SWFWMD Cooperative Funding Agreement 20CF0003425 Southeast Regional Transmission Main (Q216).

FISCAL IMPACT

The second amendment to the contract provides a total of \$94,401,487 in grant funds for the Southeast Wellfield Transmission Main Project.

CONTACT INFORMATION

Eric DeHaven

SECOND AMENDMENT
TO AGREEMENT BETWEEN THE
SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
AND
POLK REGIONAL WATER COOPERATIVE
FOR
POLK REGIONAL WATER COOPERATIVE
REGIONAL TRANSMISSION SOUTHEAST (Q216)

This AMENDMENT effective upon execution by both parties, by and between the SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT, a public corporation of the State of Florida having an address of 2379 Broad Street, Brooksville, Florida 34604-6899, hereinafter referred to as the "DISTRICT," and POLK REGIONAL WATER COOPERATIVE, a regional water supply authority of the State of Florida, whose address is 330 West Church Street, Bartow, Florida 33831, hereinafter referred to as the "COOPERATOR."

WITNESSETH:

WHEREAS, the DISTRICT and the COOPERATOR entered into an agreement effective April 26, 2022, as amended March 25, 2025 (Agreement No. 20CF0003425), hereinafter referred to as the "Existing Agreement," for the post-30% design services, permitting and construction of the Southeast Regional Transmission; and

WHEREAS, the parties hereto wish to amend the Existing Agreement to modify the Project Budget, add state funding as identified below, and update contract language applicable to the DISTRICT'S cooperatively funded projects; and

WHEREAS, the FDEP Grant Agreement has been amended to increase funding for the PROJECT by \$10,000,000 for a total grant amount of \$18,388,487.

NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained herein, the parties hereby mutually agree to amend the Existing Agreement as follows:

1. The first paragraph of the Funding Paragraph is hereby replaced in its entirety with the following:

3. FUNDING.

The parties initially anticipated that the total cost of the PROJECT would be One Hundred Fifty-Six Million Nine Hundred Seventy-Six Thousand Dollars (\$156,976,000) (Initial Board-Approved Project Amount). Subsequently, the COOPERATOR advised the DISTRICT that the total cost of the PROJECT increased to One Hundred Seventy-Four Million One Hundred Thousand Six Hundred Dollars (\$174,100,600). The DISTRICT'S maximum funding amount, exclusive of funds provided under the FDEP Grant Agreement, is Seventy-Six Million Thirteen Thousand Dollars (\$76,013,000). The COOPERATOR'S funding match is Seventy-

Six Million Thirteen Thousand Dollars (\$76,013,000) and cannot include state or federal appropriations, or grant monies, as provided in Subparagraph 5 of this Funding Paragraph. The COOPERATOR agrees to provide all remaining funds necessary for the satisfactory completion of the PROJECT.

The DISTRICT agrees to reimburse the COOPERATOR for PROJECT costs as appropriated by the DISTRICT in accordance with Subparagraph 1 of this Funding Paragraph and anticipates reimbursing PROJECT costs up to Ninety Four Million Four Hundred One Thousand Four Hundred Eighty Seven Dollars (\$94,401,487), inclusive of FDEP funds in the amount of \$18,388,487. The DISTRICT'S reimbursement obligation is contingent upon the DISTRICT'S receipt of FDEP funds.

2. Subparagraph 1 of the Funding Paragraph is hereby replaced in its entirety with the following:

The DISTRICT'S performance and payment pursuant to this Agreement are contingent upon the DISTRICT'S Governing Board appropriating funds in its approved budget for the PROJECT in each fiscal year of this Agreement. The COOPERATOR recognizes that the DISTRICT has approved \$52,142,850 for the PROJECT through Fiscal Year 2025. This amount includes \$18,388,487 in state appropriations pursuant to the FDEP Grant Agreement, as amended; however, the release of such funds to the DISTRICT is subject to the legislature releasing funds to the FDEP. If the state appropriations are not released to the DISTRICT, the DISTRICT and the COOPERATOR agree to provide their full share of PROJECT costs, subject to this Funding Paragraph. The additional funds identified in this Agreement are contingent upon approval of such amounts by the DISTRICT'S Governing Board, in its sole discretion, in its annual budgets for future fiscal years. The parties acknowledge that pursuant to the FDEP Grant Agreement, authorization for continuation and completion of work and any associated payments may be rescinded, with proper notice, at the discretion of the FDEP if the Legislature reduces or eliminates appropriations. Extending the contract end date carries the risk that funds for this PROJECT may become unavailable in the future. The COOPERATOR agrees to comply with the FDEP Grant Agreement Terms and Conditions attached hereto as an exhibit.

3. New Paragraph 15 is hereby added to the Funding Paragraph as follows:

As required by the FDEP Grant Agreement, the COOPERATOR shall submit a signed summary of activities completed for the period of work covered in each payment request, using the Deliverables Report form exhibit or other format the FDEP'S Grant Manager may provide from time to time.

4. The Contract Period Paragraph is hereby amended to extend the expiration date of December 31, 2027 to December 31, 2030.
5. Exhibit :C-1", Special Audit Requirements is hereby replaced in its entirety with Exhibit "C-2", attached hereto. All references in the Agreement to Exhibit "C-1" shall hereinafter refer to Exhibit "C-2".
6. Attachment 1-A, AWS Progress Report Form, of Exhibit "D", FDEP Grant Agreement Terms and Conditions, is hereby replaced with Attachment 1-B, attached to this

amendment. All references in the Agreement to Attachment 1-A shall hereinafter refer to Attachment 1-B.

7. The Documents Paragraph is hereby replaced in its entirety with the following:

The following document(s) is/are attached and made a part of this Agreement. In the event of a conflict of contract terminology, priority shall first be given to the language in the body of this Agreement, then to Exhibit "A", then to Exhibit "D", then to Exhibit "C-2, then to Exhibit "F", then to Exhibit "X", then to Exhibit "Y", then to Exhibit "G".

Exhibit "A"	Project Plan
Exhibit "C-2"	Special Audit Requirements
Exhibit "D"	FDEP Grant Agreement Terms and Conditions
Exhibit "F"	FDEP Engineer's Certification of Payment Request Form
Exhibit "G"	Deliverables Report Form
Exhibit "X"	Anticipated Owner's Allowance/Contingency Justification Form
Exhibit "Y"	Construction Unanticipated Continency Justification Form

8. The Project Schedule section set forth in the Project Plan is hereby replaced in its entirety with the following:

PROJECT SCHEDULE

DESCRIPTION	COMMENCE	COMPLETE
Program Management	5/11/2022	12/31/2028
Design and Permitting	5/11/2022	6/30/2025
CMAR Preconstruction Services, Construction Bidding, and Award of Contracts	5/11/2022	9/30/2025
Construction	8/1/2024	12/31/2028
Construction Engineering & Certificate of Substantial Completion	8/1/2024	12/31/2028
As-Built Survey, Record Drawings, Asset Management Plan and Operating Protocol	7/30/2026	6/30/2029

9. The Project Budget section set forth in the Project Plan is hereby replaced in its entirety with the following:

PROJECT BUDGET

DESCRIPTION	DISTRICT	COOPERATOR	TOTAL
Program Management	\$0	\$2,600,000	\$2,600,000
Design and Permitting	\$0	\$20,150,000	\$20,150,000
CMAR Preconstruction Services	\$0	\$1,514,217	\$1,514,217
Construction			
• CFI share	\$71,863,000	\$51,284,896	\$141,536,383
• FDEP	\$18,388,487		

Construction Engineering & Certificate of Substantial Completion	\$3,400,000	\$3,400,000	\$6,800,000
As-Built Survey, Record Drawings & Asset Management Plan and Operating Protocol	\$750,000	\$750,000	\$1,500,000
TOTAL	\$94,401,487	\$79,699,113	\$174,100,600

The FDEP funds in the amount of \$18,388,487 provided to the DISTRICT under the FDEP Grant Agreement, as amended, are included under the DISTRICT'S funding share. FDEP funds in the amount of \$4,950,000 included in the original Cooperative Funding Agreement shall be applied in accordance with Subparagraph 5 of the Funding Paragraph in the original Cooperative Funding Agreement. FDEP funds in the amount of \$13,438,487 may be used to cover PROJECT cost increases in accordance with Subparagraph 5 of the Funding Paragraph in this Amendment.

The COOPERATOR will not seek reimbursement from the DISTRICT for expenses associated with preconstruction services. The DISTRICT will reimburse for construction services at 100% until reimbursements equal the COOPERATOR expenditures for Program Management, Design and Permitting, and CMAR preconstruction services; but at no time will the DISTRICT'S expenditure amounts exceed expenditures made by the COOPERATOR.

Reimbursement for expenditures for anticipated owners allowance and/or contingency pay items identified in the Guaranteed Maximum Price is contingent upon DISTRICT approval in accordance with the Funding Paragraph in the Agreement. The COOPERATOR must complete one Anticipated Owner's Allowance/Contingency Justification Form attached to this Agreement, per contingency line item requested for DISTRICT reimbursement.

Reimbursement for expenditures for unanticipated contingency funds is contingent upon DISTRICT approval in accordance with the Funding Paragraph in the Agreement. The COOPERATOR must complete one Construction Unanticipated Contingency Justification Form attached to this Agreement, per unanticipated contingency line item requested for DISTRICT reimbursement.

10. The terms, covenants and conditions set forth in the Existing Agreement that have not been specifically amended herein, will continue in existence, are hereby ratified, approved and confirmed, and will remain binding upon the parties hereto.

The remainder of this page intentionally left blank.

IN WITNESS WHEREOF, the parties hereto, or their lawful representatives, have executed this AMENDMENT on the day and year set forth next to their signatures below.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

By: _____
Amanda Rice, P.E. _____ Date
Assistant Executive Director

POLK REGIONAL WATER COOPERATIVE

By: _____
Name: _____ Date
Title: _____
Authorized Signatory

SECOND AMENDMENT
TO AGREEMENT BETWEEN THE
SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
AND
POLK REGIONAL WATER COOPERATIVE
FOR
POLK REGIONAL WATER COOPERATIVE
REGIONAL TRANSMISSION SOUTHEAST (Q216)

EXHIBIT – C-2

FUNDS AWARDED TO THE RECIPIENT PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

Note: If the resources awarded to the recipient represent more than one federal program, provide the same information shown below for each federal program and show total federal resources awarded

Federal Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following:					
Federal Program A	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
				\$	
Federal Program B	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
				\$	

Note: Of the resources awarded to the recipient represent more than one federal program, list applicable compliance requirements for each federal program in the same manner as shown below:

Federal Program A	First Compliance requirement: i.e.: (what services of purposes resources must be used for)	
	Second Compliance requirement: i.e.: (eligibility requirement for recipients of the resources)	
	Etc.	
	Etc.	
Federal Program B	First Compliance requirement: i.e.: (what services of purposes resources must be used for)	
	Second Compliance requirement: i.e.: (eligibility requirement for recipients of the resources)	
	Etc.	
	Etc.	

Note: If the resources awarded to the recipient for matching represent more than one federal program, provide the same information shown below for each federal program and show total state resources awarded for matching.

Exhibit C-2

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Matching Resources for Federal Programs:					
Federal Program A	Federal Agency	CFDA	CFDA Title	Funding Amount	State Appropriation Category
Federal Program B	Federal Agency	CFDA	CFDA Title	Funding Amount	State Appropriation Category

Note: If the resources awarded to the recipient represent more than one state project, provide the same information shown below for each state project and show total state financial assistance awarded that is subject to section 215.97, F.S.

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Resources Subject to Section 215.97, F.S.:						
State Program A	State Awarding Agency	State Fiscal Year ¹	CSFA Number	CSFA Title or Funding Source Description	Funding Amount	State Appropriation Category
Original Agreement	Department of Environmental Protection	2020-2021	37.100	Alternative Water Supply – LI 1622	\$4,950,000	141138
Amendment 1	Department of Environmental Protection	2022-2023	37.100	Alternative Water Supply - LI 1649	\$3,438,487	141138
Amendment 2	Department of Environmental Protection	2024-2025	37.100	Alternative Water Supply – LI 1737	\$10,000,000	141138
State Program B	State Awarding Agency	State Fiscal Year ²	CSFA Number	CSFA Title or Funding Source Description	Funding Amount	State Appropriation Category

Total Award	\$18,388,487	
-------------	--------------	--

Note: List applicable compliance requirement in the same manner as illustrated above for federal resources. For matching resources provided by the Department for DEP for federal programs, the requirements might be similar to the requirements for the applicable federal programs. Also, to the extent that different requirements pertain to different amount for the non-federal resources, there may be more than one grouping (i.e. 1, 2, 3, etc.) listed under this category.

For each program identified above, the recipient shall comply with the program requirements described in the Catalog of Federal Domestic Assistance (CFDA) [<https://sam.gov/content/assistance-listings>] and/or the Florida Catalog of State Financial Assistance (CSFA) [<https://apps.fldfs.com/fsaa/searchCatalog.aspx>], and State Projects Compliance Supplement (Part Four: State Projects Compliance Supplement [https://apps.fldfs.com/fsaa/state_project_compliance.aspx]). The services/purposes for which the funds are to be used are included in the Agreement's Grant Work Plan. Any match required by the Recipient is clearly indicated in the Agreement.

¹ Subject to change by Change Order.

² Subject to change by Change Order.

Exhibit C-2

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

**Attachment 1-B
Progress Report Form**

DEP Agreement No.:	Agreement No.
Project Title:	
Grantee Name:	
Grantee's Grant Manager:	
Reporting Period:	Select Quarter - Select Year

Provide the following information for all tasks identified in the Grant Work Plan:

Summarize the work completed within each task for the reporting period, provide an update on the estimated completion date for each task, and identify any anticipated delays or problems encountered. Use the format provided below and use as many pages as necessary to cover all tasks. Each quarterly progress report is due no later than twenty (20) days following the completion of the quarterly reporting period.

Task 1: Select Title

- Progress for this reporting period:
- Identify delays or problems encountered:

Task 2: Select Title

- Progress for this reporting period:
- Identify delays or problems encountered:

Task 3: Select Title

- Progress for this reporting period:
- Identify delays or problems encountered:

Task 4: Select Title

- Progress for this reporting period:
- Identify delays or problems encountered:

Task 5: Select Title

- Progress for this reporting period:
- Identify delays or problems encountered:

Projected expenditures:

Indicate the projected expenditures for the next six months:

\$ _____

This is the amount you expect to request for payment in the next two quarters.

If there are no expenditures expected, please indicate the reason:

Completion Status for Tasks

Indicate the completion status for the following tasks, as applicable to the project. For construction, the estimated completion percentage should represent the work being funded under this Agreement.

Design (Plans/Submittal): 0% ☐ 30% ☐ 60% ☐ 90% ☐ 100% ☐

Permitting (Completed): Yes ☐ No ☐

Construction (Estimated): _____ %

Overall Project Completion (Estimated): _____ %

For infrastructure projects, the Grantee shall provide the following project information:

Construction start date (month/year): _____ Projected ☐ or Actual ☐

Initiation of operation date (month/year): _____ Projected ☐ or Actual ☐

Project Location details:

Local Contributions

For grant agreements with local contributions, a summary of the local contributions will be required in the Final Quarterly Progress Report. Provide a brief summary below of the local contribution amounts that have been used toward the project.

