Polk Regional Water Cooperative

Meeting Agenda - Final

September 16, 2026
POLK REGIONAL WATER COOPERATIVE
Lake Myrtle Sports Complex

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 July 2026 BOD Regular Meeting Minutes (Action)

E.2. Approve the Clifton Larson Allen Financial LLP FY2027 Statement of Work for Financial Management Accounting Services (Action Item)

E.3. Authorization to Submit the Annual SWFWMD Cooperative Funding Agreement Program Applications for the Southeast and West Polk Projects for FY2028 (Action)

E.4. Approve Encroachment Agreements with Tampa Electric Company for the Southeast Wellfield Transmission Main Project (Action)

E.5. Approve Contingency Request No. 02 to Southeast Wellfield GMP-6, Construction Package 2C, for costs Associated with the Change from Open-Cut to Horizontal Directional Drill on Parcel 3011 (Action)

F. Regular BOD Items

F.1. Election of Chairman, Vice-Chairman, and Secretary for the PRWC Regular Board of Directors - FY2027 (Action)

F.2. Approve the Agreement for Professional Services with Arrow Group Consulting, LLC for Lobbying and Governmental Consulting Services (Action)

F.3. Approve the Legal Representation Agreement with de la Parte, Gilbert, McNamara & Caldevilla, P.A. for General Legal Services and General Counsel of the PRWC (Action)

F.4. Approve the First Amendment to the Employment Agreement for the PRWC Southeast Wellfield Project Manager (Action)

F.5. Adopt Resolution 2026-07 for the Final PRWC Administrative Budget - FY2027 (Action)

F.6. Adopt Resolution 2026-08 for the Final PRWC Conservation Budget - FY2027 (Action)

F.7. Approve Resolution 2026-09 Amending the PRWC Policy Manual to Include Chapter 6 (PRWC Procurement Policy) (Action)

F.8. Approve Resolution 2026-10 Authorizing the PRWC Workforce Transition Plan (Action)

F.9. Approve Resolution 2026-15 Authorizing the Plan to Select an Executive Director (Action)

F.10. Adopt Resolution 2026-11 to Approve the Truist Loan Refinancing and New Money Interim Loan (Action Item)

G. Recess Regular BOD/Commence Combined Projects BOD

G.1. Election of Chairman, Vice-Chairman, and Secretary for the PRWC Combined Projects Board of Directors - FY2027 (Action)

G.2. Adopt Resolution 2026-12 for the Final PRWC Combined Projects Budget - FY2027 (Action)

G.3. Update on the Upper Peace River Water Supply Project (Information)

G.4. Approve Change Order #10 to the TeamOne Contract (Action)

H. Recess Combined Projects BOD/Commence Southeast Wellfield BOD

H.1. Election of Chairman, Vice-Chairman, and Secretary for the PRWC Southeast Wellfield Board of Directors - FY2027 (Action)

H.2. Adopt Resolution 2026-13 for the Final PRWC Southeast Wellfield Project Budget - FY2027 (Action)

H.3. Update on Southeast Wellfield Project (Information)

H.4. Adopt Resolution 2026-11 to Approve the Truist Loan Refinancing and New Money Interim Loan (Action Item)

I. Recess Southeast Wellfield BOD/Commence West Polk BOD

I.1. Election of Chairman, Vice-Chairman, and Secretary for the PRWC West Polk Project Board of Directors - FY2027 (Action)

I.2. Adopt Resolution 2026-14 for the Final PRWC West Polk Wellfield Project Budget - FY2027 (Action)

I.3. Update on the West Polk Wellfield Project (Information)

I.4. Adopt Resolution 2026-11 to Approve the Truist Loan Refinancing and New Money Interim Loan (Action Item)

J. Recess West Polk BOD/Commence Regular BOD

K. Open Discussion

L. Chair / Executive Director Report

M. Adjournment

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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. 9/16/2026

SUBJECT

Approve July 2026 BOD Regular Meeting Minutes (Action)

DESCRIPTION

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

• Regular PRWC BOD meeting - July 29, 2026

RECOMMENDATION

Recommend approval of minutes for referenced meeting.

FISCAL IMPACT

No fiscal impact.

CONTACT INFORMATION

Eric DeHaven

July 29, 2026
POLK REGIONAL WATER COOPERATIVE
Lake Myrtle Sport Complex
2:00 PM

Member Governments in Attendance:

Member Government	Representative
City of Auburndale	Mayor Alex Cam
City of Bartow	Commissioner Trish Pfeiffer
City of Davenport	Commissioner Tom Fellows (Absent)
City of Dundee	Mayor Joe Garrison
City of Eagle Lake	Commissioner Pamela Chaney (Absent)
City of Fort Meade	Commissioner James Watts (Absent)
City of Frostproof	Mayor Mike Hutto (Absent)
City of Haines City	Commissioner Morris West
City of Lake Alfred	Commissioner Ronnie Robinson Jr. (Alternate)
Town of Lake Hamilton	Commissioner Phyllis Hall
City of Lake Wales	Commissioner Keith Thompson (Absent)
City of Lakeland	Commissioner Mike Musick
City of Mulberry	Commissioner Kathy Barsotti
City of Polk City	Mayor Joe LaCasia
City of Winter Haven	Commissioner Nathaniel Birdsong
Polk County Commissioner	Commissioner Becky Troutman
PRWC	Eric DeHaven
General Counsel	Edward De la Parte

A. Call to Order - 2:00 p.m. – Chairman Birdsong called the meeting to order. **Eric DeHaven** confirmed that a quorum was present.

B Recognition of new primary/alternate appointees of members

Chairman Birdsong welcomed new Commissioners to introduce themselves as representatives of the Cooperative. **Mayor Joe Garrison** from Dundee introduced himself and **Ken Castle,** Town Manager. Mayor Garrison indicated that he was looking forward to participating. First-year **Commissioner Ronnie Robinson** from City of Lake Alfred introduced himself and noted he was excited to be present today.

C. Agenda Revisions

Chairman Birdsong asked if there were any additions or changes to the agenda. **Eric DeHaven** stated there were no revisions.

D. Public Comments (Limited to 3 minutes)

Chairman Birdsong asked if there we any public comments. No one came forward for public comments.

E. Consent Items

Chairman Birdsong noted there were three consent items on the agenda and asked **Eric DeHaven** to provide a quick overview. **Mr. DeHaven** noted the meeting minutes from May are ready for approval, the District amendment adds $10m in grant funds to the PRWC, and a utility easement agreement between the PRWC, Lakeland, Bartow, and Polk County will provide access and the ability to construct the 540A Booster Pump Station. Chairman Birdsong asked if there were questions and for a motion.

E.1. Approve May 2026 BOD Regular Meeting Minutes (Action)

E.2. Approve Amendment 3 to SWFWMD Cooperative Funding Agreement 20CF0003425 for the PRWC Southeast Regional Transmission Main Project (Q216) (Action)

E.3. Approve the Utility Easement Agreement and Ingress/Egress Easement Agreement with Polk County, the City of Bartow, and the City of Lakeland for the 540A Booster Pump Station (Action)

Motion to Approve the consent items E1-E4 in the entirety was made by ***Commissioner Trish Pfeiffer*** *seconded by* ***Commissioner Morris West.*** *Motion was unanimously approved.*

F. Regular BOD Items

F.1 Preliminary PRWC Administrative Budget and Conservation Budget - FY2027 (Information)

Chairman Birdsong asked **Laura Guy-Rice** to review the preliminary budget for the Regular Board. **Laura Guy-Rice** presented the administrative budget for fiscal year 2027 for information only and noted the formal final budget will be presented for approval in September. She provided a table that showed the past for fiscal years budgets and the proposed FY2027 budget at $258,657 which represents a decrease from 2026. This budget includes the general administrative expenses, items such as

audit fees and legal services, and 10% of the administrative contractual salaries. In addition, there is a placeholder for the workforce transition plan.

Commissioner West asked which page number in the packet showed the proposed budget. **Mr. DeHaven** indicated it was on page 52.

Laura then presented the conservation budget and noted it is set at $65,000 for FY2027. This amount is due to the Conservation Specialist position, which was approved in March. The conservation budget represents a decrease from prior years due to the loss of the Heartland Headwaters funding of $75,000.

F.2 Heartland Headwaters Protection & Sustainability Act Funding and Project Applications - FY 2026/2027 (Information)

Chairman Birdsong indicated that Mary Thomas would present the Heartland update. **Mary Thomas** noted funds from the legislature under the Act have been very important for PRWC funding, but no funds were received for this year. This Act was passed in 2017 to protect water resources in this area and provide funding for projects in the area. However, the PRWC is finding the process needs some improvement. In the past 3 years, we have prioritized PRWC specific projects like the Southeast and West Polk Projects and conservation as well as land acquisition projects. With a peak of $20M in 2022 to $0 in 2026, the Executive Director set up a call with the FDEP to find out how we can improve and upgrade the process. The response included refreshing the report, providing clear communication of the implementation of projects to meet CFWI goals, having a unified request to legislators, and using the state grant portal as another avenue for funding.

Mary reviewed an action plan with two paths: the first is applying on the state grants' portal and the second is polishing up the annual Heartland report. She suggested that member governments who have member receiving facilities that would like to receive funding fill out the application for funding, send to the PRWC for input, and submit to the FDEP by September 1. Draft documents have been provided to Utility leadership to assist in the application; this is the first path. The second path is to use the applications to support a refresh of the Heartland report and prepare a one pager for our use to promote Heartland funding. She stated if there were ever time for lobbyists to come together and add the PRWC to legislative priorities it seems like 2027 is the year.

Commissioner Trish Pfieffer requested a digital standalone of the presentation be sent. She also doesn't mind being a voice at the legislative session but requested assistance with materials. **Chairman Birdsong** noted that the AWS grants are due September 1 – this is very important.

Eric DeHaven stated the receiving facilities are not covered under the PRWC costs. There are two routes to try and get money for receiving facilities that Mary Highlighted. Each city will own and control these facilities, not the PRWC. Mary sent out applications to all Utility directors, the TAC, and Eric sent to the City Managers. He also mentioned

that PRWC does not have lobbyist in Tallahassee and requested support from the members and their lobbyists for the receiving facilities – both from the FDEP portal and from the Heartland Act.

Commissioner Troutman asked what the PRWC asked for in funding from FDEP this year. **Mary Thomas** responded that we requested $20M for member receiving facilities in the past year. **Eric DeHaven** indicated that he thought FDEP did not recognize the receiving facilities as regional projects and that is why we had a meeting with them to clarify our ask for funds. **Commissioner Troutman** indicated that the PRWC should consider hiring its own lobbyist to assist. Member priorities might be different but having a more focused approach might assist. **Eric DeHaven** indicated that we have not pursued a lobbyist as a cost control measure but perhaps it is time. **Mayor Garrison** indicated that he agrees with **Commissioner Troutman** that now might be the time for PRWC to retain its own lobbyist.

Commissioner Pfeiffer noted that legislators also like to hear from us – actual member governments, and those relationships are important. The PRWC has provided a one-pager in the past to assist and that is needed. **Commissioner Troutman** noted that each member has priorities and they might not all be the same.

Eric DeHaven indicated that the PRWC can work to obtain a lobbyist and bring that cost and recommendation back to the Board in September. Commissioner Troutman indicated that this effort would be worth it for the Board to review in September

Commissioner Birdsong thanked the members for the good discussion.

F.3 PRWC Workforce Transition Plan (Information)

Eric DeHaven discussed the plan to bring the PRWC into a true regional water supply authority by adding staff to replace contractors and consultants through time. This is for information and we plan to bring this back to the September Board for approval. Today, we are an $800M agency primarily providing construction oversight on two large water supply projects for Polk County being run by 4 staff/contractors: the Executive Director, two Project Managers, and a Finance Manager. The PRWC does not have true government employees at this time.

This plan will hire new staff as construction occurs, by building 5 departments and Mr. de la Parte will continue to stay as our legal counsel. The long-term plan includes hiring the first employee in 2027 as the Conservation Specialist, in 2028 there will be four department leaders added, in 2029 hiring additional employees for the Southeast Wellfield operation, and in 2034 hiring a projected total of 16 employees to complete the transition to eventually replace our contractor and consultants. The organization chart includes a Board of Directors, Executive Director, and department directors for Capital Projects, Operations, Finance and Administration, Human Resources, and Information

Technology and Cybersecurity. The PRWC will also join the Florida Retirement System and provide typical benefits that government employees receive.

The office space will grow in three simple phases. Phase One, until 2028, the plan is to keep using office space provided by Polk County. In phase 2 (2029-2033) the PRWC would transition to leasing a central office in the County as an option and, in phase 3, (2034 - beyond) the plan is to build an office near the West Polk plant site.

Eric DeHaven provided an overview of the costs. It is recognized that by 2034, the cost projected to support the PRWC staff by all members is approximately $2.4M annually. Mr. DeHaven clarified that the projected $2.4 million annual staffing cost is already included in the PRWC business plan costs provided to members each year. There is a table in the plan that projects each members costs. As a comparison to the PRWC's 16 employees. Mr. de la Parte indicated that the PRMRWSA and TBW have approximately 60-70 employees compared to the PRWC having 16 total employees.

He then reviewed the next steps to implement the plan, including discussions with the City Managers as needed and bringing the plan to the September Board meeting for approval.

Chairman Birdsong asked if there were any questions. Commissioner Pfeiffer noted there was a lot of information in the plan and thanked staff for beginning the process. **Commissioner West** asked why does the staffing increase in 2028 and Eric DeHaven indicated it was due to water coming on-line for the Southeast project.

Mr. de la Parte indicated the 60/30/10 percent breakdowns on cost was for demonstration purposes and is a rough assumption. Actual costs will be focused on staff time between projects.

Chairman Birdsong indicated he had asked several questions on this topic that eric had answered. He wanted to know about what if we would stay on the current course with contractors/consultants versus in-house staff. **Mr. de la Parte** indicated that TeamOne has a finite contract, primarily for design and not to operate. He also indicated it is not sustainable to continue to operate with the contract employees such as Mr. DeHaven since the PRWC will likely only attract candidates at the end of their careers that do not need benefits. Thirdly he noted that we will use a contractor operator but will require staff to oversee them and run the business of the PRWC. These employees will be directly answerable to the Board.

Chairman Birdsong thanked **Mr. de la Parte** for the explanation.

F.4 Approve Resolution 2026-04 to Adopt PRWC Policy Manual Including Previously Adopted Policies and Reserving Chapters for Future Policies (Action)

Ed de la Parte discussed creating a policy manual for the Cooperative. PRWC has come up with a number of policies such as the Investment Policy, Reserve Policy, Capital Asset Policy, and Land Acquisition Policy which covers items such as water

charges and billing and annual financial true-up. The benefit of having one policy manual is to have all policies in one place, allow for full transparency, easy access, and simplified record keeping, and finally it will reserve chapters for future policies.

The purpose of the policy manual is to adopt the PRWC policies by consolidating the 5 adopted policies into numbered chapters and as a single, authoritative reference which is better for the Board, our members, and the public for documentation and access. No new policies are adopted under this request. Future policies are reserved under chapter headings.

Chairman Birdsong asked if there were any questions. **Mr. DeHaven** indicated page 107 of the packet has the policy manual, and the table of contents lists the future policies. **Mr. de la Parte** noted that the chapters are based on a review of other policy manuals created by local governments and regional water supply authorities.

Motion to Approve Resolution 2026-04 to Adopt PRWC Policy Manual Including Previously Adopted Policies and Reserving Chapters for Future Policies *was made by* ***Commissioner Trish Pfeiffer*** *seconded by* ***Commissioner Becky Troutman.*** *Motion was unanimously approved.*

Chairman Birdsong recessed the Regular Board meeting and called to order the Combined Projects Board.

G. Recess Regular BOD/Commence Combined Projects BOD

G.1. Preliminary PRWC Combined Projects Budget - FY2027 (Information)

Laura Guy-Rice provided a slide that shows the approved combined projects that have been undertaken by the PRWC to date of which most have been completed. She went on to note that the FY2027 Combined Project budget includes $1.1 M for projects, which consists of the Peace River Reservoir Feasibility project, the Peace River water use permit application and reservoir investigation, the five-year Regional Water Supply Plan, the continued support for the water Alafia water supply project, and funds for other technical assistance. For 2027, there is a projected budget of $1.26M including staff time.

Eric DeHaven added an overview in that the PRWC is divided into 5 cost centers: Administration, Conservation, Combined Projects, the Southeast Wellfield Project, and the West Polk Wellfield Project. He indicated the Combined Projects budget focuses on the feasibility of projects.

Commissioner Birdsong noted that it is important for members to know this information and how costs under these budgets operate. He then recessed the

Combined Projects meeting and turned the meeting over to **Chairman Pfeiffer** to begin the Southeast Wellfield Project Board.

H. Recess Combined Projects BOD/Commence Southeast Wellfield BOD

Chairman Pfeiffer welcomed the Board members to the Southeast Project Board and noted we would continue with roll call votes for action items on the agenda using the weighted vote method.

H.1. Preliminary PRWC Southeast Wellfield Project Budget - FY2027 (Information) Page

Laura Guy-Rice began her presentation and mentioned this is one of the larger budgets that will be presented. For FY2027, $166.44M is what is being proposed based on estimated project costs that will be completed during the year for construction tasks of the SE Water Production facility and the transmission mains, plus the salary for contractual project managers and the allocation of employee salaries. The funding comes from $38.08 co-funding and the PRWC obligation at this time is $128.36M. She noted that any new grant fundings will alter these costs.

Chairman Pfieffer asked if there were any questions.

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

Mark Addison provided an agenda for his presentation. He noted that what's noticeably absent from the agenda is design which is complete. The only thing we are waiting for is extension of the Polk County NE facility and the Haines City facility. He then provided a summary of the GMP packages and noted we are up to GMP 7, which is on today's agenda and includes Booster pump Stations and Metering Stations. He identified an additional GMP which is GMP 8 and it will be for starting up the transmission system. It will take some additional effort to get the 61-mile pipe up and running which will also take coordination with the DOH and DEP. He then reviewed Construction Cost trends and showed we are tracking $55M dollars less than what the 90% construction estimate was for the transmission system. Also, there is close to $14M in contingency built into the transmission system, and we should be coming in under $200M which should pay for most of the GMP 8.

He next reviewed the status pf production wells and noted PW14 is near completion, scheduled for completion in August. At the end of August, we're looking to turn over all the well sites to the CMAR so they can start construction of pumping facilities.

He reviewed the water production facility construction and noted a lot of construction on the plant site. We have underground work continuing in addition to the raw water main. At this point everything is under construction except for GMP 7.

He showed a time lapse video of the water production facility site including the 2M gallon ground storage tank and the solids holding tanks.

He also reviewed the list of transmission construction packages noting GMP 1 Package 2A as complete, GMP 2 Package 1 is 50% complete, GMP 2 Package 6 is substantially complete, and GMP 4 Package 2B is 75% complete. GMP 4 Package 4A is substantially complete and GMP 5 Package 3A is approximately 40% complete.

Mark Addison then brought to the attention of the Board that as a part of Package 3A a defect in the 30-inch ductile iron pipe was discovered during pressure testing. US Pipe representatives, working with PRWC contractors, agreed to remove/replace the defective pipe. In addition, a notice of breach of contract and a proposed resolution was sent to US Pipe and Core & Main, who are the pipe suppliers. The PRWC is seeking an extended warrant (50 years), maintenance bond, spare pipe, source inspections, and copies of records related to defective batch. General counsel is reviewing the US Pipe response, and we will follow up with the Board on the status of this issue.

A question was asked about who paid for the pipe repair and **Mark Addison** indicated that US Pipe paid that cost. **Chairman Pfeiffer** noted that the corrective action seems to be going well. **Commissioner West** asked if this would delay the project in the Haines City area and Mark responded that it would not impact the overall schedule. **Mayor Garrison** noted that the PRWC did a good job finding out about this issue.

He then continued with the construction status; GMP 5 Package 4B is approximately 50% complete, and GMP 5, package 5 Is approximately 35% complete. GMP 6 Package 2C started construction May 2026, and GMP 6 Package 3B has partial Construction NTPs' issued in June 2026. He provided pictures of construction.

Mark Addison noted that some upcoming lane/road closures for Mid-2026 include Masterpiece Rd. at Mammoth Grove Road and Tindel Camp Road at Lake Mabel Loop Road. At some point in the future, there will also be lane closures on Lake Hatchineha Rd and Lake Marie Rd.

He reminded everyone that with land acquisition we have over 300 parcels across 10 segments that needed to be acquired, and settlements have been reached on 295 parcels, totaling nearly $20M.

Regarding permitting, we are essentially complete with all permitting for phase 1 with a few loose items on the booster pump station.

Chairman Pfeiffer asked if the Board had any additional questions. **Commissioner Birdsong** noted that the number of parcels having to be acquired without trial so far is remarkable. **Chairman Pfeiffer** noted this topic as well and that we are approximately 50% complete with all construction for Southeast.

Commissioner West asked about construction next to Bethune Academy and **Mark Addison** noted the school board is aware of and accepting of the PRWC easements and we are meeting with the school as well. He then asked about road closure and Mark indicated none were planned. **Mr. DeHaven** noted that the school board approved the easements yesterday.

H.3. Approve the Guaranteed Maximum Price (GMP-7) for PRWC Booster Pump Stations and Metering Stations for the Southeast Wellfield Transmission Main (Action)

Mark Addison began the discussion with a map that pointed out the Auburndale and CR 540A Booster Pump Stations, as well as the meter stations for the member receiving facilities. The Polk SWRUSA/Lakeland/Bartow Pump Station (AKA CR 540A BPS) includes connections to Polk County SWRUSA and Lakeland. The Auburndale BPS pumps water from the Winter Haven to Auburndale water system. He also provided an example of a metering station, of which there are 11 in total.

He indicated that in December, there was a 90% CMAR cost estimate of $24.6M for this GMP. There was a total of 22 bids received across eight bid packages. Florida Water Partners is recommended to be awarded the bid packages for the booster pump stations, and Censtate is recommended the award for the meter stations. Total construction costs as bid are $22.3M with other CMAR related costs of $2.5M which includes bonds and insurance. The total GMP 7 cost is $24,932,033 and construction is scheduled to start October and substantial completion in November 2028.

Chairman Pfeiffer asked for questions and a roll call vote.

Motion to Approve GMP-7 for PRWC Booster Pump Stations and Metering Stations for the Southeast Wellfield Transmission Main *was made by* ***Mayor Alex Cam*** *seconded by* ***Commissioner Morris West.*** *Motion was unanimously approved.*

H.4. Approve Resolution 2026-05 to Approve Contractor Change Requests over $100,000 for the PRWC Southeast Wellfield Project (Action)

Eric DeHaven noted that section 3.2 of the CMAR agreement with Florida Water Partners authorizes the Executive Director to approve changes in construction up to $100,000. Changes over $100K require BOD approval and they cannot cause an increase to the GMP or PRWC Project Budget. In the event of an emergency, the Chair or Vice-Chair can approve a change.

He then noted that he and **Mark Addison** had already approved several change orders over $100K that the board should've approved. The seven construction packages are included in the Board packet on page 210. **Mr. DeHaven** provided the Board with a table of the seven items and reviewed several of them as examples.

Chairman Pfeiffer noted this was an unintentionally oversight and asked for questions and a roll call vote.

Motion to Approve Resolution 2026-05 to Approve Contractor Change Requests over $100,000 for the Southeast Wellfield Project and moving forward the Board will approve items over $100,000 individually was *made by* ***Commissioner Morris West*** *seconded by* ***Commissioner Ronnie Robinson.*** *Motion was unanimously approved.*

H.5. Adopt Resolution 2026-06 Parcel Resolution of Necessity to Acquire Specified Parcels (Land Acquisition Package #21A) to implement the Southeast Lower Floridan Aquifer Water Production Facility and Southeast Transmission Line Projects (Action)

Eric DeHaven mentioned the Cooperative Board has approved construction of the SEWF raw water and finished water transmission mains pursuant to Resolution 2023-06 which has been amended several times. This resolution authorizes the Cooperative to acquire permanent easements for 2 parcels by Welsch Road Land Investments and on the BOD agenda for a negotiated settlement. Both parcels are in the Dundee area and may require eminent domain if there is refusal to reach a settlement.

One of the Board members asked who owned the property and **Eric DeHaven** responded that it was Welsh Road Land Investments. **Chairman Pfeiffer** asked if there were any additional questions.

Motion to Adopt Resolution 2026-06 Parcel Resolution of Necessity to Acquire Specified Parcels for the Southeast Wellfield Project *made by* ***Commissioner Tom Fellows*** *seconded by* ***Commissioner Mike Musick.*** *Motion was unanimously approved.*

H.6. Approve the Mediated Settlement with Mark D. Beck and Glenn Elliot Beck, Beck Agricultural Holdings LLLP, for PRWC Parcels 4007, 4008, 4009 Permanent and Temporary Construction Easements (Action)

Eric DeHaven noted that there were 3 consecutive parcels along Lake Mabel Loop Road north of Lake Wales and southeast of Dundee that require easements for pipeline construction. He provided a map and pictures of the citrus operation. The PRWC appraisal amount was $215,200 and the property owner wanted $846,700. The parties were far apart on the value of the easements due to the number of citrus trees and grove irrigation impacted. The final settlement agreed upon was $417,825 with additional costs of $29,919.08 for expert fees and $66,866.25 for statutory attorney

fees. The total cost for the easements is $514,610.33. The PRWC will receive easements over 2.058 acres. The settlement is $428,875 less than the owners offer and the PRWC avoided a jury trial.

Chairman Pfeiffer asked if there were any questions and a roll call vote was taken.

Motion to approve Mediated Settlement with Mark D. Beck and Glenn Elliot Beck, Beck Agricultural Holdings LLLP, for PRWC Parcels 4007, 4008, 4009 Permanent and Temporary Construction Easements was *made by* ***Commissioner Mike Musick*** *seconded by* ***Commissioner Morris West.*** *Motion was unanimously approved.*

H.7. Approve the Mediated Settlement with Hunt Brothers Inc. for PRWC Parcels 3057, 5060, and 6002 Permanent and Temporary Construction Easements (Action)

Eric DeHaven noted that there were 3 consecutive parcels along Mammoth Grove Road/Lake Park Road east of Lake Wales. He provided a map and pictures of the parcels with our pipe stored along one of the parcels. The Hunt Bros have cleared the trees prior to our pipe going in. The PRWC appraisal amount was $589,500 and the property owner wanted $990,000. The final settlement agreed upon was $790,000 with additional costs of $30,691.75 for expert fees and $220,000 for statutory attorney fees. These easements were expensive due to the number of trees impacted, the type of citrus impacted which were tangerine trees, as well as a wind break of eucalyptus trees that were required to be removed. The total cost for the easements is $1,040,691.75. The PRWC will receive easements over 2.591 acres. The settlement is $200,000 less than the owners offer and the PRWC avoided a jury trial.

Chairman Pfeiffer asked if there were any questions and a roll call vote was taken.

Motion to approve the Mediated Settlement with Hunt Brothers Inc. for PRWC Parcels 3057, 5060, and 6002 Permanent and Temporary Construction Easements was *made by* ***Commissioner Mike Musick*** *seconded by* ***Mayor Alex Cam.*** *Motion was unanimously approved.*

H.8. Approve the Negotiated Settlement with Welsh Road Land Investments LLC for PRWC Parcels 3014, 3015, 3089, and 3090 Permanent and Temporary Construction Easements (Action)

Eric DeHaven noted that there were 4 parcels along HL Smith Road east of Dundee that required easements for the transmission main. He provided a map and pictures of the properties. The PRWC appraisal amount was $456,000 and the property owner wanted $1,610,800. The final settlement agreed upon was $995,000 with additional costs of $54,577.50 for expert fees and $230,087.50 for statutory attorney fees. The total cost for the easements is $1,279,665.00 due to impacts to their residential development that was well into the development process with Dundee. The PRWC will receive easements over 2.48 acres. The settlement is $615,800 less than the owners offer and the PRWC avoided a jury trial.

Chairman Pfeiffer asked if there were any questions and thanked the PRWC acquisition team, specifically Arlena Dominick, for their efforts on this one. A roll call vote was taken.

Motion to Approve the Negotiated Settlement with Welsh Road Land Investments LLC for PRWC Parcels 3014, 3015, 3089, and 3090 Permanent and Temporary Construction Easements was *made by* ***Mayor Alex Cam*** *seconded by* ***Commissioner Morris West.*** *Motion was unanimously approved.*

H.9. Rejection and Termination of the Proposed Easement Purchase Agreements with Highland Meadows II Community Development District for PRWC Parcel Numbers 1029, 1037, 1062 and 1063 Permanent and Temporary Construction Easements (Action)

Chairman Pfeiffer noted that this easement was different than others and asked **Eric DeHaven** to provide the details. He noted that there were 4 parcels in Haines City that he is asking for the board to disapprove for acquisition. He provided a map and pictures of the properties which is a new residential development. The PRWC appraisal amount was $482,900 and the property owner, Highlands Meadow CDD, agreed with this price. PRWC signed the agreement and closing was scheduled to occur July 9, 2026. The closing didn't occur and the owner rescinded and reconsidered the agreement.

At that point the PRWC re-evaluated options for construction through this area and determined all work could be done in the right-of-way with the construction technique changing from open cut to direction drill. This adds approximately $70K in construction costs and saves $482,900 in easement acquisitions. The PRWC is also liable for attorney/expert fess anticipated to be less than $50K. Overall expected savings are at least $350,000. The Highland Meadows CDD supports the change.

Chairman Pfeiffer asked if there were any questions and a role call vote was taken to rescind the Executive Directors approval for the easements.

Motion to rescind the Executive Director's approval, decline to approve, and reject the proposed Easement Purchase agreements with Highland Meadows II Community Development District for PRWC Parcel Numbers 1029, 1037, 1062, 1063 Permanent and Temporary Construction Easements, and Terminate the Agreements was made by ***Commissioner Mike Musick*** *seconded by* ***Commissioner Ronnie Robinson.*** *Motion was unanimously approved.*

Chairman Pfeiffer thanked the Board members for their attention, recessed the Southeast Wellfield Board meeting, and turned the meeting over to **Commissioner Musick** for the West Polk Wellfield Board.

I. Recess Southeast Wellfield BOD/Commence West Polk BOD

Chairman Musick called to order the West Polk Wellfield Project Board and noted there were three items for our attention. We will also use a roll call vote method

I.1. Preliminary West Polk Wellfield Project Budget - FY2027 (Information)

Laura Guy-Rice mentioned the PRWC is posing a $5.22M estimated project cost for the design and construction of the West Polk Water Production facility and transmission mains plus an allocation of the contractual employee salaries. There is no co-funding at this time. **Eric DeHaven** mentioned that there is future co-funding because the PRWC is working with the Water Management District who will be paying 100% of construction cost to match design costs paid by the PRWC.

Chairman Musick asked of there were any questions.

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

Tom Mattiacci began with a review of the CMAR Notice to Proceed for Value Engineering that has been issued. The kickoff meeting occurred on June 3, 2026, and 60% design is underway, the raw water routing analysis is underway, and the final raw water pipeline design may change. He noted that TPW2 production well is complete. The injection well is largely complete, and monitor wells associated with the injection well are now under construction. He provided an overview of acquisition status for production well locations.

Once additional item Tom discussed was the board approved the PRWC to enter into a state revolving loan amendment for $1.4M for the overages on the West TPW, Well #2, and 3 projects. Tom reported that due to savings we've had, the $1.4M overage has decreased to $624,000 and the amendment to the SRF loan is no longer needed.

The PRWC plan is to use our line of credit which will give time to budget for the $624,000. The SRF would like to have everyone sign new guaranteed agreements again and then bond Council wants to be involved in the signing of the agreements.

Chairman Musick asked if this should be approved by a Board motions. **Mr. DeHaven** noted that no, we were looking for affirmation on our plan to handle this overage. **Chairman Musick** asked if there were any questions.

I.3. Approval of Land Purchase from Mid-Florida Land/Yacoub Tareq for West Polk Wellfield Production Well 3 (Action)

Eric DeHaven stated this is a request to purchase four parcels owned by Mr. Yacoub and Midflorida. He provided a map and pictures of the properties. There are 3 separate purchase agreements. The well will be located on the eastern 3 parcels, and the western parcel is needed as a space to construct the well. He noted that the PRWC plan is to use the line of credit to purchase the western property and later sell it off after construction is complete.

The PRWC appraisal amount was $717,900 and the property owner wanted $1,076,808. The final settlement agreed upon was $840,000, and closing will be scheduled following BOD approval. This is a good location for pipeline routes, there is re-sale protentional, and no eminent domain is needed. **Chairman Musick** asked if there were any questions and then asked for a roll call vote.

Motion to Land Purchase from Mid-Florida Land and Development/Tareq Yacoub for West Polk Wellfield Production Well 3 was *made by* ***Commissioner Nathaniel Birdsong*** *seconded by* ***Mayor Alex Cam.*** *Motion was unanimously approved.*

J. Recess West Polk BOD/Commence Regular BOD

Chairman Musick concluded the West Polk Board and turned the meeting back over to **Chairman Birdsong** to finish the Regular Board agenda.

K. Open Discussion

Chairman Birdsong asked if any of the members had any topics they would like to discuss. **Commissioner Trish Pfeiffer** shared a comment regarding member budgets and property tax amendments. She stated there is going to be no more cheap water, and in the budget session last week there were different rate studies regarding water, solid waste, and electric which may be substantial. She stated we really need to be thinking proactively about how we can prepare our citizens for these cost increases that are coming. She wanted to mention this to the other PRWC Board members.

Mayor Garrison noted that he agreed with **Commissioner Pfeiffer,** and it was important to try and get state funding for the PRWC effort. **Mayor LaCascia** asked about timing of the increases and **Commissioner Pfeiffer** noted that it is now, and we will be seeing these increases across the board. Additional discussion centered on the property tax bill and state legislation.

Chairman Birdsong noted that water will cost us more and have commissioned a rate study by which they have adjusted rates. The PRWC projects are moving forward, and we need to prepare and get rates in order to minimize impacts as much as possible. **Mayor Lacascia** noted they were doing the same to try and soften the blow through time.

L. Chair / Executive Director Report

Chairman Birdsong asked **Eric DeHaven** if there were any Executive Director comments**. Mr. DeHaven** indicated there were two items. First, there are signature items today for the Board officers to sign.

Second, he mentioned that he will be resigning his position as an Executive Director at the end of the year. He's been in the position about 4.5 years and will be putting in his formal paperwork in October. He plans to find a replacement to keep everything moving along. He did tell **Chairman Birdsong** he is willing to stay 6 to 8 months afterwards to assist in the transition process if the Board and new Director want.

Chairman Birdsong recommended that the PRWC develop a plan to replace the Executive Director and return to the September Board with that plan for Board review and approval. **Mr. DeHaven** indicated that he would work with **Mr. de la Parte** on the plan.

M. Adjournment

Chairman Birdsong recessed the Regular Board meeting and then adjourned at 4:24 PM.

In accordance with the American with Disabilities Act, persons with disabilities needing special accommodations to participate in this proceeding should contact the Polk County Communications Office not later than forty-eight hours prior to the proceeding. Their offices are located in the Neil Combee Administration Building, 330 West Church Street in Bartow. Telephone (863) 534-6090, TDD (863) 534-7777 or 1-800-955-8771, Voice Impaired 1-800-955-8770 via Florida Relay Service. If a person decides to appeal any decision made by the board with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

Agenda Item E.2. 9/16/2026

SUBJECT

Approve the Clifton Larson Allen Financial LLP FY2027 Statement of Work for Financial Management Accounting Services (Action Item)

DESCRIPTION

Presented for the Board's consideration is the Statement of Work (SOW) for accounting and financial support services for Fiscal Year (FY)2027. Clifton Larson Allen (CLA) will continue to provide recurring accounting services (such as member billings, vendor payments, monthly bank reconciliations, general ledger updates, and Board meeting attendance) and assist management with cash flow, budgeting, financial audit, and reporting. Financial statements for auditing purposes will continue to be prepared by the PRWC auditor.

The fixed fee for the accounting services, which did not increase in FY2026, has increased by 2.5% for FY2027 which equates to a $95 increase per month. The fixed monthly fee is $3,895 per month plus technology fee and 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 FY2027 PRWC administrative budget provides appropriations of $53,400 for the CLA accounting services. Sufficient funds are in the administrative budget for the financial management tasks.

RECOMMENDATION

Approve the Clifton Larson Allen Statement of Work for FY2027.

FISCAL IMPACT

The financial impact to the PRWC for FY2027 is projected to be $53,400, including technology and out-of-pocket expenses.

CONTACT INFORMATION

Laura Guy-Rice

CliftonLarsonAllen LLP
https://www.claconnect.com

Date: August 3, 2026

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, 2027 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.

Kristen Labbe is responsible for the daily activities of the engagement.

Recurring services:

- Enter accounts payable for management's approval and issuance of checks
- Prepare member billings, record billings, and enter cash receipts
- Reconcile bank and investment accounts monthly and prepare journal entries
- Reconcile balance sheet accounts annually and prepare journal entries
- Participate in 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 one or more signature stamps bearing the name(s) and facsimile signature(s) of any of your officer(s) who are responsible for signing checks and bank drafts 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.

We will perform the engagement in accordance with the Statement on Standards for Consulting Services issued by the American Institute of Certified Public Accountants.

Beneficial ownership information reporting

Under the Corporate Transparency Act (CTA), foreign entities (non-US entities) doing business in the U.S. are required to report information to the Financial Crimes Enforcement Network (FinCEN) as to their beneficial ownership. It is your responsibility to prepare and submit any BOI report to FinCEN that is

required under the CTA. In addition, certain states may have beneficial ownership disclosure requirements for foreign and domestic entities. 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
Laura Guy Rice, 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 $3,895.00 per month.

Consulting Services Fees
Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement.

General Fee Terms
We will also bill for direct expenses (including travel, report production, postage, etc.), plus a technology and client support fee calculated by applying CLA's percentage rate in effect at the time of invoicing to the professional fees billed on the invoice. 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, PRWC Executive Director

DATE:

Agenda Item E.3. 9/16/2026

SUBJECT

Authorization to Submit the Annual SWFWMD Cooperative Funding Agreement Program Applications for the Southeast and West Polk Projects for FY2028 (Action)

DESCRIPTION

Each year, during the first week of October, 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 **$14,500,000** and Q216 at **$5,176,889** - for FY2028 funding. Corresponding PRWC funds have been budgeted as presented in the January 2026 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 **$10,000,000** for FY2028 funding. Corresponding PRWC funds are budgeted as presented in the January 2026 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 FY2028 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 **$29,676,889** from the SWFWMD for FY2028

CONTACT INFORMATION

Katie Gierok

Agenda Item E.4. 9/16/2026

SUBJECT

Approve Encroachment Agreements with Tampa Electric Company for the Southeast Wellfield Transmission Main Project (Action)

DESCRIPTION

Three (3) Facility Encroachment Agreements, together with three (3) corresponding Compensation Agreements, with Tampa Electric Company (“TEC”) are needed to use portions of the TEC Corridor (the electric transmission and distribution easement corridor owned or controlled by TEC) for the construction, operation and maintenance of the Southeast Wellfield Transmission Main (“SETM”). The SETM, constructed under Construction Package No. 5, crosses the TEC Corridor at three locations in the vicinity of Bartow Airport (refer to Exhibit “A”) (PRWC Parcels 9010, 9019 and 9021).

Each Encroachment Agreement grants PRWC's consent to maintain, operate and use a 20-inch underground water transmission pipeline, together with any associated permanent and temporary construction easements and temporary access rights, within the TEC Corridor. The provisions of each Agreement, and the benefits thereof, run with the land and remain in effect for the duration of PRWC's use, operation and maintenance of the Pipeline within the TEC Corridor. Each Compensation Agreement sets out the amounts payable to TEC, in consideration for the corresponding Encroachment Agreement, for use of the TEC Corridor and for TEC's attorney's fees incurred in connection with that Encroachment Agreement, as follows:

Parcel 9010: $2,500.00 (use of TEC Corridor) + $2,115.00 (attorney's fees) = $4,615.00

Parcel 9019: $0.00 (use of TEC Corridor) + $4,815.00 (attorney's fees) = $4,815.00

Parcel 9021: $2,500.00 (use of TEC Corridor) + $1,890.00 (attorney's fees) = $4,390.00

Total compensation due to TEC under the three Compensation Agreements: $13,820.00

In addition, the Encroachment Agreement for PRWC Parcel 9019 includes a requirement to improve an existing access road within the TEC Corridor for the temporary use by the PRWC to access the adjoining water transmission pipeline corridor. This will require a release of contingency for Construction Package 5 in the amount of $41,632.98.

RECOMMENDATION

Approve the three Facility Encroachment Agreements and the three corresponding Compensation Agreements with Tampa Electric Company for the Southeast Wellfield Transmission Main Project (Action).

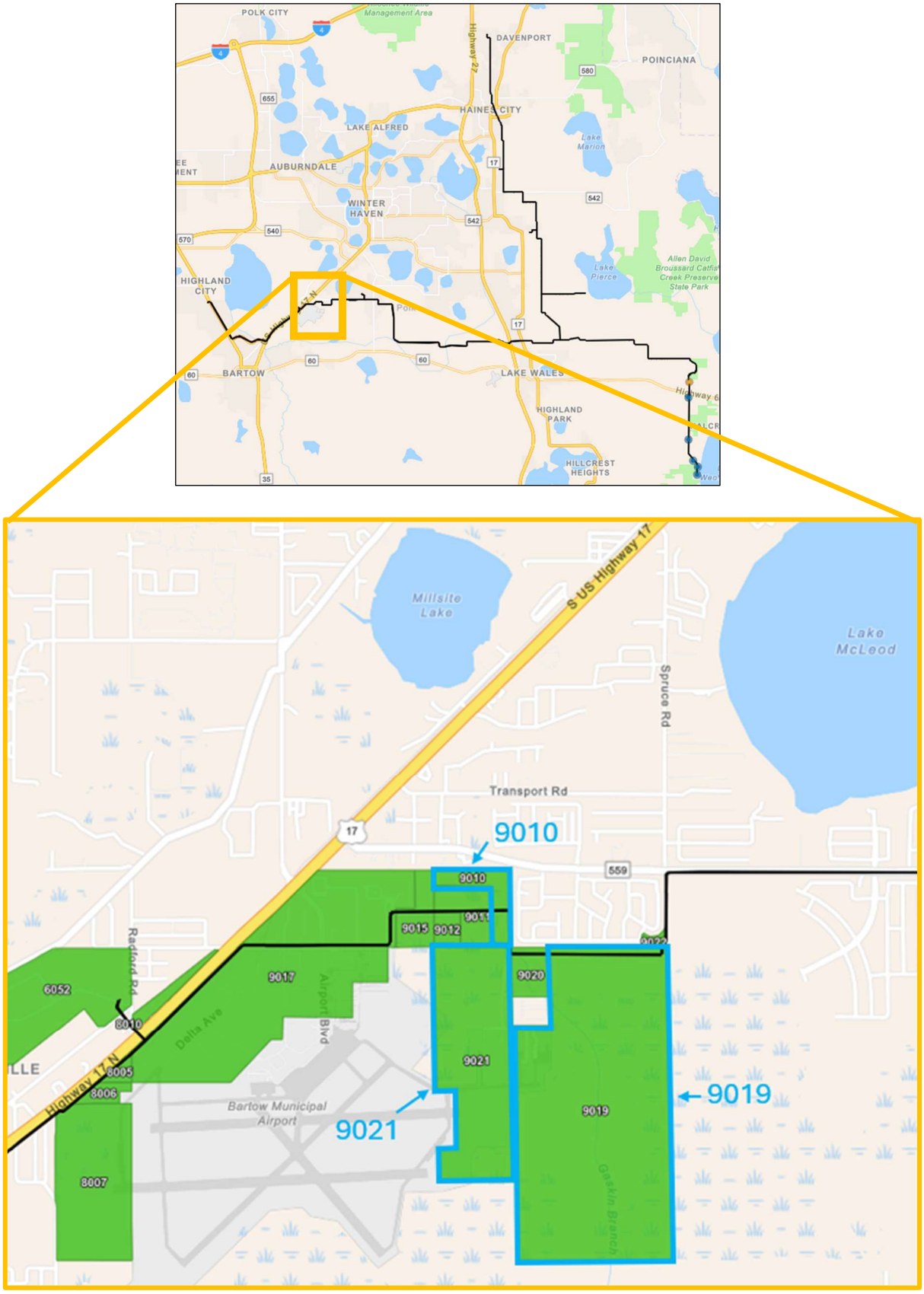
FISCAL IMPACT

Fiscal impact in the amount of $13,820.00 (one-time compensation to TEC under the three Compensation Agreements).

CONTACT INFORMATION

Mark Addison

Exhibit A


POLK CITY
DAVENPORT
POINCIANA
LAKE ALFRED
HAINES CITY
AUBURNDALE
WINTER HAVEN
HIGHLAND CITY
BARTOW
LAKE WALES
HIGHLAND PARK
HILLCREST HEIGHTS
Lake Marion
Lake Pierce
Millsite Lake
Lake McLeod
S US Highway 17
Spruce Rd
Transport Rd
9010
9015
9012
9017
9020
9021
9019
6052
8010
8005
8006
8007
Radford Rd
Della Ave
Airport Blvd
Highway 17 N
Bartow Municipal Airport
9021
9019

This Instrument Prepared by and Return To:
Real Estate Department

702 N. Franklin Street
Tampa, FL 33602

ENCROACHMENT AGREEMENT

THIS ENCROACHMENT AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2026, by and between **Tampa Electric Company**, a Florida corporation, ("**TEC**"), with principal offices at 702 N. Franklin Street, Tampa, FL 33602, and **Polk Regional Water Cooperative, an Independent Special District Created under the Laws of the State of Florida** (the "**PRWC**").

WITNESSETH THAT:

WHEREAS, PRWC intends to install an underground water transmission pipeline (the "**Pipeline**") on the property on which TEC has constructed its overhead transmission lines (cumulatively referred to as "**TEC Corridor**"), as shown in green on Exhibit "A", attached hereto; and

WHEREAS, PRWC seeks consent for the construction of one 20" underground water transmission pipeline (the "**Encroachment**") within the TEC Corridor as depicted on Exhibit "A" (the "**Encroachment Area**"), pursuant to the terms and provisions of this Agreement; and

WHEREAS, PRWC has acquired from the underlying fee owner the right to construct a 20" underground pipeline within an area described in Exhibit "B" attached hereto and made a part hereof (the "**Pipeline Area**"). A portion of the Pipeline Area crosses the TEC Corridor as depicted on Exhibit "A"; and

WHEREAS, PRWC has been advised by TEC that TEC is an electric company, and that TEC operates electric facilities through the TEC Corridor; and

WHEREAS, PRWC has requested written consent from TEC to maintain, use, and enjoy the Encroachment Area, described as the Pipeline Area, upon a portion of the TEC Corridor and in close proximity to the electric facilities; and

WHEREAS, TEC is willing to grant such consent upon the terms and conditions hereafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth in this Agreement, TEC and PRWC agree as follows:

1. To the extent that TEC has the right to do so, TEC hereby grants consent to PRWC to maintain, operate and use the Encroachment Area as described as the Pipeline Area within the TEC Corridor, which are in close proximity to the electric facilities, subject to compliance with the following terms and conditions:

a. PRWC hereby assumes all risks for damages, injuries, or loss to either property or persons, caused by, or arising out of, or resulting from, or in any way associated with the installation, construction, use, maintenance, repair or replacement of the Encroachment in the Encroachment Area and Pipeline Area.

b. The consent granted herein is limited exclusively to the proposed Encroachment upon the TEC Corridor and the Pipeline Area. PRWC shall not alter the grade or permit such alteration anywhere on the Encroachment Area and Pipeline Area without the prior express written consent of TEC.

c. PRWC shall at all times conduct all activities on the Encroachment Area and Pipeline Area in such a manner as not to interfere with or impede the operation and maintenance of the electric facilities, as allowed under this Agreement.

d. Except as to the Encroachment, PRWC shall not construct, plant or create additional improvements of any kind, including but not limited to, fences, sheds, irrigation or drainage systems, utilities, decking, pole barns, parking lots, roadways, pools, ponds, trees or shrubs within the confines of the Encroachment Area and Pipeline Area without the prior express written consent of TEC.

e. PRWC understands and agrees that TEC may not have the authority to grant PRWC permission to construct the Encroachment. This Agreement merely defines the terms by which TEC will not object, and that PRWC will obtain permission for the Encroachment from the underlying fee owner and/or third parties having an interest in the TEC Corridor. The consent granted by this instrument shall not constitute or be construed as a subordination, merger, assignment, conveyance, or relinquishment of any of the rights, title and interest of TEC under the provisions of this Agreement.

f. PRWC agrees that the Encroachment and any additional approved improvements constructed or installed in the Encroachment Area shall be constructed in accordance with the Engineering and Construction Specifications detailed in Exhibit "C" attached hereto and made a part hereof. Installation, construction, maintenance, repair and replacement of the Encroachment shall be the sole responsibility and performed at the sole cost and expense of PRWC.

g. To the extent provided in Section 768.28, Florida Statutes, up to the limits set forth in Section 768,28(5), Florida Statutes as may be further increased, amended, or repealed, PRWC hereby indemnifies, protects, and holds harmless TEC, its parent, affiliates, subsidiaries, and their directors, officers, employees, representatives, and agents (hereinafter "TEC Entities") from and against any and all actions or causes of action, claims, demands, liabilities, loss, damage, injury, suit, proceeding, judgment, cost or expense of whatever kind or nature, including but not limited to reasonable attorneys' fees, caused by, or arising out of, or resulting from, or in any way associated with the installation, construction, use, maintenance, repair or replacement of the Encroachment upon or in the vicinity of the Encroachment Area and Pipeline Area except where such loss, cost, liability, or expense was proximately caused solely by the negligence of TEC or its employees.

In addition, PRWC hereby indemnifies, defends and holds harmless TEC and the TEC Entities from and against any liability, damage, claims, loss, cause of action, suit, proceeding, judgment, cost (including the cost or expense of environmental response, removal or remediation activities), fees or expense, including reasonable attorney's fees, arising from any acts or omissions of PRWC, or any of its officers, agents or employees, acting within the scope of their office or employment, that result in: (a) non-compliance with any laws, regulations and orders applicable to the ownership or the operation and maintenance of the Encroachment within the TEC Corridor and the Pipeline Area described herein, and (b) any incidents, acts, releases, discharges, or transactions or conditions on or affecting the Encroachment Area and Pipeline Area caused by, or arising out of, or resulting from, or in any way associated with PRWC or the installation, construction, use, maintenance, repair or replacement of the Encroachment that would (i) contribute to (to the extent of such contribution) or constitute a violation of

any local, state or federal environmental rule, regulation, law or judicial order, (ii) result, in whole or in part, in any requirement to clean up or otherwise remedy or remediate a condition, (iii) give rise to any lien, liability, injunction, order, restriction, claim, expense, damage, fine or penalty, or (iv) adversely affect human health or the environment at or near the Encroachment Area and Pipeline Area. PRWC does not indemnify the TEC Entities for all liability for any acts or omissions caused by act or omissions of TEC, provided such impacts or damage are not exacerbated by PRWC. If such impacts or damage are exacerbated by PRWC, TEC's liability will be reduced to the extent that PRWC has exacerbated the impact or damage. Nothing herein shall be construed as consent by PRWC to be sued by third parties in any manner arising out of this agreement.

h. Should TEC need PRWC's facilities to be relocated within the Encroachment Area and Pipeline Area in order to construct, maintain, operate, repair, remove, replace or resize its own facilities, PRWC shall pay the cost of relocating its facilities.

i. PRWC acknowledges that future TEC operations on the electric facilities or the construction of homes or buildings in the vicinity of the electric facilities may necessitate that TEC have temporary construction easements to conduct the operations within the Encroachment Area or to upgrade the existing electric facilities in accordance with federal regulations. To the extent temporary construction does not interfere with PRWC's facilities and without cost to PRWC, PRWC will not object to additional workspace necessary to complete the operation or to upgrade the electric facilities and at no cost to TEC.

2. This Agreement in no way constitutes a waiver by TEC of its rights to enjoy the Encroachment Area, and Pipeline Area, nor does this Agreement convey an easement interest to PRWC.

3. It is expressly agreed to by and between TEC and PRWC that if PRWC is in violation of any terms or conditions set forth in this Agreement, TEC, at its option, may provide written notice of such violation and PRWC shall correct the violation within thirty (30) days from the receipt of such notice. If PRWC fails to cure the violation, TEC may, at its option, cure the violation at the expense of PRWC and without any liability or obligation whatsoever. If such violation by PRWC constitutes or results in an emergency or a dangerous condition, TEC shall only be required to provide whatever prior notice is reasonable under the circumstances before exercising its rights to cure the violation. The failure of TEC to provide such notice or cure any such violation shall not constitute a waiver of TEC's future right to exercise such option as to the same or any future violation. PRWC agrees to pay TEC's costs, including attorneys' fees and costs, arising out of the enforcement of the terms this Agreement. The remedies outlined herein are not exclusive and TEC does not waive any legal or equitable remedies.

4. The provisions of this Agreement, and all rights, powers, privileges, and duties, obligations, and liabilities created thereby, shall remain in full force and effect and are not affected hereby except to the extent and in the manner specifically and particularly set forth herein.

5. PRWC and TEC stipulate and agree that the statements and information contained in the introductory paragraphs and recitations of this Agreement are true and correct and are incorporated herein by this reference.

6. This Agreement shall not be assigned by either Party, in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or

delayed, provided however, that this Agreement may be assigned without the consent of the other Party to an affiliate or successor utility. This instrument and the covenants and agreements herein contained shall extend to and be binding upon PRWC and the heirs, executors, personal representatives, successors and permitted assigns of PRWC and upon TEC and the successors and assigns of TEC and the benefits of this Agreement shall run with the land. This Agreement may be executed in counterparts, each of which when conformed shall be an original and all of which together shall constitute a single document.

7. Notwithstanding the foregoing and to the extent applicable, this Agreement shall not be construed or interpreted to alter or waive the entitlement of PRWC to the protection of sovereign immunity, or to extend or modify PRWC's liability beyond the limits established by applicable Florida law generally, and more specifically, Article X, Section 13 of the Florida Constitution and Section 768.28, Florida Statutes, both as may be further increased, modified, amended or repealed.

[Signatures to follow]

IN WITNESS WHEREOF, the parties have executed this instrument the day and year first above written.

WITNESSES:

(Signature)

Name: Susan Luis-Jorge
(Printed Name)

(Signature)

Name: Kristin Mora
(Printed Name)
3600 Midtown Drive
Tampa FL 33607

Tampa Electric Company,
a Florida corporation

By:
(Signature)

Chip Whitworth
(Printed Name)

Title: VP - Energy Delivery

ACKNOWLEDGEMENT

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me by means of ☑ physical presence or ☐ online notarization, this 14th day of August, 2026, by Chip Whitworth, VP - Energy Delivery **of Tampa Electric Company, a Florida corporation**, on behalf of the company. He/she is personally known to me or has produced _____ (type of identification) as identification.

(S E A L)

KRISTIN MT MORA
MY COMMISSION # HH 516480
EXPIRES: April 16, 2028

Notary Public
Name (Printed): Kristin Mora
My Commission Expires April 16, 2028

WITNESSES:

Polk Regional Water Cooperative, an Independent Special District Created under the Laws of the State of Florida

_____
(Signature)

Name:_____
(Printed Name)

_____
(Signature)

Name:_____
(Printed Name)

_____

By:

_____
(Signature)

_____
(Printed Name)

Title:

_____

ACKNOWLEDGEMENT

STATE OF _____
COUNTY _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 2026, by _____ of **Polk Regional Water Cooperative, an Independent Special District Created under the Laws of the State of Florida** on behalf of the company. He/she is personally known to me or has produced _____ (type of identification) as identification.

(SEAL)

_____
Notary Public
Name (Printed):_____
My Commission Expires_____

Exhibits available upon request

Polk Regional Water Cooperative Southeast Wellfield Project
Parcel 9010

COMPENSATION AGREEMENT

THE POLK REGIONAL WATER COOPERATIVE, an Independent Special District created under the laws of the State of Florida ("PRWC") and TAMPA ELECTRIC COMPANY ("TECO") agree that TECO shall receive THE FOLLOWING AMOUNTS IN CONSIDERATION FOR THE Encroachment Agreements entered into between PRWC and TECO for the use by PRWC of Parcel 9010 TEC areas for PRWC's Southwest Wellfield Project:

9010 TCE	$2,500.00

Additionally, TECO shall receive the following amounts in total attorney's fees in connection with PRWC's said Encroachment Agreement:

9010 TCE	$2,115.00

All of the above said sums are to be paid to Gaylord Merlin Ludovici & Diaz Trust Account, c/o Lorena Hart Ludovici, Esq., Gaylord Merlin Ludovici & Diaz, 5001 West Cypress Street, Tampa, FL 33607.

TECO affirms that it has not incurred any expert costs in connection with the above-referenced Encroachment Agreement.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, The Polk Regional Water Cooperative has hereunto affixed its hand and seal this _____ day of _____, 2028.

The Polk Regional Water Cooperative, an independent Special District created under the laws of the State of Florida

_____
Signature

_____
Print Name

_____
Title

Address:_____

_____

ATTEST:

_____
Signature

_____
Print Name

Address: _____

_____

STATE OF FLORIDA)
) ss
COUNTY OF POLK)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2026, by _____as _____ of **The Polk Regional Water Cooperative, an independent Special District created under the laws of the State of Florida**, on behalf of the **Cooperative** who is personally known to me or who has produced _____ as identification.

NOTARY SEAL

_____
Notary Public

My Commission Expires: _____

IN WITNESS WHEREOF, Tampa Electric Company has hereunto affixed its hand and seal this 25th day of August, 2026.

TAMPA ELECTRIC COMPANY

By: Chip Whitworth
Title: VP Electric Delivery

Address: P.O. Box 111, Tampa, FL 33601

WITNESSES:

Signature of First Witness

Janice Adkison
Print Name of First Witness

Address: P.O. Box 111, Tampa, FL 33601

Signature of Second Witness

Siera Williams
Print Name of Second Witness

Address: P.O. Box 111, Tampa, FL 33601

STATE OF FLORIDA

COUNTY OF Hillsborough

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 25th day of August, 2026, by Chip Whitworth, VP Electric Delivery, of Tampa Electric Company, on behalf of the company. He personally appeared before me at the time of notarization and who is personally known to me or who has produced DL. as identification.

NOTARY SEAL

REBECCA LYNN MAIER
MY COMMISSION # HH 350932
EXPIRES: March 25, 2027

Notary Public

My Commission Expires: 03/25/2027

This Instrument Prepared by and Return To:
Real Estate Department

3600 Midtown Drive
Tampa, FL 33607

ENCROACHMENT AGREEMENT

THIS ENCROACHMENT AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2026, by and between **Tampa Electric Company**, a Florida corporation, ("**TEC**"), with principal offices at 3600 Midtown Drive, Tampa, FL 33607, and **Polk Regional Water Cooperative, an Independent Special District Created under the Laws of the State of Florida** (the "**PRWC**").

WITNESSETH THAT:

WHEREAS, PRWC intends to install an underground water transmission pipeline (the "**Pipeline**") on the property in which TEC possesses an easement described in Composite Exhibit "A1" attached hereto on which TEC has constructed its overhead transmission lines (cumulatively referred to as "**TEC Corridor**"), as shown in green on Exhibit A2, attached hereto; and

WHEREAS, PRWC seeks consent for the construction of one 20" underground water transmission pipeline (the "**Encroachment**") within the TEC Corridor as depicted on Exhibit "A2" (the "**Encroachment Area**"), pursuant to the terms and provisions of this Agreement; and

WHEREAS, PRWC has acquired from the underlying fee owner a permanent easement as described in Exhibit B attached hereto as well as two sixty (60) month temporary construction easements as described in Exhibit C attached hereto and made a part hereof (the "**Easements**"). A portion of the Easements cross the TEC Corridor as depicted on Exhibit A2; and

WHEREAS, PRWC seeks to temporarily utilize TEC's existing access road within the TEC Corridor for a period of eighteen (18) months to access PRWC's construction area. The temporary access road is shown in yellow on exhibit A2 and described in Exhibit D attached hereto and made a part hereof (the "**Access Road**").

WHEREAS, PRWC has been advised by TEC that TEC is an electric company, and that TEC operates electric facilities through the TEC Corridor; and

WHEREAS, PRWC has requested written consent from TEC to maintain, use, and enjoy the Encroachment Area, Easements and Access Road upon a portion of the TEC Corridor and in close proximity to the electric facilities; and

WHEREAS, TEC is willing to grant such consent upon the terms and conditions hereafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth in this Agreement, TEC and PRWC agree as follows:

1. To the extent that TEC has the right to do so, TEC hereby grants consent to PRWC to maintain, operate and use the Encroachment Area, Easements and Access Road within the TEC

Corridor, which are in close proximity to the electric facilities, subject to compliance with the following terms and conditions:

a. PRWC hereby assumes all risks for damages, injuries, or loss to either property or persons, caused by, or arising out of, or resulting from, or in any way associated with the installation, construction, use, maintenance, repair or replacement of the Encroachment, Easements, and Access Road.

b. The consent granted herein is limited exclusively to the proposed Encroachment upon the TEC Corridor, Easements, and Access Road. PRWC shall not alter the grade or permit such alteration anywhere on the Encroachment Area, Easements, and Access Road without the prior express written consent of TEC. Notwithstanding the forgoing, PRWC shall install 6" of crushed rock over the Access Road prior to using same.

c. PRWC shall at all times conduct all activities on the Encroachment Area, Easements and Access Road in such a manner as not to interfere with or impede the operation and maintenance of the electric facilities, as allowed under this Agreement.

d. Except as to the Encroachment and installation of crushed rock in the Access Road, PRWC shall not construct, plant or create additional improvements of any kind, including but not limited to, fences, sheds, irrigation or drainage systems, utilities, decking, pole barns, parking lots, roadways, pools, ponds, trees or shrubs within the confines of the Encroachment Area without the prior express written consent of TEC.

e. PRWC understands and agrees that TEC may not have the authority to grant PRWC permission to construct the Encroachment or convey access. This Agreement merely defines the terms by which TEC will not object, and that PRWC will obtain permission for the Encroachment and access from the underlying fee owner and/or third parties having an interest in the TEC Corridor. The consent granted by this instrument shall not constitute or be construed as a subordination, merger, assignment, conveyance, or relinquishment of any of the rights, title and interest of TEC under the provisions of this Agreement.

f. PRWC agrees that the Encroachment, Access Road and any additional approved improvements constructed or installed in the Encroachment Area shall be constructed in accordance with the Engineering and Construction Specifications detailed in Exhibit "E" attached hereto and made a part hereof. Installation, construction, maintenance, repair and replacement of the Encroachment and Access Road shall be the sole responsibility and performed at the sole cost and expense of PRWC.

g. To the extent provided in Section 768.28, Florida Statutes, up to the limits set forth in Section 768,28(5), Florida Statutes as may be further increased, amended, or repealed, PRWC hereby indemnifies, protects, and holds harmless TEC, its parent, affiliates, subsidiaries, and their directors, officers, employees, representatives, and agents (hereinafter "TEC Entities") from and against any and all actions or causes of action, claims, demands, liabilities, loss, damage, injury, suit, proceeding, judgment, cost or expense of whatever kind or nature, including but not limited to reasonable attorneys' fees, caused by, or arising out of, or resulting from, or in any way associated with the installation, construction, use, maintenance, repair or replacement of the (a) Encroachment upon or in the vicinity of the Encroachment Area; (b) Easements; and (c) Access Road, except where such loss, cost, liability, or expense was proximately caused solely by the negligence of TEC or its employees.

In addition, PRWC hereby indemnifies, defends and holds harmless TEC and the TEC Entities from and against any liability, damage, claims, loss, cause of action, suit, proceeding, judgment, cost (including the cost or expense of environmental response, removal or remediation activities), fees or expense, including reasonable attorney's fees, arising from any acts or omissions of PRWC, or any of its officers, agents or employees, acting within the scope of their office or employment, that result in: (a) non-compliance with any laws, regulations and orders applicable to the ownership or the operation and maintenance of the Encroachment, the Access Road, and Easements described herein, and (b) any incidents, acts, releases, discharges, or transactions or conditions on or affecting the Encroachment Area, Easements and Access Road caused by, or arising out of, or resulting from, or in any way associated with PRWC or the installation, construction, use, maintenance, repair or replacement of the Encroachment that would (i) contribute to (to the extent of such contribution) or constitute a violation of any local, state or federal environmental rule, regulation, law or judicial order, (ii) result, in whole or in part, in any requirement to clean up or otherwise remedy or remediate a condition, (iii) give rise to any lien, liability, injunction, order, restriction, claim, expense, damage, fine or penalty, or (iv) adversely affect human health or the environment at or near the Encroachment Area, Easements and Access Road. PRWC does not indemnify the TEC Entities for all liability for any acts or omissions caused by act or omissions of TEC, provided such impacts or damage are not exacerbated by PRWC. If such impacts or damage are exacerbated by PRWC, TEC's liability will be reduced to the extent that PRWC has exacerbated the impact or damage. Nothing herein shall be construed as consent by PRWC to be sued by third parties in any manner arising out of this agreement.

h. The Temporary Easement and Access Road shall expire upon completion of the construction of the Encroachment or eighteen (18) months from the date of this Agreement, whichever is sooner.

i. Should TEC need PRWC's facilities to be relocated within the Encroachment Area and Easements in order to construct, maintain, operate, repair, remove, replace or resize its own facilities, PRWC shall pay the cost of relocating its facilities.

j. PRWC acknowledges that future TEC operations on the electric facilities or the construction of homes or buildings in the vicinity of the electric facilities may necessitate that TEC have temporary construction easements to conduct the operations within the Encroachment Area or to upgrade the existing electric facilities in accordance with federal regulations. To the extent temporary construction does not interfere with PRWC's facilities and without cost to PRWC, PRWC will not object to additional workspace necessary to complete the operation or to upgrade the electric facilities and at no cost to TEC.

2. This Agreement in no way constitutes a waiver by TEC of its rights to enjoy the Encroachment Area, Easements or Access Road, nor does this Agreement convey an easement interest to PRWC.

3. It is expressly agreed to by and between TEC and PRWC that if PRWC is in violation of any terms or conditions set forth in this Agreement, TEC, at its option, may provide written notice of such violation and PRWC shall correct the violation within thirty (30) days from the receipt of such notice. If PRWC fails to cure the violation, TEC may, at its option, cure the violation at the expense of PRWC and without any liability or obligation whatsoever. If such violation by PRWC constitutes or results in an emergency or a dangerous condition, TEC shall only be required to provide whatever prior notice is reasonable under the circumstances before exercising its rights to cure the violation. The failure of TEC to provide such notice or cure any such violation shall not constitute a waiver of TEC's

future right to exercise such option as to the same or any future violation. PRWC agrees to pay TEC's costs, including attorneys' fees and costs, arising out of the enforcement of the terms this Agreement. The remedies outlined herein are not exclusive and TEC does not waive any legal or equitable remedies.

4. The provisions of this Agreement, and all rights, powers, privileges, and duties, obligations, and liabilities created thereby, shall remain in full force and effect and are not affected hereby except to the extent and in the manner specifically and particularly set forth herein.

5. PRWC and TEC stipulate and agree that the statements and information contained in the introductory paragraphs and recitations of this Agreement are true and correct and are incorporated herein by this reference.

6. This Agreement shall not be assigned by either Party, in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or delayed, provided however, that this Agreement may be assigned without the consent of the other Party to an affiliate or successor utility. This instrument and the covenants and agreements herein contained shall extend to and be binding upon PRWC and the heirs, executors, personal representatives, successors and permitted assigns of PRWC and upon TEC and the successors and assigns of TEC and the benefits of this Agreement shall run with the land. This Agreement may be executed in counterparts, each of which when conformed shall be an original and all of which together shall constitute a single document.

7. Notwithstanding the foregoing and to the extent applicable, this Agreement shall not be construed or interpreted to alter or waive the entitlement of PRWC to the protection of sovereign immunity, or to extend or modify PRWC's liability beyond the limits established by applicable Florida law generally, and more specifically, Article X, Section 13 of the Florida Constitution and Section 768.28, Florida Statutes, both as may be further increased, modified, amended or repealed.

[Signatures to follow]

IN WITNESS WHEREOF, the parties have executed this instrument the day and year first above written.

WITNESSES:

Janice Addison
(Signature)

Name: Janice Addison
(Printed Name)

Siera Williams
(Signature)

Name: Sieara Williams
(Printed Name)

Tampa Electric Company,
a Florida corporation

By: [signature]
(Signature)

Chip Whitworth
(Printed Name)

Title: VP, Electric Delivery

ACKNOWLEDGEMENT

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 27th day of July, 2026, by Chip Whitworth, VP, Electric Delivery **of Tampa Electric Company, a Florida corporation**, on behalf of the company. He/she is personally known to me or has produced Drivers license (type of identification) as identification.

(S E A L)

Rebecca Lynn Maier
Notary Public
Name (Printed): Rebecca Lynn Maier
My Commission Expires 03/25/2027

REBECCA LYNN MAIER
MY COMMISSION # HH 350932
EXPIRES: March 25, 2027

WITNESSES:

Polk Regional Water Cooperative, an Independent Special District Created under the Laws of the State of Florida

_____
(Signature)

Name:_____
(Printed Name)

By:

_____
(Signature)

_____
(Signature)

_____
(Printed Name)

Name:_____
(Printed Name)

Title:

_____

ACKNOWLEDGEMENT

STATE OF _____
COUNTY _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 2026, by _____ of **Polk Regional Water Cooperative, an Independent Special District Created under the Laws of the State of Florida** on behalf of the company. He/she is personally known to me or has produced _____ (type of identification) as identification.

(SEAL)

_____
Notary Public
Name (Printed):_____
My Commission Expires_____

Exhibits available upon request

Polk Regional Water Cooperative Southeast Wellfield Project
Parcel 9019

COMPENSATION AGREEMENT

THE POLK REGIONAL WATER COOPERATIVE, an Independent Special District created under the laws of the State of Florida ("PRWC") and TAMPA ELECTRIC COMPANY ("TECO") agree that TECO shall receive THE FOLLOWING AMOUNTS IN CONSIDERATION FOR THE Encroachment Agreements entered into between PRWC and TECO for the use by PRWC of Parcel 9019 TEC areas for PRWC's Southwest Wellfield Project:

9019 TCE	$ 0

Additionally, TECO shall receive the following amounts in total attorney's fees in connection with PRWC's said Encroachment Agreement:

9019 TCE	$4,815.00

All of the above said sums are to be paid to Gaylord Merlin Ludovici & Diaz Trust Account, c/o Lorena Hart Ludovici, Esq., Gaylord Merlin Ludovici & Diaz, 5001 West Cypress Street, Tampa, FL 33607.

TECO affirms that it has not incurred any expert costs in connection with the above-referenced Encroachment Agreement.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, The Polk Regional Water Cooperative has hereunto affixed its hand and seal this _____ day of _____, 2028.

The Polk Regional Water Cooperative, an independent Special District created under the laws of the State of Florida

_____
Signature

_____
Print Name

_____
Title

Address:_____

_____

ATTEST:

_____
Signature

_____
Print Name

Address: _____

_____

STATE OF FLORIDA)
) ss
COUNTY OF POLK)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2026, by _____as _____ of **The Polk Regional Water Cooperative, an independent Special District created under the laws of the State of Florida**, on behalf of the **Cooperative** who is personally known to me or who has produced _____ as identification.

NOTARY SEAL

_____
Notary Public

My Commission Expires: _____

IN WITNESS WHEREOF, Tampa Electric Company has hereunto affixed its hand and seal this _____ day of _____, 2026.

TAMPA ELECTRIC COMPANY

By: Chip Whitworth
Title: VP - Energy Delivery
Address: 3600 Midtown Drive
Tampa FL 33607

WITNESSES:

Signature of First Witness

Susan Luis-Jorge
Print Name of First Witness

Address: 3600 Midtown Dr.
Tampa, FL 33607

Signature of Second Witness

Kristin Mora
Print Name of Second Witness

Address: 3600 Midtown Drive
Tampa FL 33607

STATE OF FLORIDA)
) ss
COUNTY OF)

The foregoing instrument was acknowledged before me by means of ☑ physical presence or ☐ online notarization, this 14th day of August, 2026, by Chip Whitworth, of Tampa Electric Company, on behalf of the company. He/She personally appeared before me at the time of notarization and who is personally known to me or who has produced _____ as identification.

NOTARY SEAL

KRISTIN MT MORA
MY COMMISSION # HH 516480
EXPIRES: April 16, 2028

Notary Public

My Commission Expires: April 16, 2028

This Instrument Prepared by and Return To:
Real Estate Department

702 N. Franklin Street
Tampa, FL 33602

ENCROACHMENT AGREEMENT

THIS ENCROACHMENT AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2026, by and between **Tampa Electric Company**, a Florida corporation, ("**TEC**"), with principal offices at 3600 Midtown Drive, Tampa, FL 33607, and **Polk Regional Water Cooperative, an Independent Special District Created under the Laws of the State of Florida** (the "**PRWC**").