Summary of local contributions:

This report is submitted in accordance with the reporting requirements of the above DEP Agreement number and accurately reflects the activities associated with the project.

Signature of Grantee's Grant Manager
(Original Ink or Digital Timestamp)

Date

Exhibit G
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Deliverables Report

DEP Agreement No.	
Project Title	
Grantee Name	
Payment Request No.	
Payment Performance Period	MM/DD/YYYY – MM/DD/YYYY

Summarize the activities completed for the period of work covered in the payment request for each applicable task. Please attach any supporting documents (inspections, field notes, meeting minutes). Upon request by the Department's Grant Manager, the Grantee will provide additional supporting documentation relating to the task(s).

Task #: Construction

Deliverables: Copy Deliverables from work plan

Summary of Work: Click or tap here to enter text.

Signature of Grantee's Grant Manager or Designee
(Original Ink or Digital Timestamp)

Date

Agenda Item E.6.9/17/2025

SUBJECT

Authorization to Submit the Annual SWFWMD Cooperative Funding Agreement Program Applications for the Southeast and West Polk Projects for FY2027 (Action)

DESCRIPTION

During the first week of October every year SWFWMD receives applications for new and continued Cooperative Funding for the subsequent fiscal year. In 2020 the PRWC submitted a Cooperative Funding application for the overall Southeast Wellfield, multi-year program which was approved by SWFWMD in two parts: the Water Production Facility (Q184) and Transmission Mains (Q216). Work under these two funding agreements is currently underway. Applications to continue annual funding must be submitted each year. This agenda item requests approval to submit an application for each project - Q184 at \$14.5M and Q216 at \$9.3M - for FY2027 funding. Corresponding PRWC funds have been budgeted as presented in the January 2025 PRWC Business Plan.

In 2002 the PRWC ratified the submission of the Cooperative Funding application for the multi-year West Polk project for \$107,052,000, which was approved by the SWFWMD. Applications to continue annual funding must be made each year. This item also requests approval to submit an application to SWFWMD for \$884,155 for FY2027 funding. Corresponding PRWC funds are budgeted as presented in the January 2025 PRWC Business Plan.

RECOMMENDATION

Staff recommends approval to submit applications for Southeast LFA Wellfield Water Production Facility and Transmission System and for the West Polk LFA Wellfield Project for FY2027 SWFWMD Cooperative funding.

FISCAL IMPACT

There is no new fiscal impact associated with this item. Co-funding agreements are already executed and SWFWMD funding is incorporated into the business plan. This item re-confirms the need for approximately \$24.7 from the SWFWMD for FY2027.

CONTACT INFORMATION

Katie Gierok

Agenda Item E.7.9/17/2025

SUBJECT

Approve Change No. 002 (Deductive) to Guaranteed Maximum Price GMP-1 with Florida Water Partners for the Southeast Wellfield Water Production Facility (Action)

DESCRIPTION

Guaranteed Maximum Price GMP-1 with Florida Water Partners (a.k.a., CMAR) was approved by the Project Board on March 20, 2024 in the amount of \$5,138,830.00. GMP-1 consists of Construction Package 2A which includes approximately 7,250 linear feet of 30-inch ductile iron water transmission main within the Detour Road, Alford Road, Edwards Road corridors to accommodate on-going residential development in the area.

On March 19, 2025, the Project Board approved Change Order No. 001 to GMP-1, adding approximately 1,275 linear feet of 30-inch ductile iron pipe to coincide with the development of an industrial site further north in the Detour Road corridor. Change Order No. 001 increased GMP-1 by \$801,414.32 for a new total of \$5,940,244.32.

Construction of all work included in GMP-1 is now complete and the CMAR has submitted the required close-out documentation including the Final Application for Payment. The final Contract Sum for GMP-1 is \$5,340,354.91, resulting in a deduction of \$599,889.41. Change Order No. 002 serves to deduct \$599,889.41 from GMP-1 based on the final Contract Sum of \$5,340,354.91.

RECOMMENDATION

Approve Change Order No. 002 (Deductive) to Guaranteed Maximum Price GMP-1 with Florida Water Partners for the Southeast Wellfield Transmission Main (Action).

FISCAL IMPACT

Fiscal impact is a deduction in the amount of \$599,889.41.

CONTACT INFORMATION

Mark Addison

EXHIBIT "H"
CHANGE ORDER (Deductive)

CHANGE
ORDER

Cooperative X
Engineer _____
Contractor _____

PROJECT: Southeast Wellfield GMP-1

CHANGE ORDER NO: 002

**POLK REGIONAL WATER COOPERATIVE, AN INDEPENDENT
SPECIAL DISTRICT OF THE STATE OF FLORIDA**

INITIATION DATE: 9/17/25

TO CONTRACTOR:

PROJECT NO: CP No. 2A

**FLORIDA WATER PARTNERS
A GARNEY/WHARTON-SMITH JOINT VENTURE LLC**

CONTRACT DATE: 3/20/24

The contract is changed as follows:

Deduct \$599,889.41 from Guaranteed Maximum Price-1 (GMP-1) based on the final Contract Sum in the CMAR's Final Application for Payment.

The original Guaranteed Maximum Price was..... \$5,138,830.00
Net Change by previously authorized Change Orders.....\$ 801,414.32
The Guaranteed Maximum Price prior to this change order was.....\$5,940,244.32
The Guaranteed Maximum Price will be (~~increased~~) (decreased)
(~~unchanged~~) by this Change Order in the amount of.....\$ 599,889.41
The new Guaranteed Maximum Price including this Change Order will be..... \$5,340,354.91
The Contract Time will be (~~increased~~) (~~decreased~~) (unchanged) by (0) days
The date of Substantial Completion as of date of this Change Order therefore is: **May 30th, 2025**

WSP	Florida Water Partners	Polk Regional Water Cooperative
ENGINEER	CONTRACTOR	COOPERATIVE
901 Northpoint Pkwy, Suite 204 West Palm Beach, FL 33407	370 East Crown Road Winter Garden, FL 34787	330 West Church Street Bartow, FL 33830
ADDRESS	ADDRESS	ADDRESS

By 

By Eric C. Wagner 

By _____
Chairman/Vice Chairman

Executive Director

Date 9/5/2025

Date 9.6.2025

Date _____

To the CONTRACTOR: Your acceptance of this Change Order shall constitute a modification to our agreement and will be performed subject to all of the same terms and conditions as contained in our Agreement indicated above, as fully as if the same were repeated in this acceptance. The adjustment, if any, to the agreement shall constitute a full and final settlement of any and all claims arising out of or related to the change set forth herein, including claims for impact and delay costs.

Agenda Item F.1.9/17/2025

SUBJECT

Approve the Employment Agreement for the PRWC Southeast Wellfield Project Manager Position (Action)

DESCRIPTION

The PRWC Board of Directors authorized the Executive Director to include funding in the FY2026 PRWC Administrative Budget for a Southeast Wellfield Project Manager position. Mr. Mark Addison has performed this function in an excellent manner for the past two years as an employee of Polk County Utilities. Mr. Addison will be retiring from the County and has agreed to continue in the role of Southeast Wellfield Project Manager as a contract employee to the PRWC.

An employment agreement has been developed and reviewed by staff, including the BOD's legal counsel Mr. Ed de la Parte. A few of the key provisions in the employment agreement are:

- 1) The term of the agreement shall commence on October 1, 2025 and shall serve at the pleasure of the Cooperative;
- 2) The Contract Employee will ensure the mission and goals of the Cooperative are met;
- 3) The annual base salary will be \$135,000 (no annual or sick leave benefits; no health, dental or vision benefits; no retirement benefits);
- 4) The PRWC will provide professional liability insurance for the contract employee in order to maintain a valid State of Florida Professional Engineers license;
- 5) The PRWC BOD shall evaluate potential adjustment to the Contract Employee's salary on an annual basis, based on an annual performance evaluation;
- 6) The Contract Employee may voluntarily resign with a minimum of two months' notice in advance. The PRWC may terminate employment at any time, with or without cause.

The employment agreement is included as an Exhibit.

RECOMMENDATION

Approve the Employment Agreement with Mr. Mark Addison for the PRWC Southeast Wellfield Project Manager Position.

FISCAL IMPACT

There is an annual fiscal impact to the PRWC Administrative Budget of approximately \$135,000 associated with this action. This amount can increase annually based on performance evaluations.

CONTACT INFORMATION

Eric DeHaven

Employment Agreement for Project Manager

This Agreement is made and entered into this ____ day of September, 2025, by and between the POLK REGIONAL WATER COOPERATIVE, a regional water supply authority of the State of Florida, hereinafter referred to as "Employer" or "Cooperative", and Mark Addison by and through Applied Water Solutions, LLC, a limited liability company of the State of Florida, hereinafter referred to as "Contract Employee."

RECITALS:

1. The Cooperative desires to employ the services of Mark Addison by and through Applied Water Solutions, LLC as Project Manager for the Southeast Wellfield Project for the Cooperative ("Project Manager").

2. The Contract Employee desires to accept employment as the Project Manager according to the terms provided herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the Cooperative and the Contract Employee agree as follows:

Section 1. Employment

The Employer hereby employs, engages, and hires the Contract Employee as the Project Manager. The Contract Employee shall exercise the responsibilities and duties of Project Manager as directed by the Executive Director.

Section 2. Best Efforts of Contract Employee

The Contract Employee agrees that he will faithfully, industriously, and to the best of his abilities, experience, and talents, perform all of the legally permissible and proper duties that may be required of and from him pursuant to the express and implicit terms of this Agreement, to the reasonable satisfaction of the Executive Director. The Contract Employee will ensure the mission and goals of the Cooperative (as such are determined by the Board) and implemented by the Executive Director are met.

Section 3. Term

The term of this Agreement shall commence on October 1, 2025 and shall be a continuing agreement provided that neither party submits a notice of termination. The Contract Employee shall be employed on an at-will basis, serving at the pleasure of the Cooperative. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Cooperative through its Executive Director to terminate the services of the Contract Employee at any time.

Section 4. Compensation of Contract Employee

The Employer agrees to pay the Contract Employee for his services rendered pursuant hereto an annual base salary of \$135,000, payable on a monthly or biweekly basis. The Executive Director shall evaluate potential adjustment to the Contract Employee's salary on an annual basis, beginning on October 1, 2026, based on the Contract Employee's Annual Performance Evaluation (Section 5). Any adjustments to the Contract Employee shall be approved by the Cooperative Board.

Section 5. Performance Evaluation

The Executive Director shall review and evaluate the performance of the Contract Employee at least once annually and at such other times as the Executive Director deems appropriate.

Section 6. Annual Leave and Sick Leave

The Contract Employee and Employer agree that the Contract Employee is an independent contractor and no annual or sick leave benefits are provided.

Section 7. Retirement

The Cooperative is not a member of the Florida Retirement System and the position of Project Manager for the Cooperative is not a defined class position in the Florida Retirement System. The Contract Employee and Employer agree that no retirement benefits are provided.

Section 8. Insurance

The Contract Employee and Employer agree that no health, dental, or vision benefits are provided. However, the Cooperative shall provide professional liability insurance for the Contract Employee, as set forth in Section 13.

Section 9. Administrative Support, Work Location and Remote Work

A member of the Cooperative will provide a standard office work space for the Contract Employee within the jurisdiction of the Cooperative. A member or members of the Cooperative will also provide reasonable administrative support for the Contract Employee. The Contract Employee and Employer recognize the cyclical and spatially dispersed nature of the work associated with the Project Manager position. Both parties agree that remote work by the Project Manager is allowed based on the workload and best interests of the Cooperative as determined by the Executive Director.

Section 10. Resignation

In the event the Contract Employee voluntarily resigns his position with the Cooperative, then the Contract Employee shall give the Cooperative a minimum of two months' written notice in advance. The Executive Director may accelerate the Contract Employee's noticed resignation date at his discretion.

Section 11. Termination

The employment of the Contract Employee shall be at the will of the Executive Director, and Contract Employee's employment shall be subject to termination by the Employer at any time, with or without cause.

Section 12. Indemnification

The Employer shall defend, save harmless and indemnify the Contract Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise arising out of an alleged act or omission occurring in the performance of Contract Employee's duties as Project Manager, while serving a public purpose, unless he acted in bad faith or with malicious purpose or in the manner exhibiting wanton and willful disregard of human rights, safety or property. The Employer shall not be liable in tort for the acts or omissions of the Contract Employee committed while acting outside

the course and scope of his agreed duties or committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property. Employer shall have the right to settle and compromise claims brought against Contract Employee in his official capacity. Nothing herein shall be construed as a waiver by the Cooperative of any defense of sovereign immunity, or as any increase in the limits of its liability provided for in Section 768.28, Florida Statutes.

Section 13 Professional Liability Insurance

In order to perform the duties of the Project Manager, the Cooperative requires the Contract Employee to maintain a valid State of Florida Professional Engineer's license. The Cooperative will maintain a Professional Liability Insurance ("PLI") policy identifying the Contract Employee as a named insured, at all times during the period of the Contract Employee's employment. The PLI policy shall have a minimum policy limit of \$2 million for errors and omissions.

Section 14 Controlling Law

This Agreement is to be governed by the laws of the State of Florida. The venue for any litigation resulting out of this agreement shall be in Polk County, Florida.

Section 15 Enforceability

If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable by a court of competent jurisdiction, that provision or portion shall be severed from the Agreement, with the remainder of this Agreement continuing in full force and effect.

Section 16 Notices

All notices, demands, and requests which may be given or which are required to be given by either party to the other, and any exercise of a right of termination provided by this Agreement, shall be in writing and shall be deemed effective: (a) when personally delivered to the address of the party to receive such notice, (b) when sent by email provided sent between 8:00 o'clock a.m. and 6:00 o'clock p.m. on a day other than a holiday or weekend, otherwise such notice by email shall be effective on the next business day provided such email notice is also sent by another proper means hereunder, or (c) whether actually received or not, two (2) business days after being deposited in any post office or mail receptacle regularly maintained by the United States Government, certified or registered mail, return receipt requested, postage prepaid, or one (1) day after deposited with a nationally recognized overnight courier such as Federal Express, in each case addressed as set forth below, or such other place as the Cooperative or Contract Employee, respectively, may from time to time designate by written notice to the other. The addresses for notices given pursuant to this Agreement shall be as follows:

If to Cooperative:

Polk Regional Water Cooperative
Attn: Executive Director

Eric DeHaven
P.O. Box 9005, Drawer CA0
Bartow, FL 33880-9005

Email: ericdehaven@prwcwater.org

If to Contract Employee: Mark Addison
P.O. Box 488
Loughman, Florida 33858

Email: addisonm059@gmail.com

Section 17 Documents and Public Records

The Contract Employee acknowledges that the Cooperative is a Florida independent special district subject to the Florida Public Records Act.

Contract Employee shall comply with Chapter 119, Florida Statutes, regarding public records. Contract Employee shall keep and maintain all documents, records, correspondence, computer files, emails, and/or reports prepared in order to perform the work under this Agreement. A request to inspect or copy public records relating to this Agreement must be made directly to the Cooperative. If the Cooperative does not possess the requested records, the Cooperative shall immediately notify the Contract Employee of the request, and the Contract Employee shall provide the records to the Cooperative or allow the records to be inspected or copied within a reasonable time at the cost that would not exceed the cost allowed by law. All records stored electronically must be provided to the Cooperative, upon request, in a format that is compatible with the information technology systems of the Cooperative. Upon completion of the Agreement, Contract Employee shall transfer, at no cost, to the Cooperative all public records in possession of Contract Employee. Upon transfer of all public records to the Cooperative upon completion of the Agreement, Contract Employee shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. Contract Employee shall ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed. Records that are exempt or confidential and exempt from public records disclosure requirements may include plans, drawings and records related to the physical security of Cooperative facilities or security systems and shall not be disclosed by Contract Employee, except as authorized by law and specifically authorized by Cooperative. Failure of the Contract Employee to provide public records to the Cooperative within a reasonable time or allowable cost may be subject to penalties under Sec. 119.10, Fla. Stat., and may be cause for termination of the Agreement, in addition to any other remedies available under the Agreement or by law.

IF THE CONTRACT EMPLOYEE HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACT EMPLOYEE'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT POLK COUNTY'S CUSTODIAN OF PUBLIC RECORDS, WHO IS THE COOPERATIVE'S CUSTODIAN OF PUBLIC RECORDS, AT: RECORDS MANAGEMENT LIASON OFFICER, POLK COUNTY, 330 WEST CHURCH ST., BARTOW, FL 33830, TELEPHONE (863) 534-7527, EMAIL: RMLO@POLK-COUNTY.NET.

Any work performed under this Agreement by Contract Employee shall not be copyrighted by Contract Employee and shall be the sole property of the Cooperative.

Section 18 Assignment

Contract Employee shall not assign or subcontract any responsibilities, rights, obligations, or monies due under this Agreement.

Section 19 Independent Contractor

Contract Employee shall be considered an independent contractor during the term of this Agreement.

Section 20 Third Parties

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the Cooperative and the Contract Employee.

Section 21 Outside Work

The Contract Employee shall be permitted to engage in, and receive compensation for outside activities, so long as such activity does not conflict with Contract Employee's duties or the interests of the Cooperative. The Executive Director shall be the sole judge of whether such outside activities conflict with its interests.

Section 22 Extent of Agreement

This Agreement represents the entire and integrated agreement between the Cooperative and the Contract Employee and supersedes all prior negotiations, representations, or agreements either written or oral. This agreement may only be amended, supplemented, modified, changed, or canceled by a duly executed written instrument signed by both the Cooperative and the Contract Employee.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first written above.

Witnesses:

Print Name: _____

Print Name: _____

POLK REGIONAL WATER COOPERATIVE, a
regional water supply authority of the
State of Florida

By: _____
Print Name: _____
Its: _____

Print Name: _____

Print Name: _____

APPLIED WATER SOLUTIONS, LLC

Mark Addison, Manager

Agenda Item F.2.

9/17/2025

SUBJECT

Member Annual Water Charge True Up and Approve the Engagement Letter with Brynjulfson CPA Auditing Services for True Up Auditing Services (Action)

DESCRIPTION

This agenda item will include an overview of the PRWC true up process for Board information and the need for annual examination services to be performed by a qualified certified public accounting firm.

Effective with Fiscal Year (FY) 2024, billing of water charges to project participants for the Southeast and West Polk projects commenced. Billing was based on projections in the Business Plan dated December 2022. Per the Southeast and West Polk Implementation Agreements, the PRWC is to undergo an annual true up examination of the projected to actual values. This is the first true up examination to be performed and will be of the FY 2024 and FY 2025 water charges billed.

Brynjulfson CPA, PA has performed auditing services for the PRWC since FY 2016 and in addition to the regular financial audit, has been requested to perform the examination of the water charge true up. Presented for the Board's consideration is the engagement letter for the examination services. With this being a new service undertaken and encompassing examination of multiple fiscal years, the fee proposed is approximately \$9,500 in total and will be charged to the Southeast and West Polk projects on a pro rata basis.

RECOMMENDATION

Approve the engagement letter from Brynjulfson CPA, PA for the Member Annual Water Charge True up Examination Engagement - Schedule of Water Charges - Actual Expenses.

FISCAL IMPACT

The financial impact to the PRWC will be approximately \$8,000 for examination services for the water charge true up.

CONTACT INFORMATION

Eric DeHaven
Laura Guy-Rice

September 3, 2025

Polk Regional Water Cooperative
c/o Eric DeHaven, Executive Director

RE: Examination Engagement – Schedule of Water Charges – Actual Expenses

Dear Board Members:

We are pleased to confirm our understanding of the services we will provide to the Polk Regional Water Cooperative (“the Cooperative”), an independent special district created pursuant to Chapter 189, Florida Statutes and Section 373.713, Florida Statutes, for the fiscal year ended September 30, 2025, in connection with the Project Implementation Agreements’ requirement to determine and verify the retroactive adjustment (“true-up”) to water charges billed to Project Participants.

Engagement Objective

The objective of our engagement is to perform an *examination* of the Cooperative’s *Schedule of Water Charge – Actual Expenses* (“the Schedule”) of actual values of the fiscal years comprising the FY 2024 Water Charge and FY 2025 Water Charge. The Schedule is prepared in accordance with the cost allocation methodology described in the Cooperative’s Project Implementation Agreements:

- Second Amended and Restated Implementation Agreement – Southeast Wellfield.
- Second Amended and Restated Implementation Agreement – West Polk Lower Floridan Aquifer Wellfield.

Our examination will be conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants (AICPA), specifically AT-C Section 205, Examination Engagements.

Scope of Work

We will examine the Schedule and evaluate whether, in all material respects, it is presented fairly based on:

1. The underlying books, records, and supporting documentation of the Cooperative; and
2. The cost allocation methodology and calculation rules contained in the Project Implementation Agreements.

Our procedures will be tailored to the subject matter and may include:

- Testing actual expense transactions for appropriate classification under the agreement’s cost categories;
- Verifying mathematical accuracy of the Schedule;
- Assessing whether allocations to participants are in accordance with the contractual formulas; and
- Reviewing any estimates or assumptions used in the calculation.

Management's Responsibilities

Management is responsible for:

- Preparing the Schedule in accordance with the cost allocation methodology prescribed in the Project Implementation Agreements,
- Establishing and maintaining effective internal control relevant to the preparation of the Schedule,
- Providing all relevant documentation and information needed for our work,
- Identifying any related contractual provisions applicable to the Schedule, and
- Providing written representations at the conclusion of the engagement regarding the Schedule, compliance with applicable requirements, and the completeness of information provided to us.

Our Responsibilities

Our responsibility is to express an opinion, based on our examination, about whether the Schedule is presented, in all material respects, in accordance with the stated criteria. An examination provides reasonable assurance, which is the highest level of assurance we can provide under AICPA attestation standards.

Deliverables

Upon completion of our engagement, anticipated by January 31, 2026, we will provide:

1. Independent Accountant's Examination Report on the Schedule of Water Charge – Actual Expenses; and
2. The examined Schedule, including necessary notes explaining the basis of preparation and other relevant disclosures.

Limitations

Our engagement is limited to the subject matter described above therefore under this agreement we will not express an opinion or provide any assurance on:

- The Cooperative's financial statements;
- Any other schedules or information not specifically identified in this letter; or
- Compliance with laws or regulations except as they relate directly to the preparation of the Schedule.

PUBLIC RECORDS In accordance with the provisions of Chapter 119.0701(2), Florida Statutes;

IF THE AUDITOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 110, FLORIDA STATUTES, TO THE AUDITOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (863) 248-7388, RECORDSCUSTODIAN@PRWCWATER.ORG, 330 W. CHURCH STREET, DRAWER AT01, BARTOW, FLORIDA 33830.

The auditor must comply with public records laws, specifically to:

- 1) Keep and maintain public records required by the Cooperative in order to perform the service(s).
- 2) Upon request from the Cooperative's custodian of public records, provide the Cooperative with a copy of the requested records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- 3) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the term of the Agreement and following completion of the Agreement if the Firm does not transfer the records to the Cooperative.

-
- 4) Upon completion of the Agreement, transfer, at no cost to the Cooperative, all public records in possession of the Auditor or keep and maintain public records required by the Plan to perform the service. If the Auditor transfers all public records to the Client upon completion of the Agreement, the Auditor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Auditor keeps and maintains public records upon completion of the Agreement, the Auditor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Cooperative, upon request from the Cooperative's custodian of public records, in a format that is compatible with the information technology systems of the Cooperative.

Brynjulfson CPA, P.A. acknowledges that Section 287.133, Florida Statutes provides that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or a consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

This agreement may be executed in two or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by facsimile, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (".pdf") or tagged image file format (".tiff"), shall be equally effective as delivery of a manually executed counterpart thereof.

Engagement Administration, Fees, and Other

We understand that your employees or designated agent will provide us with an accurate and complete *Schedule of Water Charges – Actual Expenses* and related notes to the schedule, for the actual values of the fiscal years under examination that comprise the water charge billings for FY 2024 and FY 2025, pursuant to the following:

- Second Amended and Restated Implementation Agreement – Southeast Wellfield.
- Second Amended and Restated Implementation Agreement – West Polk Lower Floridan Aquifer .

We will provide copies of our reports to the Cooperative; however, management is responsible for distribution of the reports and the schedule. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The documentation for this engagement is the property of Brynjulfson CPA, P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of Florida or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Brynjulfson CPA, P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the State of Florida.

Mike Brynjulfson is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for the *examination services* will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, typing, postage, travel, copies, telephone...etc.) Our estimated total fee can be found in Attachment A of this letter.

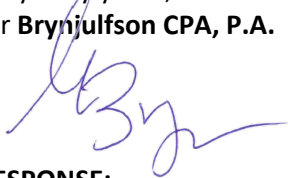
Our invoices for professional services will be rendered as work progresses and are payable on receipt. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we have to terminate our service for nonpayment, or if you should elect to terminate our services, you will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination even if we have not completed our report. The fees quoted herein are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. If only minimal additional time is necessary, we will proceed with the work and separately bill this when the services are completed. The quoted rates in Attachment A will be used in the event that additional work outside the scope of this fee proposal is requested or required of us throughout the period of this agreement.

E-Verify: Auditor shall register with and use the Homeland Security's E-Verify System to verify that all employees hired after January 1, 2021 are citizens of the United States or are otherwise legally permitted to perform services in the State of Florida in accordance with F.S. §448.095.

If the above terms are acceptable, please sign and return a copy of this letter.

We appreciate the opportunity to assist the Cooperative in fulfilling this requirement.

Very truly yours,
for **Brynjulfson CPA, P.A.**



RESPONSE:

This letter correctly sets forth the understanding of the **Polk Regional Water Cooperative**.

By: _____

Date: _____

Title: _____

	Water Charge Billings for the following fiscal years,	
	<u>2024</u>	<u>2025</u>
Examination Fee Estimates	\$ 3,000	\$ 5,000

Rates per Hour

Partner/Shareholder/Principal	\$ 250
Audit Supervisor	\$ 200
Audit Senior	\$ 160
Clerical/Administrative	\$ 100

Estimates differ across fiscal years due to the varying levels of activity subject to examination, which have increased since the implementation of the water charge.

Agenda Item F.3.9/17/2025

SUBJECT

Adopt Resolution 2025-26 for the Final PRWC Administrative Budget - FY2026 (Action)

DESCRIPTION

The Fiscal Year (FY) 2026 Final Administrative Budget for the PRWC is presented for the Board's consideration and approval. This budget is related to the operations of the PRWC which includes staff, outside support, legal, financial, and office incidentals. As noted in the preliminary budget discussion, the administrative budget has been revised to include only 10% of the contractual employees' salaries as overhead with the remainder allocated to the Southeast and West Polk projects on a pro rata basis. Changes to note for this final budget presentation is the inclusion of fees for the Alafia River AWS permitting project in the amount of \$204,820 and the corresponding increase in member government contributions to \$381,370. Overall, the budget for FY 2026 increased \$34,854 over FY 2025.

Since the member government contributions are greater than \$200,000, the budget must be approved by a majority vote of a seventy-five percent (75%) vote of a quorum of the Board of Directors (BOD) using the weighted vote method. A quorum is defined as a majority of voting directors currently comprising the BOD, and the weighted vote method being defined as a procedure by which each Director is assigned one vote for each full 100,000 gallons a day annual average (water delivered by its Member Government for public supply) based on a five-year rolling average.

Included with this agenda item is Resolution 2025-26 which memorializes the Regular Board of Directors action of approving the FY 2026 Final Administrative Budget. Exhibit A to the resolution reflects the Final Administrative Budget expenditures and revenues (the cost to each member).

RECOMMENDATION

Approve Resolution 2025-26 for the FY 2026 PRWC Final Administrative Budget.

FISCAL IMPACT

Approval of this item will allow PRWC to collect funds from member governments for the PRWC Final Administrative Budget as referenced in Exhibit A of Resolution 2025-26 and to expend funds accordingly.

CONTACT INFORMATIONEric DeHaven
Laura Guy-Rice

POLK REGIONAL WATER COOPERATIVE

Resolution 2025-26

RESOLUTION APPROVING ADMINISTRATIVE EXPENSES PORTION OF THE FINAL BUDGET FOR FY 2026

The Polk Regional Water Cooperative (“Cooperative”), created pursuant to Section 373.713, Florida Statutes, and Interlocal Agreement pursuant to Section 163.01, Florida Statutes, in lawful session and in regular order of business properly presented, finds that:

WHEREAS, the Interlocal Agreement creating the Cooperative entered into on June 1, 2016 (“Interlocal Agreement”) provides that:

The Cooperative shall prepare and submit reports, budgets and audits as provided in Sections 189.08, 189.015, 189.016, and 218.39, Florida Statutes. The Cooperative’s budget shall contain separate cost centers for Administrative Expenses and Water Project Costs. Water Project Costs may be consolidated into one Approved Water Project Cost center, groups of Approved Water Project Cost centers or into separate Approved Water Project Cost centers. The Board of Directors shall provide each Member Government with a notice of the Cooperative’s intention to adopt the budget along with a copy of the tentative budget no later than thirty days prior to the budget hearing. The Board of Directors shall approve the Administrative Expense portion of the budget by a majority vote of the Quorum using the Normal Vote Method, except that any decision to approve total Member Government annual contributions in excess of two hundred thousand (\$200,000) dollars shall be by seventy-five (75%) percent vote of the Quorum using the Weighted Vote Method. The Water Project Cost portion of the budget shall be approved by the Project Board(s) by a majority vote of the Quorum using the Weighted Vote Method. If the Water Project Cost portion of the budget is presented as one Approved Water Project cost center, then it must be approved by all project Boards. If the Water Project Cost portion of the budget is presented as separate cost centers representing one or more Approved Water Projects, then each separate cost center must be approved by the Project Board(s) associated with each Approved Water Project. The Cooperative’s duly adopted final budget shall be transmitted to or filed annually with the clerk or other similar official for each Member Government.