WITNESSETH THAT:

WHEREAS, PRWC intends to install an underground water transmission pipeline (the "**Pipeline**") on the property on which TEC has constructed its overhead transmission lines (cumulatively referred to as "**TEC Corridor**"), as shown in green on Exhibit "A", attached hereto; and

WHEREAS, PRWC seeks consent for the construction of one 20" underground water transmission pipeline (the "**Encroachment**") within the TEC Corridor as depicted on Exhibit "A" (the "**Encroachment Area**"), pursuant to the terms and provisions of this Agreement; and

WHEREAS, PRWC has acquired from the underlying fee owner the right to construct a 20" underground pipeline within an area described in Exhibit "B" attached hereto and made a part hereof (the "**Pipeline Area**"). A portion of the Pipeline Area crosses the TEC Corridor as depicted on Exhibit "A"; and

WHEREAS, PRWC has been advised by TEC that TEC is an electric company, and that TEC operates electric facilities through the TEC Corridor; and

WHEREAS, PRWC has requested written consent from TEC to maintain, use, and enjoy the Encroachment Area, described as the Pipeline Area, upon a portion of the TEC Corridor and in close proximity to the electric facilities; and

WHEREAS, TEC is willing to grant such consent upon the terms and conditions hereafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth in this Agreement, TEC and PRWC agree as follows:

1. To the extent that TEC has the right to do so, TEC hereby grants consent to PRWC to maintain, operate and use the Encroachment Area as described as the Pipeline Area within the TEC Corridor, which are in close proximity to the electric facilities, subject to compliance with the following terms and conditions:

a. PRWC hereby assumes all risks for damages, injuries, or loss to either property or persons, caused by, or arising out of, or resulting from, or in any way associated with the installation, construction, use, maintenance, repair or replacement of the Encroachment in the Encroachment Area and Pipeline Area.

b. The consent granted herein is limited exclusively to the proposed Encroachment upon the TEC Corridor and the Pipeline Area. PRWC shall not alter the grade or permit such alteration anywhere on the Encroachment Area and Pipeline Area without the prior express written consent of TEC.

c. PRWC shall at all times conduct all activities on the Encroachment Area and Pipeline Area in such a manner as not to interfere with or impede the operation and maintenance of the electric facilities, as allowed under this Agreement.

d. Except as to the Encroachment, PRWC shall not construct, plant or create additional improvements of any kind, including but not limited to, fences, sheds, irrigation or drainage systems, utilities, decking, pole barns, parking lots, roadways, pools, ponds, trees or shrubs within the confines of the Encroachment Area and Pipeline Area without the prior express written consent of TEC.

e. PRWC understands and agrees that TEC may not have the authority to grant PRWC permission to construct the Encroachment. This Agreement merely defines the terms by which TEC will not object, and that PRWC will obtain permission for the Encroachment from the underlying fee owner and/or third parties having an interest in the TEC Corridor. The consent granted by this instrument shall not constitute or be construed as a subordination, merger, assignment, conveyance, or relinquishment of any of the rights, title and interest of TEC under the provisions of this Agreement.

f. PRWC agrees that the Encroachment and any additional approved improvements constructed or installed in the Encroachment Area shall be constructed in accordance with the Engineering and Construction Specifications detailed in Exhibit "C" attached hereto and made a part hereof. Installation, construction, maintenance, repair and replacement of the Encroachment shall be the sole responsibility and performed at the sole cost and expense of PRWC.

g. To the extent provided in Section 768.28, Florida Statutes, up to the limits set forth in Section 768,28(5), Florida Statutes as may be further increased, amended, or repealed, PRWC hereby indemnifies, protects, and holds harmless TEC, its parent, affiliates, subsidiaries, and their directors, officers, employees, representatives, and agents (hereinafter "TEC Entities") from and against any and all actions or causes of action, claims, demands, liabilities, loss, damage, injury, suit, proceeding, judgment, cost or expense of whatever kind or nature, including but not limited to reasonable attorneys' fees, caused by, or arising out of, or resulting from, or in any way associated with the installation, construction, use, maintenance, repair or replacement of the Encroachment upon or in the vicinity of the Encroachment Area and Pipeline Area except where such loss, cost, liability, or expense was proximately caused solely by the negligence of TEC or its employees.

In addition, PRWC hereby indemnifies, defends and holds harmless TEC and the TEC Entities from and against any liability, damage, claims, loss, cause of action, suit, proceeding, judgment, cost (including the cost or expense of environmental response, removal or remediation activities), fees or expense, including reasonable attorney's fees, arising from any acts or omissions of PRWC, or any of its officers, agents or employees, acting within the scope of their office or employment, that result in: (a) non-compliance with any laws, regulations and orders applicable to the ownership or the operation and maintenance of the Encroachment within the TEC Corridor and the Pipeline Area described herein, and (b) any incidents, acts, releases, discharges, or transactions or conditions on or affecting the Encroachment Area and Pipeline Area caused by, or arising out of, or resulting from, or in any way associated with PRWC or the installation, construction, use, maintenance, repair or replacement of the Encroachment that would (i) contribute to (to the extent of such contribution) or constitute a violation of

any local, state or federal environmental rule, regulation, law or judicial order, (ii) result, in whole or in part, in any requirement to clean up or otherwise remedy or remediate a condition, (iii) give rise to any lien, liability, injunction, order, restriction, claim, expense, damage, fine or penalty, or (iv) adversely affect human health or the environment at or near the Encroachment Area and Pipeline Area. PRWC does not indemnify the TEC Entities for all liability for any acts or omissions caused by act or omissions of TEC, provided such impacts or damage are not exacerbated by PRWC. If such impacts or damage are exacerbated by PRWC, TEC's liability will be reduced to the extent that PRWC has exacerbated the impact or damage. Nothing herein shall be construed as consent by PRWC to be sued by third parties in any manner arising out of this agreement.

h. Should TEC need PRWC's facilities to be relocated within the Encroachment Area and Pipeline Area in order to construct, maintain, operate, repair, remove, replace or resize its own facilities, PRWC shall pay the cost of relocating its facilities.

i. PRWC acknowledges that future TEC operations on the electric facilities or the construction of homes or buildings in the vicinity of the electric facilities may necessitate that TEC have temporary construction easements to conduct the operations within the Encroachment Area or to upgrade the existing electric facilities in accordance with federal regulations. To the extent temporary construction does not interfere with PRWC's facilities and without cost to PRWC, PRWC will not object to additional workspace necessary to complete the operation or to upgrade the electric facilities and at no cost to TEC.

2. This Agreement in no way constitutes a waiver by TEC of its rights to enjoy the Encroachment Area, and Pipeline Area, nor does this Agreement convey an easement interest to PRWC.

3. It is expressly agreed to by and between TEC and PRWC that if PRWC is in violation of any terms or conditions set forth in this Agreement, TEC, at its option, may provide written notice of such violation and PRWC shall correct the violation within thirty (30) days from the receipt of such notice. If PRWC fails to cure the violation, TEC may, at its option, cure the violation at the expense of PRWC and without any liability or obligation whatsoever. If such violation by PRWC constitutes or results in an emergency or a dangerous condition, TEC shall only be required to provide whatever prior notice is reasonable under the circumstances before exercising its rights to cure the violation. The failure of TEC to provide such notice or cure any such violation shall not constitute a waiver of TEC's future right to exercise such option as to the same or any future violation. PRWC agrees to pay TEC's costs, including attorneys' fees and costs, arising out of the enforcement of the terms this Agreement. The remedies outlined herein are not exclusive and TEC does not waive any legal or equitable remedies.

4. The provisions of this Agreement, and all rights, powers, privileges, and duties, obligations, and liabilities created thereby, shall remain in full force and effect and are not affected hereby except to the extent and in the manner specifically and particularly set forth herein.

5. PRWC and TEC stipulate and agree that the statements and information contained in the introductory paragraphs and recitations of this Agreement are true and correct and are incorporated herein by this reference.

6. This Agreement shall not be assigned by either Party, in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or

delayed, provided however, that this Agreement may be assigned without the consent of the other Party to an affiliate or successor utility. This instrument and the covenants and agreements herein contained shall extend to and be binding upon PRWC and the heirs, executors, personal representatives, successors and permitted assigns of PRWC and upon TEC and the successors and assigns of TEC and the benefits of this Agreement shall run with the land. This Agreement may be executed in counterparts, each of which when conformed shall be an original and all of which together shall constitute a single document.

7. Notwithstanding the foregoing and to the extent applicable, this Agreement shall not be construed or interpreted to alter or waive the entitlement of PRWC to the protection of sovereign immunity, or to extend or modify PRWC's liability beyond the limits established by applicable Florida law generally, and more specifically, Article X, Section 13 of the Florida Constitution and Section 768.28, Florida Statutes, both as may be further increased, modified, amended or repealed.

[Signatures to follow]

IN WITNESS WHEREOF, the parties have executed this instrument the day and year first above written.

WITNESSES:

Janice Atkison
(Signature)

Name: Janice Atkison
(Printed Name)

Sieara Williams
(Signature)

Name: Sieara Williams
(Printed Name)

Tampa Electric Company,
a Florida corporation

By: _____
(Signature)

Chip Whitworth
(Printed Name)

Title: VP Electric Delivery

ACKNOWLEDGEMENT

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 25th day of August, 2026, by **Chip Whitworth, VP Electric Delivery of Tampa Electric Company, a Florida corporation**, on behalf of the company. He is personally known to me or has produced DL (type of identification) as identification.

(S E A L)

Rebecca Lynn Maier
Notary Public
Name (Printed): Rebecca Lynn Maier
My Commission Expires 03/25/2027

REBECCA LYNN MAIER
MY COMMISSION # HH 350932
EXPIRES: March 25, 2027

WITNESSES:

Polk Regional Water Cooperative, an Independent Special District Created under the Laws of the State of Florida

_____
(Signature)

Name:_____
(Printed Name)

_____
(Signature)

Name:_____
(Printed Name)

_____

By:

_____
(Signature)

_____
(Printed Name)

Title:

_____

ACKNOWLEDGEMENT

STATE OF _____
COUNTY _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 2026, by _____ of **Polk Regional Water Cooperative, an Independent Special District Created under the Laws of the State of Florida** on behalf of the company. He/she is personally known to me or has produced _____ (type of identification) as identification.

(SEAL)

_____
Notary Public
Name (Printed):_____
My Commission Expires_____

Exhibits available upon request

Polk Regional Water Cooperative Southeast Wellfield Project
Parcel 9021

COMPENSATION AGREEMENT

THE POLK REGIONAL WATER COOPERATIVE, an Independent Special District created under the laws of the State of Florida ("PRWC") and TAMPA ELECTRIC COMPANY ("TECO") agree that TECO shall receive THE FOLLOWING AMOUNTS IN CONSIDERATION FOR THE Encroachment Agreements entered into between PRWC and TECO for the use by PRWC of Parcel 9021 TEC areas for PRWC's Southwest Wellfield Project:

9021 TCE	$2,500.00

Additionally, TECO shall receive the following amounts in total attorney's fees in connection with PRWC's said Encroachment Agreement:

9021 TCE	$1,890.00

All of the above said sums are to be paid to Gaylord Merlin Ludovici & Diaz Trust Account, c/o Lorena Hart Ludovici, Esq., Gaylord Merlin Ludovici & Diaz, 5001 West Cypress Street, Tampa, FL 33607.

TECO affirms that it has not incurred any expert costs in connection with the above-referenced Encroachment Agreement.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, The Polk Regional Water Cooperative has hereunto affixed its hand and seal this _____ day of _____, 2028.

The Polk Regional Water Cooperative, an independent Special District created under the laws of the State of Florida

_____
Signature

_____
Print Name

_____
Title

Address:_____

_____

ATTEST:

_____
Signature

_____
Print Name

Address: _____

_____

STATE OF FLORIDA)
) ss
COUNTY OF POLK)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2026, by _____as _____ of **The Polk Regional Water Cooperative, an independent Special District created under the laws of the State of Florida**, on behalf of the **Cooperative** who is personally known to me or who has produced _____ as identification.

NOTARY SEAL

_____
Notary Public

My Commission Expires: _____

IN WITNESS WHEREOF, Tampa Electric Company has hereunto affixed its hand and seal this 25th day of August, 2026.

TAMPA ELECTRIC COMPANY

By: Chip Whitworth
Title: VP Electric Delivery

Address: P.O. Box 111, Tampa, FL 33601

WITNESSES:

Janice Addison
Signature of First Witness

Janice Addison
Print Name of First Witness

Address: P.O. Box 111, Tampa, FL 33601

Sieara Williams
Signature of Second Witness

Sieara Williams
Print Name of Second Witness

Address: P.O. Box 111, Tampa, FL 33601

STATE OF FLORIDA

COUNTY OF Hillsborough

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 25th day of August, 2026, by Chip Whitworth, VP Electric Delivery, of Tampa Electric Company, on behalf of the company. He personally appeared before me at the time of notarization and who is personally known to me or who has produced DL as identification.

REBECCA LYNN MAIER
MY COMMISSION # HH 350932
EXPIRES: March 25, 2027

NOTARY SEAL

Rebecca Lynn Maier
Notary Public

My Commission Expires: ~~03/25/2026~~ 03/25/2027

Agenda Item E.5. 9/16/2026

SUBJECT

Approve Contingency Request No. 02 to Southeast Wellfield GMP-6, Construction Package 2C, for costs Associated with the Change from Open-Cut to Horizontal Directional Drill on Parcel 3011 (Action)

DESCRIPTION

Guaranteed Maximum Price 6 (GMP-6) includes Construction Package 2C of the Southeast Wellfield Transmission Main (SETM), which was approved by the Board on January 28, 2026. Due to easement acquisition on Parcel 3011, Work Change Directive No. 003, dated July 21, 2026, redirected approximately 1,054 linear feet of 30" ductile iron pipe (DIP) open-cut installation to a horizontal directional drill (HDD) consisting of 30" DR11 high-density polyethylene (HDPE) pipe to avoid conflicts with proposed development utilities. Since GMP-6 bid time, the cost of HDPE pipe has increased, adding to the cost impact of this directive. Florida Water Partners (CMAR) submitted GMP-6 Package 2C Contingency Request (CR) No. 02 on August 21, 2026, requesting the release of $222,568.14 from the CMAR's Construction Contingency to cover the costs of the Parcel 3011 open-cut-to-HDD conversion and associated HDPE material cost escalation, consistent with Work Change Directive No. 003.

RECOMMENDATION

Approve Contingency Request No. 02 to Southeast Wellfield GMP-6, Construction Package 2C, for Costs Associated with the Change from Open-Cut to Horizontal Directional Drill on Parcel 3011 (Action)

FISCAL IMPACT

No increase to the GMP-6 Contract Amount. This request draws $222,568.14 from the CMAR's Construction Contingency.

CONTACT INFORMATION

Mark Addison

Date: August 21, 2026 Transmitted via Email

Attention: Mark Addison, P.E.
Title: PRWC SE Wellfield PM

RE: GMP-6 Package #2C CR #02

Mr. Addison, P.E.,

Please find enclosed GMP-6 Package #2C CR #02 for PRWC's review and consideration. CR #02 includes the costs for Amici to change from 30" DIP to 30" HDD from STA 3231+00 to STA 3241+93 as redesigned on Work Change Directive #003. This also includes the costs for a HDPE pipe material escalation since bid time.

A summary of contingency utilized to date can be found below:

Original CMAR Contingency per Pay Application (5.6.1):	$1,559,558.80
Total Approved Contingency Releases to date:	$50,467.50
Amount for this Contingency Request:	$222,568.14
Amount of Contingency Remaining:	$1,286,523.16

Sincerely,
Florida Water Partners

Justin Risnear

Justin Risnear
Project Manager

Attachments: GMP-6 Package #2C CR #02 Back up

Authorized Signatures

PRWC - Mark Addison, P.E. _____

PRWC – Eric DeHaven _____

Change Directive Cost

PROJECT:

Southeast Lower Floridan Aquifer Wellfield
2055 Boy Scout Camp Road
Lake Wales, FL 33898

Change Directive Number: 003

Date: August 20, 2026

TO OWNER:

FWP

Contract Number: 1641S020
Cost Code:

Contract Date: June 27, 2025

This Change Directive is hereby affected by the following items:

Due to easement acquisition, approximately 1,054 LF of the 30" DIP open cut on Parcel 3011 has been changed to a horizontal directional drill consisting of 30" DR11 HDPE to avoid proposed development utilities. The cost of HDPE pipe has increased causing a significant increase for this directive. PLEASE BE AWARE THE PIPE MUST BE ORDRED BY SEPT 3, 2026 TO HOLD THE PRICE.

Description	Quantity	UM	Unit Price	Total
30" DIP	-1054	LF	$ 299.50	$ (315,673.00)
30" HDPE (HDD)	1054	LF	$ 448.00	$ 472,192.00
30" HDPE Price Increase (w/tax) 40' JOINTS	1080	LF	$ 59.12	$ 63,845.50
SUBTOTAL				$ 220,364.50
Additional Bond Cost (1%)	1	LS	$ 2,203.64	
TOTAL COST INCREASE				**$ 222,568.14**

Total Change Directive Amount **$222,568.14**

Amici Engineering Contractors LLC
SUBCONTRACTOR / VENDOR
5412 7th Street
Zephyrhills, FL 33543

MAILING ADRESS

BY Christopher Lazzari

SIGNATURE _____

DATE August 20, 2026

Florida Water Partners, A Garney/Wharton-Smith Joint Venture
CONTRACTOR
370 E Crown Point Road
Winter Garden, FL 34787

MAILING ADDRESS

BY _____

SIGNATURE _____

DATE _____

Subcontractor / Vendor _____ FWP _____

FERGUSON WATERWORKS

FEL - FT. PIERCE, FL WW #1730
4510 PROSPERITY DRIVE
FORT PIERCE, FL 34981-0000

Phone: 772-467-0137
Fax: 772-467-0472

Deliver To:
From: **Ferney Montoya**
ferney.montoya@ferguson.com
Comments:

08:46:52 AUG 17 2026

FERGUSON ENTERPRISES, LLC #125
Price Quotation
Phone: 772-467-0137
Fax: 772-467-0472

Bid No: B630676
Bid Date: 08/17/26
Quoted By: FMM

Cust Phone: 954-650-4699
Terms: NET 10TH PROX

Customer: AMICI ENGINEERING CNTCTRS L
10621 SW 139 STREET
MIAMI, FL 33176

Ship To: AMICI ENGINEERING CNTCTRS L
10621 SW 139 STREET
MIAMI, FL 33176

Cust PO#: SETM 2C

Job Name: ADDED 30" SDR11

Item	Description	Quantity	Net Price	UM	Total
	---- AVAILABILTY END OF SEPT 2026 ---- PRICING ORDER BY SEPT 3. 2026 ---- PRICE PER FT $161.00				
PED11A3050	30X50 DIPS DR11 HDPE PIPE *X BLUE STRIPE BLUE STRIPE==	1080	16100.000	C	173880.00

Net Total:	$173880.00
Tax:	$10482.80
Freight:	$0.00
Total:	$184362.80

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Scan the QR code or use the link below to
complete a survey about your bids:
https://survey.medallia.com/?bidsorder&fc=1216&on=60739

FERGUSON WATERWORKS

FERGUSON ENTERPRISES, LLC #125
Price Quotation

Fax: 772-467-0472

08:46:52 AUG 17 2026
Reference No: B630676

Quoted prices are based upon receipt of the total quantity for immediate shipment (48 hours). SHIPMENTS BEYOND 48 HOURS SHALL BE AT THE PRICE IN EFFECT AT TIME OF SHIPMENT UNLESS NOTED OTHERWISE. QUOTES FOR PRODUCTS SHIPPED FOR RESALE ARE NOT FIRM UNLESS NOTED OTHERWISE.

Due to the uncertain impact of potential tariffs, Ferguson's quotation/proposal has not included any provision or contingency for future tariffs or increase of existing tariffs. Ferguson reserves the right to adjust prices to reflect the impact of any new or increased tariffs that affect our costs at the time of shipment. Ferguson will provide notice of any such adjustments along with documentation supporting the changes.

CONTRACTOR CUSTOMERS: IF YOU HAVE DBE/MBE/WBE//VBE/SDVBE/SBE GOOD FAITH EFFORTS DIVERSITY GOALS/ REQUIREMENTS ON A FEDERAL, STATE, LOCAL GOVERNMENT, PRIVATE SECTOR PROJECT, PLEASE CONTACT YOUR BRANCH SALES REPRESENATIVE IMMEDIATELY PRIOR TO RECEIVING A QUOTE/ORDER.

Seller not responsible for delays, lack of product or increase of pricing due to causes beyond our control, and/or based upon Local, State and Federal laws governing type of products that can be sold or put into commerce. This Quote is offered contingent upon the Buyer's acceptance of Seller's terms and conditions, which are incorporated by reference and found either following this document, or on the web at https://www.ferguson.com/content/website-info/terms-of-sale
Govt Buyers: All items are open market unless noted otherwise.

LEAD LAW WARNING: It is illegal to install products that are not "lead free" in accordance with US Federal or other applicable law in potable water systems anticipated for human consumption. Products with *NP in the description are NOT lead free and can only be installed in non-potable applications. Buyer is solely responsible for product selection.

HOW ARE WE DOING? WE WANT YOUR FEEDBACK!
Scan the QR code or use the link below to complete a survey about your bids:
https://survey.medallia.com/?bidsorder&fc=1216&on=60739

WORK CHANGE DIRECTIVE NO.: 003

Owner:	Polk Regional Water Cooperative	Owner's Project No.:	GMP-6
Engineer:	Dewberry Engineers	Engineer's Project No.:	50152542.00
Contractor:	Florida Water Partners/AMICI	Contractor's Project No.:	TBD
Project:	Southeast Wellfield Transmission Main		
Contract Name:	Construction Package 2C		
Date Issued:	7/21/2026	Effective Date of Work Change Directive:	7/21/2026

Description:

Due to easement acquisition, approximately 1,054 LF of the 30" DIP open cut on Parcel 3011 has been changed to a horizontal directional drill consisting of 30" DR11 HDPE to avoid proposed development utilities.

Attachments:

Revised PP-027 – PP-029

Purpose for the Work Change Directive:

The purpose of this work change directive is to indicate the switch from open cut to horizontal directional drill as well as additional restraint requirements.

☐ Non-agreement on pricing of proposed change. ☐ Necessity to proceed for schedule or other reasons.

Promptly after being notified of this directive, but in no event more than 14 days, Contractor shall submit an itemized estimate of any cost or time increases or savings it foresees as a result.

	Recommended by Engineer	Authorized by Owner
By:	Matthew O'Connor	
Title:	Engineer of Record	
Date:	7/21/2026	

EJCDC® C-940, Work Change Directive.
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Agenda Item F.1. 9/16/2026

SUBJECT

Election of Chairman, Vice-Chairman, and Secretary for the PRWC Regular Board of Directors - FY2027 (Action)

DESCRIPTION

The Polk Regional Water Cooperative's (PRWC) Formation Interlocal Agreement and the Implementation Agreements have essentially the same provisions regarding Board of Director's (BOD) officers. Both the Project Boards and the Regular BOD elect the Chairman, Vice-Chairman, and Secretary/Treasurer to serve for a term of one year starting October 1. Each officer may serve two consecutive one-year terms, if re-elected.

The current Chairman of the PRWC Regular BOD is Nathaniel Birdsong (Winter Haven). The Vice-Chairman is Mac Fuller (Lake Alfred) and the Secretary/Treasurer is Becky Troutman (Polk County). All three officers have served one term in their position and are eligible to be elected to a second one -year term.

RECOMMENDATION

Request the BOD to elect a Chairman, Vice-Chairman and Secretary/Treasurer for FY2027 (beginning October 1, 2026, through September 30, 2027).

FISCAL IMPACT

There is no fiscal impact associated with this item.

CONTACT INFORMATION

Eric DeHaven
Ed de la Parte

Agenda Item F.2. 9/16/2026

SUBJECT

Approve the Agreement for Professional Services with Arrow Group Consulting, LLC for Lobbying and Governmental Consulting Services (Action)

DESCRIPTION

At the July 29, 2026 PRWC Board of Directors meeting the Board discussed issues related to future grant funding from the FDEP and Florida Legislature for PRWC alternative water supply projects. The Board's focus was largely on funding for member receiving facilities to accept water from the PRWC Southeast Lower Floridan Aquifer Wellfield and Transmission Main project. Staff noted that no funds were received from the legislature in FY2026 for any projects associated with the PRWC and that the PRWC has not, to date, ever retained a lobbyist to represent its interests in Tallahassee. The Board then advised staff to review options and bring a recommendation back to the BOD for the September Board of Directors meeting.

The PRWC looked at several different firms that provide lobbying assistance and ultimately recommend hiring Arrow Group Consulting with primary responsibility to be assumed by Kimberly Shugar, Edgar Fernandez, and Alexandria Kernan. The Arrow Group has familiarity working on specific PRWC issues in the past (as Anfield Consulting) while under contract with Polk County. The firm is highly recommended by County staff.

Therefore, staff are presenting for the Board's consideration an Agreement for lobbying and government consulting services by Arrow Group Consulting. Under this agreement, Arrow will represent the PRWC before the government agencies of the Florida Executive and Legislative branches focused on advancing the PRWC and its members' interests in securing funding for alternative water supply facilities and water conservation.

The Arrow Group will charge the PRWC a monthly rate of $5,000 ($60,000 annually). The term of the agreement is for one year and can be extended by agreement of both parties. Either party may terminate the agreement by providing a 60-day notice.

RECOMMENDATION

Approve the Agreement for Professional Services with Arrow Group Consulting, LLC for lobbying and government consulting services.

FISCAL IMPACT

The financial impact to the PRWC for FY2027 will $60,000. These funds are reflected in the

proposed FY2027 Administrative Budget.

CONTACT INFORMATION

Eric DeHaven

ARROWGROUP

AGREEMENT FOR PROFESSIONAL SERVICES

This contract for professional services (hereinafter referred to as "Agreement") is by and between **Arrow Group Consulting, LLC**, a privately-owned limited liability company registered in the State of Florida (hereinafter referred to as "ARROW"), and **Polk Regional Water Cooperative,** a public corporation of the State of Florida established by Interlocal Agreement with its head office located 330 W. Church Street, PO Box 9005, Drawer CA01, Bartow, Florida 33831 (hereinafter referred to as "CLIENT"). ARROW and CLIENT shall collectively be referred to as the "Parties."

(1) Services:

ARROW shall represent CLIENT for lobbying and governmental consulting services before the government agencies of the Florida Executive Branch and Florida Legislative Branch. Such representation shall be focused on advancing CLIENT's interests in securing funding for alternative water supply facilities and conservation for CLIENT and its member governments. Specific services shall include:

a. Representing the CLIENT before the State Legislative and Executive Branches as well as State agencies;
b. Assisting to secure funding for programs and projects which have been identified by the Client as priorities, including state grants, state legislative appropriations, and general funding for the 2017 Heartland Headwaters Protection and Sustainability Act;
c. Coordinating with Client's State Legislative Delegation in gaining support for the client's state agendas and funding needs;
d. Facilitating meetings at the CLIENT's request with key decision-makers within the Florida Legislature, Governor's Office, state agencies, water management districts, and local governments related to CLIENT's interests;
e. Monitoring proposed legislation and legislative committee and staff activities directly related to CLIENT's interests;
f. Monitoring the activities of the Governor, the Governor's agencies, directly related to CLIENT's interests, including but not limited to the Florida Department of Environmental Protection and the water management districts;
g. Assisting CLIENT in preparation for the upcoming Session of the Florida Legislature.

Arrow has not been retained to provide CLIENT with any legal advice, including but not limited to, areas of tax, securities, corporate or other specialized areas of law related or unrelated to the specific representation which ARROW has undertaken. ARROW assumes no responsibility or obligation to provide any legal advice unless specifically contracted for separately in writing.

ARROW is a subsidiary of GUNSTER, YOAKLEY & STEWART, P.A. (hereinafter referred to as "GUNSTER").

(2) Staffing: Primary responsibility for this engagement will initially be assumed by **Kimberly Shugar, Edgar Fernandez, and Alexandria Kernan.** Because of various strengths in relationships and geographic areas of legislative members, other lobbyists may also be assigned to this matter. Staffing will depend primarily on the judgment of ARROW as to the experience and expertise required to properly provide the CLIENT with appropriate representation as detailed in this engagement.

(3) Term and Compensation: The term of this Agreement will **commence on October 1, 2026, and end September 30, 2027**. CLIENT will pay ARROW the sum total of **sixty thousand dollars ($60,000.00)** to perform the services specified in Section (1) (the total sum may also be referred to as the "fee"). By mutual agreement, the fee will be paid monthly in twelve (12) installments in the amount of **five thousand dollars ($5,000.00)** with each fee payable monthly upon receipt of an electronic invoice from ARROW on the 15th day of the month. ARROW submits statements for services rendered and costs advanced on a monthly basis. Statements are to be paid in full within 30 days after receipt. Any statement not paid when due, will, at ARROW's option, bear a late charge at the rate of 1% per month for each month the statement remains unpaid. If any statement is not paid in full within 30 days, ARROW will have the option to withdraw from this representation and you hereby consent to withdrawal under those conditions. Further, a failure to question or object to any charges within 30 days after receipt of a statement will constitute CLIENT's agreement to the statement as presented.

(4) Costs: The monthly fee payable to ARROW covers all incidental costs or fees related to services provided by subcontractors identified by ARROW and authorized by CLIENT for retention such as regular U.S. mail, copies, and telephone. However, ARROW shall be entitled to reimbursement in addition to the terms and fees stated herein for additional expenses, including but not limited to, excessive business travel expenses. ARROW will discuss such expenditures with CLIENT and receive prior authorization before incurring them.

(5) Issuance of Payments and Notice: CLIENT can remit payment by check or wire. Checks should be made payable to "The Arrow Group", and sent to: 777 South Flagler Drive, Suite 500 East Tower, West Palm Beach, FL 33401. Wire payment information is available at the bottom of all invoices. All written notices from CLIENT to ARROW shall also be sent to this address.

Notices shall be provided to CLIENT through direct mail at:

330 W. Church Street, PO Box 9005, Drawer CA01, Bartow, Florida 33831

Billing online shall be directed to PRWC Finance Manager via email to the following authorized accounting representative at the following email address: lauraguyrice@prwcwater.org

(6) Renewal and Termination: This Agreement may be modified or extended only by a written document signed by both Parties. Conversely, either Party may terminate this Agreement prior to the date established in section (3) of this Agreement by providing written notice to the other Party sixty (60) days prior to the desired date of termination. CLIENT shall pay ARROW for any and all services and CLIENT approved expenses during the term of this Agreement up to and until the established date of termination. In the event of early termination, the final amount to be paid shall be established on a pro-rata basis based on number of days in a calendar year. If monthly fee exceeds the pro-rata amount due, ARROW shall remit the difference within 30 days of termination in a check or money order payable to: Polk Regional Water Cooperative

(7) Governing Law: This Agreement is executed in the State of Florida and shall be construed, interpreted, and governed by the laws of such state, and by all applicable laws of the United States of America.

(8) Severability: If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and not affected thereby.

(9) Registration and Reporting Requirements: In providing its services under this Agreement, ARROW and its staff will endeavor to maintain confidentiality regarding information relating to this representation where applicable. However, the services covered by this Agreement are lobbying services and ARROW, its staff, and the CLIENT will be subject to registration and reporting requirements, as are provided for in statutes and ordinances applicable to lobbying activities. Therefore, in complying with these requirements ARROW and its staff will register prior to undertaking any effort on the CLIENT's behalf with legislative, executive, or municipal members, staff, or employees. When registrations or other required reports, disclosures or responses are required, ARROW will timely furnish the CLIENT with copies of such forms, reports and responses and the CLIENT agrees to execute such documents as are required by law and otherwise cooperate in achieving compliance and the avoidance of penalties. Reporting will be made pursuant to the relevant portion of work between legislative and executive agency contact. By entering into this Agreement CLIENT hereby consents to making such registrations and disclosures as are legally required to comply with all applicable lobbying laws.

(10) Assignment: ARROW shall not assign any interest in this Agreement and shall not transfer any interest therein without prior written consent of CLIENT. Any attempt at

assignment of rights under this Contract except for those specifically consented to by both parties shall be void.

(11) Independent Contractor: No employer/employee relationship is intended by the parties hereto, the relationship of ARROW to CLIENT being that of independent contractor. CLIENT will not be required to make payroll deductions or provide worker's compensation insurance or health benefits.

(12) Force Majeure: In no event shall ARROW be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, pandemic, epidemic, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that ARROW shall use reasonable efforts which are consistent with accepted practices in the industry to resume performance as soon as practicable under the circumstances.

(13) Agreement Execution: The Parties, after reviewing, reading, and understanding the contents of this document, do hereby execute this Agreement by their respective signatures. This Agreement is effective as of the date of the last signature below.

(14) Public Records: The CLIENT is a public agency subject to Chapter 119, Florida Statutes. ARROW shall comply with Florida's Public Records Law. Specifically, ARROW shall:

a) Keep and maintain public records required by the CLIENT to perform the service;

b) Upon request from the CLIENT's custodian of public records, provide the CLIENT with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Fla. Stat. or as otherwise provided by law;

c) Ensure that public records that are exempt or that are confidential and exempt from public record disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and, following completion of the contract, ARROW shall destroy all copies of such confidential and exempt records remaining in its possession once ARROW transfers the records in its possession to CLIENT; and

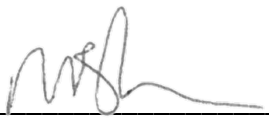
d) Upon completion of the contract, ARROW shall transfer to CLIENT, at no cost to the CLIENT, all public records in ARROW's possession. All records stored electronically by ARROW must be provided to the CLIENT, upon request from the CLIENT's custodian of public records, in a format compatible with the CLIENT'S information technology systems.

IF ARROW HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO ARROW'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, BARTOW, FLORIDA 33830.

(15) E-Verify. Pursuant to § 448.095, Fla. Stat., ARROW and any subcontractor performing services under this Agreement shall register with and use the E-Verify system to verify the work authorization status of all newly hired employees. If ARROW enters into a contract with a subcontractor, ARROW shall obtain from the subcontractor an affidavit stating that the subcontractor does not employ, contract with, or subcontract with an unauthorized alien, and shall maintain a copy for the duration of this Agreement.

(16) Sovereign Immunity. Nothing in this Agreement shall be construed as a waiver of CLIENT's sovereign immunity or of the limits of liability set forth in § 768.28, Fla. Stat., and CLIENT does not assume any liability beyond those limits.

For The Arrow Group:



Albert Balido, President

The foregoing has been accepted and agreed to this _____ day of _____, **2026**.

For Polk Regional Water Cooperative

_____

Eric DeHaven, Executive Director

Agenda Item F.3. 9/16/2026

SUBJECT

Approve the Legal Representation Agreement with de la Parte, Gilbert, McNamara & Caldevilla, P.A. for General Legal Services and General Counsel of the PRWC (Action)

DESCRIPTION

Presented for the Board's consideration is a Representation Agreement for general legal services and general counsel by de la Parte, Gilbert, McNamara & Caldevilla, P.A. (the Firm). Since 2016, the Firm has represented PRWC interests under a pass-through arrangement with Polk County. Work by the Firm has been billed to Polk County and then passed to the PRWC for direct payment. As the PRWC has grown, and will continue to grow, this arrangement has become cumbersome. The PRWC would now like to replace that arrangement with a direct relationship through this agreement.

Mr. De La Parte will continue to be primarily responsible for the legal representation and will continue to serve as the PRWC's General Counsel. The Firm will continue to bill the PRWC at a hourly rate. If this agreement is approved, effective October 1, 2026 the billing rates will change as follows:

Attorney	Current Rate (hourly)	Updated Rate (hourly)
Edward P. de la Parte, Jr.	$225.00	$350.00
David Caldevilla	$200.00	$300.00
Patrick J. McNamara	$200.00	$300.00
Nicolas Q. Porter	$200.00	$300.00
Zachary Roper	$175.00	$195.00
Paralegals	$90.00	$120.00

The Firm rates have not been adjusted since 2016 and are no longer in-line with the rates the firm charges its other governmental clients, which are already discounted from its non-governmental rates. Given that the firm has not adjusted its rates in over 10 years of direct service to the PRWC, staff agree that these updated rates are appropriate, and value the strong and effective relationship that has been built between the PRWC and Mr. de la Parte and his firm. The FY2027 PRWC administrative and project budgets provide the necessary appropriations for the Firms' revised rates.

The PRWC and the Firm may, upon written notice to the other party, terminate this agreement at any stage, with or without cause.

RECOMMENDATION

Approve the Representation Agreement with de la Parte, Gilbert, McNamara & Caldevilla, P.A. for General Legal Services and General Counsel of the PRWC.

FISCAL IMPACT

The financial impact to the PRWC for FY2027 will be an increase in the fixed hourly rate provided to Mr. de la Parte and his associates as noted in the table above.

CONTACT INFORMATION

Eric DeHaven

de la Parte, Gilbert,
McNamara & Caldevilla, P.A.
ATTORNEYS AT LAW

August 15, 2026

VIA EMAIL ONLY
ericdehaven@PRWC.org

Mr. Eric DeHaven, Executive Director
Polk Regional Water Cooperative
330 West Church Street, Drawer CA01
Post Office Box 9005
Bartow, Florida 33831-9005

Re: **Legal Representation Agreement**
Polk Regional Water Cooperative
General Legal Services and General Counsel

Dear Eric,

This letter agreement will serve to confirm that the Polk Regional Water Cooperative (the "Cooperative") has retained de la Parte, Gilbert, McNamara & Caldevilla, P.A. (the "Firm") to provide general legal services to the Cooperative, including serving as its General Counsel (the "Legal Representation"). The Firm has served as counsel to the Cooperative since its creation in 2016. To date, those services have been furnished on a pass-through basis under the Firm's February 13, 2013 engagement agreement with Polk County, Florida, under which the Firm's fees for work performed for the Cooperative were billed to the County and then passed through to the Cooperative for payment. As the Cooperative has grown, and as it continues to grow, that process has become cumbersome. This letter establishes a separate, direct relationship between the Firm and the Cooperative, and the Firm will invoice the Cooperative directly for its services. The terms of the Firm's Legal Representation of the Cooperative are contained in this letter. Please acknowledge the acceptance of those terms by having the letter executed, where indicated below, scanned and returned to me. Please keep a copy of the signed letter for your files.

I will be primarily responsible for the Legal Representation and will serve as the Cooperative's General Counsel. I will associate other lawyers, law clerks and paralegals in the Firm to assist me in representing the interests of the Cooperative, as we deem appropriate. Please note that we use paralegals, law clerks and associates, where advisable, so that we can economically provide legal services. In exchange for our work, the Cooperative shall pay the Firm for its services at an hourly rate. Effective October 1, 2026, the beginning of the Cooperative's fiscal year, those rates are as follows:

Attorney	*Rate*
Edward P. de la Parte, Jr.	$350.00
David Caldevilla	$300.00
Patrick J. McNamara	$300.00
Nicolas Q. Porter	$300.00
Zachary Roper	$195.00
Paralegals	$120.00

The rates the Firm has charged for work performed for the Cooperative have not been adjusted since 2013 and are no longer in line with the discounted rates the Firm charges its governmental clients. The rates set forth above bring the Cooperative in line with those clients. Until October 1, 2026, the Firm will continue to bill at the rates it has charged the Cooperative since 2013.

Please note that these rates remain deeply discounted. They are approximately one-half of the Firm's standard hourly rates. We also believe they are in line with what the Cooperative's member governments pay their outside city attorneys.

The Firm periodically adjusts its billing rates to reflect the augmentation of its ability, experience, reputation and to account for economic factors such as increases in our cost of delivering legal services. We will notify you of any such increase before they take effect.

It is difficult to keep exact time records for relatively brief services rendered during the Firm's representation such as telephone calls or reviewing incoming and brief correspondence. Experience indicates no matter how brief the telephone call or short the correspondence, the Firm's involvement requires a minimum of one tenth of an hour or more due to the interruptive nature of the services. Accordingly, the Cooperative will be billed in tenth of an hour increments for the greater of the actual time expended, with a minimum entry for the task of one tenth of an hour.

In addition to the compensation described above, the Cooperative shall reimburse the Firm for all costs and expenses incurred in the course of the representation. Chargeable costs include expenses, disbursements, and associated administrative charges for document duplication (30¢ per page black & white; 50¢ per standard sized page color); telefacsimiles ($1 per page); Westlaw (invoiced amount or $6 per minute, whichever is less); mileage (IRS mileage rate); and reimbursement for taxes; travel; computer research fees; fees paid to experts, court reporters and other third parties; filing fees; recording fees; certification fees; registration fees; postage charges; overnight delivery charges; courier and messenger charges; and other extraordinary costs necessitated by the time constraints associated with the representation.

Unless the Cooperative advises otherwise in writing, all billing shall be transmitted to you at the email address stated above. Invoices will be monthly, together with any costs and

expenses incurred. You agree to carefully examine each invoice rendered within ten (10) days after receipt and advise me thereafter in writing of any questions or discrepancies or objections which you have after reviewing the invoice. Payment of the invoice by the Cooperative, or failure to object to the invoice in writing within forty-five (45) days of each invoice, will be deemed acceptance by the Cooperative of the work performed and the appropriateness of the invoice. Unless the invoice is objected to in writing, payment is due within forty-five (45) days of the invoice date. In the event that any invoice is not paid within forty-five (45) days, then a late charge of one and one-half (1½%) percent is payable on demand for any statement balance that is not paid within forty-five (45) days after the date of the invoice.

If a collection action or any other litigation arises regarding this Agreement, venue will be in Polk County, Florida, the parties hereby waive their right to a jury trial, and the prevailing party shall be entitled to recover from the non-prevailing party an award of reasonable attorneys' fees and costs, which shall include attorneys' fees and costs incurred in litigation over the entitlement to and amount of attorneys' fees and costs. However, before any litigation is filed, the parties agree to negotiate in good faith to resolve the dispute and, if negotiations fail, then the parties shall mediate the dispute with a mutually agreed to certified mediator. The cost of the mediator shall be evenly split between the parties.

Further, the Firm reserves the right to forward large cost statements directly to the Cooperative for payment in order to save paperwork and time. You will be required to pay these statements directly to the vendor and your failure to pay these statements according to the schedule described above will subject the Cooperative to the same late charges and attorney's fees, as if they had been paid directly by the Firm.

The Cooperative may, on written notice to the Firm, terminate this agreement at any stage of the Firm's services, with or without cause. The Firm may terminate this agreement with or without cause at any stage of its services, subject to reasonable written notice to the Cooperative. It is further agreed that the Firm may cease work upon the matter and may, after reasonable notification to the Cooperative, withdraw from providing legal services if the Firm's monthly invoices are not being paid within forty-five (45) days of the date of each invoice. Upon my withdrawal, the Cooperative will be obligated to pay the attorney's fees and costs, and expenses owed to my firm for services rendered under this Agreement at the time of withdrawal, including such reasonable and necessary fees, costs, and expenses, incurred in representing the Cooperative's interests in the withdrawal process. On termination, the Cooperative may obtain copies of any documents in the Firm's files on request.

The Cooperative agrees that the Firm shall have a charging lien against all sums of money and property deposited by the Cooperative in these matters, if any, as security for any legal fees, costs and expenses owed by the Cooperative to the Firm.

We appreciate the opportunity to continue assisting the Cooperative and look forward to working directly with you and your staff. Please don't hesitate to call upon us for additional

legal services in the future. If you have any questions concerning the contents of this letter, please contact me.

Sincerely Yours;

de la Parte, Gilbert, McNamara &
Caldevilla, P.A.

Edward P. de la Parte, Jr.

Approved and Accepted:

Date

Chair, Board of Directors
Polk Regional Water Cooperative

Agenda Item F.4. 9/16/2026

SUBJECT

Approve the First Amendment to the Employment Agreement for the PRWC Southeast Wellfield Project Manager (Action)

DESCRIPTION

On September 17, 2025, the Polk Regional Water Cooperative (PRWC) entered into an Employment Agreement with Mark Addison as Project Manager for the Southeast Wellfield Project, which remains in full force and effect. Section 4 of the Employment Agreement establishes a base salary for the Contract Employee of $135,000, payable on a monthly or biweekly basis. The Employment Agreement also provides that the Cooperative shall evaluate a potential adjustment of the Contract Employee's salary on an annual basis.

On August 18, 2026, the Executive Director and the Project Manager met to discuss the Contract Employee's performance and base salary. A Performance Evaluation was developed and is attached as Exhibit A. Following the performance review the Executive Director has decided to recommend to the Board of Directors a five percent (5%) increase to the Contract Employee's salary based on the Contract Employee's exemplary performance over the past year in management of the Southeast Wellfield Project. This would increase the Contract Employee's base salary to $141,750 effective for the payment period beginning in October 2026.

Mr. de la Parte (PRWC General Counsel) prepared Amendment No. 1 to the Employment Agreement (Exhibit B) approving a five (5%) percent increase to $141,750.

RECOMMENDATION

Approve the First Amendment to the Employment Contact.

FISCAL IMPACT

Like the Contract Employee's current salary, the source of funds for this salary increase to $141,750 will be the Cooperative's administrative and project budgets.

CONTACT INFORMATION

Eric DeHaven

Polk Regional Water Cooperative (PRWC)

Project Manager Annual Performance Review

Reviewer: _____

Date: _____

Performance Dimension	Score	Supporting Comments
Evaluate each performance dimension from 1 to 5 using the scale below. Add supporting comments when appropriate.		
I. Technical and Project Oversight		
• Applies sound engineering principles consistent with P.E. Standards		
• Effectively reviews consultant and contractor deliverables for completeness and conformance		
• Review and approve plans, permit applications, construction documents and schedules with appropriate rigor		
• Exercises independent professional judgement		
• Effectively resolves complex technical problems and construction issues		
• Remains current on State/County/Local engineering and construction standards		
II. Project Management		
• Coordinates consultants, contractors, and PRWC staff effectively		
• Manages project scope and change orders effectively		
• Effective at setting appropriate vision and tone with contractors and consultants		
• Identifies and mitigates project risks effectively and proactively		
• Maintains complete and organized project documents		
• Ensure projects are delivered on time and within budget		
IV. Stakeholder Coordination/Relations		
• Maintains the PRWC's image for service & professionalism		
• Inspires an attitude of helpfulness and courtesy		
• Responds to citizen and stakeholder inquiries in a timely manner d		
V. Communications		
• **Verbal:** conducted in an open, responsive, and courteous manner		
• **Written:** understandable, succinct, and audience-appropriate		
• **Presentations:** direct with information easily understood		
VI. Budgets		
• Reviews/manages accurate cost estimates		
• Monitors expenditures and reports variances		
• Supports procurement processes in compliance with appropriate policies		
VII. Ethics and Safety		
• Sound judgment (rational, reflects the known facts)		
• Decisive (appropriately thorough, timely, provides a strategic perspective, etc.)		
• Impartial/open (objective, unbiased, and encourages collaboration)		
• Promotes and enforces jobsite and workplace safety standards		
• Demonstrates initiative and recommends process improvements		

Performance Evaluation Scale				
1 = Immediate Improvement	***2 = Below Average***	***3 = Average Performance***	***4 = Meets Expectations***	***5 = Exceeds Expectations***

Acknowledgment & Signatures

Contract Employee Signature: _____Date:_____

Executive Director Signature: _____ Date:_____

PRWC Board Chairman Signature: _ _____Date:_____

First Amendment to the Employment Agreement for Project Manager

This First Amendment is made and entered into this 16th day of September, 2026, 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".

R E C I T A L S:

1. On September 17, 2025 the Cooperative entered into an Employment Agreement with Mark Addison by and through Applied Water Solutions, LLC as Project Manager for the Southeast Wellfield Project for the Cooperative ("Contract Employee").

2. This Employment Agreement remains in full force and effect.

3. Section 4 of the Employment Agreement establishes a base salary for the Contract Employee of $135,000, payable on a monthly or biweekly basis.

4. Section 4 of the Employment Agreement also provides that the Executive Director shall evaluate a 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).

5. A performance evaluation of the Contract Employee was conducted by the Cooperative's Executive Director pursuant to Section 5 of the Employment Agreement.

6. Based on this performance evaluation, the Cooperative Executive Director recommends the Cooperative Board of Directors approve a five (5%) percent increase of the Contract Employee's annual salary to $141,750.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the Cooperative and the Contract Employee agree to the following contract modifications:

1. Section 4 of Employment Agreement is amended as follows:

The Employer agrees to pay the Contract Employee for his services rendered pursuant hereto an annual base salary of ~~$135,000~~ $141,750, 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.

2. The remainder of the Employment Agreement shall remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this amendment 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:_____

Approved as to Form:

_____
Edward P. de la Parte
Legal Counsel

APPLIED WATER SOLUTIONS, LLC

_____
Print Name:_____

_____
Print Name:_____

_____
Mark Addison, Manager

Agenda Item F.5. 9/16/2026

SUBJECT

Adopt Resolution 2026-07 for the Final PRWC Administrative Budget - FY2027 (Action)

DESCRIPTION

The Fiscal Year (FY) 2027 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. The FY 2027 administrative budget includes 10% of the contractual employees' salaries as overhead with the remainder allocated to the Southeast and West Polk projects on a pro rata basis. In the preliminary administrative budget presentation, funds were allotted for the workforce transition plan but after Board discussion, it was determined a priority for FY 2027 is to include funding for a lobbyist to advance PRWC interests at the state level. The FY 2027 administrative budget has been revised to include $60,000 for lobbying services with the workforce transition plan costs removed. The FY 2027 administrative budget presented is $268,175, representing a decrease of $339,195 from FY 2026.

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 2026-07 which memorializes the Regular Board of Directors action of approving the FY 2027 Final Administrative Budget. Exhibit A to the resolution reflects the Final Administrative Budget and the cost to each member.

RECOMMENDATION

Approve Resolution 2026-07 for the FY 2027 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 2026-07 and to expend funds accordingly.

CONTACT INFORMATION

Eric DeHaven

Laura Guy-Rice

POLK REGIONAL WATER COOPERATIVE

Resolution 2026-07

RESOLUTION APPROVING ADMINISTRATIVE EXPENSES PORTION OF THE FINAL BUDGET FOR FY 2027

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 2027 is comprised of Administrative Expenses, Conservation Expenses, and Water Project Costs. FY 2027 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 2027, including Administrative Expenses, at its regularly scheduled meeting on July 29, 2026;

WHEREAS, each Member Government was provided written notice of the Cooperative's intention to adopt the Final Budget for FY 2027, along with a copy of the Tentative Budget for FY 2027, including Administrative Expenses, prior to the Board of Director's regular meeting on September 16, 2026;

WHEREAS, the Cooperative Board of Directors conducted a public hearing on the Final Budgets for FY 2027 on September 16, 2026 setting forth the Administrative Expenses; and

WHEREAS, the Cooperative Board of Directors approved the Administrative Expenses portion of the Final Budget for FY 2027 at their regular meeting on September 16, 2026 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 2027 attached hereto as **Exhibit A**.

DONE at Auburndale, Florida this 16th day of September, 2026.

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

FY 2027 FINAL ADMINISTRATIVE BUDGET

Polk Regional Water Cooperative
Final Administrative Budget
Fiscal Year 2027

	FY 2027 Approved	FY 2026 Amended 12 Month Budget	FY 2026 Amended Actual (6 Months)	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual
REVENUE						
Member Funding	$ 268,175	$ 607,370	$ 190,685	$ 416,059	$ 259,740	$ 235,000
Interest	$ -	$ -	$ 111,989	$ 22,311	$ 15,347	$ 4,534
Demand Management Plan	$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous	$ -	$ -	$ -		$ 300	$ 53
TOTAL REVENUE	**$ 268,175**	**$ 607,370**	**$ 302,674**	**$ 438,370**	**$ 275,387**	**$ 239,587**
STAFF						
Executive Director*	$ 16,900	$ 14,000	$ 6,973	$ 132,452	$ 123,266	$ 117,396
Administrative Assistant		$ 5,000	$ -	$ -	$ -	$ -
Financial Manager*	$ 9,500	$ 9,000	$ 4,250	$ 44,135	$ -	$ -
Staff Subtotal	***$ 26,400***	***$ 28,000***	***$ 11,223***	***$ 176,587***	***$ 123,266***	***$ 117,396***
OUTSIDE SUPPORT						
Accounting Services	$ 53,400	$ 47,880	$ 20,130	$ 53,837	$ 53,546	$ 53,162
Audit Services	$ 64,000	$ 43,695	$ 50,312	$ 41,613	$ 35,000	$ 22,900
Legal Services	$ 27,000	$ 27,000	$ 11,670	$ 24,048	$ 17,733	$ 60,961
Financial Advisory Services	$ 18,000	$ 18,000	$ 9,000	$ 16,603	$ -	$ -
Alafia River AWS Permitting Project	$ -	$ 430,820	$ 340,875	$ 108,756	$ -	
Consulting-Lobbying/Governmental Services	$ 60,000		$ -	$ -	$ -	$ -
Outside Support Subtotal	***$ 222,400***	***$ 567,395***	***$ 431,987***	***$ 244,857***	***$ 106,279***	***$ 137,023***
OFFICE INCIDENTALS						
Bank Charges	$ -	$ -	$ 608	$ -	$ -	$ 42
Advertising / Public Notices	$ 2,500	$ 6,000	$ 1,242	$ 8,770	$ 2,343	$ -
Insurance	$ 15,000		$ 11,267	$ -	$ -	$ -
Supplies	$ 500	$ 500	$ 28	$ 528	$ 173	$ -
Registration / Dues	$ 200	$ 300	$ -	$ 289	$ 897	$ -
State Fees / Assessment ($175/yr)	$ 175	$ 175	$ 175	$ -	$ -	$ -
Travel & Meetings	$ -	$ -	$ -	$ -	$ -	$ 2,962
Inclusive (not categorized)	$ 1,000	$ 5,000	$ -	$ -	$ 300	$ 7,691
Office Subtotal	***$ 19,375***	***$ 11,975***	***$ 13,320***	***$ 9,587***	***$ 3,713***	***$ 10,695***
TOTAL EXPENSES	**$ 268,175**	**$ 607,370**	**$ 456,530**	**$ 431,031**	**$ 233,258**	**$ 265,114**
SURPLUS / (DEFICIT)	**$ -**	**$ -**	**$ (153,856)**	**$ 7,339**	**$ 42,129**	**$ (25,527)**

FY 2027 NOTE:
*10% for administrative overhead; 90% allocated to SE and WP project budgets

Polk Regional Water Cooperative
Final Administrative Budget - Revenue
Fiscal Year 2027

MEMBER FUNDING COSTS	2025 Annual Water Use (MGD)	% of 2025 Total Water Use	FY 2027 Approved
Auburndale	6.71	7.87%	$ 21,101
Bartow	3.62	4.25%	$ 11,398
Davenport	2.27	2.67%	$ 7,148
Dundee	1.04	1.22%	$ 3,275
Eagle Lake	0.77	0.90%	$ 2,425
Fort Meade	0.62	0.73%	$ 1,952
Frostproof	0.42	0.50%	$ 1,349
Haines City	7.03	8.26%	$ 22,162
Lake Alfred	2.03	2.38%	$ 6,392
Lake Hamilton	0.51	0.60%	$ 1,606
Lake Wales	3.22	3.78%	$ 10,139
Lakeland	24.64	28.93%	$ 77,582
Mulberry	0.50	0.58%	$ 1,548
Polk City	0.47	0.55%	$ 1,480
Polk County	20.22	23.74%	$ 63,667
Winter Haven	11.10	13.03%	$ 34,951
TOTAL	**85.17**	**100%**	**$ 268,175**

Agenda Item F.6. 9/16/2026

SUBJECT

Adopt Resolution 2026-08 for the Final PRWC Conservation Budget - FY2027 (Action)

DESCRIPTION

The Fiscal Year (FY) 2027 Final Conservation Budget for the PRWC is presented for the Board's consideration and approval. No funds are budgeted from a Heartland Headwaters grant for this fiscal year. This proposed budget consists of member annual contributions only in total of $65,000 for the Conservation Program Manager position approved in March 2026. A Conservation Education program was initiated in FY 2026 with the approval of the Tinker contract in May 2026; FY 2027 proposed budget includes 12 months of the Tinker contract. Funding for the Conservation Education program will be through member contributions received in prior fiscal years.

The Conservation budget can be adopted by a simple majority of the BOD.

Included with this agenda item is Resolution 2026-08 which memorializes the Regular Board of Directors action of approving the FY 2027 Final Conservation Budget. Exhibit A to the resolution reflects the Final Conservation Budget and the cost to each member.

RECOMMENDATION

Approve Resolution 2026-08 for the FY 2027 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 2026-08 and to expend funds accordingly.

CONTACT INFORMATION

Eric DeHaven
Laura Guy-Rice

POLK REGIONAL WATER COOPERATIVE

Resolution 2026-08

RESOLUTION APPROVING CONSERVATION EXPENSES PORTION OF THE FINAL BUDGET FOR FY 2027

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 2027 is comprised of Administrative Expenses, Conservation Expenses, and Water Project Costs. FY 2027 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 2027, including Conservation Expenses, at its regularly scheduled meeting on July 29, 2026;

WHEREAS, each Member Government was provided written notice of the Cooperative's intention to adopt the Final Budget for FY 2027, along with a copy of the Tentative Budget for FY 2027, including Conservation Expenses, prior to the Board of Director's regular meeting on September 16, 2026;

WHEREAS, the Cooperative Board of Directors conducted a public hearing on the Final Budgets for FY 2027 on September 16, 2026 setting forth the Conservation Expenses; and

WHEREAS, the Cooperative Board of Directors approved the Conservation Expenses portion of the Final Budget for FY 2027 at their regular meeting on September 16, 2026 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 2027 attached hereto as **Exhibit A**.

DONE at Auburndale, Florida this 16th day of September, 2026.

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

FY 2027 FINAL CONSERVATION BUDGET

Polk Regional Water Cooperative
Final Conservation Budget
Fiscal Year 2027

	FY 2027 Approved	FY 2026 12 Month Budget	FY 2026 Actual (6 Months)	FY 2025 Actual	FY 2024 Actual
REVENUE					
Member Funding	$ 65,000	$ 75,000	$ 37,500	$ 73,447	$ 75,000
Heartland Grant	$ -	$ 75,000	$ -	$ 6,856	$ 16,440
Miscellaneous	$ -	$ -	$ -	$ -	$ -
TOTAL REVENUE	**$ 65,000**	**$ 150,000**	**$ 37,500**	**$ 80,303**	**$ 91,440**
STAFF					
Conservation Program Manager	$ 65,000	$ -	$ -	$ -	$ -
Staff Subtotal	***$ 65,000***			**$ -**	**$ -**
OUTSIDE SUPPORT					
Conservation Consultant	$ -	$ 150,000	$ -	$ -	$ -
Outside Support Subtotal	***$ -***	**$ 150,000**	**$ -**	**$ -**	**$ -**
OFFICE INCIDENTALS					
Advertising / Public Notices	$ -	$ -	$ -	$ -	$ -
Conservation Education Program	$ 59,004	$ -	$ -	$ -	$ -
Supplies	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -
Print / Reporduction	$ -	$ -	$ -	$ -	$ -
Registration / Dues	$ -	$ -	$ -	$ -	$ -
Telephone / Communication	$ -	$ -	$ -	$ -	$ -
Travel	$ -	$ -	$ -	$ -	$ -
Equipment / Furnishings	$ -	$ -	$ -	$ -	$ -
Inclusive (not categorized)	$ -	$ -	$ 5,163	$ -	$ 14,525
Office Subtotal	***$ 59,004***	**$ -**	**$ 5,163**	**$ -**	**$ 14,525**
TOTAL EXPENSES	**$ 124,004**	**$ 150,000**	**$ 5,163**	**$ -**	**$ 14,525**
SURPLUS / (DEFICIT)	**$ (59,004)**	**$ -**	**$ 32,337**	**$ 80,303**	**$ 76,915**

Polk Regional Water Cooperative
Final Conservation Budget - Revenue
Fiscal Year 2027

MEMBER FUNDING COSTS	2025 Annual Water Use (MGD)	% of 2025 Total Water Use	FY 2027 Approved
Auburndale	6.71	7.96%	$ 5,177
Bartow	3.62	4.30%	$ 2,793
Davenport	2.27	2.69%	$ 1,751
Dundee	1.04	1.23%	$ 802
Eagle Lake	0.77	0.91%	$ 595
Fort Meade	0.62	0.74%	$ 478
Haines City	7.03	8.34%	$ 5,424
Lake Alfred	2.03	2.41%	$ 1,566
Lake Hamilton	0.51	0.61%	$ 393
Lake Wales	3.22	3.82%	$ 2,484
Lakeland	24.64	29.25%	$ 19,010
Polk City	0.47	0.56%	$ 363
Polk County	20.22	24.00%	$ 15,600
Winter Haven	11.10	13.18%	$ 8,564
Frostproof			
Mulberry			
TOTAL	**84.25**	**100%**	**$ 65,000**

Agenda Item F.7. 9/16/2026

SUBJECT

Approve Resolution 2026-09 Amending the PRWC Policy Manual to Include Chapter 6 (PRWC Procurement Policy) (Action)

DESCRIPTION

The PRWC is in the process of implementing a full range of policies to govern its operations. The PRWC Policy Manual will store and maintain each of these policies and will be updated as new policies are approved. Chapter 6 of this manual is the Procurement Policy which is now ready for Board review and approval. Implementing a procurement policy is essential for governmental operations in order to apply approved procedures to use of all public funds in seeking and securing procurement of goods, services, professional services, construction, equipment, and information technology. In addition to establishing the PRWC's procurement procedures, this policy documents the compliance requirements with federal provisions, if applicable, and with State laws.

Specific actions of this policy address:

- Procurement method and approval authority for set procurement values and thresholds
- Standards of conduct to be followed by the Cooperative officers, employees, and agents
- Methods of procurement: micro-purchases, small purchases, informal purchases, sealed competitive bids (public notice of invitation), sealed competitive bids (request by proposal), invitation to negotiate, cooperative purchases with other public entities, sole source, and emergency
- Procurement of professional architectural, engineering, surveying and mapping, and landscape-architectural services
- Public notice and advertising
- Bonds, insurance and indemnification
- Contract administration
- Vendor relations and standards of practice
- Protest and dispute resolution
- Federal funding provisions
- Florida statutory certifications and disclosures

- Records of procurement
- Funding agency compliance

Procedures as outlined in the procurement policy cannot be overridden except by action of the Board of Directors.

RECOMMENDATION

Approve Resolution 2026-09 Amending the PRWC Policy Manual to Include Chapter 6 (PRWC Procurement Policy (Action)

FISCAL IMPACT

No direct fiscal impact.

CONTACT INFORMATION

Ed de la Parte
Laura Guy-Rice

POLK REGIONAL WATER COOPERATIVE

Resolution 2026-09

RESOLUTION MODIFYING THE POLK REGIONAL WATER COOPERATIVE POLICY MANUAL TO ADOPT A PROCUREMENT POLICY AS CHAPTER 6

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, in 2016 the Cooperative, the City of Auburndale, the City of Bartow, City of Davenport, City of Eagle Lake, City of Fort Meade, the City of Frostproof, the City of Haines City, the Village of Highland Park, the City of Lake Alfred, the City of Lake Wales, City of Lakeland, City of Mulberry, Polk City, City of Winter Haven, Town of Dundee, Town of Lake Hamilton and Polk County entered into the Interlocal Agreement Relating to the Establishment of the Polk Regional Water Cooperative ("Formation Agreement") with an effective date of May 1, 2016; and

WHEREAS, the Cooperative is an independent special district and a regional water supply authority created under Sections 163.01 and 373.713, Florida Statutes, and is required to conduct its governance, financial, operational, and administrative affairs in accordance with applicable federal and state laws and the Formation Agreement; and

WHEREAS, Section 2.02 of the Formation Agreement authorizes the Board of Directors to adopt policies for the governance and administration of the Cooperative; and

WHEREAS, on July 29, 2026, the Cooperative Board of Directors approved and adopted the Polk Regional Water Cooperative Policy Manual by Resolution 2026-04, which consolidated the Cooperative's previously adopted governance, financial, operational, and administrative policies into a single, authoritative reference and reserved certain chapters, including Chapter 6 (Procurement of Goods, Services, and Professional Services), for future adoption by the Board of Directors; and

WHEREAS, the Cooperative has caused to be prepared a Procurement Policy governing the procurement of goods, services, construction, and professional services by the Cooperative, to be adopted as Chapter 6 of the Policy Manual; and

WHEREAS, in order to incorporate the Procurement Policy into the Policy Manual, the Cooperative has caused to be prepared a revised Polk Regional Water Cooperative Policy Manual dated September 16, 2026, attached hereto and incorporated herein as Exhibit "A" (the "Policy Manual"); and

WHEREAS, the Cooperative Board of Directors has reviewed the Procurement Policy and the Policy Manual and finds that their approval and adoption is in the best interest of the Cooperative and its Member Governments.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Polk Regional Water Cooperative Board of Directors hereby approves and adopts the Procurement Policy as Chapter 6 of the Polk Regional Water Cooperative Policy Manual, and approves and adopts the revised Polk Regional Water Cooperative Policy Manual dated September 16, 2026, attached hereto and incorporated herein as **Exhibit** "**A**", as the Cooperative's policy manual, which modifies and supersedes the Policy Manual approved and adopted by Resolution 2026-04 on July 29, 2026.

Section 2. The Executive Director is authorized and directed to take such further actions, and to issue such written administrative procedures consistent with the Policy Manual, as are necessary or appropriate to implement the Policy Manual.

Section 3. This Resolution shall take effect immediately upon its passage and adoption.

DONE at Auburndale, Florida this 16th day of September, 2026.

Board of the Polk Regional Water Cooperative:

_____ _____

Chair Secretary/Treasurer

Approved as to Form:

_____

Edward P. de la Parte

Legal Counsel

EXHIBIT A

to Resolution 2026-09

Polk Regional Water Cooperative

Policy Manual

dated September 16, 2026

(80 pages)

POLICY MANUAL

Polk Regional Water Cooperative

Polk County, Florida

Adopted July 29, 2026
Revised September 16, 2026

Polk Regional
Water Cooperative

Foreword

This Policy Manual contains the policies adopted by the Polk Regional Water Cooperative Board of Directors to date — Chapter 3 (Investment Policy, Resolution 2025-33, November 19, 2025); Chapter 4 (Reserve Policy, adopted by motion September 20, 2023); Chapter 6 (Procurement Policy, Resolution 2026-09, September 16, 2026); Chapter 10 (Capital Asset Policy, adopted as Consent Item E.3 at the regular meeting of September 16, 2020); and Chapter 22 (Land Acquisition Policy, Resolutions 2022-12, 2023-05, and 2024-12) — together with the proposed Chapter 8 (Water Charges, Billing, and Annual True-Up), included in this draft for Board, member-government, and stakeholder review. The remaining Chapters are reserved for future adoption by the Board of Directors.

The Cooperative is a separate legal entity, a unit of special purpose local government and a regional water supply authority created pursuant to Section 163.01(7)(g) and Section 373.713, Florida Statutes, by Interlocal Agreement among the City of Auburndale, the City of Bartow, the City of Davenport, the City of Eagle Lake, the City of Fort Meade, the City of Frostproof, the City of Haines City, the Village of Highland Park, the City of Lake Alfred, the City of Lake Wales, the City of Lakeland, the City of Mulberry, Polk City, the City of Winter Haven, the Town of Dundee, the Town of Lake Hamilton, and Polk County. The purpose of the Cooperative is to provide an effective regional approach to the conservation of water; to the use, delivery, and provision of potable and non-potable water systems; to the protection of the environment; and to the efficient, innovative, and cooperative use of valuable water resources; and to acquire, develop, receive, recover, treat, store, transport, and supply potable and non-potable water on a wholesale or bulk-service basis for the Member Governments and to advance and cooperatively develop these essential public functions in fulfillment of the purposes set forth in Sections 163.01 and 373.713, Florida Statutes, and Chapter 189, Florida Statutes.

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The Full Policy Manual is available upon request. Only Chapter 6 – Procurement Policy included in the Board Packet

CHAPTER 6 — PROCUREMENT OF GOODS, SERVICES, AND PROFESSIONAL SERVICES

6.1 Purpose and Authority

The purposes of this Chapter are to: provide for the fair and equitable treatment of all persons participating in the public procurement process of the Cooperative; foster effective broad-based competition for public procurement within the free enterprise system; provide safeguards for the maintenance of a procurement system of quality and integrity; ensure compliance with all applicable federal and state laws and the Cooperative's grant, loan, and bond covenants; and obtain in a cost-effective and responsive manner the materials, services, and construction required for the Cooperative to fulfill its statutory mission as a regional water supply authority. This Chapter establishes the Cooperative's procurement policies for the acquisition of goods, services, professional services, construction, and information technology, and is intended to satisfy (i) the procurement-authority and standards-of-conduct requirements of Florida law applicable to local government and special districts, (ii) the federal procurement standards at 2 C.F.R. §§ 200.317–200.327 applicable to non-federal entities receiving federal financial assistance, including the Cooperative's Water Infrastructure Finance and Innovation Act ("WIFIA") loans, Florida Drinking Water State Revolving Fund ("DWSRF") loans, United States Environmental Protection Agency program grants, and any other federal funding instrument, and (iii) the Cooperative-specific procurement provisions of the Interlocal Agreement, the Implementation Agreements, and applicable bond resolutions.

Authority for this Chapter is Section 2.06(E), (F), (G), (Q), (W), and (LL) of the Interlocal Agreement; Section 287.057, Florida Statutes; Section 287.055, Florida Statutes ("CCNA"); Chapter 255, Florida Statutes (Public Property and Publicly-Owned Buildings); Section 218.80, Florida Statutes (Public Bid Disclosure Act); Sections 218.70 through 218.80, Florida Statutes (Local Government Prompt Payment Act); Section 215.97, Florida Statutes (Florida Single Audit Act); 2 C.F.R. Part 200, Subpart D (Procurement Standards) and Subpart F (Audit Requirements); the federal Build America, Buy America Act of 2021, Pub. L. No. 117-58, §§ 70901–70927; 33 U.S.C. § 3914 (American Iron and Steel); 40 U.S.C. §§ 3141–3148 (Davis-Bacon Act); and 40 C.F.R. Part 33 (Disadvantaged Business Enterprise).

6.2 Application and Definitions

6.2.1 Application

This Chapter applies to all expenditures by the Cooperative of public funds for the procurement of goods, services, professional services, construction, equipment, or information technology, including expenditures funded in whole or in part by the proceeds of any federal grant or loan, state grant or loan, bond proceeds, or Cooperative revenue. Where any procurement is funded in whole or in part with federal financial assistance, the procurement shall comply, in addition to this

Chapter, with all applicable provisions of 2 C.F.R. Part 200, Subpart D, and the cross-cutting federal authorities identified in Section 6.12 of this Chapter; where any provision of this Chapter is more restrictive than the corresponding federal provision, this Chapter shall control. Where any provision of this Chapter is less restrictive, the federal provision shall control.

Procurement procedures of the Cooperative may not be waived, suspended, or supplemented except by action of the Board of Directors. Administrative procedures consistent with this Chapter may be issued by the Executive Director to implement this Chapter and to address operational matters not specifically addressed herein; provided that no Administrative Procedure may relax, modify, or supersede any threshold, approval requirement, source-selection rule, or limitation established by this Chapter or by applicable federal or state law.

6.2.2 Definitions

For purposes of this Chapter, the capitalized terms in this Subsection have the meanings ascribed below; capitalized terms not defined herein have the meaning ascribed to them in the Interlocal Agreement or in 2 C.F.R. § 200.1.

- "Board" means the Board of Directors of the Cooperative.
- "CCNA" means the Consultants' Competitive Negotiation Act, Section 287.055, Florida Statutes, governing the competitive selection of providers of architectural, engineering, landscape architectural, and surveying and mapping services, as described in Section 6.6 of this Chapter.
- "Cone of Silence" means the prohibition on certain communications with the Cooperative described in Section 6.10.4.
- "Construction" has the meaning given in Chapter 255, Florida Statutes; for federal-award purposes, it has the meaning given in 2 C.F.R. § 200.1.
- "Cooperative Purchase" means a purchase made under a contract competitively procured by another public entity or a cooperative purchasing organization, in accordance with Section 6.5.7 of this Chapter.
- "Executive Director" means the Executive Director of the Cooperative
- "Federal Award" means a federal grant, cooperative agreement, loan, or other financial assistance instrument under which the Cooperative is a non-federal entity within the meaning of 2 C.F.R. § 200.1, including without limitation a WIFIA loan and a DWSRF loan.
- "Goods" includes commodities, materials, supplies, equipment, and other tangible property; "Services" includes contractual services other than Professional Services.

- “Invitation for Bid” or “ITB” means a competitive solicitation seeking sealed bids based on definite specifications, awarded to the lowest responsive, responsible bidder.
- “Invitation to Negotiate” or “ITN” means a competitive solicitation under Section 287.057(1)(c), Florida Statutes, as adapted to local-government procurement, used where negotiation of terms is required for award.
- “Procurement Officer” means the Executive Director or the staff member to whom the Executive Director has, by written designation, delegated the duty to conduct day-to-day procurement on behalf of the Cooperative.
- “Professional Services” means services that are predominantly intellectual in character and require advanced knowledge in a field of science or learning customarily acquired by a prolonged course of study, including without limitation services regulated by Chapter 287.055, Florida Statutes (CCNA services — architecture, engineering, landscape architecture, surveying and mapping), and legal, audit, financial advisory, investment advisory, planning, and other professional services not subject to CCNA.
- “Request for Proposals” or “RFP” means a competitive solicitation seeking proposals evaluated against price and non-price criteria.
- “Request for Qualifications” or “RFQ” means a competitive solicitation seeking qualifications statements without price; used primarily for CCNA selection under Section 6.6.
- “Responsible Bidder/Proposer” means a person or firm with the capability in all respects to perform fully the contract requirements and the integrity and reliability that will assure good faith performance.
- “Responsive Bid/Proposal” means a bid or proposal that conforms in all material respects to the requirements of the solicitation.
- “Solicitation” means an ITB, RFP, RFQ, ITN, or other formal competitive process.

6.3 Approval Thresholds

Authority to commit Cooperative funds by purchase, contract, change order, task authorization, or other procurement instrument is delegated as set forth in Table 6-1. No Cooperative employee, officer, or agent may commit Cooperative funds in excess of the authority delegated by this Chapter. Approval thresholds are calculated based on the total anticipated value of the procurement, including all renewal options, contingencies, and reasonably foreseeable change

orders; an attempt to divide or split a procurement to avoid an approval threshold is prohibited and shall be cause for disciplinary action.

Table 6-1. Procurement Approval Thresholds

Total Anticipated Value	Required Procurement Method	Approval Authority
Up to $9,999	No competition required; reasonable price determination documented in the procurement file	Procurement Officer
$10,000 – $49,999	Not fewer than three (3) written quotations, or, where fewer than three qualified quotations exist, as many as are available, documented in the procurement file (oral acceptable for goods readily available off-the-shelf)	Procurement Officer
$50,000 – $99,999	Not fewer than three (3) written quotations, or, where fewer than three qualified quotations exist, as many as are available, documented in the procurement file; written cost reasonableness determination; advertised on the Cooperative's website for not less than seven (7) calendar days	Executive Director
$100,000 and above	Formal solicitation (ITB, RFP, ITN, or CCNA process)	Board of Directors
Construction > $300,000 (non-electrical) / > $75,000 (electrical)	Sealed competitive method under §255.20, F.S.; design-build under §287.055(9), F.S.; or construction-management at-risk under §255.103, F.S.	Board of Directors
Professional Services (CCNA — architecture, engineering, surveying, landscape architecture): construction estimate > §287.017 Cat. V or basic fee > Cat. II	CCNA process under §6.6	Board of Directors
Sole-source $25,000 – $99,999	Written sole-source determination; 14-day notice of intent; protest opportunity	Executive Director
Sole-source $100,000 and above	Written sole-source determination; 14-day notice; protest opportunity	Board of Directors
Emergency, any amount	Procurement Officer; ratified by Board at next regular meeting	Executive Director (≤ $100,000) / Chair or Vice-Chair (> $100,000)
Change orders, individual or cumulative ≤ 10% of original contract	Same method as original; written justification	Executive Director (≤ $50,000) / Board (> $50,000)
Change orders > 10% of original contract	Written justification; cost analysis; consistency review with original solicitation	Board of Directors

For purposes of CCNA, the construction-estimate and basic-fee thresholds incorporated by reference at Section 287.017, Florida Statutes, Category Two and Category Five, are the operative figures, as periodically adjusted by the Department of Management Services pursuant to that statute. The Executive Director shall publish the current Category Two and Category Five amounts in the Cooperative's Procurement Administrative Procedures whenever they change.