WHEREAS, the Cooperative’s Final Budget for FY 2026 is comprised of Administrative Expenses, Conservation Expenses, and Water Project Costs. FY 2026 Water Project Costs consist of Combined Water Projects Costs, Southeast Wellfield Project Costs, and West Polk Wellfield Project Costs;

WHEREAS, the Interlocal Agreement provides for approval of the Administrative Expenses portion of the budget by the Cooperative Board of Directors;

WHEREAS, the Cooperative Board of Directors reviewed the Tentative Budget for FY 2026, including Administrative Expenses, at its regularly scheduled meeting on July 30, 2025;

WHEREAS, each Member Government was provided written notice of the Cooperative's intention to adopt the Final Budget for FY 2026, along with a copy of the Tentative Budget for FY 2026, including Administrative Expenses, prior to the Board of Director's regular meeting on September 21, 2025;

WHEREAS, the Cooperative Board of Directors conducted a public hearing on the Final Budgets for FY 2026 on September 21 2025 setting forth the Administrative Expenses; and

WHEREAS, the Cooperative Board of Directors approved the Administrative Expenses portion of the Final Budget for FY 2025 at their regular meeting on September 21, 2025 in accordance with the vote method specified in the Interlocal Agreement.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Cooperative Board of Directors does hereby approve the Administrative Expenses portion of the Final Budget for FY 2026 attached hereto as **Exhibit A**.

DONE at Auburndale, Florida this 17th day of September, 2025.

Board of Directors of the Polk Regional Water Cooperative:

Chair

Executive Director

Approved as to Form:

Edward P. de la Parte
Legal Counsel

EXHIBIT A
Administrative Expenditures

[See Attached 2 Pages]

EXHIBIT A

**Polk Regional Water Cooperative
Final Administrative Budget - Expenditures
Fiscal Year 2026**

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025			FY 2026
	Actual	Actual	Actual	Actual	Actual	12 Month Budget	6 Month Budget	Actual (6 Months)	Proposed
REVENUE									
Member Funding	\$ 198,000	\$ 198,000	\$ 198,000	\$ 235,000	\$ 259,740	\$ 346,516	\$ 173,258	\$ 173,258	\$ 381,370
Interest	\$ 560	\$ 128	\$ 201	\$ 4,534	\$ 15,347	\$ -	\$ -	\$ 11,035	\$ -
Demand Management Plan	\$ 130,863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,356	\$ -
Miscellaneous	\$ -	\$ -	\$ -	\$ 53	\$ 300	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 329,423	\$ 198,128	\$ 198,201	\$ 239,587	\$ 275,387	\$ 346,516	\$ 173,258	\$ 189,649	\$ 381,370
STAFF									
Executive Director	\$ 80,000	\$ 80,000	\$ 94,583	\$ 117,396	\$ 123,266	\$ 126,788	\$ 63,394	\$ 63,775	\$ 14,000 *
Administrative Assistant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 2,500	\$ -	\$ 5,000
Project Manager/Engineer	\$ 261,906	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 5,000	\$ -	\$ -
Financial Manager	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,000	\$ 47,500	\$ 1,635	\$ 9,000 *
Construction Technician	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Staff Subtotal	\$ 341,906	\$ 80,000	\$ 94,583	\$ 117,396	\$ 123,266	\$ 236,788	\$ 118,394	\$ 65,410	\$ 28,000
OUTSIDE SUPPORT									
Accounting Services	\$ 24,720	\$ 25,647	\$ 27,216	\$ 53,162	\$ 53,546	\$ 45,000	\$ 22,500	\$ 23,858	\$ 47,880
Audit Services	\$ 18,275	\$ 18,950	\$ 21,150	\$ 22,900	\$ 35,000	\$ 32,000	\$ 16,000	\$ 41,613	\$ 43,695
Legal Services	\$ 50,281	\$ 39,795	\$ 60,962	\$ 60,961	\$ 17,733	\$ 25,000	\$ 12,500	\$ 13,673	\$ 27,000
Financial Advisory Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,000	\$ 18,000
Alafia River AWS Permitting Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 204,820
Outside Support Subtotal	\$ 93,276	\$ 84,392	\$ 109,328	\$ 137,023	\$ 106,279	\$ 102,000	\$ 51,000	\$ 88,144	\$ 341,395
PROJECTED OFFICE INCIDENTALS									
Bank Charges	\$ 61	\$ 104	\$ 862	\$ 42	\$ -	\$ -	\$ -	\$ -	\$ -
Advertising / Public Notices	\$ 1,876	\$ -	\$ 1,635		\$ 2,343	\$ 1,800	\$ 900	\$ 3,669	\$ 6,000
Supplies	\$ -	\$ -	\$ -		\$ 173	\$ 400	\$ 200	\$ -	\$ 500
Registration / Dues	\$ -	\$ -	\$ -		\$ 897	\$ -	\$ -	\$ 289	\$ 300
State Fees / Assessment (\$175/yr)	\$ 175	\$ -	\$ 174		\$ -	\$ 175	\$ -	\$ -	\$ 175
Travel & Meetings	\$ -	\$ 1,291	\$ -	\$ 2,962	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment / Furnishings	\$ -	\$ -	\$ -		\$ -	\$ 353	\$ 177	\$ -	\$ -
Inclusive (not categorized)	\$ -	\$ 1,279	\$ 25,642	\$ 7,691	\$ 300	\$ 5,000	\$ 2,500	\$ -	\$ 5,000
Office Subtotal	\$ 2,112	\$ 2,674	\$ 28,313	\$ 10,695	\$ 3,713	\$ 7,728	\$ 3,864	\$ 3,958	\$ 11,975
TOTAL EXPENSES	\$ 437,294	\$ 167,066	\$ 232,224	\$ 265,114	\$ 233,258	\$ 346,516	\$ 173,258	\$ 157,512	\$ 381,370
SURPLUS / (DEFICIT)	\$ (107,871)	\$ 31,062	\$ (34,023)	\$ (25,527)	\$ 42,129	\$ -	\$ -	\$ 32,137	\$ -

FY 2026 NOTE:

*10% for administrative overhead; 90% allocated to SE and WP project budgets

Polk Regional Water Cooperative
Final Administrative Budget - Revenues
Fiscal Year 2026

	2024 Annual Water Use (MGD)	% of Total 2024 Water Use	FY 2026 Proposed
MEMBER FUNDING COSTS			
Auburndale	6.63	8.17%	\$ 31,158
Bartow	3.24	3.99%	\$ 15,227
Davenport	2.21	2.72%	\$ 10,386
Dundee	0.80	0.99%	\$ 3,760
Eagle Lake	0.81	1.00%	\$ 3,807
Fort Meade	0.64	0.79%	\$ 3,008
Frostproof	0.43	0.53%	\$ 2,021
Haines City	6.94	8.55%	\$ 32,615
Lake Alfred	1.33	1.64%	\$ 6,250
Lake Hamilton	0.42	0.52%	\$ 1,974
Lake Wales	2.41	2.97%	\$ 11,326
Lakeland	23.82	29.35%	\$ 111,944
Mulberry	0.47	0.58%	\$ 2,209
Polk City	0.44	0.54%	\$ 2,068
Polk County	19.50	24.03%	\$ 91,642
Winter Haven	11.06	13.63%	\$ 51,977
Total	81.15	100.00%	\$ 381,370

Agenda Item F.4.9/17/2025

SUBJECT

Adopt Resolution 2025-27 for the Final PRWC Conservation Budget - FY2026 (Action)

DESCRIPTION

The Fiscal Year (FY) 2026 Final Conservation Budget for the PRWC is presented for the Board's consideration and approval. This proposed budget totals \$150,000 and consists of member government annual contributions of \$75,000 with the remaining \$75,000 to be matched with a Heartland Headwaters grant. The Conservation budget can be adopted by a simple majority of the BOD.

Included with this agenda item is Resolution 2025-27 which memorializes the Regular Board of Directors action of approving the FY 2026 Final Conservation Budget. Exhibit A to the resolution reflects the Final Conservation Budget expenditures and revenues (the cost to each member).

RECOMMENDATION

Approve Resolution 2025-27 for the FY 2026 PRWC Final Conservation Budget.

FISCAL IMPACT

Approval of this item will allow PRWC to collect funds from member governments for the PRWC Final Conservation Budget as referenced in Exhibit A of Resolution 2025-27 and to expend funds accordingly.

CONTACT INFORMATION

Eric DeHaven
Laura Guy-Rice

POLK REGIONAL WATER COOPERATIVE

Resolution 2025-27

RESOLUTION APPROVING CONSERVATION EXPENSES PORTION OF THE FINAL BUDGET FOR FY 2026

The Polk Regional Water Cooperative (“Cooperative”), created pursuant to Section 373.713, Florida Statutes, and Interlocal Agreement pursuant to Section 163.01, Florida Statutes, in lawful session and in regular order of business properly presented, finds that:

WHEREAS, the Interlocal Agreement creating the Cooperative entered into on June 1, 2016 (“Interlocal Agreement”) provides that:

The Cooperative shall prepare and submit reports, budgets and audits as provided in Sections 189.08, 189.015, 189.016, and 218.39, Florida Statutes. The Cooperative’s budget shall contain separate cost centers for Administrative Expenses and Water Project Costs. Water Project Costs may be consolidated into one Approved Water Project Cost center, groups of Approved Water Project Cost centers or into separate Approved Water Project Cost centers. The Board of Directors shall provide each Member Government with a notice of the Cooperative’s intention to adopt the budget along with a copy of the tentative budget no later than thirty days prior to the budget hearing. The Board of Directors shall approve the Administrative Expense portion of the budget by a majority vote of the Quorum using the Normal Vote Method, except that any decision to approve total Member Government annual contributions in excess of two hundred thousand (\$200,000) dollars shall be by seventy-five (75%) percent vote of the Quorum using the Weighted Vote Method. The Water Project Cost portion of the budget shall be approved by the Project Board(s) by a majority vote of the Quorum using the Weighted Vote Method. If the Water Project Cost portion of the budget is presented as one Approved Water Project cost center, then it must be approved by all project Boards. If the Water Project Cost portion of the budget is presented as separate cost centers representing one or more Approved Water Projects, then each separate cost center must be approved by the Project Board(s) associated with each Approved Water Project. The Cooperative’s duly adopted final budget shall be transmitted to or filed annually with the clerk or other similar official for each Member Government.

WHEREAS, the Cooperative’s Final Budget for FY 2026 is comprised of Administrative Expenses, Conservation Expenses, and Water Project Costs. FY 2026 Water Project Costs consist of Combined Water Projects Costs, Southeast Wellfield Project Costs, and West Polk Wellfield Project Costs;

WHEREAS, the Interlocal Agreement provides for approval of the Conservation Expenses portion of the budget by the Cooperative Board of Directors;

WHEREAS, the Cooperative Board of Directors reviewed the Tentative Budget for FY 2026, including Conservation Expenses, at its regularly scheduled meeting on July 30, 2025;

WHEREAS, each Member Government was provided written notice of the Cooperative's intention to adopt the Final Budget for FY 2026, along with a copy of the Tentative Budget for FY 2026, including Conservation Expenses, prior to the Board of Director's regular meeting on September 21, 2025;

WHEREAS, the Cooperative Board of Directors conducted a public hearing on the Final Budgets for FY 2026 on September 21, 2025 setting forth the Conservation Expenses; and

WHEREAS, the Cooperative Board of Directors approved the Conservation Expenses portion of the Final Budget for FY 2026 at their regular meeting on September 21, 2025 in accordance with the vote method specified in the Interlocal Agreement.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Cooperative Board of Directors does hereby approve the Conservation Expenses portion of the Final Budget for FY 2026 attached hereto as **Exhibit A**.

DONE at Auburndale, Florida this 17th day of September, 2025.

Board of Directors of the Polk Regional Water Cooperative:

Chair

Executive Director

Approved as to Form:

Edward P. de la Parte
Legal Counsel

EXHIBIT A
Conservation Expenditures

[See Attached 2 Pages]

**Polk Regional Water Cooperative
Final Conservation Budget - Expenditures
Fiscal Year 2026**

	FY 2025			FY 2026				
	12 Month	udget	6 Month	udget	Actual (6 Months)	Proposed		
REV NU								
Member Funding	\$	75,000	\$	37,500	\$	37,500	\$	75,000
Heartland Grant	\$	75,000	\$	37,500	\$	6,856	\$	75,000
Miscellaneous	\$	-	\$	-	\$	-	\$	-
TOTAL REVENUE	\$	150,000	\$	75,000	\$	44,356	\$	150,000
STAFF								
Conservation Coordinator	\$	-	\$	-	\$	-	\$	-
Staff Subtotal							\$	-
OUTSID SUPPORT								
Conservation Consultant	\$	150,000	\$	75,000	\$	-	\$	150,000
Outside Support Subtotal	\$	150,000	\$	75,000	\$	-	\$	150,000
PROJ CT D OFFICE INCID NTALS								
Advertising / Public Notices	\$	-	\$	-	\$	-	\$	-
Supplies	\$	-	\$	-	\$	-	\$	-
Postage	\$	-	\$	-	\$	-	\$	-
Print / Reproduction	\$	-	\$	-	\$	-	\$	-
Registration / Dues	\$	-	\$	-	\$	-	\$	-
Telephone / Communication	\$	-	\$	-	\$	-	\$	-
Travel	\$	-	\$	-	\$	-	\$	-
Equipment / Furnishings	\$	-	\$	-	\$	-	\$	-
Inclusive (not categorized)	\$	-	\$	-	\$	-	\$	-
Office Subtotal	\$	-	\$	-	\$	-	\$	-
TOTAL EXPENSES	\$	150,000	\$	75,000	\$	-	\$	150,000
SURPLUS / (DEFICIT)	\$	-	\$	-	\$	44,356	\$	-

Polk Regional Water Cooperative
Final Conservation Budget - Revenues
Fiscal Year 2026

	2024 Annual Average Water Use (MGD)	% of Total 2024 Water Use	FY 2026 Proposed
MEMBER FUNDING COSTS			
Auburndale	6.63	8.26%	\$ 6,196
Bartow	3.24	4.04%	\$ 3,028
Davenport	2.21	2.75%	\$ 2,065
Dundee	0.80	1.00%	\$ 748
Eagle Lake	0.81	1.01%	\$ 757
Fort Meade	0.64	0.80%	\$ 598
Haines City	6.94	8.65%	\$ 6,486
Lake Alfred	1.33	1.66%	\$ 1,243
Lake Hamilton	0.42	0.52%	\$ 393
Lake Wales	2.41	3.00%	\$ 2,252
Lakeland	23.82	29.68%	\$ 22,262
Polk City	0.44	0.55%	\$ 411
Polk County	19.50	24.30%	\$ 18,224
Winter Haven	11.06	13.78%	\$ 10,336
Frostproof			
Mulberry			
Total	80.25	100.00%	\$ 75,000

Agenda Item F.5.9/17/2025

SUBJECT

Alafia River Water Supply Project Update (Information)

DESCRIPTION

The 2017 Phase 2 Implementation Agreement Engineers Report established the top priorities for alternative water supply options in the Polk County region. One of the highest ranked projects was a surface water project that captured flows from the North and South prongs of the Alafia River in Polk County. Initial analysis by TeamOne indicated up to 15 MGD of long-term annual average surface water flow was available to the PRWC. This project continues to be listed as a future water supply source for the PRWC in both the Central Florida Water Initiative (CFWI) and Southwest Florida Water Management District (SWFWMD) Regional Water Supply Plans. PRWC water supply demand projections indicate that between 14 and 27 MGD of additional alternative water supply, beyond conservation and the Southeast, West Polk Projects, and Peace River/Peace Creek projects, will be needed by 2070. The Alafia River will potentially be a critical option to provide this additional supply.

On March 14, 2025, a meeting was held between Tampa Bay Water (TBW) and the PRWC where TBW provided notice to the PRWC that they intended to apply for a modification to their existing Water Use Permit on the Alafia River. The permit modification will allow TBW to increase their withdrawal from 10% to 19% of river flows after minimum low flow criteria are met. Initial water availability analysis by the PRWC indicates that if the permit modification is granted to Tampa Bay Water, a PRWC water supply project on the Alafia would no longer be viable.

At the April 21, 2025 TBW Board of Directors meeting, TBW staff requested Board approval to submit the permit modification to the SWFWMD. Following staff presentation and comments by the PRWC Executive Director, the TBW Board authorized staff to submit the permit modification request, allowing for a 30-day review/comment time by individual TBW members before submittal. TBW submitted the permit modification application on May 22, 2025.

On June 13, 2025, 21 days after the application was submitted, SWFWMD deemed the TBW application complete and the Governing Board approved the permit modification on July 22, 2025. The PRWC would have had 21 days in which to file a petition for hearing. However, Tampa Bay Water indicated a willingness to meet with PRWC to resolve this matter. In order to allow additional time for continued discussions between the agencies, the Executive Director directed Mr. de la Parte to file a motion to extend the permit filing deadline through September 30, 2025, which was granted by SWFWMD on July 29, 2025.

The PRWC, SWFWMD, and TBW met on August 5, 2025 to continue discussions on the permit modification and Polk County's need for future alternative water supplies. Additional discussions

occurred through August and on September 3, 2025 TBW notified the PRWC that they were not willing to provide the PRWC future considerations for the Alafia River water associated with the permit modification. In order to protect the PRWC's interests in the Alafia River as a future alternative water supply source for the Polk County region, the PRWC is now moving forward with a formal legal challenge to the TBW permit modification.

Regarding the PRWC permit application for the remainder of the Alafia River flows, the PRWC submitted an application on June 18, 2025. Unlike TBW, PRWC received a lengthy Request for Additional Information on July 18, 2025 to which a response was filed August 22, 2025. The permit continues to be under review by the District.

RECOMMENDATION

This is an information item, and no action is required by the Board.

FISCAL IMPACT

The legal challenge costs are expected to be \$204,820 through the entry of a recommended order. A more refined estimate will be provided after initiation of the administrative action. Funds for this task are included in the final FY2026 Budget.

CONTACT INFORMATION

Eric DeHaven
Katie Gierok
Ed de la Parte

Agenda Item G.1.

9/17/2025

SUBJECT

Adopt Resolution 2025-28 for the Final PRWC Combined Projects Budget - FY2026 (Action)

DESCRIPTION

Per the requirements of the Interlocal Agreement creating the Cooperative and entered into on June 1, 2016, the Cooperative shall submit a budget of the Water Project Costs with a copy of the tentative budget no later than 30 days before the budget hearing. The draft Combined Projects Budget was submitted to the Board of Directors for information at the July 2025 BOD meeting.

This agenda item approves the final budget related to the project work being completed under the Phase 1 Combined Projects Implementation project, which includes the in-progress work at the West Polk Test Production Well #2 (TPW#2). In January 2023 the remaining contracted work for the Southeast Wellfield, West Polk LFA, Peace Creek Integrated Water Supply Plan and the Peace River and Land Use Transitions portions of the Phase 1 Combined Projects was completed.

Included with this agenda item is Resolution 2025-28 which memorializes the Regular Board of Directors action of approving the FY 2026 Final Combined Projects Budget. Exhibit A recaps expenditures on previous FY budgets and the budget for FY 2026. Exhibit B is the water charge consisting of a Base Rate Charge for FY 2026. Project Participants shall be obligated to pay these charges in one lump sum payment or in twelve equal monthly payments during each calendar month starting in October 2025 and ending on September 2026.

RECOMMENDATION

Approve Resolution 2025-28 for the FY 2026 PRWC Final Combined Projects Budget.

FISCAL IMPACT

Approval of this item will allow PRWC to collect revenue and expend funds in accordance with this budget.

CONTACT INFORMATION

Eric DeHaven
Laura Guy-Rice

POLK REGIONAL WATER COOPERATIVE

Resolution 2025-28

RESOLUTION APPROVING COMBINED WATER PROJECTS COSTS PORTION OF THE FINAL BUDGET FOR FY 2026

The Polk Regional Water Cooperative (“Cooperative”), created pursuant to Section 373.713, Florida Statutes, and Interlocal Agreement pursuant to Section 163.01, Florida Statutes, in lawful session and in regular order of business properly presented, finds that:

WHEREAS, the Interlocal Agreement creating the Cooperative entered into on June 1, 2016 (“Interlocal Agreement”) provides that:

The Cooperative shall prepare and submit reports, budgets and audits as provided in Sections 189.08, 189.015, 189.016, and 218.39, Florida Statutes. The Cooperative’s budget shall contain separate cost centers for Administrative Expenses and Water Project Costs. Water Project Costs may be consolidated into one Approved Water Project Cost center, groups of Approved Water Project Cost centers or into separate Approved Water Project Cost centers. The Board of Directors shall provide each Member Government with a notice of the Cooperative’s intention to adopt the budget along with a copy of the tentative budget no later than thirty days prior to the budget hearing. The Board of Directors shall approve the Administrative Expense portion of the budget by a majority vote of the Quorum using the Normal Vote Method, except that any decision to approve total Member Government annual contributions in excess of two hundred thousand (\$200,000) dollars shall be by seventy-five (75%) percent vote of the Quorum using the Weighted Vote Method. The Water Project Cost portion of the budget shall be approved by the Project Board(s) by a majority vote of the Quorum using the Weighted Vote Method. If the Water Project Cost portion of the budget is presented as one Approved Water Project cost center, then it must be approved by all project Boards. If the Water Project Cost portion of the budget is presented as separate cost centers representing one or more Approved Water Projects, then each separate cost center must be approved by the Project Board(s) associated with each Approved Water Project. The Cooperative’s duly adopted final budget shall be transmitted to or filed annually with the clerk or other similar official for each Member Government.

WHEREAS, the Cooperative’s Final Budget for FY 2026 is comprised of Administrative Expenses, Conservation Expenses, and Water Project Costs. FY 2026 Water Project Costs consist of Combined Water Projects Costs, Southeast Wellfield Project Costs, and West Polk Wellfield Project Costs;

WHEREAS, the Interlocal Agreement provides for approval of the Water Projects portion of the budget by the Project Board(s);

WHEREAS, the Combined Projects Board reviewed the Tentative Budget for FY 2026, including Combined Water Project Costs, at its regularly scheduled meeting on July 30, 2025;

WHEREAS, each Member Government was provided written notice of the Cooperative's intention to adopt the Final Budget for FY 2026, along with a copy of the Tentative Budget for FY 2026, including Water Project Costs, prior to the Combined Projects Board's regular meeting on September 21, 2025;

WHEREAS, the Combined Projects Board conducted a public hearing on the Combined Water Projects Costs portion of the Final Budget for FY 2026 on September 21, 2025 setting forth the Combined Water Projects Costs; and

WHEREAS, the Combined Projects Board approved the Combined Water Projects Costs portion of the Final Budget for FY 2026 at its regular meeting on September 21, 2025 in accordance with the vote method specified in the Interlocal Agreement.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Combined Projects Board does hereby approve the Combined Water Projects Costs portion of the Final Budget for FY 2026 attached hereto as **Exhibit A** and **Exhibit B**.

DONE at Auburndale, Florida this 17th day of September, 2025

Combined Projects Board of the Polk Regional Water Cooperative:

Chair

Executive Director

Approved as to Form:

Edward P. de la Parte
Legal Counsel

EXHIBIT A
Combined Projects Budget

[See Attached 1 Pages]

EXHIBIT A

Combined Projects Budget Southeast Wellfield TPW #2 and West Polk TPW #2

	Fiscal Years			
	2026	2025	2024	2023
Projected Costs (\$M)	\$ 2.34	\$ 2.67	\$ 6.49	\$ 2.36
Projected Funding (\$M)				
Co-funding and Grants ¹	\$ 1.17	\$ 1.33	\$ 3.09	\$ 1.03
PRWC Obligation ²	\$ 1.17	\$ 1.34	\$ 3.40	\$ 1.33
Total Funding	\$ 2.34	\$ 2.67	\$ 6.49	\$ 2.36
Actual Expenditures (\$M)³	N/A	\$ 0.56	\$ 0.82	\$ 3.10

Notes:

FY 2025 and FY 2026 reflect budget methodology of the annual Business Plan.

¹Co-funding is through SWFWMD but does not include land, legal fees or other non-eligible expenses which may be covered by other grant funding. Funding sources subject to monitoring and revision.

²Primary financing through the Truist loan, WIFIA and SRF. Additional grant funding may reduce PRWC obligation. This does not include debt issuance costs.

³FY 2025 actual expenditures are through March.

EXHIBIT B
Cost Allocation

[See Attached 1 Pages]

**Polk Regional Water Cooperative
Combined Projects
Water Charge
Fiscal Year 2026**

	FY 2026 Cost Share
MEMBER	
Auburndale	\$ 868
Bartow	\$ 847
Davenport	\$ 114
Dundee	\$ 275
Eagle Lake	\$ 163
Fort Meade	\$ 48
Frostproof	\$ -
Haines City	\$ 630
Lake Alfred	\$ 209
Lake Hamilton	\$ 5
Lake Wales	\$ 349
Lakeland	\$ 3,064
Mulberry	\$ 67
Polk City	\$ 205
Polk County	\$ 3,989
Winter Haven	\$ 1,168
Total	\$ 12,000

Agenda Item H.1.9/17/2025

SUBJECT

Adopt Resolution 2025-29 for the Final Southeast Wellfield Project Budget - FY2026 (Action)

DESCRIPTION

Per the requirements of the Interlocal Agreement creating the Cooperative and entered into on June 1, 2016, the Cooperative shall submit a budget of the Water Project Costs with a copy of the tentative budget no later than 30 days before the budget hearing. The draft Southeast Wellfield Project Budget was submitted to the Board of Directors for information at the July 2025 BOD meeting.

This budget is related to project work to be completed under the Amended and Restated Implementation Agreement for the Southeast Wellfield dated July 2022 for the design and construction of the Southeast Wellfield (SE) Water Production Facility (WPF) and Transmission Mains (TM).

Commencing with FY 2026, this project budget includes the salary for a contractual project manager and an allocation from the administrative budget for the contractual employees' salaries based on its pro rata share of the total Southeast and West Polk budgets.

Included with this agenda item is Resolution 2025-29 which memorializes the Regular Board of Directors action of approving the FY 2026 Final Southeast Wellfield Project Budget. Exhibit A recaps expenditures on previous FY budgets and the budget for FY 2026. Exhibit B is the water charge consisting of a Base Rate Charge for FY 2026. Project Participants shall be obligated to pay these charges in one lump sum payment or in twelve equal monthly payments during each calendar month starting in October 2025 and ending on September 2026.

RECOMMENDATION

Approve Resolution 2025-29 for the FY 2026 PRWC Final Southeast Wellfield Project Budget.

FISCAL IMPACT

Approval of this item will allow PRWC to collect funds from member governments for the PRWC Final Southeast Wellfield Project Budget as referenced in Exhibit A of Resolution 2025-29 and to expend funds in accordance with Exhibit B.

CONTACT INFORMATION

Eric DeHaven
Laura Guy-Rice

POLK REGIONAL WATER COOPERATIVE

Resolution 2025-29

RESOLUTION APPROVING SOUTHEAST WELLFIELD PROJECTS COSTS PORTION OF THE FINAL BUDGET FOR FY 2026

The Polk Regional Water Cooperative (“Cooperative”), created pursuant to Section 373.713, Florida Statutes, and Interlocal Agreement pursuant to Section 163.01, Florida Statutes, in lawful session and in regular order of business properly presented, finds that:

WHEREAS, the Interlocal Agreement creating the Cooperative entered into on June 1, 2016 (“Interlocal Agreement”) provides that:

The Cooperative shall prepare and submit reports, budgets and audits as provided in Sections 189.08, 189.015, 189.016, and 218.39, Florida Statutes. The Cooperative’s budget shall contain separate cost centers for Administrative Expenses and Water Project Costs. Water Project Costs may be consolidated into one Approved Water Project Cost center, groups of Approved Water Project Cost centers or into separate Approved Water Project Cost centers. The Board of Directors shall provide each Member Government with a notice of the Cooperative’s intention to adopt the budget along with a copy of the tentative budget no later than thirty days prior to the budget hearing. The Board of Directors shall approve the Administrative Expense portion of the budget by a majority vote of the Quorum using the Normal Vote Method, except that any decision to approve total Member Government annual contributions in excess of two hundred thousand (\$200,000) dollars shall be by seventy-five (75%) percent vote of the Quorum using the Weighted Vote Method. The Water Project Cost portion of the budget shall be approved by the Project Board(s) by a majority vote of the Quorum using the Weighted Vote Method. If the Water Project Cost portion of the budget is presented as one Approved Water Project cost center, then it must be approved by all project Boards. If the Water Project Cost portion of the budget is presented as separate cost centers representing one or more Approved Water Projects, then each separate cost center must be approved by the Project Board(s) associated with each Approved Water Project. The Cooperative’s duly adopted final budget shall be transmitted to or filed annually with the clerk or other similar official for each Member Government.

WHEREAS, the Cooperative’s Final Budget for FY 2026 is comprised of Administrative Expenses, Conservation Expenses, and Water Project Costs. FY 2026 Water Project Costs consist of Combined Water Projects Costs, Southeast Wellfield Project Costs, and West Polk Wellfield Project Costs;

WHEREAS, the Interlocal Agreement provides for approval of the Water Projects portion of the budget by the Project Board(s);

WHEREAS, the Southeast Wellfield Project Board reviewed the Tentative Budget for FY 2026, including Southeast Wellfield Project Costs, at its regularly scheduled meeting on July 30, 2025;

WHEREAS, each Member Government was provided written notice of the Cooperative's intention to adopt the Final Budget for FY 2026, along with a copy of the Tentative Budget for FY 2026, including Water Project Costs, prior to the Southeast Wellfield Project Board's regular meeting on September 21, 2025;

WHEREAS, the Southeast Wellfield Project Board conducted a public hearing on the Southeast Wellfield Project Costs portion of the Final Budget for FY 2026 on September 21 2025 setting forth the Southeast Wellfield Project Costs; and

WHEREAS, the Southeast Wellfield Project Board approved the Southeast Wellfield Project Costs portion of the Final Budget for FY 2025 at its regular meeting on September 18, 2024 in accordance with the vote method specified in the Interlocal Agreement.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Southeast Wellfield Project Board does hereby approve the Southeast Wellfield Project Costs portion of the Final Budget for FY 2026 attached hereto as **Exhibit A** and **Exhibit B**.