6.4 Standards of Conduct

All officers, employees, and agents of the Cooperative engaged in the selection, award, or administration of any contract shall observe the standards of conduct set forth in this Section. No employee, officer, or agent may participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved. A conflict of interest arises when the employee, officer, or agent, or any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of these parties, has a financial or other interest in or a tangible personal benefit from a firm being considered for a contract. (2 C.F.R. § 200.318(c); §§ 112.313, 112.3135, F.S.) For purposes of this Section, "relative" has the meaning given in Section 112.312, Florida Statutes, as amended by Chapter 2026-22, Laws of Florida, which includes (without limitation) foster parent and foster child relationships, and the anti-nepotism provisions of Section 112.3135, Florida Statutes, apply to the Cooperative's Board, officers, and employees as so amended.

Officers, employees, and agents of the Cooperative may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts; provided that the Cooperative may, by Administrative Procedure of the Executive Director, set a standard of de minimis acceptance consistent with Section 112.3148, Florida Statutes (governing gifts to local officers), but in no event greater than the limits stated in Section 16.5. Violation of these standards by an employee subjects the employee to discipline up to and including termination, and may subject the violator to civil and criminal penalties under Chapter 112, Florida Statutes.

No Cooperative officer, employee, or agent who participates in the selection, evaluation, or award of a contract may accept any post-Cooperative employment with or compensation from a contractor for a period of two (2) years after termination of his or her Cooperative employment, as required by Section 112.313(9), Florida Statutes, except as expressly permitted by that statute.

6.5 Source-Selection Methods

6.5.1 Micro-Purchases (Up to $9,999)

Procurements of $9,999 or less may be made without competition, provided the Procurement Officer has determined the price to be reasonable based on a price check, market knowledge, or other evidence documented in the procurement file. The price-reasonableness determination shall be in writing for any micro-purchase of $1,000 or more. Where the procurement is funded by a

Federal Award, the Cooperative may make micro-purchases up to the federal micro-purchase threshold then in effect under 2 C.F.R. § 200.320(a)(1) without competition, subject to the equitable-distribution requirement of that subsection; the federal micro-purchase threshold is greater than the Cooperative's $9,999 threshold and the Cooperative threshold therefore controls.

6.5.2 Small Purchases ($10,000 – $49,999)

Procurements between $10,000 and $49,999 shall be made on the basis of not fewer than three (3) quotations obtained from qualified sources, or, where fewer than three qualified quotations exist, as many as are available, as documented in the procurement file. Quotations may be oral or written; if oral, the Procurement Officer shall record in the procurement file the name and address of the source, the date of the quotation, the description of the item or service, and the price quoted. For procurements funded by a Federal Award, all quotations shall be written. The award shall be made to the responsible source quoting the lowest price unless the Procurement Officer determines, in writing in the procurement file, that the lowest-price quotation is not in the best interest of the Cooperative.

6.5.3 Informal Purchases ($50,000 – $99,999)

Procurements between $50,000 and $99,999 shall be made on the basis of not fewer than three (3) written quotations, or, where fewer than three qualified quotations exist, as many as are available, as documented in the procurement file, advertised on the Cooperative's public website for not less than seven (7) calendar days prior to the deadline for quotation submission. Award shall be made to the responsible source quoting the lowest price meeting specifications, unless the Procurement Officer determines, in writing in the procurement file, that the best interest of the Cooperative is served by another award.

6.5.4 Sealed Competitive Bidding ($100,000 and Above) (ITB)

Sealed competitive bidding shall be used for procurement of goods, services, and construction of $100,000 or more, except where: (a) the procurement is exempt under Section 6.5.7 of this Chapter; (b) sealed competitive bidding is determined by the Board to be unfeasible or not in the best interest of the Cooperative, in which case the Board may direct procurement by RFP, ITN, or other competitive method authorized by this Chapter; or (c) the procurement is for Professional Services subject to CCNA under Section 6.6 of this Chapter.

Notice inviting bids shall be advertised on the Cooperative's website and in such other media as the Procurement Officer determines necessary to obtain adequate competition. Notice for bids subject to Section 255.0525, Florida Statutes (construction contracts), shall be published in a newspaper of general circulation in the area where the project is to be constructed, not less than twenty-one (21) days before the established bid opening time (or five (5) days for projects of less than $500,000). Bids shall be opened publicly at the time and place stated in the public notice. The

contents of all bids opened shall be made available for public inspection in accordance with Section 119.071(1)(b), Florida Statutes, subject to the bid-protest exemption.

Award shall be made by written contract to the lowest responsive, responsible bidder. The determination of "responsibility" shall be based on the criteria specified in the bid documents, including the standards in 2 C.F.R. § 200.318(h) where the procurement is federally funded, and shall be documented in the procurement file.

6.5.5 Competitive Sealed Proposals (RFP)

Competitive sealed proposals may be used when the Procurement Officer determines, in writing, that sealed bidding is not practicable or advantageous to the Cooperative, including when factors other than price will be material to the award decision. The RFP shall identify all evaluation criteria and the relative importance of each. Proposals shall be evaluated by a selection committee appointed by the Executive Director, and award shall be made to the responsible proposer whose proposal is determined to be the most advantageous to the Cooperative, considering price and the other factors listed in the RFP. The contents of all proposals are exempt from public inspection during the protest-period blackout under Section 119.071(1)(b), Florida Statutes.

6.5.6 Invitation to Negotiate (ITN)

An ITN may be used when the Procurement Officer determines, in writing, that negotiation is necessary to determine the best method to achieve the Cooperative's goals or to develop terms or conditions of the contract. The procedures for ITN shall follow the requirements of Section 287.057(1)(c), Florida Statutes, as applied to special districts.

6.5.7 Cooperative Purchases (Piggyback)

The Cooperative may purchase goods, services (other than Professional Services subject to CCNA), and information technology under contracts competitively procured by other public entities ("Cooperative Purchases" or "piggybacks"), including but not limited to State Term Contracts under Section 287.057, Florida Statutes; Department of Management Services state term contracts for building-code inspection services maintained under Section 553.79(15), Florida Statutes (as enacted by Chapter 2026-63, Laws of Florida); the U.S. General Services Administration ("GSA") Schedules; the U.S. Communities Government Purchasing Alliance; OMNIA Partners; Sourcewell; Florida Sheriffs Association; and contracts of the City of Lakeland, Polk County, and the City of Winter Haven, provided that the original procurement was conducted by a competitive method substantially equivalent to that which would have been required under this Chapter and that the contract permits use by other governmental entities. The Procurement Officer shall include in the procurement file a copy of the original solicitation and contract, evidence of competitive award, and a determination of cost reasonableness for the Cooperative's purchase. Cooperative Purchases ≥ $100,000 require Board approval. In addition, for vertical construction requiring local building permits and inspections (water treatment plants, booster

pump stations, operations and electrical buildings, and similar structures), the Cooperative may, in accordance with Section 553.791, Florida Statutes (as strengthened by Chapter 2026-63, Laws of Florida), engage a qualified private provider to perform plan review and inspections in lieu of the host local government's building department, subject to the notice and qualification requirements of that Section. The cost of qualified private provider services shall be procured under this Chapter.

6.5.8 Sole Source

A procurement may be made from a sole source where the Procurement Officer determines, in writing, that the item, service, or supplier is the only one capable of meeting the Cooperative's requirements. The written determination shall identify the item or service; describe the unique characteristics that require sole-source procurement; document the efforts made to locate alternative sources; and certify the reasonableness of price. For sole-source procurements ≥ $10,000, notice of intent to sole-source shall be posted on the Cooperative's website for not less than fourteen (14) calendar days prior to award; objections received during the notice period shall be considered by the Executive Director (or, for procurements ≥ $100,000, by the Board) before award.

6.5.9 Emergency

Notwithstanding any other provision of this Chapter, when there exists a threat to public health, safety, welfare, or critical infrastructure, the Executive Director may authorize procurement without compliance with the otherwise-applicable competitive process to the extent necessary to address the emergency. Emergency procurements ≥ $100,000 shall require the prior concurrence of the Chair (or, in the Chair's absence, the Vice-Chair). All emergency procurements shall be ratified by the Board at its next regular meeting and a written record of the emergency, the basis for the procurement, and the steps taken shall be included in the procurement file. The Cooperative's emergency procurement procedures shall be coordinated with the Cooperative's Emergency Response Plan.

6.5.10 Best-Value Awards

Where authorized by the solicitation, award may be made on the basis of best value, with evaluation factors including total cost of ownership, life-cycle cost, performance, quality, and other non-price factors, in addition to price. Best-value awards must be documented in the procurement file with a detailed evaluation matrix showing the application of evaluation criteria to each proposal.

6.5.11 Prohibited Net-Zero and Fuel-Source Preferences

In accordance with Section 377.816, Florida Statutes (as enacted by Chapter 2026-45, Laws of Florida), the Cooperative shall not, in any solicitation, evaluation matrix, scoring rubric, or award decision under this Chapter: (a) provide any procurement or purchasing preference for a product

or vendor on the basis that the procurement or purchase of such product or from such vendor will advance or support a "net zero policy" as defined in that Section; or (b) provide any procurement or purchasing preference for any goods (including vehicles, equipment, appliances, or other products) based solely on the types or sources of fuel used by, or used in the production of, such goods. Any non-price evaluation factor used in a best-value award under Section 6.5.10 shall be neutral as to net-zero alignment and fuel type or source, and the procurement file shall affirmatively document that the evaluation criteria do not give any such preference. Nothing in this Section limits the Cooperative's authority to specify performance, reliability, energy-efficiency, life-cycle cost, or total-cost-of-ownership criteria that are otherwise permitted by general law.

In further compliance with Section 377.816(4)(c), Florida Statutes, the Cooperative shall not use public funds to pay dues, membership fees, subscription fees, or charitable contributions to any nongovernmental agency, trade association, or other private organization that (i) adopts a net-zero policy as defined in that Section, (ii) requires adoption of or any commitment to support a net-zero policy as a condition of membership or of receiving any benefit of membership, or (iii) uses such funds to advocate for a net-zero policy. The Procurement Officer shall, in consultation with the Executive Director, conduct an annual review of the Cooperative's organizational memberships and subscriptions to confirm compliance with this Section and shall document that review in the procurement file. Vendor subscription, conference, and training procurements shall be screened against the same standard before purchase.

In further compliance with Section 287.05701, Florida Statutes (enacted by Chapter 2023-28, Laws of Florida), the Cooperative, as a "governmental entity" within the meaning of that Section, shall not, in any solicitation, evaluation matrix, scoring rubric, or award decision under this Chapter, give a preference to a vendor based on the vendor's social, political, or ideological interests, including any environmental, social, or governance ("ESG") criteria not connected to a pecuniary risk-and-return analysis as defined in Section 218.415(24), Florida Statutes. The Procurement Officer shall affirmatively document in the procurement file that no such preference has been given. Nothing in this Section limits the Cooperative's authority to apply the specific certifications and screens required by general law, including the Scrutinized Companies Certification under Section 287.135, Florida Statutes, the foreign-country-of-concern restrictions referenced in Section 6.13, and the disclosures otherwise required by this Chapter.

6.6 CCNA — Architectural, Engineering, Surveying, Mapping, and Landscape Architectural Services

6.6.1 Application

The Cooperative shall procure professional architectural, engineering, surveying and mapping, and landscape-architectural services in accordance with Section 287.055, Florida Statutes, the Consultants' Competitive Negotiation Act ("CCNA"), where (a) the project basic construction cost

is estimated to exceed Category Five of Section 287.017, Florida Statutes (currently $325,000), or (b) the project basic fee for a planning or study activity, when not in connection with a construction project, exceeds Category Two of Section 287.017, Florida Statutes (currently $35,000). Below these thresholds, the Cooperative may procure CCNA-eligible services using the competitive methods of Section 6.5 of this Chapter.

6.6.2 Public Announcement

When CCNA applies, the Cooperative shall publicly announce, in a uniform and consistent manner, each occasion when professional services must be purchased. The announcement shall identify the project and indicate how interested consultants may apply for consideration. The announcement shall be advertised on the Cooperative's public website and otherwise as required by Section 287.055(3)(a), Florida Statutes. To maximize the reach of the announcement to the regulated professional community, the Procurement Officer shall additionally post the announcement on the Cooperative's designated electronic procurement portal and through such other publicly accessible procurement-notice services as the Procurement Officer determines appropriate, which may include without limitation: the Florida Administrative Register (Department of State, Vol. 50 et seq.); the Florida Department of Management Services Vendor Bid System (vendor.myflorida.com); DemandStar (demandstar.com); BidNet Direct (bidnetdirect.com); Vendor Registry (vendorregistry.com); OpenGov Procurement (procurement.opengov.com); the American Council of Engineering Companies of Florida solicitations page; and one or more newspapers of general circulation in Polk County, Florida, where required by statute or by funding-agency requirements. The Cooperative shall maintain a publicly accessible record of all CCNA announcements on its website.

6.6.3 Selection Committee

Each CCNA selection process shall be conducted by a Selection Committee appointed in writing by the Executive Director. The Selection Committee shall consist of no fewer than three (3) and no more than five (5) voting members, balanced to include subject-matter expertise relevant to the procurement (engineering, finance, operations, and where appropriate, regulatory or member-government perspectives). At least one member shall represent the requesting cost center, but Selection Committee membership shall not be drawn predominantly from one cost center. Outside experts (including from a Member Government or from a peer regional water utility) may be appointed where their expertise is necessary. The Procurement Officer (or designee) shall serve as a non-voting facilitator of the Committee. The Committee shall meet as a public body subject to Chapter 286, Florida Statutes (Sunshine Law), with notice posted on the Cooperative's website and in the Florida Administrative Register not less than ten (10) calendar days before any meeting at which evaluation will occur.

No person shall serve on a Selection Committee who, with respect to any respondent: (a) is or has been within the prior one (1) year an employee or paid consultant; (b) holds an ownership interest; (c) is a member of the immediate family of any person who is an officer or director; (d) is engaged

in any current litigation with the respondent or has been within the prior two (2) years; (e) is the subject of any current investigation by the respondent or has been within the prior one (1) year; or (f) has any other relationship that would constitute a conflict of interest under Section 112.313, Florida Statutes. Each Selection Committee member shall execute a written disclosure statement confirming the absence of such relationships before participating in any evaluation meeting.

6.6.4 Competitive Selection (Qualifications-Based)

The Selection Committee shall evaluate firms responding to the announcement on the basis of qualifications, including without limitation the firm's ability to perform the services; its past performance; the firm's willingness to meet time and budget requirements; the firm's location; recent, current, and projected workloads; and the volume of work previously awarded to the firm by the Cooperative, with the objective of effecting an equitable distribution of contracts among qualified firms, provided that the firm so selected is fully qualified to render the services required. The Selection Committee shall rank no fewer than three (3) firms, where at least three (3) qualified firms have responded, in order of preference, deemed to be the most highly qualified to perform the services required, and shall submit its ranking, with a written evaluation summary and individual evaluator scoresheets, to the Executive Director. The Executive Director shall present the Selection Committee's ranking, the evaluation summary, and the Procurement Officer's recommendation to the Board. The Board shall make the final determination of competitive selection, accepting the Committee's ranking absent a documented finding of material error or material conflict of interest.

6.6.5 Competitive Negotiation

After selection, the Cooperative shall negotiate a contract with the most qualified firm at compensation that the Cooperative determines is fair, competitive, and reasonable. Should the Cooperative be unable to negotiate a satisfactory contract with the firm considered the most qualified at a price the Cooperative determines is fair, competitive, and reasonable, negotiations with that firm shall be formally terminated. The Cooperative shall then undertake negotiations with the second-most-qualified firm; failing that, with the third-most-qualified firm. Should the Cooperative be unable to negotiate a satisfactory contract with any of the selected firms, additional firms shall be selected in order of competence and qualification, and the negotiation procedure repeated, until an agreement is reached.

6.6.6 Truth in Negotiations

For lump-sum or cost-plus-fixed-fee professional services contracts > Category Four ($195,000), the firm shall certify wage rates and other factual unit costs as accurate as of the date of contracting, and the contract shall include a provision permitting price adjustment within one year of contract completion to exclude any significant sums by which the Cooperative determines the contract price was increased by inaccurate, incomplete, or non-current wage rates or other factual unit costs. (§ 287.055(5)(a), F.S.)

6.6.7 Continuing Contracts

The Cooperative may enter into continuing contracts for professional services in accordance with Section 287.055(2)(g), Florida Statutes, as amended. Under a continuing contract, the firm provides professional services for projects in which the estimated construction cost does not exceed the per-project limit set forth in Section 287.055(2)(g), Florida Statutes (as periodically adjusted), for study activity if the fee does not exceed the per-study limit, and for work of a specified nature with no time limit on the contract but with a termination clause. The Cooperative shall not enter into a continuing contract solely to avoid the competitive-selection requirements of Section 287.055 for individual projects.

6.6.8 Public Records and Negotiations

Public records associated with CCNA solicitations shall be available for public inspection in accordance with Section 119.071(1)(b)(2), Florida Statutes; sealed responses are exempt from public records until such time as the Cooperative provides notice of an intended decision or until thirty (30) days after the opening of the qualifications statements, whichever is earlier.

6.7 Public Notice and Advertising

All formal solicitations (ITB, RFP, RFQ, ITN) shall be advertised on the Cooperative's public website for not less than thirty (30) calendar days prior to the deadline for response, except as provided in Section 255.0525, Florida Statutes, for construction projects of less than $500,000 (minimum 5 days) and projects of $500,000 or more (minimum 30 days, or 21 days where the project is anticipated to receive State Revolving Fund or other federal financial assistance). The Procurement Officer may shorten the notice period for non-construction solicitations to not less than fourteen (14) calendar days where the procurement is for items routinely available in the market and the shortened period will not unduly restrict competition.

Advertising shall include the title of the project, a brief description, the date and time for receipt of responses, the place where the solicitation may be obtained, contact information for the Procurement Officer, any prerequisites for submission, and a statement that the Cooperative reserves the right to reject any or all responses and to waive informalities and irregularities to the extent permitted by law.

Pursuant to Section 218.80, Florida Statutes, the Public Bid Disclosure Act, the Cooperative shall disclose in its solicitation documents for construction services a list of all licenses, permits, and impact fees required from the Cooperative or any other governmental entity for the project and, to the maximum extent possible, the costs thereof. Failure to make such disclosure entitles the contractor to recover the cost of any undisclosed permit or fee from the Cooperative.

6.8 Bonds, Insurance, and Indemnification

6.8.1 Bid and Performance Bonds (Construction)

Pursuant to Section 255.05, Florida Statutes, the Cooperative shall require any person entering into a contract with the Cooperative for the construction of a public building or for the improvement of public works in an amount exceeding $200,000 to execute, deliver, and record a payment and performance bond with a surety insurer authorized to do business in Florida, in the amount of the contract. Where required by the solicitation, bidders for construction contracts shall furnish bid security in the amount of five percent (5%) of the bid amount.

6.8.2 Insurance

All contractors and subcontractors providing services to the Cooperative shall maintain, at a minimum, the insurance coverage and limits specified in the Cooperative's Insurance Requirements Schedule (issued as an Administrative Procedure). The Cooperative shall be named as an additional insured on the contractor's general liability, automobile liability, and excess/umbrella liability policies, and shall be provided a certificate of insurance prior to commencement of work and at each renewal during the term of the contract.

6.8.3 Indemnification

All Cooperative contracts shall include an indemnification provision consistent with Section 725.06, Florida Statutes, requiring the contractor to indemnify and hold harmless the Cooperative and its officers, employees, and agents from and against any claims, damages, losses, and expenses, including reasonable attorneys' fees, arising out of or resulting from the performance of the contract, to the extent caused by the negligent acts, errors, or omissions of the contractor. The indemnification shall not extend to claims arising solely from the Cooperative's own negligence.

6.9 Contract Administration

6.9.1 Contract Form and Required Provisions

All Cooperative contracts shall be in writing, signed by both parties, and contain at a minimum: scope of work; price or pricing methodology; term; renewal options; termination for convenience and for cause; payment terms consistent with the Local Government Prompt Payment Act (Sections 218.70–218.80, Florida Statutes); records and audit access (consistent with Section 119.0701, Florida Statutes, and 2 C.F.R. § 200.337); insurance and indemnification; non-discrimination; non-collusion; E-Verify (Section 448.095, Florida Statutes); public-entity-crimes and scrutinized-companies certifications (Sections 287.133 and 287.135, Florida Statutes); compliance with applicable laws; and dispute resolution. For federally funded contracts, the additional contract clauses required by Appendix II to 2 C.F.R. Part 200 shall be incorporated by reference and attached.

6.9.2 Public Records Notice Block (§ 119.0701, F.S.)

All Cooperative contracts shall include the contractor-public-records statement required by Section 119.0701(2)(a), Florida Statutes, in substantially the form set forth in Section 119.0701(2)(a), F.S., identifying the Cooperative's Records Custodian with contact information.

6.9.3 Change Orders

Change orders to existing contracts shall be processed in writing, supported by a written justification, and approved in accordance with Section 6.3 of this Chapter. Change orders shall not be used to materially alter the scope of the contract beyond what was originally solicited; where a change of scope would materially change the contract, a new solicitation shall be conducted.

6.9.4 Prompt Payment

The Cooperative shall make payments under all contracts in accordance with the Local Government Prompt Payment Act, Sections 218.70 through 218.80, Florida Statutes. Proper invoices for non-construction services shall be paid not later than forty-five (45) days after receipt; construction invoices shall be paid not later than twenty-five (25) business days after receipt. The Procurement Officer or its designee shall notify a vendor in writing within ten (10) days of receipt if an invoice is improper. Interest on late payments accrues at the rate established in Section 55.03, Florida Statutes.

6.9.5 Inspection, Acceptance, and Records

All deliveries of goods and services shall be inspected upon receipt; receipt and acceptance shall be documented. The Cooperative shall maintain records sufficient to detail the history of each procurement in accordance with the Cooperative's records-retention schedule and, where the procurement is federally funded, 2 C.F.R. § 200.334.

6.10 Vendor Relations and Standards of Practice

6.10.1 Equal Opportunity

The Cooperative shall procure goods, services, professional services, and construction without regard to race, color, religion, sex, national origin, age, disability, marital status, familial status, or any other status protected by federal or Florida law. Where federal funding requires, the Cooperative shall implement an Equal Employment Opportunity contract clause consistent with Executive Order 11246 and 41 C.F.R. Part 60.

6.10.2 Disadvantaged Business Enterprise (DBE) Participation

For procurements funded in whole or in part by Federal Awards from the United States Environmental Protection Agency (including DWSRF loans and WIFIA loans), the Cooperative shall comply with 40 C.F.R. Part 33 and undertake the six "Good Faith Efforts" required by 40

C.F.R. § 33.301, namely: (a) include qualified disadvantaged business enterprises ("DBEs") on solicitation lists; (b) ensure that DBEs are solicited whenever they are potential sources; (c) divide procurements, where economically feasible, to permit maximum DBE participation; (d) establish delivery schedules, where the requirement permits, that encourage DBE participation; (e) use the services and assistance of the U.S. Small Business Administration and the U.S. Department of Commerce Minority Business Development Agency; and (f) require the prime contractor, if subcontracts are to be let, to take the affirmative steps in subparagraphs (a) through (e) of this paragraph.

The Cooperative shall report MBE/WBE/DBE participation to the cognizant federal agency on EPA Form 5700-52A or successor form, as required by the applicable Federal Award.

6.10.3 Suspension and Debarment

Prior to award of any contract or subcontract of $25,000 or more funded in whole or in part by a Federal Award, the Procurement Officer shall verify that the prospective contractor (and, for subcontracts, the prospective subcontractor) is not excluded from federal procurement or non-procurement programs by checking the System for Award Management ("SAM") exclusions database, in accordance with 2 C.F.R. § 180.300 and Subpart C of 2 C.F.R. Part 180. The Procurement Officer shall print and retain in the procurement file the SAM search result. All Cooperative contracts of $25,000 or more shall include a non-debarment certification.

6.10.4 Cone of Silence

From the date of public notice of any formal solicitation until the date of award (or earlier rejection of all responses), all communications between a prospective bidder/proposer and any officer, employee, agent, or member of the Board of Directors of the Cooperative concerning the solicitation, other than communications expressly authorized by the solicitation (such as pre-bid conferences, written questions submitted through the designated portal, and the Procurement Officer's written responses), are prohibited. Violation of the Cone of Silence by a bidder or proposer is grounds for disqualification. The Cone of Silence does not prohibit communications at duly noticed public meetings of the Board or its committees.

6.10.5 Lobbying Disclosure

Every person engaged for compensation to lobby on behalf of a vendor with respect to a Cooperative procurement shall register with the Cooperative's Procurement Officer in advance of any such communication, and shall disclose the principal represented and the procurement to which the lobbying relates. The Cooperative shall maintain a publicly available registry of such registrations consistent with Section 286.25, Florida Statutes.

6.11 Protest and Dispute Resolution

6.11.1 Applicability and Exclusivity

This Section is the exclusive way to protest any decision, intended decision, or other action of the Cooperative relating to a procurement under this Chapter. Because the Cooperative was created by interlocal agreement under Section 163.01, Florida Statutes, it is not a state "agency" under Section 120.52(1), Florida Statutes, and the state bid-protest process in Section 120.57(3), Florida Statutes, does not automatically apply to it. The Cooperative therefore adopts the procedures in this Section as its own exclusive protest process, as authorized by Section 163.01(7), Florida Statutes, and Section 2.06 of the Interlocal Agreement. Final action of the Cooperative under this Section is subject to judicial review under Chapter 86 and Section 26.012(2)(c), Florida Statutes.

6.11.2 Posting of Recommended Award

Within seventy-two (72) hours of the Procurement Officer's recommendation of award (or, where Board approval is required, of the Procurement Officer's posting of intended action for Board consideration), the Procurement Officer shall post on the Cooperative's website a Notice of Intended Award identifying the solicitation, the recommended awardee, the contract price (if applicable), and the procedures and deadlines for filing a protest under this Section. Time is computed in accordance with Section 120.57(3), Florida Statutes, with Saturdays, Sundays, and state holidays excluded.

6.11.3 Notice of Intent to Protest

Any actual or prospective bidder or proposer who is aggrieved by the proposed action of the Cooperative may file a written Notice of Intent to Protest with the Procurement Officer within seventy-two (72) hours (excluding Saturdays, Sundays, and state holidays) of the posting of the Notice of Intended Award. Failure to file a timely Notice of Intent to Protest constitutes a waiver of any protest.

6.11.4 Formal Written Protest and Protest Bond

A formal written protest shall be filed with the Procurement Officer within ten (10) calendar days after the date of the Notice of Intent to Protest. The formal written protest shall identify the protestor; the solicitation; the specific factual and legal grounds for protest, including specific references to the solicitation document and the conduct of the procurement; the relief requested; and any supporting documentation. The formal written protest shall be accompanied by a protest bond or cashier's check payable to the Cooperative in an amount equal to one percent (1%) of the estimated contract amount, but not less than Five Thousand Dollars ($5,000) nor more than Twenty-Five Thousand Dollars ($25,000). The bond is conditioned upon payment of all costs and attorneys' fees that may be awarded to the Cooperative if the protest is denied or dismissed.

6.11.5 Informal Resolution by Procurement Officer

Within seven (7) calendar days after receipt of the formal written protest, the Procurement Officer (in consultation with General Counsel) shall meet with the protestor and shall attempt to resolve the protest informally. If the Procurement Officer determines, in writing, that no disputed issue of material fact exists and that the protest can be resolved on the basis of the written record, the Procurement Officer may issue a written recommended order denying or granting the protest based on the record. The Procurement Officer's recommended order shall be transmitted to the Executive Director and to the Board for action under Section 6.11.8. Where the protest cannot be resolved informally, or where disputed material facts are presented, the protest shall be referred to a Hearing Officer under Sections 6.11.6 and 6.11.7.

6.11.6 Hearing Officer Designation

Because the Board of Directors meets only on a bi-monthly schedule, the prompt designation of a Hearing Officer is essential to fair and expedient protest resolution. The Executive Director, in consultation with General Counsel, shall designate a Hearing Officer within seven (7) calendar days after referral of a protest under Section 6.11.5. The Hearing Officer shall be a Florida-licensed attorney with not less than ten (10) years of experience in administrative or public-procurement matters, or shall be obtained from the State of Florida Division of Administrative Hearings ("DOAH"). The Hearing Officer shall be free from conflict of interest with the protestor, the recommended awardee, and the Cooperative; the Hearing Officer shall execute a written conflict-disclosure statement before commencing the proceeding. If no member of the Standby Panel is available to serve, the Executive Director shall refer the protest to DOAH pursuant to a pre-executed standing agreement for hearing-officer services.

6.11.7 Hearing Procedure

The Hearing Officer shall conduct the protest hearing on the record. The Hearing Officer shall:

- Issue a written notice of hearing not less than seven (7) calendar days before the hearing date, identifying the time, place (which may be the Cooperative's offices or by remote-participation technology), and procedure for the hearing;
- Permit the parties to file pre-hearing statements identifying issues, witnesses, and exhibits;
- Receive sworn testimony, written exhibits, depositions, affidavits, expert reports, and other evidence relevant and material to the protest, including hearsay where probative and not unduly prejudicial;
- Permit limited cross-examination by counsel;
- Apply the burden of proof: the protestor must demonstrate, by a preponderance of the evidence, that the Cooperative's proposed action is clearly erroneous, contrary

to competition, arbitrary, capricious, or in violation of the solicitation, this Chapter, or applicable law (the same standard as Section 120.57(3)(f), Florida Statutes);

- Permit subpoenas only upon written request and a showing of materiality; subpoenas shall be enforceable in the Circuit Court for the Tenth Judicial Circuit in and for Polk County, Florida;
- Maintain a transcript or audio recording of the hearing, which shall be a public record subject to Chapter 119, Florida Statutes;
- Issue a written Recommended Order containing findings of fact, conclusions of law, and a recommended disposition not later than thirty (30) calendar days after the conclusion of the hearing.

The Hearing Officer's fees and costs shall be paid by the Cooperative, subject to reimbursement from the protest bond of any non-prevailing protestor in accordance with Section 287.042(2)(c), Florida Statutes, as adapted herein.

6.11.8 Board Action; Final Order

The Hearing Officer's Recommended Order (or, where Section 6.11.5 applies, the Procurement Officer's recommended order) shall be transmitted to the Board for action at the next regular meeting at which it can practicably be heard, and in any event not later than sixty (60) calendar days after issuance of the Recommended Order. The Board may adopt, modify, or reject the Recommended Order in whole or in part; the Board's action shall be in the form of a written Final Order containing findings of fact, conclusions of law, and disposition. The Board may not reject or modify any finding of fact of the Hearing Officer unless the Board first determines, from a review of the complete record and stating reasons in its Final Order, that the finding of fact is not supported by competent substantial evidence. The Board's Final Order is subject to judicial review under Chapter 86, Florida Statutes.

6.11.9 Emergency or Continued Procurement Pending Protest

Pending final resolution of a timely protest, the Cooperative shall not proceed further with the solicitation or contract award. However, the Executive Director may, after notice to the protestor and General Counsel's concurrence, make a written determination that immediate continuation of the procurement is necessary to (a) protect the substantial interests of the Cooperative, the public health, safety, or welfare, or (b) prevent serious operational harm to the Cooperative's drinking-water system. Such a determination shall be reported to the Board at its next regular meeting and shall be in the form of a written record placed in the procurement file.

6.11.10 Disposition of Protest Bond

The protest bond shall be returned to the protestor if the protest is sustained in whole or in part. If the protest is denied or dismissed, the bond shall be applied to the Cooperative's reasonable costs and attorneys' fees in defending the protest, and any excess shall be returned to the protestor.

6.11.11 Informal Bid Disputes (under $50,000)

Disputes concerning procurements made by informal methods under Sections 6.5.1 through 6.5.3 of this Chapter (procurements of less than $50,000) shall be resolved informally by the Procurement Officer in consultation with General Counsel; the Procurement Officer's written decision shall be final and not subject to the formal-protest procedures of this Section.

6.12 Federal Funding — Required Procurement Provisions

When a procurement is funded in whole or in part by a Federal Award, the procurement shall comply with this Section in addition to the other provisions of this Chapter. To the extent any provision of this Section conflicts with another provision of this Chapter, the more restrictive provision controls.

6.12.1 Competition (2 C.F.R. § 200.319)

All procurement transactions shall be conducted in a manner providing full and open competition consistent with 2 C.F.R. § 200.319. The Cooperative shall avoid restrictive specifications, unnecessary geographic preferences, requirements for unnecessary experience or excessive bonding, organizational conflicts of interest, and any arbitrary action that would restrict competition. Solicitations shall incorporate a clear and accurate description of the technical requirements, identify all requirements that the offerors must fulfill, and identify all factors used in evaluating bids or proposals.

6.12.2 Source Selection Methods (2 C.F.R. § 200.320)

The Cooperative shall use the source-selection methods described in Sections 6.5.1 through 6.5.10 above, applied consistently with the federal terminology of "informal" (micro-purchase and small-purchase) and "formal" (sealed bids and competitive proposals) methods at 2 C.F.R. § 200.320. The Cooperative's thresholds for micro-purchase and small-purchase, as set in Section 6.3 above, are more restrictive than the federal thresholds and therefore control. Noncompetitive procurement under 2 C.F.R. § 200.320(c) is permitted only where (a) the item is available only from a single source; (b) the public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation; (c) the federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in writing in response to a written request from the Cooperative; or (d) after solicitation of a number of sources, competition is determined inadequate.

6.12.3 Cost or Price Analysis (2 C.F.R. § 200.324)

The Cooperative shall perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold ($250,000) when federally funded. As a starting point, the Cooperative shall make independent estimates before receiving bids or proposals. Profit shall be negotiated as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed.

6.12.4 Bonding (2 C.F.R. § 200.326)

For federally funded construction or facility improvement contracts exceeding the Simplified Acquisition Threshold, the Cooperative shall require: a bid guarantee from each bidder equivalent to five percent (5%) of the bid price; a performance bond in an amount equal to one hundred percent (100%) of the contract price; and a payment bond in an amount equal to one hundred percent (100%) of the contract price.

6.12.5 Required Federal Contract Clauses (2 C.F.R. § 200.327; Appendix II)

Every Cooperative contract funded in whole or in part by a Federal Award shall, to the extent applicable, include each of the contract clauses listed in Appendix II to 2 C.F.R. Part 200, including without limitation:

- Remedies for breach of contract (>$250,000)
- Termination for cause and convenience (>$10,000)
- Equal Employment Opportunity (Executive Order 11246; 41 C.F.R. Part 60), for federally assisted construction contracts
- Davis-Bacon Act (40 U.S.C. §§ 3141–3144, 3146, 3147), for federally assisted construction in excess of $2,000
- Copeland “Anti-Kickback” Act (18 U.S.C. § 874; 40 U.S.C. § 3145), for federally assisted construction
- Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3702–3704), for federally assisted contracts > $100,000 involving mechanics or laborers
- Rights to inventions made under a contract or agreement under the Bayh-Dole Act, for funding agreements involving experimental, developmental, or research work
- Clean Air Act (42 U.S.C. §§ 7401–7671q) and Federal Water Pollution Control Act (33 U.S.C. §§ 1251–1387), for contracts > $150,000
- Debarment and Suspension (2 C.F.R. Parts 180 and 1532), for contracts > $25,000

- Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352), for contracts > $100,000
- Procurement of recovered materials (2 C.F.R. § 200.323)
- Domestic preference for procurements (2 C.F.R. § 200.322) — Build America, Buy America
- Prohibition on certain telecommunications and video surveillance services (2 C.F.R. § 200.216)

6.12.6 American Iron and Steel; Build America, Buy America

For Cooperative procurements funded by a DWSRF or other Clean Water State Revolving Fund loan, all iron and steel products used in the project shall be produced in the United States in accordance with 33 U.S.C. § 3914 and the United States Environmental Protection Agency American Iron and Steel ("AIS") guidance. For procurements funded in whole or in part by any Federal Award for infrastructure, the Cooperative shall comply with the Build America, Buy America Act ("BABA"), Pub. L. No. 117-58, §§ 70901–70927, requiring that all iron, steel, manufactured products, and construction materials used in the project be produced in the United States. The Cooperative shall include the BABA and AIS contract clauses prescribed by the cognizant federal agency in each affected solicitation and contract, and shall require subrecipients and contractors to flow down the requirements to all subcontracts. The Cooperative may rely on waivers (nonavailability, public interest, or unreasonable cost) issued by or applicable through the cognizant federal agency.

6.12.7 Davis-Bacon Prevailing Wages

For federally assisted construction contracts in excess of $2,000, the Cooperative shall include the Davis-Bacon wage determinations and contract clauses prescribed by 29 C.F.R. § 5.5 in the solicitation and contract documents. Contractors shall pay laborers and mechanics not less than the prevailing wage rates determined by the United States Department of Labor for the locality. Contractors shall submit weekly certified payrolls, retained in accordance with the Cooperative's records-retention schedule (and not less than three (3) years after final payment under the contract).

6.12.8 Single Audit Coordination

Because the Cooperative expects to expend federal financial assistance at or above the Single Audit threshold established at 2 C.F.R. § 200.501, it is subject to a Single Audit under 2 C.F.R. Part 200, Subpart F, and the procurement-related findings of any such Single Audit shall be promptly addressed. The Procurement Officer shall maintain procurement records sufficient to support all transactions subject to Single Audit review. Procurement records shall be retained for not less than three (3) years after submission of the final expenditure report for the applicable Federal Award (2 C.F.R. § 200.334).

6.12.9 WIFIA Master Loan Agreement Compliance

Without limiting the foregoing, the Cooperative shall, and shall require its contractors and subcontractors at all tiers with respect to each Project, to comply with the procurement and labor-standards covenants in Section 14 of the WIFIA Master Loan Agreement dated May 31, 2023, between the Cooperative and the United States Environmental Protection Agency, including but not limited to compliance with Davis-Bacon Act requirements, American Iron and Steel, non-debarment under 2 C.F.R. Parts 180 and 1532, and non-lobbying under 31 U.S.C. § 1352, as applicable.

6.13 Florida Statutory Certifications and Disclosures

All contractors shall, where applicable, submit the following certifications and disclosures with their bid, proposal, or contract:

- Public Entity Crimes Sworn Statement under Section 287.133(3)(a), Florida Statutes (for contracts ≥ Cat. Two).
- Scrutinized Companies Certification under Section 287.135, Florida Statutes (for contracts ≥ Cat. Two).
- E-Verify affidavit under Section 448.095, Florida Statutes.
- Conflict of Interest Disclosure under Sections 112.313 and 112.3145, Florida Statutes, where the bidder is owned or controlled by, or has as a principal, a relative of any Cooperative officer or employee.
- Non-Collusion Affidavit.
- Foreign Country of Concern and Foreign Terrorist Organization Disclosure, certifying that the bidder is not subject to the contracting prohibitions of Section 287.138, Florida Statutes, has not solicited or accepted anything of value from a designated foreign terrorist organization in violation of Section 112.313, Florida Statutes (as amended by Chapter 2026-66, Laws of Florida), and is not otherwise prohibited from contracting with the Cooperative by reason of foreign-country-of-concern affiliation under Florida law.
- Camera-Equipment Source Certification under Section 316.0078, Florida Statutes (as amended by Chapter 2026-66, Laws of Florida), certifying that no camera systems supplied or installed under the contract are manufactured by, or sourced from, a foreign country of concern within the meaning of that Section.
- Net-Zero Policy Representation under Section 377.816, Florida Statutes (as enacted by Chapter 2026-45, Laws of Florida), in which the bidder (i) acknowledges that the Cooperative is prohibited from providing procurement or

purchasing preferences for products or vendors that advance or support a "net zero policy" or on the basis of fuel type or source, and (ii) agrees that no such preference has been requested, claimed, or relied upon in the bidder's response.

- Anti-Preference / ESG Representation under Section 287.05701, Florida Statutes (as enacted by Chapter 2023-28, Laws of Florida), in which the bidder (i) acknowledges that the Cooperative is prohibited from giving a preference to a vendor based on the vendor's social, political, or ideological interests, including any environmental, social, or governance ("ESG") criteria not connected to a pecuniary risk-and-return analysis, and (ii) agrees that no such preference has been requested, claimed, or relied upon in the bidder's response.

6.14 Records of Procurement

The Procurement Officer shall maintain a procurement file for each procurement, containing all documents relevant to the procurement, including without limitation: the requisition; the solicitation document; advertising affidavits; pre-bid/pre-proposal meeting minutes and addenda; all bids and proposals received; the bid tabulation or evaluation matrix; the selection committee's report and any individual evaluator notes; the recommendation of award; any protest documents; the executed contract and amendments; insurance certificates; bonds; the SAM exclusions check; all certifications and disclosures; and any other documents relevant to the procurement. Procurement files shall be retained in accordance with the Cooperative's records-retention schedule, and for federally funded procurements, for not less than three (3) years after submission of the final expenditure report under 2 C.F.R. § 200.334, except that records relating to litigation, claims, or audit findings shall be retained until resolution and any associated appeal. Notwithstanding the public-records provisions of Section 6.5 of this Chapter and Section 119.071(1)(b), Florida Statutes, the Procurement Officer shall identify and protect from public disclosure those portions of any procurement file (including specifications, drawings, configurations, schematics, login credentials, and similar materials submitted with bids or proposals for information-technology, operational-technology, supervisory control and data acquisition (SCADA), critical-infrastructure, or cybersecurity-related procurements) that are confidential and exempt under Section 119.0725, Florida Statutes (as amended by SB 7024, 2026 Reg. Sess.). Closed portions of any selection committee or Board meeting at which such exempt information is revealed shall be recorded and transcribed in accordance with that Section. The Procurement Officer shall further identify and protect from public disclosure any "trade secret" as defined in Section 688.002, Florida Statutes, that is held by the Cooperative within the meaning of Section 119.0715, Florida Statutes (as reenacted without sunset by Chapter 2026-52, Laws of Florida), including without limitation trade secrets submitted by bidders or proposers and clearly marked as such at the time of submission. The redaction authority conferred by Section 119.0715 is, as of April 23, 2026, permanent and not subject to the Open Government Sunset Review schedule previously applicable to it.

6.15 Ratification of Prior Procurements

Until the adoption of this Chapter, the Cooperative procured goods, services, and professional services using the procurement procedures of the City of Lakeland (acting as Cooperative agent under Section 3.02 of the Interlocal Agreement), Polk County, and the City of Winter Haven. All procurements, contracts, change orders, task authorizations, and other procurement instruments lawfully entered into by or on behalf of the Cooperative prior to the effective date of this Chapter using the procurement procedures of the City of Lakeland, Polk County, or the City of Winter Haven are hereby ratified, confirmed, and approved in all respects as properly procured under the procurement law and procedures then applicable to the Cooperative, and are not invalidated by, and shall not require re-procurement under, this Chapter. This ratification applies whether or not the prior procurement satisfies the source-selection method, threshold, or other requirement of this Chapter. Nothing in this Section limits the application of this Chapter to procurements initiated or undertaken after the effective date of this Chapter.

6.16 Funding-Agency Procurement Compliance

Where any procurement is funded in whole or in part by a cooperative funding agreement with the Southwest Florida Water Management District ("SWFWMD"), by a Florida Department of Environmental Protection ("FDEP") loan or grant, by a federal loan or grant, or by any other funding agreement that imposes procurement-related requirements on the Cooperative (a "Funding Agreement"), the procurement shall comply with the procurement-related requirements of the Funding Agreement in addition to this Chapter. To the extent any provision of the Funding Agreement is more restrictive than this Chapter, the Funding Agreement controls.

6.16.1 SWFWMD Pre-Posting and Pre-Execution Review

Pursuant to the SWFWMD Cooperative Funding Agreements applicable to PRWC projects, the Procurement Officer shall submit all solicitations to SWFWMD's Contract Manager for review prior to posting, and all contracts to SWFWMD's Contract Manager for review prior to execution. SWFWMD has thirty (30) days to respond. No reimbursement under a SWFWMD CFA shall be requested until this review has been completed. (Reference: SWFWMD Cooperative Funding Agreement § 3.6.)

6.16.2 FDEP Pre-Approval for Non-Competitive Fixed-Price Subcontracts

Where any FDEP funds pass through the procurement, the Procurement Officer shall, in addition to compliance with this Chapter, obtain advance written approval from FDEP's Grant Manager for any fixed-price subcontract that is not procured by Invitation for Bid or Request for Proposals. (Reference: FDEP Grant Agreement Terms and Conditions Exhibit, § 5.a.)

6.16.3 SWFWMD/FDEP Insurance Minimums

Where a procurement is funded by SWFWMD or FDEP, the Cooperative shall require, as additional contract terms, the minimum insurance limits specified in the applicable Funding Agreement, with SWFWMD, FDEP, and their employees and officers named as additional insureds on commercial general liability, automobile liability, and excess/umbrella policies. The current minimums are: Commercial General Liability $250,000 per occurrence / $500,000 aggregate; Commercial Automobile $200,000/$300,000; Workers' Compensation in accordance with Chapter 440, Florida Statutes, plus Employer's Liability of $100,000/$100,000/$500,000. The Cooperative shall flow down deductible-funding responsibility to the contractor and require subcontractor compliance.

6.16.4 Diversity in Contracting

For procurements funded by SWFWMD or FDEP, the Cooperative shall use good-faith efforts to encourage participation of minority business enterprises ("MBE"), women business enterprises ("WBE"), and small business enterprises ("SBE") in its solicitations and contracts, and shall submit a Minority/Women/Small Business Utilization Report to SWFWMD at project completion and within thirty (30) days of any amendment increasing funding under the applicable Funding Agreement. (Reference: SWFWMD CFA Diversity in Contracting clause.)

6.16.5 Florida Single Audit Act Threshold

Where the Cooperative's expenditures of state financial assistance equal or exceed the State single audit threshold established in Section 215.97, Florida Statutes, in any Fiscal Year, the Cooperative shall undergo a Florida Single Audit Act audit in accordance with Section 215.97, Florida Statutes, and the Auditor General's Rules. Audit and records retention shall be in accordance with the FDEP Special Audit Requirements Exhibit (E) of each Funding Agreement and the Cooperative's records-retention schedule.

6.16.6 Inspector General Cooperation

All Cooperative contractors and subcontractors shall cooperate with, and provide records access to, the Inspector General of the Cooperative's funding agencies in accordance with Section 20.055(5), Florida Statutes, and the applicable Funding Agreement. A clause to this effect shall be flowed down to all subcontracts.

6.16.7 Blacklists and Vendor Lists

In addition to the Public Entity Crimes Sworn Statement under Section 287.133, Florida Statutes, and the Scrutinized Companies Certification under Section 287.135, Florida Statutes, the Procurement Officer shall, for procurements funded by SWFWMD or FDEP, verify that the proposed contractor is not on the Discriminatory Vendor List or the Antitrust Violator Vendor List, and shall require the contractor to notify the Cooperative within ten (10) business days if it

or any of its suppliers, subcontractors, or consultants is placed on any such list during the life of the contract.

History Note: Adopted as Chapter 6 of this Policy Manual by Resolution 2026-___ on May 25, 2026. Until adoption of this Chapter, the Cooperative procured goods, services, and professional services using the procurement policies of the City of Lakeland (acting as Cooperative agent under Section 3.02 of the Interlocal Agreement), Polk County, and the City of Winter Haven. Section 6.15 of this Chapter expressly ratifies all procurements lawfully undertaken in that fashion prior to the effective date of this Chapter.

Standalone Document Note: This Procurement Policy is the Chapter 6 (Procurement) text of the Working Draft Polk Regional Water Cooperative Policy Manual dated May 25, 2026, extracted and reissued as a standalone draft policy on June 1, 2026 to facilitate stand-alone Board, member-government, and stakeholder review. Section numbering (6.x) and table numbering (Table 6-x) are preserved to maintain cross-reference compatibility with the Policy Manual. Upon adoption by the PRWC Board of Directors, this Policy will be incorporated as Chapter 6 of the Policy Manual.

Agenda Item F.8. 9/16/2026

SUBJECT

Approve Resolution 2026-10 Authorizing the PRWC Workforce Transition Plan (Action)

DESCRIPTION

The PRWC Workforce Transition Plan was presented to the PRWC Board of Director at the July 29, 2026, Board meeting. In summary, the Plan presents a recommended approach for the Cooperative to transition, over the next eight fiscal years, to a government-employee workforce capable of operating, maintaining and expanding a regional wholesale public water supply utility serving Polk County and its fifteen municipal partners.

The Plan addresses the following areas of focus:

1) PRWC's legal authority under the 2016 Interlocal Agreement to make the transition;
2) the staffing trajectories of similar entities, such as Tampa Bay Water, as examples and for comparison purposes;
3) a year-by-year recommended hiring sequence for PRWC employees;
4) an office space needs transition plan;
5) the Florida and federal employment laws that will govern the workforce;
6) the Florida Retirement System (FRS) decisions the Board will make as a part of the transition.

The Plan is designed to align with the construction schedules of the two Lower Floridan Aquifer alternative water supply projects, mainly in regard to the hiring sequencing. The Plan also acknowledges that US Water/Acciona will be the contracted operator of the two projects and focuses on the engineering, finance, compliance, human resources, and executive leadership functions needed to operate a regional water supply authority long-term.

No changes have been made to this plan from what was presented to the Board at the July meeting. Resolution 2026-10 approves the Workforce Transition Plan and authorizes the Executive Director and General Counsel to implement the plan by taking the actions recommended in Section XXII of the plan. Approval of the plan does not authorize any hiring, expenditure, or other action under this plan.

RECOMMENDATION

Approve Resolution 2026-10 Authorizing the PRWC Workforce Transition Plan

FISCAL IMPACT

The cost impact of the Plan by fiscal year is provided in Table VII-1 (page 30) of the plan. The cost impact to each member by fiscal year is provided in Table VII-2 (Page 31) of the plan. It is anticipated that by 2034 the PRWC workforce will cost about $2.4 million each year for approximately 16 employees.

CONTACT INFORMATION

Eric DeHaven
Ed de la Parte

POLK REGIONAL WATER COOPERATIVE
Resolution 2026-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE POLK REGIONAL WATER COOPERATIVE APPROVING THE WORKFORCE TRANSITION PLAN DATED SEPTEMBER 16, 2026; AUTHORIZING THE EXECUTIVE DIRECTOR AND GENERAL COUNSEL TO IMPLEMENT THE PLAN BY TAKING THE ACTIONS RECOMMENDED IN SECTION XII OF THE PLAN; AND PROVIDING AN EFFECTIVE DATE.

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 was created on June 1, 2016, by the Polk Regional Water Cooperative Interlocal Agreement (the "Interlocal Agreement") executed by Polk County and fifteen Polk County municipalities for the purpose of developing and operating regional alternative water-supply facilities for the benefit of the Cooperative's Member Governments; and

WHEREAS, the Cooperative is presently administered through three contract personnel — the Executive Director (Eric DeHaven), the Project Manager for the Southeast Wellfield Project (Mark Addison), and the Finance Manager (Laura Guy-Rice) — together with a part-time Project Administrator on the West Polk Lower Floridan Aquifer Wellfield Project (Tom Mattiacci), an outside general counsel, and an Executive Assistant employed by Polk County; and

WHEREAS, the Cooperative is constructing two Lower Floridan Aquifer Wellfield Projects — the Southeast Wellfield Project, anticipated to reach substantial completion in fiscal year 2029, and the West Polk Lower Floridan Aquifer Wellfield Project, anticipated to reach substantial completion in fiscal year 2033 — representing in excess of $600 million of capital investment, with debt service and operating costs to be recovered through the wholesale-rate structures established under the Second Amended and Restated Implementation Agreements for the two Projects; and

WHEREAS, as those Projects come on-line, the Cooperative will require a professional government-employee workforce to support the owner-side engineering, finance, regulatory-compliance, asset-management, information-technology, communications, and human-resources functions that the Cooperative cannot prudently leave to its operations-and-maintenance contractor, U.S. Water Corporation, in partnership with ACCIONA; and

WHEREAS, the Executive Director, in consultation with the General Counsel, the Finance Manager, and Team One's Project Manager, Mary Thomas has prepared a written Workforce Transition Plan dated September 16, 2026 (the "Plan"), a copy of which is attached to this Resolution as **Exhibit "A"** and is incorporated by reference; and

WHEREAS, the Plan recommends a phased seven-to-eight-year transition from the current three-contract-personnel administration to a government-employee workforce of approximately seventeen to eighteen full-time-equivalent positions, with hiring paced to the two Wellfield Project cut-overs and structured around four functional pillars (Capital Projects, Operations, Finance and Administration, and Human Resources) plus joint Information Technology / SCADA-Cybersecurity, Public Information, and Executive Office functions; and

WHEREAS, the Plan further recommends that (i) the Cooperative elect participation in the Florida Retirement System under Section 121.051(2)(b), Florida Statutes; (ii) the General Counsel function remain a contract position with an outside legal firm selected by the Board; (iii) the plant-treatment-operations function remain with the Cooperative's contract operator, U.S. Water Corporation/ACCIONA, under the existing five-year operations-and-maintenance contract; and (iv) personnel costs be allocated, consistent with Section 2.05 of the Interlocal Agreement, between the Administrative Expense cost center and the appropriate Water Project Cost centers established under the Southeast Wellfield Implementation Agreement, the West Polk Lower Floridan Aquifer Wellfield Implementation Agreement, the Combined Projects Implementation Agreement, and the Conservation Implementation Agreement; and

WHEREAS, the Plan was presented to the Board of Directors as an information item at the Board's regular meeting on July 29, 2026, and to the Polk County Manager and the fifteen Polk County City Managers in August 2026, and the comments received during those presentations have been incorporated into the Plan or considered by the Executive Director and General Counsel in preparing this Resolution; and

WHEREAS, the Board of Directors, having been fully advised of all material facts and circumstances relating to the Plan, finds that the Plan is reasonable, necessary, and in the best interest of the public and the Cooperative, is within the scope and authority granted to the Cooperative under Section 2.06 of the Interlocal Agreement, and is consistent with the Cooperative's long-range responsibilities to its Member Governments;

NOW, THEREFORE, BE IT RESOLVED:

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

Section 2. That the Workforce Transition Plan dated September 16, 2026, attached hereto as **Exhibit "A"** and incorporated herein by reference, is hereby approved and adopted as the Cooperative's plan for transitioning from its current contract-personnel administration to a government-employee workforce.

Section 3. That the Executive Director and the General Counsel are each authorized to take all actions reasonably necessary to implement the Plan, including the actions recommended in Section XII of the Plan, subject to the Board's separate adoption of the resolutions, policies, and budget items described in Section XII as those items are presented for Board action.

Section 4. That, without limiting the generality of Section 3 above, the Executive Director is specifically authorized to (i) initiate recruitment of the Conservation Specialist position for hire in fiscal year 2027; (ii) engage an executive-search firm for the four director-level positions scheduled to be hired in fiscal year 2028 (Human Resources Director, Executive Assistant / Records Management, Capital Projects Director, and Information Technology and SCADA-Cybersecurity Director); (iii) negotiate and execute an interlocal agreement with Polk County under Section 163.01, Florida Statutes, formalizing the Phase 1 office-space arrangement and providing for termination on or before September 30, 2028; (iv) procure liability, workers' compensation, employment-practices, cyber, and director-and-officer insurance through a public-entity pool; and (v) initiate pre-procurement work for a governmental financial-management software platform, including issuance of a Request for Information to qualified vendors.

Section 5. That personnel and other costs incurred in implementing the Plan shall be allocated, consistent with Section 2.05 of the Interlocal Agreement and Section II.D of the Plan, between the Administrative Expense cost center and the appropriate Water Project Cost centers established under the Southeast Wellfield Implementation Agreement, the West Polk Lower Floridan Aquifer Wellfield Implementation Agreement, the Combined Projects Implementation Agreement, and the Conservation Implementation Agreement, and recovered from the Member Governments through the wholesale-rate or other cost-recovery mechanism established under the corresponding Agreement.

Section 6. That the General Counsel is directed to prepare, and present to the Board for adoption at subsequent meetings, the specific resolutions identified in Section XII of the Plan, including but not limited to: a Resolution Electing to Participate in the Florida Retirement System under Section 121.051(2)(b), Florida Statutes; a Resolution Electing the Reimbursement Method for Reemployment-Assistance Obligations under Section 443.1313, Florida Statutes; a Resolution Delegating Hiring Authority to the Executive Director for Non-Senior-Management

Positions; a Resolution Establishing the Personnel Committee; and a Resolution Designating Senior Management Service Class Positions under Section 121.055(1)(b)1., Florida Statutes.

Section 7. That the Executive Director is authorized to modify the implementation timing of any position recommended in the Plan by up to one fiscal year in either direction, in his reasonable discretion, to align with the actual progress of the Southeast and West Polk Wellfield Projects, the readiness of the Cooperative's financial-management software, the availability of qualified candidates, and other operational considerations. Material deviations from the Plan's recommendations beyond one fiscal year, or the addition or elimination of positions not contemplated by the Plan, shall be brought to the Board for ratification.

Section 8. That the General Counsel is directed to review the Plan annually, in consultation with the Executive Director and the Director of Finance and Administration once that position is filled, and to recommend to the Board such amendments as may be appropriate in light of changes in the Cooperative's circumstances, changes in Florida or federal law affecting the Cooperative's workforce, or material changes in the schedule, scope, or financing of the Cooperative's Water Projects.

Section 9. 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.

Section 10. That this Resolution shall take effect immediately upon its adoption.

DONE at Auburndale, Florida this 16th day of September 2026.

Polk Regional Water Cooperative Board of Directors:

_____ _____

Chair Secretary/Treasurer

Approved as to Form:

_____

Edward P. de la Parte, Jr.
General Counsel

EXHIBIT “A”

Workforce Transition Plan dated September 16, 2026

[The Workforce Transition Plan dated September 16, 2026 is attached separately and incorporated herein by reference. A copy of the Plan is on file with the Cooperative’s General Counsel and Executive Director.]

WORKFORCE TRANSITION PLAN

Polk Regional Water Cooperative

Polk County, Florida

September 16, 2026

I. Introduction and Executive Summary

This Workforce Transition Plan (the "Plan") describes how the Polk Regional Water Cooperative ("PRWC" or the "Cooperative") should transition, over the next seven-to-eight fiscal years, from a fully contracted workforce of three persons (Executive Director, Project Manager, and Finance Manager) to a government-employee workforce capable of operating, maintaining, and expanding a regional wholesale public water-supply utility serving Polk County and its fifteen municipal partners. The Plan addresses (i) PRWC's legal authority under the 2016 Interlocal Agreement to make this transition; (ii) the staffing trajectories of similarly situated Florida and national regional water-supply authorities; (iii) a year-by-year recommended hiring sequence; (iv) the human-resources infrastructure required to support the transition; (v) office-space transition; (vi) the substantive Florida and federal employment laws that will govern the workforce as it grows; and (vii) the Florida Retirement System ("FRS") decisions the Board of Directors must make as part of the transition.

The Plan is designed to align with the construction schedule for the two Lower Floridan Aquifer projects. Substantial completion of the Southeast Wellfield Project is anticipated in FY 2029, with the West Polk Wellfield Project following in FY 2032. These two milestones, rather than the calendar, drive the timing of the recommended hires. The Plan also recognizes that the Cooperative has retained U.S. Water Corporation, in partnership with ACCIONA, under a five-year operations-and-maintenance ("O&M") contract executed in 2023, with one five-year renewal option. That contract supplies the operator-of-record staffing at the wellfields and water treatment plants for the foreseeable future. The transition recommended in this Plan therefore focuses on the "owner-side" positions – the engineering, finance, compliance, regulatory-affairs, public-information, and executive leadership functions – that the Cooperative cannot prudently leave to its O&M contractor.

The principal recommendations of this Plan are summarized below and developed in detail in the Sections that follow:

- PRWC has clear and broad authority under Section 2.06(W) of the 2016 Interlocal Agreement to "engage and or employ persons or legal entities and provide such deferred compensation, retirement benefits or other benefits or programs, as the Board of Directors deems appropriate." No amendment to the Interlocal Agreement is required to implement the transition.
- The transition is staged to the wellfield-and-plant cut-overs in FY 2029 and FY 2032, not to the calendar. The Cooperative's first new government-employee position is hired in FY 2027 (a Conservation Specialist administering the existing Conservation Implementation Agreement). Four foundational positions follow in FY 2028 (Human Resources Director, Executive Assistant, Capital Projects Director, and Information Technology and SCADA-Cybersecurity Director). The Southeast Wellfield cut-over class of four positions is added

in FY 2029 (Capital Projects Manager, Reg/Compliance Manager/Senior Hydrogeologist, Operations Director, and Senior Accountant). Additional positions are added through FY 2033, and the Executive Director position is converted from contract to government employee in FY 2034 (or earlier, when the individual serving as Executive Director is willing and able to convert).

- A single Capital Projects Manager is recommended in FY 2029 in place of two existing contract project-management arrangements (Mark Addison's contract on the Southeast Wellfield Project and Tom Mattiacci's part-time Project Administrator engagement on the West Polk Project). The single Capital Projects Manager will support both projects through commissioning and is intended to consolidate the project-management function in one accountable in-house position.
- The conversion of the Finance Manager position from contract (Laura Guy-Rice) to a government-employee Director of Finance and Administration is presented as a contingent recommendation. The Plan calls for the Finance function to be brought in-house no later than the second post-cut-over year (FY 2030), with the precise timing dependent on Ms. Guy-Rice's election to convert and on the implementation status of the Cooperative's new governmental financial-management software (discussed in Section V.E).
- The conversion of the Executive Director position from contract (Eric DeHaven) to a government-employee position is planned for FY 2034 – the final year of the transition – for budgeting purposes, but the Plan is structured so that the conversion may occur earlier, whenever the individual serving as Executive Director is willing and able to transition to a government-employee position. Should the contract Executive Director retire or otherwise depart before the conversion occurs, the Cooperative will engage a successor Executive Director on a contract basis in the interim, who may in turn elect to convert to a government-employee position when ready. Because the human-resources, payroll, and Florida Retirement System infrastructure described in this Plan will by then be in place, a successor Executive Director engaged during the transition should expect government-employee benefits, including FRS participation, to be available within approximately one year of accepting the position.
- The General Counsel position remains a contract position with an outside legal firm selected by the Board. The portion of the General Counsel engagement directed at corporate, ethics, Sunshine, public-records, and HR matters is allocated to the Administrative Expense cost center; the larger portion directed at project permitting, contracts, real estate, financing, and litigation is allocated to the applicable Water Project Cost center.
- PRWC should affirmatively elect to participate in the Florida Retirement System under Section 121.051(2)(b), Fla. Stat., effective on or before the date the first government employee is hired. Election is irrevocable, but the cost analysis comparing FRS to alternative retirement vehicles strongly favors FRS, and FRS-credit portability is the single

most important non-financial recruiting advantage that the Cooperative will have when competing with peer regional utilities for senior staff.

- The Board of Directors must adopt, in advance of the first hire, a comprehensive set of personnel policies, an employee handbook, and a compensation-and-classification plan. The Cooperative may use the Polk County compensation-and-classification framework as a starting point rather than procuring an independent compensation consultant in the immediate term.
- The recurring administrative-expense impact of the transition will be managed through a documented cost-allocation methodology, with the substantial majority of new personnel costs allocated to the Combined Projects, Southeast Wellfield, West Polk Wellfield, Conservation, and any future-project Implementation Agreement cost centers and recovered from the participating Member Governments through the corresponding wholesale-rate or project-cost-recovery mechanism. The Administrative Expense cost center is expected to grow modestly, and the $200,000 supermajority threshold under Section 2.05 of the Interlocal Agreement should remain manageable.
- Office-space needs are addressed through a three-phase approach: Phase 1 (continued use of Polk County-provided space through approximately FY 2028); Phase 2 (leased central-county office space, approximately FY 2029 through approximately FY 2033); and Phase 3 (permanent administrative office programmed into the West Polk Wellfield Project site based upon design space constraints that will be determined in FY2027).

II. Scope of Authority Under the 2016 Interlocal Agreement

A. Cooperative Powers Generally

PRWC is an independent special district and public agency created on June 1, 2016, by the Polk Regional Water Cooperative Interlocal Agreement (the "Interlocal Agreement") executed by Polk County and fifteen Polk County municipalities pursuant to Sections 163.01 and 373.713, Florida Statutes. The Interlocal Agreement vests the Cooperative with broad and self-executing authority to staff itself in whatever manner the Board of Directors determines appropriate. The relevant powers, all set forth in Section 2.06 of the Interlocal Agreement, include:

- Section 2.06(F): "to contract for the service of engineers, accountants, attorneys and other experts or consultants, and such other agents and employees as the Board of Directors may require or deem appropriate from time to time";
- Section 2.06(G): "to contract with a Member Government or any private or public entity for the operation and management of any Cooperative Facility";
- Section 2.06(W): "to engage and or employ persons or legal entities and provide such deferred compensation, retirement benefits or other benefits or programs, as the Board of Directors deems appropriate";

- Section 2.06(EE): "to purchase such insurance as it deems appropriate"; and
- Section 2.06(LL): the catch-all power "to do all acts and to exercise all of the powers necessary, convenient, incidental, implied or proper, in connection with any of the powers, duties, obligations or purposes authorized by this Interlocal Agreement or by law."

Section 2.02(G) further provides that the Board of Directors may appoint a person or entity to act as its Executive Director and as its General Counsel, having such official title, functions, duties, and powers as the Board of Directors may prescribe, and that "a sitting Director shall not be eligible to serve as executive director, general counsel or any other employee of the Cooperative," which prevents any Member-Government appointee on the Board from cross-employment with the Cooperative.

B. Initial Staffing Provision (Section 3.02(A))

Section 3.02(A) of the Interlocal Agreement, captioned "Staffing," anticipated the present circumstances. It provides that "[a]lthough the Cooperative may hire, contract or otherwise retain a dedicated staff to administer the Cooperative at any time, the initial staffing and administration of the Cooperative shall be by and through the staff members, employees, consultants, and other professionals of the Member Governments." The transition contemplated in this Plan is the natural evolution from the "initial" staffing model expressly described in Section 3.02(A) to the "dedicated staff" model that the same provision expressly authorizes.

C. Sovereign Immunity and Public-Employer Status

Once converted to government employees, all PRWC personnel will enjoy the personal-immunity protections of Section 768.28(9), Florida Statutes, which bars personal tort liability of a public officer or employee acting within the scope of his or her employment unless the act is committed in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property. Section 4.04(A) of the Interlocal Agreement explicitly extends to "the Cooperative, its officials, officers, agents or employees" all of the privileges and immunities afforded to the Member Governments. Section 4.04(B) and Section 163.01(5)(o), Fla. Stat., make clear that Member Governments are not jointly or individually liable for torts of the Cooperative's employees and that the Cooperative – not its Member Governments – "shall be liable for any torts attributable to it or for torts of its officers, employees or agents," subject to the statutory caps in Section 768.28. Those caps are presently $200,000 per claim and $300,000 per occurrence under Section 768.28, Fla. Stat. Conversion to a government-employee model therefore does not increase the Cooperative's tort exposure; on the contrary, it places the Cooperative's personnel within the same statutory liability framework as the rest of Florida's public-utility workforce.

D. Budget Approval, the Two-Cost-Center Structure, and Allocation of Personnel Costs

Section 2.05 of the Interlocal Agreement requires that the Cooperative's budget "contain separate cost centers for Administrative Expenses and Water Project Costs." Section 2.05 further provides that the Board approves the Administrative Expense portion of the budget by majority vote under the Normal Vote Method, "except that any decision to approve total Member Government annual contributions in excess of two hundred thousand ($200,000.00) dollars shall be by seventy-five (75%) percent vote of the Quorum using the Weighted Vote Method." By its express terms, that supermajority trigger applies only to total Member Government contributions to the Administrative Expense cost center, not to the Water Project Cost centers established under the Cooperative's several project-specific Implementation Agreements.

Personnel costs for the new positions recommended in Section IV below are allocated, position by position, between the Administrative Expense cost center and the appropriate Water Project Cost centers based on each employee's documented time commitment to general administration on the one hand and to specific projects on the other. The Cooperative presently has four principal Water Project Cost centers: (i) the Combined Projects Implementation Agreement; (ii) the Southeast Wellfield Implementation Agreement; (iii) the West Polk Wellfield Implementation Agreement; and (iv) the Conservation Implementation Agreement. Each future project (including the Peace River Surface Water Project, when it advances to implementation) will become a separate Water Project Cost center under its own Implementation Agreement.

Cost allocation of personnel time to project cost centers is a standard accounting practice for Florida regional utilities. Tampa Bay Water, the Peace River/Manasota Regional Water Supply Authority, and the Emerald Coast Utilities Authority each allocate portions of their executive, engineering, finance, regulatory, public-information, asset-management, and human-resources staff time to specific projects, and recover those allocated costs from the participating member governments through the applicable wholesale-rate or project-cost-recovery mechanism. The methodology is consistent with generally accepted governmental accounting principles, supported by standard governmental cost-allocation practices, and reinforced – where federal grant or State Revolving Fund financing is involved – by the allocability principles in 2 C.F.R. Part 200, Subpart E. As a practical matter, the Director of Finance and Administration (after the Finance Manager conversion) should adopt and document a written cost-allocation methodology (typically a quarterly time-allocation questionnaire completed by each employee, supplemented by a project-code timekeeping system in the new governmental financial-management software) and apply it consistently across all positions.

Under that methodology, the Capital Projects Director, the Capital Projects Manager, the Senior Engineer, the Operations Director, the Asset & Operations Manager, the Reg/Compliance Manager/Senior Hydrogeologist, and the Reg/Compliance Specialist will each spend the substantial majority of their time on the Combined Project, Southeast Wellfield Project, the West Polk Wellfield Project, or another specific Water Project, and their salaries and benefits will be

charged predominantly to the corresponding Water Project Cost center. The Conservation Specialist is allocated principally to the Conservation Implementation Agreement Cost center. The Senior Accountant, Public Information Officer, IT/SCADA-Cybersecurity Director, and the Executive Office can be allocated in part to specific projects and in part to general administration. The General Counsel engagement is itself allocated between cost centers: the portion of legal work directed at corporate, ethics, Sunshine, public-records, and HR matters is charged to the Administrative Expense cost center, while the larger portion of legal work directed at project permitting, contract administration, real estate, financing, litigation, and other project-specific matters is charged to the applicable Water Project Cost center. Only the residual general-administration component – the admin-related portion of the General Counsel engagement, the Executive Office's policy and Member-Government engagement time, the Human Resources Director's general-services time, board-meeting and audit costs, and similar truly Cooperative-wide expenditures – is charged to the Administrative Expense cost center. With this allocation methodology in place, the Administrative Expense cost center is expected to grow modestly during the transition period, and the $200,000 supermajority threshold should remain manageable.

E. Limits on Cooperative Authority and Gaps to Address by Board Resolution

The Interlocal Agreement is silent on a number of personnel-related topics that will require affirmative Board action prior to the first government-employee hire:

- The Interlocal Agreement does not expressly delegate hiring authority to the Executive Director. Under Section 2.02(A), "the exercise of any and all executive, administrative and ministerial powers may be delegated by the Board of Directors," and the Board should adopt a delegation resolution that gives the Executive Director the authority to hire all positions below a stated grade and reserves the appointment of the senior-management team to the Board itself.
- The Interlocal Agreement does not opt PRWC into the Florida Retirement System. This is an affirmative election that must be made by Board resolution and application to the Department of Management Services.
- The Interlocal Agreement does not adopt a personnel-policy framework, compensation-and-classification plan, or employee handbook. All three are mandatory pre-conditions to the first government-employee hire.
- The Interlocal Agreement does not address whether the Cooperative will use a "contribution" or "reimbursement" method for Florida reemployment-assistance taxes under Chapter 443, Florida Statutes. Public employers may elect either method; "reimbursement" is ordinarily preferred for low-turnover special districts. This is a Board policy decision to be confirmed by separate resolution.

- The Interlocal Agreement requires unanimous Member-Government consent for any amendment (Section 4.02(A)). The Plan is therefore designed entirely within existing Interlocal-Agreement powers and requires no amendment.

III. Instructive Peer Models

In preparing the recommendations in this Plan, the Cooperative surveyed the staffing trajectories of comparable Florida and national regional water-supply authorities. The most instructive peers are Tampa Bay Water (formerly the West Coast Regional Water Supply Authority), the Peace River/Manasota Regional Water Supply Authority, the Withlacoochee Regional Water Supply Authority, the Tohopekaliga Water Authority, and the Emerald Coast Utilities Authority.

A. Tampa Bay Water (Formerly West Coast Regional Water Supply Authority)

Tampa Bay Water ("TBW") is the regional water-supply authority most often invoked when explaining the long-term trajectory of a Florida wholesale utility. Originally formed on October 25, 1974 as the West Coast Regional Water Supply Authority ("WCRWSA") under the same statutory authorities (Sections 163.01 and 373.713, Florida Statutes) on which PRWC was created, WCRWSA was a fully functioning regional water utility from its earliest years. Shortly after WCRWSA's formation, the City of St. Petersburg and Pinellas County transferred the Cypress Creek Wellfield to the Authority in 1975, and WCRWSA began operating the wellfield with its own staff. Pinellas County subsequently transferred the Cross Bar Ranch Wellfield to the Authority. WCRWSA proceeded to develop on its own behalf the Starkey Wellfield, the Cypress Bridge Wellfield, the Northwest Hillsborough Wellfield, the South Central Hillsborough Wellfield, and the Tampa Bypass Canal facility. Staff was added gradually over the succeeding two decades as each new wellfield was acquired or constructed.

The 1998 restructuring of WCRWSA into Tampa Bay Water was driven not by the assumption of operating responsibility (WCRWSA had been operating wellfields for more than two decades) but by the desire of the Member Governments to move from a facility-by-facility rate structure to a single, unitary wholesale rate. Under the 1998 Acquisition Agreement, Master Water Supply Contract, and Amended and Restated Interlocal Agreement, TBW became the sole and exclusive wholesale water provider to its Member Governments and purchased all remaining Member-Government-owned regional water-supply facilities. TBW today employs approximately 175 persons, supplies on the order of 200 million gallons per day to approximately 2.5 million residents, and operates a hybrid model in which wellfields are operated in-house by TBW employees and the regional surface-water treatment plant is operated under a long-running design-build-operate contract with Veolia Water North America. TBW participates in the Florida Retirement System.

The lessons most relevant to PRWC: staff growth at WCRWSA/TBW was paced to asset acquisition and development, not to a calendar; the functions WCRWSA/TBW insourced from the

beginning and progressively expanded over time were finance, engineering and capital projects, regulatory and environmental compliance, science (laboratory and hydrogeology), wellfield and transmission operations, communications, human resources, and information technology; outside legal counsel was retained throughout; and plant treatment operations have, since 2000, remained a contracted function. PRWC's decision in 2023 to retain U.S. Water Corporation and ACCIONA as its long-term O&M partner is consistent with the TBW model.

B. Peace River/Manasota Regional Water Supply Authority

The Peace River/Manasota Regional Water Supply Authority ("PRMRWSA") was formed in 1982 by Charlotte, DeSoto, Manatee, and Sarasota Counties pursuant to Section 373.1962, Florida Statutes (the predecessor to Section 373.713). The four counties remain the Authority's only governing-board members. The City of North Port is a wholesale water-supply customer of the Authority under a separate water-supply contract but is not a member of the Authority and holds no governing-board seat. For its first nine years, PRMRWSA was a planning and coordination authority. In 1991, when General Development Utilities declared bankruptcy, PRMRWSA acquired GDU's Peace River Facility – a small surface-water treatment plant on the Peace River – and immediately found itself the operator of a 12-million-gallon-per-day regional treatment plant.

Unlike TBW, which adopted a permanent contract-O&M model in 2000, PRMRWSA chose to bring the Peace River plant in-house at the 1991 acquisition and has operated it with public employees ever since. Today PRMRWSA employs approximately 63 persons, and is led by an Executive Director, a Director of Operations, a Senior Engineering and Projects Manager, and a Senior Finance and Budget Manager. PRMRWSA participates in the Florida Retirement System.

PRWC, unlike PRMRWSA in its 1982-1991 phase, was not formed as a planning shell. The 2016 Interlocal Agreement was executed with the express purpose of constructing and operating regional water-supply facilities, and the Cooperative's entire ten-year history to date has been directed at that end. What is comparable is what happens after the facilities come online: whether PRWC, like TBW, ultimately keeps plant O&M with U.S. Water Corporation indefinitely, or whether PRWC, like PRMRWSA, eventually transitions plant O&M in-house, will be a Board decision that need not and should not be taken until the second five-year renewal of the U.S. Water O&M agreement is up for evaluation.

C. Other Florida Regional Authorities

1. Withlacoochee Regional Water Supply Authority

The Withlacoochee Regional Water Supply Authority ("WRWSA"), covering Citrus, Hernando, Marion, and Sumter Counties, is best described as an owner-and-planner authority rather than a strict operating utility. WRWSA owns the Charles A. Black Water Supply Facility in central Citrus County, consisting of seven groundwater production wells and two associated treatment-and-disinfection facilities. WRWSA does not operate the facility itself; instead, Citrus

County operates and maintains the facility under an interlocal operating agreement with the Authority. WRWSA itself has approximately six employees led by an Executive Director, and supplements its in-house staff with master-services-agreement contracts with consulting engineering firms.

2. Tohopekaliga Water Authority

Tohopekaliga Water Authority ("Toho") was created in October 2003 by special act of the Florida Legislature and immediately replaced City of Kissimmee utility operations and absorbed parts of the failing investor-owned Florida Water Services system. From the day of its creation, Toho was an operating utility. Today it serves more than 160,000 accounts in Kissimmee, St. Cloud, Poinciana, and unincorporated Osceola, Polk, and Orange Counties, with a workforce in the 250-to-300 range. Toho is the principal Florida exception to the contract-General-Counsel model: it has internalized its General Counsel role. PRWC need not follow that path at this stage of its development.

3. Emerald Coast Utilities Authority

Emerald Coast Utilities Authority ("ECUA"), formed in 1981 as the Escambia County Utilities Authority and renamed in 2004, today operates with between 500 and 1,000 employees across two service locations in Escambia County and offers wholesale and retail water and wastewater service. ECUA participates in FRS and provides its employees the FRS Pension Plan, the FRS Investment Plan, and a supplemental 457(b) deferred-compensation plan. ECUA's benefits structure is the most directly transferable model for PRWC.

IV. Recommended Seven-to-Eight Year Transition Plan

A. Guiding Principles

This Plan rests on six guiding principles:

- Stage hires to asset cut-overs, not to the calendar. The Southeast Wellfield Project completion in FY 2029 and the West Polk Wellfield Project completion in FY 2033 are the two events that change the Cooperative's operating profile and therefore drive the timing of new positions.
- Insource the brain trust before insourcing the plant. Engineering, finance, regulatory compliance, asset management, human resources, information technology, communications, and contract oversight should all be in-house – in skeletal form – before either of the two treatment plants is placed in service. Plant treatment operations should remain with U.S. Water Corporation/ACCIONA under the existing contract.
- Convert before adding. The first government-employee hires after the foundational positions are conversions or replacements of the three existing contract relationships, in the order: Project Manager / Project Administrator (Mark Addison and Tom Mattiacci replaced

by a single Capital Projects Manager in FY 2029) → Finance Manager (Laura Guy-Rice, contingent conversion in approximately FY 2030) → Executive Director (Eric DeHaven, in approximately FY 2034) for planning purposes, but likely earlier. Each conversion should happen no sooner than the date the corresponding contract expires by its natural terms or by mutual agreement, and should happen with full transition planning, including overlap and knowledge transfer.

- Keep general counsel a contract position. The general counsel function, which requires regular litigation, regulatory, real-estate, financing, and bond-counsel expertise that is most efficiently delivered by a specialized water-and-special-district law firm, should remain a contract position. This is the model used by TBW, PRMRWSA, ECUA, and FGUA. Toho is the principal Florida exception, having internalized its General Counsel role; PRWC need not follow that path at this stage of its development.
- Recruit competitively. Each recruitment should be conducted as an open, competitive process drawing from the broad Florida public-utility labor market. Compensation and benefits should be benchmarked against Florida peer regional water utilities and adjusted as needed to attract qualified candidates from across the state.
- Build only the headcount that the wholesale rate can pay for. Every added position becomes a recurring expense funded by a combination of wholesale rates under the Implementation Agreements and Administrative Expense contributions from the Member Governments. The Executive Director and the Finance Manager should build the staffing plan into a multi-year rate-projection model, identify the impact on wholesale rates, and present to the Board the rate impact alongside every new-position request.

B. Year-by-Year Recommended Hiring Sequence

The recommended sequence below is calibrated to the engineering schedule for the Southeast Wellfield Project (substantial completion FY 2029) and the West Polk Wellfield Project (substantial completion FY 2033). Each fiscal year is identified by the Cooperative's October-1-to-September-30 fiscal calendar.

1. FY 2026 (Current Fiscal Year) – Information and Adoption

FY 2026 is the year in which the Plan is presented to the Board, presented to the Member Governments, and ultimately adopted by Board resolution. No new positions are added in FY 2026, and the Board takes only those resolutions that are pre-conditions to the FY 2027 build-out:

- July 2026 Board meeting – the Executive Director and the General Counsel jointly present this Plan as an information item.
- August 2026 – the Executive Director presents the Plan to the Polk County Manager and the fifteen Polk County City Managers, soliciting comments and addressing concerns.

- September 2026 Board meeting – the Board adopts a Resolution Adopting this Workforce Transition Plan.
- November 2026 (FY 2027 Q1) Board meeting – the Board adopts (i) a Resolution Electing to Participate in the Florida Retirement System under Section 121.051(2)(b), Fla. Stat.; (ii) a Resolution Electing the Reimbursement Method under Section 443.1313, Fla. Stat. for reemployment-assistance obligations; (iii) a Resolution Delegating Hiring Authority to the Executive Director for non-senior-management positions; (iv) a Resolution establishing the Personnel Committee under Section 2.02(I) of the Interlocal Agreement, with up to three Directors serving subject to the Sunshine Law; and (v) the initial Procurement Policy.

The detailed slate of policies and resolutions, the Conservation Specialist hire, the executive-search engagement for the FY 2028 hiring class, and the substantial preparatory work for the FY 2028 build-out are all undertaken in FY 2027 as described in paragraph 2 below.

2. FY 2027 – First In-House Hire and Preparation Year

FY 2027 is both the first hiring year of the transition and the principal preparation year for the larger FY 2028 hiring class. The Cooperative's first new government-employee position is the Conservation Specialist; the balance of FY 2027 is devoted to the substantial preparatory work required to support the FY 2028 build-out of four director-level positions.

a. Conservation Specialist Hire.

- Conservation Specialist (1.0 FTE). The Cooperative has already executed a Conservation Implementation Agreement with its Member Governments, and the day-to-day administration of that Agreement – including coordination with each of the sixteen Member Governments' conservation programs, demand-management planning, rebate-and-incentive program administration, and SWFWMD conservation reporting – warrants a dedicated specialist from the outset of the workforce transition. The Conservation Specialist initially reports to the Executive Director (and is matrixed with the Polk-County-employed Executive Assistant for administrative support) and transitions to report to the Operations Director when that position is filled in FY 2029. The position's time is allocated principally to the Conservation Implementation Agreement Cost center.

b. Resolutions and Policy Adoption.

The Cooperative should use FY 2027 to complete the policy and resolution work begun in FY 2026 and to enact the additional policies that are pre-conditions to the FY 2028 hiring class:

- Resolution adopting the final Personnel Policies and Procedures Manual (the FY 2026 draft developed jointly by General Counsel and the Executive Director is presented for Board adoption in FY 2027 Q1).
- Resolution adopting the final Employee Handbook.

- Resolution adopting the initial Compensation and Classification Plan, drawing on the Polk County compensation-and-classification framework as a starting point. Job descriptions are finalized for the four FY 2028 director-level positions (Human Resources Director with collateral PIO/Communications/Records duties, Executive Assistant / Records Management, Capital Projects Director, and IT/SCADA-Cybersecurity Director).
- Resolution adopting the Records Retention Schedule conforming to General Records Schedule GS1-SL.
- Resolution adopting the Cooperative's safety manual, incorporating by reference applicable OSHA standards (confined space, lockout/tagout, trenching/excavation) and Florida workers' compensation drug-free workplace requirements.
- Resolution adopting the Cooperative's ethics and conflicts-of-interest policy implementing Chapter 112, Part III, Fla. Stat. (including the Form 1 financial-disclosure-filing procedure under Section 112.3145, the anti-nepotism rule under Section 112.3135, and the gift-acceptance rule under Section 112.3148).
- Resolution adopting the Cooperative's whistleblower policy and notice posting under Section 112.3187(11), Fla. Stat.
- Resolution adopting the Cooperative's public records policy under Chapter 119, Fla. Stat., including designation of an interim public-records custodian (the Polk-County-employed Executive Assistant pending the FY 2028 hire).
- Resolution finalizing FRS enrollment, including formal application to the Department of Management Services, Division of Retirement, and submission of the application package at least fifteen days before the FY 2028 first-employee start date.
- Resolution adopting the Section 457(b) deferred-compensation plan (State of Florida plan administered by DFS Bureau of Deferred Compensation) as a supplemental retirement benefit.
- Resolution designating Senior Management Service Class positions under Section 121.055(1)(b)1., Fla. Stat. (the Executive Director, Director of Finance and Administration, Capital Projects Director, Operations Director, Human Resources Director, and IT/SCADA-Cybersecurity Director).

c. Insurance, Payroll and Office Space Infrastructure.

- Procurement of liability, workers' compensation, employment-practices, cyber, and director-and-officer insurance through a public-entity pool such as the Florida Municipal Insurance Trust or Preferred Governmental Insurance Trust. Coverage should be bound effective no later than 30 days before the first FY 2028 employee start date.
- Selection of payroll vendor and establishment of payroll, payroll-tax, and reemployment-assistance reporting accounts.

- Establishment of an E-Verify account under Section 448.095, Fla. Stat., for all new hires beginning FY 2028.
- Negotiation and execution of an interlocal agreement under Section 163.01, Fla. Stat., with a member government formalizing the Phase 1 office-space arrangement, including space, cost, IT and telecommunications support, security and access, term, and termination notice provisions. The interlocal agreement should expressly contemplate Phase 1 termination on or before September 30, 2028, so that the Cooperative can transition to Phase 2 leased space before the Southeast Wellfield cut-over hires arrive in FY 2029.
- Engagement of a real-estate broker and initiation of site-selection and lease-procurement work for the Phase 2 leased central office space described in Section VI.B, with a target occupancy date of October 1, 2028.

d. Governmental Financial-Management Software – Pre-Procurement Work.

Although the IT/SCADA-Cybersecurity Director hired in FY 2028 will lead the formal procurement and implementation, several preparatory steps should be taken in FY 2027 to keep the project on schedule:

- Engagement of an outside IT-procurement advisor, use of the Florida-League-of-Cities purchasing cooperative or obtain help from member government IT departments to assist with vendor identification and requirements specification.
- Development of a written functional requirements document covering general ledger, accounts payable, payroll, fixed-asset and depreciation management, wholesale-rate billing, project-cost-allocation and timekeeping, budget preparation and monitoring, and audit-ready reporting.
- Issuance of a Request for Information (RFI) to vendors including Tyler Technologies, Caselle, Springbrook, BS&A, Black Mountain Software, and other governmental-utility ERP providers, with responses informing FY 2028 procurement budget.
- Capital budget request in the FY 2028 budget for governmental financial-management software implementation (planning estimate $150,000 to $300,000, refined by RFI responses).

e. Recruitment Preparation for FY 2028 Hiring Class.

- Selection and engagement of an executive-search firm (Slavin Management Consultants, Springsted/Waters, Affion Public, or comparable) or coordinate with a member government HR Department for the four FY 2028 director-level positions.
- Development of position descriptions, salary ranges, and advertisement copy for each FY 2028 position.

- Identification of candidate-evaluation panels for each position (the Executive Director, members of the Board, and where appropriate, a Polk County HR representative providing comparative context).
- Public posting of position announcements in late FY 2027 / early FY 2028, with offers extended in time for FY 2028 Q2 start dates.

f. Member-Government Engagement.

- Quarterly briefings to the Polk County Manager and the fifteen Polk County City Managers on the status of the workforce transition, including the cost impact of FY 2028 hires on the Administrative Expense and Water Project Cost allocations.
- Briefings to the boards or commissions of the Members on the cost-allocation methodology adopted under Section II.D of this Plan, as requested.

FY 2027 aggregate incremental personnel cost (the Conservation Specialist) is estimated at $95,000 to $120,000, base salary plus benefits. FY 2027 one-time and capital costs (executive-search engagements, software RFI consultant, insurance bind-down, payroll setup, and similar transition costs) are estimated at $75,000 to $150,000.

3. FY 2028 – Foundational Build-Out

The next four government-employee positions are filled in FY 2028, ahead of the Southeast Wellfield cut-over in FY 2029:

- Human Resources Director with collateral Public Information / Communications / Records Coordinator duties (1.0 FTE). Initially this position serves three combined functions: (i) Human Resources (personnel administration, benefits, payroll integration, policies and procedures); (ii) Public Information and Communications (Member-Government outreach, press relations, governmental affairs); and (iii) Public Records Coordination (Chapter 119 custodian responsibilities). When the standalone Public Information Officer is hired (FY 2030, see paragraph 5 below), this position transitions to a primarily Human Resources Director role and the PIO and Records-Coordinator functions are absorbed by other positions. This is intentionally the first PRWC director-level employee, so that the HR function is in-house when the second, third, and fourth positions are filled.
- Executive Assistant/Records Management (1.0 FTE; combined position). The Cooperative is presently supported by an Executive Assistant who is an employee of Polk County. As the first PRWC personnel are hired and the Cooperative's administrative operations begin to function independently of any single Member Government, the Cooperative will need a dedicated Executive Assistant of its own. This position supports the Executive Director, the Board of Directors, and any standing committees, and also serves as the Cooperative's Records Management and Public Records Coordinator on a combined-position basis from the outset.

- Capital Projects Director (1.0 FTE). This position leads the project-initiation and capital-development side of the technical organization. The role is most naturally filled by a Florida-licensed Professional Engineer or, alternatively, a Professional Geologist with the requisite project-development experience. The Capital Projects Director hired in FY 2028 will work alongside Mr. Addison and Mr. Mattiacci through the Southeast Wellfield Project commissioning, with phased replacement of the two project-management contracts by a single Capital Projects Manager in approximately FY 2029 (see paragraph 4 below).
- Information Technology and SCADA-Cybersecurity Director (1.0 FTE). The America's Water Infrastructure Act of 2018, Section 2013, codified at 42 U.S.C. § 300i-2, requires community water systems serving more than 3,300 persons to conduct risk-and-resilience assessments and emergency-response plans. The IT/SCADA-Cybersecurity Director is positioned as a joint function reporting directly to the Executive Director rather than to either the Capital Projects Director or the Operations Director, so that the IT and SCADA-cybersecurity function has the institutional flexibility to integrate systems across capital, operations, finance, and administration as the Cooperative grows. Among the first deliverables of this position is the selection, procurement, and implementation of the Cooperative's governmental financial-management software (see Section V.E below).

FY 2028 aggregate incremental personnel cost (over and above the FY 2027 base) is estimated at $515,000 to $675,000, base salaries plus benefits, partially offset by reductions in the present consulting and professional-services budget for HR, engineering oversight, and IT/cybersecurity.

4. FY 2029 – Southeast Wellfield Cut-Over Year

FY 2029 is the year in which the Southeast Wellfield Project is substantially completed. The five recommended hires for FY 2029 are:

- Capital Projects Manager (1.0 FTE; consolidates Mark Addison and Tom Mattiacci contracts). The Cooperative presently relies on two separate contract project-management arrangements: Mark Addison's contract for the Southeast Wellfield Project, and Tom Mattiacci's part-time Project Administrator engagement for the West Polk Wellfield Project (Mr. Mattiacci is a retired Lakeland Assistant Utility Director). The Plan recommends consolidating both functions in a single full-time Capital Projects Manager position hired in FY 2029, reporting to the Capital Projects Director, who oversees both wellfield projects through commissioning. Both existing contracts are intended to be consolidated into this position as part of the conversion, with appropriate transition periods to allow knowledge transfer. The Capital Projects Manager position should be recruited by open and competitive process, and current contractors are encouraged to apply. The Cooperative recognizes, however, that a current contractor may prefer not to transition into a government-employee role. In that event, the Cooperative may, at its discretion, extend or continue that contractor's existing contract engagement for such additional period as the

Cooperative determines appropriate to ensure continuity on the wellfield projects and an orderly transition, rather than requiring termination of the contract upon creation of the employee position.

- Operations Director (1.0 FTE). The Operations Director leads the project-operations side of the technical organization and is the counterpart to the Capital Projects Director on the project-initiation side. The Operations Director is responsible for the ultimate oversight of plant operations, day-to-day oversight of the U.S. Water Corporation/ACCIONA O&M contract, regulatory and environmental compliance, water-conservation programming, asset management, and the Cooperative's ongoing relationship with FDEP, EPA, SWFWMD, and other regulators. The Operations Director's direct reports as the organization matures will include the Reg/Compliance Manager/Senior Hydrogeologist (FY 2029 hire), the Asset & Operations Manager (FY 2030 hire), the Conservation Specialist (FY 2027 hire transitioning under this Director), and the Reg/Compliance Specialist (FY 2033 hire).
- Reg/Compliance Manager/Senior Hydrogeologist (1.0 FTE; combined role). This position consolidates the Cooperative's regulatory-compliance and hydrogeologic functions in a single full-time hire, recognizing that both responsibilities draw on a common base of technical and regulatory expertise and that neither, standing alone, is expected to warrant a dedicated full-time employee at this stage of the Cooperative's development. Reporting to the Operations Director, this position is responsible for day-to-day FDEP, EPA, SWFWMD, SFWMD, and federal SDWA compliance management, including the FDEP UIC permit and the Class V/Class I injection-well compliance regimen, monthly operating reports, lead-and-copper compliance, Stage 2 Disinfectants and Disinfection Byproducts Rule monitoring, Revised Total Coliform Rule monitoring, the PFAS National Primary Drinking Water Regulation (40 C.F.R. Part 141, Subpart Z) compliance schedule, and consumer-confidence-report preparation. The PFAS rule presently establishes occurrence-monitoring and compliance deadlines; however, EPA has announced reconsideration of portions of the rule and potential extensions of certain compliance deadlines. PRWC should monitor EPA rulemaking and implementation guidance closely. In its hydrogeologic capacity, the position also serves as the Cooperative's in-house subject-matter expert and informed reviewer of the hydrogeologic work product prepared by Team One and any successor consultant, supporting the Capital Projects Director during project development; the Cooperative may fill the role with a credentialed senior hydrogeologist or with a wellfield specialist of equivalent qualifications.
- Senior Accountant (1.0 FTE). With debt-service payments commencing on the Southeast Wellfield Project financing and wholesale-rate billing beginning, the Cooperative will gradually transition accounting services from Clifton, Larson, Allen (CLA) and require a senior accountant to maintain the books and records, manage the wholesale-rate billing cycle, and prepare for the eventual conversion of the Finance Manager position. This

position presupposes implementation of the governmental financial-management software described in Section V.E.

FY 2029 aggregate incremental personnel cost (over and above the FY 2028 base) is estimated at $525,000 to $725,000, base salaries plus benefits, partially offset by elimination of the Mark Addison and Tom Mattiacci project-management contracts as well as transition from outside accounting services.

5. FY 2030 – First Post-Cut-Over Year

The recommended hires for FY 2030 are:

- Conversion of the Finance Manager position from contract (Laura Guy-Rice) to a Director of Finance and Administration – contingent recommendation. The Plan recommends that the Finance function be brought in-house no later than FY 2030, with the precise timing dependent on Ms. Guy-Rice's election to convert and on the implementation status of the governmental financial-management software. The Director of Finance and Administration will supervise the Senior Accountant hired in FY 2029 and any additional finance staff added in later years. The same approach recommended for the Project Manager replacement – first offer to the incumbent, open recruitment if declined – should be followed for Ms. Guy-Rice. If Ms. Guy-Rice declines, open recruitment should follow.
- Asset & Operations Manager (1.0 FTE). This position reports to the Operations Director and serves as the owner's representative on the U.S. Water Corporation/ACCIONA O&M contract, oversees the asset-management plan for the Southeast Wellfield Project, manages the contractor performance-monitoring program, and prepares the Cooperative for any future decision regarding renewal, re-procurement, or insourcing of plant O&M.
- Public Information Officer (1.0 FTE). The standalone Public Information Officer position splits off from the combined Human Resources Director role established in FY 2028. After this hire, the Human Resources Director becomes primarily an HR director, and the PIO handles Member-Government outreach, press relations, governmental affairs, and the Cooperative's public-facing communications.

FY 2030 aggregate incremental personnel cost (over and above the FY 2029 base, and inclusive of the Finance Manager conversion) is estimated at $400,000 to $550,000, base salaries plus benefits, partially offset by elimination of the Finance Manager contract.

6. FY 2031 – Bridge Year

The recommended hires for FY 2031 are:

- Senior Engineer (1.0 FTE). Reporting to the Capital Projects Director, the Senior Engineer is the second in-house engineer (after the Capital Projects Director) and supports the Peace River Surface Water Project permitting work-stream (anticipated permitting in the early-to-mid-2030s and completion by or about 2040), the West Polk Wellfield Project

commissioning preparations, and the engineering-review oversight of Team One and any successor consulting engineers.

- Procurement Specialist (1.0 FTE). The Cooperative's procurement workload, including capital procurement, professional services, and contract administration on the U.S. Water Corporation agreement, will exceed the capacity of the existing administrative structure by FY 2031. The Procurement Specialist reports to the Director of Finance and Administration.

FY 2031 aggregate incremental personnel cost is estimated at $210,000 to $300,000, base salaries plus benefits, for the Senior Engineer and Procurement Specialist.

7. FY 2032 – Bridge Year

FY 2032 is a bridge year with no required new hires. The Cooperative uses this year to (i) prepare the West Polk Wellfield commissioning team, (ii) advance Peace River Surface Water Project permitting, and (iii) begin the design phase of the Phase 3 administrative building described in Section VI.

FY 2032 aggregate incremental personnel cost is approximately zero.

8. FY 2033 – West Polk Wellfield Cut-Over Year

FY 2033 is the year in which the West Polk Wellfield Project is substantially completed. The recommended hire is:

- Reg/Compliance Specialist (1.0 FTE). Reporting to the Operations Director and supporting the Reg/Compliance Manager/Senior Hydrogeologist, the Reg/Compliance Specialist provides additional capacity for regulatory and environmental compliance across both wellfield facilities. Additional hydrogeologic-and-wellfield specialty support associated with the second plant should be procured as needed through Team One or another consulting arrangement, rather than by adding a second in-house hydrogeologist position.

FY 2033 aggregate incremental personnel cost is estimated at $90,000 to $130,000, (base salary plus benefits.

9. FY 2034 – Final Conversion Year

The third and final scheduled conversion occurs in FY 2034:

- Conversion of the Executive Director position from contract (Eric DeHaven) to a government-employee position. By FY 2034, the Cooperative will have transitioned all three of its founding contract relationships, operates two wellfields and treatment plants under a contract O&M model, employs approximately sixteen (16) government employees in back-office, engineering, finance, regulatory, public-information, and asset-management roles, and is in active permitting on the Peace River Surface Water Project. The Executive Director position should be designated a Senior Management Service Class position under Section 121.055, Fla. Stat. Although the conversion is programmed for FY

2034 for planning and budgeting purposes, the Plan is structured to permit it to occur earlier, whenever the individual serving as Executive Director is willing and able to transition to a government-employee position. If the contract Executive Director retires or otherwise departs before the conversion occurs, the Cooperative will engage a successor Executive Director on a contract basis in the interim — preserving continuity without forcing a premature in-house conversion — and that successor may elect to convert to a government-employee position when ready. Because the personnel, payroll, and Florida Retirement System infrastructure established earlier in the transition will already be in place, a successor Executive Director engaged during the transition should expect government-employee benefits, including FRS participation, to become available within approximately one year of accepting the position.

FY 2034 aggregate incremental personnel cost (over and above the FY 2033 base, and including the Executive Director whose cost was previously a contract expense) is estimated at $150,000 to $250,000.

C. Summary Headcount Trajectory

By the end of FY 2034, the Cooperative will employ approximately sixteen (16) full-time equivalent positions, all in regularly established FRS-eligible positions, in the following functional groupings: Executive (2 – Executive Director and combined Executive Assistant / Records Management); Finance and Administration (3 – Director of Finance and Administration, Senior Accountant, and Procurement Specialist); Human Resources (1 – Human Resources Director); Capital Projects (3 – Capital Projects Director, Capital Projects Manager, and Senior Engineer); Operations (5 – Operations Director, Reg/Compliance Manager/Senior Hydrogeologist, Asset & Operations Manager, Conservation Specialist, and Reg/Compliance Specialist); Public Information (1 – Public Information Officer); and IT/SCADA-Cybersecurity (1 – Director, joint function reporting directly to the Executive Director). The general counsel function remains a contract position with an outside legal firm selected by the Board. The plant operator-of-record staffing remains with U.S. Water Corporation/ACCIONA under the existing O&M agreement.

V. Human Resources Implementation

A. Compensation Philosophy

The Cooperative should adopt a Compensation and Classification Plan benchmarked against Florida peer regional wholesale water utilities and against the compensation-and-classification framework used by Polk County. The benchmark group should include, at a minimum, Tampa Bay Water, the Peace River/Manasota Regional Water Supply Authority, the Tohopekaliga Water Authority, the Emerald Coast Utilities Authority, Polk County Utilities, and Lakeland Electric/Water. The Compensation and Classification Plan should establish, for each position, a job description that complies with the essential-functions requirements of the Americans with Disabilities Act, a position classification (exempt or non-exempt under the Fair

Labor Standards Act), and a salary range with at least a minimum, midpoint, and maximum. The Plan should be reviewed and re-benchmarked at least every two (2) years.

For the initial benchmarking effort, the Cooperative may use the Polk County compensation-and-classification framework as a starting point rather than procuring an independent compensation consultant. If the Board determines that an independent consultant is warranted at a later stage, a procurement may be initiated then.

B. Health and Welfare Benefits

The benefits package recommended for adoption is consistent with the package presently offered by ECUA, PRMRWSA, and similarly situated Florida special districts: dual-tier health insurance (HDHP/HSA and PPO); two-tier dental; voluntary vision; basic life and AD&D; short- and long-term disability; an Employee Assistance Program; and a cafeteria plan under IRC § 125. Procurement is recommended through the Florida Public Employer Risk Sharing Pool, the Florida Municipal Insurance Trust, or a comparable public-entity pool, both for cost efficiency and for experience-rating insulation.

C. Paid Leave and Holidays

The recommended paid-time-off structure is consistent with peer Florida regional utilities: annual leave starting at 80 hours per year, scaling to 200 hours at fifteen or more years of service; sick leave at 96 hours per year, accruing per pay period; eleven paid holidays plus one floating holiday; standard bereavement, jury-duty, military, parental, and administrative leave.

D. Recruitment and Selection

The recruitment process for each position should follow the same general procedure: competitive recruitment with public announcement, Equal Employment Opportunity-compliant job posting, application via the Cooperative's online portal, structured interview process, background check (Level 1 for non-sensitive positions; Level 2 under Section 435.04, Fla. Stat. for the Executive Director, the Director of Finance and Administration, and any position with treasury, IT-administrator, or SCADA-administrator authority), reference verification, Form I-9 verification with E-Verify (under Section 448.095, Fla. Stat., public agencies must use E-Verify for all new employees regardless of size), pre-employment drug screen for safety-sensitive positions, Florida Commission on Ethics Form 1 financial-interest filing for covered local officers and chief administrative employees, and final offer letter incorporating the Cooperative's at-will employment policy.

E. Governmental Financial-Management Software

The Cooperative's present accounting is administered under a contract with Clifton Larson Allen using QuickBooks and similar small-business tools. As the Cooperative builds an in-house Finance and Administration function and assumes wholesale-rate billing for the Southeast

Wellfield Project in FY 2029, the present accounting infrastructure will no longer be sufficient. The Cooperative must procure and implement a governmental financial-management software platform that includes, at a minimum: general ledger; accounts payable; payroll integration with FRS reporting; fixed-asset and depreciation management; wholesale-rate billing with consumption-based billing capabilities; project-cost-allocation and timekeeping with project-code support; budget preparation and monitoring; and audit-ready reporting consistent with the Auditor General Rules.

Procurement of this platform is identified in this Plan as one of the first deliverables of the IT/SCADA-Cybersecurity Director hired in FY 2028. The Director should be responsible for evaluating available vendors, conducting a competitive procurement, leading implementation, and overseeing data migration from the existing Clifton Larson Allen-administered system. Implementation should be in productive use no later than the Senior Accountant hire in FY 2029.

Market research indicates that small-to-mid-tier governmental financial-management software appropriate to the Cooperative's scale (sixteen wholesale member accounts, GL/AP/payroll/fixed-asset/budget functionality) is available from vendors including Tyler Technologies (Enterprise ERP, formerly Munis), Caselle, Springbrook, BS&A, and Black Mountain Software. Implementation costs for this scale of utility typically range from approximately $150,000 to $300,000 (with the upper end of that range applicable to a more feature-rich Tyler-class implementation), with annual maintenance and hosting of approximately $40,000 to $70,000. The Cooperative should treat these figures as planning estimates only; actual cost will depend on vendor selection, scope, and implementation timeline. The Plan recommends including the one-time implementation cost in the FY 2028 capital budget (allocated to the Administrative Expense cost center and to each Water Project Cost center based on anticipated use), and the recurring maintenance cost in subsequent operating budgets.

F. Insurance and Risk Management

Concurrent with the first hire, the Cooperative must establish or expand the following insurance programs: workers' compensation (mandatory under Chapter 440, Fla. Stat.); general liability and public officials liability; employment practices liability insurance (limits of at least $2 million per claim and $5 million aggregate); cyber liability insurance (first-party and third-party coverage, limits of at least $5 million per claim); director and officer liability insurance; and property insurance covering the wellfields, water treatment plants, transmission lines, and reject-concentrate injection wells.

VI. Office Space Transition

The transition from contract personnel to a government-employee workforce requires a parallel transition in physical office space. The Cooperative is presently administered in office space made available by Polk County. As the workforce grows from three contract positions today to approximately sixteen (16) full-time-equivalent positions by the end of FY 2034, the

Cooperative will outgrow that shared arrangement and will need its own dedicated and identifiable office presence. The Plan recommends a three-phase approach:

A. Phase 1 – Member-Government Office Space (FY 2026 through FY 2028)

During the foundation year (FY 2026), the first hire year (FY 2027), and the foundational build-out year (FY 2028), the Cooperative should continue to operate from office space provided by Polk County. Phase 1 accommodates the three founding contract positions (Executive Director, Project Manager, and Finance Manager), the Conservation Specialist hired in FY 2027, and the four director-level FY 2028 hires (the Human Resources Director with collateral PIO/Communications/Records duties, the Executive Assistant / Records Management, the Capital Projects Director, and the IT/SCADA-Cybersecurity Director). The Cooperative should, during Phase 1, formalize the office-space arrangement by interlocal agreement under Section 163.01, Fla. Stat., establishing the office space provided, the cost (whether at no charge, in-kind, or at a stated reimbursement rate), the IT and telecommunications support, the security and access arrangements, the term, and the termination notice provisions. The interlocal agreement should expressly contemplate termination on or before September 30, 2028 (the end of FY 2028) so that the Cooperative can transition to Phase 2 leased space in time to accommodate the four Southeast Wellfield cut-over hires arriving in FY 2029.

B. Phase 2 – Leased Central Office Space (FY 2029 through FY 2033)

By the start of FY 2029, the Cooperative's workforce will already include five (5) in-house FTEs (the Conservation Specialist hired in FY 2027 plus the four FY 2028 director-level hires), and the four Southeast Wellfield cut-over hires (Capital Projects Manager, Reg/Compliance Manager/Senior Hydrogeologist, Operations Director, and Senior Accountant) will arrive during FY 2029, bringing total in-house staff to nine (9) FTEs. The workforce will continue to grow through FY 2030 (Finance Manager conversion, Asset & Operations Manager, Public Information Officer) and FY 2031 (Senior Engineer and Procurement Specialist). The Member-Government-provided space available under Phase 1 will no longer be sufficient. The Cooperative should procure dedicated leased office space at a central location within Polk County, with occupancy effective no later than October 1, 2028 (the start of FY 2029), selected to (i) provide approximately 4,000 to 6,000 square feet of general office, conference, records-storage, and small-meeting space; (ii) be accessible to all sixteen Member Governments, with preference given to a location near the geographic center of Polk County (such as Bartow, Winter Haven, or Lakeland); (iii) accommodate growth to approximately sixteen (16) employees, plus floater offices for the three founding-contract staff (the Executive Director, Project Manager, and Finance Manager) who remain engaged during the transition, and visiting consultants; (iv) include secure on-premises records storage; and (v) include adequate technology infrastructure for the SCADA-cybersecurity function. The lease term should be approximately five years (FY 2029 through FY 2033) to align with the planned transition to the Phase 3 permanent administrative office at the West Polk Wellfield site in FY 2034.

C. Phase 3 – Permanent Administrative Office at the West Polk Wellfield Site (Approximately FY 2034)

The third and final phase is the design, financing, and construction of a permanent administrative office programmed into the West Polk Wellfield Project site. The Cooperative's design engineers (TeamOne) should be asked to program space for the permanent administrative office during the current West Polk design phase, so that Florida Water Partners can construct office space alongside the operating facility. The building should be sized for the FY 2034 workforce of approximately sixteen (16) full-time-equivalent positions, and should be programmed for approximately twenty (20) positions to provide reasonable growth contingency for the Peace River Surface Water Project staffing that will follow. Preliminary parameters: (i) approximately 12,000 to 15,000 square feet; (ii) total project cost of approximately $5 million to $7 million (2026 dollars), funded through a combination of capital reserves, State Revolving Fund, WIFIA Loan or commercial financing; (iii) a small staff meeting/conference room accommodating approximately ten (10) persons; and (iv) board-meeting space sufficient to seat the sixteen (16)-member Board and accommodate a public audience of approximately thirty to forty (30 to 40) persons, consistent with noticed Board meetings under Section 286.011, Fla. Stat. The cost of designing and constructing this permanent administrative office is not a West Polk Lower Floridan Aquifer Wellfield Project cost item. Because the office serves the Cooperative and all of its Member Governments as a whole, rather than any single project, its design and construction cost will be allocated among all Member Governments through a combination of the existing Implementation Agreement cost centers and the Cooperative's administrative budget, in proportion to the benefit each Member Government receives and consistent with the Cooperative's cost-allocation plan.

Whether the Plan ultimately calls for a leased Phase-2 office or instead proceeds directly from Phase 1 to Phase 3 is a Board policy decision that depends on the West Polk Project design schedule and the cost of holding a 4,000-to-6,000-square-foot lease for a limited bridge period. The Plan presents Phase 2 as a recommended bridge but acknowledges that the Board may elect to skip it if the West Polk design schedule supports a direct move.

VII. Cost Trajectory and Budgetary Impact

A. Multi-Year Personnel Cost Forecast

The aggregate incremental personnel and benefits cost of the recommended transition, in current-year dollars and exclusive of one-time policy-development and consultant costs, is summarized below. These are planning estimates only; actual costs will depend on compensation-and-classification benchmarking, the FRS rates set by the Florida Legislature, and the health-and-welfare premium structures in effect at the time of each hire.

- FY 2026 (Foundation Year): $50,000 to $100,000 (one-time policy development and benchmarking; no new personnel).

- FY 2027 (1 new hire, Conservation Specialist): incremental annual cost of $95,000 to $120,000, base salary plus benefits.
- FY 2028 (4 new hires, including the HR Director with collateral PIO/Communications/Records duties, EA/RM, Capital Projects Director, and IT/SCADA-Cybersecurity Director): incremental annual cost of $515,000 to $675,000, base salaries plus benefits.
- FY 2029 (4 new positions, including the Capital Projects Manager consolidating the Mark Addison and Tom Mattiacci contracts): incremental annual cost of $525,000 to $725,000, base salaries plus benefits, partially offset by elimination of both project-management contracts.
- FY 2030 (3 new hires including the contingent Finance Manager conversion): incremental annual cost of $400,000 to $550,000, base salaries plus benefits, partially offset by elimination of the Finance Manager contract.
- FY 2031 (2 hires): incremental annual cost of $210,000 to $300,000, base salaries plus benefits.
- FY 2032 (bridge year, no new hires): incremental annual cost approximately zero.
- FY 2033 (1 cut-over hire, Reg/Compliance Specialist): incremental annual cost of $90,000 to $130,000, base salary plus benefits.
- FY 2034 (1 hire, Executive Director conversion): incremental annual cost of $150,000 to $250,000, partially offset by elimination of the Executive Director contract.

Cumulative annualized personnel cost at the end of FY 2034 is estimated at approximately $2.0 million to $2.75 million in current-year dollars, supporting a workforce of approximately sixteen (16) full-time-equivalent positions.

B. Other Transition Costs

In addition to recurring personnel costs, the Plan anticipates the following one-time and capital costs during the transition period:

- Personnel policies and employee handbook development (FY 2027): approximately $25,000 to $50,000.
- Governmental financial-management software implementation (FY 2028): approximately $150,000 to $300,000 implementation, plus approximately $40,000 to $70,000 annual maintenance thereafter.
- Phase 2 leased-office space if needed (FY 2029 – FY 2033): annual lease cost of approximately $100,000 to $210,000 (based on Bartow/Winter Haven/Lakeland market rates of approximately $25 to $35 per square foot per year for class A office space).

- Phase 3 permanent administrative office (FY 2034): total project cost of approximately $5 million to $7 million, financed (allocated among all Member Governments through the existing Implementation Agreement cost centers and the administrative budget, not charged as a West Polk Lower Floridan Aquifer Wellfield Project cost).

C. Cost Recovery and Cost Allocation — Sources of Funding

The workforce-transition cost identified in this Plan will be funded from the following sources, each tied to a specific Implementation Agreement or governance document:

- Second Amended and Restated Implementation Agreement – Southeast Wellfield (May 11, 2022). The Southeast Wellfield Implementation Agreement is the primary source of funding for personnel costs allocated to the Southeast Wellfield Project Cost center (estimated at 60% of cumulative annual personnel cost; see Section VII.D below). Cost recovery occurs through the wholesale-rate structure of the Agreement, with each Southeast Wellfield Project Participant paying its Water Allotment Percentage share (Section 1.47 of that Agreement) of the allocated personnel cost.
- Second Amended and Restated Implementation Agreement – West Polk Lower Floridan Aquifer Wellfield (May 11, 2022). The West Polk Wellfield Implementation Agreement is the primary source of funding for personnel costs allocated to the West Polk Wellfield Project Cost center (estimated at 30% of cumulative annual personnel cost). Cost recovery occurs through the wholesale-rate structure of the Agreement, with each WPLFA Project Participant paying its Water Allotment Percentage share (Section 1.45 of that Agreement) of the allocated personnel cost.
- Combined Projects Implementation Agreement (May 1, 2017), as amended by the First Amendment (2019) and the Second Amendment (January 28, 2026). The Combined Projects Implementation Agreement is the source of funding for personnel costs allocated to the Combined Projects Cost center (estimated at 10% of cumulative annual personnel cost), reflecting the cross-project planning, Capital Improvement Plan development, water-supply demand forecasting, and similar long-range work that is not directly attributable to any single Water Project. Cost recovery occurs through each Combined Projects Participant's cost-share percentage in Section 8.5.1 of that Agreement, which was unchanged by either amendment.
- Conservation Implementation Agreement. The Conservation Implementation Agreement is the source of funding for the Conservation Specialist position hired in FY 2027 (and any successor or supporting position) and for any other conservation-programming work undertaken by the Cooperative on behalf of its Member Governments. Cost recovery occurs through the cost-allocation provisions of the Conservation Implementation Agreement. For illustration purposes in Section VII.D below, conservation personnel cost is treated as part of the 10% Combined Projects allocation because the Conservation

Implementation Agreement is funded under the same overall Combined Projects governance framework.

- Administrative Expense allocation (Section 2.06(I) of the 2016 Interlocal Agreement). The residual portion of cumulative annual personnel cost not allocable to a specific Water Project — principally the admin-related portion of the General Counsel engagement, the Executive Office, the Human Resources Director's general-services time, board-meeting and audit costs, and similar Cooperative-wide expenditures — is funded through the annual Member-Government contributions to the Administrative Expense cost center, calculated in proportion to each Member Government's annual average potable-water use.
- Future Project Implementation Agreements. As the Peace River Surface Water Project, the Alafia River Project, and other future alternative-water-supply projects advance to implementation in the early-to-mid-2030s, each such Project will become a separate Water Project Cost center under its own Implementation Agreement, and personnel costs allocated to that Project Cost center will be funded through the corresponding Agreement.

Each new position's salary and benefits will be allocated, consistent with the methodology described in Section II.D, between the Administrative Expense cost center and the appropriate Water Project Cost center under each Implementation Agreement. Personnel costs allocated to a Water Project Cost center are recovered from the participating Member Governments through the wholesale-rate structure of the corresponding Implementation Agreement. Personnel costs allocated to the Administrative Expense cost center are recovered through the annual Member-Government contributions established under Section 2.06(I) of the 2016 Interlocal Agreement, calculated in proportion to each Member Government's annual average potable-water use.

Under the recommended allocation methodology, only a modest portion of the cumulative annual personnel cost at full transition – principally the admin-related portion of the General Counsel engagement, the Executive Office, the Human Resources Director's general-services time, board-meeting and audit costs, and similar Cooperative-wide expenditures – will be charged to the Administrative Expense cost center. The substantial balance – the time of the Capital Projects Director, Capital Projects Manager, Reg/Compliance Manager/Senior Hydrogeologist, Operations Director, Asset & Operations Manager, Senior Engineer, Conservation Specialist, Reg/Compliance Specialist, and the project-related portion of the General Counsel engagement – will be allocated to the Southeast Wellfield, West Polk Wellfield, Conservation, and (in due course) Peace River Surface Water Project Cost centers and recovered through the corresponding Implementation Agreements.

D. Estimated Cost to Member Governments — Year-by-Year

The purpose of this Section VII.D is to provide the Board of Directors and the Member Governments with a rough planning estimate of the year-by-year cost of the workforce transition borne by each Member Government. The estimate is presented in two tables. Table VII-1 shows the Cooperative's cumulative annual personnel cost split among the three Water Project Cost

centers. Table VII-2 then combines the three Cost-center allocations into a single per-Member-Government annual figure, so that each Member Government can see, at a glance, what its share of the workforce-transition cost is expected to be in each fiscal year of the transition.

The combined Table VII-2 is built on the following simplifying assumptions:

- The 60% / 30% / 10% split is illustrative only. The actual cost allocation will be determined year by year through the documented time-allocation methodology described in Section II.D, applied by the Director of Finance and Administration once that position is filled and the governmental financial-management software (see Section V.E) is implemented. The 60% / 30% / 10% split represents a reasonable planning approximation reflecting (a) the relative weight of the two wellfield projects (each requiring substantially equal owner-side oversight during construction and commissioning, with the larger Southeast Wellfield receiving the bulk of attention through FY 2029) and (b) the minority share attributable to general planning, conservation, and long-range water-supply work allocated to the Combined Projects Cost center. For purposes of this illustration, the Conservation Specialist position (allocated principally to the Conservation Implementation Agreement Cost center) is treated as part of the Combined Projects Cost center, because the Conservation Implementation Agreement is funded under the same Combined Projects framework.

- Sixty percent (60%) of each year's cumulative personnel cost is attributable to the Southeast Wellfield Project Cost center and is allocated among the Southeast Wellfield Project Participants in accordance with the Water Allotment Percentages set forth in Section 1.47 of the Second Amended and Restated Implementation Agreement – Southeast Wellfield (May 11, 2022).
- Thirty percent (30%) of each year's cumulative personnel cost is attributable to the West Polk Lower Floridan Aquifer Wellfield Project Cost center and is allocated among the WPLFA Project Participants in accordance with the Water Allotment Percentages set forth in Section 1.45 of the Second Amended and Restated Implementation Agreement – West Polk Lower Floridan Aquifer Wellfield (May 11, 2022).
- Ten percent (10%) of each year's cumulative personnel cost is attributable to the Combined Projects Cost center and is allocated among the Combined Projects Participants in accordance with the cost-share percentages set forth in Section 8.5.1 of the Combined Projects Implementation Agreement (May 1, 2017), as amended by the First Amendment (2019) and Second Amendment (January 28, 2026). Neither amendment modified the Section 8.5.1 cost-share table.
- Each Member Government's effective share of the Cooperative's total annual personnel cost is the sum of the three weighted contributions described above: (i) its Southeast Wellfield Water Allotment Percentage multiplied by 60%; (ii) its West Polk Wellfield Water Allotment Percentage multiplied by 30%; and (iii) its Combined Projects cost-share

percentage multiplied by 10%. Where a Member Government has elected Project Associate status under one of the wellfield Implementation Agreements (no financial responsibility), that Member Government's contribution to the corresponding Cost center is treated as zero, and the balance of that Cost center is borne by the participating Project Participants.

- The figures shown are planning estimates only, expressed in current-year (FY 2026) dollars, and exclude (i) one-time policy-development costs in FY 2026 and FY 2027; (ii) one-time and recurring governmental-software costs (estimated in Section V.E); (iii) Phase 2 leased-office costs (FY 2030 – FY 2033); and (iv) the Phase 3 permanent administrative office (FY 2034). The amounts shown also assume the contingent Finance Manager conversion in FY 2030 and the Executive Director conversion in FY 2034.

The purpose of Table VII-2 is to give the Member Governments a rough sense of magnitude — measured in tens of thousands to hundreds of thousands of dollars per year per Member Government — of what the workforce transition will cost them as Member Governments. Actual amounts will differ from the figures shown based on the year-end compensation-and-classification benchmarking, the FRS contribution rates set by the Florida Legislature for each fiscal year, the actual time-allocation methodology implemented under Section II.D, any change in the Project Participants' Water Allotment Percentages following the five-year true-up under Section 10 of each wellfield Implementation Agreement, and any future amendments to the Combined Projects Implementation Agreement.

Table VII-1. Cumulative Annual Personnel Cost by Cost Center, FY 2026 – FY 2034 (Current-Year Dollars)

Fiscal Year	Cumulative Cost	Southeast Wellfield (60%)	West Polk LFA (30%)	Combined Projects (10%)
FY 2026	—	—	—	—
FY 2027	$107,500	$64,500	$32,250	$10,750
FY 2028	$702,500	$421,500	$210,750	$70,250
FY 2029	$1,327,500	$796,500	$398,250	$132,750
FY 2030	$1,802,500	$1,081,500	$540,750	$180,250
FY 2031	$2,057,500	$1,234,500	$617,250	$205,750
FY 2032	$2,057,500	$1,234,500	$617,250	$205,750
FY 2033	$2,167,500	$1,300,500	$650,250	$216,750
FY 2034	$2,367,500	$1,420,500	$710,250	$236,750

Note — FY 2027 funding. The FY 2027 incremental personnel cost (approximately $107,500) was not included in the PRWC's proposed FY 2027 budget request. Rather than deferring these positions, the Cooperative will fund the FY 2027 cost through a draw under its Line of Credit and capitalize that amount. Principal and interest on the FY 2027 Line-of-Credit draw will be recovered from the Member Governments through the base rate charge beginning in FY 2028; accordingly, Table VII-2 reflects no direct FY 2027 charge to the Member Governments ("—").

Table VII-2. Estimated Annual Workforce-Transition Cost by Member Government (Current-Year Dollars)

Member Government	SEWF %	WPLFA %	Combined %	Effective %	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
City of Auburndale	10.89%	1.269%	7.08%	**7.623%**	—	—	$53,552	$101,195	$137,405	$156,843	$156,843	$165,229	$180,475
City of Bartow	2.38%	4.568%	6.93%	**3.491%**	—	—	$24,524	$46,343	$62,925	$71,827	$71,827	$75,667	$82,649
City of Davenport	17.95%	—	0.92%	**10.862%**	—	—	$76,306	$144,193	$195,788	$223,486	$223,486	$235,434	$257,158
City of Eagle Lake	—	—	1.33%	**0.133%**	—	—	$934	$1,766	$2,397	$2,736	$2,736	$2,883	$3,149
City of Fort Meade	—	—	0.56%	**0.056%**	—	—	$393	$743	$1,009	$1,152	$1,152	$1,214	$1,326
City of Frostproof	—	—	0.41%	**0.041%**	—	—	$288	$544	$739	$844	$844	$889	$971
City of Haines City	23.10%	—	5.14%	**14.374%**	—	—	$100,977	$190,815	$259,091	$295,745	$295,745	$311,556	$340,304
City of Lake Alfred	6.60%	—	1.70%	**4.130%**	—	—	$29,013	$54,826	$74,443	$84,975	$84,975	$89,518	$97,778
City of Lake Wales	—	—	4.07%	**0.407%**	—	—	$2,859	$5,403	$7,336	$8,374	$8,374	$8,822	$9,636
City of Lakeland	0.66%	80.077%	25.02%	**26.921%**	—	—	$189,120	$357,376	$485,251	$553,900	$553,900	$583,513	$637,355
City of Mulberry	—	—	0.77%	**0.077%**	—	—	$541	$1,022	$1,388	$1,584	$1,584	$1,669	$1,823
City of Polk City	—	0.380%	1.68%	**0.282%**	—	—	$1,981	$3,744	$5,083	$5,802	$5,802	$6,112	$6,676
City of Winter Haven	10.03%	1.270%	9.53%	**7.352%**	—	—	$51,648	$97,598	$132,520	$151,267	$151,267	$159,355	$174,059

Member Government	SEWF %	WPLFA %	Combined %	Effective %	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Town of Dundee	5.94%	—	2.24%	**3.788%**	—	—	$26,611	$50,286	$68,279	$77,938	$77,938	$82,105	$89,681
Town of Lake Hamilton	—	—	0.04%	**0.004%**	—	—	$28	$53	$72	$82	$82	$87	$95
Polk County	22.45%	12.436%	32.58%	**20.459%**	—	—	$143,724	$271,593	$368,773	$420,944	$420,944	$443,449	$484,367
TOTAL (Cooperative-wide)	**100.00%**	**100.00%**	**100.00%**	**100.000%**	**—**	**—**	**$702,500**	**$1,327,500**	**$1,802,500**	**$2,057,500**	**$2,057,500**	**$2,167,500**	**$2,367,500**

VIII. The Florida Retirement System: Election, Implementation, and Comparison to Alternatives

A. Statutory Authority

The Florida Retirement System is governed by Chapter 121, Florida Statutes. Section 121.021(10), Fla. Stat., includes within the definition of "employer" "any [...] special district of the state [...] which participates in the system for the benefit of certain of its employees." Section 121.051(2)(b), Fla. Stat., authorizes the governing body of a special district to elect to participate in FRS; the election is irrevocable and, once made, all future employees of the special district are compulsory FRS members.

B. Election Process

To enroll the Cooperative in FRS, the Board of Directors must (i) adopt a Board resolution electing to participate in FRS pursuant to Section 121.051(2)(b), Fla. Stat.; (ii) submit the application package to the Department of Management Services, Division of Retirement, at least fifteen days before the proposed effective date of coverage; (iii) designate the covered group and obtain a DMS-issued agency number; (iv) establish payroll integration with FRS Online; and (v) distribute General Retirement Plan Enrollment Form ELE-1 to each newly hired employee for the Pension Plan vs. Investment Plan choice within the eight-month initial choice period.

C. Pension Plan vs. Investment Plan and Membership Classes

Each new FRS member elects between the FRS Pension Plan (defined benefit) and the FRS Investment Plan (defined contribution) within an eight-month initial choice period. The Cooperative's positions will fall principally into the Regular Class. The Senior Management Service Class is available, but only if the Board affirmatively designates eligible positions. The Plan recommends designation of the Executive Director, Director of Finance and Administration, Capital Projects Director, Operations Director, Human Resources Director, and IT/SCADA-Cybersecurity Director as SMSC-eligible by separate resolution.

D. FY 2025-26 Contribution Rates

The total contribution rates effective July 1, 2025, codified at Section 121.71, Fla. Stat., are:

- Regular Class: Employer rate 14.03%; employee rate 3.00%.
- Senior Management Service Class: Employer rate 33.24%; employee rate 3.00%.
- Special Risk Class: Employer rate 35.19%; employee rate 3.00% (inapplicable to the Cooperative).
- DROP: Employer rate 22.02%.

The employer rates include normal cost, unfunded actuarial liability assessments, the Health Insurance Subsidy contribution, and the administrative assessment. The 3.00% employee contribution is deducted on a pre-tax basis. These rates are adjusted annually by the Florida Legislature.

E. Comparison to Alternative Retirement Vehicles

The Cooperative could theoretically operate a stand-alone defined-benefit plan, a stand-alone Section 401(a) defined-contribution plan, or a deferred-compensation-only structure under Section 457(b). On the merits, FRS is the preferred choice because (i) FRS is fully prefunded and actuarially managed by the State Board of Administration; (ii) FRS membership is portable across all approximately 1,000 participating Florida public employers, which is the single most important non-financial recruiting advantage; (iii) the Pension Plan places investment risk on the State, not on the Cooperative; and (iv) all peer Florida regional utilities (TBW, PRMRWSA, ECUA, Lakeland, Polk County, and WRWSA) participate in FRS.

F. Section 457(b) Deferred Compensation Plan

Section 112.215, Fla. Stat., authorizes Florida public employers to provide their employees access to a Section 457(b) deferred-compensation plan as a supplement to FRS. The Plan recommends offering the State of Florida Deferred Compensation Plan administered by the Department of Financial Services Bureau of Deferred Compensation as the primary 457(b) vehicle.

IX. State and Federal Legal Framework

A. Florida State Law Applicable to PRWC Employees

The conversion to a government-employee workforce subjects the Cooperative to a body of Florida employment law that has not thus far applied to its three contract relationships. The principal statutes are summarized below; each will need to be reflected in the Personnel Policies and Procedures Manual.

- Chapter 112, Part III, Fla. Stat. – Code of Ethics. Section 112.313 prohibits doing business with one's own agency, conflicting employment, misuse of position, and post-employment lobbying. Section 112.3135 prohibits nepotism. Section 112.3145 requires Form 1 (Statement of Financial Interests) filings annually by each "local officer" and each "chief administrative employee". Section 112.3144 separately governs Form 6 full and public disclosure for officers required to file that form. Section 112.3187 et seq., the Florida Whistleblower's Act, protects PRWC employees who disclose violations of law.
- Chapter 119, Fla. Stat. – Public Records Act. Personnel files are presumptively public records, with exemptions in Section 119.071(4) for SSNs, bank-account numbers, and (upon written request) home addresses, telephone numbers, dates of birth, and photographs of human-resources, labor-relations, and employee-relations directors. The Human

Resources Director hired in FY 2028 is expected to qualify for this protection, provided the statutory conditions are met and the required written request is submitted.

- Chapter 286, Fla. Stat. – Sunshine Law. Board meetings and any committee meetings with delegated decision-making authority are subject to (i) reasonable public notice; (ii) public access; and (iii) recorded minutes. Most personnel matters cannot be discussed in private. Section 286.011(8) permits a closed attorney-client litigation-strategy session under strict procedure; Section 447.605(1) exempts collective-bargaining strategy sessions.
- Chapter 447, Part II, Fla. Stat. – Public Employees Relations Act. Florida public employees enjoy constitutional and statutory collective-bargaining rights. The Public Employees Relations Commission administers the Act. Strikes by public employees are prohibited under Section 447.505.
- Chapter 440, Fla. Stat. – Workers' Compensation. Mandatory once the Cooperative employs four (4) or more persons. Recommended through a public-entity self-insurance pool such as FMIT or PGIT.
- Section 768.28, Fla. Stat. – Sovereign Immunity. The Cooperative is a "subdivision" of the State for purposes of Section 768.28. Tort caps are presently $200,000 per claim and $300,000 per occurrence. Section 768.28(9) bars personal tort liability of an officer, employee, or agent acting within the scope of employment.
- Chapter 443, Fla. Stat. – Reemployment Assistance. The Cooperative may elect to participate as a reimbursing employer under Section 443.1313, Fla. Stat. – ordinarily preferred for low-turnover special districts.
- Section 215.425, Fla. Stat. – Extra Compensation and Severance Limits. Severance for a contract officer of a special district is limited to twenty (20) weeks of compensation.
- Florida Administrative Code Chapter 62-602 – Operator Certification. The U.S. Water Corporation/ACCIONA O&M contract requires the contractor to supply the Operator-In-Charge and licensed operators. The Cooperative's Operations Director (FY 2029 hire) and Reg/Compliance Manager/Senior Hydrogeologist (FY 2029 hire) should verify operator licensing and continuing-education compliance.

B. Federal Law Applicable to PRWC Employees

The following federal employment statutes apply to PRWC along a graduated schedule:

- Fair Labor Standards Act, USERRA, IRCA (with E-Verify mandatory for public agencies from the first hire under Section 448.095, Fla. Stat.), FMLA notice posting (29 C.F.R. § 825.300), and the HIPAA Privacy Rule apply on day one.
- Title VII, Title I of the ADA, and GINA apply at fifteen (15) employees; ADEA and PHSA continuation of group health coverage (the federal-employer analog to COBRA) apply at

twenty (20) employees. The Cooperative is projected to cross fifteen during FY 2029 and twenty during or shortly after FY 2033.

- Federal OSHA does not directly cover state and local public employees in Florida, but OSHA standards (confined-space at 29 C.F.R. § 1910.146; lockout/tagout at 29 C.F.R. § 1910.147; trenching and excavation at 29 C.F.R. Part 1926, Subpart P) should be adopted by reference in the Safety Manual.
- America's Water Infrastructure Act of 2018, Section 2013, codified at 42 U.S.C. § 300i-2, requires risk-and-resilience assessments and emergency-response plans. The IT/SCADA-Cybersecurity Director (FY 2028 hire) is responsible for this function.

C. Annual Legal and Financial Review of Regulatory Items

Because several retirement-system contribution rates, federal PFAS implementation deadlines, and related state and federal regulatory requirements are subject to annual legislative or agency revision, the Cooperative should require annual legal and financial review of these items as part of each budget cycle. The General Counsel and the Director of Finance and Administration should jointly present, at the budget workshop preceding each fiscal year, an updated summary of: (i) the FRS contribution rates set for the upcoming fiscal year; (ii) any material amendments to Chapter 121, Chapter 112, Chapter 119, or Chapter 286, Florida Statutes; (iii) any developments affecting Section 768.28 sovereign-immunity caps; (iv) the status of the EPA PFAS NPDWR and any other Safe Drinking Water Act regulatory changes; (v) any change in E-Verify and other immigration-compliance obligations; and (vi) any amendments to the Cooperative's Personnel Policies and Procedures Manual occasioned by the foregoing.

X. Required Personnel Policies and Employee Handbook

Before the first government-employee hire, the Board of Directors must adopt the following policies, all of which will be incorporated in the Personnel Policies and Procedures Manual:

- Equal Employment Opportunity Policy.
- Anti-Harassment and Anti-Retaliation Policy.
- Drug-Free Workplace Policy under Sections 440.101 and 440.102, Fla. Stat.
- Code of Ethics, Conflicts of Interest, and Gift Acceptance Policy.
- Anti-Nepotism Policy.
- Whistleblower Policy and notice posting under Section 112.3187(11).
- Public Records Policy under Chapter 119.
- Personnel Records Confidentiality Policy.

- Family and Medical Leave Policy with required FMLA notice posting.
- Uniformed Services Employment and Reemployment Rights Act notice posting.
- Workers' Compensation and Reemployment Assistance notices.
- E-Verify Policy (mandatory for all PRWC hires from the first employee).
- Background Check Policy.
- Health Insurance Portability and Accountability Act Privacy Notice for the group health plan.
- Records Retention Schedule conforming to General Records Schedule GS1-SL.

XI. Risk Analysis and Mitigation

A. Political and Member-Government Risk

The transition will increase the Cooperative's recurring personnel expense. Properly allocated to the Water Project Cost centers under each Implementation Agreement, the substantial majority of that expense is recovered through wholesale-rate revenue rather than through the Administrative Expense allocation. The remaining political risk is therefore not a budgetary supermajority risk but a wholesale-rate-impact risk: each new position translates, ultimately, into pennies-per-thousand-gallons on the wholesale rate paid by the participating Member Governments. Mitigation involves early and frequent engagement with the Member Governments, transparent multi-year cost forecasts, and unmistakable demonstration of the value the additional in-house staff provides.

B. Recruitment Risk

The Florida public-sector water-utility labor market is tight. Compensation must be market-competitive, and the Cooperative must be able to articulate to potential candidates a compelling value proposition: a brand-new utility, a fifty-year build-out horizon, FRS-credit portability, an opportunity to shape the organization, and the ability to work on the largest regional water-supply development in central Florida outside of the Tampa Bay region. Mitigation involves (i) the early hire of a strong Human Resources Director (FY 2028); (ii) open and competitive recruitment from the broad Florida public-utility labor market; (iii) participation in AWWA, FSAWWA, FRWA, and AWWA Florida Section career fairs and job-board postings; and (iv) the use of executive-search firms for the senior-management positions.

C. Continuity and Succession Risk

The replacement of three founding contract relationships introduces continuity risk. The Plan addresses this risk in two ways. First, each conversion or replacement is preceded by an overlap period between the outgoing contractor and the incoming employee, specifically: the

Capital Projects Director hired in FY 2028 works alongside Mr. Addison and Mr. Mattiacci for approximately one year before the FY 2029 Capital Projects Manager hire that consolidates the two contracts; the Senior Accountant hired in FY 2029 provides the working accounting bench-strength supporting the FY 2030 Finance Manager conversion; and the Executive Assistant hired in FY 2028 supports both the contract Executive Director and the converted Executive Director in FY 2034. Second, succession planning is an explicit responsibility of the Capital Projects Director, who is responsible for ensuring that the Cooperative is not single-threaded on any one engineering or project-management individual at any time during the transition.

XII. Recommended Immediate Next Steps (FY 2026 and FY 2027 Actions)

To put the Plan in motion, the Board of Directors should take the following actions, in approximately the following sequence. The rollout is divided into a FY 2026 "information and preparation" phase culminating in Board adoption in September 2026, and a substantive FY 2027 "build-the-foundation" phase that prepares the Cooperative for the FY 2028 hiring class.

A. FY 2026 – Information, Approval, and Initial Resolutions

- July 2026 Board meeting – information item. The Executive Director and General Counsel jointly present this Plan, the accompanying slide deck, and the associated cost and timeline summaries as an information item, soliciting Board comment but not yet seeking adoption.
- August 2026 – Member-Government engagement. The Executive Director presents the Plan to the Polk County Manager and the fifteen Polk County City Managers, soliciting comments and addressing concerns before the Plan is brought back to the Board for adoption.
- September 2026 Board meeting – Resolution Adopting the Workforce Transition Plan. The General Counsel presents a draft Resolution Adopting the Workforce Transition Plan for Board consideration and approval.
- September 2026 – Resolution Electing FRS Participation under Section 121.051(2)(b), Fla. Stat.
- September 2026 – Resolution Electing the Reimbursement Method under Section 443.1313, Fla. Stat. for reemployment-assistance obligations.
- September 2026 – Resolution Delegating Hiring Authority to the Executive Director for non-senior-management positions.
- September 2026 – Resolution Establishing the Personnel Committee.
- November 2026 Board meeting – Procurement Policy adoption. Present a recommended Procurement Policy for Board adoption and, if needed, a Board resolution ratifying any prior change orders approved by Cooperative staff in excess of staff-level signing authority.

B. FY 2027 – Foundation Year

FY 2027 is the principal preparation year for the FY 2028 hiring class. Because the costs of these foundation-year actions were not included in the Member Governments' adopted FY 2027 budget, the Cooperative will fund them through a draw under its Line of Credit and recover that amount, with principal and interest, through the base rate charge beginning FY 2028 (consistent with the funding note to Table VII-1). Recommended FY 2027 actions are:

- FY 2027 Q1 – Board adoption of the Personnel Policies and Procedures Manual and the Employee Handbook.
- FY 2027 Q1 – Board adoption of the initial Compensation and Classification Plan, drawing on the Polk County compensation-and-classification framework as a starting point. Job descriptions are finalized for the four FY 2028 director-level positions.
- FY 2027 Q1 – Board adoption of the Records Retention Schedule, the Safety Manual, the Ethics and Conflicts-of-Interest Policy, the Whistleblower Policy and notice posting, and the Public Records Policy.
- FY 2027 Q1 – Board resolution designating Senior Management Service Class positions under Section 121.055(1)(b)1., Fla. Stat. (Executive Director, Director of Finance and Administration, Capital Projects Director, Operations Director, Human Resources Director, and IT/SCADA-Cybersecurity Director).
- FY 2027 Q1 – Board adoption of the Section 457(b) deferred-compensation plan (State of Florida plan) as a supplemental retirement benefit.
- FY 2027 Q1 – Recruitment and hiring of the Conservation Specialist (first government-employee position).
- FY 2027 Q1-Q2 – Procurement of liability, workers' compensation, employment-practices, cyber, and director-and-officer insurance through a public-entity pool, with coverage bound effective no later than 30 days before the first FY 2028 employee start date.
- FY 2027 Q1-Q2 – Negotiation and execution of an interlocal agreement under Section 163.01, Fla. Stat., with Polk County formalizing the Phase 1 office-space arrangement and providing for termination on or before September 30, 2028.
- FY 2027 Q2-Q4 – Engagement of a real-estate broker and initiation of site-selection and lease-procurement work for the Phase 2 leased central office space (described in Section VI.B), with a target occupancy date of October 1, 2028 (start of FY 2029).
- FY 2027 Q1-Q2 – Selection of payroll vendor and establishment of payroll, payroll-tax, FRS, and reemployment-assistance reporting accounts; establishment of E-Verify account.

- FY 2027 Q2-Q3 – Engagement of an executive-search firm for the four FY 2028 director-level positions; development of position descriptions, salary ranges, and advertisement copy; identification of candidate-evaluation panels.
- FY 2027 Q2-Q3 – Pre-procurement work for the governmental financial-management software, including engagement of an IT-procurement advisor, development of a functional requirements document, and issuance of a Request for Information to vendors (Tyler Technologies, Caselle, Springbrook, BS&A, Black Mountain Software, and others). Capital budget request in the FY 2028 budget for software implementation.
- FY 2027 Q3-Q4 – Public posting of FY 2028 position announcements; candidate interviews; offers extended in time for FY 2028 Q1 / Q2 start dates.
- FY 2027 Q3-Q4 – Quarterly briefings to the Polk County Manager and the fifteen Polk County City Managers on the status of the workforce transition, including the cost impact of FY 2028 hires.

C. FY 2028 – Foundational Hiring Class

- FY 2028 Q1-Q2 – Recruitment and hiring of the Human Resources Director (with collateral PIO/Communications/Records duties), Executive Assistant / Records Management, Capital Projects Director, and IT/SCADA-Cybersecurity Director.
- FY 2028 – IT/SCADA-Cybersecurity Director leads procurement and implementation of the governmental financial-management software described in Section V.E. Implementation should be in productive use no later than the FY 2029 Senior Accountant hire.
- FY 2028 – Complete the site-selection and lease-procurement process for Phase 2 leased central office space, with a target occupancy date of October 1, 2028 (start of FY 2029) so that the Cooperative is in Phase 2 space before the four FY 2029 Southeast Wellfield cut-over hires arrive. Site-selection work should begin in FY 2027 (see Section IV.B.2(e)).
- Ongoing – Individual succession conversations with Mr. Addison, Mr. Mattiacci, Ms. Guy-Rice, and Mr. DeHaven regarding the eventual conversion or replacement of their respective contract relationships and their preferences for transition planning.

XIII. Conclusion

The Polk Regional Water Cooperative was formed in 2016 to do something no one of its sixteen Member Governments could do alone: develop and operate new regional alternative water supplies sufficient to serve Polk County's long-term population growth without depleting the Upper Floridan Aquifer. Unlike WCRWSA in 1974 or PRMRWSA in 1982, PRWC was designed from inception as a developer and operator, not as a planning shell. Ten years after formation, the Cooperative is on the verge of completing its first regional treatment facility and stepping into the

role of a wholesale water utility. The pattern across both Florida and the nation is clear: the wholesale water authorities that survive and grow are those that build the right back-office capacity in advance of asset cut-over and that maintain the discipline to insource only what genuinely belongs in-house – finance, engineering, regulatory compliance, cybersecurity, communications, asset management, and human resources – while leaving the work that contractors do well in the hands of contractors.

The transition from contract to government-employee workforce presented by this Plan is not only legally permissible under the 2016 Interlocal Agreement; it is the natural and necessary next step in the Cooperative's evolution. The Plan calls for three founding-contract replacements and approximately thirteen new positions over seven-to-eight fiscal years, with FRS participation, a market-competitive compensation philosophy, the procurement of a governmental financial-management software platform, and a complete personnel-policy framework in place before the first hire. General counsel remains, as it does at every comparable Florida regional utility (other than the Tohopekaliga Water Authority), a contract function delivered by a specialized outside law firm. The plant operator-of-record remains, as at Tampa Bay Water for the past twenty-six years, a long-term contract with U.S. Water Corporation and ACCIONA.

The Plan is presented to the Board of Directors for adoption by Resolution at the September 2026 Board meeting, with information and discussion items at the July 2026 Board meeting and Member-Government engagement in August 2026.

Agenda Item F.9. 9/16/2026

SUBJECT

Approve Resolution 2026-15 Authorizing the Plan to Select an Executive Director (Action)

DESCRIPTION

The current PRWC Executive Director, Eric DeHaven, announced at the July 29, 2026 Board of Director meeting that he will be retiring at the end of January 2027. Following Board discussion, the PRWC Chairman requested that staff return at the September meeting with a plan for replacing Mr. DeHaven. Mr. de la Parte and Mr. DeHaven have collaborated and developed that attached plan, which will be presented to the Board under Resolution 2026-15 to approve the plan outlining the selection process.

The plan dictates that the recruitment is run entirely in-house and relies on the Board, a three-member Selection Committee of Member Government City/County Managers, the PRWC General Counsel, with assistance provided by Polk County Human Resources. The position will be advertised broadly beginning October 1, 2026 through the Polk County HR portal, Member Governments, and relevant professional associations, with applications closing November 13, 2026. General Counsel performs a straightforward yes/no check of minimum qualifications, and every qualified application is forwarded to both the Selection Committee and the full Board. The Committee, with Mr. DeHaven serving only as a non-voting technical advisor, interviews candidates at a public meeting and, by January 8, 2027, recommends three finalists in ranked order without formal numeric scoring; the Committee itself does not have appointment authority.

The position is structured as a one-year contract engagement, within an advertised base-compensation range of $170,000-$210,000, converting to a full-time Cooperative employee role with salary, benefits, and Florida Retirement System participation at the start of year two - terms that are locked into the initial agreement so a candidate knows exactly what's being offered. Once the ranked list becomes public, General Counsel negotiates an agreement with the top-ranked candidate. The Board reviews the Committee's recommendation, the negotiated agreement, and a separate transition consulting agreement with Mr. DeHaven (up to eight months, focused on land acquisition and in-progress legal/construction matters) as a single package at its January 20, 2027 meeting for Board review and action, with the goal of the new Executive Director starting on or about February 1, 2027.

RECOMMENDATION

Approve Resolution 2026-15 Authorizing the Plan to Select an Executive Director.

FISCAL IMPACT

There is no direct fiscal impact associated with the plan to select an Executive Director.

CONTACT INFORMATION

Ed de la Parte
Eric DeHaven

POLK REGIONAL WATER COOPERATIVE
Resolution 2026-15

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE POLK REGIONAL WATER COOPERATIVE APPROVING THE EXECUTIVE DIRECTOR SELECTION PROCESS DATED SEPTEMBER 16, 2026; APPROVING THE POSITION DESCRIPTION, MINIMUM QUALIFICATIONS AND COMPENSATION RANGE; PROVIDING FOR ENGAGEMENT BY CONTRACT IN THE FIRST YEAR AND CONVERSION TO A COOPERATIVE EMPLOYEE POSITION IN THE SECOND YEAR; ESTABLISHING A SELECTION COMMITTEE OF MEMBER GOVERNMENT MANAGERS WITH THE RETIRING EXECUTIVE DIRECTOR SERVING AS A NON-VOTING TECHNICAL ADVISOR; APPROVING THE ADVERTISEMENT AND INTERVIEW QUESTIONS; AUTHORIZING THE GENERAL COUNSEL TO NEGOTIATE AN AGREEMENT WITH THE TOP-RANKED CANDIDATE AND A TRANSITION CONSULTING AGREEMENT WITH THE RETIRING EXECUTIVE DIRECTOR; AND PROVIDING AN EFFECTIVE DATE.