DONE at Auburndale, Florida this 17th day of September, 2025

Southeast Wellfield Project Board of the Polk Regional Water Cooperative:

Chair

Executive Director

Approved as to Form:

Edward P. de la Parte
Legal Counsel

EXHIBIT A

Southeast Wellfield Budget

[See Attached 1 Pages]

EXHIBIT A

Southeast WPF and TM Budget

		Fiscal Years			
		2026	2025	2024	2023
Projected Costs (\$M)		\$ 183.94	\$ 180.49	\$ 28.40	\$ 34.97
Projected Funding (\$M)					
Co-funding and Grants ¹		\$ 60.92	\$ 78.20	\$ 8.62	\$ 10.40
PRWC Obligation ²					
Project		\$ 122.69	\$ 102.29	\$ 19.78	\$ 24.57
Project Manager ³		\$ 0.14	\$ -	\$ -	\$ -
Contractual Employees Salary Allocation		\$ 0.19	\$ -	\$ -	\$ -
Total PRWC Obligation		\$ 123.02	\$ 102.29	\$ 19.78	\$ 24.57
Total Funding		\$ 183.94	\$ 180.49	\$ 28.40	\$ 34.97
Actual Expenditures (\$M)⁴		N/A	\$ 21.38	\$ 29.03	\$ 14.29

Notes:

FY 2025 and FY 2026 reflect budget methodology of the annual Business Plan.

¹Co-funding is through SWFWMD but does not include land, legal fees or other non-eligible expenses which may be covered by other grant funding. Funding sources subject to monitoring and revision.

²Primary financing through the Truist loan, WIFIA and SRF. Additional grant funding may reduce PRWC obligation. This does not include debt issuance costs.

³Effective with FY 2026, PRWC obligation includes the project manager salary and an allocation of the administrative contractual salaries between the Southeast and West Polk projects on a pro rata basis. This allocation is an addition to the projected costs in the Business Plan presented for FY 2026.

⁴FY 2025 actual expenditures are through March.

EXHIBIT B

Southeast Wellfield Water Charge

[See Attached 1 Page]

EXHIBIT B

Polk Regional Water Cooperative Southeast Wellfield Water Charge Fiscal Year 2026

	FY 2026 Project Cost	Project Manager	Contractual Salaries Allocation	FY 2026 Total Water Charge
MEMBER				
Auburndale	\$ 576,653	\$ 13,662	\$ 19,233	\$ 609,548
Bartow	\$ 125,929	\$ 2,983	\$ 4,196	\$ 133,108
Davenport	\$ 951,021	\$ 22,532	\$ 31,706	\$ 1,005,259
Dundee	\$ 314,538	\$ 7,452	\$ 10,491	\$ 332,481
Eagle Lake	\$ 227,356	\$ 5,386	\$ 7,577	\$ 240,319
Fort Meade	\$ -	\$ -	\$ -	\$ -
Frostproof	\$ -	\$ -	\$ -	\$ -
Haines City	\$ 1,223,393	\$ 28,985	\$ 40,798	\$ 1,293,176
Lake Alfred	\$ 349,297	\$ 8,276	\$ 11,656	\$ 369,229
Lake Hamilton	\$ 174,933	\$ 4,144	\$ 5,828	\$ 184,905
Lake Wales	\$ -	\$ -	\$ -	\$ -
Lakeland	\$ 34,759	\$ 823	\$ 1,166	\$ 36,748
Mulberry	\$ -	\$ -	\$ -	\$ -
Polk City	\$ -	\$ -	\$ -	\$ -
Polk County	\$ 1,188,634	\$ 28,161	\$ 39,632	\$ 1,256,427
Winter Haven	\$ 531,637	\$ 12,596	\$ 17,718	\$ 561,951
Total	\$ 5,698,150	\$ 135,000	\$ 190,000	\$ 6,023,150

Agenda Item H.2.

9/17/2025

SUBJECT

Update on Southeast Wellfield Project (Information)

DESCRIPTION

This will be a recurring agenda item to keep the PRWC Board of Directors updated on progress related to the design, permitting and construction of the Southeast Wellfield Project. Staff will provide an overview of:

- 1) Design and Cost Estimating;
 - a. Transmission Main
- 2) Bidding and Construction;
 - a. Production wells
 - b. Injection well
 - c. Water Production Facility
 - d. Transmission Main
- 3) Land acquisition;
- 4) Permitting;

Other key activities as needed.

RECOMMENDATION

This is an information item and no action is required.

FISCAL IMPACT

No fiscal impact.

CONTACT INFORMATION

Mark Addison

Agenda Item H.3.9/17/2025

SUBJECT

Adopt Resolution 2025-31 to Amend Resolution 2024-29 Parcel Resolution of Necessity to Replace the Sketch and Legal Description for Parcel 10013-TCE-A to Implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)

DESCRIPTION

Pursuant to Cooperative Resolution 2023-06, as amended by Resolutions 2024-34, 2025-05 and 2025-30, the Cooperative Board approved the construction of the SEFLA WPF raw water transmission line as depicted in said resolution and the SETM finished water pipeline as depicted in said resolution as necessary, practical and in the best interest of the Cooperative and its member governments and that the acquisition of such property and property rights are needed for such construction. Resolution 2025-31 amends Resolution 2024-29 to correct the sketch and legal description for parcel 10013-TCE-A to consistently reflect the correct easement size across these documents, which originally contained an incorrect easement size in places.

This resolution constitutes a Parcel Resolution for the SELFA WPF raw water transmission line and SETM finished water pipeline projects, specifically related to those parcels described in Exhibits "A." This resolution authorizes the Cooperative, its officers, employees, contractors and attorneys to acquire permanent and temporary construction easement(s) in certain lands described in Exhibits "A" by negotiation, contract or legal proceedings, including eminent domain proceedings pursuant to Chapters 73 and 74, Florida Statutes.

RECOMMENDATION

Adopt Resolution 2025-31 to Amend Resolution 2024-29 Parcel Resolution of Necessity to Replace the Sketches and Legal Description for Parcel 10013-TCE-A.

FISCAL IMPACT

No fiscal impact.

CONTACT INFORMATION

Mark Addison
Ed de la Parte

POLK REGIONAL WATER COOPERATIVE

Resolution 2025-31

PARCEL RESOLUTION OF NECESSITY AMENDING PARCEL RESOLUTION 2024-29 TO ACQUIRE CERTAIN SPECIFIED PARCELS TO IMPLEMENT THE SOUTHEAST LOWER FLORIDAN AQUIFER WATER PRODUCTION FACILITY AND SOUTHEAST TRANSMISSION LINE PROJECTS

The Polk Regional Water Cooperative (“Cooperative”), created pursuant to Section 373.713, Florida Statutes, and an Interlocal Agreement pursuant to Section 163.01, Florida Statutes, in lawful session and in regular order of business properly presented, finds that:

WHEREAS, the Cooperative as an independent special district created pursuant to Chapter 189, Section 373.713, Florida Statutes and an Interlocal Agreement entered into on June 1, 2016 pursuant to Section 163.01, Florida Statutes by Polk County and 15 municipalities within Polk County (the “Interlocal Agreement”) for the purpose of developing AWS projects to meet the future potable water needs of the citizens of Polk County; and

WHEREAS, the Interlocal Agreement was approved by a Final Order of the Secretary of the Florida Department of Environmental Protection on September 26, 2023, pursuant to Section 373.713(1), Florida Statutes; and

WHEREAS, in April 2021, the Cooperative and 15 of its member governments entered into the Implementation Agreement for the Southeast Wellfield, which obligates the Cooperative to construct and operate the Southeast Wellfield Project to supply the participating member governments 15.15 million gallons a day of potable water by 2045 (the “Implementation Agreement”); and

WHEREAS, the Southeast Wellfield Project consists of the Southeast Lower Floridan Aquifer Water Production Facility (“SELFA WPF”) and the Southeast Transmission Main (“SETM”); and

WHEREAS, the Cooperative is in the process of constructing the first phase of the SELFA WPF, which consists of a 5 raw water wells, approximately 10 miles of raw water transmission line and a water treatment plant capable of producing 7.5 million gallons a day of high quality potable water and the SETM, which consists of approximately 61 miles of water transmission pipeline to deliver the finished water from the water treatment plant to the project participants for use in their water service areas; and

WHEREAS, pursuant to Cooperative Resolution 2023-06, as modified by Cooperative Resolutions 2024-34 and 2025-05, the Cooperative Board designated the SELFA WPF and SETM Projects as approved projects pursuant to the Interlocal Agreement and the Implementation Agreement; and

WHEREAS, pursuant to Cooperative Resolution 2023-06, as modified by Cooperative Resolutions 2024-34 and 2025-05, the Cooperative Board approved the construction of the SEFLA WPF raw water transmission line as depicted in said resolution and the SETM finished water pipeline as depicted in said resolution as necessary, practical and in the best interest of the Cooperative and its member governments and that the acquisition of such property and property rights are needed for such construction is necessary for the performance of its duties and for the construction, reconstruction and maintenance of said facilities for the use of the general public; and that the Cooperative is authorized to make such acquisition by gift, purchase or condemnation.

WHEREAS, the Cooperative has been granted the power of eminent domain pursuant to the Interlocal Agreement and Section 163.01(7)(f) and 373.713(2)(e), Florida Statutes for the condemnation of private property interest for public use, and to acquire any interest in such real property as is necessary for the purpose of carrying out the Interlocal Agreement; and

WHEREAS, before exercising the power of eminent domain the Cooperative Board of Directors is required to adopt a resolution authorizing the acquisition of property for any purpose set forth in the Interlocal Agreement for the Cooperative's purpose or use subject to limitations set forth in Sections 73.013 and 73.014, Florida Statutes; and

WHEREAS, the Cooperative has bifurcated its eminent domain resolution into two separate resolutions; the Project Resolution, authorizing acquisition of property and property rights for the SELFA WPF raw water transmission line and SETM finished water pipeline projects, and the Parcel Resolution, authorizing the parcel acquisition and identifying the specific property and property rights to be acquired for the projects; and

WHEREAS, this Resolution constitutes a Parcel Resolution for the Southeast Wellfield Project; and

WHEREAS, the Cooperative has determined the need to acquire non-exclusive permanent easements and non-exclusive temporary construction easement for construction of the Southeast Wellfield Project on certain lands located in Polk County, Florida, as more fully described in Exhibits "A" and "C" of Cooperative Resolution 2024-29, the nature, term and duration of the permanent easement as set forth in Exhibit "B" and the nature, terms and duration of the nonexclusive temporary construction easement as set forth in Exhibit "D" of Cooperative Resolution 2024-29; and

WHEREAS, the Cooperative desires to amend Cooperative Resolution 2024-29 to replace the sketch and legal description for Parcel 10013-TCE-A with the sketch and legal description attached hereto as **Exhibit "A."**

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The forgoing findings are incorporated herein by reference and made a part hereof.

Section 2. That after consideration of the factors described in the foregoing recitals, the sketch and legal description for Parcel 10013-TCE-A in **Exhibit "A"** attached hereto shall henceforth replace the sketch and legal description for Parcel 10013-TCE-A contained in Exhibit "C" to Cooperative Resolution 2024-29.

Section 3. That after consideration of the factors described in the foregoing recitals, the description of the property and interests described as Parcels (4074-PE), (4074-TCE), (10002-PE), (10002-TCE-A), (10002-TCE-B), (10013-PE), (10013-TCE-B), (10015-PE) and (10015-TCE) in Exhibits "A," and "C" of Cooperative Resolution 2024-29 and Parcel (10013-TCE-A) in **Exhibit "A"** hereto are ratified and confirmed and found to be reasonably necessary for the Cooperative's public purpose in constructing the Southeast Wellfield Project.

Section 4. That the Cooperative, its officers, employees, contractors and attorneys are hereby authorized and directed to acquire by negotiation, contract or legal proceedings, including eminent domain proceedings pursuant to Chapters 73 and 74, Florida Statutes, as may be necessary to acquire permanent and temporary construction easements in certain lands located in Polk County, Florida described in Exhibits "A," and "C" of Cooperative Resolution 2024-29 and in **Exhibit "A"** hereto.

Section 5. That the proper offices of the Cooperative are hereby authorized to do all things necessary and proper under the applicable provisions of Chapters 73, 74 and 163, Florida Statutes and the Interlocal Agreement and Implementation Agreements.

Section 6. That this Resolution shall take effect immediately upon its adoption.

Section 7. That if any phrase, portion or part of this Resolution is found to be invalid or unconstitutional by a court of competent jurisdiction, such phrase, portion or part shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remainder of the Resolution.

DONE at Auburndale, Florida this 17th day of September, 2025

Southeast Wellfield Project Board of the Polk Regional Water Cooperative:

Chair

Secretary/Treasurer

Approved as to Form:

Edward P. de la Parte
Legal Counsel

EXHIBIT A

Nonexclusive Temporary Construction Easement Legal Description

[See Attached 2 Pages]



CS PROJECT NUMBER:
8825.03

PARCEL NUMBER:
10013

SHEET NUMBER:
V-01

LEGEND:

P.B. = PL-T BOOK
PG. = P-GE
O.R. = OFFICI-L RECORDS BOOK
M.B. = M-P BOOK
PE = PERM-NENT E-SEMENT
TCE = TEMPOR-RY CONSTRUCTION E-SEMENT
ID = IDENTIFIC-TION

OLD BARTOW LAKE WALES ROAD
(M-INT-INED RIGHT-OF-W-Y)
(M.B. 3, PG. 177-184)

DESCRIPTION AND SKETCH
10013-TCE-A**NOTES:**

- 1) This is not a Boundary survey.
- 2) Bearings are based on the West line of the Northwest 1/4 of Section 36, Township 29 South, Range 26 East, Polk County, Florida, being South 00°04'29" East.

LINE TABLE		
LINE #	BE-RING	LENGTH
L1	S 89°35'38" W	75.32'
L2	S 36°50'42" E	30.00'
L3	S 36°50'42" E	20.00'
L4	N 36°50'42" W	20.00'

SUBJECT PARCEL
10013-TCE-A
CONT-ING 3,500.00 SQU-RE FEET,
MORE OR LESS

SCALE 1" = 100'

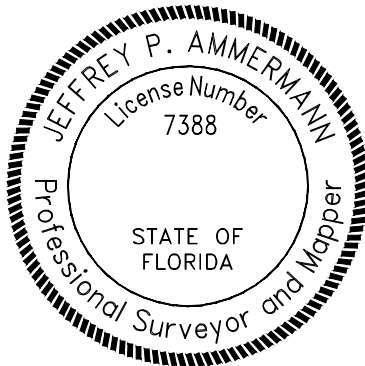
DESCRIPTION:

A parcel of land being a portion of Parcel "B" as described in Official Records Book 707, Pages 580 through 583, Public Records of Polk County, Florida, located in Section 36, Township 29 South, Range 26 East, being more particularly described as follows:

COMMENCE at the Northwest corner of the Northwest 1/4 of said Section 36 said point lying South 89°35'38" West, 75.32 feet from the Northeast corner of said Parcel "B"; thence South 00°04'29" East, along the West line of the Northwest 1/4 of said Section 36, a distance of 191.13 feet; thence South 36°50'42" East, along the West line of said Parcel "B", 30.00 feet to the POINT OF BEGINNING; thence North 53°09'18" East, 175.00 feet to the East line of said Parcel "B"; thence South 36°50'42" East, along said East line, 20.00 feet; thence South 53°09'18" West, 175.00 feet to the West line of said Parcel "B"; thence North 36°50'42" West, along said West line, 20.00 feet to the POINT OF BEGINNING. Said parcel containing 3,500.00 square feet, more or less.