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 was created on June 1, 2016, by the Polk Regional Water Cooperative Interlocal Agreement (the "Interlocal Agreement") executed by Polk County and fifteen Polk County municipalities for the purpose of developing and operating regional alternative water-supply facilities for the benefit of the Cooperative's Member Governments; and

WHEREAS, Section 2.02(G) of the Interlocal Agreement authorizes the Board of Directors to appoint a person or entity to act as its Executive Director, having such official title, functions, duties, and powers as the Board of Directors may prescribe, and further provides that a sitting Director shall not be eligible to serve as Executive Director; and

WHEREAS, the Executive Director, Eric DeHaven, has advised the Board of Directors of his intention to retire, and his service as Executive Director is anticipated to end on January 31, 2027; and

WHEREAS, the Board of Directors directed the Executive Director and the General Counsel to develop a written process for the recruitment and selection of a successor Executive Director, and the Executive Director and the General Counsel have prepared an Executive

Director Selection Process dated September 16, 2026 (the "Selection Process"), a copy of which is attached to this Resolution as Exhibit "A" and is incorporated by reference; and

WHEREAS, the Selection Process is consistent with the Workforce Transition Plan approved by Resolution 2026-10, and accordingly provides that the position be advertised and filled as a contract position for the first year of service, converting to a full-time Cooperative employee position with salary and benefits at the beginning of the second year of service, with the conversion date and the second-year terms stated in the first-year agreement; and

WHEREAS, the Selection Process provides that the recruitment be conducted by the Cooperative without an executive-search firm, that the position be advertised through the Polk County Human Resources application portal, the Member Governments and the professional associations identified in the Selection Process, and that the General Counsel confirm which applicants meet the published minimum qualifications and furnish every qualified application to the Selection Committee and to the Board of Directors; and

WHEREAS, the Selection Process provides for a Selection Committee composed of three Member Government managers, with the retiring Executive Director serving as a non-voting technical advisor, to review all qualified applications, to interview candidates at noticed public meetings, and to recommend to the Board of Directors three finalists ranked in order of preference, without formal numeric scoring, and further provides that the Selection Committee does not appoint the Executive Director; and

WHEREAS, the Selection Process provides that, upon the ranked recommendation becoming public, the General Counsel negotiate a proposed agreement with the top-ranked candidate within the terms approved by this Resolution, so that the ranked recommendation, the negotiated agreement and the transition consulting agreement described below are presented to the Board of Directors as a single package at its regular meeting on January 20, 2027, permitting the successor Executive Director to commence service on or about February 1, 2027; and

WHEREAS, the Selection Process provides that Eric DeHaven serve as a non-voting technical advisor to the Selection Committee and, following his retirement, provide transition assistance under a separate hourly consulting agreement of up to eight months, which the General Counsel shall negotiate in consultation with the incoming Executive Director and present to the Board of Directors for approval at its regular meeting on January 20, 2027, so that the transition arrangement is determined by the Board of Directors and is not left to the discretion of the successor Executive Director; and

WHEREAS, all meetings of the Board of Directors and of the Selection Committee at which applicants are discussed, compared, interviewed, ranked, advanced or eliminated are public meetings subject to Section 286.011, Florida Statutes, and all applications and related records are public records subject to Chapter 119, Florida Statutes, and the Cooperative can provide no assurance of confidentiality to any applicant; and

WHEREAS, the Board of Directors, having been fully advised of all material facts and circumstances relating to the Selection Process, finds that the Selection Process is reasonable, necessary, and in the best interest of the public and the Cooperative, is within the scope and authority granted to the Cooperative under Sections 2.02 and 2.06 of the Interlocal Agreement, and will produce a competitive, merit-based selection of the Cooperative's chief executive officer;

NOW, THEREFORE, BE IT RESOLVED:

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

Section 2. That the Executive Director Selection Process dated September 16, 2026, attached hereto as Exhibit "A" and incorporated herein by reference, is hereby approved and adopted, and the recruitment and selection of a successor Executive Director shall be conducted in accordance with it.

Section 3. That the Executive Director Position Description and the minimum qualifications stated in the Selection Process are hereby approved. The Executive Director shall be selected solely on the basis of executive, administrative and technical qualifications, without regard to political affiliation or to the Member Government in which the candidate resides, and the qualifications shall not be amended after applications are first received.

Section 4. That the advertised base-compensation range is $170,000 to $210,000. The successor Executive Director shall be engaged by written agreement for an initial term of one year, and that agreement shall provide for conversion of the position to a full-time Cooperative employee position, designated Senior Management Service Class under Section 121.055, Florida Statutes, with salary and benefits, effective at the beginning of the second year of service. The first-year agreement shall state separately the base compensation, the monthly allowance in lieu of insurance, the vehicle allowance, reimbursable expenses and paid time off, and shall not calculate any of those items as an unspecified percentage of compensation. Severance shall not exceed twenty weeks of compensation and shall not be paid if the Executive Director is terminated for misconduct, in accordance with Section 215.425(4)(a), Florida Statutes.

Section 5. That the advertisement attached to the Selection Process as Attachment A is approved, and the Executive Director, the General Counsel and Polk County Human Resources are directed to publish it through the channels identified in the Selection Process beginning October 1, 2026, with the Polk County Human Resources application portal serving as the primary submission point and applications closing November 13, 2026. The Member Governments shall be asked to post the position or to link to that listing, and participation by every Member Government is encouraged but is not a condition of the recruitment. No official of the Cooperative shall be asked to target or solicit the employees of another public agency.

Section 6. That a Selection Committee is hereby established, composed of three Member Government managers appointed by the Board of Directors. Membership is limited to City Managers of the Member Governments and the County Manager; consultants, contractors

and vendors to the Cooperative shall not serve on the Selection Committee. Polk County Human Resources and the General Counsel shall provide administrative and legal support to the Selection Committee but shall not be members and shall not vote. The retiring Executive Director shall serve as a non-voting technical advisor to the Selection Committee and may attend its meetings and interviews and advise it on the operational and technical requirements of the position, but shall not be a member, shall not vote, and shall not rank or recommend any candidate. The Selection Committee shall review all qualified applications, shall interview candidates and make its recommendation only at meetings noticed and conducted in accordance with Section 286.011, Florida Statutes, and shall use the interview questions attached to the Selection Process as Attachment B, which are hereby approved and which shall be asked of every candidate. Formal numeric scoring shall not be used. On or before January 8, 2027, the Selection Committee shall recommend to the Board of Directors three finalists ranked in order of preference. The Selection Committee shall not appoint the Executive Director; the Board of Directors retains the sole authority to select and appoint the Executive Director at a public meeting.

Section 7. That the General Counsel is authorized and directed, upon the Selection Committee's ranked recommendation becoming public, to negotiate a proposed agreement with the top-ranked candidate within the terms approved by Section 4 of this Resolution, to approve that agreement as to form and legality, and to present it to the Board of Directors together with the Selection Committee's ranked recommendation and the transition consulting agreement described in Section 9 as a single package at the Board's regular meeting on January 20, 2027. If the Board of Directors selects the second- or third-ranked candidate, the General Counsel is authorized and directed to negotiate an agreement with that candidate on the same terms and to present it to the Board of Directors for approval at a special meeting or at the next regular meeting.

Section 8. That the General Counsel is authorized to procure, through a commercial vendor or Polk County Human Resources, verification of education and employment history and driving and criminal history checks on the candidates under consideration as finalists, and to conduct reference checks, so that the results are available when the ranked recommendation is adopted. Credit checks, drug screening and any medical examination shall not be conducted before a conditional offer of engagement is made.

Section 9. That the General Counsel is authorized and directed to negotiate a separate hourly consulting agreement with Eric DeHaven for a term of up to eight months following his retirement, to provide transition assistance directed principally at land acquisition and the legal, permitting and construction matters then in progress; to consult with the incoming Executive Director concerning the scope of that agreement; and to present it to the Board of

Directors for approval at the Board's regular meeting on January 20, 2027, together with the package described in Section 7. The transition consulting agreement shall be approved by the Board of Directors and shall not be subject to the approval or sole discretion of the successor Executive Director; upon commencing service, the successor Executive Director shall direct the performance of services under it.

Section 10. That the personnel policies, employee handbook, compensation and classification plan, Florida Retirement System election under Section 121.051(2)(b), Florida Statutes, and related arrangements necessary to the second-year conversion required by Section 4 shall be brought forward for adoption in Fiscal Year 2027, consistent with the Workforce Transition Plan approved by Resolution 2026-10.

Section 11. That the Executive Director and the General Counsel are each authorized to take all actions reasonably necessary to implement the Selection Process, and the Executive Director is authorized to adjust the dates stated in the Selection Process by not more than fourteen days where necessary to accommodate meeting notice, applicant availability or the availability of the Selection Committee. Any material deviation from the Selection Process shall be brought to the Board of Directors for approval.

Section 12. 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.

Section 13. That this Resolution shall take effect immediately upon its adoption.

DONE at Auburndale, Florida this 16th day of September 2026.

Polk Regional Water Cooperative Board of Directors:

_____	_____
Chair	Secretary/Treasurer

Approved as to Form:

_____
Edward P. de la Parte, Jr.
General Counsel

EXHIBIT "A"

Executive Director Selection Process dated September 16, 2026

[The Executive Director Selection Process dated September 16, 2026 is attached separately and incorporated herein by reference. A copy of the Selection Process is on file with the Cooperative's General Counsel and Executive Director.]

Executive Director Selection Process

Polk Regional Water Cooperative

September 16, 2026

1. Purpose

Eric DeHaven has advised the Board of Directors of his intention to retire. This document sets out the process the Board will use to select his successor.

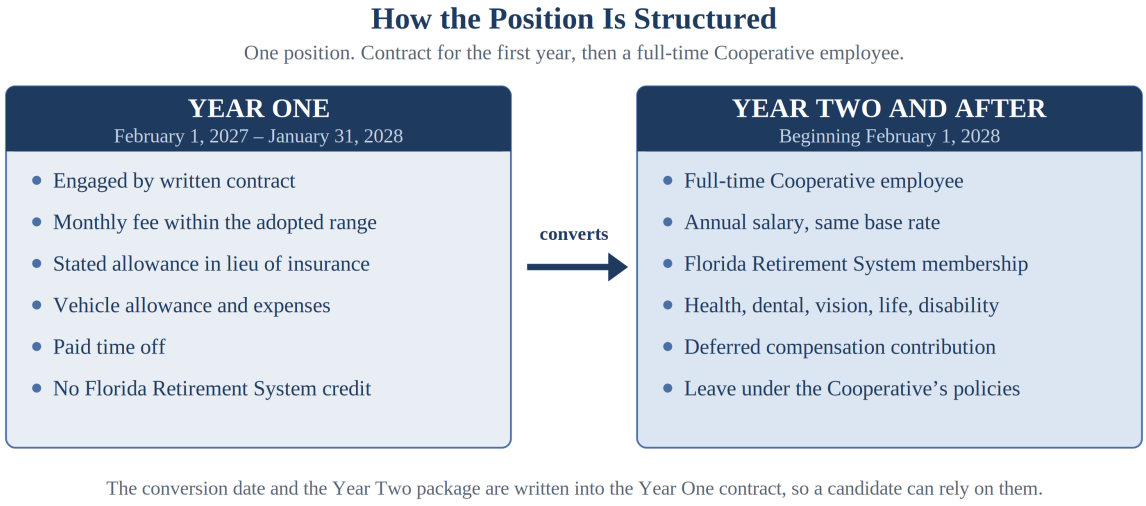
The process is run by the Cooperative itself. **No search firm is used.** The work is performed by the Board, a Selection Committee of three Member Government managers (with the retiring Executive Director serving as a non-voting technical advisor), General Counsel, Polk County Human Resources and the Cooperative's existing administrative support. The Cooperative's only significant expenses are advertising and background checks on the finalists.

Three things are worth keeping in mind while reading what follows. **Advertising is broad**, coordinated through Polk County Human Resources, the Member Governments and the professional associations. **Screening is simple** — there is no formal numeric scoring; General Counsel performs an objective qualifications check, and the Selection Committee reviews the qualified candidates, interviews them at public meetings and recommends three finalists in ranked order. And **the Board makes the appointment**, at a public meeting, on a single package that contains both the Committee's ranked recommendation and a fully negotiated agreement with the top-ranked candidate.

2. How the position is structured

The Executive Director is the chief executive officer of the Cooperative, appointed by and serving at the pleasure of the Board of Directors under Section 2.02(G) of the Interlocal Agreement.

Consistent with the Workforce Transition Plan, the position is advertised and filled as a **contract position for the first year, converting to a full-time Cooperative employee position with salary and benefits at the beginning of the second year.** The Cooperative does not yet have personnel policies, payroll, group insurance or a Florida Retirement System election in place; the Workforce Transition Plan puts those in place during the first year, and the conversion follows.



The conversion is a commitment, not an expectation. The conversion date, the Year Two salary and the Year Two benefits are written into the Year One agreement, so that a candidate leaving a Florida Retirement System position knows exactly what is being offered and when.

Compensation. The Board adopts and advertises a numeric base-compensation range. The proposed range is **$170,000 to $210,000**. The principal comparable is the Executive Director of the Peace River Manasota Regional Water Supply Authority, whose base salary is approximately $188,760 — the $181,500 stated in his August 7, 2024 employment agreement, as increased four percent effective October 1, 2025. Before the September 16 meeting, General Counsel and Polk County Human Resources will present that comparable and the estimated dollar value of the Year One allowances and the Year Two benefits, so that the Board adopts the range knowing what the whole package costs. **The Year One agreement states the base compensation, the monthly allowance in lieu of insurance, the vehicle allowance, reimbursable expenses and paid time off as separate line items**; none of them is calculated as an unspecified percentage of salary.

Qualifications. As stated in the Executive Director Position Description the Board adopts with this process: a bachelor's degree in public administration, engineering, environmental science, business or finance, **or** licensure as a Professional Engineer in Florida; ten years of management experience in water resource management or public water supply, including five years administering a utility system, department or agency; and a valid driver's license. **Once adopted, the qualifications are not changed during the recruitment.**

3. The process at a glance



4. The process, step by step

Step 1 — The Board adopts the process (September 16, 2026)

By one resolution, the Board adopts this process, the position description and qualifications, the compensation range and the Year One and Year Two terms, the advertisement (Attachment A) and the interview questions (Attachment B); appoints the members of the Selection Committee and designates the retiring Executive Director as its non-voting technical advisor; and authorizes

General Counsel to negotiate the agreement described in Step 6 and the transition consulting agreement described in Step 8.

Adopting the complete package at one meeting is what makes the schedule work. Before the first application arrives, the qualifications, the compensation terms, the Committee's role and every date are fixed and public.

Step 2 — Advertise and close applications (October 1 – November 13, 2026)

Six weeks. The Cooperative places the advertisement in coordination with Polk County Human Resources, at least in the following places:

- **The Polk County Human Resources application portal**, which is the primary place to submit applications. The Cooperative and the Member Governments are asked to post the position or link to that listing; participation by every Member Government is encouraged but is not a condition of the recruitment.
- The Cooperative's website.
- Polk County Human Resources coordinates posting with the Florida City and County Management Association, the Florida League of Cities and the Florida Association of Counties.
- International City/County Management Association Job Center.
- American Water Works Association and its Florida Section; Florida Water Environment Association; WateReuse; the Florida Section of the American Society of Civil Engineers.
- Florida Public Human Resources Association; LinkedIn; Indeed.
- Polk County Human Resources or the Cooperative's administrative support sends a neutral copy of the public announcement to the human-resources or chief-administrative offices of Florida regional water supply authorities, water management districts, the Member Governments and the Cooperative's consulting engineers, asking them to circulate it. **No official is asked to target or solicit another public agency's employees.**

Any Director, the Executive Director or General Counsel may encourage a qualified person to apply. No one may tell a prospective candidate anything about the position, the process or the compensation that is not in the advertisement.

What candidates submit. A cover letter of not more than three pages; a résumé; the names and contact information for five work-related references; brief written answers to the three questions printed in the advertisement; and a signed acknowledgment that Florida law makes the submission a public record. Nothing else. There is no application form.

Step 3 — Qualifications check and distribution (November 16–20, 2026)

General Counsel (i) confirms whether each applicant meets the published minimum qualifications — a yes-or-no check against objective criteria, not a judgment about who is better; (ii) confirms that no applicant is a sitting Director or a relative of a Director; and (iii) prepares a one-page summary listing each applicant, current position and whether the minimum qualifications are met. General Counsel promptly furnishes the applications and the summary to the Selection Committee, and furnishes every qualified application to the full Board.

No applicant is eliminated by staff or by General Counsel. The Committee receives every qualified application, and so does the Board.

Step 4 — The Selection Committee interviews and ranks (November 20, 2026 – January 8, 2027)

The Committee. The Board appoints a Selection Committee of **three Member Government managers** — City Managers or the County Manager. The Committee is composed only of Member Government managers; consultants, contractors and vendors to the Cooperative do not serve on it. Polk County Human Resources and General Counsel provide administrative and legal support but are not members and do not vote. The retiring Executive Director serves as a non-voting technical advisor to the Committee: he attends its meetings and interviews and advises the Committee on the operational and technical requirements of the position, but he is not a member, does not vote, and does not rank or recommend any candidate.

What the Committee does. The Committee reviews all qualified applications and **interviews the candidates in public**, at meetings noticed and conducted in accordance with Section 286.011, Florida Statutes. It uses the published qualifications and the questions at Attachment B, asked of every candidate. There is no formal numeric scoring system.

What the Committee produces. By January 8, 2027, at a noticed public meeting, the Committee **short-lists three finalists and ranks them in order of preference**. That ranked list is the Committee's recommendation to the Board, and it becomes public when it is adopted. **The Committee does not appoint the Executive Director**; the Board does.

Step 5 — Background checks (during the Committee's work, completed by January 8, 2027)

General Counsel arranges verification of education and employment history and driving and criminal history checks on the candidates the Committee is considering as finalists, through a commercial vendor or Polk County Human Resources, and personally makes the reference calls using the same questions for each. Credit checks, drug screening and any medical examination wait until after an offer is made. Checks run in parallel with the Committee's work so the results are in hand when the ranked list is adopted.

Step 6 — General Counsel negotiates the agreement (January 8–16, 2027)

Once the ranked list is public, **General Counsel negotiates a proposed agreement with the top-ranked candidate**, within the compensation range and the Year One and Year Two terms the Board adopted on September 16. The agreement must state that the Executive Director serves at the pleasure of the Board, carry the Year Two conversion terms, and provide no severance greater than twenty weeks of compensation and no severance at all if the Executive Director is terminated for misconduct. General Counsel approves it as to form and legality. During the same period, General Counsel finalizes the transition consulting agreement described in Step 8 with Mr. DeHaven, in consultation with the top-ranked candidate, so that both agreements are ready for the January 20 meeting.

Negotiating before the Board meets is what allows the appointment and the agreement to be decided together, rather than selecting a candidate and then waiting weeks for terms.

Step 7 — The Board selects and approves (January 20, 2027)

The Committee's ranked recommendation, the negotiated agreement with the top-ranked candidate and the transition consulting agreement described in Step 8 are presented to the Board **as one package**. The Committee chair reports the Committee's work and its ranking. The top-ranked candidate is introduced to the Board, may make a brief statement about his or her background and qualifications, and answers questions from Directors. **This is an introduction, not a comparative interview; the Board does not interview the candidates against one another.**

The Board then acts. If it selects the top-ranked candidate, it approves the agreement and the transition consulting agreement at the same meeting and the appointment is complete. If it selects the second- or third-ranked candidate, it directs General Counsel to negotiate with that candidate on the same Board-approved terms and the agreement is presented for approval at a special meeting or at the next regular meeting.

The Board should work hard for a unanimous vote. The other finalists are notified personally once the agreement is settled, before any public announcement.

Step 8 — Start and transition (February 1, 2027)

The target start date is **February 1, 2027**, or as soon thereafter as the agreement is approved and the selected candidate is available.

Mr. DeHaven's service as Executive Director ends January 31, 2027. He then provides transition assistance under a **separate hourly consulting agreement of up to eight months**, directed principally at land acquisition and the other legal and construction matters in progress. General Counsel negotiates that agreement with Mr. DeHaven, in consultation with the incoming Executive Director, and presents it to the Board for approval at the January 20, 2027 meeting as part of the package described in Step 7. **The transition arrangement is decided by the Board; it is not left to the discretion of the new Executive Director.** The new Executive Director directs the work performed under the agreement once service begins.

5. Rules that apply throughout

- Every meeting at which the Board or the Selection Committee discusses, compares, interviews, ranks, advances or eliminates applicants is noticed, open to the public and minuted. **There is no closed session at any stage.**
- Applications are public records the moment they arrive. **The Cooperative cannot promise any applicant confidentiality**, and the advertisement says so plainly.
- Directors do not discuss applicants with one another outside a public meeting, and Committee members do not discuss applicants with one another outside a Committee meeting. A member may speak with a candidate; two members may not speak with each other about a candidate.
- No secret ballots. Any notes, written evaluations, rankings or recommendations made in connection with the process are public records.
- The Selection Committee may narrow the field and rank finalists only at a noticed public meeting. **The Board retains the sole authority to select and appoint the Executive Director**, and does so at a public meeting.
- A sitting Director is not eligible to serve as Executive Director, and the Board may not appoint a relative of a sitting Director.

- The same questions are asked of every candidate. No questions about age, health, disability, marital or family status, religion, national origin, or current or prior salary.
- Mr. DeHaven helps prepare the advertisement and the transition plan, serves as a non-voting technical advisor to the Selection Committee, and will brief candidates on the Cooperative's operations on request. **He does not vote, rank, score or recommend any candidate, and takes no part in the Board's selection.** If he wished to be considered in any capacity, he would withdraw from the process entirely and the Board would be told at its next meeting.

6. What the Board is asked to do

On September 16, 2026, adopt Resolution 2026-15, which approves this process, the position description and qualifications, the compensation range and the Year One and Year Two terms, the advertisement and the interview questions; appoints the Selection Committee and designates the retiring Executive Director as its non-voting technical advisor; and authorizes General Counsel to negotiate the agreement described in Step 6 and the transition consulting agreement described in Step 8.

ATTACHMENT A

Advertisement

To be adopted by the Board and posted without change.

POLK REGIONAL WATER COOPERATIVE
EXECUTIVE DIRECTOR

The Cooperative. An independent special district created by Polk County and fifteen Polk County municipalities to develop and deliver a regional public water supply. It is building a capital program of approximately $800 million: the Southeast Wellfield Project is in construction and begins delivering water in 2029, and the West Polk Wellfield Project is in design for the early 2030s. It is governed by a Board of Directors made up of an elected official from each of its sixteen Member Governments, and is now moving from a small contracted organization into a fully operating regional water utility. The Executive Director will lead that transition.

The position. Chief executive officer, appointed by and serving at the pleasure of the Board. Responsible for delivery of the capital program on schedule and within budget; for financing, budgets, rates and cost allocation among Member Governments; for permitting and regulatory affairs; for building the Cooperative's staff; and for its relationships with the Member Governments, the Southwest Florida Water Management District, and state and federal agencies. Office in Polk County; regular regional travel and evening meetings.

Compensation and structure. $170,000 to $210,000. **The position is engaged by contract for the first year and converts to a full-time Cooperative employee position at the beginning of the second year.** In Year One the Cooperative pays the contract amount, a monthly allowance in lieu of insurance, a vehicle allowance and expenses, and paid time off, each stated separately in the agreement; there is no Florida Retirement System participation. Beginning in Year Two the Executive Director is a Cooperative employee with an annual salary at the same base rate, Florida Retirement System membership in the Senior Management Service Class, health, dental, vision, life and disability coverage, an employer deferred-compensation contribution, and leave under the Cooperative's personnel policies. **The conversion date and the Year Two terms are written into the Year One agreement.**

Minimum qualifications. Bachelor's degree in public administration, engineering, environmental science, business or finance, **or** licensure as a Professional Engineer in the State of Florida. Ten years of management experience in water resource management or public water supply, including five years in the administration of a utility system, department or agency. Valid driver's license.

Preferred. Master's degree; experience reporting to a governing board; experience delivering a capital program of comparable scale; experience with state and federal infrastructure loans and grants; familiarity with Florida water supply planning and Southwest Florida Water Management District programs.

Selection process. A Selection Committee of three Member Government managers will review applications and interview candidates at public meetings, and will recommend three finalists in ranked order to the Board. The Board makes the appointment on January 20, 2027; the anticipated start date is February 1, 2027.

To apply, submit through the Polk County Human Resources application portal at [address] by **November 13, 2026**: (1) a cover letter of not more than three pages; (2) a résumé; (3) five work-related references, who will not be contacted without your consent; (4) written answers of not more than 400 words each to the three questions below; and (5) the signed acknowledgment below.

(a) Describe the largest capital program you have been personally accountable for. What were the budget and schedule at the outset, what were they at completion, and why?

(b) Describe how you have built agreement among governing-body members or partner jurisdictions whose interests did not align.

(c) The Cooperative is moving from three contract positions to a staffed utility. Describe your experience building or restructuring an organization.

> **NOTICE — FLORIDA PUBLIC RECORDS AND OPEN MEETINGS.** Everything you submit is a public record when the Cooperative receives it and must be released to anyone who asks. **The Cooperative cannot provide any assurance of confidentiality.** The application file is public and all meetings and interviews are open to the public.

Signature: _____ Date: _____

ATTACHMENT B

Interview Questions

The Selection Committee asks the same ten questions of every candidate it interviews, in the same order, at a noticed public meeting. Follow-up questions may be asked to clarify an answer.

1. Why do you want this position, and what do you expect to accomplish in your first hundred days?
2. Walk us through the largest capital program you have been accountable for. What went wrong, and what did you do about it?
3. Two of the Cooperative's Member Governments take directly opposing positions on a cost-allocation question, and both of their representatives sit on the Board. What do you do?
4. Explain, as you would to a city commission, why a wholesale water rate has to go up.
5. What is your experience with state and federal infrastructure loans and grants, and what would you watch for on a program of this size?
6. The Cooperative has three contract staff today and will have roughly sixteen employees. Which position would you fill first, and why?
7. Describe a decision you made that your governing board did not initially support. How did you handle it?
8. A reporter calls about an incident at a construction site before you have the facts. Take us through the next four hours.
9. What would the board or governing body you report to now say is your principal weakness?
10. Is there anything about this position, or about serving sixteen member governments, that concerns you?

Do not ask about age, health, disability, marital or family status, children, religion, national origin, military discharge, arrests (convictions may be asked about), or current or prior salary. If a candidate raises one of these subjects, the presiding officer should note that it is not considered and move to the next question.

Agenda Item F.10. 9/16/2026

SUBJECT

Adopt Resolution 2026-11 to Approve the Truist Loan Refinancing and New Money Interim Loan (Action Item)

DESCRIPTION

In April 2023, the PRWC Board of Directors approved the WIFIA loan agreement in the amount of $305,799,441 to provide long-term funding for eligible project costs through the anticipated five-year construction period. The WIFIA loan closed in May 2023 and has an interest rate of 4.02%.

As an alternative to drawing from the WIFIA loan for the initial three years of construction, Truist Bank proposed a $154,338,308 fixed-rate tax-exempt bank loan to be used as interim financing. The Truist loan had an interest rate of 3.55% with tender dates beginning in November 2025 and every six months thereafter until November 2028. The Truist loan was fully funded at closing, allowing for the loan proceeds to be invested in a fully collateralized depository account with Truist Bank Interest on the Truist loan has been paid annually by member payments. The net interest cost of the Truist loan, when considering investment earnings, results in debt service savings when compared to draws on the higher interest rate WIFIA loan.

Additionally, by delaying draws on the WIFIA loan using the Truist loan, the PRWC maintained the flexibility to request a one-time interest rate reset on the WIFIA loan if rates declined and certain conditions were met. Interest rates have increased since May 2023, and the WIFIA loan rate of 4.02% is much lower than the current applicable WIFIA loan rate of approximately 5.26%.

In November 2025, the PRWC extended the Truist loan for one year to continue to access interim financing at a lower interest rate than WIFIA. The loan was extended to November 13, 2026, at an interest rate of 3.78%.

The PRWC would like to continue to access interim financing at a lower interest rate than WIFIA and may wish to repay portions of the interim financing from WIFIA, grants, and/or SRF loan proceeds over the next year. To be able to pay off a loan at any time without penalty, the PRWC would like to refinance the loan with a variable rate, non-revolving line of credit. The WIFIA loan agreement restricts variable rates to no more than 25% of its indebtedness. SRF has also notified PRWC that its federal funding has been reduced and the PRWC must seek other funds for $81M, which is discussed further below.

To obtain additional interim financing and meet these requirements, the PRWC requested:

1) a non-revolving, variable rate loan in the amount of approximately $135M to refinance a portion of the existing Truist loan, and

2) a non-revolving, fixed rate loan in the amount of approximately $65M to refinance the remaining portion of the existing Truist loan and provide approximately $45.7M in additional interim financing to be deposited into an escrow account.

The interest rate on the variable rate loan will reset monthly at 79% of 1-Month Term SOFR plus 0.70%, which is currently approximately 3.63%. The fixed rate loan is currently at an estimated interest rate of 3.90%, with the $45.7M new money portion.

These proposed obligations are summarized as follows:

PRWC 2026 Truist Variable Rate Loan and Fixed Rate Loan

	Interest Rate	Uses	Subtotal Refinancing	
New Variable Rate Loan	3.63%	134,923,982		Refinance Portion of Truist Interim WIFIA Loar
New Fixed Rate Loan	3.90%	19,414,326	154,338,308	Refinance Portion of Truist Interim WIFIA Loar
		45,661,692		New Money Invested at 3.30%
		65,076,018		
Total		**200,000,000**		

Below is a summary of the current funding for the Southeast Wellfield project after notification from SRF of the $81M reduction in funding. The most recent plan of finance reduced the amount of WIFIA funding and increased the low-interest rate SRF funding. Given SRF's notification, the $81M will be funded by increasing WIFIA to the full amount available and interim financing from the new Truist fixed rate loan. The interim financing can be taken out by additional SRF, if available, and/or a long-term bank loan or bonds.

Southeast Funding Summary	
Description	Capital Costs
WIFIA Construction Loan	215,346,450
SWFWMD Grants	166,306,142
SRF Construction Loans	41,781,520
SRF Principal Forgiveness	7,218,480
State Appropriations	49,721,179
SRF Design Loans	21,434,636
Heartland Grants	14,475,130
Member Funds	7,214,795
Federal Grants	2,038,635
Existing SRF Planning Loan	912,438
Additional Funding Source	41,442,062
Total Capital Expenditures	**567,891,467**

Proposed New Truist Loans	
Additional Funding Need Due to Reduced SRF	41,442,062
Additional Interim Amount from Truist (may be reimbursed from WIFIA or used for Cap I and taken out w/ permanent financing)	4,219,630
Subtotal Additional Funds from New Truist Loan	45,661,692
Transfer of Existing Truist Loan Balance	154,338,308
Total New Truist Loans	**200,000,000**

The following table summarizes the PRWC's total fixed and variable rate debt after the issuance of the new Truist loans.

PRWC - Fixed and Variable Rate Mix	Proposed Plan	
SRF Construction Loans	41,781,520	Fixed
SRF Design Loans	21,434,636	Fixed
WIFIA Construction Loan	305,799,441	Fixed
New Truist Variable Rate Loan	134,753,899	Variable
New Truist Fixed Rate Loan	19,584,409	Fixed, Not Invested
	45,661,692	Fixed New Money, Invested at Closing
Subtotal Truist Interim Financing	200,000,000	
Existing Truist Line of Credit	10,000,000	Variable
Total Debt	**579,015,597**	
Fixed Rate	434,261,698	75%
Variable Rate	144,753,899	25%
	579,015,597	100%

RECOMMENDATION

Adopt Resolution 2026-11 to approve the new Truist variable rate loan to refinance $134.9M of the prior Truist loan and approve the new Truist fixed rate loan to refinance $19.4M of the prior Truist loan and provide $45.7M in new interim financing for construction.

FISCAL IMPACT

The PRWC has utilized the lower interest rate Truist loan and has not made a draw upon the WIFIA loan. Given the upcoming mandatory put date on the Truist loan and notification from SRF that it cannot commit to $81M in funding at this time, refinancing the loan continues to provide funding at a lower interest cost than WIFIA and the increased new money provides interim funds for construction. If additional SRF funding becomes available, the PRWC could pay off an equal amount of the new Truist loan with low interest cost SRF funding. The flexibility for PRWC to provide more time for SRF funds to become available is valuable due to the subsidized interest rates and potential principal forgiveness. The interest rates on the new Truist loan are as of this date below the WIFIA loan. Also, the interest earnings on the unspent Truist loan proceeds help offset the interest cost of the new money portion of the loan.

CONTACT INFORMATION

Julie Santamaria, PFM Financial Advisors LLC

RESOLUTION NO. 2026-11

A RESOLUTION OF THE POLK REGIONAL WATER COOPERATIVE AUTHORIZING (A) A VARIABLE RATE NON-REVOLVING LOAN IN THE PRINCIPAL AMOUNT AT ANY ONE TIME NOT EXCEEDING $135,000,000 AND PROVIDING FOR THE ISSUANCE OF ITS NON-REVOLVING REVENUE NOTE, SERIES 2026A TO EVIDENCE SUCH LOAN, TO FINANCE COSTS OF THE 2026 PROJECT, TO REFINANCE A PORTION OF THE SERIES 2023C BOND AND PAY COSTS OF ISSUANCE OF THE SERIES 2026A NOTE; (B) AUTHORIZING A FIXED RATE NON-REVOLVING LOAN IN THE PRINCIPAL AMOUNT AT ANY ONE TIME NOT EXCEEDING $66,000,000 AND PROVIDING FOR THE ISSUANCE OF ITS NON-REVOLVING REVENUE NOTE, SERIES 2026B TO EVIDENCE SUCH LOAN, TO FINANCE COSTS OF THE 2026 PROJECT, TO REFINANCE A PORTION OF THE SERIES 2023C BOND AND PAY COSTS OF ISSUANCE OF THE SERIES 2026B NOTE; APPROVING THE FORM OF A NON-REVOLVING CREDIT AGREEMENT AND THE SERIES 2026A NOTE TO BE ISSUED THEREUNDER; APPROVING THE FORM OF A NON-REVOLVING CREDIT AGREEMENT AND THE SERIES 2026B NOTE TO BE ISSUED THEREUNDER; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT TO PROVIDE FOR THE INVESTMENT AND DISBURSEMENT OF A PORTION OF THE PROCEEDS OF SAID 2026B NOTE; AND (C) AUTHORIZING THE AWARD OF THE SALE OF SAID NOTES ON A NEGOTIATED BASIS TO TRUIST COMMERCIAL EQUITY, INC.; PROVIDING OTHER DETAILS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE POLK REGIONAL WATER COOPERATIVE (the "Issuer") that:

Section 1. Authority for this Resolution. This Resolution is adopted pursuant to Section 163.01 and Chapter 189, Florida Statutes, the Interlocal Agreement, the Constitution of the State and other applicable provisions of law (collectively, the "Act") and the Bond Resolution, as hereinafter defined.

Section 2. Findings. The Issuer hereby finds as follows:

A. The Issuer was established as a separate legal entity, public agency and unit of special purpose local government pursuant to Section 163.01(7)(g), Florida Statutes, and a regional water supply authority pursuant to Section 373.713, Florida Statutes, by its members pursuant to

the Interlocal Agreement to provide for the planning, acquisition, development, management, operation, improvement and maintenance of Projects and the System.

B. The Interlocal Agreement was approved by the Secretary of the Florida Department of Environmental Protection pursuant to Section 373.713, Florida Statutes.

C. The Issuer is authorized under the Act and the Bond Resolution to (1) issue its Non-Revolving Revenue Note, Series 2026A (the "Series 2026A Note") to (i) finance the costs of development, acquisition, and construction of the Projects, as more particularly defined in the hereinafter described Series 2026A Credit Agreement, as the 2026 Project, (ii) refinance a portion of the outstanding principal of and interest on the Polk Regional Water Cooperative Water Revenue Bond, Series 2023C, dated May 9, 2023, as amended (the "Series 2023C Bond"), issued pursuant to the Loan Agreement dated May 9, 2023, as amended, between the Issuer and Truist Commercial Equity, Inc., (iii) capitalize interest on the Series 2026A Note, and (iv) pay costs of issuance for the Series 2026A Note; and (2) issue its Non-Revolving Revenue Note, Series 2026B (the "Series 2026B Note" and together with the Series 2026A Note, the "Notes") to (i) finance the costs of development, acquisition, and construction of the Projects, as more particularly defined in the hereinafter described Series 2026B Credit Agreement, as the 2026 Project, (ii) refinance a portion of the outstanding principal of and interest on the Series 2023C Bond, (iii) capitalize interest on the Series 2026B Note, and (iv) pay costs of issuance for the Series 2026B Note.

D. The Board, based on the advice of PFM Financial Advisors LLC, municipal advisor to the Issuer (the "Municipal Advisor"), has determined that it is advantageous to the Issuer to finance the costs of the 2026 Project (including through reimbursement), to refinance the Series 2023C Bond through the issuance of the Notes, and to capitalize interest on the Notes, payable from and secured by a lien upon the Pledged Revenues under the Bond Resolution.

E. The Pledged Revenues are anticipated to be sufficient to timely pay the principal of and interest on the Notes as the same shall become due.

F. Because of prevailing and anticipated market conditions and the nature of the Loans, and taking into account the advice of the Municipal Advisor, it is not feasible, cost effective or advantageous to sell the Notes and enter into the hereinafter described Credit Agreements through a competitive sale and it is in the best interest of the Issuer to accept the terms of the respective Loan from the Lender in a principal amount not to exceed the respective Loan Amount, at a negotiated sale upon the terms and conditions outlined herein and in the respective Credit Agreement and as determined by the Authorized Signatory executing the respective Credit Agreement on behalf of the Issuer in accordance with the terms hereof.

G. Prior to the sale of the Notes, there shall be delivered to the Issuer a human trafficking affidavit pursuant to Section 787.06, Florida Statutes, a disclosure statement containing the information required by Section 218.385(6), Florida Statutes, and a Truth-in-Bonding Statement pursuant to Section 218.385(2), Florida Statutes, in order for the Notes to be issued pursuant to this Resolution and the Bond Resolution. No further disclosure is required by the Issuer.

H. The Notes shall be issued as Tax-Exempt Bonds, the interest on which shall be excludable from gross income under the applicable provisions of the Internal Revenue Code.

I. The Notes will not be issued unless the applicable requirements of the Bond Resolution are satisfied. Upon issuance in accordance with the terms hereof and of the respective Credit Agreement, the Notes will each constitute a Series of Bonds issued under the Bond Resolution, as supplemented hereby, entitled to all the security and benefits thereof. The Notes are further determined to be Designated Maturity Bonds, and the Series 2026A Note shall be issued as a Full Draw LOC under the Bond Resolution.

Section 3. Definitions. Words and phrases used herein in capitalized form and not otherwise defined herein (including, without limitation, in the preamble hereto) shall have the meanings ascribed thereto in the Bond Resolution or, if not defined therein, in the Credit Agreements (each as hereinafter defined), and, in addition, the following words and phrases shall have the following meanings:

"Authorized Signatories" mean any one or more of the Chair or the Vice Chair of the Issuer.

"Bond Resolution" means Resolution No. 2022-05 duly adopted by the Board of Directors of the Issuer on July 13, 2022, as amended and supplemented.

"Business Day" means a day other than (i) a Saturday, Sunday, legal holiday or day on which banking institutions in Polk County, Florida are authorized or required by law or executive order to close, or (ii) a day on which the New York Stock Exchange is closed.

"Credit Agreements" mean collectively (i) the Non-Revolving Credit Agreement related to the Series 2026A Note, the form of which is attached hereto as Exhibit "A", and (ii) the Non-Revolving Credit Agreement related to the Series 2026B Note, the form of which is attached hereto as Exhibit "B", each by and between the Issuer and the Lender (each, a "Credit Agreement").

"Lender" means Truist Commercial Equity, Inc., together with its successors and assigns.

"Loans" mean collectively (i) the loan to the Issuer by the Lender as documented herein and in the Series 2026A Credit Agreement, and as evidenced by the Series 2026A Note, and (ii) the loan to the Issuer by the Lender as documented herein and in the Series 2026B Credit Agreement, and as evidenced by the Series 2026B Note (each, a "Loan").

"Loan Amounts" mean (i) with respect to the Series 2026A Note, a principal amount outstanding at any time not to exceed $135,000,000 (the "2026A Loan Amount"), and (ii) with respect to the Series 2026B Note, a principal amount outstanding at any time not to exceed $66,000,000 (the "2026B Loan Amount"); each of the 2026A Loan Amount and 2026B Loan Amount, individually, a "Loan Amount."

"Projects" means collectively, the Southeast Wellfield Project and the West Polk Wellfield Project, together with the supply lines, transmission lines and water production facilities, the costs of which are to be funded in whole or in part with proceeds from the Notes, as set forth in the respective Credit Agreements.

Section 4. Projects. The Board hereby specifically ratifies and affirms all actions previously taken in furtherance of the undertaking of the financing of the Projects and obtaining the Loans. Each Project shall be deemed to be a "Project" as defined in the Bond Resolution and an "Approved Water Project" as defined in the Interlocal Agreement.

Section 5. Credit Agreements, Notes, and Escrow.

A. The Issuer is authorized to execute the Credit Agreements with the Lender in substantially the form attached hereto as Exhibit "A" and Exhibit "B" and to issue and deliver to the Lender the Notes, substantially in the form attached to the respective Credit Agreement, and to apply the proceeds, as applicable, to finance Projects, refinance the Series 2023C Bond, capitalize interest and to pay the costs of issuance of the Notes. The forms and terms of the Credit Agreements and the Notes attached hereto are hereby approved, and the Authorized Signatories are authorized to execute and deliver the same, with such changes, insertions, omissions and filling of blanks as may be approved by the Authorized Signatories, such approval to be conclusively evidenced by the execution thereof by any Authorized Signatory, provided, however, in no event shall (i) the principal amount authorized to be outstanding exceed $135,000,000 with respect to the Series 2026A Note, (ii) the principal amount authorized to be outstanding exceed $66,000,000 with respect to the Series 2026B Note, or (iii) the true interest cost rate of the Series 2026B Note exceed 5.00%.

B. The covenants and agreements set forth herein and in the Bond Resolution to be performed by the Issuer shall be for the equal benefit, protection and security of the Lender and the Holders of the Notes, and the Notes shall be of equal rank with all other Bonds and Additional Bonds issued under the Bond Resolution, without preference, priority or distinction over any other Bond. All applicable covenants contained in the Bond Resolution shall be fully applicable to the Notes as if originally issued thereunder.

C. The Authorized Signatories may authorize the modification of the name or series designation of the Notes, as deemed appropriate, the approval of such modification to be evidenced by the execution and delivery of the Notes showing such modification.

D. The Notes shall not be secured by the Composite Reserve Account created by the Bond Resolution or any reserve account within the Reserve Fund and there shall be no Reserve Requirement with respect to the Notes.

E. Each Note shall be issued as a fully registered note in a principal amount not to exceed its respective Loan Amount. Principal of the respective Note shall be payable to the Lender in accordance with the respective Credit Agreement.

F. If the date for the payment of principal of or interest on the Notes shall be a day other than a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

G. The Notes shall be subject to redemption as set forth in the applicable Credit Agreement and Note. Notwithstanding anything in the Bond Resolution to the contrary, notice of redemption shall be given as provided in the respective Credit Agreement.

H. Each Note shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, and the Lender, in accepting the Note, shall be conclusively deemed to have agreed that such Note shall be and have all of the qualities and incidents of negotiable instruments under the laws of the State of Florida.

I. The 2026A Note shall be a Full Draw LOC under the Bond Resolution and each Note a Designated Maturity Bond.

J. Subject to full satisfaction of the conditions set forth in this Section 5, the Issuer hereby authorizes a delegated negotiated sale of the Notes to the Lender in accordance with the terms of the applicable Credit Agreement, the Series 2026A Credit Agreement and Series 2026A Note in substantially the form attached hereto as Exhibit "A," and the Series 2026B Credit Agreement and Series 2026B Note in substantially the form attached hereto as Exhibit "B," with such changes, amendments, modifications, omissions and additions thereto as shall be approved by the Authorized Signatories in accordance with the provisions of this Section 5 and upon delivery of a human trafficking affidavit as required by Section 787.06, Florida Statutes, a disclosure statement(s), and truth-in-bonding statement meeting the requirements of Section 218.385, Florida Statutes, the execution thereof being deemed conclusive evidence of the approval of such changes and the full and complete satisfaction of the conditions set forth in this Section 5.

K. The provisions of each Credit Agreement, when executed and delivered by the parties thereto, shall be incorporated by reference herein so long as the Notes shall remain outstanding.

L. A portion of the proceeds of the 2026B Note will be held, invested and disbursed pursuant to the terms of an Escrow Agreement among the Issuer, Truist Bank, a North Carolina banking corporation in its capacity as Escrow Agent, and the Lender in substantially the form attached hereto as Exhibit "C" (the "Escrow Agreement"). The Issuer is hereby authorized to execute the Escrow Agreement in substantially the form attached hereto as Exhibit "C".

M. The Issuer has paid within 60 days prior to the date of this Resolution or expects to pay on or after the date of this Resolution and before the issuance of the Notes certain costs of the 2026 Project with funds other than proceeds of the Notes (the "Advanced Funds"). The Issuer reasonably expects to use proceeds of the Notes to reimburse itself for expenditures made with the Advanced Funds. This paragraph is a declaration of the official intent of the Issuer within the contemplation of Section 1.150-2 of the Income Tax Regulations promulgated by the United States Department of the Treasury. The maximum principal amount of proceeds of the Notes expected to be issued to finance Costs of the 2026 Project is $201,000,000. All expenditures initially made with the Advanced Funds and then reimbursed from proceeds of the Notes will be for Costs of the 2026 Project of a type constituting capital expenditures or preliminary expenditures relating to the 2026 Project or costs of issuing the Notes. Reimbursement allocations shall comply with the applicable requirements of Treasury Regulation Section 1.150-2. Amounts applied to pay or refinance an existing obligation, or attributable to expenditures paid from another obligation, shall be treated under the applicable refunding rules.

Section 6. Credit Agreements and Notes Not to be General Obligation or Indebtedness of the Issuer. Neither the Credit Agreements nor the Notes shall be deemed to constitute a general debt or obligation or a pledge of the faith and credit of the Issuer, the members of the Issuer, the State of Florida, or any political subdivision thereof within the meaning of any constitutional, legislative or charter provision or limitation, and no Holder of the Notes shall ever have the right, directly or indirectly, to require or compel the exercise of the ad valorem taxing power of the members of the Issuer, or any other political subdivision of the State of Florida or taxation in any form on any real or personal property for the payment of the principal of and interest on the Notes

or under the Credit Agreements or for the payment of any other amounts provided for in the Bond Resolution or the Credit Agreements. The Issuer has no taxing power. Neither the Credit Agreements nor the Notes shall constitute a lien upon any property of or in the Issuer or its members, but shall constitute a lien only upon the Pledged Revenues in the manner provided in the Bond Resolution.

Section 7. Severability. If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of the Bond Resolution, this Resolution, the Credit Agreements and the Notes.

Section 8. Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

Section 9. Authorizations. The Authorized Signatories are hereby authorized to execute and deliver on behalf of the Issuer the Credit Agreements, the Notes, and the Escrow Agreement as provided hereby and the Secretary is hereby authorized to attest any such signatures on any such documents and to affix the Issuer's seal thereto to the extent required by such documents. All officials and employees of the Issuer, including, without limitation, the Authorized Signatories, are authorized and empowered, collectively or individually, to take all other actions and steps and to execute all instruments, documents, and contracts on behalf of the Issuer as they shall deem necessary or desirable in connection with the completion of the Loans and the carrying out of the intention of this Resolution, including, without limitation, filing of all tax reporting requirements and paying costs related hereto.

Section 10. Controlling Law; Member of the Board of Issuer Not Liable. All covenants, stipulations, obligations and agreements of the Issuer contained in the Bond Resolution and herein shall be deemed to be covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized by the Act and provided by the Constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Board in his or her individual capacity, and neither the members of the Board nor any official executing the Credit Agreements, the Notes or other documents contemplated hereby shall be liable personally on the Credit Agreements, the Notes or the Bond Resolution or shall be subject to any personal liability or accountability by reason of the issuance or the execution by the Board or such official.

Section 11. Issuer as Paying Agent and Registrar. The Issuer is hereby designated paying agent and registrar for the Notes.

Section 12. Repealer. All resolutions or parts thereof in conflict herewith are hereby repealed.

Section 13. Effective Date. This Resolution shall take effect immediately upon its adoption.

Passed and duly adopted by the Board of Directors of the Polk Regional Water Cooperative on the 16th day of September, 2026.

POLK REGIONAL WATER COOPERATIVE

By:_____
Nathaniel Birdsong, Jr., Chair

ATTESTED:

By:_____
Becky Troutman, Secretary

POLK REGIONAL WATER COOPERATIVE SOUTHEAST PROJECT BOARD

By:_____
Trish Pfeiffer, Chair

ATTESTED:

By:_____
Morris West, Secretary

POLK REGIONAL WATER COOPERATIVE WEST POLK PROJECT BOARD

By:_____
Mike Musick, Chair

ATTESTED:

By:_____
Alex Cam, Secretary

Approved as to Form:

_____
Edward P. de la Parte, Legal Counsel

#541392029_v9 155673.00009

EXHIBIT "A" TO RESOLUTION

FORM OF SERIES 2026A CREDIT AGREEMENT

NON-REVOLVING CREDIT AGREEMENT

by and between

POLK REGIONAL WATER COOPERATIVE

AND

TRUIST COMMERCIAL EQUITY, INC.

AS OF

[_____], 2026

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Exhibit A – Form of Note
Exhibit B – Form of Notice of Borrowing

NON-REVOLVING CREDIT AGREEMENT

This **NON-REVOLVING CREDIT AGREEMENT** (the "*Agreement*") is made and entered into as of [_____] 2026, by and between **Polk Regional Water Cooperative**, a Florida interlocal agency (the "*Cooperative*"), and **Truist Commercial Equity, Inc.**, and its successors and permitted assigns ("*TRUCE*" or the "*Lender*").

Subject to the satisfaction of the special conditions precedent set forth in Article II below, the parties hereto, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, DO HEREBY AGREE as follows:

W I T N E S S E T H:

WHEREAS, the Cooperative was formed pursuant to Sections 163.01 and 373.713 and Chapter 189, Florida Statutes, pursuant to an Interlocal Agreement Relating to Establishment of the Polk Regional Water Cooperative, effective as of June 1, 2016 (the "*Interlocal Agreement*") as executed by Polk County, Florida (the "*County*") and the municipalities located within the County and set forth therein (collectively, the "*Members*"); and

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

WHEREAS, the Board of Directors of the Cooperative (the "*Board*") duly adopted Resolution No. 2022-05 on July 13, 2022, as amended by Resolution No. 2023-09 adopted by the Board on April 26, 2023 (the "*Resolution*"), as supplemented by Resolution No. 2026-11 adopted by the Board on September 16, 2026 (the "*Supplemental Resolution*" and collectively with the Resolution, the "*Bond Resolution*"), pursuant to which the Cooperative is authorized to borrow money, and more particularly issue the Note described below for (i) refinancing a portion of the Series 2023C Bond, (ii) financing the 2026 Project, (iii) capitalizing interest on the Note, and (iv) paying costs of issuance; and

WHEREAS, the Cooperative has requested the Lender, and the Lender has agreed, to loan funds to the Cooperative under the terms of this Agreement to refinance a portion of the Series 2023C Bond, finance the 2026 Project, capitalize interest on the Note, and pay costs of issuance, under and pursuant to the terms of this Agreement and the Cooperative's Non-Revolving Revenue Note, Series 2026A (the "*Note*"), all on the terms and conditions set forth herein, provided that the principal amount outstanding shall not exceed the Maximum Commitment Amount, as hereinafter defined.

ARTICLE I
DEFINITION OF TERMS

Section 1.01 Definitions. The words and terms used in capitalized form in this Agreement shall have the meanings as set forth in the recitals above and the following words and terms as used in this Agreement shall have the following meanings:

"*Act*" means, collectively, Sections 163.01 and 373.713 and Chapter 189, Florida Statutes, the Interlocal Agreement, the Constitution of the State, the Bond Resolution, and other applicable provisions of law.

"*Additional Bonds*" shall have the meaning ascribed to that term under the Bond Resolution.

"*Advance*" means a lending of money by the Lender to the Cooperative under the Commitment in accordance with Article VI hereof.

"*Agreement*" means this Non-Revolving Credit Agreement and any and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

"*Alternative Benchmark Rate*" means a rate of interest per annum equal to the Prime Rate minus two and 5/10 percent (2.5%) which shall adjust daily with changes in Lender's Prime Rate.

"*Anti-Corruption Laws*" means all laws, rules, and regulations of any jurisdiction applicable to the Cooperative or any of its subsidiaries or affiliates from time to time concerning or relating to bribery or corruption.

"*Applicable Law*" means all applicable provisions of all constitutions, statutes (including the Act), rules, regulations and orders of all State or federal governmental bodies, all Governmental Approvals and all orders, judgments and decrees of all courts and arbitrators.

"*Applicable Spread*" means 70 basis points.

"*Availability Period*" means the period from the date the Conditions Precedent set forth in Article II have been satisfied to but not including the Final Maturity Date.

"*Available Commitment Amount*" shall mean the difference between the Maximum Commitment Amount and the Loan Amount.

"*Benchmark*" means initially Term SOFR and thereafter the then-current Successor Rate.

"*Bonds*" shall have the meaning ascribed to that term under the Bond Resolution.

"*Business Day*" means any day other than (i) a Saturday or Sunday, (ii) any day on which banks in the City of New York or Polk County, Florida are authorized or required by law or other governmental action to close and (iii) any day on which the New York Stock Exchange is closed.

"*Calculation Agent*" means (i) so long as TRUCE holds the Note, the Lender, or (ii) in all other cases, such other bank, financial institution or financial advisor firm designated from time to time by the Cooperative.

"*Code*" means the Internal Revenue Code of 1986, as amended, and any applicable corresponding provisions of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context thereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of the Treasury (including applicable final regulations and temporary regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings) and applicable court decisions.

"*Commitment*" means the obligation of the Lender to make the Loan to the Cooperative in a principal amount not exceeding the Maximum Commitment Amount.

"*Conforming Changes*" means, with respect to any Successor Rate, any technical, administrative or operational changes (including changes to the definitions such as "Business Day," "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters and with respect to the Note, an adjustment factor to adjust such replacement index to an equivalent tax-exempt rate (assuming that a Determination of Taxability has not occurred)) that Lender decides may be appropriate to reflect the adoption and implementation of such Successor Rate and to permit the administration thereof by the Lender in a manner Lender decides is reasonably necessary in connection with the administration of this Agreement and the Note.

"*Costs of the 2026 Project*" means all items of cost with respect to the 2026 Project permitted under the Act to be financed with proceeds of the Note hereunder, including reimbursement to the Cooperative in connection with items previously incurred in anticipation of the issuance of the Note and capitalizing interest on the Note.

"*Counsel*" means an attorney at law or firm of attorneys at law (who may be of counsel to, including an employee of, the Cooperative).

"*Default*" means any of the events specified in Section 10.01 hereof which with the passage of time or giving of notice or both would constitute an Event of Default.

"*Default Rate*" means the Prime Rate plus five percent (5.00%) per annum or, if lower, the Maximum Lawful Rate.

"*Determination of Taxability*" means the occurrence after the date hereof of a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that, solely as a result of actions or inactions of the Cooperative, interest paid or payable on the Note is or was includable in the gross income of the holder for Federal income tax purposes (a "*Taxable Event*"); provided, however, that no such decree, judgment, or action will be considered final for this purpose unless the Cooperative has been given written notice and, if it is so desired and is legally allowed, the Cooperative has been afforded the opportunity to contest the same, either directly or in the name of the holder, the Lender or the holder of the Note, and until the conclusion of all appellate reviews, if sought. For avoidance of doubt and without limiting the foregoing, a Taxable Event does not include, and is not triggered by, a change in law, rule or regulation that causes the interest on the Note to be included in holder's gross income for federal income tax purposes.

"*Event of Default*" means an Event of Default specified in Section 10.01 of this Agreement.

"*FCPA*" shall have the meaning given thereto in Section 3.13(c) of this Agreement.

"*Final Maturity Date*" means [_____], 2029, unless extended in writing by the Lender in its sole discretion.

"*Fiscal Year*" means the period commencing on October 1 of each year and ending on the succeeding September 30, or such other period of twelve consecutive months as may hereafter be designated as the fiscal year of the Cooperative by general law.

"*GAAP*" means generally accepted accounting and financial reporting principles applied in the United States on a consistent basis to government units as established by the Governmental Accounting Standards Board, and which are consistently applied for all applicable periods so as to present fairly the financial condition, results of operations and cash flow of the Cooperative.

"Governmental Approval" means an authorization, permit, consent, approval, license or exemption from, registration or filing with, or report to, any governmental or regulatory unit.

"*Implementation Agreement*" shall have the meaning given to such term in the Bond Resolution.

"*Indebtedness*" as of any date of determination means (i) all indebtedness for borrowed money or for the deferred purchase price of property or services and (ii) all direct or indirect guaranties to assure the credit of another against loss, including without limitation agreements (x) to pay or purchase debts of another or to advance or supply funds for the payment or purchase of such debts, or (y) to purchase, sell or lease (as lessee or lessor) property, or to purchase or sell services, primarily for the purpose of enabling another to make payment of such debts, or (z) to supply funds to or in any other manner invest in another (including any agreement to pay for property whether or not such property is received or such services are rendered); provided, however, that the term "Indebtedness" shall not include (A) vehicle and equipment leases and other indebtedness or guaranties owing to trade creditors in the ordinary course of business regardless of the treatment for accounting purposes, or (B) any debt or other obligation that, by the terms of an indenture of trust or other written agreement governing such debt or obligation, (i) is not required to be paid from any revenues, fees or income derived from any source other than revenues, fees or income derived solely from the operation of property, plant or equipment specifically identified in such indenture or written agreement, or (ii) is expressly without recourse to the Cooperative and for which the Cooperative has no personal pecuniary liability, or (iii) is payable solely from a revenue source other than Pledged Revenues.

"*Interest Payment Date*" means the first day of each month, commencing [_____] 1, 2026, a Noteholder Put Date and the Final Maturity Date.

"*Interest Period*" means the period commencing on the date of the Note and with each successive Interest Period commencing on the first day of each month; provided that (i) if any Interest Period would commence on a day other than a Business Day, the then current Interest Period shall be extended and the Interest Period shall commence on the next succeeding Business Day, (ii) no Interest Period shall extend beyond the earlier of termination of the Loan whether by maturity or acceleration and (iii) the initial Interest Period may commence on the initial funding or booking date and result in a shorter or longer initial Interest Period.

"*Interest Rate*" means except as otherwise provided herein, the Tax-Exempt Applicable Rate, subject to adjustment as provided herein.

"*Interest Rate Determination Day*" means that date which is two U.S. Government Securities Business Days prior to the first day of the Interest Period.

"*Lender Obligations*" means all amounts payable to the Lender by the Cooperative under the terms of this Agreement and the Note and any Qualified Swap related to the interest rate of the Note with the Lender as a counterparty, other than principal and interest on the Note.

"*Lien*" as applied to the Property of any Person, means (in each case, whether the same is consensual or nonconsensual or arises by contract, operation of law, legal process or otherwise): (a) any mortgage, lien, pledge, attachment, charge, conditional sale or other title retention agreement, or other security interest or encumbrance of any kind in respect of any Property of such Person, or upon the income or profits therefrom; and (b) any arrangement, express or implied, under which any Property of such Person is transferred, sequestered or otherwise identified for the purpose of Indebtedness or performance of any other obligation in priority to the payment of the general, unsecured creditors of such Person.

"*Loan*" means the loan by the Lender to the Cooperative contemplated hereby.

"*2023 Loan Agreement*" means the Loan Agreement dated May 9, 2023, between the Cooperative and Lender, as amended.

"*Loan Amount*" means the then current outstanding principal amount of the Note issued hereunder.

"*Material Adverse Effect*" means, (a)(i) with respect to any Person, a material adverse effect upon such Person's business, assets, liabilities, financial condition, results of operations or business prospects, and (ii) with respect to a group of Persons as a whole, a material adverse effect upon such Persons' businesses, assets, liabilities, financial conditions, results of operations or business prospects taken as a whole; and (b) with respect to any agreement or obligation, a material adverse effect upon the binding nature, validity or enforceability of such agreement or obligation.

"*Maximum Commitment Amount*" shall mean $134,923,982, unless reduced at the written request of the Cooperative or as otherwise provided herein.

"*Maximum Lawful Rate*" means the maximum legal rate of interest under Applicable Law and applicable to the Cooperative's obligations to pay interest to the Lender with respect to amounts due to the Lender hereunder.

"*Note*" means the Cooperative's Non-Revolving Revenue Note, Series 2026A.

"*Note Counsel*" means Counsel retained by the Cooperative that is of nationally recognized experience in matters relating to the validity of, and the exclusion from gross income for federal income tax purposes of interest on, obligations of states and their political subdivisions.

"*Note Documents*" means, at any time, each of the following as in effect or as outstanding, as the case may be, at such time: (i) the Note, (ii) this Agreement, and (iii) the Bond Resolution.

"*Noteholder*" or "*holder*" of the Note shall mean, collectively, the Lender or such other registered owner or owners to which the Note may be assigned pursuant to Section 11.06 hereof.

"*Noteholder Put Date*" means [_____], 2027 and [_____], 2028, unless modified as provided in the definition of "Optional Tender Date."

"*Notice Address*" means,

As to the Cooperative:	Polk Regional Water Cooperative 330 West Church Street Bartow, FL 33831 Email address: ericdehaven@prwcwater.org Attn: Executive Director Telephone: 863-248-7388
As to the Lender:	Truist Commercial Equity, Inc. 333 S. Garland Ave. FL 17 Orlando, FL 32801 Email address: clayton.thompson@truist.com Attn: Clayton Thompson Telephone: 407-701-4796

or to such other address (or e-mail address for electronic communications) as either party may have specified in writing to the other using the procedures specified in Section 11.05 hereof.

"*Optional Tender Date*" means each Noteholder Put Date, unless the Cooperative shall have received written notice from the Noteholder not less than 120 days (or such shorter period of time as shall have been agreed to by the Cooperative) prior to the applicable Noteholder Put Date that such Noteholder has elected not to tender such Note for purchase on such Noteholder Put Date whereupon such due date shall not be an Optional Tender Date; and in the event the Noteholder elects not to tender such Note for purchase upon any Noteholder Put Date as described above, the Noteholder may also deliver written notice to the Cooperative establishing or modifying the date of the next succeeding Noteholder Put Date or Dates, and, from and after such notice, the succeeding Noteholder Put Date(s) shall be the date(s) specified in such notice unless and until modified by subsequent notice pursuant to the terms hereof.

"*Original Purchaser*" means the Lender.

"*Person*" means an individual, corporation, partnership, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

"*Pledged Revenues*" shall have the meaning given in the Bond Resolution.

"*Prime Rate*" means the per annum rate which Truist Bank announces from time to time to be its prime rate, as in effect from time to time. The prime rate is a reference or benchmark rate, is purely discretionary and does not necessarily represent the lowest or best rate charged to borrowing customers. Truist Bank may make commercial loans or other loans at rates of interest at, above or below the prime rate. Each change in the prime rate shall be effective from and including the date such change is announced as being effective.

"*Principal Office*" means, with respect to the Lender, the office of the Lender specified in the Notice Address, or such other office as the Lender may designate to the Cooperative in writing.

"*2026 Project*" means, collectively, the Southeast Wellfield Project and the West Polk Wellfield Project, together with the supply lines, transmission lines and water production facilities, the costs of which are to be funded in whole or in part with the proceeds from the Note.

"*Projects*" shall have the meaning given to such term in the Bond Resolution.

"*Property*" means any interest in any kind of property or assets, whether real, personal or mixed, or tangible or intangible.

"*Qualified Swap*" shall have the meaning ascribed to that term under the Bond Resolution.

"*Rebate Amount*" means the excess of the future value, as of a computation date, of all receipts on nonpurpose investments (as defined in Section 1.148-1(b) of the Income Tax Regulations) over the future value, as of that date, of all payments on nonpurpose investments, all as provided by regulations under the Code implementing Section 148 thereof.

"*Relevant Governmental Body*" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"*Relevant Governmental Body Recommended Rate*" means, in respect of any relevant day, the rate (inclusive of any spreads or adjustments which may be positive or negative) recommended as the replacement for the Benchmark by the Relevant Governmental Body (which rate may be produced by the Federal Reserve Bank of New York or another administrator).

"*2025 Revolving Credit Agreement*" means the Revolving Credit Agreement dated as of March 25, 2025, by and among the Cooperative, TRUCE, and Truist Bank, as a lender and as an agent, as amended.

"*Sanctioned Country*" means, at any time, a country or territory which is the subject or target of any Sanctions.

"*Sanctioned Person*" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person controlled by any such Person.

"*Sanctions*" shall have the meaning given to such term in Section 3.13(b) of this Agreement.

"*Series 2023C Bond*" means the Polk Regional Water Cooperative Water Revenue Bond, Series 2023C, dated May 9, 2023.

"*State*" means the State of Florida.

"*Supplemental Resolution*" means the Resolution of the Cooperative authorizing the execution and delivery of this Agreement and the Note as adopted by the Board on September 16, 2026.

"*System*" shall have the meaning ascribed to that term under the Bond Resolution.

"*Tax-Exempt Applicable Rate*" shall mean (i) the Tax-Exempt Loan Rate, and (ii) upon a Determination of Taxability, the Taxable Loan Rate.

"*Tax-Exempt Loan Rate*" shall mean the sum of (i) the product of 79% multiplied by Term SOFR plus, (ii) the Applicable Spread.

"*Taxable Loan Rate*" shall mean the sum of Term SOFR and the Applicable Spread.

"*Term SOFR*" means the Term SOFR reference rate for a one month tenor as administered by the Term SOFR Administrator and quoted by Bloomberg Finance L.P., or any quoting service or commonly available source utilized by Lender on the Interest Rate Determination Day; provided that if as of 5:00 p.m. (New York time) on the Interest Rate Determination Day, Term SOFR for such tenor has not been published by the Term SOFR Administrator, then, subject to Section 5.09, the rate used will be Term SOFR for such tenor as published by the Term SOFR Administrator for the immediately preceding U.S. Government Securities Business Day on which such rate was published on the Term SOFR Administrator's website so long as such immediately preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Interest Rate Determination Day; and further provided if Term SOFR would be less than zero percent (0%), then it shall be deemed to be zero percent (0%).

"*Term SOFR Administrator*" means CME Group Benchmark Administration Limited or a successor administrator of the Term SOFR selected by Lender in its sole discretion.

"*Truist Bank*" means Truist Bank, a North Carolina banking corporation and its successors and permitted assigns.

"*U.S. Government Securities Business Day*" means any day except for (i) a Saturday, (ii) a Sunday, or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

Section 1.02 Titles and Headings. The titles and headings of the articles and sections of this Agreement have been inserted for convenience of reference only and are not to be considered a part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.03 Accounting Matters. Unless otherwise defined herein or in the Note Documents, all accounting terms used herein and in the Note Documents are used with the meanings ascribed to such terms in accordance with GAAP.

Section 1.04 Use of Phrases. "Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Agreement as an entirety and not solely to the particular portion thereof in which any such word is used. The definitions set forth in Section 1.01 hereof include both singular and plural. Whenever used herein, any pronoun shall be deemed to include both singular and plural and to cover all genders.

Section 1.05 Computation of Time Periods. In this Agreement, except as otherwise expressly provided herein, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding."

ARTICLE II
SPECIAL CONDITIONS PRECEDENT TO EFFECTIVENESS; LENDER ACKNOWLEDGEMENT

Section 2.01 Conditions Precedent. Notwithstanding anything herein to the contrary, the representations, warranties and covenants of each party contained herein shall not become effective or enforceable until the following conditions precedent are satisfied:

(a) The Board has approved the adoption of the Supplemental Resolution; and

(b) The Lender has reasonably determined that the conditions precedent to the initial Advance as set forth in Sections 6.01 and 6.02 have been satisfied; and

(c) Each party shall have received from the other party any closing documents they may otherwise reasonably require as shall be evidenced by the acceptance of the Note by the Lender.

All conditions shall be deemed to have been satisfied upon the delivery and acceptance of the Note to the Original Purchaser.

ARTICLE III
REPRESENTATIONS OF COOPERATIVE

To induce the Lender to enter into this Agreement and make the Loan hereunder, the Cooperative hereby represents and warrants to the Lender that:

Section 3.01 Organization, Powers, Etc.The Cooperative is an interlocal agency established under the Act, is duly organized and validly existing under the Constitution and the laws of the State. The Cooperative has the power to borrow the amounts provided for in this Agreement, to execute and deliver the Note Documents, to secure the Note in the manner contemplated hereby, and to perform and observe all the terms and conditions of the Bond Resolution and the Note Documents on its part to be performed and observed. The Cooperative may lawfully issue the Note in order to refinance a portion of the Series 2023C Bond, to finance and/or refinance the Costs of the 2026 Project, to capitalize interest on the Note, and to pay costs of issuance for the Note.

Section 3.02 Authorization; Absence of Conflicts, Etc. The Cooperative has full legal right, power, and authority to adopt the Supplemental Resolution and to execute and deliver this Agreement, to issue, execute and deliver the Note to the Lender, and to carry out and consummate all other transactions contemplated hereby and by the other Note Documents (as it applies to the 2026 Project and the Loan), and the Cooperative has complied and will comply with all provisions of applicable law in all material matters relating to such transactions. The Cooperative, pursuant to the Bond Resolution, has duly authorized the borrowing of the amount provided for in this Agreement, the execution and delivery of this Agreement, and the making and delivery of the Note to the Lender, and to that end the Cooperative warrants that it will take all action and will do all things which it is authorized by law to take and to do in order to fulfill all covenants on its part to be performed and to provide for and to assure payment of the Note. The Cooperative has duly adopted the Bond Resolution and authorized the execution, delivery, and performance of the Note and this Agreement and the taking of any and all other such action as may be required on the part of the Cooperative to carry out, give effect to and consummate the transactions contemplated by the Note Documents (as it applies to the 2026 Project and the Loan) and the Bond

Resolution. This Agreement and the Note have been duly authorized, executed, issued and delivered to the Lender and constitute legal, valid and binding obligations of the Cooperative enforceable in accordance with their respective terms and the terms of the Bond Resolution, and are entitled to the benefits and security of the Bond Resolution and this Agreement. All approvals, consents, and orders of and filings with any governmental authority or agency which would constitute a condition precedent to the execution and delivery of this Agreement and the issuance of the Note or the execution and delivery of or the performance by the Cooperative of its obligations under the Note Documents and the Bond Resolution have been obtained or made and any consents, approvals, and orders to be received or filings so made are in full force and effect.

Section 3.03 Binding Obligation. This Agreement has been duly executed and delivered by the duly authorized officers of the Cooperative and is, and each of the Note Documents to which the Cooperative is a party, when executed and delivered will be, a legal, valid and binding obligation of the Cooperative enforceable against the Cooperative in accordance with its respective terms, except to the extent, if any, that the enforceability thereof may be limited by (i) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium, debt adjustment or other similar law or enactment now or hereafter enacted by the State or Federal government affecting the enforcement of creditors' rights generally, (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and (iii) the special provisions set forth in Article II.

Section 3.04 Governmental Approvals. All Governmental Approvals necessary for the Cooperative to enter into this Agreement and the Note Documents to which it is a party and to perform its obligations hereunder and thereunder have been obtained and remain in full force and effect and are subject to no further administrative or judicial review, and no other Governmental Approval is necessary for the due execution, delivery and performance by the Cooperative of this Agreement or such Note Documents.

Section 3.05 Compliance with Applicable Law. The Cooperative is in compliance with all Applicable Law, including all Governmental Approvals, except for non-compliance that, singly or in the aggregate, have not had and will not have a Material Adverse Effect on the binding nature, validity or enforceability of, or the authority or ability of the Cooperative to perform its obligations under, the Note Documents to which it is a party or this Agreement.

Section 3.06 Financial Statements. The Cooperative has furnished to the Lender copies of audited financial statements of the Cooperative for the most recent Fiscal Year. Such financial statements present fairly, in accordance with GAAP, the financial position of the Cooperative at their respective dates and their respective revenues and expenses and changes in fund balances for the periods covered thereby. Except as disclosed or reflected in such statements, as at the date of the Cooperative's most recent audited balance sheet, the Cooperative had no liabilities, contingent or otherwise, and there were no unrealized or anticipated losses of the Cooperative, that individually or in the aggregate have had or may have a Material Adverse Effect on the Cooperative or its ability to perform its obligations pursuant to this Agreement and the Note Documents to which it is a party. No change in the financial condition of the Cooperative has occurred that might, in the reasonable judgment of the Cooperative, have a Material Adverse Effect on the Cooperative's ability to perform its obligations to the Lender pursuant to this Agreement or any of the Note Documents to which it is a party.

Section 3.07 Absence of Litigation. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, arbitrator, governmental or other board, body or official, pending or, to the best knowledge of the Cooperative, threatened against or affecting the

Cooperative, or questioning the validity of any proceeding taken or to be taken by the Cooperative in connection with the execution, delivery and performance by the Cooperative of the Note Documents to which it is a party, or this Agreement or seeking to prohibit, restrain or enjoin the execution, delivery or performance by the Cooperative of any of the foregoing, nor, to the best knowledge of the Cooperative, is there any basis therefor, wherein an unfavorable decision, ruling or finding (i) would adversely affect the validity or enforceability of, or the authority or ability of the Cooperative to perform its obligations under, the Note Documents to which it is a party or this Agreement, (ii) would have a Material Adverse Effect on the Cooperative's financial condition or fund reserves or (iii) would adversely affect the validity of the Act or any provision thereof material to the transactions contemplated by this Agreement or any of the Note Documents.

Section 3.08 Absence of Defaults. The Cooperative is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which the Cooperative is a party or any judgments, decrees or orders, except for defaults that, singly or in the aggregate, have not had and will not have a Material Adverse Effect on the Cooperative's ability to perform its obligations pursuant to this Agreement or any of the Note Documents to which it is a party.

Section 3.09 Accuracy and Completeness of Information. All copies of agreements furnished to the Lender by or on behalf of the Cooperative in connection with the negotiation, preparation or execution of this Agreement or the Note Documents are true, correct and complete and include, in each instance, all amendments, supplements and modifications thereto, and all written statements made to the Lender by or on behalf of the Cooperative in connection with the approval by the Lender of the extension of credit contemplated hereby are true and correct in all material respects.

Section 3.10 Lien in Favor of the Lender. The obligations of the Cooperative to the Lender hereunder and under the Note are secured by a valid lien on the Pledged Revenues in favor of the Lender pursuant and subject to the Bond Resolution. The lien on the Pledged Revenues in favor of the Lender shall be for the equal and proportionate benefit and security of the Note, the Outstanding Bonds and the Additional Bonds permitted hereunder, all of which shall be of equal rank without preference, priority or distinction, as to lien or otherwise. No filing of any financing statement or other recordation is required under Applicable Law to create, preserve and protect such lien against other creditors of the Cooperative.

Section 3.11 No Sovereign Immunity. The defense of sovereign immunity is not available to the Cooperative in any proceeding by the Lender to enforce any of the obligations of the Cooperative under this Agreement or any Note Document, and, in that regard, the Cooperative agrees, to the extent permitted by law, not to assert the defense of sovereign immunity in any such proceeding, except to the extent that any such proceeding seeks enforcement based on a tort or similar claim and in such case such defense is available only to the extent set forth under Florida Statutes, Section 768.28(1).

Section 3.12 Interlocal Agreement. The Interlocal Agreement has been properly filed with the Clerk of the Circuit Court of Polk County, Florida, in accordance with Section 163.01, Florida Statutes and approved by the Secretary of the Florida Department of Environmental Protection.

Section 3.13 Anti-Corruption Laws and Sanctions.

(a) The Cooperative is, and to the knowledge of the Cooperative, its directors, officers, and employees are, in compliance in all material respects with Anti-Corruption Laws and applicable Sanctions. Neither the Cooperative nor, to the knowledge of the Cooperative, any of its directors, officers

and employees that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No transaction contemplated by this Agreement will, to the knowledge of the Cooperative, result in a violation by the Cooperative of Anti-Corruption Laws or applicable Sanctions.

(b) Neither the Cooperative nor, to the knowledge of the Cooperative, any director, officer or employee of the Cooperative that will act in any capacity in connection with or benefit from the credit facility established hereby is an individual or entity ("person") that is, or is owned or controlled by persons that are: (i) the subject or target of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the United Nations Security Council, the European Union, His Majesty's Treasury, or other relevant sanctions authority (collectively, "*Sanctions*"); or (ii) located, organized, or resident in a country or territory that is the subject or target of Sanctions.

(c) The Cooperative is, and to the knowledge of the Cooperative, its directors, officers and employees that will act in any capacity in connection with or benefit from the credit facility established hereby are, in compliance in all material respects with all applicable Sanctions and with the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "*FCPA*") and any other applicable Anti-Corruption Laws.

ARTICLE IV
THE NOTE

Section 4.01 Issuance of the Note. The Cooperative has authorized the issuance of the Note in the principal amount not to exceed the Maximum Commitment Amount to evidence the Loan made hereunder.

Section 4.02 Registration and Exchange of Note. The Note shall initially be owned by the Original Purchaser. The ownership of the Note may only be transferred, other than transfers to successors of the Lender, and the Cooperative will register the transfer of ownership of such Note, only upon compliance with the requirements of Section 11.06 hereof and upon written request of the Lender to the Cooperative specifying the name, address and taxpayer identification number of the qualifying transferee, and the Cooperative will keep and maintain at all times a record setting forth the identification of the owner of the Note. The Note may only be sold, assigned or otherwise transferred to an affiliate of the Lender, or an "accredited investor," as defined in Rule 501(a)(1), (2) or (3) under Regulation D of the Securities Act of 1933. The Person in whose name the Note shall be registered shall be deemed and regarded the absolute owner thereof for all purposes, and payment of principal and interest on such Note shall be made only to or upon the written order of such Person. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid. No such transfer shall relieve the Noteholder of its commitment to make Advances in accordance with the terms hereof.

Section 4.03 Notes Mutilated, Destroyed, Stolen or Lost. In case a Note shall become mutilated, or be destroyed, stolen or lost, the Cooperative shall issue and deliver a new Note, in exchange and in substitution for such mutilated Note, or in lieu of and in substitution for such Note destroyed, stolen or lost and upon the Lender furnishing the Cooperative proof of ownership thereof and an affidavit of lost or stolen instrument to the Cooperative and paying such expenses as the Cooperative may reasonably incur in connection therewith.

Section 4.04 Payment of Principal and Interest. The Cooperative promises that it will promptly pay the principal of and interest on the Note, at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and of the Note and the Bond Resolution, provided that the Cooperative may be compelled to pay the principal of and interest on the Note solely from the Pledged Revenues, and nothing in the Note, this Agreement or the Supplemental Resolution shall be construed as pledging any other funds or assets of the Cooperative to such payment or as authorizing such payment to be made from any other source.

Section 4.05 Pledge. The Note shall be an Additional Bond under the Bond Resolution, and the Cooperative has under the Bond Resolution pledged the Pledged Revenues as security for the repayment of Bonds, including the Note. The Cooperative promises that it will promptly pay the principal of and interest on the Loan at the place, on the dates and in the manner provided in the Note and this Agreement according to the true intent and meaning hereof and thereof, provided that the principal of and interest on the Loan is payable solely from the Pledged Revenues, and nothing in the Note or this Agreement shall be construed as pledging any other funds or assets to such payment or as authorizing such payment to be made from any other source. The Note is a special obligation of the Cooperative secured solely by the Pledged Revenues and is payable from the Pledged Revenues as provided in this Agreement and the Bond Resolution. The Note will not constitute a general debt, liability or obligation of the Cooperative or its members or the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation. Neither the faith and credit nor the taxing power of the Cooperative or its members or of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or interest on the Note and the Noteholder shall never have the right to compel any exercise of any ad valorem taxing power of the Cooperative or of the State of Florida or any political subdivision thereof, directly or indirectly to enforce such payment. The Note shall not constitute a lien upon any property of the Cooperative except upon the Pledged Revenues.

Section 4.06 Application of Provisions of Bond Resolution. The Note shall for all purposes be considered an Additional Bond issued under the authority of Section 12.02 of the Bond Resolution and shall be entitled to all the protection and security provided in and by the Bond Resolution for Additional Bonds, and the Note shall be in all respects entitled to the same security, rights and privileges enjoyed by the Additional Bonds except as otherwise provided herein. The debt service on the Note shall be payable on a parity with the Outstanding Bonds and any other Additional Bonds hereafter issued. The terms and provisions of the Bond Resolution as supplemented hereby shall remain in full force and effect and be applicable with respect to the Note. This Agreement shall be a Full Draw LOC under the Bond Resolution, the Note shall be an Option Bond and a Designated Maturity Bond and, for purposes of calculating the Bond Service Requirement, shall be assumed to amortize over a period of up to thirty years as of such testing date.

Section 4.07 2026A Construction Account. Pursuant to Section 7.01 of the Resolution, there is hereby created and established an account to be held by the Cooperative to be designated the "2026A Project Construction Account" (the "2026A Construction Account") within the Construction Fund (as defined in the Resolution). The 2026A Construction Account shall be kept separate and apart from all other funds and accounts of the Cooperative and the moneys on deposit therein shall be withdrawn, used and applied by the Cooperative solely for the payment of Costs of the 2026 Project.

Any funds on deposit in the 2026A Construction Account that, in the opinion of the Cooperative, are not immediately necessary for expenditure, as herein provided, may be invested and reinvested in Permitted Investments pursuant to Section 10.02 of the Resolution. All income derived from investment of funds in the 2026A Construction Account shall be deposited into the 2026A Construction Account

and shall be used to pay Costs of the 2026 Project or as permitted in the following paragraph.

Any amounts on deposit in the 2026A Construction Account not reserved by the Cooperative for the payment of any remaining parts of the Costs of the 2026 Project may at the direction of the Cooperative be deposited into the Revenue Fund and used to pay debt service on the Note or to redeem the Note in the manner that the Note is permitted to be redeemed under the terms of the Resolution or may upon a favorable opinion of Bond Counsel be used for any other lawful purpose.

Section 4.08 Limited Liability of Officers of the Cooperative. Neither the Lender nor any Noteholder shall look to any present or future officer, agent, member or employee of the Cooperative for damages suffered by the Lender or such Noteholder as a result of the failure of the Cooperative, while acting in good faith, to perform any covenant, undertaking or obligation under this Agreement, the Note or any instrument pertaining to the issuance, sale and delivery of the Note, nor as a result of the incorrectness of any representation made by the Cooperative or any officer, agent, member or employee thereof in good faith, in any such instrument. In acting under this Agreement, or in refraining from acting under this Agreement, the Cooperative, its officers, agents, members and employees may conclusively rely on advice of counsel. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future employee, member, officer or agent of the Cooperative in his individual capacity, and neither the members of the Board of the Cooperative or agents or employees of the Cooperative nor any official executing this Agreement or the Note shall be subject to any personal liability or accountability by reason hereof.

Section 4.09 Tax Representations, Warranties and Covenants of the Cooperative. It is the intention of the Cooperative that the interest on the Note be and remain excluded from gross income for federal income tax purposes and to this end the Cooperative hereby represents to and covenants with the Noteholder that it will comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code to the extent necessary to preserve the exclusion of interest on the Note issued hereunder from gross income for federal income tax purposes. Specifically, without intending to limit in any way the generality of the foregoing, the Cooperative covenants and agrees:

(1) to the extent required by the Code, to make or cause to be made all necessary determinations and calculations of the Rebate Amount and required payments of the Rebate Amount;

(2) to set aside sufficient moneys of the Cooperative to timely pay the Rebate Amount to the United States of America;

(3) to pay, at the time and to the extent required under the Code, the Rebate Amount to the United States of America from legally available funds;

(4) to maintain and retain all records pertaining to the Rebate Amount with respect to the Note and required payments of the Rebate Amount with respect to the Note for at least six years after the Final Maturity Date or such other period as shall be necessary to comply with the Code;

(5) to refrain from taking any action that would cause the Note to become an arbitrage bond under Section 148 of the Code.

The Cooperative understands that the foregoing covenants impose continuing obligations on the Cooperative that will exist as long as the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code are applicable to the Note.

Notwithstanding any other provision of the Bond Resolution, the obligation of the Cooperative to pay the Rebate Amount to the United States of America and to comply with the other requirements of this Section 4.09 shall survive the defeasance or payment in full of the Note.

ARTICLE V
FUNDING THE LOAN

Section 5.01 The Loan. Subject to the terms and conditions set forth herein, the Lender agrees to make Advances to the Cooperative in accordance with the terms hereof. The Cooperative's obligation to pay the principal of, and interest on, the Loan shall be evidenced by the records of the Lender and by the Note. The entries made in such records and/or on the schedule annexed to the Note shall be *prima facie* evidence of the existence and amounts of the obligations of the Cooperative therein recorded; provided, that the failure or delay of the Lender in maintaining or making entries into any such record or on such schedule or any error therein shall not in any manner affect the obligation of the Cooperative to repay the Loan Amount (both principal and unpaid accrued interest) in accordance with the terms of this Agreement.

Section 5.02 Description and Payment Terms of the Notes. To evidence the obligation of the Cooperative to repay the Loan Amount, the Cooperative shall make and deliver to the Lender the Note in the form attached hereto as Exhibit "A." Interest on the principal amount of all Advances shall accrue at the Tax-Exempt Applicable Rate from and including the date such Advances are made to but excluding the date of any repayment thereof, with such interest payable monthly in arrears on each Interest Payment Date.

At any time that the Loan Amount exceeds the Maximum Commitment Amount, due to a reduction in the Maximum Commitment Amount or otherwise, the Cooperative shall promptly repay to the Lender principal in such amount that the Loan Amount will no longer exceed the Maximum Commitment Amount. The outstanding principal amount of all Advances shall be due and payable (together with accrued and unpaid interest thereon) on the Final Maturity Date.

Section 5.03 Termination of Commitment. Unless previously terminated by the Cooperative or extended by the Lender in accordance with the terms hereof, the Commitment shall terminate on the Final Maturity Date.

Section 5.04 Interest Rate.

(a) Except as otherwise adjusted as described below, the Note shall bear interest at the Tax-Exempt Applicable Rate, which on the date of the original delivery of the Note to the Lender shall be the Tax-Exempt Loan Rate.

So long as the Default Rate shall not be in effect, the Calculation Agent shall determine the Interest Rate on each Interest Rate Determination Day, and such rate shall become effective on the first day of the immediately succeeding Interest Period. Such Interest Rate shall be in effect to and including the last day of the related Interest Period. All Advances evidenced by the Note shall bear interest at the same Interest Rate. In the event an Advance is advanced on a date other than an Interest Rate

Determination Day and no Advances are currently outstanding hereunder, the Calculation Agent shall determine the Interest Rate based upon the Interest Rate in effect two (2) U.S. Government Securities Business Days immediately preceding the date of such Advance.

The determination of the Tax-Exempt Applicable Rate (absent manifest error) shall be conclusive and binding upon the Cooperative. If for any reason the Lender shall fail to establish the Tax-Exempt Loan Rate, the Note shall bear interest at the Tax-Exempt Applicable Rate last in effect for such Note.

(b) In the event of a Determination of Taxability, the Interest Rate on the Note shall be adjusted to the Taxable Loan Rate effective on the next succeeding Interest Payment Date. In addition, promptly following a Determination of Taxability, the Cooperative agrees to pay to the Noteholder, subject to such Determination of Taxability the Additional Amount. "*Additional Amount*" means (i) the difference between (a) interest on the Note at a rate per annum equal to the Taxable Loan Rate, for the period commencing on the date on which the interest on the Note ceases to be excludable from gross income for federal income tax purposes and for which the Internal Revenue Service is able to assess a deficiency and ending on the earlier of the date the Note ceased to be outstanding or the date the Note began to bear interest at the Taxable Loan Rate (the "*Taxable Period*"), and (b) the aggregate amount of interest paid on the Note for the Taxable Period under the provisions of this Agreement and the Note without considering the Determination of Taxability, plus (ii) an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Noteholder as a result of the occurrence of a Determination of Taxability.

(c) The Lender shall, except as provided in Section 5.04(a) hereof with respect to the periodic calculation of the Tax-Exempt Loan Rate, promptly notify the Cooperative in writing of any adjustments to the Interest Rates. Such adjustments shall become effective as of the effective date of the event causing such adjustment. Adjustments may be retroactive, to the extent expressly provided herein. The Lender shall certify to the Cooperative in writing the additional amount, if any, due to the Lender as a result of an adjustment in the Interest Rates pursuant hereto.

(d) If the Noteholder is any person or entity other than the Original Purchaser, in no event shall the adjustments contemplated in this Section 5.04 with respect to the Note exceed the amounts that otherwise would have applied had the Original Purchaser been the Noteholder and the Cooperative shall not be obliged to pay any fees, costs, expenses or other Lender Obligations, including, without limitation, taxes and the like under this Agreement, in amounts greater than it would have been obligated to pay the Original Purchaser, had no such transfer or assignment occurred.

(e) The Cooperative agrees to pay to the Lender interest on any and all amounts required to be paid under this Agreement (excluding interest on interest) from and after the due date thereof until payment in full at the Default Rate.

(f) Notwithstanding any other provision of this Agreement to the contrary, if the rate of interest payable on the Note or any Lender Obligation hereunder shall exceed the Maximum Lawful Rate for any period for which interest is payable, then interest only at the Maximum Lawful Rate shall be due and payable with respect to such interest period (interest at the rate equal to the difference between (A) the rate of interest otherwise payable in accordance with the terms hereof but for the limitation provided for in this Section 5.04(f), and (B) the Maximum Lawful Rate being referred to herein as the "*Excess Interest*"), and notwithstanding any subsequent reduction in the Interest Rate that otherwise would be applicable but for the limitation provided for in this Section 5.04(f), the Lender Obligations

shall continue to bear interest, from and after the date on which any Excess Interest is accrued, at the Maximum Lawful Rate until Excess Interest is fully paid to the Lender.

Section 5.05 Requisitions for Advances; Other Conditions.

(a) The Cooperative shall give the Lender written notice of each Advance substantially in the form of Exhibit "B" (each such written notice a "*Notice of Borrowing*") prior to 12 noon and each Notice of Borrowing shall be irrevocable and shall specify: (i) the principal amount of the Advance, and (ii) the proposed date of such Advance (which shall be a Business Day during the Availability Period and shall be no earlier than two Business Days following the date that the request for such Advance shall be deemed received by the Lender hereunder).

Any Notice of Borrowing received by the Lender after 12:00 noon shall be deemed received on the next Business Day. The aggregate principal amount of each Advance shall be not less than $100,000 or in such lesser amounts equal to the Available Commitment Amount and not more than one (1) Advance may be made per calendar month; provided, however, the funding of an Advance made by the Lender that does not comply with the foregoing shall be deemed to be a waiver of such conditions.

Promptly following the receipt of a Notice of Borrowing in accordance herewith, the Lender will make available the amount of such Advance to be made hereunder on the requested date of such Advance (which shall be a Business Day and shall be no earlier than two Business Days following the date that the request for such Advance shall be deemed received by the Lender hereunder), by wire transfer (or other electronic means) to the Cooperative in immediately available funds by 4:00 p.m.

(b) No Advance shall be requested by the Cooperative or honored by the Lender upon an Event of Default or a default that with the passage of time or giving of notice, or both, would be an Event of Default.

(c) Notwithstanding anything to the contrary herein, upon the closing of the Loan on the date hereof, an initial Advance may be made pursuant to a closing memorandum executed by the Chair or the Secretary or other authorized officer of the Cooperative, indicating the amount of the Advance requested.

Section 5.06 Right of Prepayment. The Cooperative shall have the right at any time and from time to time to prepay the Loan Amount, in whole or in part, without premium or penalty, by giving written notice (or telephonic notice promptly confirmed in writing) to the Lender not less than two (2) Business Days prior to any such prepayment. Each such notice shall specify the proposed date of such prepayment and the principal amount or portion thereof to be prepaid. Such amount shall be due and payable on the date designated in such notice, together with accrued interest to such date on the amount so prepaid. Each partial prepayment of the Loan Amount shall not be less than $100,000 and increments of $1 in excess thereof or, if less, the principal balance of the Note then outstanding. Amounts repaid or prepaid may not be reborrowed. Upon repayment or prepayment of any principal amount, the Maximum Commitment Amount shall be automatically and permanently reduced by the amount so repaid or prepaid.

Section 5.07 Computation of Interest and Fees; Application of Payments.

(a) All computations of interest and fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first day but excluding the last day)

occurring in the period for which such interest or fees are payable (to the extent computed on the basis of days elapsed).

(b) All payments made on the Note shall be applied first to interest accrued to the date of payment and next to the unpaid principal balance; provided, however, that after an Event of Default, payments shall be applied in accordance with Section 10.02 hereof.

Section 5.08 Unused Commitment Fee. The Cooperative agrees to pay the Lender an unused commitment fee in the amount of twenty-five basis points (0.25%) on the difference between the average Loan Amount (based on the Loan Amount each day) during the preceding fiscal quarter and the Maximum Commitment Amount. The unused commitment fee shall be due and payable quarterly in arrears on each March 31, June 30, September 30 and December 31, commencing [_____], 2026.

Section 5.09 Effect of Benchmark Transition Event.

(a) In the event Lender determines in its sole discretion that (i) there is a public announcement by the administrator of a Benchmark or a Relevant Governmental Body that such Benchmark will cease or has ceased to be published; (ii) a public announcement is made by the administrator of a Benchmark or any Relevant Governmental Body that the Benchmark is no longer representative; or (iii) a Relevant Governmental Body has determined that Lender may no longer utilize the Benchmark for purposes of setting Interest Rates (each a "*Benchmark Transition Event*"); Lender will have no obligation to make, fund or maintain a loan based on the Benchmark and on a date and time determined by Lender, without any further action or consent of the Cooperative or amendment to this Agreement or the Note, the first available alternative set forth in the order below that can be determined by Lender shall replace the Benchmark ("*Successor Rate*"):

(x) Relevant Governmental Body Recommended Rate; or

(y) Alternative Benchmark Rate.

(b) In connection with the implementation of a Successor Rate, Lender will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary in this Agreement or the Note, any amendments implementing such Successor Rate or Conforming Changes will become effective without any further action or consent of the Cooperative. Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than zero percent (0%), the Successor Rate will be deemed to be zero percent (0%) for the purposes of this Agreement and the Note. For avoidance of doubt, following the implementation of the Successor Rate, in determining the applicable Interest Rate any margin or credit spread to the index under the Note shall be added to the Successor Rate and any provisions for a minimum rate shall apply. So long as no Determination of Taxability has occurred, the Successor Rate component of the Interest Rate shall be multiplied by seventy-nine percent (79%) before the Applicable Spread is added, consistent with the Tax-Exempt Loan Rate formula, and no Conforming Change may eliminate or modify that tax-exempt adjustment without the Cooperative's prior written consent and an opinion of Note Counsel that the change will not adversely affect the exclusion of interest on the Note from gross income for federal income tax purposes.

(c) Lender will notify (in one or more notices) Cooperative of the implementation of any Successor Rate. Any determination or decision that may be made by Lender pursuant to this Section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-

occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in Lender's sole discretion and without consent from Cooperative.

(d) In the event Lender determines in its sole discretion that Lender cannot make, fund, or maintain a loan based upon the Benchmark due to illegality or the inability to ascertain or determine said rate on the basis provided for herein ("*Unavailability Period*") and a Benchmark Transition Event has not occurred, then at the election of Lender the Benchmark shall convert to the Alternative Benchmark Rate for purposes of calculating the Interest Rate on the then outstanding principal balance and for interest accruing on any fundings or advances requested by the Cooperative and, thereafter, the Interest Rate on the Note shall adjust simultaneously with any fluctuation in the Alternative Benchmark Rate. In the event Lender determines that the circumstances giving rise to the Unavailability Period have ended, at such time as determined by Lender the Benchmark will revert to the prior Benchmark (provided a Benchmark Transition Event has not occurred). Lender shall provide notice, which may be after the implementation of the Alternative Benchmark Rate as contemplated hereunder, to the Cooperative of any Benchmark change that is made pursuant to this Section. For avoidance of doubt, following the implementation of the Successor Rate, in determining the applicable Interest Rate any margin or credit spread to the index under the Note shall be added to the Successor Rate and any provisions for a minimum rate shall apply.

In the event that any applicable law or regulation, guideline or order or the interpretation or administration thereof by any governmental or regulatory authority charged with the interpretation or administration thereof (whether or not having the force of law) (i) shall change the basis of taxation of payments to Lender of any amounts payable by the Cooperative hereunder (other than taxes imposed on the overall net income of Lender) or (ii) shall impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by Lender, or (iii) shall impose any other condition with respect to the Note, and the result of any of the foregoing is to increase the cost to Lender of making or maintaining the loan evidenced by the Note or to reduce any amount receivable by Lender under the loan evidenced by the Note, and Lender determines that such increased costs or reduction in amount receivable was attributable to the use of the current Benchmark, then the Cooperative shall from time to time, upon demand by Lender, pay to Lender additional amounts sufficient to compensate Lender for such increased costs ("*Additional Costs*"). A detailed statement as to the amount of such Additional Costs, prepared in good faith and submitted to the Cooperative by Lender, shall be conclusive and binding in the absence of manifest error.

Section 5.10 Optional Tender. On each Optional Tender Date, the Noteholder shall have the right to demand that the Note be purchased by the Cooperative at a purchase price equal to 100% of the principal amount thereof, plus accrued interest to the Optional Tender Date and any past due amounts (the "*Demand Purchase Price*"). The Optional Tender Date may be waived in the sole discretion of the Lender. On the Optional Tender Date, if not so waived under the definition thereof, the Noteholder shall deliver the original Note to the Cooperative in such manner as set forth in the Note and the Cooperative shall be obligated to pay the Demand Purchase Price in immediately available funds to the Noteholder on the Optional Tender Date.

ARTICLE VI
CONDITIONS OF LENDING

Section 6.01 Conditions Precedent to Making the Initial Advance. The Lender's obligation to enter into this Agreement and to make the initial Advance as set forth in Section 5.01 hereof is subject to

the conditions precedent that, on or prior to the date of the delivery of the Note to the Lender, the Lender shall receive the following documents, each dated the date of delivery of the Note to the Lender, in form and substance satisfactory to it:

(a) a fully executed counterpart original of this Agreement, duly executed by the Cooperative;

(b) the original Note;

(c) certified copies of the Resolution and the Supplemental Resolution, and certified copies of all other documents evidencing any other official action of the Cooperative taken with respect thereto as each is then in full force and effect;

(d) customary closing certificates executed by appropriate officers of the Cooperative respecting its organization, the incumbency of its officers, the execution and delivery of the Note and the other Note Documents to which it is a party, the compliance with all conditions precedent to the issuance of the Note and the consummation of the transactions contemplated by this Agreement and the Note Documents, and such other matters as the Lender may reasonably require;

(e) certified copies of all Governmental Approvals, if any, necessary for the Cooperative to execute, deliver and perform its obligations under this Agreement and the Note Documents;

(f) a favorable opinion of Counsel to the Cooperative, which shall be addressed to the Lender and shall be in form and substance satisfactory to the Lender, concerning such matters as the Lender may reasonably request, including, but not limited to, opining as to the due organization and valid existence of the Cooperative, the due authorization, execution and delivery of this Agreement and the Note and the enforceability thereof;

(g) a certificate of an appropriate officer of the Cooperative to the effect that all conditions precedent contained in this Section 6.01 and Section 6.02 hereof have been fulfilled by the Cooperative;

(h) an opinion of Note Counsel, either addressed to the Lender or in the form of a reliance opinion to the Lender, to the effect that (i) under existing law, the Note, when issued in accordance with this Agreement, will be a valid and legally binding special obligation of the Cooperative, payable solely from and secured by the Pledged Revenues, all in accordance with the terms of the Agreement, and (ii) that the interest on the Note is excludable from gross income for federal income tax purposes;

(i) (i) a certificate of the Cooperative evidencing its compliance with Sections 11.05 and 12.02 of the Bond Resolution, including the required certificates and financial feasibility report or other permitted test; (ii) all written consents required by Section 7.02 of each outstanding State Revolving Fund loan agreement; (iii) evidence of compliance with Section 15(a) of the WIFIA Master Agreement, dated as of May 31, 2023, including the variable-rate limitation, and arrangements for timely delivery of the notice and final issuance documents required by Part E of Schedule V thereto; and (iv) all written consents required under the 2023 Loan Agreement and the 2025 Revolving Credit Agreement, including separate written consents from TRUCE and from Truist Bank, individually and as Agent; and

(j) such other documents, certificates, instruments, opinions, including reliance letters, approvals (and, if requested by the Lender, certified duplicates of executed copies thereof) or filings with respect to the Note Documents and this Agreement, in each case as the Lender or its Counsel may reasonably request.

Section 6.02 Additional Conditions Precedent. The Lender's obligation to make the initial Advance as set forth in Section 5.01 hereof shall be additionally subject to the conditions precedent that the following statements shall be true and correct on the date of the delivery of the Note to the Lender, and the Lender shall receive a certificate signed by the chief financial officer and another authorized officer of the Cooperative, dated the date of the delivery of the Note to the Lender, to the effect that:

(a) the representations and warranties of the Cooperative set forth herein and the other Note Documents are true and correct in all material respects on and as of the date of delivery of the Note as though made on and as of the date of delivery of the Note (unless given as of a specific date); and

(b) as of the date of delivery of the Note, no Default or Event of Default has occurred and is continuing, or would result directly or indirectly from the Lender's making of the Loan.

ARTICLE VII
AFFIRMATIVE COVENANTS OF THE COOPERATIVE

From the date of delivery of the Note to the Lender and until the termination of this Agreement and payment in full of all amounts payable hereunder and under the Note Documents, the Cooperative hereby covenants and agrees that:

Section 7.01 Compliance with Note Documents. The Cooperative will observe and perform fully and faithfully all of its obligations under this Agreement and the Note Documents to which it is a party (whether or not any such Note Document expires in accordance with its terms).

Section 7.02 Compliance with Applicable Laws. The Cooperative will comply in all material respects with any and all Applicable Laws material to the System, the Note Documents to which it is a party and this Agreement.

Section 7.03 Accounting and Reports. The Cooperative will maintain its present customary system of accounting in accordance with GAAP and will furnish to the Lender:

(a) within 270 days after the end of each Fiscal Year, audited financial statements for such Fiscal Year;

(b) within 30 days of its adoption, the Cooperative's annual budget for the next succeeding Fiscal Year; and

(c) promptly, from time to time, such other information regarding the operations, financial condition and property of the Cooperative as the Lender may reasonably request.

Section 7.04 Maintenance of Books and Records. The Cooperative will maintain complete and accurate books and records pertaining to the Cooperative and all receipts and disbursements with respect thereto in accordance with GAAP.

Section 7.05 Notice of Defaults. The Cooperative shall within five (5) Business Days after it acquires knowledge thereof, notify the Lender in writing at its notice address provided in Section 1.01

hereof (a) of any change in any material fact or circumstance represented or warranted by the Cooperative in this Agreement or in connection with the issuance of the Note; (b) upon the happening, occurrence, or existence of any Event of Default, and (c) any event or condition which with the passage of time or giving of notice, or both, would constitute an Event of Default, and shall provide the Lender with such written notice, a detailed statement by a responsible officer of the Cooperative of all relevant facts and the action being taken or proposed to be taken by the Cooperative with respect thereto. Regardless of the date of receipt of such notice by the Lender, such date shall not in any way modify the date of occurrence of the actual Event of Default.

Section 7.06 Visits and Inspections. The Cooperative will permit representatives of the Lender, from time to time as often as may be reasonably requested, subject to Applicable Law and during regular business hours, to (i) visit and inspect the facilities of the Cooperative, (ii) inspect the books and records of the Cooperative related to the facilities and make copies and extracts of such books and records that relate to the Cooperative's performance under this Agreement and any Note Documents to which it is a party, and (iii) discuss the affairs, finances and accounts of the Cooperative with, and to be advised as to the same by, its officials, all in connection with the performance by the Cooperative of its obligations hereunder and under the Note Documents.

Section 7.07 Preservation of Lien. The Cooperative shall take all necessary action to maintain and preserve the Lien on the Pledged Revenues, to secure the Note and the Lender Obligations.

Section 7.08 Use of Proceeds. The Cooperative covenants that the proceeds from the Note will be used only to (i) pay the Costs of the 2026 Project, (ii) refinance a portion of the Series 2023C Bond, (iii) capitalize interest on the Note, and (iv) pay costs of issuance.

Section 7.09 Further Assurances. The Cooperative will, at any and all times, insofar as it may be authorized so to do by Applicable Law, pass, make, do, execute, acknowledge and deliver every and all such further resolutions, acts, deeds, conveyances, assignments, recordings, filings, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, revenues and other funds pledged or assigned to the payment of the Note (including the interest thereon) and payment of its obligations hereunder and under the Note Documents.

ARTICLE VIII
NEGATIVE COVENANTS OF THE COOPERATIVE

From the date of delivery of the Note to the Lender and until the termination of this Agreement and payment in full of all amounts payable hereunder and under the Note Documents, the Cooperative hereby covenants and agrees that:

Section 8.01 Amendments to Related Documents. The Cooperative shall not alter or amend the Bond Resolution, the Implementation Agreement or the Interlocal Agreement, which would materially adversely affect the payment obligations hereunder, rights or remedies of the Lender or impair the authority thereby or hereby given with respect to the issuance and payment of the Note, without prior written approval of the Lender. Nothing contained herein shall, however, impair or restrict the Cooperative's right to amend the Interlocal Agreement or the Implementation Agreement in accordance with the Bond Resolution.

Section 8.02 Disposition of Assets. The Cooperative shall not dispose of any of its assets other than in accordance with the Bond Resolution.

Section 8.03 No Pledge or Impairment; Additional Bonds. Except in accordance with the Bond Resolution or as set forth in Sections 4.06 and 9.04 hereof, the Cooperative will not pledge or permit a lien to occur on any Pledged Revenues to any other indebtedness of the Cooperative or issue any indebtedness payable from Pledged Revenues without the express written consent of the Lender.

Section 8.04 Sanctions; Anti-Corruption Use of Proceeds. The Cooperative shall not knowingly, directly or indirectly, use the proceeds of the Note, or knowingly lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner, or other person, (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, in a manner that would, to the knowledge of the Cooperative, violate the FCPA or any other applicable Anti-Corruption Laws; or (b) (i) to fund any activities or business of or with any person, or in any country or territory, that, to the knowledge of the Cooperative, is the subject or target of Sanctions, or (ii) in any other manner that, to the knowledge of the Cooperative, would result in a violation of applicable Sanctions by the Cooperative.

ARTICLE IX
FURTHER AFFIRMATIVE COVENANTS OF THE COOPERATIVE

Section 9.01 Base Rate Charge. The Cooperative agrees to assess all amounts due from the members of the Cooperative under the Interlocal Agreement and Implementation Agreements required to be paid thereunder in order to collect sufficient Revenues to pay the Outstanding Bonds.

Section 9.02 Covenant to Perform Undertakings. The Cooperative covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Agreement, in the Note executed and delivered hereunder and in all proceedings of the Cooperative pertaining thereto. The Cooperative represents, warrants and covenants that it is duly authorized under the Constitution and laws of the State of Florida, including particularly and without limitation the Act, to issue the Note authorized hereby and to enter into this Agreement, to pledge the Pledged Revenues in the manner and to the extent herein set forth; that all action on its part for the issuance of the Note initially issued hereunder and the execution and delivery of this Agreement has been duly and effectively taken; and that such Note in the hand of the holder and owner thereof is and will be a valid and enforceable limited obligation of the Cooperative according to the tenor and import thereof.

Section 9.03 Covenant to Perform Further Acts. The Cooperative covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such loan agreements supplemental hereto and such further acts, instruments and transfers as the Lender may reasonably require for the better pledging unto the Lender of all and singular the Pledged Revenues pledged hereby to the payment of the principal of and interest on the Note.

Section 9.04 Other Senior and Parity Indebtedness. Except for additional State Revolving Fund loans or loans with the United States Environmental Protection Agency under the Water Infrastructure Financing Act, outstanding in the aggregate amount of not to exceed $380,000,000 at any time issued to finance the 2026 Project, the Cooperative will not issue any Additional Bonds payable from Pledged Revenues without the express written consent of the Lender, which consent will not be unreasonably withheld. The Lender agrees that the Cooperative shall not be required to comply with Section 12.02 of the Bond Resolution in connection with additional State Revolving Fund loans or loans

with the United States Environmental Protection Agency under the Water Infrastructure Financing Act, outstanding in the aggregate principal amount of not to exceed $380,000,000 at any time issued to finance the 2026 Project.

ARTICLE X
EVENTS OF DEFAULT

Section 10.01 General. An "*Event of Default*" shall be deemed to have occurred under this Agreement if:

(a) An Event of Default under the Bond Resolution shall continue following the expiration of any applicable grace periods provided therein; or

(b) The failure by the Cooperative to perform or observe any term, covenant or agreement contained in this Agreement not specifically addressed in paragraph (a) above, if such failure shall continue for a period of the earlier of thirty (30) calendar days after (x) the date the Cooperative was to give notice to the Lender in accordance with Section 7.05 hereof, or (y) the date of written notice thereof by the Lender to the Cooperative; provided, that the Cooperative shall not be in default hereunder with respect to defaults that can, with time, be cured, if the Cooperative shall proceed with due diligence to remedy such default, but in no event shall such period be extended for a period longer than sixty (60) days; or

(c) The Cooperative shall default in the performance of or compliance with any covenant contained herein, other than a covenant that is dealt with in any other subsection of this Section 10.01, which default or non-compliance shall continue and not be cured within thirty (30) days after the earlier of (i) written notice thereof to the Cooperative by the Lender or (ii) actual knowledge of such breach by a responsible officer of the Cooperative, or such longer period as may be reasonably necessary to cure such default, as long as the Cooperative initiates curative action within such 30-day period and diligently prosecutes such action until the cure has been achieved, but not to exceed 90 days;

Section 10.02 Effect of Event of Default. Upon the occurrence of an Event of Default, the Lender may, in its sole discretion, but shall not be obligated to, exercise all or any of its rights and remedies as it may otherwise have under Applicable Law or under this Agreement, or any Note Document or otherwise, by such suits, actions, or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for specific performance of any covenant or agreement contained in this Agreement or any Note Document, or in aid or execution of any power granted herein or therein or for the enforcement of any proper legal or equitable remedy. Remedies shall not include a right of acceleration of the Note unless such right shall have been granted to any other lender secured by the Pledged Revenues.

All payments made on the Note, after an Event of Default, shall be first applied to accrued interest, then to any reasonable costs or expenses, including reasonable legal fees and expenses that the Lender may have incurred in protecting or exercising the Lender's rights under the Note Documents and the balance thereof shall apply to the principal sum due. From and after any Event of Default hereunder and so long as such Event of Default remains uncured, interest shall accrue on principal then outstanding under the Note at the Default Rate. Upon an Event of Default, and so long as such Event of Default remains uncured, the Lender may, upon written notice to the Cooperative, reduce the Maximum Commitment Amount to the Loan Amount.

ARTICLE XI
MISCELLANEOUS

Section 11.01 Waivers, Amendments. Any provision of this Agreement or the Note may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by the Cooperative and the Lender. No course of dealing between the Cooperative and the Lender, nor any delay in exercising any rights hereunder, shall operate as a waiver of any rights of the Lender hereunder. Unless otherwise specified in such waiver or consent, a waiver or consent given hereunder shall be effective only in the specific instance and for the specific purpose for which given.

Section 11.02 Survival of Representations and Warranties. All statements of or on behalf of the Cooperative contained in any Note Document or in any certificate, financial statement or other instrument delivered by or on behalf of the Cooperative pursuant to or in connection with this Agreement (including but not limited to any such statement made in or in connection with any amendment hereto or thereto) shall constitute representations and warranties of the Cooperative made under this Agreement. All representations and warranties of the Cooperative made under this Agreement shall survive the execution and delivery of this Agreement, regardless of any investigation made by the Lender or on their behalf.

Section 11.03 Costs, Expenses and Taxes; Reimbursement.

(a) The Cooperative shall pay within thirty days of demand (i) the reasonable fees and disbursements of counsel to the Lender in an amount not exceeding $25,000, (ii) all reasonable out-of-pocket expenses and internal charges of the Lender (including fees and disbursements of counsel to the Lender) incurred in connection with any waiver or consent under any Note Document or any amendment of any Note Document or any Default or alleged Default hereunder and (iii) if there is an Event of Default, all reasonable out-of-pocket expenses and internal charges incurred by the Lender in connection with such Event of Default and collection and other enforcement proceedings resulting therefrom. To the extent permitted by law, the Cooperative shall pay any and all transfer taxes, documentary taxes, assessments or charges made by any governmental authority by reason of the execution and delivery of this Agreement or the Note.

(b) In addition to any other amounts payable by the Cooperative under this Agreement, the Cooperative hereby agrees, to the extent permitted by law, to reimburse the Lender, promptly upon demand, in respect of all claims, demands, liabilities, damages, losses, reasonable costs, reasonable charges and reasonable expenses (including reasonable attorneys' fees) that the Lender may incur or be subject to as a consequence of (i) the making of the Loan, (ii) any breach by the Cooperative or any official of the Cooperative of any warranty, covenant, term or condition in, or the occurrence of any default under, this Agreement or any Note Document, including all reasonable fees or expenses resulting from the settlement or defense of any claims or liabilities arising as a result of any such breach or default, (iii) involvement in any legal suit, proceeding or action as to which the Lender is involved as a consequence of its making of the loan, their execution of this Agreement or any other event or transaction contemplated by any of the foregoing; provided that the Lender shall not be entitled to reimbursement under this Section to the extent that claims, demands, liabilities, damages, losses, costs, charges and expenses to be reimbursed are the result of the gross negligence or willful misconduct of the Lender. Nothing in this Section is intended to limit the Cooperative's obligations contained in the Agreement.

Section 11.04 Right of Setoff; Other Collateral. Except as otherwise provided herein, the Lender waives any and all current or future common law or statutory liens, security interests, rights of setoff and

rights of recoupment to such special purpose accounts and such special purpose deposits therein, and all proceeds (as defined in Chapter 679, Florida Statutes) derived therefrom.

Section 11.05 Notices. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; when transmitted if transmitted by telecopy, electronic telephone line facsimile transmission, e-mail or other similar electronic or digital transmission method (provided customary evidence of receipt is obtained); the day after it is sent, if sent by overnight common carrier service; and five days after it is sent, if mailed, certified mail, return receipt requested, postage prepaid; provided, however, that, notwithstanding anything to the contrary contained herein, no communication to the Lender shall be effective until the Lender has actually received such communication. In each case notice shall be sent to the Notice Address.

Section 11.06 Continuing Obligation; Assignment. This Agreement is a continuing obligation of the Cooperative and shall, until the Final Maturity Date, (a) be binding upon the Cooperative and its successors and assigns, and (b) inure to the benefit of and be enforceable by the Lender and its successors, and permitted transferees and assigns; provided, however, that in accordance with Section 4.02 hereof, no such transfer shall relieve the Noteholder of its commitment to make Advances in accordance with the terms hereof; provided, further that the Cooperative may not assign all or any part of this Agreement without the prior written consent of the Lender.

The Lender may assign or transfer the Note and its rights and obligations hereunder to another financial institution. The Note may be assigned to a qualified financial institution, but only in whole and not in part. The Cooperative shall not assign its rights hereunder without the express written consent of the Lender.

Section 11.07 Patriot Act Notice. The Lender hereby notifies the Cooperative that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 signed into law October 26, 2001) (the "*Patriot Act*"), the Lender is required to obtain, verify and record information that identifies the Cooperative, which information includes the name, address, and tax identification number of the Cooperative and other information that will allow the Lender to identify the Cooperative in accordance with the Patriot Act, and Lender is hereby so authorized.

Section 11.08 Satisfaction Requirement. If any agreement, certificate or other writing, or any action taken or to be taken, is by the terms of this Agreement required to be satisfactory to the Lender, the determination of such satisfaction shall be made by the Lender in its reasonable judgment exercised in good faith.

Section 11.09 Applicable Law; Venue. This Agreement and the Note shall be construed pursuant to and governed by the Act and the substantive laws of the State. Unless applicable law provides otherwise, in the event of any legal proceeding arising out of or related to this Agreement or the Note, the Cooperative consents to the jurisdiction and venue of any court located in the State.

Section 11.10 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

Section 11.11 Severability. Any provision of this Agreement that is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction and the remaining portion of such provision and all other remaining provisions will be construed to render them enforceable to the fullest extent.

Section 11.12 Business Days. If any payment under this Agreement shall be specified to be made upon a day which is not a Business Day, it shall be made on the next succeeding day which is a Business Day and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 11.13 Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 11.14 Term of Agreement. Except as otherwise specified in this Agreement, this Agreement and all representations, warranties, covenants and agreements contained herein or made in writing by the Cooperative in connection herewith shall be in full force and effect from the date hereof and shall continue in effect until as long as the Note is outstanding or any amounts are due and owing hereunder or under the Note to the Lender.

Section 11.15 No Third Party Beneficiaries. It is the intent and agreement of the parties hereto that this Agreement is solely for the benefit of the parties hereto and no person not a party hereto shall have any rights or privileges hereunder.

Section 11.16 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereunder (including in connection with any amendment, waiver or other modification hereof or of any other documents related hereto), the Cooperative acknowledges and agrees, that: (a) (i) it has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, (ii) it is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and any other loan documents, (iii) the Lender is not acting as a municipal advisor or financial advisor to the Cooperative and (iv) the Lender has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act to the Cooperative with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Lender has provided other services or is currently providing other services to the Cooperative on other matters); (b) (i) the Lender is and has been acting solely as a principal in an arm's length commercial lending transaction and has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Cooperative, or any other person and (ii) the Lender has no obligation to the Cooperative with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Note Documents; (c) notwithstanding anything herein to the contrary, it is the intention of the Cooperative and the Lender that the loan documents represent a commercial loan transaction not involving the issuance and sale of a municipal security, and that any bond, note or other debt instrument that may be delivered to the Lender is delivered solely to evidence the repayment obligations of the Cooperative under the loan document; and (d) the Lender may be engaged in a broad range of transactions that involve interests that differ from those of the Cooperative, and the Lender has no obligation to disclose any of such interests to the Cooperative. To the fullest extent permitted by law, the Cooperative hereby waives and releases any claims that it may have against the Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby. If the Cooperative would like a municipal advisor in this transaction

that has legal fiduciary duties to the Cooperative, the Cooperative is free to engage a municipal advisor to serve in that capacity. The transactions contemplated herein and the Note are delivered, pursuant to and in reliance upon the bank exemption and/or the institutional buyer exemption provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq, to the extent that such rules apply to the transactions contemplated hereunder.

Section 11.17 Entire Agreement. Except as otherwise expressly provided, this Agreement and the Note embody the entire agreement and understanding between the parties hereto and supersede all prior agreements and understandings relating to the subject matter hereof.

Section 11.18 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE NOTE AND ANY DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective between them as of the date first set forth above.

POLK REGIONAL WATER COOPERATIVE

(SEAL)

By:_____
Name: Nathaniel Birdsong, Jr.
Title: Chair

Attested and Countersigned:

_____
Becky Troutman, Secretary/Treasurer

TRUIST COMMERCIAL EQUITY, INC.

By:_____
Name: Clayton Thompson
Title: Authorized Agent

[Signature Page to Credit Agreement]

EXHIBIT "A"

FORM OF NOTE

THIS NOTE IS SUBJECT TO TRANSFER RESTRICTIONS, MORE FULLY DESCRIBED IN THE CREDIT AGREEMENT REFERRED TO HEREIN, AND MAY NOT BE TRANSFERRED EXCEPT TO AN ACCREDITED INVESTOR WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933.

POLK REGIONAL WATER COOPERATIVE

NON-REVOLVING REVENUE NOTE, SERIES 2026A

POLK REGIONAL WATER COOPERATIVE (the "Cooperative"), for value received, promises to pay, but solely from the sources described below to the extent provided herein and in the hereinafter described Credit Agreement, to the order of Truist Commercial Equity, Inc., a Delaware general business corporation or its registered assigns (together with any other registered owner of this Note, hereinafter, the "Lender"), at its Principal Office or any other office or at such place as the Lender may in writing designate, on the Final Maturity Date, as defined in the Credit Agreement dated as of [_____], 2026, between the Cooperative and the Lender (as such agreement may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), the lesser of the principal sum of $134,923,982 and the aggregate unpaid principal amount of all loans made by the Lender to the Cooperative pursuant to the Credit Agreement and represented by this Note and not theretofore repaid, and any modifications, renewals, extensions or replacements thereof, without offset in lawful money of the United States of America in immediately available funds, and to pay interest from the date hereof on the principal amount thereof from time to time outstanding, in like funds, at said office, at the rate or rates per annum and payable on such dates as provided in the Credit Agreement. In the event of a conflict between any term or condition contained in this Note and in the Credit Agreement, such term or condition of the Credit Agreement shall control.

All computations of interest and fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable (to the extent computed on the basis of days elapsed). This Note is issued pursuant to Resolution No. 2022-05 adopted by the Board on July 13, 2022, as amended by Resolution No. 2023-09 adopted by the Board on April 26, 2023 (the "Resolution"), as supplemented by Resolution No. 2026-11 adopted by the Board on September 16, 2026 (the "Supplemental Resolution" and collectively with the Resolution, the "Bond Resolution") and in conjunction with the Credit Agreement is subject to all the terms and conditions of the Credit Agreement. All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto, or as referenced, in the Credit Agreement.

This Note is payable solely from the Pledged Revenues to the extent provided in the Credit Agreement and subject to the pledge of the Pledged Revenues as more specifically provided in the Bond Resolution and the Credit Agreement. Notwithstanding any other provision of this Note, the Cooperative is not and shall not be liable for the payment of the principal of and interest on this Note or otherwise monetarily liable in connection herewith from any property other than as

provided in the Credit Agreement and the Bond Resolution. The lien on and pledge of the Pledged Revenues, provided for the benefit of the Lender shall be on a parity with the lien on and pledge of Pledged Revenues, in favor of the Outstanding Bonds, and any Additional Bonds.

NOTWITHSTANDING THE FOREGOING, HOWEVER, OR ANYTHING ELSE IN THIS NOTE OR THE CREDIT AGREEMENT TO THE CONTRARY, NEITHER THIS NOTE NOR THE CREDIT AGREEMENT SHALL CREATE, BE OR CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE COOPERATIVE OR A DEBT, LIABILITY OR OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OF THE FAITH AND CREDIT OF THE COOPERATIVE OR ITS MEMBERS, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE COOPERATIVE OR ITS MEMBERS, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER FOR THE PAYMENT OF ANY OBLIGATIONS HEREUNDER OR UNDER THE CREDIT AGREEMENT OR TO MAKE ANY APPROPRIATION THEREFROM FOR ANY SUCH PAYMENTS. THE OBLIGATIONS OF THE COOPERATIVE HEREUNDER SHALL NOT BE PAYABLE FROM OR CONSTITUTE A LIEN OR CHARGE ON ANY FUNDS OF THE COOPERATIVE OTHER THAN THE PLEDGED REVENUES IN THE MANNER AND TO THE EXTENT PROVIDED HEREIN AND IN THE CREDIT AGREEMENT.

The Cooperative promises to pay interest, on demand, on any overdue principal from the due date at a rate or rates provided in the Credit Agreement.

The Cooperative's obligation to pay the principal of, and interest on, the Advances shall be evidenced by the records of the Lender and by this Note. The entries made in such records and/or on the schedule annexed to this Note shall be *prima facie* evidence of the existence and amounts of the obligations of the Cooperative therein recorded; provided, that the failure or delay of the Lender in maintaining or making entries into any such record or on such schedule or any error therein shall not in any manner affect the obligation of the Cooperative to repay the Loan Amount (both principal and unpaid accrued interest) in accordance with the terms of the Credit Agreement.

This Note is issued in connection with, and is entitled to the benefits of, the Credit Agreement which, among other things, contains provisions for prepayment of the principal hereof prior to the maturity hereof and for the amendment or waiver of certain provisions of the Credit Agreement, all upon the terms and conditions therein specified. THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF FLORIDA AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

Principal amounts shall not be reborrowed or re-advanced. The total principal amount of this Note outstanding shall not exceed the Maximum Commitment Amount.

On each Optional Tender Date, the Noteholder shall have the right to demand that the Note be purchased by the Cooperative at a purchase price equal to 100% of the principal amount thereof, plus accrued interest to the Optional Tender Date and any past due amounts (the "*Demand Purchase Price*"). The Optional Tender Date may be waived in the sole discretion of the Lender. On the Optional Tender Date, if not so waived under the definition thereof, the Noteholder shall deliver the original Note to the Cooperative in such manner as set forth in the Note and the

Cooperative shall be obligated to pay the Demand Purchase Price in immediately available funds to the Noteholder on the Optional Tender Date.

The Cooperative to the extent permitted by law hereby waives presentment, demand, protest and notice of dishonor.

All terms, conditions and provisions of the Credit Agreement are by this reference thereto incorporated herein as a part of this Note.

This Note may be exchanged or transferred but only as provided in the Credit Agreement.

THE COOPERATIVE AND THE LENDER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE AND ANY OTHER DOCUMENT OR INSTRUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION WITH THIS NOTE, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDER TO ENTER INTO OR ACCEPT THIS NOTE. FURTHER, THE COOPERATIVE HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE LENDER, NOR THE LENDER'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE LENDER WOULD NOT, IN THE EVENT OF SUCH LITIGATION, SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION.

The Lender hereby notifies the Cooperative that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 signed into law October 26, 2001), the Lender may be required to obtain, verify and record information that identifies the Cooperative, which information includes the name and address of the Cooperative and other information that will allow the Lender to identify the Cooperative in accordance with the USA PATRIOT Act. All amounts received by the Lender shall be applied to expenses, late fees and interest before principal or in any other order as determined by the Lender, in its sole discretion, as permitted by law. Any provision of this Note which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Note. No amendment, modification, termination or waiver of any provision of this Note, nor consent to any departure by the Cooperative from any term of this Note, shall in any event be effective unless it complies fully with the requirements of such amendment, modification, termination or waiver as set forth in the Credit Agreement, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

It is hereby certified, recited and declared that all acts, conditions and prerequisites required to exist, happen and be performed precedent to and in the execution, delivery and the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Note is in full compliance with and does not exceed or violate any constitutional or statutory limitation.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Cooperative has caused this Note to be executed in its name as of the date hereinafter set forth.

The date of this Note is [_____], 2026.

POLK REGIONAL WATER COOPERATIVE

(SEAL)

By:_____
Name: Nathaniel Birdsong, Jr.
Title: Chair

Attested and Countersigned

_____
Becky Troutman, Secretary/Treasurer

EXHIBIT "B"

NOTICE OF BORROWING
UNDER NON-REVOLVING REVENUE NOTE, SERIES 2026A

Pursuant to the Non-Revolving Credit Agreement dated as of [_____], 2026, as amended, supplemented, restated, replaced, or otherwise modified from time to time (the "Credit Agreement"; capitalized terms used but not defined herein shall have the meanings assigned in the Credit Agreement); this represents the undersigned's request for an Advance under the Credit Agreement as follows:

Proposed Date of Advance: _____

$_____ Aggregate Amount of Advance to be Drawn Down under the Non-Revolving Revenue Note, Series 2026A.

The proceeds of the Advance are to be wired to the following account:

_____

The proceeds of the Advance are to be used for the following project or group of projects:

_____

This Notice is given in order to induce the Lender to make the Advance. We understand that the Lender is relying on the truth and accuracy of the statements made in this Notice.

1. All of the representations and warranties of the undersigned contained in the Credit Agreement or in any of the other Note Documents are true, correct, and complete on and as of the date of this Notice of Borrowing, with the same effect as though the representations and warranties had been made on and as of such date.

2. No Event of Default, nor any event which, upon notice or lapse of time or both, would constitute an Event of Default, has occurred and is continuing, or would result from the borrowing.

3. After giving effect to the Advance hereby requested and any other Advances requested on the date hereof under the Note, the aggregate amount of Advances requested and outstanding under the Credit Agreement will not exceed the Maximum Commitment Amount as of the proposed date of the Advance hereby requested.

4. To the undersigned's knowledge, it has no setoffs or defenses under the Credit Agreement or the Note. The Credit Agreement, the Note, and all other Note Documents are valid, binding, and enforceable in accordance with their terms.

5. The Cooperative has approved the transaction with respect to which these instructions are given in accordance with the procedure set forth in the Credit Agreement and the Supplemental Resolution.

6. The Cooperative has notified Note Counsel of the proposed Advance requested above.

7. The Cooperative has previously delivered to the Lender, addressed to the Lender and upon which opinion the Lender may rely, an opinion of an attorney to the Cooperative and/or Note Counsel as to those matters required under Sections 6.01(f) and (h) of the Credit Agreement and the Cooperative confirms that it has not received notification from Cooperative's Counsel and/or Note Counsel of a withdrawal of such opinion (unless a replacement opinion has been obtained).

8. All other conditions precedent to the Advance as set forth in the Credit Agreement have been satisfied.

Dated: _____

POLK REGIONAL WATER COOPERATIVE

By:_____
Name: _____
Title: _____

#541423335_v10 155673.00009

EXHIBIT "B" TO RESOLUTION

FORM OF SERIES 2026B CREDIT AGREEMENT

NON-REVOLVING CREDIT AGREEMENT

by and between

POLK REGIONAL WATER COOPERATIVE,

AND

TRUIST COMMERCIAL EQUITY, INC.

AS OF

[_____], 2026

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Exhibit A – Form of Note

NON-REVOLVING CREDIT AGREEMENT

This **NON-REVOLVING CREDIT AGREEMENT** (the "*Agreement*") is made and entered into as of [_____] 2026, by and between **Polk Regional Water Cooperative**, a Florida interlocal agency (the "*Cooperative*"), and **Truist Commercial Equity, Inc.**, and its successors and permitted assigns ("*TRUCE*" or the "*Lender*").

Subject to the satisfaction of the special conditions precedent set forth in Article II below, the parties hereto, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, DO HEREBY AGREE as follows:

W I T N E S S E T H:

WHEREAS, the Cooperative was formed pursuant to Sections 163.01 and 373.713 and Chapter 189, Florida Statutes, pursuant to an Interlocal Agreement Relating to Establishment of the Polk Regional Water Cooperative, effective as of June 1, 2016 (the "*Interlocal Agreement*") as executed by Polk County, Florida (the "*County*") and the municipalities located within the County and set forth therein (collectively, the "*Members*"); and

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

WHEREAS, the Board of Directors of the Cooperative (the "*Board*") duly adopted Resolution No. 2022-05 on July 13, 2022, as amended by Resolution No. 2023-09 adopted by the Board on April 26, 2023 (the "*Resolution*"), as supplemented by Resolution No. 2026-11 adopted by the Board on September 16, 2026 (the "*Supplemental Resolution*" and collectively with the Resolution, the "*Bond Resolution*"), pursuant to which the Cooperative is authorized to borrow money, and more particularly issue the Note described below for (i) refinancing a portion of the Series 2023C Bond, (ii) financing the 2026 Project, (iii) capitalizing interest on the Note, and (iv) paying costs of issuance; and

WHEREAS, the Cooperative has requested the Lender, and the Lender has agreed, to loan funds to the Cooperative under the terms of this Agreement to refinance a portion of the Series 2023C Bond, finance the 2026 Project, capitalize interest on the Note, and pay costs of issuance, under and pursuant to the terms of this Agreement and the Cooperative's Non-Revolving Revenue Note, Series 2026B (the "*Note*"), all on the terms and conditions set forth herein, provided that the principal amount outstanding shall not exceed the Maximum Commitment Amount, as hereinafter defined.

ARTICLE I
DEFINITION OF TERMS

Section 1.01 Definitions. The words and terms used in capitalized form in this Agreement shall have the meanings as set forth in the recitals above and the following words and terms as used in this Agreement shall have the following meanings:

"*Act*" means, collectively, Sections 163.01 and 373.713 and Chapter 189, Florida Statutes, the Interlocal Agreement, the Constitution of the State, the Bond Resolution, and other applicable provisions of law.

"*Additional Bonds*" shall have the meaning ascribed to that term under the Bond Resolution.

"*Advance*" means a lending of money by the Lender to the Cooperative under the Commitment in accordance with Article VI hereof.

"*Agreement*" means this Non-Revolving Credit Agreement and any and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

"*Anti-Corruption Laws*" means all laws, rules, and regulations of any jurisdiction applicable to the Cooperative or any of its subsidiaries or affiliates from time to time concerning or relating to bribery or corruption.

"*Applicable Law*" means all applicable provisions of all constitutions, statutes (including the Act), rules, regulations and orders of all State or federal governmental bodies, all Governmental Approvals and all orders, judgments and decrees of all courts and arbitrators.

"*Bloomberg*" means Bloomberg Finance L.P. and its successors and assigns.

"*Bonds*" shall have the meaning ascribed to that term under the Bond Resolution.

"*Business Day*" means any day other than (i) a Saturday or Sunday, (ii) any day on which banks in the City of New York or Polk County, Florida are authorized or required by law or other governmental action to close and (iii) any day on which the New York Stock Exchange is closed.

"*Closing Date*" means the date hereof.

"*Code*" means the Internal Revenue Code of 1986, as amended, and any applicable corresponding provisions of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context thereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of the Treasury (including applicable final regulations and temporary regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings) and applicable court decisions.

"*Commitment*" means the obligation of the Lender to make the Loan to the Cooperative in a principal amount not exceeding the Maximum Commitment Amount.

"*Costs of the 2026 Project*" means all items of cost with respect to the 2026 Project permitted under the Act to be financed with proceeds of the Note hereunder, including reimbursement to the Cooperative in connection with items previously incurred in anticipation of the issuance of the Note and capitalizing interest on the Note.

"*Counsel*" means an attorney at law or firm of attorneys at law (who may be of counsel to, including an employee of, the Cooperative).

"*Default*" means any of the events specified in Section 10.01 hereof which with the passage of time or giving of notice or both would constitute an Event of Default.

"*Default Rate*" means the Prime Rate plus five percent (5.00%) per annum or, if lower, the Maximum Lawful Rate.

"*Determination of Taxability*" means the occurrence after the date hereof of a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that, solely as a result of actions or inactions of the Cooperative, interest paid or payable on the Note is or was includable in the gross income of the holder for Federal income tax purposes (a "*Taxable Event*"); provided, however, that no such decree, judgment, or action will be considered final for this purpose unless the Cooperative has been given written notice and, if it is so desired and is legally allowed, the Cooperative has been afforded the opportunity to contest the same, either directly or in the name of the holder, the Lender or the holder of the Note, and until the conclusion of all appellate reviews, if sought. For avoidance of doubt and without limiting the foregoing, a Taxable Event does not include, and is not triggered by, a change in law, rule or regulation that causes the interest on the Note to be included in holder's gross income for federal income tax purposes.

"*Escrow Agent*" shall mean Truist Bank, a North Carolina banking corporation, through its Corporate Trust and Escrow Services department, and its successors and assigns.

"*Escrow Agreement*" shall mean the Escrow Agreement dated [_____], 2026, among the Cooperative, the Escrow Agent and the Lender, pursuant to which the Escrow Agent shall hold the 2026B Construction Account as provided in Section 4.07 hereof.

"*Event of Default*" means an Event of Default specified in Section 10.01 of this Agreement.

"*FCPA*" shall have the meaning given thereto in Section 3.13(c) of this Agreement.

"*Final Maturity Date*" means [_____], 2029, unless extended in writing by the Lender in its sole discretion.

"*Fiscal Year*" means the period commencing on October 1 of each year and ending on the succeeding September 30, or such other period of twelve consecutive months as may hereafter be designated as the fiscal year of the Cooperative by general law.

"*GAAP*" means generally accepted accounting and financial reporting principles applied in the United States on a consistent basis to government units as established by the Governmental Accounting Standards Board, and which are consistently applied for all applicable periods so as to present fairly the financial condition, results of operations and cash flow of the Cooperative.

"Governmental Approval" means an authorization, permit, consent, approval, license or exemption from, registration or filing with, or report to, any governmental or regulatory unit.

"*Implementation Agreement*" shall have the meaning given to such term in the Bond Resolution.

"*Indebtedness*" as of any date of determination means (i) all indebtedness for borrowed money or for the deferred purchase price of property or services and (ii) all direct or indirect guaranties to assure the credit of another against loss, including without limitation agreements (x) to pay or purchase debts of another or to advance or supply funds for the payment or purchase of such debts, or (y) to purchase, sell or lease (as lessee or lessor) property, or to purchase or sell services, primarily for the purpose of enabling another to make payment of such debts, or (z) to supply funds to or in any other manner invest in another (including any agreement to pay for property whether or not such property is received or such

services are rendered); provided, however, that the term "Indebtedness" shall not include (A) vehicle and equipment leases and other indebtedness or guaranties owing to trade creditors in the ordinary course of business regardless of the treatment for accounting purposes, or (B) any debt or other obligation that, by the terms of an indenture of trust or other written agreement governing such debt or obligation, (i) is not required to be paid from any revenues, fees or income derived from any source other than revenues, fees or income derived solely from the operation of property, plant or equipment specifically identified in such indenture or written agreement, or (ii) is expressly without recourse to the Cooperative and for which the Cooperative has no personal pecuniary liability, or (iii) is payable solely from a revenue source other than Pledged Revenues.

"*Interest Payment Date*" means the first day of each month, commencing [_____] 1, 2026, a Noteholder Put Date and the Final Maturity Date.

"*Interest Rate*" means (i) the Tax-Exempt Rate, and (ii) upon a Determination of Taxability, the Taxable Rate.

"*Lender Obligations*" means all amounts payable to the Lender by the Cooperative under the terms of this Agreement and the Note and any Qualified Swap related to the interest rate of the Note with the Lender as a counterparty, other than principal and interest on the Note.

"*Lien*" as applied to the Property of any Person, means (in each case, whether the same is consensual or nonconsensual or arises by contract, operation of law, legal process or otherwise): (a) any mortgage, lien, pledge, attachment, charge, conditional sale or other title retention agreement, or other security interest or encumbrance of any kind in respect of any Property of such Person, or upon the income or profits therefrom; and (b) any arrangement, express or implied, under which any Property of such Person is transferred, sequestered or otherwise identified for the purpose of Indebtedness or performance of any other obligation in priority to the payment of the general, unsecured creditors of such Person.

"*Loan*" means the loan by the Lender to the Cooperative contemplated hereby.

"*Loan Amount*" means the then current outstanding principal amount of the Note issued hereunder.

"*Material Adverse Effect*" means, (a)(i) with respect to any Person, a material adverse effect upon such Person's business, assets, liabilities, financial condition, results of operations or business prospects, and (ii) with respect to a group of Persons as a whole, a material adverse effect upon such Persons' businesses, assets, liabilities, financial conditions, results of operations or business prospects taken as a whole; and (b) with respect to any agreement or obligation, a material adverse effect upon the binding nature, validity or enforceability of such agreement or obligation.

"*Maximum Commitment Amount*" shall mean $65,076,018.

"*Maximum Lawful Rate*" means the maximum legal rate of interest under Applicable Law and applicable to the Cooperative's obligations to pay interest to the Lender with respect to amounts due to the Lender hereunder.

"*Note*" means the Cooperative's Non-Revolving Revenue Note, Series 2026B.

"*Note Counsel*" means Counsel retained by the Cooperative that is of nationally recognized experience in matters relating to the validity of, and the exclusion from gross income for federal income tax purposes of interest on, obligations of states and their political subdivisions.

"*Note Documents*" means, at any time, each of the following as in effect or as outstanding, as the case may be, at such time: (i) the Note, (ii) this Agreement, and (iii) the Bond Resolution.

"*Noteholder*" or "*holder*" of the Note shall mean, collectively, the Lender or such other registered owner or owners to which the Note may be assigned pursuant to Section 11.06 hereof.

"*Noteholder Put Date*" means [_____], 2027 and [_____], 2028, unless modified as provided in the definition of "Optional Tender Date."

"*Notice Address*" means,

As to the Cooperative:	Polk Regional Water Cooperative 330 West Church Street Bartow, FL 33831 Email address: ericdehaven@prwcwater.org Attn: Executive Director Telephone: 863-248-7388
As to the Lender:	Truist Commercial Equity, Inc. 333 S. Garland Ave. FL 17 Orlando, FL 32801 Email address: clayton.thompson@truist.com Attn: Clayton Thompson Telephone: 407-701-4796

or to such other address (or e-mail address for electronic communications) as either party may have specified in writing to the other using the procedures specified in Section 11.05 hereof.

"*Optional Tender Date*" means each Noteholder Put Date, unless the Cooperative shall have received written notice from the Noteholder not less than 120 days (or such shorter period of time as shall have been agreed to by the Cooperative) prior to the applicable Noteholder Put Date that such Noteholder has elected not to tender such Note for purchase on such Noteholder Put Date whereupon such due date shall not be an Optional Tender Date; and in the event the Noteholder elects not to tender such Note for purchase upon any Noteholder Put Date as described above, the Noteholder may also deliver written notice to the Cooperative establishing or modifying the date of the next succeeding Noteholder Put Date or Dates, and, from and after such notice, the succeeding Noteholder Put Date(s) shall be the date(s) specified in such notice unless and until modified by subsequent notice pursuant to the terms hereof.

"*Original Purchaser*" means the Lender.

"*Person*" means an individual, corporation, partnership, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

"*Pledged Revenues*" shall have the meaning given in the Bond Resolution.

"*Prime Rate*" means the per annum rate which Truist Bank announces from time to time to be its prime rate, as in effect from time to time. The prime rate is a reference or benchmark rate, is purely discretionary and does not necessarily represent the lowest or best rate charged to borrowing customers. Truist Bank may make commercial loans or other loans at rates of interest at, above or below the prime rate. Each change in the prime rate shall be effective from and including the date such change is announced as being effective.

"*Principal Office*" means, with respect to the Lender, the office of the Lender specified in the Notice Address, or such other office as the Lender may designate to the Cooperative in writing.

"*2026 Project*" means, collectively, the Southeast Wellfield Project and the West Polk Wellfield Project, together with the supply lines, transmission lines and water production facilities, the costs of which are to be funded in whole or in part with the proceeds from the Note.

"*Projects*" shall have the meaning given to such term in the Bond Resolution.

"*Property*" means any interest in any kind of property or assets, whether real, personal or mixed, or tangible or intangible.

"*Qualified Swap*" shall have the meaning ascribed to that term under the Bond Resolution.

"*Rebate Amount*" means the excess of the future value, as of a computation date, of all receipts on nonpurpose investments (as defined in Section 1.148-1(b) of the Income Tax Regulations) over the future value, as of that date, of all payments on nonpurpose investments, all as provided by regulations under the Code implementing Section 148 thereof.

"*2025 Revolving Credit Agreement*" means the Revolving Credit Agreement dated as of March 25, 2025, by and among the Cooperative, TRUCE, and Truist Bank, as a lender and as an agent, as amended.

"*Sanctioned Country*" means, at any time, a country or territory which is the subject or target of any Sanctions.

"*Sanctioned Person*" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person controlled by any such Person.

"*Sanctions*" shall have the meaning given to such term in Section 3.13(b) of this Agreement.

"*Series 2023C Bond*" means the Polk Regional Water Cooperative Water Revenue Bond, Series 2023C, dated May 9, 2023.

"*State*" means the State of Florida.

"*Supplemental Resolution*" means the Resolution of the Cooperative authorizing the execution and delivery of this Agreement and the Note as adopted by the Board on September 16, 2026.

"*System*" shall have the meaning ascribed to that term under the Bond Resolution.

"Tax-Exempt Rate" means [3.90]% per annum.

"*Taxable Rate*" means the interest rate per annum that shall provide the Noteholder with the same after-tax yield that the Noteholder would have otherwise received had the Determination of Taxability not occurred, taking into account the increased taxable income of the Noteholder as a result of such Determination of Taxability. The Noteholder shall provide the Cooperative with a written statement explaining the calculation of the Taxable Rate, which statement shall, in the absence of manifest error, be conclusive and binding on the Cooperative.

Section 1.02 Titles and Headings. The titles and headings of the articles and sections of this Agreement have been inserted for convenience of reference only and are not to be considered a part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.03 Accounting Matters. Unless otherwise defined herein or in the Note Documents, all accounting terms used herein and in the Note Documents are used with the meanings ascribed to such terms in accordance with GAAP.

Section 1.04 Use of Phrases. "Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Agreement as an entirety and not solely to the particular portion thereof in which any such word is used. The definitions set forth in Section 1.01 hereof include both singular and plural. Whenever used herein, any pronoun shall be deemed to include both singular and plural and to cover all genders.

Section 1.05 Computation of Time Periods. In this Agreement, except as otherwise expressly provided herein, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding."

ARTICLE II
SPECIAL CONDITIONS PRECEDENT TO EFFECTIVENESS; LENDER ACKNOWLEDGEMENT

Section 2.01 Conditions Precedent. Notwithstanding anything herein to the contrary, the representations, warranties and covenants of each party contained herein shall not become effective or enforceable until the following conditions precedent are satisfied:

(a) The Board has approved the adoption of the Supplemental Resolution; and

(b) The Lender has reasonably determined that the conditions precedent to funding the Loan as set forth in Sections 6.01 and 6.02 have been satisfied; and

(c) Each party shall have received from the other party any closing documents they may otherwise reasonably require as shall be evidenced by the acceptance of the Note by the Lender.

All conditions shall be deemed to have been satisfied upon the delivery and acceptance of the Note to the Original Purchaser.

ARTICLE III
REPRESENTATIONS OF COOPERATIVE

To induce the Lender to enter into this Agreement and make the Loan hereunder, the Cooperative hereby represents and warrants to the Lender that:

Section 3.01 Organization, Powers, Etc.The Cooperative is an interlocal agency established under the Act, is duly organized and validly existing under the Constitution and the laws of the State. The Cooperative has the power to borrow the amounts provided for in this Agreement, to execute and deliver the Note Documents, to secure the Note in the manner contemplated hereby, and to perform and observe all the terms and conditions of the Bond Resolution and the Note Documents on its part to be performed and observed. The Cooperative may lawfully issue the Note in order to refinance a portion of the Series 2023C Bond, to finance and/or refinance the Costs of the 2026 Project, to capitalize interest on the Note, and to pay costs of issuance for the Note.

Section 3.02 Authorization; Absence of Conflicts, Etc. The Cooperative has full legal right, power, and authority to adopt the Supplemental Resolution and to execute and deliver this Agreement, to issue, execute and deliver the Note to the Lender, and to carry out and consummate all other transactions contemplated hereby and by the other Note Documents (as it applies to the 2026 Project and the Loan), and the Cooperative has complied and will comply with all provisions of applicable law in all material matters relating to such transactions. The Cooperative, pursuant to the Bond Resolution, has duly authorized the borrowing of the amount provided for in this Agreement, the execution and delivery of this Agreement, and the making and delivery of the Note to the Lender, and to that end the Cooperative warrants that it will take all action and will do all things which it is authorized by law to take and to do in order to fulfill all covenants on its part to be performed and to provide for and to assure payment of the Note. The Cooperative has duly adopted the Bond Resolution and authorized the execution, delivery, and performance of the Note and this Agreement and the taking of any and all other such action as may be required on the part of the Cooperative to carry out, give effect to and consummate the transactions contemplated by the Note Documents (as it applies to the 2026 Project and the Loan) and the Bond Resolution. This Agreement and the Note have been duly authorized, executed, issued and delivered to the Lender and constitute legal, valid and binding obligations of the Cooperative enforceable in accordance with their respective terms and the terms of the Bond Resolution, and are entitled to the benefits and security of the Bond Resolution and this Agreement. All approvals, consents, and orders of and filings with any governmental authority or agency which would constitute a condition precedent to the execution and delivery of this Agreement and the issuance of the Note or the execution and delivery of or the performance by the Cooperative of its obligations under the Note Documents and the Bond Resolution have been obtained or made and any consents, approvals, and orders to be received or filings so made are in full force and effect.

Section 3.03 Binding Obligation. This Agreement has been duly executed and delivered by the duly authorized officers of the Cooperative and is, and each of the Note Documents to which the Cooperative is a party, when executed and delivered will be, a legal, valid and binding obligation of the Cooperative enforceable against the Cooperative in accordance with its respective terms, except to the extent, if any, that the enforceability thereof may be limited by (i) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium, debt adjustment or other similar law or enactment now or hereafter enacted by the State or Federal government affecting the enforcement of creditors' rights generally, (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and (iii) the special provisions set forth in Article II.

Section 3.04 Governmental Approvals. All Governmental Approvals necessary for the Cooperative to enter into this Agreement and the Note Documents to which it is a party and to perform its obligations hereunder and thereunder have been obtained and remain in full force and effect and are subject to no further administrative or judicial review, and no other Governmental Approval is necessary for the due execution, delivery and performance by the Cooperative of this Agreement or such Note Documents.

Section 3.05 Compliance with Applicable Law. The Cooperative is in compliance with all Applicable Law, including all Governmental Approvals, except for non-compliance that, singly or in the aggregate, have not had and will not have a Material Adverse Effect on the binding nature, validity or enforceability of, or the authority or ability of the Cooperative to perform its obligations under, the Note Documents to which it is a party or this Agreement.

Section 3.06 Financial Statements. The Cooperative has furnished to the Lender copies of audited financial statements of the Cooperative for the most recent Fiscal Year. Such financial statements present fairly, in accordance with GAAP, the financial position of the Cooperative at their respective dates and their respective revenues and expenses and changes in fund balances for the periods covered thereby. Except as disclosed or reflected in such statements, as at the date of the Cooperative's most recent audited balance sheet, the Cooperative had no liabilities, contingent or otherwise, and there were no unrealized or anticipated losses of the Cooperative, that individually or in the aggregate have had or may have a Material Adverse Effect on the Cooperative or its ability to perform its obligations pursuant to this Agreement and the Note Documents to which it is a party. No change in the financial condition of the Cooperative has occurred that might, in the reasonable judgment of the Cooperative, have a Material Adverse Effect on the Cooperative's ability to perform its obligations to the Lender pursuant to this Agreement or any of the Note Documents to which it is a party.

Section 3.07 Absence of Litigation. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, arbitrator, governmental or other board, body or official, pending or, to the best knowledge of the Cooperative, threatened against or affecting the Cooperative, or questioning the validity of any proceeding taken or to be taken by the Cooperative in connection with the execution, delivery and performance by the Cooperative of the Note Documents to which it is a party, or this Agreement or seeking to prohibit, restrain or enjoin the execution, delivery or performance by the Cooperative of any of the foregoing, nor, to the best knowledge of the Cooperative, is there any basis therefor, wherein an unfavorable decision, ruling or finding (i) would adversely affect the validity or enforceability of, or the authority or ability of the Cooperative to perform its obligations under, the Note Documents to which it is a party or this Agreement, (ii) would have a Material Adverse Effect on the Cooperative's financial condition or fund reserves or (iii) would adversely affect the validity of the Act or any provision thereof material to the transactions contemplated by this Agreement or any of the Note Documents.