CERTIFICATION:

I hereby certify that this Description with Sketch was made under my direction and was made in accordance with Standards of Practice adopted by the State of Florida Department of Agriculture and Consumer Services, Board of Professional Surveyors and Mappers, Chapter 5J-17 of the Florida Administrative Code, pursuant to Section 472.027, Florida Statutes.



**Jeffrey P
Ammermann**

Digitally signed by
Jeffrey P Ammermann
Date: 2025.01.16
10:46:22 -05'00'

JEFFREY P. AMMERMAN, P.S.M.
FLORIDA REGISTRATION PSM 7388
JAMMERMAN@CHASTAINSKILLMAN.COM
THIS ITEM HAS BEEN DIGITALLY SIGNED AND SEALED BY THE ABOVE
SURVEYOR ON THE DATE ADJACENT TO SEAL. ANY SIGNATURE MUST BE
VERIFIED ON ANY ELECTRONIC COPIES. PRINTED COPIES OF THIS DOCUMENT
ARE NOT CONSIDERED VALID WITHOUT A RAISED SEAL.

SHEET 1 OF 1

CS PROJECT: 8825.03

10013-TCE-A

SHEET NO. V-01

PREPARED BY: **CHASTAIN-SKILLMAN, LLC. - 205 EAST ORANGE STREET SUITE #110
LAKELAND, FLORIDA 33801 - (863) 646-1402 - LB 262**

DRAWN BY: S. CHILDS

FIELD BOOK: — PAGE: —

DATE: 01/16/2025

SUBJECT

Negotiated Settlement with Katclark, LLC and Stokes Grove, Inc. for PRWC Parcels 9006, 10000, 10001, and 10004 Permanent and Temporary Construction Easements (Information)

DESCRIPTION

Following negotiations between the PRWC and the Attorney representing Katclark LLC and Stokes Grove Inc., the PRWC reached a monetary settlement regarding the easements (9006, 10000, 10001, 10004 Permanent and Temporary Construction Easements) needed on these properties (Exhibit A).

Pursuant to the negotiated terms, the property owner of these four parcels will receive \$1,350,000 for permanent easement easements totaling 4.84 acres and temporary construction easements totaling 1.83 acres. The PRWC appraisal update amount for the permanent and temporary construction easements was \$917,350. The property owner (through his attorney) initially countered at \$1,640,364. After a series of cost exchanges, a settlement was reached at \$1,350,000, which is \$432,650 above the appraised value. The increase in the amount of compensation provided to the property owner above the appraised value is considered reasonable and appropriate for a future residential or commercial property. In addition, the PRWC is impacting numerous natural trees (large oaks), approximately 150 citrus trees, irrigation systems, and substantial fencing lengths.

The PRWC negotiated owner expert fee invoices in the amount of \$25,257.25. Statutory attorney fees mandated under Florida law are \$142,890. The total cost for the easement is \$1,518,147.25.

The negotiated settlement has numerous benefits to the PRWC as outlined below:

- 1) The settlement is \$432,650 less than the owner's opinion of compensation;
- 2) The PRWC contractor will not need to replace a substantial amount of temporary and permanent fencing as it is included for the owner to replace in the settlement cost;
- 3) A jury trial was avoided, which would have exposed the PRWC to an additional estimated \$300,000-\$400,000 in costs;
- 4) The PRWC transmission line can remain as designed despite impacts to a potential future residential/commercial property.

This settlement was negotiated and settled by The PRWC's eminent domain attorney (Policastro Law Group) with the property owner's attorney. Easements were acquired from the property owner by an Order of Taking on October 15, 2024 (Stokes Grove) and on March 3, 2025 (Katclark). The PRWC attorney has filed the Stipulated Final Judgement for all four parcels to finalize the agreement.

RECOMMENDATION

This item is for the Board's information and no action is required. The negotiated settlement amount for the two properties (Katclark LLC and Stokes Grove Inc.) each fell within the Executive Directors authority to approve per Resolution 2025-05 which states:

"Delegate to the Executive Director the authority to approve all land acquisitions up to 50% of the appraised value of the property or \$100,000, whichever is higher and to approve all attorney fees and other costs up to and including \$150,000"

Property Name	PRWC Appraised Amount	Settlement Amount	Executive Director "up to" approval amount	Attorney/Expert costs	Executive Director "up to" approval amount
Katclark LLC (Parcel 9006)	\$474,550	\$698,650	\$711,825	\$82,753.25	\$150,000
Stokes Grove Inc (Parcels 10000 10001 10004)	\$442,800	\$651,350	\$664,200	\$85,394.00	\$150,000

Due to the negotiated settlement amount this item is being brought to the Board as an information item.

FISCAL IMPACT

The Negotiated Settlement provides that the PRWC will pay \$1,518,147.25 (inclusive of attorney and expert fees) for PRWC Parcel Numbers 9006, 10000, 10001, 10004 Permanent and Temporary Construction Easements. These costs are anticipated to be reimbursed through a Heartland Headwaters Protection and Sustainability Act grant. A total of \$21,229,000 is budgeted for Southeast Wellfield Transmission Main land costs.

CONTACT INFORMATION

Eric DeHaven

Exhibit A – Location Map

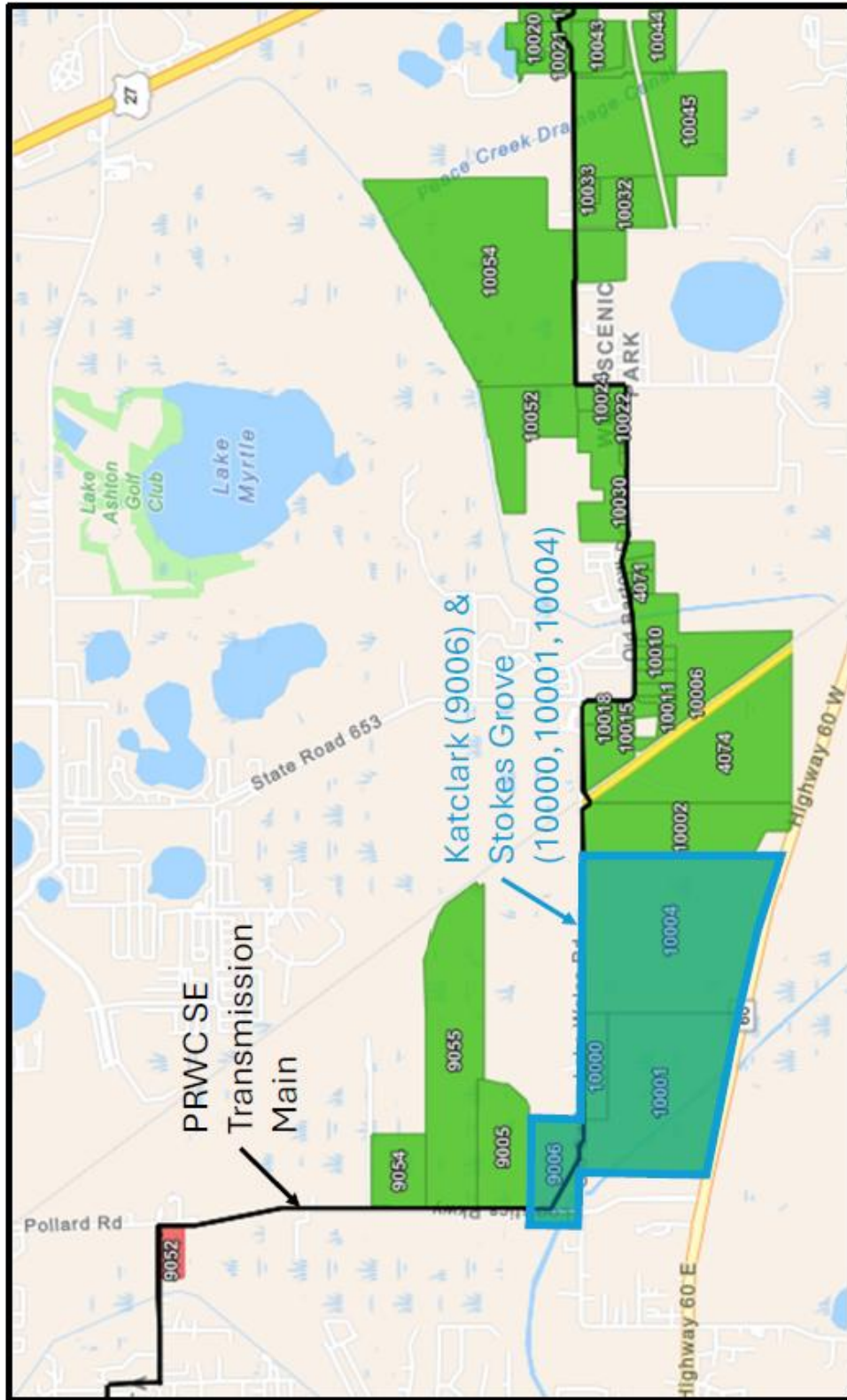
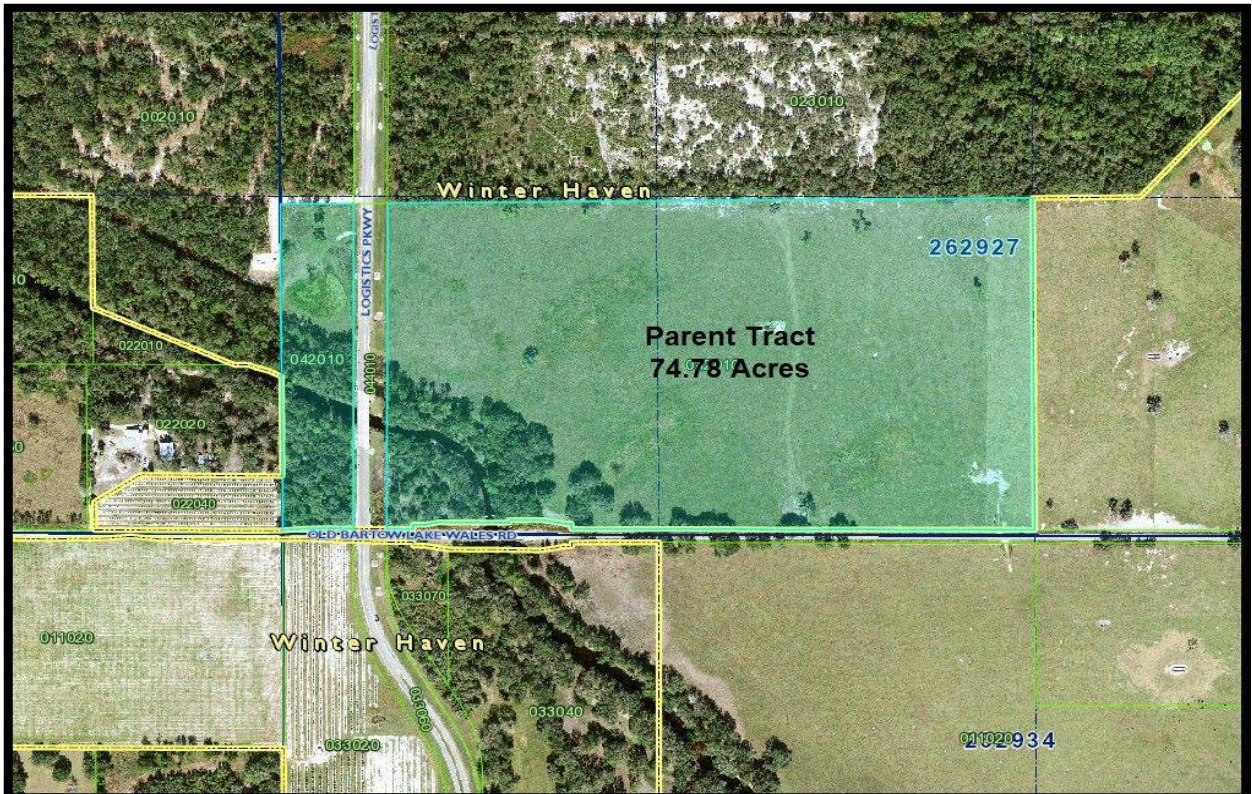


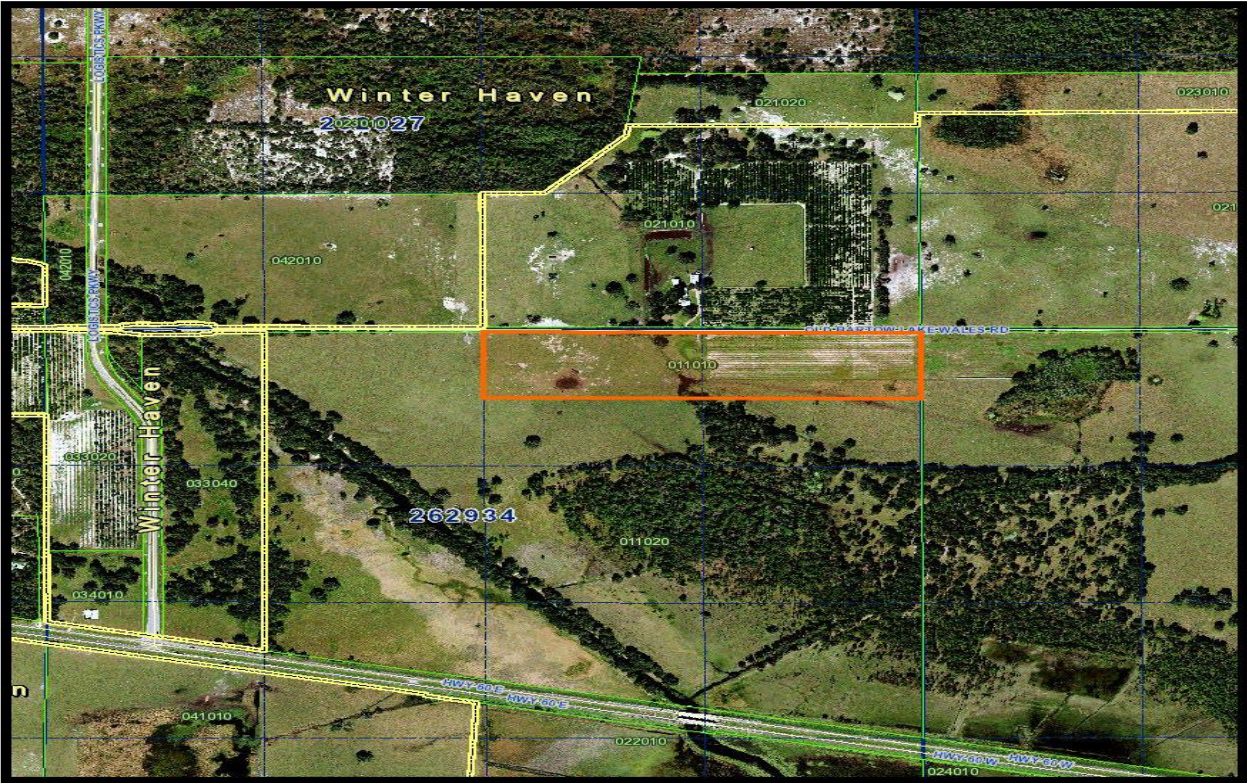
Exhibit A – Parcel 9006 Katclark LLC



☀ 135°SE (M) ● 27°55'37"N, 81°42'31"W ±13ft



Exhibit A – Parcel 10000 Stokes Grove Inc.