Section 3.08 Absence of Defaults. The Cooperative is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which the Cooperative is a party or any judgments, decrees or orders, except for defaults that, singly or in the aggregate, have not had and will not have a Material Adverse Effect on the Cooperative's ability to perform its obligations pursuant to this Agreement or any of the Note Documents to which it is a party.

Section 3.09 Accuracy and Completeness of Information. All copies of agreements furnished to the Lender by or on behalf of the Cooperative in connection with the negotiation, preparation or

execution of this Agreement or the Note Documents are true, correct and complete and include, in each instance, all amendments, supplements and modifications thereto, and all written statements made to the Lender by or on behalf of the Cooperative in connection with the approval by the Lender of the extension of credit contemplated hereby are true and correct in all material respects.

Section 3.10 Lien in Favor of the Lender. The obligations of the Cooperative to the Lender hereunder and under the Note are secured by a valid lien on the Pledged Revenues in favor of the Lender pursuant and subject to the Bond Resolution. The lien on the Pledged Revenues in favor of the Lender shall be for the equal and proportionate benefit and security of the Note, the Outstanding Bonds and the Additional Bonds permitted hereunder, all of which shall be of equal rank without preference, priority or distinction, as to lien or otherwise. No filing of any financing statement or other recordation is required under Applicable Law to create, preserve and protect such lien against other creditors of the Cooperative.

Section 3.11 No Sovereign Immunity. The defense of sovereign immunity is not available to the Cooperative in any proceeding by the Lender to enforce any of the obligations of the Cooperative under this Agreement or any Note Document, and, in that regard, the Cooperative agrees, to the extent permitted by law, not to assert the defense of sovereign immunity in any such proceeding, except to the extent that any such proceeding seeks enforcement based on a tort or similar claim and in such case such defense is available only to the extent set forth under Florida Statutes, Section 768.28(1).

Section 3.12 Interlocal Agreement. The Interlocal Agreement has been properly filed with the Clerk of the Circuit Court of Polk County, Florida, in accordance with Section 163.01, Florida Statutes and approved by the Secretary of the Florida Department of Environmental Protection.

Section 3.13 Anti-Corruption Laws and Sanctions.

(a) The Cooperative is, and to the knowledge of the Cooperative, its directors, officers, and employees are, in compliance in all material respects with Anti-Corruption Laws and applicable Sanctions. Neither the Cooperative nor, to the knowledge of the Cooperative, any of its directors, officers and employees that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No transaction contemplated by this Agreement will, to the knowledge of the Cooperative, result in a violation by the Cooperative of Anti-Corruption Laws or applicable Sanctions.

(b) Neither the Cooperative nor, to the knowledge of the Cooperative, any director, officer or employee of the Cooperative that will act in any capacity in connection with or benefit from the credit facility established hereby is an individual or entity ("person") that is, or is owned or controlled by persons that are: (i) the subject or target of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the United Nations Security Council, the European Union, His Majesty's Treasury, or other relevant sanctions authority (collectively, "*Sanctions*"); or (ii) located, organized, or resident in a country or territory that is the subject or target of Sanctions.

(c) The Cooperative is, and to the knowledge of the Cooperative, its directors, officers and employees that will act in any capacity in connection with or benefit from the credit facility established hereby are, in compliance in all material respects with all applicable Sanctions and with the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "*FCPA*") and any other applicable Anti-Corruption Laws.

ARTICLE IV
THE NOTE

Section 4.01 Issuance of the Note. The Cooperative has authorized the issuance of the Note in the principal amount not to exceed the Maximum Commitment Amount to evidence the Loan made hereunder.

Section 4.02 Registration and Exchange of Note. The Note shall initially be owned by the Original Purchaser. The ownership of the Note may only be transferred, other than transfers to successors of the Lender, and the Cooperative will register the transfer of ownership of such Note, only upon compliance with the requirements of Section 11.06 hereof and upon written request of the Lender to the Cooperative specifying the name, address and taxpayer identification number of the qualifying transferee, and the Cooperative will keep and maintain at all times a record setting forth the identification of the owner of the Note. The Note may only be sold, assigned or otherwise transferred to an affiliate of the Lender, or an "accredited investor," as defined in Rule 501(a)(1), (2) or (3) under Regulation D of the Securities Act of 1933. The Person in whose name the Note shall be registered shall be deemed and regarded the absolute owner thereof for all purposes, and payment of principal and interest on such Note shall be made only to or upon the written order of such Person. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Section 4.03 Notes Mutilated, Destroyed, Stolen or Lost. In case a Note shall become mutilated, or be destroyed, stolen or lost, the Cooperative shall issue and deliver a new Note, in exchange and in substitution for such mutilated Note, or in lieu of and in substitution for such Note destroyed, stolen or lost and upon the Lender furnishing the Cooperative proof of ownership thereof and an affidavit of lost or stolen instrument to the Cooperative and paying such expenses as the Cooperative may reasonably incur in connection therewith.

Section 4.04 Payment of Principal and Interest. The Cooperative promises that it will promptly pay the principal of and interest on the Note, at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and of the Note and the Bond Resolution, provided that the Cooperative may be compelled to pay the principal of and interest on the Note solely from the Pledged Revenues, and nothing in the Note, this Agreement or the Supplemental Resolution shall be construed as pledging any other funds or assets of the Cooperative to such payment or as authorizing such payment to be made from any other source.

Section 4.05 Pledge. The Note shall be an Additional Bond under the Bond Resolution, and the Cooperative has under the Bond Resolution pledged the Pledged Revenues as security for the repayment of Bonds, including the Note. The Cooperative promises that it will promptly pay the principal of and interest on the Loan at the place, on the dates and in the manner provided in the Note and this Agreement according to the true intent and meaning hereof and thereof, provided that the principal of and interest on the Loan is payable solely from the Pledged Revenues, and nothing in the Note or this Agreement shall be construed as pledging any other funds or assets to such payment or as authorizing such payment to be made from any other source. The Note is a special obligation of the Cooperative secured solely by the Pledged Revenues and is payable from the Pledged Revenues as provided in this Agreement and the Bond Resolution. The Note will not constitute a general debt, liability or obligation of the Cooperative or its members or the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation. Neither the faith and credit nor the taxing power of the Cooperative or its members or of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or interest on the Note and the Noteholder shall never have the right to

compel any exercise of any ad valorem taxing power of the Cooperative or of the State of Florida or any political subdivision thereof, directly or indirectly to enforce such payment. The Note shall not constitute a lien upon any property of the Cooperative except upon the Pledged Revenues.

Section 4.06 Application of Provisions of Bond Resolution. The Note shall for all purposes be considered an Additional Bond issued under the authority of Section 12.02 of the Bond Resolution and shall be entitled to all the protection and security provided in and by the Bond Resolution for Additional Bonds, and the Note shall be in all respects entitled to the same security, rights and privileges enjoyed by the Additional Bonds except as otherwise provided herein. The debt service on the Note shall be payable on a parity with the Outstanding Bonds and any other Additional Bonds hereafter issued. The terms and provisions of the Bond Resolution as supplemented hereby shall remain in full force and effect and be applicable with respect to the Note. The Note shall be an Option Bond and a Designated Maturity Bond and, for purposes of calculating the Bond Service Requirement, shall be assumed to amortize over a period of up to thirty years as of such testing date.

Section 4.07 2026B Construction Account. Pursuant to Section 7.01 of the Resolution, there is hereby created and established an account to be held by the Escrow Agent under the Escrow Agreement to be designated the "2026B Project Construction Account" (the "*2026B Construction Account*") within the Construction Fund (as defined in the Resolution). A portion of the proceeds of the Note shall be deposited into the 2026B Construction Account as directed in the Escrow Agreement and a closing memorandum signed by the Cooperative. The 2026B Construction Account shall be kept separate and apart from all other funds and accounts of the Cooperative and the moneys on deposit therein shall be withdrawn, used and applied by the Cooperative solely for the payment of Costs of the 2026 Project.

Any funds on deposit in the 2026B Construction Account that, in the opinion of the Cooperative, are not immediately necessary for expenditure, as herein provided, may be invested and reinvested in Permitted Investments pursuant to Section 10.02 of the Resolution. All income derived from investment of funds in the 2026B Construction Account shall be deposited into the 2026B Construction Account and shall be used to pay Costs of the 2026 Project or as permitted in the following paragraph.

Any amounts on deposit in the 2026B Construction Account not reserved by the Cooperative for the payment of any remaining parts of the Costs of the 2026 Project may at the direction of the Cooperative be deposited into the Revenue Fund and used to pay debt service on the Note or to redeem the Note in the manner that the Note is permitted to be redeemed under the terms of the Resolution or may upon a favorable opinion of Bond Counsel be used for any other lawful purpose.

Section 4.08 Limited Liability of Officers of the Cooperative. Neither the Lender nor any Noteholder shall look to any present or future officer, agent, member or employee of the Cooperative for damages suffered by the Lender or such Noteholder as a result of the failure of the Cooperative, while acting in good faith, to perform any covenant, undertaking or obligation under this Agreement, the Note or any instrument pertaining to the issuance, sale and delivery of the Note, nor as a result of the incorrectness of any representation made by the Cooperative or any officer, agent, member or employee thereof in good faith, in any such instrument. In acting under this Agreement, or in refraining from acting under this Agreement, the Cooperative, its officers, agents, members and employees may conclusively rely on advice of counsel. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future employee, member, officer or agent of the Cooperative in his individual capacity, and neither the members of the Board of the Cooperative or agents or employees of the Cooperative nor any official executing this Agreement or the Note shall be subject to any personal liability or accountability by reason hereof.

Section 4.09 Tax Representations, Warranties and Covenants of the Cooperative. It is the intention of the Cooperative that the interest on the Note be and remain excluded from gross income for federal income tax purposes and to this end the Cooperative hereby represents to and covenants with the Noteholder that it will comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code to the extent necessary to preserve the exclusion of interest on the Note issued hereunder from gross income for federal income tax purposes. Specifically, without intending to limit in any way the generality of the foregoing, the Cooperative covenants and agrees:

(1) to the extent required by the Code, to make or cause to be made all necessary determinations and calculations of the Rebate Amount and required payments of the Rebate Amount;

(2) to set aside sufficient moneys of the Cooperative to timely pay the Rebate Amount to the United States of America;

(3) to pay, at the time and to the extent required under the Code, the Rebate Amount to the United States of America from legally available funds;

(4) to maintain and retain all records pertaining to the Rebate Amount with respect to the Note and required payments of the Rebate Amount with respect to the Note for at least six years after the Final Maturity Date or such other period as shall be necessary to comply with the Code;

(5) to refrain from taking any action that would cause the Note to become an arbitrage bond under Section 148 of the Code.

The Cooperative understands that the foregoing covenants impose continuing obligations on the Cooperative that will exist as long as the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code are applicable to the Note.

Notwithstanding any other provision of the Bond Resolution, the obligation of the Cooperative to pay the Rebate Amount to the United States of America and to comply with the other requirements of this Section 4.09 shall survive the defeasance or payment in full of the Note.

ARTICLE V
FUNDING THE LOAN

Section 5.01 The Loan. Subject to the terms and conditions set forth herein, the Lender agrees to make the Loan to the Cooperative by disbursing the Maximum Commitment Amount in full on the Closing Date. The Cooperative's obligation to pay the principal of, and interest on, the Loan shall be evidenced by the records of the Lender and by the Note. The entries made in such records and/or on the schedule annexed to the Note shall be *prima facie* evidence of the existence and amounts of the obligations of the Cooperative therein recorded; provided, that the failure or delay of the Lender in maintaining or making entries into any such record or on such schedule or any error therein shall not in any manner affect the obligation of the Cooperative to repay the Loan Amount (both principal and unpaid accrued interest) in accordance with the terms of this Agreement.

Section 5.02 Description and Payment Terms of the Notes. To evidence the obligation of the Cooperative to repay the Loan Amount, the Cooperative shall make and deliver to the Lender the Note in

the form attached hereto as Exhibit "A." Interest on the principal amount of the Loan shall accrue at the Interest Rate from and including the Closing Date to but excluding the date of any repayment thereof, with such interest payable monthly in arrears on each Interest Payment Date.

The outstanding principal amount of the Loan shall be due and payable (together with accrued and unpaid interest thereon) on the Final Maturity Date.

Section 5.03 Termination of Commitment. Unless previously terminated by the Cooperative or extended by the Lender in accordance with the terms hereof, the Commitment shall terminate on the Final Maturity Date.

Section 5.04 Interest Rate.

(a) The Note shall bear interest at the Interest Rate. On the Closing Date, the Interest Rate shall be the Tax-Exempt Rate.

(b) In the event of a Determination of Taxability, the Interest Rate on the Note shall be adjusted to the Taxable Rate effective on the next succeeding Interest Payment Date. In addition, promptly following a Determination of Taxability, the Cooperative agrees to pay to the Noteholder, subject to such Determination of Taxability the Additional Amount. "*Additional Amount*" means (i) the difference between (a) interest on the Note at a rate per annum equal to the Taxable Rate, for the period commencing on the date on which the interest on the Note ceases to be excludable from gross income for federal income tax purposes and for which the Internal Revenue Service is able to assess a deficiency and ending on the earlier of the date the Note ceased to be outstanding or the date the Note began to bear interest at the Taxable Rate (the "*Taxable Period*"), and (b) the aggregate amount of interest paid on the Note for the Taxable Period under the provisions of this Agreement and the Note without considering the Determination of Taxability, plus (ii) an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Noteholder as a result of the occurrence of a Determination of Taxability.

(c) If the Noteholder is any person or entity other than the Original Purchaser, in no event shall the adjustments contemplated in this Section 5.04 with respect to the Note exceed the amounts that otherwise would have applied had the Original Purchaser been the Noteholder and the Cooperative shall not be obliged to pay any fees, costs, expenses or other Lender Obligations, including, without limitation, taxes and the like under this Agreement, in amounts greater than it would have been obligated to pay the Original Purchaser, had no such transfer or assignment occurred.

(d) The Cooperative agrees to pay to the Lender interest on any and all amounts required to be paid under this Agreement (excluding interest on interest) from and after the due date thereof until payment in full at the Default Rate.

(e) Notwithstanding any other provision of this Agreement to the contrary, if the rate of interest payable on the Note or any Lender Obligation hereunder shall exceed the Maximum Lawful Rate for any period for which interest is payable, then interest only at the Maximum Lawful Rate shall be due and payable with respect to such interest period (interest at the rate equal to the difference between (A) the rate of interest otherwise payable in accordance with the terms hereof but for the limitation provided for in this Section 5.04(e), and (B) the Maximum Lawful Rate being referred to herein as the "*Excess Interest*"), and notwithstanding any subsequent reduction in the Interest Rate that otherwise would be applicable but for the limitation provided for in this Section 5.04(e), the Lender Obligations

shall continue to bear interest, from and after the date on which any Excess Interest is accrued, at the Maximum Lawful Rate until Excess Interest is fully paid to the Lender.

Section 5.05 Disbursement of Loan. On the Closing Date, the Lender shall disburse the Maximum Commitment Amount in full pursuant to a closing memorandum executed by the Chair or the Secretary or other authorized officer of the Cooperative, indicating the amount of the Advance requested.

Section 5.06 Right of Prepayment. The Note may be prepaid in whole or in part on any Business Day, subject to the terms hereof and upon at least two (2) Business Days' prior written notice to the Noteholder specifying the amount of the prepayment, by paying to the Noteholder all of the principal amount of the Note to be prepaid, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment. The Note may be prepaid on any scheduled Noteholder Put Date (regardless of whether such date shall be waived) without premium.

The Cooperative shall, at the time of any prepayment, whether optional or at any other time if the Note is paid on a date other than a Noteholder Put Date, pay to the Noteholder the interest accrued to the date of prepayment on the principal amount being prepaid plus an additional fee or redemption premium equal to the present value of the difference between (1) the amount that would have been realized by the Noteholder on the prepaid amount for the remaining term of the loan at the rate for fixed-rate payers in U.S. Dollar interest rate swaps as quoted by Bloomberg (the "Swap Rate") for a term corresponding to the term of the Note, interpolated to the nearest month, if necessary, that was in effect three Business Days prior to the issuance date of the Note, and (2) the amount that would be realized by the Noteholder by reinvesting such prepaid funds for the remaining term of the loan at the Swap Rate for fixed rate payers in U.S. Dollar interest rate swaps, interpolated to the nearest month, that was in effect three Business Days prior to the loan repayment date; both discounted at the same interest rate utilized in determining the applicable amount in (2). Should the present value have no value or a negative value, the Cooperative may prepay with no additional fee or redemption premium. Should Bloomberg no longer release rates for fixed-rate payers in U.S. Dollar interest rate swaps, the Noteholder may substitute the Bloomberg index for rates for fixed-payers in U.S. Dollar interest rate swaps with another similar index as determined by Truist Bank (or affiliate thereof). The Noteholder shall provide the Cooperative with a written statement explaining the calculation of the premium due, which statement shall, in absence of manifest error, be conclusive and binding. The application of such fee or prepayment premium is not intended to, and shall not be deemed to be, an increase in the interest rate.

Section 5.07 Computation of Interest and Fees; Application of Payments.

(a) All computations of interest and fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable (to the extent computed on the basis of days elapsed).

(b) All payments made on the Note shall be applied first to interest accrued to the date of payment and next to the unpaid principal balance; provided, however, that after an Event of Default, payments shall be applied in accordance with Section 10.02 hereof.

Section 5.08 Optional Tender. On each Optional Tender Date, the Noteholder shall have the right to demand that the Note be purchased by the Cooperative at a purchase price equal to 100% of the principal amount thereof, plus accrued interest to the Optional Tender Date and any past due amounts (the "*Demand Purchase Price*"). The Optional Tender Date may be waived in the sole discretion of the

Lender. On the Optional Tender Date, if not so waived under the definition thereof, the Noteholder shall deliver the original Note to the Cooperative in such manner as set forth in the Note and the Cooperative shall be obligated to pay the Demand Purchase Price in immediately available funds to the Noteholder on the Optional Tender Date.

ARTICLE VI
CONDITIONS OF LENDING

Section 6.01 Conditions Precedent to Funding the Loan. The Lender's obligation to enter into this Agreement and to fund the Loan as set forth in Section 5.01 hereof is subject to the conditions precedent that, on or prior to the Closing Date, the Lender shall receive the following documents, each dated the Closing Date, in form and substance satisfactory to it:

(a) a fully executed counterpart original of this Agreement, duly executed by the Cooperative;

(b) the original Note;

(c) certified copies of the Resolution and the Supplemental Resolution, and certified copies of all other documents evidencing any other official action of the Cooperative taken with respect thereto as each is then in full force and effect;

(d) customary closing certificates executed by appropriate officers of the Cooperative respecting its organization, the incumbency of its officers, the execution and delivery of the Note and the other Note Documents to which it is a party, the compliance with all conditions precedent to the issuance of the Note and the consummation of the transactions contemplated by this Agreement and the Note Documents, and such other matters as the Lender may reasonably require;

(e) certified copies of all Governmental Approvals, if any, necessary for the Cooperative to execute, deliver and perform its obligations under this Agreement and the Note Documents;

(f) a favorable opinion of Counsel to the Cooperative, which shall be addressed to the Lender and shall be in form and substance satisfactory to the Lender, concerning such matters as the Lender may reasonably request, including, but not limited to, opining as to the due organization and valid existence of the Cooperative, the due authorization, execution and delivery of this Agreement and the Note and the enforceability thereof;

(g) a certificate of an appropriate officer of the Cooperative to the effect that all conditions precedent contained in this Section 6.01 and Section 6.02 hereof have been fulfilled by the Cooperative;

(h) an opinion of Note Counsel, either addressed to the Lender or in the form of a reliance opinion to the Lender, to the effect that (i) under existing law, the Note, when issued in accordance with this Agreement, will be a valid and legally binding special obligation of the Cooperative, payable solely from and secured by the Pledged Revenues, all in accordance with the terms of the Agreement, and (ii) that the interest on the Note is excludable from gross income for federal income tax purposes;

(i) (i) a certificate of the Cooperative evidencing its compliance with Sections 11.05 and 12.02 of the Bond Resolution, including the required certificates and financial feasibility report or other permitted test; (ii) all written consents required by Section 7.02 of each outstanding State Revolving Fund loan agreement; (iii) evidence of compliance with Section 15(a) of the WIFIA Master Agreement, dated as of May 31, 2023, including the variable-rate limitation, and arrangements for timely delivery of the notice and final issuance documents required by Part E of Schedule V thereto; (iv) all written consents required under the 2025 Revolving Credit Agreement, including separate written consents from TRUCE and from Truist Bank, individually and as Agent and (v) a fully executed Escrow Agreement and a closing memorandum specifying the portion of the proceeds of the Note to be deposited with the Escrow Agent;; and

(j) such other documents, certificates, instruments, opinions, including reliance letters, approvals (and, if requested by the Lender, certified duplicates of executed copies thereof) or filings with respect to the Note Documents and this Agreement, in each case as the Lender or its Counsel may reasonably request.

Section 6.02 Additional Conditions Precedent. The Lender's obligation to fund the Loan as set forth in Section 5.01 hereof shall be additionally subject to the conditions precedent that the following statements shall be true and correct on the Closing Date, and the Lender shall receive a certificate signed by the chief financial officer and another authorized officer of the Cooperative, dated the Closing Date, to the effect that:

(a) the representations and warranties of the Cooperative set forth herein and the other Note Documents are true and correct in all material respects on and as of the date of delivery of the Note as though made on and as of the date of delivery of the Note (unless given as of a specific date); and

(b) as of the date of delivery of the Note, no Default or Event of Default has occurred and is continuing, or would result directly or indirectly from the Lender's making of the Loan.

ARTICLE VII
AFFIRMATIVE COVENANTS OF THE COOPERATIVE

From the date of delivery of the Note to the Lender and until the termination of this Agreement and payment in full of all amounts payable hereunder and under the Note Documents, the Cooperative hereby covenants and agrees that:

Section 7.01 Compliance with Note Documents. The Cooperative will observe and perform fully and faithfully all of its obligations under this Agreement and the Note Documents to which it is a party (whether or not any such Note Document expires in accordance with its terms).

Section 7.02 Compliance with Applicable Laws. The Cooperative will comply in all material respects with any and all Applicable Laws material to the System, the Note Documents to which it is a party and this Agreement.

Section 7.03 Accounting and Reports. The Cooperative will maintain its present customary system of accounting in accordance with GAAP and will furnish to the Lender:

(a) within 270 days after the end of each Fiscal Year, audited financial statements for such Fiscal Year;

(b) within 30 days of its adoption, the Cooperative's annual budget for the next succeeding Fiscal Year; and

(c) promptly, from time to time, such other information regarding the operations, financial condition and property of the Cooperative as the Lender may reasonably request.

Section 7.04 Maintenance of Books and Records. The Cooperative will maintain complete and accurate books and records pertaining to the Cooperative and all receipts and disbursements with respect thereto in accordance with GAAP.

Section 7.05 Notice of Defaults. The Cooperative shall within five (5) Business Days after it acquires knowledge thereof, notify the Lender in writing at its notice address provided in Section 1.01 hereof (a) of any change in any material fact or circumstance represented or warranted by the Cooperative in this Agreement or in connection with the issuance of the Note; (b) upon the happening, occurrence, or existence of any Event of Default, and (c) any event or condition which with the passage of time or giving of notice, or both, would constitute an Event of Default, and shall provide the Lender with such written notice, a detailed statement by a responsible officer of the Cooperative of all relevant facts and the action being taken or proposed to be taken by the Cooperative with respect thereto. Regardless of the date of receipt of such notice by the Lender, such date shall not in any way modify the date of occurrence of the actual Event of Default.

Section 7.06 Visits and Inspections. The Cooperative will permit representatives of the Lender, from time to time as often as may be reasonably requested, subject to Applicable Law and during regular business hours, to (i) visit and inspect the facilities of the Cooperative, (ii) inspect the books and records of the Cooperative related to the facilities and make copies and extracts of such books and records that relate to the Cooperative's performance under this Agreement and any Note Documents to which it is a party, and (iii) discuss the affairs, finances and accounts of the Cooperative with, and to be advised as to the same by, its officials, all in connection with the performance by the Cooperative of its obligations hereunder and under the Note Documents.

Section 7.07 Preservation of Lien. The Cooperative shall take all necessary action to maintain and preserve the Lien on the Pledged Revenues, to secure the Note and the Lender Obligations.

Section 7.08 Use of Proceeds. The Cooperative covenants that the proceeds from the Note will be used only to (i) pay the Costs of the 2026 Project, (ii) refinance a portion of the Series 2023C Bond, (iii) capitalize interest on the Note, and (iv) pay costs of issuance.

Section 7.09 Further Assurances. The Cooperative will, at any and all times, insofar as it may be authorized so to do by Applicable Law, pass, make, do, execute, acknowledge and deliver every and all such further resolutions, acts, deeds, conveyances, assignments, recordings, filings, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, revenues and other funds pledged or assigned to the payment of the Note (including the interest thereon) and payment of its obligations hereunder and under the Note Documents.

ARTICLE VIII
NEGATIVE COVENANTS OF THE COOPERATIVE

From the date of delivery of the Note to the Lender and until the termination of this Agreement and payment in full of all amounts payable hereunder and under the Note Documents, the Cooperative hereby covenants and agrees that:

Section 8.01 Amendments to Related Documents. The Cooperative shall not alter or amend the Bond Resolution, the Implementation Agreement or the Interlocal Agreement, which would materially adversely affect the payment obligations hereunder, rights or remedies of the Lender or impair the authority thereby or hereby given with respect to the issuance and payment of the Note, without prior written approval of the Lender. Nothing contained herein shall, however, impair or restrict the Cooperative's right to amend the Interlocal Agreement or the Implementation Agreement in accordance with the Bond Resolution.

Section 8.02 Disposition of Assets. The Cooperative shall not dispose of any of its assets other than in accordance with the Bond Resolution.

Section 8.03 No Pledge or Impairment; Additional Bonds. Except in accordance with the Bond Resolution or as set forth in Sections 4.06 and 9.04 hereof, the Cooperative will not pledge or permit a lien to occur on any Pledged Revenues to any other indebtedness of the Cooperative or issue any indebtedness payable from Pledged Revenues without the express written consent of the Lender.

Section 8.04 Sanctions; Anti-Corruption Use of Proceeds. The Cooperative shall not knowingly, directly or indirectly, use the proceeds of the Note, or knowingly lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner, or other person, (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, in a manner that would, to the knowledge of the Cooperative, violate the FCPA or any other applicable Anti-Corruption Laws; or (b) (i) to fund any activities or business of or with any person, or in any country or territory, that, to the knowledge of the Cooperative, is the subject or target of Sanctions, or (ii) in any other manner that, to the knowledge of the Cooperative, would result in a violation of applicable Sanctions by the Cooperative.

ARTICLE IX
FURTHER AFFIRMATIVE COVENANTS OF THE COOPERATIVE

Section 9.01 Base Rate Charge. The Cooperative agrees to assess all amounts due from the members of the Cooperative under the Interlocal Agreement and Implementation Agreements required to be paid thereunder in order to collect sufficient Revenues to pay the Outstanding Bonds.

Section 9.02 Covenant to Perform Undertakings. The Cooperative covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Agreement, in the Note executed and delivered hereunder and in all proceedings of the Cooperative pertaining thereto. The Cooperative represents, warrants and covenants that it is duly authorized under the Constitution and laws of the State of Florida, including particularly and without limitation the Act, to issue the Note authorized hereby and to enter into this Agreement, to pledge the Pledged Revenues in the manner and to the extent herein set forth; that all action on its part for the issuance of the Note initially issued hereunder and the execution and delivery of this Agreement has been duly and effectively taken; and that such Note in the hand of the holder and owner thereof is and will be a valid and enforceable limited obligation of the Cooperative according to the tenor and import thereof.

Section 9.03 Covenant to Perform Further Acts. The Cooperative covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such loan agreements supplemental hereto and such further acts, instruments and transfers as the Lender may reasonably require for the better pledging unto the Lender of all and singular the Pledged Revenues pledged hereby to the payment of the principal of and interest on the Note.

Section 9.04 Other Senior and Parity Indebtedness. Except for additional State Revolving Fund loans or loans with the United States Environmental Protection Agency under the Water Infrastructure Financing Act, outstanding in the aggregate amount of not to exceed $380,000,000 at any time issued to finance the 2026 Project, the Cooperative will not issue any Additional Bonds payable from Pledged Revenues without the express written consent of the Lender, which consent will not be unreasonably withheld. The Lender agrees that the Cooperative shall not be required to comply with Section 12.02 of the Bond Resolution in connection with additional State Revolving Fund loans or loans with the United States Environmental Protection Agency under the Water Infrastructure Financing Act, outstanding in the aggregate principal amount of not to exceed $380,000,000 at any time issued to finance the 2026 Project.

ARTICLE X
EVENTS OF DEFAULT

Section 10.01 General. An "*Event of Default*" shall be deemed to have occurred under this Agreement if:

(a) An Event of Default under the Bond Resolution shall continue following the expiration of any applicable grace periods provided therein; or

(b) The failure by the Cooperative to perform or observe any term, covenant or agreement contained in this Agreement not specifically addressed in paragraph (a) above, if such failure shall continue for a period of the earlier of thirty (30) calendar days after (x) the date the Cooperative was to give notice to the Lender in accordance with Section 7.05 hereof, or (y) the date of written notice thereof by the Lender to the Cooperative; provided, that the Cooperative shall not be in default hereunder with respect to defaults that can, with time, be cured, if the Cooperative shall proceed with due diligence to remedy such default, but in no event shall such period be extended for a period longer than sixty (60) days; or

(c) The Cooperative shall default in the performance of or compliance with any covenant contained herein, other than a covenant that is dealt with in any other subsection of this Section 10.01, which default or non-compliance shall continue and not be cured within thirty (30) days after the earlier of (i) written notice thereof to the Cooperative by the Lender or (ii) actual knowledge of such breach by a responsible officer of the Cooperative, or such longer period as may be reasonably necessary to cure such default, as long as the Cooperative initiates curative action within such 30-day period and diligently prosecutes such action until the cure has been achieved, but not to exceed 90 days;

Section 10.02 Effect of Event of Default. Upon the occurrence of an Event of Default, the Lender may, in its sole discretion, but shall not be obligated to, exercise all or any of its rights and remedies as it may otherwise have under Applicable Law or under this Agreement, or any Note Document or otherwise, by such suits, actions, or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for specific performance of any covenant or agreement contained in this Agreement or any Note Document, or in aid or execution of any power

granted herein or therein or for the enforcement of any proper legal or equitable remedy. Remedies shall not include a right of acceleration of the Note unless such right shall have been granted to any other lender secured by the Pledged Revenues.

All payments made on the Note, after an Event of Default, shall be first applied to accrued interest, then to any reasonable costs or expenses, including reasonable legal fees and expenses that the Lender may have incurred in protecting or exercising the Lender's rights under the Note Documents and the balance thereof shall apply to the principal sum due. From and after any Event of Default hereunder and so long as such Event of Default remains uncured, interest shall accrue on principal then outstanding under the Note at the Default Rate. Upon an Event of Default, and so long as such Event of Default remains uncured, the Lender may, upon written notice to the Cooperative, reduce the Maximum Commitment Amount to the Loan Amount.

ARTICLE XI
MISCELLANEOUS

Section 11.01 Waivers, Amendments. Any provision of this Agreement or the Note may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by the Cooperative and the Lender. No course of dealing between the Cooperative and the Lender, nor any delay in exercising any rights hereunder, shall operate as a waiver of any rights of the Lender hereunder. Unless otherwise specified in such waiver or consent, a waiver or consent given hereunder shall be effective only in the specific instance and for the specific purpose for which given.

Section 11.02 Survival of Representations and Warranties. All statements of or on behalf of the Cooperative contained in any Note Document or in any certificate, financial statement or other instrument delivered by or on behalf of the Cooperative pursuant to or in connection with this Agreement (including but not limited to any such statement made in or in connection with any amendment hereto or thereto) shall constitute representations and warranties of the Cooperative made under this Agreement. All representations and warranties of the Cooperative made under this Agreement shall survive the execution and delivery of this Agreement, regardless of any investigation made by the Lender or on their behalf.

Section 11.03 Costs, Expenses and Taxes; Reimbursement.

(a) The Cooperative shall pay within thirty days of demand (i) the reasonable fees and disbursements of counsel to the Lender in an amount not exceeding $25,000, (ii) all reasonable out-of-pocket expenses and internal charges of the Lender (including fees and disbursements of counsel to the Lender) incurred in connection with any waiver or consent under any Note Document or any amendment of any Note Document or any Default or alleged Default hereunder and (iii) if there is an Event of Default, all reasonable out-of-pocket expenses and internal charges incurred by the Lender in connection with such Event of Default and collection and other enforcement proceedings resulting therefrom. To the extent permitted by law, the Cooperative shall pay any and all transfer taxes, documentary taxes, assessments or charges made by any governmental authority by reason of the execution and delivery of this Agreement or the Note.

(b) In addition to any other amounts payable by the Cooperative under this Agreement, the Cooperative hereby agrees, to the extent permitted by law, to reimburse the Lender, promptly upon demand, in respect of all claims, demands, liabilities, damages, losses, reasonable costs, reasonable charges and reasonable expenses (including reasonable attorneys' fees) that the Lender may incur or be subject to as a consequence of (i) the making of the Loan, (ii) any breach by the Cooperative or any official of the Cooperative of any warranty, covenant, term or condition in, or the occurrence of

any default under, this Agreement or any Note Document, including all reasonable fees or expenses resulting from the settlement or defense of any claims or liabilities arising as a result of any such breach or default, (iii) involvement in any legal suit, proceeding or action as to which the Lender is involved as a consequence of its making of the loan, their execution of this Agreement or any other event or transaction contemplated by any of the foregoing; provided that the Lender shall not be entitled to reimbursement under this Section to the extent that claims, demands, liabilities, damages, losses, costs, charges and expenses to be reimbursed are the result of the gross negligence or willful misconduct of the Lender. Nothing in this Section is intended to limit the Cooperative's obligations contained in the Agreement.

Section 11.04 Right of Setoff; Other Collateral. Except as otherwise provided herein, the Lender waives any and all current or future common law or statutory liens, security interests, rights of setoff and rights of recoupment to such special purpose accounts and such special purpose deposits therein, and all proceeds (as defined in Chapter 679, Florida Statutes) derived therefrom.

Section 11.05 Notices. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; when transmitted if transmitted by telecopy, electronic telephone line facsimile transmission, e-mail or other similar electronic or digital transmission method (provided customary evidence of receipt is obtained); the day after it is sent, if sent by overnight common carrier service; and five days after it is sent, if mailed, certified mail, return receipt requested, postage prepaid; provided, however, that, notwithstanding anything to the contrary contained herein, no communication to the Lender shall be effective until the Lender has actually received such communication. In each case notice shall be sent to the Notice Address.

Section 11.06 Continuing Obligation; Assignment. This Agreement is a continuing obligation of the Cooperative and shall, until the Final Maturity Date, (a) be binding upon the Cooperative and its successors and assigns, and (b) inure to the benefit of and be enforceable by the Lender and its successors, and permitted transferees and assigns; provided, further that the Cooperative may not assign all or any part of this Agreement without the prior written consent of the Lender.

The Lender may assign or transfer the Note and its rights and obligations hereunder to another financial institution. The Note may be assigned to a qualified financial institution, but only in whole and not in part. The Cooperative shall not assign its rights hereunder without the express written consent of the Lender.

Section 11.07 Patriot Act Notice. The Lender hereby notifies the Cooperative that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 signed into law October 26, 2001) (the "*Patriot Act*"), the Lender is required to obtain, verify and record information that identifies the Cooperative, which information includes the name, address, and tax identification number of the Cooperative and other information that will allow the Lender to identify the Cooperative in accordance with the Patriot Act, and the Lender is hereby so authorized.

Section 11.08 Satisfaction Requirement. If any agreement, certificate or other writing, or any action taken or to be taken, is by the terms of this Agreement required to be satisfactory to the Lender, the determination of such satisfaction shall be made by the Lender in its reasonable judgment exercised in good faith.

Section 11.09 Applicable Law; Venue. This Agreement and the Note shall be construed pursuant to and governed by the Act and the substantive laws of the State. Unless applicable law provides otherwise, in the event of any legal proceeding arising out of or related to this Agreement or the Note, the Cooperative consents to the jurisdiction and venue of any court located in the State.

Section 11.10 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

Section 11.11 Severability. Any provision of this Agreement that is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction and the remaining portion of such provision and all other remaining provisions will be construed to render them enforceable to the fullest extent.

Section 11.12 Business Days. If any payment under this Agreement shall be specified to be made upon a day which is not a Business Day, it shall be made on the next succeeding day which is a Business Day and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 11.13 Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 11.14 Term of Agreement. Except as otherwise specified in this Agreement, this Agreement and all representations, warranties, covenants and agreements contained herein or made in writing by the Cooperative in connection herewith shall be in full force and effect from the date hereof and shall continue in effect until as long as the Note is outstanding or any amounts are due and owing hereunder or under the Note to the Lender.

Section 11.15 No Third Party Beneficiaries. It is the intent and agreement of the parties hereto that this Agreement is solely for the benefit of the parties hereto and no person not a party hereto shall have any rights or privileges hereunder.

Section 11.16 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereunder (including in connection with any amendment, waiver or other modification hereof or of any other documents related hereto), the Cooperative acknowledges and agrees, that: (a) (i) it has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, (ii) it is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and any other loan documents, (iii) the Lender is not acting as a municipal advisor or financial advisor to the Cooperative and (iv) the Lender has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act to the Cooperative with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Lender has provided other services or is currently providing other services to the Cooperative on other matters); (b) (i) the Lender is and has been acting solely as a principal in an arm's length commercial lending transaction and has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Cooperative, or any other person and (ii) the Lender has no obligation to the Cooperative with respect to the transactions contemplated hereby except those obligations expressly set

forth herein and in the other Note Documents; (c) notwithstanding anything herein to the contrary, it is the intention of the Cooperative and the Lender that the loan documents represent a commercial loan transaction not involving the issuance and sale of a municipal security, and that any bond, note or other debt instrument that may be delivered to the Lender is delivered solely to evidence the repayment obligations of the Cooperative under the loan document; and (d) the Lender may be engaged in a broad range of transactions that involve interests that differ from those of the Cooperative, and the Lender has no obligation to disclose any of such interests to the Cooperative. To the fullest extent permitted by law, the Cooperative hereby waives and releases any claims that it may have against the Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby. If the Cooperative would like a municipal advisor in this transaction that has legal fiduciary duties to the Cooperative, the Cooperative is free to engage a municipal advisor to serve in that capacity. The transactions contemplated herein and the Note are delivered, pursuant to and in reliance upon the bank exemption and/or the institutional buyer exemption provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq, to the extent that such rules apply to the transactions contemplated hereunder.

Section 11.17 Entire Agreement. Except as otherwise expressly provided, this Agreement and the Note embody the entire agreement and understanding between the parties hereto and supersede all prior agreements and understandings relating to the subject matter hereof.

Section 11.18 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE NOTE AND ANY DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective between them as of the date first set forth above.

POLK REGIONAL WATER COOPERATIVE

(SEAL)

By:_____
Name: Nathaniel Birdsong, Jr.
Title: Chair

Attested and Countersigned:

_____
Becky Troutman, Secretary/Treasurer

TRUIST COMMERCIAL EQUITY, INC.

By:_____
Name: Clayton Thompson
Title: Authorized Agent

[Signature Page to Credit Agreement]

EXHIBIT "A"

FORM OF NOTE

THIS NOTE IS SUBJECT TO TRANSFER RESTRICTIONS, MORE FULLY DESCRIBED IN THE CREDIT AGREEMENT REFERRED TO HEREIN, AND MAY NOT BE TRANSFERRED EXCEPT TO AN ACCREDITED INVESTOR WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933.

POLK REGIONAL WATER COOPERATIVE

NON-REVOLVING REVENUE NOTE, SERIES 2026B

POLK REGIONAL WATER COOPERATIVE (the "Cooperative"), for value received, promises to pay, but solely from the sources described below to the extent provided herein and in the hereinafter described Credit Agreement, to the order of Truist Commercial Equity, Inc., a Delaware general business corporation or its registered assigns (together with any other registered owner of this Note, hereinafter, the "Lender"), at its Principal Office or any other office or at such place as the Lender may in writing designate, on the Final Maturity Date, as defined in the Credit Agreement dated as of [_____], 2026, between the Cooperative and the Lender (as such agreement may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), the principal sum of $[_____], without offset in lawful money of the United States of America in immediately available funds, and to pay interest from the date hereof on the principal amount thereof from time to time outstanding, in like funds, at said office, at the rate of interest provided in the Credit Agreement and payable on such dates as provided in the Credit Agreement. In the event of a conflict between any term or condition contained in this Note and in the Credit Agreement, such term or condition of the Credit Agreement shall control.

All computations of interest and fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable (to the extent computed on the basis of days elapsed). This Note is issued pursuant to Resolution No. 2022-05 adopted by the Board on July 13, 2022, as amended by Resolution No. 2023-09 adopted by the Board on April 26, 2023 (the "Resolution"), as supplemented by Resolution No. 2026-11 adopted by the Board on September 16, 2026 (the "Supplemental Resolution" and collectively with the Resolution, the "Bond Resolution") and in conjunction with the Credit Agreement is subject to all the terms and conditions of the Credit Agreement. All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto, or as referenced, in the Credit Agreement.

This Note is payable solely from the Pledged Revenues to the extent provided in the Credit Agreement and subject to the pledge of the Pledged Revenues as more specifically provided in the Bond Resolution and the Credit Agreement. Notwithstanding any other provision of this Note, the Cooperative is not and shall not be liable for the payment of the principal of and interest on this Note or otherwise monetarily liable in connection herewith from any property other than as provided in the Credit Agreement and the Bond Resolution. The lien on and pledge of the Pledged Revenues, provided for the benefit of the Lender shall be on a parity with the lien on and pledge of Pledged Revenues, in favor of the Outstanding Bonds, and any Additional Bonds.

NOTWITHSTANDING THE FOREGOING, HOWEVER, OR ANYTHING ELSE IN THIS NOTE OR THE CREDIT AGREEMENT TO THE CONTRARY, NEITHER THIS NOTE NOR THE CREDIT AGREEMENT SHALL CREATE, BE OR CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE COOPERATIVE OR A DEBT, LIABILITY OR OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OF THE FAITH AND CREDIT OF THE COOPERATIVE OR ITS MEMBERS, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE COOPERATIVE OR ITS MEMBERS, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATSOEVER FOR THE PAYMENT OF ANY OBLIGATIONS HEREUNDER OR UNDER THE CREDIT AGREEMENT OR TO MAKE ANY APPROPRIATION THEREFROM FOR ANY SUCH PAYMENTS. THE OBLIGATIONS OF THE COOPERATIVE HEREUNDER SHALL NOT BE PAYABLE FROM OR CONSTITUTE A LIEN OR CHARGE ON ANY FUNDS OF THE COOPERATIVE OTHER THAN THE PLEDGED REVENUES IN THE MANNER AND TO THE EXTENT PROVIDED HEREIN AND IN THE CREDIT AGREEMENT.

The Cooperative promises to pay interest, on demand, on any overdue principal from the due date at a rate or rates provided in the Credit Agreement.

The Cooperative's obligation to pay the principal of, and interest on, the Loan shall be evidenced by the records of the Lender and by this Note. The entries made in such records and/or on the schedule annexed to this Note shall be *prima facie* evidence of the existence and amounts of the obligations of the Cooperative therein recorded; provided, that the failure or delay of the Lender in maintaining or making entries into any such record or on such schedule or any error therein shall not in any manner affect the obligation of the Cooperative to repay the Loan Amount (both principal and unpaid accrued interest) in accordance with the terms of the Credit Agreement.

This Note is issued in connection with, and is entitled to the benefits of, the Credit Agreement which, among other things, contains provisions for prepayment of the principal hereof prior to the maturity hereof and for the amendment or waiver of certain provisions of the Credit Agreement, all upon the terms and conditions therein specified. THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF FLORIDA AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

On each Optional Tender Date, the Noteholder shall have the right to demand that the Note be purchased by the Cooperative at a purchase price equal to 100% of the principal amount thereof, plus accrued interest to the Optional Tender Date and any past due amounts (the "Demand Purchase Price"). The Optional Tender Date may be waived in the sole discretion of the Lender. On the Optional Tender Date, if not so waived under the definition thereof, the Noteholder shall deliver the original Note to the Cooperative in such manner as set forth in the Note and the Cooperative shall be obligated to pay the Demand Purchase Price in immediately available funds to the Noteholder on the Optional Tender Date.

The Cooperative to the extent permitted by law hereby waives presentment, demand, protest and notice of dishonor.

All terms, conditions and provisions of the Credit Agreement are by this reference thereto incorporated herein as a part of this Note.

This Note may be exchanged or transferred but only as provided in the Credit Agreement.

THE COOPERATIVE AND THE LENDER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE AND ANY OTHER DOCUMENT OR INSTRUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION WITH THIS NOTE, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDER TO ENTER INTO OR ACCEPT THIS NOTE. FURTHER, THE COOPERATIVE HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE LENDER, NOR THE LENDER'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE LENDER WOULD NOT, IN THE EVENT OF SUCH LITIGATION, SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION.

The Lender hereby notifies the Cooperative that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 signed into law October 26, 2001), the Lender may be required to obtain, verify and record information that identifies the Cooperative, which information includes the name and address of the Cooperative and other information that will allow the Lender to identify the Cooperative in accordance with the USA PATRIOT Act. All amounts received by the Lender shall be applied to expenses, late fees and interest before principal or in any other order as determined by the Lender, in its sole discretion, as permitted by law. Any provision of this Note which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Note. No amendment, modification, termination or waiver of any provision of this Note, nor consent to any departure by the Cooperative from any term of this Note, shall in any event be effective unless it complies fully with the requirements of such amendment, modification, termination or waiver as set forth in the Credit Agreement, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

It is hereby certified, recited and declared that all acts, conditions and prerequisites required to exist, happen and be performed precedent to and in the execution, delivery and the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Note is in full compliance with and does not exceed or violate any constitutional or statutory limitation.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Cooperative has caused this Note to be executed in its name as of the date hereinafter set forth.

The date of this Note is [_____], 2026.

POLK REGIONAL WATER COOPERATIVE

(SEAL)

By:_____
Name: Nathaniel Birdsong, Jr.
Title: Chair

Attested and Countersigned

_____
Becky Troutman, Secretary/Treasurer

EXHIBIT "C" TO RESOLUTION

FORM OF ESCROW AGREEMENT

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Escrow Agreement") is entered into and effective this ___ day of _____, 2026, by and among Polk Regional Water Cooperative (the "Cooperative"), Truist Commercial Equity, Inc. (herein referred to as "TRUCE" or the "Lender" and together with the Cooperative, the "Parties", and individually, a "Party") and Truist Bank, a North Carolina banking corporation, as escrow agent ("Escrow Agent").

WHEREAS, the Cooperative issued its Non-Revolving Revenue Note, Series 2026A (the "Series 2026ANote" and its Non-Revolving Revenue Note, Series 2026B (the "Series 2026B Note, and together with the Series 2026A Note, the "Notes") pursuant to Resolution No. 2022-05 adopted on July 13, 2022, by the Board of Directors of the Cooperative (the "Board"), as amended by Resolution No. 2023-09 adopted by the Board on April 26, 2023 (the "Resolution"), as supplemented by Resolution No. 2026-11 adopted by the Board on September 16, 2026 (the "Supplemental Resolution" and together with the Resolution, the "Bond Resolution"); and

WHEREAS, the Lender and the Cooperative are parties to a Non-Revolving Credit Agreement dated _____, 2026 (as it may be amended from time to time, the "Credit Agreement"); and

WHEREAS, the Parties desire for the Escrow Agent to open a trust account into which the Lender will deposit the proceeds of the Series 2026B Note to be held, disbursed and invested by the Escrow Agent in accordance with this Escrow Agreement; and

WHEREAS, the Parties acknowledge that the Escrow Agent is not a party to, and has no duties or obligations under the Bond Resolution or the Credit Agreement, that all references in this Escrow Agreement to the Bond Resolution and the Credit Agreement are for convenience only, and that the Escrow Agent shall have no implied duties beyond the express duties set forth in this Escrow Agreement.

NOW, THEREFORE, in consideration of the premises herein, the Parties and the Escrow Agent agree as follows:

I. Terms and Conditions

1.1. The Cooperative and the Lender hereby appoint the Escrow Agent as their escrow agent for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment under the terms and conditions set forth herein.

1.2. Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Bond Resolution, or if not defined therein, in the Credit Agreement.

1.3. The Lender and the Cooperative hereby establish the 2026B Construction Account under the Credit Agreement, which account shall be held by the Escrow Agent as a trust account (the "Escrow Account"). Amounts in the Escrow Account shall be disbursed as provided in this Escrow Agreement.

1.4. The Lender shall remit Series 2026B Note proceeds in the amount of $_____ to the Escrow Agent, to be held in the Escrow Account, using the wire instructions below, to be invested and disbursed as provided in this Escrow Agreement.

Bank Name:	Truist Bank
ABA:	053101121
Account:	5177521228015
Account Name:	Corporate Trust and Escrow Services
Bank Address:	919 E. Main Street, 2nd Floor
Reference:	Polk Regional Water Cooperative Series 2026 Escrow
Attention:	Corporate Trust & Escrow Services 919 E. Main Street, 2nd Floor Richmond, VA 23219

1.5. Within two (2) Business Days after receipt of a Requisition in the form of Exhibit C attached hereto (a "Requisition"), signed by an authorized representative of the Cooperative (each, an "Authorized Officer") as set forth on the Cooperative's Certificate of Incumbency provided to the Escrow Agent pursuant to Section 4.13, the Escrow Agent shall disburse funds from the Escrow Account to the Cooperative, all as provided in such Requisition, but only to the extent that funds are collected and available. Except in connection with payment of costs of issuance of the Notes, a Requisition may be submitted no more frequently than once per month. For purposes of this Escrow Agreement, "Business Day" shall mean any day other than a Saturday, Sunday or any other day on which the Escrow Agent located at the notice address set forth in Section 4.5 is authorized or required by law or executive order to remain closed.

1.6. [The Escrow Agent shall disburse funds from the Escrow Account to TRUCE to pay interest on the Series 2026B Note on the dates and in the amounts set forth in Exhibit D attached hereto.]

II. Provisions as to Escrow Agent

2.1. This Escrow Agreement expressly and exclusively sets forth the duties of the Escrow Agent with respect to any and all matters pertinent hereto, which duties shall be deemed purely ministerial in nature, and no implied duties or obligations shall be read into this Escrow Agreement against the Escrow Agent. The Escrow Agent shall in no event be deemed to be a fiduciary to any Party or any other person or entity under this Escrow Agreement. The permissive rights of the Escrow Agent to do things enumerated in this Escrow Agreement shall not be construed as duties. In performing its duties under this Escrow Agreement, or upon the claimed failure to perform its duties, the Escrow Agent shall not be liable for any damages, losses or expenses other than damages, losses or expenses which have been finally adjudicated by a court of competent jurisdiction to have directly resulted from the Escrow Agent's willful misconduct or gross negligence. In no event shall the Escrow Agent be liable for incidental, indirect, special, consequential or punitive damages of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. The Escrow Agent shall not be responsible or liable for the failure of any Party to take any action in accordance with this Escrow Agreement. Any wire transfers of funds made by the Escrow Agent pursuant to this Escrow Agreement will be made subject to and

in accordance with the Escrow Agent's usual and ordinary wire transfer procedures in effect from time to time. The Escrow Agent shall have no liability with respect to the transfer or distribution of any funds affected by the Escrow Agent pursuant to wiring or transfer instructions provided to the Escrow Agent in accordance with the provisions of this Escrow Agreement. The Escrow Agent shall not be obligated to take any legal action or to commence any proceedings in connection with this Escrow Agreement or any property held hereunder or to appear in, prosecute or defend in any such legal action or proceedings.

2.2. The Parties acknowledge and agree that the Escrow Agent acts hereunder as a depository only, and is not responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of the subject matter of this Escrow Agreement or any part thereof, or of any person executing or depositing such subject matter. No provision of this Escrow Agreement shall require the Escrow Agent to risk or advance its own funds or otherwise incur any financial liability or potential financial liability in the performance of its duties or the exercise of its rights under this Escrow Agreement.

2.3. This Escrow Agreement, the Bond Resolution and the Credit Agreement constitute the entire agreement between the Escrow Agent and the Parties in connection with the subject matter of this Escrow Agreement, and no other agreement entered into between the Parties, or any of them, including, without limitation, the Bond Resolution or the Credit Agreement, shall be considered as adopted or binding, in whole or in part, upon the Escrow Agent notwithstanding that any such other agreement may be deposited with the Escrow Agent or the Escrow Agent may have knowledge thereof.

2.4. The Escrow Agent shall in no way be responsible for nor shall it be its duty to notify any Party or any other person or entity interested in this Escrow Agreement of any action occurring under this Escrow Agreement or under the terms of any instrument deposited herewith unless such notice is explicitly provided for in this Escrow Agreement.

2.5. The Escrow Agent shall be protected in acting upon any written instruction, notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other paper or document which the Escrow Agent in good faith believes to be genuine and what it purports to be, including, but not limited to, items directing investment or non-investment of funds, items requesting or authorizing release, disbursement or retainage of the subject matter of this Escrow Agreement and items amending the terms of this Escrow Agreement. The Escrow Agent shall be under no duty or obligation to inquire into or investigate the validity, accuracy or content of any such notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other paper or document. The Escrow Agent shall have no duty or obligation to make any formulaic calculations of any kind hereunder.

2.6. The Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through affiliates or agents. The Escrow Agent shall be entitled to seek the advice of legal counsel with respect to any matter arising under this Escrow Agreement and the Escrow Agent shall have no liability and shall be fully protected with respect to any action taken or omitted pursuant to the advice of such legal counsel. The Cooperative shall be liable for and shall promptly pay upon demand by the Escrow Agent the reasonable and documented fees and expenses of any such legal counsel.

2.7. In the event of any disagreement between any of the Parties, or between any of them and any other person or entity, resulting in adverse claims or demands being made in connection with the matters covered by this Escrow Agreement, or in the event that the Escrow Agent, in good faith, is in doubt as to what action it should take hereunder, the Escrow Agent may, at its option, refuse to comply with any claims or demands on it, or refuse to take any other action hereunder, so long as such disagreement continues or such doubt exists, and in any such event, the Escrow Agent shall not be or become liable in any way or to any Party or other person or entity for its failure or refusal to act, and the Escrow Agent shall be entitled to continue to refrain from acting until (i) the rights of the Parties and all other interested persons and entities shall have been fully and finally adjudicated by a court of competent jurisdiction, or (ii) all differences shall have been settled and all doubt resolved by agreement among all of the Parties and all other interested persons and entities, and the Escrow Agent shall have been notified thereof in writing signed by the Parties and all such persons and entities. Notwithstanding the preceding, the Escrow Agent may in its discretion obey the order, judgment, decree or levy of any court, whether with or without jurisdiction, or of an agency of the United States or any political subdivision thereof, or of any agency of any State of the United States or of any political subdivision of any thereof, and the Escrow Agent is hereby authorized in its sole discretion to comply with and obey any such orders, judgments, decrees or levies. The rights of the Escrow Agent under this sub-paragraph are cumulative of all other rights which it may have by law or otherwise.

In the event of any disagreement or doubt, as described above, the Escrow Agent shall have the right, in addition to the rights described above and at the election of the Escrow Agent, to tender into the registry or custody of any court having jurisdiction, all funds and property held under this Escrow Agreement, and the Escrow Agent shall have the right to take such other legal action as may be appropriate or necessary, in the sole discretion of the Escrow Agent. Upon such tender, the Parties agree that the Escrow Agent shall be discharged from all further duties under this Escrow Agreement; provided, however, that any such action of the Escrow Agent shall not deprive the Escrow Agent of its compensation and right to reimbursement of expenses hereunder arising prior to such action and discharge of the Escrow Agent of its duties hereunder.

2.8. To the extent permitted by law, the Cooperative agrees to indemnify, defend and hold harmless the Escrow Agent and each of the Escrow Agent's officers, directors, agents and employees (the "Indemnified Parties") from and against any and all losses, liabilities, claims made by any Party or any other person or entity, damages, expenses and costs (including, without limitation, reasonable attorneys' fees and expenses) of every nature whatsoever (collectively, "Losses") which any such Indemnified Party may incur and which arise directly or indirectly from this Escrow Agreement or which arise directly or indirectly by virtue of the Escrow Agent's undertaking to serve as Escrow Agent hereunder; provided, however, that no Indemnified Party shall be entitled to indemnity with respect to Losses that have been finally adjudicated by a court of competent jurisdiction to have been directly caused by such Indemnified Party's gross negligence or willful misconduct. The provisions of this section shall survive the termination of this Escrow Agreement and any resignation or removal of the Escrow Agent.

2.9. Any entity into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any entity to which all or substantially all the escrow business of the Escrow Agent may be transferred, shall be the Escrow Agent under this Escrow Agreement without further act.

2.10. The Escrow Agent may resign at any time from its obligations under this Escrow Agreement by providing written notice to the Parties. Such resignation shall be effective on the date set forth in such written notice, which shall be no earlier than thirty (30) days after such written notice has been furnished. In such event, the Cooperative shall promptly appoint a successor escrow agent. In the event no successor escrow agent has been appointed on or prior to the date such resignation is to become effective, the Escrow Agent shall be entitled to tender into the custody of any court of competent jurisdiction all funds and other property then held by the Escrow Agent hereunder and the Escrow Agent shall thereupon be relieved of all further duties and obligations under this Escrow Agreement; provided, however, that any such action of the Escrow Agent shall not deprive the Escrow Agent of its compensation and right to reimbursement of expenses hereunder arising prior to such action and discharge of the Escrow Agent of its duties hereunder. The Escrow Agent shall have no responsibility for the appointment of a successor escrow agent hereunder.

2.11. The Escrow Agent and any director, officer or employee of the Escrow Agent may become financially interested in any transaction in which any of the Parties may be interested and may contract with and lend money to any Party and otherwise act as fully and freely as though it were not escrow agent under this Escrow Agreement. Nothing herein shall preclude the Escrow Agent from acting in any other capacity for any Party.

III. Compensation of Escrow Agent

3.1. The Cooperative agrees to pay to the Escrow Agent compensation, and to reimburse the Escrow Agent for costs and expenses, all in accordance with the provisions of Exhibit B hereto, which is incorporated herein by reference and made a part hereof. The fees agreed upon for the services rendered hereunder are intended as full compensation for the Escrow Agent's services as contemplated by this Escrow Agreement; provided, however, that in the event that the conditions for the disbursement of funds are not fulfilled, or the Escrow Agent renders any service not contemplated in this Escrow Agreement, or there is any assignment of interest in the subject matter of this Escrow Agreement or any material modification hereof, or if any dispute or controversy arises hereunder, or the Escrow Agent is made a party to any litigation pertaining to this Escrow Agreement or the subject matter hereof, then the Parties jointly and severally agree to compensate the Escrow Agent for such extraordinary services upon receipt of an invoice therefor, and to reimburse the Escrow Agent for all costs and expenses, including reasonable attorneys' fees and expenses, occasioned by any such event. In the event the Escrow Agent is authorized to make a distribution of funds to the Cooperative (or at the direction of the Cooperative) pursuant to the terms of this Escrow Agreement, and fees or expenses are then due and payable to the Escrow Agent pursuant to the terms of this Escrow Agreement (including, without limitation, amounts owed under this Section 3.1 and Section 2.8) by the Cooperative, the Escrow Agent is not authorized to offset and deduct such amounts due and payable to it from such distribution due to the tax-exempt nature of the Series 2026B Note, but shall invoice the Cooperative for the fees or expenses then due. The provisions of this section shall survive the termination of this Escrow Agreement and any resignation or removal of the Escrow Agent.

IV. Miscellaneous

4.1. The Escrow Agent shall make no disbursement, investment or other use of funds until and unless it has collected funds. The Escrow Agent shall not be liable for collection items until the proceeds of the same in actual cash have been received or the Federal Reserve has given the Escrow Agent credit for the funds.

4.2. The Escrow Account shall be held and invested in Truist Bank Corporate Trust & Escrow Services Collateralized Public Funds Capital Deposit Option. The Parties recognize and agree that the Escrow Agent will not provide supervision, recommendations or advice relating to the investment of moneys held hereunder or the purchase, sale, retention or other disposition of any investment, and the Escrow Agent shall not be liable to any Party or any other person or entity for any loss incurred in connection with any such investment. The Escrow Agent is hereby authorized to execute purchases and sales of investments through the facilities of its own trading or capital markets operations or those of any affiliated entity. The Escrow Agent or any of its affiliates may receive compensation with respect to any investment directed hereunder including without limitation charging any applicable agency fee in connection with each transaction. The Escrow Agent shall use its best efforts to invest funds on a timely basis upon receipt of such funds; provided, however, that the Escrow Agent shall in no event be liable for compensation to any Party or other person or entity related to funds which are held un-invested or funds which are not invested timely. The Escrow Agent is authorized and directed to sell or redeem any investments as it deems necessary to make any payments or distributions required under this Escrow Agreement. Any investment earnings and/or interest income on the Escrow Account shall become part of the Escrow Account and shall be disbursed in accordance with this Escrow Agreement.

4.3. The Escrow Agent shall provide monthly reports of transactions and holdings to the Cooperative as of the end of each month, at the addresses provided by the Cooperative in Section 4.5.

4.4. The Parties agree that all interest and income from the investment of the funds shall be reported as having been earned by the Cooperative as of the end of each calendar year whether or not such income was disbursed during such calendar year and to the extent required by the Internal Revenue Service. On or before the execution and delivery of this Escrow Agreement, the Cooperative shall provide to the Escrow Agent a correct, duly completed, dated and executed current United States Internal Revenue Service Form W-9 or Form W-8, whichever is appropriate or any successor forms thereto, in a form and substance satisfactory to the Escrow Agent including appropriate supporting documentation and/or any other form, document, and/or certificate required or reasonably requested by the Escrow Agent to validate the form provided. Notwithstanding anything to the contrary herein provided, except for the delivery and filing of tax information reporting forms required pursuant to the Internal Revenue Code of 1986, as amended, to be delivered and filed with the Internal Revenue Service by the Escrow Agent, as escrow agent hereunder, the Escrow Agent shall have no duty to prepare or file any Federal or state tax report or return with respect to any funds held pursuant to this Escrow Agreement or any income earned thereon. With respect to the preparation, delivery and filing of such required tax information reporting forms and all matters pertaining to the reporting of earnings on funds held under this Escrow Agreement, the Escrow Agent shall be entitled to request and receive written instructions from the Cooperative, and the Escrow Agent shall be entitled to rely conclusively and without further inquiry on such written instructions. To the extent permitted by law, the Cooperative agrees to indemnify, defend and hold the Escrow Agent harmless from and against any tax, late payment,

interest, penalty or other cost or expense that may be assessed against the Escrow Agent on or with respect to the Escrow Account or any earnings or interest thereon unless such tax, late payment, interest, penalty or other cost or expense was finally adjudicated by a court of competent jurisdiction to have been directly caused by the gross negligence or willful misconduct of the Escrow Agent. The indemnification provided in this section is in addition to the indemnification provided to the Escrow Agent elsewhere in this Escrow Agreement and shall survive the resignation or removal of the Escrow Agent and the termination of this Escrow Agreement.

4.5. Any notice, request for consent, report, or any other communication required or permitted in this Escrow Agreement shall be in writing and shall be deemed to have been given when delivered (i) by electronic mail to the e-mail address given below (subject to the language provided below), and written confirmation of receipt is obtained promptly after completion of the transmission, (ii) by overnight delivery with a reputable national overnight delivery service, or (iii) by United States mail, postage prepaid, or by certified mail, return receipt requested and postage prepaid, in each case to the appropriate address set forth below or at such other address as any party hereto may have furnished to the other parties hereto in writing:

If to Escrow Agent:	Truist Bank Attn: Corporate Trust and Escrow Services 200 Pine Street Wilson, North Carolina 27893 Mail Code: 100-01-01-20 Client Manager: Cristina Rhodebeck Phone: 252-246-2127 Email: cristina.rhodebeck@truist.com
If to the Cooperative:	Polk Regional Water Cooperative Attn: Eric DeHaven, Executive Director 330 West Church Street Bartow, Florida 33831 E-mail:ericdehaven@prwcwater.org Tax identification #: 81-3584103
If to the Lender:	Truist Commercial Equity, Inc. Attn: Clayton Thompson 333 S. Garland Ave. Orlando, Florida 32801 Phone: 407-701-4796 E-mail: clayton.thompson@truist.com Tax identification #: 51-0369330

Any party hereto may unilaterally designate a different address by giving notice of each change in the manner specified above to each other party hereto. Notwithstanding anything to the contrary herein provided, the Escrow Agent shall not be deemed to have received any notice, request, report or other communication hereunder prior to the Escrow Agent's actual receipt thereof.

The Escrow Agent shall have the right to accept and act upon instructions or directions, including funds transfer instructions, pursuant to this Escrow Agreement sent by Electronic Means. As used in this Section, "Electronic Means" means unsecured e-mail as a portable document format ("pdf") or other replicating image attached to an email, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder. If the Cooperative elects to give the Escrow Agent instructions via Electronic Means and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Cooperative agrees that the Escrow Agent cannot determine the identity of the actual sender of such instructions and that the Escrow Agent shall conclusively presume that instructions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent in accordance with Section 4.13 hereof have been sent by such Authorized Officer. The Cooperative shall be responsible for ensuring that only Authorized Officers transmit such instructions to the Escrow Agent, and the Cooperative and the Authorized Officers are responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and authentication keys provided by the Escrow Agent. The Escrow Agent shall not be liable for any losses, costs, or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Cooperative agrees (i) to assume all risks arising out of the use of such Electronic Means to submit instructions and direction to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized instructions and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting instructions to the Escrow Agent and that there may be more secure methods of transmitting instructions than the method(s) selected by the Cooperative; (iii) that the security procedures (if any) to be followed in connection with its transmission of instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) that it will notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

4.6. This Escrow Agreement is being made in and is intended to be construed according to the laws of the State of Florida. Except as permitted in Section 2.9, neither this Escrow Agreement nor any rights or obligations hereunder may be assigned by any Party or the Escrow Agent without the express written consent of each of the other Parties and the Escrow Agent. This Escrow Agreement shall inure to and be binding upon the Parties and the Escrow Agent and their respective successors, heirs and permitted assigns.

4.7. The terms of this Escrow Agreement may be altered, amended, modified or revoked only by an instrument in writing signed by all the Parties and the Escrow Agent.

4.8. This Escrow Agreement is for the sole benefit of the Indemnified Parties, the Parties and the Escrow Agent, and their respective successors and permitted assigns, and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Escrow Agreement.

4.9. No party to this Escrow Agreement shall be liable to any other party hereto for losses due to, or if it is unable to perform its obligations under the terms of this Escrow Agreement because of, acts of God, fire, war, terrorism, floods, strikes, electrical outages, equipment or transmission failure, or other causes reasonably beyond its control.

4.10. This Escrow Agreement shall terminate on the date on which all of the funds and property held by the Escrow Agent under this Escrow Agreement have been disbursed or when the Series 2026B Note shall no longer be outstanding. Upon direction of the Cooperative amounts on deposit may be directed to be applied to the payment of debt service on the Series 2026B Note or the earlier redemption thereof, or capitalized interest on the Notes. Upon the termination of this Escrow Agreement and the disbursement of all of the funds and property held hereunder, this Escrow Agreement shall be of no further effect except that the provisions of Sections 2.8, 3.1 and 4.4 shall survive such termination.

4.11. All titles and headings in this Escrow Agreement are intended solely for convenience of reference and shall in no way limit or otherwise affect the interpretation of any of the provisions hereof.

4.12. This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

4.13. Contemporaneously with the execution and delivery of this Escrow Agreement and, if necessary, from time to time thereafter, each of the Parties shall execute and deliver to the Escrow Agent a Certificate of Incumbency substantially in the form of Exhibit A hereto, as applicable (a "Certificate of Incumbency"), for the purpose of establishing the identity and authority of persons entitled to issue notices, instructions or directions to the Escrow Agent on behalf of each such party, including notices sent by Electronic Means. Until such time as the Escrow Agent shall receive an amended Certificate of Incumbency replacing any Certificate of Incumbency theretofore delivered to the Escrow Agent, the Escrow Agent shall be fully protected in relying, without further inquiry, on the most recent Certificate of Incumbency furnished to the Escrow Agent. The Escrow Agent shall be entitled to a reasonable time to implement any changes in the updated Exhibit A. Whenever this Escrow Agreement provides for joint written notices, joint written instructions or other joint actions to be delivered to the Escrow Agent, the Escrow Agent shall be fully protected in relying, without further inquiry, on any joint written notice, instructions or action executed by persons named in such Certificate of Incumbency.

4.14. The Escrow Agent will check and confirm that the name and signature of the person identified on the written instructions provided to the Escrow Agent in accordance with this Escrow Agreement, appears to be the same as the name and signature of an Authorized Officer of the Parties. Following confirmation of such information, the Escrow Agent will make a telephone call to an Authorized Officer of the Parties identified in Exhibit A at any telephone number for such Authorized Officer as set forth on Exhibit A; or any of the Escrow Agent’s systems of record to obtain oral confirmation of delivery of the written instructions provided to the Escrow Agent in accordance with this Agreement. The Parties agree to comply with additional security procedures that may be implemented by the Escrow Agent as reasonably requested from time to time.

The Cooperative acknowledges and agrees that the security procedures set forth in this Section 4.14 and offered by the Escrow Agent are commercially reasonable for any releases from the Escrow Account. Notwithstanding anything else, the Escrow Agent shall be deemed to have acted in good faith and without gross negligence or willful misconduct if it executes a funds transfer in compliance with those security procedures.

The security procedures set forth in this Section 4.14 are intended to verify the authenticity of instructions for disbursements from the Escrow Account and are not designed to detect errors in the instructions. The Escrow Agent has no obligation to detect such errors or to question instructions received from an Authorized Officer, and the Cooperative assumes all risks of any losses resulting from following such instructions. As set forth in this Agreement, the Escrow Agent is not liable for any special, indirect, punitive, exemplary, or consequential damages (including lost profits) of any kind.

The Escrow Agent shall not be obliged to make any disbursement from the Escrow Account if it is unable to validate the authenticity of the request by using the security procedures set forth in this Section 4.14. The Escrow Agent's inability to confirm the information included in any instruction to release the funds may result in a delay or failure to act on a Requisition. Notwithstanding anything to the contrary in this Escrow Agreement, a Requisition shall not be treated as having been received until the Escrow Agent has authenticated it pursuant to the security procedures in this Section 4.14 and shall not be liable for any losses arising from such delay or failure to act. For all purposes under this Agreement, the Escrow Agent shall be entitled to rely, without further inquiry, upon (i) the identity and authority of such persons represented on Exhibit A, and (ii) the genuineness and continued accuracy and effectiveness of Exhibit A until such time as the Escrow Agent receives written notice of changes to Exhibit A by the Cooperative.

Important Information about Opening a New Account at Truist Institutional Trust

To help the United States Government fight terrorism and money laundering, Federal law requires us to obtain, verify and record information that identifies each business or entity that opens an account or establishes a relationship. What this means for you: when you open an account or establish a relationship, we will ask for your business name, a street address, and a tax identification number, that Federal law requires us to obtain. We appreciate your cooperation.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date first above written.

TRUIST BANK, as Escrow Agent

By:_____
Name: Cristina G. Rhodebeck
Title: Senior Vice President

POLK REGIONAL WATER COOPERATIVE

By:_____
Name: Eric DeHaven
Title: Executive Director

TRUIST COMMERCIAL EQUITY, INC.

By:_____
Name: Clayton Thompson
Title: Authorized Agent

EXHIBIT A

Certificate of Incumbency
(List of Authorized Officers)

Client Name: Polk Regional Water Cooperative

As an Authorized Officer of the above referenced entity, I hereby certify that each person listed below is an authorized signor for such entity, and that the title and signature appearing beside each name is true and correct.

Name	Title	Signature	Phone Number(s)	Email Address
Eric DeHaven	Executive Director		(813) 323-7061	ericdehaven@prwcwater.org
Laura Guy-Rice	Finance Manager		(417) 380-1469	lauraguyrice@prwcwater.org

IN WITNESS WHEREOF, this certificate has been executed by a duly authorized officer on _____, 2026:

By:_____
Name: Nathaniel Birdsong, Jr.
Its: Chair of the Board of Directors

EXHIBIT B

Truist Bank, as Escrow Agent

Schedule of Fees & Expenses

Acceptance/Legal Review Fee: Waived -- $_____– one time only payable at the time of signing the Escrow Agreement. This fee will be invoiced to the Cooperative when the account is funded.

The Legal Review Fee includes review of all related documents and accepting the appointment of Escrow Agent on behalf of Truist Bank. The fee also includes setting up the required account(s) and accounting records, document filing, and coordinating the receipt of funds/assets for deposit to the Escrow Account. This is a one-time fee payable upon execution of the Escrow Agreement. As soon as Truist Bank's attorney begins to review the Escrow Agreement, the legal review fee is subject to payment regardless if the Parties decide to appoint a different escrow agent or a decision is made that the Escrow Agreement is not needed.

Administration Fee: Waived -- $_____ per year – payable at the time of funding the Escrow Account. This fee will be invoiced to the Cooperative.

The Administration Fee includes providing routine and standard services of an Escrow Agent. The fee includes administering the escrow account, performing investment transactions, processing cash transactions (including wires and check processing), disbursing funds in accordance with the Agreement (note any pricing considerations below), and providing trust account statements to the Parties for a twelve (12) month period. Extraordinary expenses, including reasonable legal counsel fees, will be billed as out-of-pocket. The Administration Fee is due upon funding of the Escrow Account and shall be invoiced to the Cooperative. The fees shall be deemed earned in full upon receipt by the Escrow Agent, and no portion shall be refundable for any reason, including without limitation, termination of the agreement.

Out-of-Pocket Expenses: **At Cost**

Out-of-pocket expenses such as, but not limited to, postage, courier, overnight mail, wire transfer, travel, reasonable legal fees and expenses (out-of-pocket to counsel) or accounting, will be billed at cost and shall be invoiced to the Cooperative.

Note: This fee schedule is based on the assumption that the escrowed funds will be invested in the Truist Bank Corporate Trust & Escrow Services Collateralized Public Funds Capital Deposit Option. If any other investment options are chosen, this fee schedule will become subject to change.

Deb Spitale, Senior Vice President
Deb.spitale@Truist.com
Cell: 404-844-7533
Work: 440-588-7191

EXHIBIT C

Form of Requisition

[Date]

Truist Bank
Attn: Escrow Services
Mail Code: 100-01-01-20
200 Pine Street
Wilson, NC 27893

Re: Request for disbursement of funds from proceeds held under the Escrow Agreement dated _____, 2026 (the "Escrow Agreement") among Truist Bank (the "Escrow Agent"), Truist Commercial Equity, Inc. (the "Lender") and the Polk Regional Water Cooperative (the "Cooperative")

Pursuant to the terms and conditions of the Escrow Agreement, the Cooperative requests a disbursement of funds.