☀ 249°W (M) ● 27°55'24"N, 81°41'36"W ±13ft



10000
08 Sep 2024, 08:43:39

Exhibit A – Parcel 10001 Stokes Grove Inc.

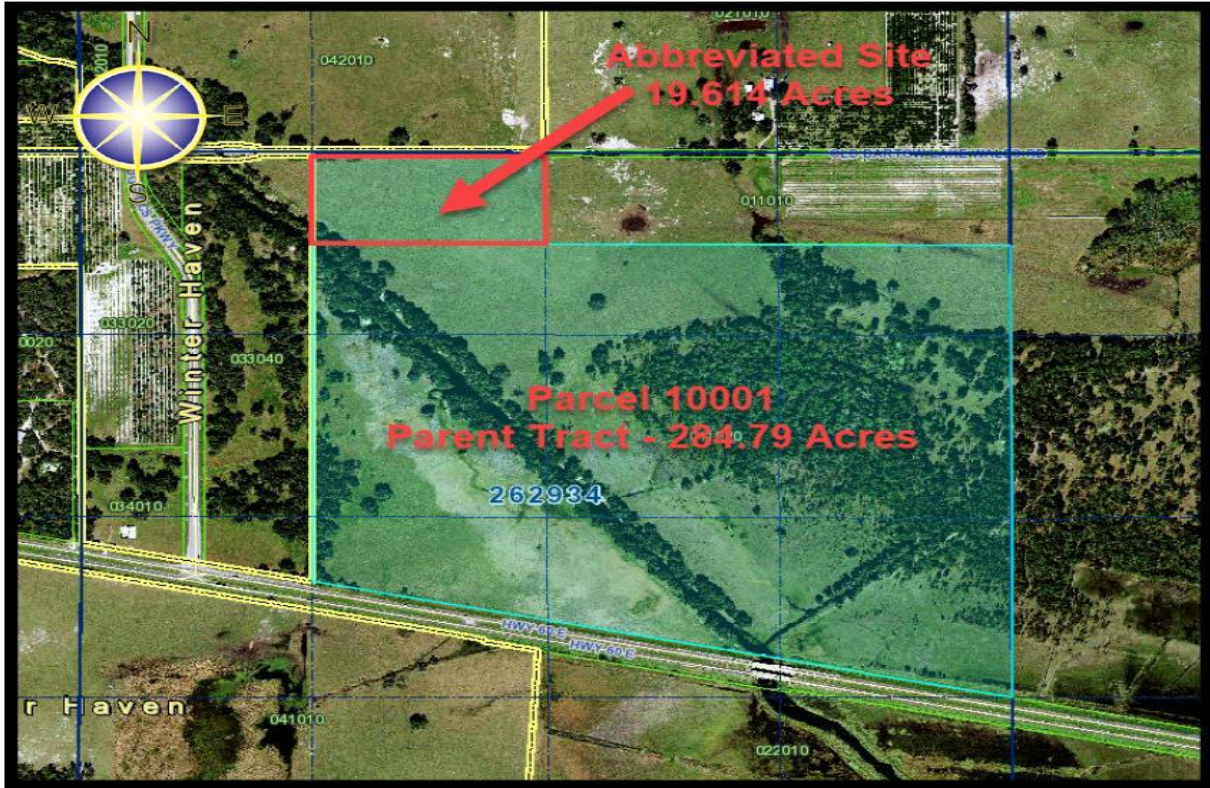
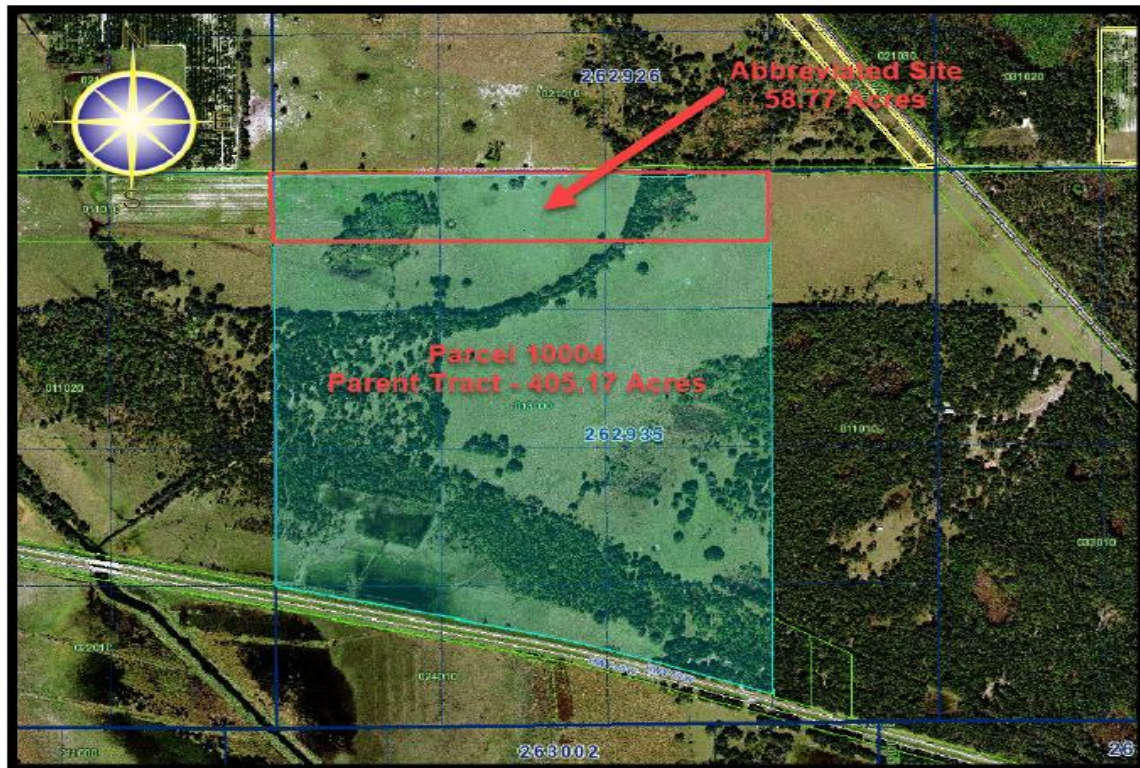


Exhibit A – Parcel 10004 Stokes Grove Inc.



☉ 247°SW (M) ☉ 27°55'24"N, 81°41'15"W ±13ft



Agenda Item I.1.9/17/2025

SUBJECT

Adopt Resolution 2025-32 for the Final West Polk Project Budget - FY2026 (Action)

DESCRIPTION

Per the requirements of the Interlocal Agreement creating the Cooperative and entered into on June 1, 2016, the Cooperative shall submit a budget of the Water Project Costs with a copy of the tentative budget no later than 30 days before the budget hearing. The draft West Polk Wellfield Project Budget was submitted to the Board of Directors for information at the July 2025 BOD meeting.

This budget is related to project work to be completed under the Amended and Restated Implementation Agreement for the West Polk Lower Floridan Wellfield dated July 2022 for the design and construction of the West Polk (WP) Water Production Facility (WPF) and Transmission Mains (TM).

Commencing with FY 2026, this project budget includes an allocation from the administrative budget for the contractual employees' salaries based on its pro rata share of the total Southeast and West Polk budgets.

Included with this agenda item is Resolution 2025-32 which memorializes the Regular Board of Directors action of approving the FY 2026 Final West Polk Wellfield Project Budget. Exhibit A recaps expenditures on previous FY budgets and the budget for FY 2026. Exhibit B is the water charge consisting of a Base Rate Charge for FY 2026. Project Participants shall be obligated to pay these charges in one lump sum payment or in twelve equal monthly payments during each calendar month starting in October 2025 and ending on September 2026.

RECOMMENDATION

Approve Resolution 2025-32 for the FY 2026 PRWC Final West Polk Wellfield Project Budget.

FISCAL IMPACT

Approval of this item will allow PRWC to collect funds from member governments for the PRWC Final West Polk Wellfield Project Budget as referenced in Exhibit A of Resolution 2025-32 and to expend funds in accordance with Exhibit B.

CONTACT INFORMATION

Eric DeHaven
Laura Guy-Rice

POLK REGIONAL WATER COOPERATIVE

Resolution 2025-32

RESOLUTION APPROVING WEST POLK WELLFIELD PROJECT COSTS PORTION OF THE FINAL BUDGET FOR FY 2026

The Polk Regional Water Cooperative (“Cooperative”), created pursuant to Section 373.713, Florida Statutes, and Interlocal Agreement pursuant to Section 163.01, Florida Statutes, in lawful session and in regular order of business properly presented, finds that:

WHEREAS, the Interlocal Agreement creating the Cooperative entered into on June 1, 2016 (“Interlocal Agreement”) provides that:

The Cooperative shall prepare and submit reports, budgets and audits as provided in Sections 189.08, 189.015, 189.016, and 218.39, Florida Statutes. The Cooperative’s budget shall contain separate cost centers for Administrative Expenses and Water Project Costs. Water Project Costs may be consolidated into one Approved Water Project Cost center, groups of Approved Water Project Cost centers or into separate Approved Water Project Cost centers. The Board of Directors shall provide each Member Government with a notice of the Cooperative’s intention to adopt the budget along with a copy of the tentative budget no later than thirty days prior to the budget hearing. The Board of Directors shall approve the Administrative Expense portion of the budget by a majority vote of the Quorum using the Normal Vote Method, except that any decision to approve total Member Government annual contributions in excess of two hundred thousand (\$200,000) dollars shall be by seventy-five (75%) percent vote of the Quorum using the Weighted Vote Method. The Water Project Cost portion of the budget shall be approved by the Project Board(s) by a majority vote of the Quorum using the Weighted Vote Method. If the Water Project Cost portion of the budget is presented as one Approved Water Project cost center, then it must be approved by all project Boards. If the Water Project Cost portion of the budget is presented as separate cost centers representing one or more Approved Water Projects, then each separate cost center must be approved by the Project Board(s) associated with each Approved Water Project. The Cooperative’s duly adopted final budget shall be transmitted to or filed annually with the clerk or other similar official for each Member Government.

WHEREAS, the Cooperative’s Final Budget for FY 2026 is comprised of Administrative Expenses, Conservation Expenses, and Water Project Costs. FY 2026 Water Project Costs consist of Combined Water Projects Costs, Southeast Wellfield Project Costs, and West Polk Wellfield Project Costs;

WHEREAS, the Interlocal Agreement provides for approval of the Water Projects portion of the budget by the Project Board(s);

WHEREAS, the West Polk Wellfield Project Board reviewed the Tentative Budget for FY 2026, including West Polk Wellfield Project Costs, at its regularly scheduled meeting on July 30, 2025;

WHEREAS, each Member Government was provided written notice of the Cooperative's intention to adopt the Final Budget for FY 2026, along with a copy of the Tentative Budget for FY 2026, including Water Project Costs, prior to the West Polk Wellfield Project Board's regular meeting on September 21, 2025;

WHEREAS, the West Polk Wellfield Project Board conducted a public hearing on the West Polk Wellfield Project Costs portion of the Final Budget for FY 2026 on September 18, 2025 setting forth the West Polk Wellfield Project Costs; and

WHEREAS, the West Polk Wellfield Project Board approved the West Polk Wellfield Project Costs portion of the Final Budget for FY 2026 at its regular meeting on September 21, 2025 in accordance with the vote method specified in the Interlocal Agreement.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The West Polk Wellfield Project Board does hereby approve the West Polk Wellfield Project Costs portion of the Final Budget for FY 2026 attached hereto as **Exhibit A** and **Exhibit B**.

DONE at Auburndale, Florida this 17th day of September, 2025.

West Polk Wellfield Project Board of the Polk Regional Water Cooperative:

Chair

Executive Director

Approved as to Form:

Edward P. de la Parte
Legal Counsel

EXHIBIT A

West Polk Lower Floridan Aquifer Wellfield Budget

[See Attached 1 Pages]

EXHIBIT A

West Polk WPF and TM Budget

		Fiscal Years			
		2026	2025	2024	2023
Projected Costs (\$M)		\$ 16.68	\$ 27.18	\$ 11.89	\$ 7.18
Projected Funding (\$M)					
Co-funding and Grants ¹		\$ 7.60	\$ 7.62	\$ 3.95	\$ 1.85
PRWC Obligation ²					
Project		\$ 9.06	\$ 19.56	\$ 7.94	\$ 5.33
Contractual Employees Salary Allocation		\$ 0.02	\$ -	\$ -	\$ -
Total PRWC Obligation		\$ 9.08	\$ 19.56	\$ 7.94	\$ 5.33
Total Funding		\$ 16.68	\$ 27.18	\$ 11.89	\$ 7.18
Actual Expenditures (\$M)⁴		N/A	\$ 1.14	\$ 0.46	\$ 1.74

Notes:

FY 2025 and FY 2026 reflect budget methodology of the annual Business Plan.

¹Co-funding is through SWFWMD but does not include land, legal fees or other non-eligible expenses which may be covered by other grant funding. Funding sources subject to monitoring and revision.

²Primary financing through the Truist loan, WIFIA and SRF. Additional grant funding may reduce PRWC obligation. This does not include debt issuance costs.

³Effective with FY 2026, PRWC obligation includes an allocation of the administrative contractual salaries between the Southeast and West Polk projects on a pro rata basis. This allocation is an addition to the projected costs in the Business Plan presented for FY 2026.

⁴FY 2025 actual expenditures are through March.

EXHIBIT B

West Polk Lower Floridan Aquifer Wellfield Water Charge

[See Attached 1 Pages]

EXHIBIT B

Polk Regional Water Cooperative West Polk Wellfield Water Charge Fiscal Year 2026

	FY 2026 Project Cost	Contractual Salaries Allocation	FY 2026 Total Water Charge
MEMBER			
Auburndale	\$ 17,245	\$ 216	\$ 17,461
Bartow	\$ 62,076	\$ 777	\$ 62,853
Davenport	\$ -	\$ -	\$ -
Dundee	\$ -	\$ -	\$ -
Eagle Lake	\$ -	\$ -	\$ -
Fort Meade	\$ -	\$ -	\$ -
Frostproof	\$ -	\$ -	\$ -
Haines City	\$ -	\$ -	\$ -
Lake Alfred	\$ -	\$ -	\$ -
Lake Hamilton	\$ -	\$ -	\$ -
Lake Wales	\$ -	\$ -	\$ -
Lakeland	\$ 1,088,193	\$ 13,613	\$ 1,101,806
Mulberry	\$ -	\$ -	\$ -
Polk City	\$ 5,164	\$ 65	\$ 5,228
Polk County	\$ 168,997	\$ 2,114	\$ 171,112
Winter Haven	\$ 17,258	\$ 216	\$ 17,474
Total	\$ 1,358,933	\$ 17,000	\$ 1,375,933

Agenda Item I.2.

9/17/2025

SUBJECT

Update on the West Polk Wellfield Project (Information)

DESCRIPTION

This item includes the recurring agenda item to keep the PRWC Board of Directors updated on progress related to the design, permitting and construction of the West Polk Wellfield Project. Staff will provide an overview of:

- 1) Project schedule
 - a. Design
 - b. Well construction
- 2) Land acquisition
- 3) Permitting activities
- 4) Other key activities as needed

RECOMMENDATION

This item is for the Boards information and no action is required.

FISCAL IMPACT

No fiscal impact.

CONTACT INFORMATION

Tom Mattiacci