This is requisition number _____.

This Requisition Request is for a disbursement from the Escrow Account to the Cooperative in the amount of $_____.

With respect to this requisition, the Cooperative makes the following representations:

1. No default or event of default is continuing under the Credit Agreement dated _____, 2026 between the Cooperative and the Lender, (as amended from time to time, the "Credit Agreement"), or the Cooperative's Non-Revolving Revenue Note, Series 2026B (the "Note") and no event or condition is existing which, with notice or lapse of time or both, would become a default or an event of default thereunder.

2. The Cooperative certifies that the disbursements requested under this requisition are eligible Costs of the 2026 Project or capitalized interest on the Notes (as defined in the Credit Agreement) in accordance with the Credit Agreement.

POLK REGIONAL WATER COOPERATIVE

By:_____

Name:_____

Title:_____

EXHIBIT D

Disbursement Schedule

Agenda Item G.1. 9/16/2026

SUBJECT

Election of Chairman, Vice-Chairman, and Secretary for the PRWC Combined Projects Board of Directors - FY2027 (Action)

DESCRIPTION

The Polk Regional Water Cooperative's (PRWC) Formation Interlocal Agreement and the Implementation Agreements have essentially the same provisions regarding Board of Director's (BOD) officers. Both the Project Boards and the Regular BOD elect the Chairman, Vice-Chairman, and Secretary/Treasurer to serve for a term of one year starting October 1. Each officer may serve two consecutive one-year terms, if re-elected.

The current Chairman of the PRWC Combined Projects BOD is Nathaniel Birdsong (Winter Haven). The Vice-Chairman is Mac Fuller (Lake Alfred) and the Secretary/Treasurer is Becky Troutman (Polk County). All three officers have served one term in their position and are eligible to be elected to a second one-year term.

RECOMMENDATION

Request the BOD to elect a Chairman, Vice-Chairman and Secretary/Treasurer for FY2026 (beginning October 1, 2026 through September 30, 2027).

FISCAL IMPACT

There is no fiscal impact associated with this item.

CONTACT INFORMATION

Eric DeHaven
Ed de la Parte

Agenda Item G.2. 9/16/2026

SUBJECT

Adopt Resolution 2026-12 for the Final PRWC Combined Projects Budget - FY2027 (Action)

DESCRIPTION

The Fiscal Year (FY) 2027 Final Combined Projects Budget for the PRWC is presented for the Board's consideration and approval. 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 2026 BOD meeting.

This budget is related to project work to be completed under the Phase 1 Combined Projects' Implementation project, which includes the continued work on the West Polk Test Production Well #2 (TPW#2), planning and design, and $1.1M in additional alternative water supply projects approved in March 2026 for:

Peace River Reservoir Feasibility Project - $225,000
Peace River Water Use Permit Application - $275,000
Five-year Regional Water Supply Planning Process - $500,000
Continued Support for Alafia water Supply Project - $50,000
Funds for Other Technical Assistance - $50,000

Included with this agenda item is Resolution 2026-12 which memorializes the Regular Board of Directors action of approving the FY 2027 Final Combined Projects Budget. Exhibit A recaps expenditures on previous FY budgets and the budget for FY 2027. Exhibit B is the participant cost allocation for FY 2027. Project Participants shall be obligated to pay these charges upon receipt of billing to commence October 2026 and end September 2027.

RECOMMENDATION

Approve Resolution 2026-12 for the FY 2027 PRWC Final Combined Projects Budget.

FISCAL IMPACT

Approval of this item will allow PRWC to collect funds from member governments for the PRWC Final Combined Projects Budget as referenced in Exhibit A and Exhibit B of Resolution 2026-12 and to expend funds accordingly.

CONTACT INFORMATION

Eric DeHaven
Laura Guy-Rice

POLK REGIONAL WATER COOPERATIVE

Resolution 2026-12

RESOLUTION APPROVING COMBINED WATER PROJECTS COSTS PORTION OF THE FINAL BUDGET FOR FY 2027

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 2027 is comprised of Administrative Expenses, Conservation Expenses, and Water Project Costs. FY 2027 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 2027, including Combined Water Project Costs, at its regularly scheduled meeting on July 29, 2026;

WHEREAS, each Member Government was provided written notice of the Cooperative's intention to adopt the Final Budget for FY 2027, along with a copy of the Tentative Budget for FY 2027, including Water Project Costs, prior to the Combined Projects Board's regular meeting on September 16, 2026;

WHEREAS, the Combined Projects Board conducted a public hearing on the Combined Water Projects Costs portion of the Final Budget for FY 2027 on September 16, 2026 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 2027 at its regular meeting on September 16, 2026 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 2027 attached hereto as **Exhibit A** and **Exhibit B**.

DONE at Auburndale, Florida this 16th day of September, 2026

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

FY 2027 FINAL COMBINED PROJECTS BUDGET

Polk Regional Water Cooperative
Final Combined Projects Budget
Fiscal Year 2027

	FY 2027	FY 2026	FY 2025	FY 2024	FY 2023
Projected Costs ($M)	**$ 1.26**	**$ 2.34**	**$ 2.67**	**$ 6.49**	**$ 2.36**
Funding ($M)					
Co-funding and other Grants[1]	$ 0.08	$ 1.17	$ 1.33	$ 3.09	$ 1.03
PRWC Obligation [2]	$ 1.18	$ 1.17	$ 1.34	$ 3.40	$ 1.33
	$ -	$ -	$ -	$ -	$ -
TOTAL FUNDING	**$ 1.26**	**$ 2.34**	**$ 2.67**	**$ 6.49**	**$ 2.36**
Actual Expenditures ($M) [3]	**N/A**	**$ 1.62**	**$ 5.12**	**$ 0.82**	**$ 3.10**

NOTES:

Commencing with FY 2025, Business Plan budget methodology is followed. FY 2027 also includes additional combined project needs approved in March of 2026.

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

2. Member cost allocation is the primary funding source with other funding sources pursued as needed. Additional grant funding may reduce PRWC obligation. This does not include debt issuance costs.

3. FY 2026 actual expenditures are through March.

EXHIBIT B

FY 2027 FINAL COMBINED PROJECTS

COST ALLOCATION

Polk Regional Water Cooperative
Final Combined Projects Budget - Cost Allocation
Fiscal Year 2027

MEMBER FUNDING COSTS	Cost Allocation	Preliminary FY 2027 Cost Share	Additional Combined Projects	Final FY 2027 Cost Share
Auburndale	7.22%	$ 103,424	$ 79,500	$ 182,924
Bartow	7.06%	$ 101,149	$ 77,711	$ 178,860
Davenport	0.94%	$ 43	$ 10,399	$ 10,442
Dundee	2.28%	$ 32,780	$ 25,158	$ 57,938
Eagle Lake	1.36%	$ 61	$ 14,983	$ 15,044
Fort Meade	0.41%	$ 5,353	$ 4,387	$ 9,740
Frostproof	0.00%	$ -	$ -	$ -
Haines City	5.24%	$ 75,059	$ 57,696	$ 132,755
Lake Alfred	1.75%	$ 78	$ 19,120	$ 19,198
Lake Hamilton	0.04%	$ 2	$ 447	$ 449
Lake Wales	2.95%	$ 39,210	$ 31,961	$ 71,171
Lakeland	25.52%	$ 365,528	$ 280,878	$ 646,406
Mulberry	0.56%	$ 25	$ 6,110	$ 6,135
Polk City	1.71%	$ 77	$ 18,785	$ 18,862
Polk County	33.24%	$ 476,177	$ 365,858	$ 842,035
Winter Haven	9.72%	$ 139,281	$ 107,007	$ 246,288
TOTAL	**100%**	**$ 1,338,247**	**$ 1,100,000**	**$ 2,438,247**

Agenda Item G.3. 9/16/2026

SUBJECT

Update on the Upper Peace River Water Supply Project (Information)

DESCRIPTION

The PRWC Combined Projects Implementation Agreement was executed by the PRWC members in March 2017 for the purpose of implementing approved candidate projects. In 2019 the PRWC and its members amended the Combined Projects Implementation Agreement to include the Peace River Surface Water Supply Project and the PRWC and Southwest Florida Water Management District (District) executed a Cooperative Funding Initiative agreement for $961,100 (District provided 50% funding) to perform a feasibility study of the project. In May of 2022 the PRWC completed a draft report and provided it as a deliverable to the SWFWMD. The report included a conceptual plan for a surface water intake, reservoir, and water treatment facility on the Peace River south of Fort Meade. The projected annual average raw water capacity of the project was estimated at 28 MGD.

In November 2023, the PRWC and District amended the funding agreement to postpone the project until the District completed its reevaluation of the minimum flows for the Upper Peace River. At that time, the District was unwilling to move forward with several project tasks until final revised minimum flows were adopted.

The District continues the process of adopting revised minimum flows for the Upper Peace River and has completed their peer review process to review the technical competence of the proposed revised minimum flows. The PRWC provided technical comments to the proposed minimum flow on April 8, 2026. No changes were made to the proposed minimum flows because of comments submitted by the PRWC.

On August 10, 2026, the PRWC submitted a letter (attached) to the District Governing Board members in advance of their scheduled meeting on August 25, 2026, at which District staff planned for the Board to initiate rulemaking to adopt the revised minimum flows. The PRWC letter highlighted significant concerns, both technical and legal, with the proposed minimum flows. The key issue impacting the PRWC is the District’s proposed revised minimum flows would reduce the long-term average water available from approximately 28 MGD to approximately 17 MGD - a reduction of 39 percent or about 11 MGD for future public supply.

At the Districts Governing Board meeting on August 25, 2026, the PRWC Executive Director highlighted the issues with the revised minimum flow and how it negatively impacts future alternative water supply in the Polk County region. Following discussion, the Governing Board voted unanimously to approve the District staff recommendation to adopt the revised minimum flow and initiate rulemaking. PRWC staff will continue to actively participate and provide input as the District begins the rule-making process.

RECOMMENDATION

This item is provided for the Board’s information and no action is required.

FISCAL IMPACT

No current fiscal impact is anticipated with this report.

CONTACT INFORMATION

Eric DeHaven

Agenda Item G.4. 9/16/2026

SUBJECT

Approve Change Order #10 to the TeamOne Contract (Action)

DESCRIPTION

On July 29, 2026, the PRWC Board was presented with a preliminary Combined Projects budget for FY2027 which included the addition of $1.1M in alternative water supply planning projects. These projects were originally proposed to the Board in November of 2025, with the costs now incorporated into the 2026 Business Plan.

This agenda item is to approve Change Order 10 with Carollo Engineers (a.k.a. “TeamOne”) to provide the technical services for those projects. The services include:

- **The Upper Peace River Reservoir Feasibility and Water Use Permit Application**: this scope involves desktop and field evaluations of Mosaic parcels to determine if they can be repurposed to a water storage reservoir and also includes the preparation of a water use permit application for a potable supply from the Peace River. **$499,640.**
- **The (5-year) Water Supply Plan 2027:** this scope of work involves the assessments necessary to determine PRWC’s long-term water supply needs and then prioritize and phase the Alternative Water Supply projects that will meet those demands. A Water Supply Plan document will be the outcome. **$497,122.**
- **Alternative Water Supply Technical Evaluations:** this scope allows time for the team to conduct technical evaluations that may be required to determine if the Alafia River or other potential project options can reasonably serve the PRWC. **$99,912.**

TeamOne has the expertise to perform these services and has provided the PRWC the attached Scopes of Services. The total maximum cost to perform these services is up to $1,096,674. Project costs will be funded by members through the Combined Projects Budget.

RECOMMENDATION

Approve the TeamOne Scope of Services Change Order 10 to complete the three projects under the Combined Projects budget.

FISCAL IMPACT

The fiscal impact for these three projects is $1,096,674 and has been included in the Combined Projects FY2027 budget.

CONTACT INFORMATION

Eric DeHaven

Mary Thomas

Change Order No. 10

Polk Regional Water Cooperative

Phase l Combined Projects Implementation Agreement Project

September 16, 2026

This change order, hereafter referred to as Change Order No. 10, shall amend the Phase l Combined Projects Implementation Agreement Project (Agreement) by and between the Polk Regional Water Cooperative (Cooperative) and Carollo Engineers, Inc. (Engineer), dated October 18, 2017. This Change Order No. 10 consists of the attached Exhibit A, Exhibit B, and Exhibit C Supplements and Fee Schedules.

In summary, this Change Order No. 10 results in the following changes:

- Increases to the total agreement amount, currently at $95,077,297.08 based on Change Order No. 9, by an additional $1,096,674 to $96,173,971.08.
- Updates the scope to include three new projects, attached:
    - Exhibit A – Water Supply Plan 2027
    - Exhibit B – Upper Peace River Reservoir Feasibility and Water Use Permit Application
    - Exhibit C – Alternative Water Supply Evaluations

The costs and budgets reflected by this change order are in accordance with the draft funding authorization from the Southwest Florida Water Management District.

Polk Regional Water Cooperative

By: Eric DeHaven, Executive Director

Signature:

Date:

Carollo Engineers, Inc.

By: Laura Baumberger, Senior Vice President

Signature:

Date:

Carollo Engineers, Inc.

By: Mary Thomas, Vice President

Signature:

Date:

EXHIBIT A
POLK REGIONAL WATER COOPERATIVE
WATER SUPPLY PLAN 2027

SCOPE OF SERVICES

SEPTEMBER 8, 2026

INTRODUCTION

The Polk Regional Water Cooperative (PRWC) has requested that the Carollo Engineers, Inc. team (a.k.a. “TeamOne”) provide professional engineering services to initiate the PRWC’s first Regional Water Supply Plan for 2027 (2027 RWSP). Formed in 2016, the PRWC is at various stages of planning and construction of five alternative water supply (AWS) projects. Since its formation, the PRWC has updated its demands on an annual basis to support the phasing and timing for water supply delivery. The goal of this project is to provide a plan that will guide the future of the regional water supply through the 20-year planning horizon (e.g. 2047) and allow the PRWC to meet its commitments to members to provide a reliable and environmentally responsible regional alternative water supply in the most cost effective way.

The PRWC is tasked with proactively identifying alternative water resources and projects that ensure the future sustainability of the regional water supply. In response, PRWC’s first AWS project, the Southeast Wellfield brackish groundwater supply, is under construction now with water expected to be available to its member customers by early 2029. This program currently includes a 7.5-MGD Phase 1 finished water supply and 61 miles of transmission pipeline. The second AWS project, the 2.5-MGD Phase 1 West Polk Wellfield brackish groundwater supply, is in the design stage now with water expected to be online in 2032. The remaining three projects, all surface water supplies, are at the planning stage to meet demands beyond 2032.

SCOPE OF SERVICES

TASK 1 - PROJECT MANAGEMENT, COMMUNICATION, AND COORDINATION

Carollo will administer this project as the prime consultant and will be responsible for the project administration, coordination of subconsultants, and invoicing. The project manager will make staffing assignments, review work progress, and coordinate quality assurance and review procedures.

Task 1.1 – Project Work Plan

This task includes development of a Project Work Plan detailing the lines of communication, document management process, hydraulic modeling standards, and other related information to be shared with project team members, including subconsultants.

The Project Work Plan will address quality management, staffing, initial project schedule, standards, deliverables, and delivery plan. A schedule with agreed-upon critical milestones will be included in the Project Work Plan. The Plan will identify information needed to complete the

work while establishing the contact information, lines of communication, and procedures for the project. The Draft Project Work Plan will be provided to the PRWC at the Project Kickoff Meeting. Upon receipt of any comments, Carollo will update the document and issue the Final Project Work Plan to the PRWC for reference throughout the project.

Task 1.2 – Project Invoicing and Monthly Progress Reports

Carollo will provide monthly invoices and progress reports that identify what work has been performed during the month and work anticipated for the following month. These reports will be delivered as part of the monthly invoice. An action/decision log will also be included to document project status and decisions throughout the project.

Task 1.3 – Project Meetings

Carollo and other members of TeamOne will meet periodically with PRWC staff and/or member government staff as needed to keep them informed of the project status and discuss upcoming tasks and deliverables. In addition to frequent routine communication, Carollo will participate in the following meetings:

- Project kickoff meeting.
- Fifteen (15) monthly Technical Advisory Committee meetings held via MS Teams.
- Meetings with the PRWC and each of the 16 member government (one meeting each) to discuss the member governments' water demand projections and water supplies.
- Two (2) meetings with PRWC to present and finalize demand projections.
- Two (2) professional staff meetings held between the PRWC and member government staff.
- Three (3) Board meetings with presentations on the preliminary and final prioritized project recommendations and estimated costs.
- Three (3) additional meetings to be determined as dictated by needs identified throughout the project. These could include additional meetings with member governments as needed, "Town Hall" type meetings with all utilities in the Region to provide a status update of the project, and/or additional meetings with PRWC staff to discuss specific topics relevant to the project.

Carollo will prepare meeting agendas and minutes to document discussions, decisions, and progress. All meetings conducted throughout the project will be billed on a time and materials basis.

Task 1.4 – Subconsultants Management and Coordination

Carollo will manage the efforts of the subconsultants, including review of work progress and deliverables, invoicing, and payments. This effort includes coordinating meetings, schedule, and deliverables.

Task 1.5 – Quality Management

Carollo will assign a quality manager to the project to oversee the quality checks of project calculations, hydraulic model checks, and review of deliverables. All QA/QC will be performed by a Quality Manager and pertinent technical experts assigned to the project.

TASK 2 - REGIONAL FACILITIES INVENTORY

TeamOne will work with the PRWC and its members to prepare an inventory of existing traditional and existing and planned alternative potable facilities, including treatment and storage facilities. While PRWC is only responsible for wholesale alternative water supplies, documentation of existing member potable facilities and their firm capacities will inform the timing and capacity of future PRWC expansions.

The last 10 years of Southwest Florida Water Management District (SWFWMD) Public Supply Annual Reports (PSARs) will be compiled as part of this effort. Facility capacity, FDEP- and SWFWMD-permitted quantities, actual production, and pertinent changes will be identified and updated as needed. The potential for future expansion of existing facilities based on permitted water supplies will be evaluated.

Facility conditions (the condition of facility assets, facility age, etc.) will be reported to the extent possible determined by the information provided by members or through FDEP sanitary surveys. As available, condition assessment reports, data from renewal and replacement (R&R) evaluations, member government input, and related information for the regional facilities will be documented as related to the regional facility water production capacity. **This Scope of Services does not include site visits to each regional facility to document existing conditions**.

TASK 3 – REGIONAL NEEDS UPDATE

TeamOne will update the water demand projections for the PRWC members and customers.

Task 3.1 – Update Regional Water Demand Projections

TeamOne will develop 20-year water demand projections for the planning period (e.g 2025-2045) for its members and customers: the Cities/Towns of Auburndale, Bartow, Davenport, Dundee, Eagle Lake, Fort Meade, Frostproof, Haines City, Lake Alfred, Lake Hamilton, Lake Wales, Lakeland, Mulberry, Polk City, Winter Haven, and Polk County's Northeast, Northwest, Central, East, and Southwest Service Areas. Up to four methodologies will be used to formulate a range of 20-year projections and will build upon the projections prepared over the past 10 years. The projections will be built up on the forecasts developed over the previous 10 years

and will use up to three forecasted methodologies to establish a range of future water estimates. Methodologies may include:

- Member-provided projections;
- Analysis of historical water use and projection of use;
- SWFWMD-parcel-based population projections (based on BEBR medium projection).

TeamOne will review and evaluate information provided by each member to understand the assumptions, local conditions, and drivers influencing the projections submitted by each member government.

In addition to 20-year water demand projections described above, TeamOne will develop 50-year water demand projections through the planning period (e.g. 2075) by extrapolating the most probable demand curve out 30 more years to determine a long-range projection for sizing transmission mains.

Water demand projections from the Central Florida Water Initiative (CFWI) Regional Water Supply Plans will also be used to compare member-provided and TeamOne-formulated estimates to those prepared by the Water Management Districts.

Task 3.2 – Review Range of Projections and Select Most Probable Demand

TeamOne will evaluate and compare the 20-year demand projections developed under each forecasting methodology and evaluate their consistency with historical projections and observed water use. Based on this analysis, TeamOne will develop and present a most probable regional demand forecast for planning purposes.

Task 3.4 – Determine Capacity Triggers and Timing

TeamOne will compare projected water demands to uncertainty factors, the existing facilities inventory (as identified in Task 2), and interconnectivity to identify future water supply needs and associated implementation timelines. In addition to a traditional plan based on a timeline that will set dates for future improvements, TeamOne will develop a “trigger-based” water supply plan that links infrastructure improvements to defined demand thresholds, facility capacities, and system conditions. This adaptive approach will enable the 2027 RWSP to remain relevant even if actual demands deviate from the dated projections. The resulting trigger-based plan will produce the following information as both a demand threshold and approximate year:

- Future Southeast Wellfield Project Phases (i.e. 10 MGD, 12.5 MGD, 15 MGD, and up to 22 MGD if feasible).
- Future West Polk Project Phases (i.e. 5 MG, 7.5 MGD, 10 MGD).
- Future Upper Peace River Phases (e.g. 5 MGD, 10 MGD, 15 MGD, or more).

- Future Alafia River Phases (e.g. 5 MGD, 10, MGD, 12 MGD, or more).
- Additional projects as needed.

Task 3.5 – Water Needs Technical Memorandum

TeamOne will prepare a technical memorandum (TM) summarizing the results of Task 3. The Draft Water Needs TM will be submitted to the PRWC for review and comment. Upon receipt of the PRWC's comments, TeamOne will revise the demand projections as appropriate and establish the final set of projections to serve as the basis of the WSP. The Final Water Needs TM will be issued to the PRWC and will be formatted such that it can be attached to Water Use Permit applications, and the TM will be incorporated as a chapter of the WSP.

TASK 4 – REGIONAL WATER SUPPLY EVALUATIONS

TeamOne will prepare project concepts, yields, and costs for existing and new water supply options to provide a range of options to the PRWC. The resiliency of various supply options will also be considered. The results of this task will be incorporated into the final project report under Task 9.

Task 4.1 - Future Water Supply Sources

TeamOne will evaluate those water supply sources included in the Combined Projects planning process in addition to those identified in subsequent water use permitting and other Alternative Water Supply planning efforts to determine if the sources listed remain feasible options, update the status of any projects related to identified sources, update estimates of available capacities, update estimated development costs, and reevaluate needs and timing based on the results from Task 3. Information from the ongoing discussions with Tampa Bay Water for alternatives to the Alafia River project will be included.

TeamOne will also revisit the potential for new supply sources, such as reclaimed water and other regional water supply entities, evaluated in previous years. Estimated yield, capital and lifecycle costs, reliability, potential environmental impacts, permittability, and the overall ability to contribute to robust, sustainable future regional water supply system will be reviewed and summarized.

TeamOne will document the status of ongoing or planned future AWS projects by PRWC member governments that should be considered in the regional water supply planning process. Carollo will investigate the potential for decreasing demands due to these new AWS projects, and evaluate their impact on the timing of supplies. The water supply source capacity requirements will also discuss whether a buffer or rotational capacity should be considered for future RWSP efforts.

Task 4.2 - Source Resiliency to Climate Change

Resiliency to climate change for each source will be discussed. Climate change-related threats such as sea-level rise, changing rainfall patterns, severe storm events, increased temperatures,

and extended droughts will be considered for future surface water supplies, but are expected to have a smaller impact on the brackish water supplies. Therefore, for the purpose of this first RWSP, resiliency and climate change will not be quantified, but will be discussed from a qualitative standpoint to prepare for source water vulnerability assessments that should be conducted in the future.

TASK 5 - REGIONAL TRANSMISSION SYSTEM

The PRWC has developed a hydraulic model of the transmission system for use in the initial design processes for the Southeast and West Polk Wellfields. TeamOne will review and update that model with potential transmission systems needed to connect new water supply options to the system currently under construction. Results will be documented in a technical memo to be included in the final report under Task 9.

Task 5.1 – Conceptual Routing Evaluation

Integration of future water supply options will be evaluated under this task. Desktop evaluations using Geographical Information System (GIS) will be conducted to formulate conceptual routes for up to 5 water delivery strategies. The conceptual routes will consider the water source and the closest connection point to deliver the full quantity of water. This information created in GIS will be used in the existing PRWC model to develop flow and pressure information to size the pipes. The five water delivery strategies may include:

- Upper Peace River source delivered to Bartow from a surface water treatment plant.
- Upper Peace River source delivered to a new connection point on the Southeast Transmission System (SETM) through the use of a booster station.
- Alafia River source delivered to the SETM.
- TBW shared transmission.
- TECO reclaimed water connected to the SETM.

The water delivery strategies will result in recommendations for connecting the new sources to the existing transmission system and the conditions needed for water delivery. The suggested corridors will require a more detailed analysis of route alternatives through a routing study that is beyond the limits of this effort.

Task 5.2 - Evaluate and Prioritize Future Transmission Pipelines

Relative costs between the transmission projects will be determined using conceptual level cost estimating. These costs are not estimated construction costs but are high level cost estimates based on similar projects that will provide a basis to compare the routes to each other. The transmission information will be combined with the demands and water supply projects identified in previous tasks to provide a phasing recommendation for pipelines to be incorporated into the CIP developed in Task 8.

Task 5.3 –Transmission System Documentation

TeamOne will provide a technical memo of the transmission system recommendations describing the routes, pipe sizes, and likely pipe materials. The memo will describe PRWC-owned pipelines, storage tanks, and pump stations. TeamOne will document assumptions and limitations that will serve as the basis for evaluations for future water supply options.

Task 5.5 - Transmission System Water Quality

Maintaining water quality throughout the systems will become critical as surface water supplies are brought online in the future. Consideration should be given both to source water quality at transmission system entry points as well as minimization of corrosion and water age while delivering water through the transmission system. The ability to maintain finished water quality at each delivery point will require detailed evaluation and modeling in the future.

For this 2027 WSP, TeamOne will build upon the previous water quality modeling conducted for the Southeast and West Polk Projects and will review the anticipated source water qualities and blending points and provide an assessment of where water quality compatibility issues are likely to be encountered. These issues will be identified and solutions will be proposed at a conceptual level with the sole purpose of ensuring that future water supply projects consider treatment and blending techniques in the cost estimating and ranking processes.

This task will result in a summary of water sources, source water quality, blending points, and delivery points, and will identify the operational and treatment strategies needed to maintain water quality throughout the system.

TASK 6 - DEMAND MANAGEMENT AND WATER CONSERVATION

TeamOne will review the 2019 Demand Management Plan and work with the PRWC Conservation Specialist to compare it to the existing demand management and water conservation programs in place at the local level within the region. While PRWC members already have low per capita water usage, improved conservation efforts continue to be important, and TeamOne will investigate potential demand management/water conservation strategies that may provide additional regional savings. TeamOne will document existing local programs and evaluate the potential for regional programs or local programs with regional impacts. Carollo will also request and review copies of each entities' latest Water Conservation Plan.

TeamOne will calculate the per-capita water use data for the PRWC's members and customers to identify any reductions in demands which may be attributable to water conservation efforts in the region. The primary source for this information will be SWFWMD's Public Supply Annual Reports (PSARs), supplemented by SWFWMD's Estimated Water Use Reports and/or Water Management Information System (WMIS) water use database. Per-capita water use trends for each of the PRWC's members and other customers, individually and as a whole, will be determined, compared to SWFWMD goals, and evaluated within the context of potential implications on future demand projections.

TeamOne will document an inventory of demand management and conservation program information for the PRWC's members and other customers. Elements to be considered in the water conservation program inventory include tiered water rates, water audit and leak detection programs, indoor water fixture retrofit programs, landscape and irrigation retrofit programs and incentives for new construction, and public outreach and education programs. Results of this task will be incorporated into the final project report under Task 9.

TASK 7 – RECLAIMED OR OTHER WATER OPPORTUNITIES

Regional reclaimed water quantities and locations were evaluated in 2023 and will be re-visited to determine the potential for utilizing unused reclaimed water to augment or offset potable water demands. TeamOne will obtain information regarding current reclaimed water production and usage, available reclaimed supplies, and any relevant agreements between member governments and potentially some non-members who may have reclaimed water supply available to evaluate opportunities for regional application of this water source. Data sources will include but not necessarily be limited to FDEP's Annual Rese Inventory Reports and SWFWMD PSARs. Potable water offset, groundwater replacement credits, indirect potable reuse (IPR), and direct potable reuse (DPR) will be considered for short- and long-term future water sources based on quantity, location, applicable regulations, general feasibility, and the ability to provide overall augmentation to the PRWC's (and the Region's) water supply. A summary of applicable regulations will be documented and considered for the potential reclaimed water opportunities. The cost of implementing reclaimed water as a source into the PRWC's water supply portfolio is not included in this evaluation.

Under this Task TeamOne will also investigate opportunities for land use transitions. Scope to be performed in support of this effort will include conducting a search of online databases for active agricultural permits, coordinating with the SWFWMD to identify opportunity, or working with member governments and other local resources to determine if water use permits exist that could be transitioned to potable supply. Permit numbers, durations, and allocations will be summarized as well as estimates of water supply to be transitioned.

Results of this task will be incorporated into the final project report under Task 9.

TASK 8 - CAPITAL IMPROVEMENT PLAN

TeamOne will utilize the CFWI Cost Estimating tool to formulate comparative planning level cost estimates for the recommended water supply, treatment, and transmission system projects that will provide the PRWC with reliable water supply for its members and customers over the next 20 years. These projects will be prioritized and presented in the form of a proposed 20-year CIP. Projects for which other more detailed cost estimates are being developed will include the cost estimates from those design efforts as available. The recommended timing of projects will be based on the selected water demand projections developed in Task 3, potential for demand management and conservation, and will also be tied to demand triggers. Results of this task will be incorporated into the final project report under Task 9.

TASK 9 –WATER SUPPLY PLAN 2027 REPORT

TeamOne will summarize the results of this project in the Water Supply Plan 2027. The report will include a description of existing regional facilities, 20-year and 50-year water demand projections through the planning period (e.g. 2045 and 2075), respectively, and a summary of potential water supply sources/alternatives, and the results of the transmission system evaluation with recommended future projects that focus on increasing the interconnectedness of the regional system. Water supply and transmission main interconnection needs will be prioritized based on the collected information and used to refine the recommended 20-year CIP. Opportunities to incorporate reclaimed water supply as a regional water source will be documented. Recommendations will include consideration of expected environmental impacts/benefits as well as other factors outlined in Task 4.

TeamOne will prepare the 2027 RWSP Draft Report and submit it to the PRWC for review and comment. Carollo will attend a comment review meeting with PRWC staff to discuss comments. Upon receipt of the PRWC's comments and after the Draft Report review meeting, Carollo will update the document and submit the 2027 RWSP Final Report.

DELIVERABLES

The following deliverables will be provided:

- Meeting agenda and minutes for all meetings outlined in Task 1.
- Electronic pdf and Word version of the Draft Water Needs Technical Memorandum.
- Electronic pdf and Word version of the Final Water Needs Technical Memorandum.
- Electronic pdf and Word version of the Draft Water Supply Plan 2027.

ITEMS NOT INCLUDED

Tasks not specifically outlined above are not included in this Scope of Services. If the PRWC desires additional services, the resultant change in scope will serve as a basis for amending this project assignment or initiating the development of a new project assignment as agreed to by both the PRWC and Carollo. The following items are not included:

1. Facility condition assessments. Carollo will incorporate documentation of facility condition as available from the PRWC and/or member governments.
2. Meetings beyond what is specified in this Scope of Services.
3. Model scenarios beyond what is specified in this Scope of Services.

ASSUMPTIONS

Because of the nature of this project, certain assumptions apply to this Scope of Services. To the extent possible, these assumptions are stated within this document and are reflected in the budget. If the project task requirements are significantly different from the assumptions presented in this Scope of Services, or if the PRWC desires additional services, the resultant change in scope will serve as a basis for amending this project assignment or initiating the development of a new project assignment as agreed to by both the PRWC and Carollo. The following assumptions and PRWC responsibilities apply to this project:

1. The PRWC and its members and customers will provide requested data and other information relative to the project. Carollo shall be entitled to rely upon the accuracy of such data and information without independent review or evaluation.

2. In providing opinions of cost, financial analyses, economic feasibility projections, schedules, and quantity and/or quality estimates for potential projects, Carollo has no control over cost or price of labor and material; unknown or latent conditions of existing equipment or structures that may affect operation and maintenance costs; competitive bidding procedures and market conditions; time or quality of performance of third parties; quality, type, management, or direction of operating personnel; the incoming water quality and/or quantity; the way the PRWC's plant(s) and/or associated processes are operated and/or maintained; and other economic and operational factors that may materially affect the ultimate project elements, including, but not limited to, cost or schedule. Therefore, Carollo makes no warranty that the PRWC's actual project costs, financial aspects, economic feasibility, schedules, and/or quantities or quality realized will not vary from Carollo's opinions, analyses, projections, or estimates.

3. Notwithstanding any contrary provision in the Agreement, Carollo shall be entitled to use and reasonably rely upon all such information and services provided by the PRWC or others in performing Carollo's services under this Agreement, in accordance with the standard of care.

4. The PRWC shall arrange for access to and make all provisions for Carollo to enter upon public and private property as required for Carollo to perform services hereunder.

5. Documents, including drawings and specifications, prepared by Carollo pursuant to this Agreement are not intended or represented to be suitable for reuse by the PRWC or others for this Project or on any other project. Any reuse of completed documents or use of partially completed documents without written verification or concurrence by Carollo for the specific purpose intended will be at the PRWC's sole risk and without liability or legal exposure to Carollo.

6. Notwithstanding any contrary provision in the Agreement, Carollo shall perform the Services as expeditiously as is consistent with the standard of care.

7. The services to be performed by Carollo are intended solely for the benefit of the PRWC. No person or entity not a signatory to this Agreement shall be entitled to rely on Carollo's

performance of its services hereunder, and no right to assert a claim against Carollo by assignment of indemnity rights or otherwise shall accrue to a third party as a result of this Agreement or the performance of Carollo's services hereunder.

8. The PRWC will provide all required information within the timeframe established in the schedule contained in the Scope of Services. The schedule is based upon timely receipt of data, which will be provided based on a reasonable, mutually agreed upon timeframe.

9. The PRWC will review and comment upon deliverables within three weeks of receipt.

SCHEDULE

The Scope of Services will be delivered over the course of 18 months after given the notice to proceed. The estimated time required for the completion of each task and the approximate date for distribution of deliverables is summarized in the following project schedule.

FEE

A summary of the project fee is provided in Table 1. Compensation will be based on a fee not to exceed basis. Invoices will be submitted monthly.

Table 1 Project Fee by Task

Description	Budget
Task 1 – Project Management and Coordination	$57,534
Task 2 – Regional Facilities Inventory	$18,488
Task 3 – Regional Needs Update	$56,180
Task 4 – Regional Water Supply Evaluations	$80,656
Task 5 – Regional Transmission System	$111,290
Task 6 – Demand Management and Water Conservation	$77,004
Task 7 – Reclaimed Water Opportunities	$22,696
Task 8 – Capital Improvement Plan	$40,040
Task 9 –Water Supply Plan 2027 Report	$33,234
TOTAL	**$497,122**

EXHIBIT B
POLK REGIONAL WATER COOPERATIVE
UPPER PEACE RIVER RESERVOIR FEASIBILITY AND WATER USE PERMIT APPLICATION

SCOPE OF SERVICES
AUGUST 25, 2026

INTRODUCTION

The 2025 Central Florida Water Initiative (CFWI) Regional Water Supply Plan determined that alternatives to traditional groundwater supplies will be needed to meet demand in Central Florida between 2020 and 2045. The Polk Regional Water Cooperative (PRWC) is tasked with proactively identifying alternative water resources and projects to ensure the future sustainability of water supply in the region. Formed in 2016, the PRWC has spent the past decade identifying and developing alternative water supply options that will serve the region now and in the future.

The Upper Peace River has been identified as a necessary element to the PRWC's long-term potable supply program. In 2018, the PRWC submitted a water use permit (WUP) application (No. 20020762.000) requesting to withdraw 18 million gallons per day (MGD) of water from the Upper Peace River for potable supply. However, pending Minimum Flows and Levels (MFLs) and an increase in permitted allocation from the Peace River issued to the Peace River Manasota Regional Water Supply Authority (PRMRWSA), which occurred around the same time, resulted in the withdrawal of the PRWC's permit application and a Peace River Cooperation Settlement Agreement ("Settlement Agreement") between the PRWC and the PRMRWSA for the coordinated use of the resource.

Under the terms of the Settlement Agreement, PRMRWSA would retain its increase in permit allocation (maximum daily quantity of 258 MGD as set forth in Special Condition No. 17) until the Southwest Florida Water Management District (SWFWMD) grants a WUP to the PRWC at a maximum daily withdrawal quantity of up to 48 MGD from the Upper Peace River basin in Polk County for potable supply and/or natural system restoration. Once that occurs, PRMRWSA would reduce its maximum daily WUP allocation by an amount of up to 48 MGD, as confirmed by SWFWMD, to offset the impacts to the resource. In order for this reduction to go into effect, the PRWC must receive a notice of intent to issue a WUP from SWFWMD within 10 years of the issuance date of PRMRWSA's permit 20010420.010 (February 26, 2019).

To increase the reliability of the Peace River as a potable source, a storage reservoir is required. PRWC has entered into a Memorandum of Understanding (MOU) with Mosaic Fertilizer, LLC and the South Ft. Meade Partnership, LP., LTD (jointly referred to as, "Mosaic") to explore the feasibility of repurposing some of the Mosaic sites for this purpose. Specifically, Mosaic is willing to permit the exploration of their South Fort Meade Mine and areas near the mine along the railroad spur property and trestle leading to the Peace River, their SFM-8 clay settling area, and other existing infrastructure that could be repurposed to treat and transmit

raw and finished water to some PRWC connection point at or near the Bartow Southeast Transmission point of connection.

The PRWC has requested that Carollo Engineers, Inc. (Carollo Engineers) and its subconsultants, together forming “TeamOne”, provide professional engineering services to evaluate the feasibility of the Mosaic sites for water supply storage and conveyance purposes, and to prepare a WUP application for the withdrawal of water from the Upper Peace River for public supply purposes. This work, described in the Scope of Work below, will be performed by TeamOne under the terms and conditions of the Phase 1 Combined Projects Contract.

SCOPE OF WORK

TASK 1 – PROJECT MANAGEMENT AND MEETINGS

TeamOne will provide project management and coordination, quality review, and attend internal and regulatory agency meetings under this task.

Task 1.1 – Management and QA/QC

Carollo Engineers will provide overall project management, including staffing assignments, communication with the PRWC, coordination of subconsultants, budget tracking, schedule control, and invoicing. Carollo Engineers will provide updates to PRWC staff and its members on project progress for the duration of the project. These updates may occur during regularly scheduled PRWC Technical Advisory Committee meetings and Board meetings.

Carollo Engineers will also coordinate and perform quality assurance and quality control (QA/QC) for all technical deliverables, including those prepared by other TeamOne consultants. QA/QC activities will include a review of data compilation, calculations, and report deliverables to confirm that they meet the project requirements. A Quality Manager will oversee this QA/QC and will evaluate each deliverable before submittal to PRWC and SWFWMD.

Task 1.2 – Internal Coordination and Meetings

TeamOne will coordinate with PRWC staff, PRWC member governments, and other internal stakeholders to support implementation of the project. TeamOne will also prepare for and participate in up to 12 internal meetings with PRWC staff, PRWC members, and stakeholders. The objectives of internal project coordination and meetings will vary, but are anticipated to include:

- Project kickoff.
- Project coordination, especially with Winter Haven, Polk County, or any member government with an interest in the Upper Peace system.
- Data transfer and clarification.
- Coordination with other utilities (e.g., PRMRWSA, Tampa Bay Water).
- Coordination regarding land acquisition or easements related to project infrastructure needs.
- Review of results and draft work products.
- Other internal coordination issues.

When appropriate depending on meeting content and objectives, TeamOne will prepare and provide an agenda, meeting materials, and summary notes.

Task 1.3 – Regulatory Coordination and Meetings

TeamOne will assist the PRWC to coordinate and meet with staff from SWFWMD or other regulatory agencies regarding the PRWC's plans and permit application related to the Peace River water supply project. TeamOne will help PRWC staff to coordinate and communicate with SWFWMD regulatory and technical (e.g., resource management and minimum flows and levels) staff to discuss topics relevant to the project, which may include but are not limited to:

- Overview of proposed PRWC Peace River project.
- Projected demands and justification of need for additional alternative water supply.
- Regional water resources.
- Relevant regulatory constraints, such as the Peace River minimum flows.
- Pre-application coordination meetings.
- Water use permit application requirements.
- Other relevant issues.

TeamOne will prepare for and accompany PRWC staff in attending up to six (6) meetings with SWFWMD or other regulatory agency staff related to the Peace River project. Meetings with SWFWMD may be held in person at the District's Tampa or Brooksville Service Center locations, or via web-based video conference. When appropriate depending on meeting content and objectives, TeamOne will prepare and provide an agenda, meeting materials, and summary notes.

Task 1 Deliverables:

- Meeting agendas, materials, and summary minutes (digital format).

TASK 2 – WATER DEMAND PROJECTIONS

The PRWC has requested that TeamOne provide professional engineering services to initiate the PRWC's first Water Supply Plan (WSP) for 2027. Through this effort, TeamOne will coordinate with the PRWC and its members to develop population and water demand projections for a fifty-year planning horizon (through 2076 or other year as defined by WSP).

Per the requirements of the CFWI Supplemental Applicant's Handbook, the projections will consider the expected impacts of conservation, treatment losses, and reclaimed water and other water sources on overall demand. Raw water supply quantities will incorporate PRWC member implementation agreements to accurately define the timing and quantity of required allocations.

Water demand projections developed for the PRWC's Regional Water Supply Plan will be compared to those from the CFWI Regional Water Supply Plan and from the most recent SWFWMD regional planning projections. Where discrepancies occur, TeamOne will document and justify the basis for requesting allocations that exceed the CFWI and

SWFWMD projections. The findings will be summarized in a draft memorandum provided to the PRWC for review and comment.

Population and water demand projections form the basis for the WUP permitted quantities and therefore are a critical component of the WUP application process. Demand projections and resulting raw water quantity are to be agreed upon by SWFWMD before the WUP application is submitted. The population and demand projections will be presented to SWFWMD in a regulatory coordination meeting scheduled under Task 1. Following PRWC and SWFWMD input, a final memorandum will be prepared for inclusion in the WUP application.

Task 2 Deliverables:

- Draft and Final Water Demand Projection Memorandum.

TASK 3 – WATER CONSERVATION

TeamOne will coordinate with the PRWC and its Conservation Coordinator to demonstrate that environmentally, technically, and economically feasible water conservation measures applicable to the proposed use have been or will be employed. Under this task, TeamOne will utilize the updated Water Conservation information prepared for the Water Supply Plan to present a Summary Memorandum of existing and planned conservation programs.

In compliance with the CFWI Supplemental Applicant's Handbook Section 2.7, an annual conservation goal and an end-of-permit residential per capita water use goal will be formulated. It is assumed that the gross CFWI conservation threshold of 115 gallons per capita day will be applied PRWC-wide and may differ amongst various members.

This task is intended to meet the requirements of the WUP application process but does not involve formulation of a detailed Demand Management Plan.

Task 3 Deliverables:

- Draft and Final Water Conservation Summary Memorandum

TASK 4 – YIELD ANALYSIS AND IMPACT ASSESSMENT

TeamOne will evaluate the feasibility and available quantity of surface water withdrawal from the Upper Peace River to help meet the demands determined in Task 2. Furthermore, TeamOne will demonstrate that such withdrawals comply with adopted MFLs and other required SWFMWD permitting criteria, along with the terms of the PRWC-PRMRWSA Settlement Agreement. This scope of work is divided into the following subtasks.

Task 4.1 – Data Collection and Review

TeamOne shall request, obtain, compile, and review relevant documents, studies, models, and data to support the surface water yield analysis and impact assessment. Coordination with SWFWMD staff or others may be required to obtain some of this information. Examples of materials to be compiled and reviewed include but are not limited to:

- U.S. Geological Survey (USGS) Peace River system surface water gage data.

- Historical withdrawals from the Peace River system.
- Historical discharges (e.g., treated reclaimed water) into the Peace River system.
- Geographical information system (GIS) spatial data for drainage basins, land use, wetlands coverage, etc.
- Adopted and pending SWFWMD MFLs per Chapter 40D-8, Florida Administrative Code (FAC).
- Adopted water reservations per Rule 40D-2.302, FAC.
- SWFWMD MFL reports for the Peace River.
- SWFWMD Lake Hancock Reservation water budget evaluation report.
- SWFWMD Lake Hancock water budget continuous simulation model.
- Available SWFWMD surface water availability analysis models for Peace River.
- Peace River Integrated Modeling Project 2 (PRIM2) modeling files and reports.
- Existing WUPs for surface water use from the Peace River system, including permits issued to PRMRWSA.
- PRMRWSA-PRWC Settlement Agreement (2019) and Interlocal Cooperation Agreement (2019).
- Other relevant information.

Task 4.2 –Surface Water Supply Hydrologic Modeling

TeamOne will develop a continuous simulation hydrologic model to estimate the potential yield of the proposed PRWC surface water withdrawal project from the Upper Peace River. For this analysis, TeamOne will utilize and update previous hydrologic models developed by Carollo Engineers to estimate surface water available from the Peace River. Using a daily water budget timestep, the updated hydrologic model will evaluate predicted water availability over long-term variable hydrologic conditions based on various considerations including:

- Historical gaged or estimated streamflows.
- Adopted or pending MFLs and water reservation regulations.
- Estimated impacts of SWFWMD's Lake Hancock Lake Level Modification project on streamflows.
- Impacts of historical regional groundwater withdrawals on streamflows, as simulated by the SWFWMD PRIM2 model.
- Existing legal users of surface water on the Peace River system, including PRMRWSA.
- Requirements of the Settlement Agreement with PRMRWSA.

The updated continuous simulation hydrologic model will be used to support the WUP application for the PRWC Peace River project and to enhance collaboration with other stakeholders and regulators. Output from the hydrologic model may include estimated quantity, frequency, and reliability of surface water yield, summarized via statistics, hydrographs, and duration curves derived from the time series results of the model, to characterize long-term average and maximum ranges of flows. The hydrologic model will also be used to provide assistance with project conceptual engineering considerations including predicted system reliability, pump conditions and operations, and generalized seasonal storage scenarios.

Task 4.3 – Water Availability and Impact Assessment Memorandum

TeamOne will qualitatively assess potential impacts associated with the requested PRWC Peace River surface water WUP allocation quantities and proposed permit term. Such impacts are related to environmental systems such as wetlands and flowing systems, offsite land uses, MFLs, water reservations, existing legal users, and other water resource considerations. The goal of this assessment of potential impacts will be to address the conditions for issuance as defined in the SWFWMD and CFWI WUP Applicants Handbooks and applicable rules.

TeamOne will summarize results of the hydrologic modeling efforts and impact assessment in a technical memorandum prepared to support the WUP application. TeamOne will use the surface water modeling results to assist in demonstrating that the proposed water use remains reasonable-beneficial, will not interfere with existing legal uses of water, and is consistent with the adopted MFLs, the Cooperation Agreement, and SWFWMD permitting criteria. The Surface Water Availability and Impact Assessment Memorandum is expected to include:

- Project background, overview, and objective.
- Summary of proposed use and need for the water.
- Constraints on consumptive water use.
- Hydrologic model development, methodology, and assumptions.
- Modeling results and proposed PRWC surface water allocation.
- Evaluation of scenarios under long-term variable range of climatic conditions.
- Demonstration of compliance with MFLs, existing legal use, and agreement requirements.
- Discussion of water resource impact assessment.
- Consistency with conditions for issuance for water use permit.

The report will be submitted in both draft and final formats. TeamOne will prepare a draft version of the Surface Water Availability and Impact Assessment Memorandum, which will be provided to PRWC for review. TeamOne will address any comments received in a final version of the memorandum for inclusion in the PRWC WUP application.

Task 4 Deliverables:

- Draft and Final Surface Water Availability and Impact Assessment Memorandum.

TASK 5 – MOSAIC SITE FEASIBILITY

Under this task, TeamOne will conduct desktop and field analyses of the Mosaic Sites, including the South Fort Meade Mine area including railroad spur and trestle property, their SFM-8 clay settling area, and other existing infrastructure with a purpose of determining whether these sites could reasonably be repurposed for water storage and transmission of Upper Peace River source water.

Task 5.1 –Conceptual Water Use Plan and Technical Memorandum

Using the existing Peace River and Land Use Transitions Conceptual Plan dated December 2022 as a basis, TeamOne will modify the reservoir concept, completing feasibility testing for the Project in a new location. TeamOne will prepare and submit a technical memorandum (TM) amending the conceptual plan which will also serve as the basis for the Water Use Permit prepared in Task 8.

The TM prepared under this task will include the following:

- *Project Background and Planning Context*

  Prepare an overview of the PRWC's water supply objectives, the role of AWS projects in meeting future demands, and the relationship of the proposed Project to other regional AWS initiatives.

- *Project Mapping and Site Overview*

  Develop a project location map showing the study area, major facilities, and the connectivity of the proposed infrastructure to existing and planned regional water supply systems.

- *Conceptual Project Description*

  Prepare a conceptual description of the proposed AWS system, including its primary components, operational purpose, and integration with other regional facilities.

- *Surface Water Intake Evaluation*

  Review available site information and identify a potential intake location. Develop conceptual layouts, preliminary capacity requirements, and discuss key siting, environmental, and permitting considerations.

- *Raw Water Storage Reservoir Evaluation*

  Evaluate potential reservoir locations and configurations, develop preliminary storage sizing based on land availability, and assess anticipated system reliability based on available storage capacity.

- *Surface Water Treatment Plant Evaluation*

  Identify and evaluate a potential treatment plant site, necessary removal of existing facilities, develop a conceptual layout, estimate treatment capacity and land requirements, and identify key implementation considerations.

- *Raw Water Transmission Facilities Evaluation*

  Develop conceptual routing and preliminary sizing for a raw water transmission main connecting the intake, reservoir, and treatment plant, including identification of major constraints and corridor considerations.

- *Finished Water Transmission Facilities Evaluation*

Develop a conceptual routing and preliminary sizing for the finished water transmission system extending from the treatment plant to the proposed southwest connection point of the Southeast transmission system.

- *Engineer's Estimate of Probable Construction Cost (EEPCC)*

  Prepare a conceptual-level cost estimate utilizing the CFWI Costing Tool, adjusted for current ENR cost indices, as used for the PRWC's Water Supply Plan. The estimate will be presented on a by-component basis (i.e. reservoir, treatment, and transmission) and will include appropriate contingencies to better reflect recent regional construction trends based on the PRWC's Southeast WPF and TM construction costs or other available information.

- *Permitting Considerations*

  Identify potentially applicable federal, state, regional, and local permits, major environmental and regulatory constraints, and key permitting considerations that could affect Project feasibility, siting, design, schedule, and implementation. A summary of anticipated permitting requirements, critical issues, and recommendations for future permitting efforts will be included.

- *Project Summary and Recommendations*

  Summarize key findings, conceptual facility requirements, estimated costs, implementation considerations, and recommendations for future Project development.

The TM results will be presented during one workshop with the PRWC.

Task 5.2–Raw Water Storage Feasibility Study

5.2.1 Review of Existing Earthen Berms and Related Facilities

Review available geotechnical reports, construction drawings, record drawings, specifications, and reclamation/closure plans associated with the existing CSA earthen berm infrastructure to evaluate its potential suitability for use as a raw water storage reservoir. The evaluation will include a review of information on available soil conditions, existing and planned future berm configurations, and identified geotechnical characteristics within the proposed reservoir area to assess the feasibility of reusing, modifying, or reconstructing existing CSA berms and constructing new berm segments necessary to support reservoir development. Review of available regional/site information to include:

- Local/regional geologic information;
- LiDAR data, topographic survey(s);
- Historical aerials;
- Nearby geotechnical borings or CPTs; and
- Groundwater conditions and local/regional hydrogeologic information.

TeamOne will also review information detailing existing structures (including outfall spillways, water return ditches, and CSAs) and future reclamation plans for the structures.

TeamOne will perform a site visit at the project area, with relevant staff from PWRC and Mosaic, if desired. The site visit will observe current project conditions, refine the additional site characteristic data collection locations, and confirm features observed on aerial images. The site visit will be limited to two (2) staff members for one day. Notes and photos regarding relative conditions will be made to support the study.

To evaluate the potential reservoir location, TeamOne will direct a feasibility level geotechnical investigation to be completed through the allowance under this scope and fee. The recommended scope for the geotechnical services at the proposed site is provided below, however, the actual scope will consist of a scope not exceeding the allowable budget.

- 7 Cone Penetration Tests (CPT) soundings:
    - Conducted to a depth of 75 ft (or 5 feet into the Arcadia Formation) or refusal, whichever is shallower; and
    - During the CPT testing, up to 8 pore pressure dissipation tests, in general accordance with ASTM D5778, “Standard Test Method for Electronic Friction Cone and Piezocone Penetration Testing of Soils”.
- 3 Standard Penetration Test (SPT) borings, in general accordance with ASTM D1586, “Standard Test Method for Standard Penetration Test (SPT) and Split-Barrel Sampling of Soils”:
    - Borings shall be conducted to a total depth of 100 ft (or 25 feet into the Arcadia Formation);
    - SPTs samples will be conducted on a continual basis (with 6” cleanouts between samples) for the first 10-feet and then on 5-foot centers until termination; and
    - Logging of SPT boring with visual descriptions of soils encountered, in general accordance with ASTM D2488 “Standard Practice for the Description and Identification of Soils (Visual-Manual Procedures”.
- Installation of 3 piezometers with the following details:
    - Piezometers shall be installed approximately 10 feet below the uppermost groundwater level;
    - Shall be constructed of 2-inch PVC riser, 10 ft of 10 mil slotted screen, filter pack (20/30 Silica Sand), bentonite seal, and grouted to the surface;
    - Each piezometer shall be developed via overpumping until water is visibly clean; and
    - Conduct rising head slug test within each of the piezometers to measure the hydraulic conductivity of the subsurface soils.
- Collection of bulk samples, collected with a shovel at a depth greater than 2 feet below the existing ground surface:

- Bulk samples shall be collected within the reservoir area (equally spaced within the proposed footprint) and consist of one 5-gallon bucket each.

- Laboratory testing:
  - SPT samples:
    - Ten (10) Particle-Size tests (ASTM D6913, “Standard Test Methods for Particle-Size Distribution (Gradation) of Soils Using Sieve Analysis”);
    - Ten (10) Atterberg Limits tests (ASTM D4318, “Standard Test Methods for Liquid Limit, Plastic Limit, and Plasticity Index of Soils”); and
    - Ten (10) Soil Classification tests (ASTM D2487, “Standard Practice for Classification of Soils for Engineering Purposes (Unified Soil Classification System)”).
  - Bulk samples:
    - Six (6) Particle-Size tests (ASTM D6913, “Standard Test Methods for Particle-Size Distribution (Gradation) of Soils Using Sieve Analysis”);
    - Six (6) Atterberg Limits tests (ASTM D4318, “Standard Test Methods for Liquid Limit, Plastic Limit, and Plasticity Index of Soils”);
    - Six (6) Modified Proctor tests (ASTM D1557, “Standard Test Methods for Laboratory Compaction Characteristics of Soil Using Modified Effort”);
    - Six (6) Flexible Wall Permeability tests on remolded samples (ASTM D5084, “Standard Test Methods for Measurement of Hydraulic Conductivity of Saturated Porous Materials Using a Flexible Wall Permeameter”); and
    - Six (6) Direct Shear Tests (ASTM D3080, “Standard Test Method for Direct Shear Test of Soils Under Consolidated Drained Conditions”).
  - A hand-held global positioning system (GPS) will be used to record the coordinates of the SPT, CPT, piezometers, and bulk samples locations.

With information and data generated from the desktop study and the field and laboratory testing presented above, TeamOne will complete a feasibility level evaluation of the site that is summarized in a Technical Memorandum, to include:

- Figures showing location of fieldwork;
- Boring and CPT logs;
- Laboratory test results;
- Seepage evaluation into the proposed reservoir subsurface and berms and potential requirements for a cutoff wall;
- Discussion of area geology, hydrogeology, and karst fatal flaws;
- Suitability of borrow materials;
- Settlement and stability estimates; and
- Recommendations for future investigations.

5.2.2 Conceptual Design of the Raw Water Storage Reservoir

Based on the findings under Task 5.2.1, develop a conceptual design for the raw water storage reservoir. The conceptual design will include the proposed reservoir footprint, identification of existing berms to be reused or improved, conceptual locations and cross-sections of new berm construction, and integration of reservoir intake and outlet facilities. The layout will also incorporate the conceptual location and configuration of intake piping, outlet piping, and pump station facilities based on preliminary hydraulic and sizing requirements developed under Task 1. Conceptual storage volume, operational considerations, and key design assumptions will be documented to support planning-level evaluation and cost estimating. This task includes recommendations for additional cost contingencies based on recent construction market trends to add to the EEPCC developed using the CFWI Costing Tool in Task 5.1.

TeamOne will identify and provide potential permits that will be needed to develop the raw water storage reservoir and transition this site from a phosphate mining operation to use as a surface water storage/treatment system.

TeamOne will attend up to two (2) one-hour meetings with PRWC staff during the study, including a kick-off meeting. These meetings will be virtual. TeamOne will provide minutes from each meeting.

TeamOne will present the findings from Task 5.2 in a Technical Memorandum and provide up to 3 hours of support with the Task 5.1 EEPCC.

Required information:

- Recent topographic survey (anticipated to be provided in CADD format [not having CADD files may limit the level of analysis]) of the existing CSA and the potential reservoir site within the mine area will be provided to TeamOne;
- Geotechnical information on the existing CSA berms, in-situ permeability testing results and groundwater monitoring records including water quality data will be provided by Mosaic in digital format for TeamOne'S review; and
- Technical design documentation for the CSA berms including design basis documents, as-built drawings and specifications and reclamation plans for the CSAs and water conveyance structures in the immediate area (anticipated to be provided in CADD format [not having CADD files may limit the level of analysis]) will be provided to TeamOne by Mosaic.

TeamOne will incorporate the findings from Task 5.2 into the TM developed for Task 5.

Task 5.3–Ecological Pedestrian Walk-through and Desktop Analysis

5.3.1 Desktop Review of Project Elements for the Site

Prior to the field evaluation of the proposed Project Elements, a desktop review of appropriate site-specific data will be mapped and overlaid against parcel boundaries of each subject site. Data to be reviewed will include, but is not limited to the following:

- Most recent Aerial Photography

- National Wetlands Inventory (NWI),
- National Resource Conservation Service (NRCS) Polk County Soils,
- Florida Land Use Classification,
- United States Geographical Survey Topographic databases,
- Southwest Florida Water Management District (SWFWMD) permits & regulatory easements,
- Audubon Florida EagleWatch Bald Eagle Nest Locator,
- United States Fish and Wildlife Service IPaC,
- Florida Natural Areas Inventory, and
- A search of the Florida Master Site File (TRS Search)

Data obtained from the desktop analysis will be categorized and mapped over the initial Review Area, to be field verified under Task 3.2.

5.3.2 Pedestrian Survey of the Site

TeamOne will perform a pedestrian survey to generalize wetland and waterbody locations and to verify potential threatened and endangered species habitat that may have been identified under Task 1. The survey will also identify potential environmental/biological concerns that may need to be addressed for development of the overall Project Elements. The budget for this task includes up to three (3) survey days, with access granted for all Project Elements. Access will be granted by PRWC and/or PRWC's designated representative.

5.3.3 Environmental Technical Memorandum Preparation

Upon completion of Tasks 5.1 and 5.2, TeamOne will provide an Environmental Technical Memorandum identifying key environmental and biological conditions that may limit site development or incur additional development costs. Additionally, TeamOne will identify potential ecological permitting constraints that may be required for the development and operation of the proposed Project. This Report will also include Geographic Information System (GIS) based exhibits refined from Tasks 3.1 and 3.2, above, including generalized wetlands/waterbody locations, land use, soils, topographic information, and listed species habitats and/or observed occurrence/s.

<u>Task 5 Deliverables:</u>

- Draft and Final Conceptual Water Use Plan TM.
- Raw Water Feasibility Study Technical Memorandum, to be incorporated as an appendix to the Conceptual Water Use Plan TM.
- Ecological Pedestrian Walk-through and Desktop Analysis TM, to be incorporated as an appendix to the Conceptual Water Use Plan.
- Presentation summarizing the findings and recommendations.

TASK 6 – CONCEPTUAL SYSTEM LAYOUT AND OPERATIONAL PROTOCOL

TeamOne will utilize the TM prepared under Task 5 to present the Surface Water Supply project construction components as applicable to support the WUP application.

Under this task, TeamOne will prepare a proposed operational protocol for the Peace River project. The intent of the operational protocol is to identify a proposed schedule for the timing and quantity of potential water capture from Peace River.

TeamOne will prepare a TM summarizing the proposed operational plan, which will subsequently be used to support the WUP application. A draft version of the Operational Plan Memorandum will be provided to PRWC for review, and any comments received will be addressed in final versions of the memoranda for inclusion in the WUP application.

Task 6 Deliverables:

- Draft and Final Operational Plan Memorandum

TASK 7 – HYDROBIOLOGICAL MONITORING PLAN

TeamOne will assist PRWC to develop a proposed Hydrobiological Monitoring Plan (HBMP) for the planned Peace River water supply project.

The HBMP will detail various parameters that will be monitored and the frequency of that monitoring, including potential monitoring methodologies and parameters as they each relate to the assurance that the Peace River, contributing streams/creeks, and adjacent wetlands will not be impacted by the proposed establishment of a new surface water withdrawal. The HBMP will also propose an adequate amount of baseline environmental data prior to operation of the proposed new Peace River surface water withdrawal facility. Specifically, the HBMP will include planned efforts to address the following specific goals consistent with SWFWMD water use permitting requirements:

- Document of existing conditions in potentially affected waterbodies.
- Enable the detection of changed or changing conditions in the potentially affected waterbodies.
- Determine if the detected changes are attributable to reductions in river or other surface water flow.
- Provide a scientifically defensible means to evaluate whether the permitted surface water withdrawal is causing or significantly contributing to the detected changes.
- Determine if the detected changes represent or could result in unacceptable adverse impacts.
- Recommend appropriate management actions or operational changes designed to eliminate or mitigate unacceptable adverse impacts if they occur or are expected to occur.

TeamOne will conduct one site visit and prepare a memorandum or report summarizing the proposed HBMP, which will subsequently be used to support the WUP application. A draft version of HBMP Memorandum will be provided to PRWC for review, and any comments

received will be addressed in a final version of the memorandum for inclusion in the WUP application.

Task 7 Deliverables:

- Draft and Final Hydrobiological Monitoring Plan Memorandum.

TASK 8 – WATER USE PERMIT APPLICATION

TeamOne will compile the information gathered in previous tasks to develop the WUP application and supporting materials, including the SWFWMD WUP Application Form, Public Supply Use Supplemental Form and Southern Water Use Caution Area (SWUCA) Supplemental Form. In accordance with the SWFWMD WUP Applicant's Handbook and CFWI Supplemental Applicant's Handbook, the WUP application may include but not be limited to the following information:

- Introductory cover letter.
- An overview of the PRWC, its service areas, and legal authority for the proposed water supplies.
- Information on SWFWMD initiatives and policies supporting alternative water supply development.
- An overview of the project including the conceptual layout and proposed Upper Peace River withdrawals.
- SWFWMD application form.
- Supplemental Form E for public water supply use.
- SWUCA supplemental form.
- Demand projections memorandum.
- Surface water availability and impact assessment memorandum.
- Conceptual system design memorandum.
- Operational plan memorandum.
- Water conservation plan.
- Hydrobiological monitoring plan.
- Discussion of the project's compliance with the conditions for issuance of a water use permit.

An electronic version of the application package will be provided to the PRWC for review including with the supporting forms and documentation. After all comments are received and reviewed, the application and supporting documents will be updated as needed and finalized. A draft version of the application package will be shared with SWFWMD regulatory staff for courtesy review and comment. TeamOne will consider and address SWFWMD comments in the preparation of a final version of the WUP application. The final application and supporting documents will then be uploaded to the SWFWMD online permitting portal, and an electronic copy of the entire application package will be provided to the PRWC.

Task 8 Deliverables:

- Draft WUP Application and Supplemental Documentation.
- Final WUP Application and Supplemental Documentation.
- Submittal of the application package to the SWFWMD.

TASK 9– RESPONSE TO REQUESTS FOR ADDITIONAL INFORMATION (RAI)

Subject to the budget allocated for this task, TeamOne will prepare responses to up to two anticipated RAIs from the SWFWMD or provide other as-needed support to the PRWC in support of this application. The current RAI response procedure allows for submittal of a partial response for review by SWFWMD staff so that the final response meets their approval. Therefore, it is assumed that no more than 2 RAIs will be required for permit issuance.

However, subsequent RAI responses may be needed for the potential complexity of the comprehensive WUP application for purposes of budgeting this task. Each RAI response will be provided to the PRWC for review prior to submittal to SWFWMD. The level of assistance that TeamOne can provide to PRWC to respond to WUP RAIs is dependent upon the number and complexity of such RAIs. If needed, TeamOne can continue to assist PRWC with WUP RAIs through an additional or amended service authorization provided by PRWC.

Task 9 Deliverables:

- Draft and Final RAI Responses.

WORK ASSIGNMENT ASSUMPTIONS

Because of the nature of this project, certain assumptions apply to this Scope of Services. To the extent possible, these assumptions are stated within this document and are reflected in the budget.

- The PRWC shall furnish TeamOne with available studies, reports, and other data pertinent to TeamOne's services; obtain or authorize TeamOne to obtain or provide additional reports and data as required; furnish to TeamOne services of others required for the performance of TeamOne's services hereunder, and TeamOne shall be entitled to use and rely upon all such information and services provided by the PRWC or others in performing TeamOne's services under this Work Assignment.
- In providing opinions of cost, financial analyses, economic feasibility projections, and schedules for potential projects, TeamOne has no control over cost or price of labor and material; unknown or latent conditions of existing equipment or structures that may affect operation and maintenance costs; competitive bidding procedures and market conditions; time or quality of performance of third parties; quality, type, management, or direction of operating personnel; and other economic and operational factors that may materially affect the ultimate project cost or schedule. Therefore, TeamOne makes no warranty that the PRWC's actual project costs, financial aspects, economic feasibility, or schedules will not vary from TeamOne's opinions, analyses, projections, or estimates.
- Services are intended to provide the conceptual layout and feasibility assessments only for those elements described herein and are intended to support the Water Use Permitting application process. Additional services will be required for full conceptual system design.
- Geotechnical testing and the services based thereon are limited to the sampling and testing performed and may not be representative of conditions of the entire Site. Recommendations will be based on information that is provided by PRWC or Mosaic or as obtained through these services.

- Formal wetland and waterbody delineations are not included in these services.
- Formal species surveys are not included in these services.
- Wetland permitting and permitting fees are not included in these services.
- Listed species permitting and permitting fees are not included in these services.
- FWS Section 7 and 10 services are not included in these services.
- Wetland permitting and permitting fees are not included in these services.
- Wetland mitigation design and planning services are not included in these services.
- Land survey is not included in these services.
- The CONSULTANT is not responsible for identifying any existing property encumbrances.
- Local ordinance permitting (i.e., arbor permitting) is not included in these services.
- Phase I Site Assessments are not included in these services.
- A formal Cultural Resource Assessment Survey (CRAS) is not included in these services.
- Site Access will be provided by PRWC and/or Mosaic.

COMPENSATION

The total, maximum compensation for this project estimated to be is on a fee not to exceed basis

Table 1 Project Fee by Task

Description	Budget
Task 1 – Project Management and Coordination	$58,074
Task 2 – Water Demand Projections	$42,396
Task 3 – Water Conservation	$17,296
Task 4 – Yield Analysis and Impact Assessment	$52,566
Task 5 – Mosaic Site Feasibility	$251,714
Task 6 – Operational Protocol	$10,680
Task 7 – Hydrobiological Monitoring Plan	$27,492
Task 8 – Water Use Permit Application	$12,730
Task 9 –Responses to Requests for Additional Information	$26,692
TOTAL	**$499,640**

PROJECT SCHEDULE

The overall duration of the project is anticipated to be 28 months and is subject to the final, adopted MFL. The 28-month duration assumes the following:

- October 1, 2026 NTP
- October 1, 2026 initiate Task 5.1, Conceptual System Layout
- December, 2026 – Ecological Pedestrian Walk Through and Desktop Study
- April, 2027 – Pre-application meeting with SWFWMD
- June 28, 2027 – Conceptual Water Use Plan delivery.
- October 2027 – Submit Permit Application

EXHIBIT C
POLK REGIONAL WATER COOPERATIVE
ALTERNATIVE WATER SUPPLY TECHNICAL EVALUATIONS

SCOPE OF SERVICES

SEPTEMBER 8, 2026

INTRODUCTION

The Polk Regional Water Cooperative (PRWC) has requested that the Carollo Engineers, Inc. team (a.k.a. "TeamOne") provide as-needed professional engineering services to conduct technical evaluations of other alternative water supply sources. Formed in 2016, the PRWC is at various stages of planning and construction of five alternative water supply (AWS) projects. The goal of this project is to provide the technical services necessary to advance the planning of those project not already under design, or to determine if new sources are feasible.

The PRWC is tasked with proactively identifying alternative water resources and projects that ensure the future sustainability of the regional water supply. In response, PRWC's first two AWS projects, the Southeast and West Polk Wellfield brackish groundwater supplies, are underway now, with water to be delivered by early 2029 and 2032, respectively. Three additional projects, all surface water supplies, are at the planning stage to meet demands beyond 2032.

Under this project, TeamOne will provide as-needed, hourly services to assess the feasibility of these surface water supply projects or other potential AWS projects. As detailed herein, specific AWS project alternatives that may be assessed include excess reclaimed water from the TECO Polk Power Station, Alafia River or substitute alternatives developed in cooperation with Tampa Bay Water, or additional reclaimed water supply from PRWC member governments. Services will only be provided if authorized by PRWC staff and will be performed up to the fee budgeted for this program. Anticipated services are described below in the Scope of Services and will be performed under the terms of the Phase 1 Combined Projects Contract.

SCOPE OF SERVICES

TASK 1 - PROJECT MANAGEMENT, COMMUNICATION, AND COORDINATION

Carollo will administer this project as the prime consultant and will be responsible for the project administration, coordination of subconsultants, and invoicing. The project manager will make staffing assignments, review work progress, and coordinate quality assurance and review procedures.

Task 1.1 – Project Invoicing and Monthly Progress Reports

Carollo will provide monthly invoices and progress reports that identify what work has been performed during the month and work anticipated for the following month. These reports will be delivered as part of the monthly invoice. An action/decision log will also be included to document project status and decisions throughout the project.

Task 1.2 – Project Meetings

Carollo and other members of TeamOne will meet periodically with PRWC staff and/or member government staff as needed to keep them informed of the project status and discuss upcoming tasks and deliverables. For the purposes of formulating a fee estimate for this task, the following assumptions are made:

- Twelve (12) monthly Technical Advisory Committee meetings via Teams.
- Two (2) Board update meetings.
- Three (3) additional meetings to be determined as dictated by needs identified throughout the project. These could include additional meetings with member governments as needed, Southwest Florida Water Management District (SWFWMD) staff, or other local or regional agencies to discuss specific topics relevant to the project.

TeamOne will prepare meeting agendas and minutes to document discussions, decisions, and progress. All meetings conducted throughout the project will be billed on a time and materials basis.

Task 1.3 – Subconsultants Management and Coordination

Carollo will manage the efforts of the subconsultants, including review of work progress and deliverables, invoicing, and payments. This effort includes coordinating meetings, schedule, and deliverables.

Task 1.4 – Quality Management

Carollo will assign a quality manager to the project to oversee the quality checks of project calculations, hydraulic model checks, and review of deliverables. All QA/QC will be performed by a Quality Manager and pertinent technical experts assigned to the project.

TASK 2 – TECO POLK POWER STATION INVESTIGATION

TeamOne will conduct a desktop investigation of water availability at the TECO Energy, Inc. (TECO) Polk Power Station.

TECO owns and operates a Power Station in Mulberry Florida which utilizes reclaimed water (treated wastewater effluent) from the Cites of Lakeland, Mulberry and from Polk County. Pump stations and other infrastructure to deliver 10 million gallons per day (MGD) of measurable benefit were co-funded by SWFWMD, but TECO may never need to utilize the full capacity. Therefore, there may be excess reclaimed water available for regional use by the PRWC.

Under this task, TeamOne will review TECO's existing infrastructure and supply in relation to the locations of other planned PRWC infrastructure, and will also assess the water quality and additional treatment required to make this a viable AWS source for the PRWC. Cost estimating for the infrastructure (e.g., raw and finished transmission, treatment facility, and storage) will be

conducted at a very conceptual level using the CFWI costing tool. The goal of this task is to provide PRWC with the information needed to determine if an AWS project concept should be invested at the preliminary design level.

A technical memorandum may be developed which summarizes the investigation and will make recommendations for future work. Project concepts may be included in the planned PRWC Regional Water Supply Plan, which will be developed under a separate authorization.

TASK 3 – ALAFIA RIVER OR JOINT AWS WITH TAMPA BAY WATER

Under the terms of the Settlement and Coordination Agreement Between PRWC, Tampa Bay Water (TBW), and SWFWMD, the parties will work to identify a future AWS project that will supply 12 MGD to the PRWC.

Under this task, TeamOne will attend quarterly coordination meetings and provide technical services to support the feasibility of project concepts. Efforts may include but not be limited to pipeline route analyses, hydraulic modeling, cost estimating, and water quality blending evaluations.

A technical memorandum may be developed which summarizes the investigation and will make recommendations for future work. Project concepts may be included in the planned PRWC Regional Water Supply Plan.

TASK 4 – RECLAIMED WATER OR OTHER AWS

Regional reclaimed water quantities and locations with Polk County were evaluated in 2023 and will be re-visited under a separate PRWC Regional Water Supply Plan project to determine the potential for utilizing unused reclaimed water to augment or offset potable water demands.

Under this task, TeamOne will advance the review of reclaimed water availability beyond that level of information prepared under the RWSP. This may involve coordination with member governments, SWFWMD, or other non-members (e.g., Plant City) to determine if there are opportunities beyond those previously investigated. Feasibility analysis may involve the assessment of seasonal availability and conjunctive use strategies and water quality assessments to inform treatment requirements.

A technical memorandum may be developed which summarizes the investigation and will make recommendations for future work. Project concepts may be included in the planned PRWC Regional Water Supply Plan.

On an as-needed basis, this task may also involve the review and assessment of other AWS options as directed by PRWC staff, limited to the level of effort authorized for the task.

DELIVERABLES

The following deliverables will be provided:

- Meeting agenda and minutes for all meetings outlined in Task 1.
- Draft and final electronic figures, technical memoranda, and other deliverables summarizing feasibility evaluations prepared under Tasks 2 through 4.

ITEMS NOT INCLUDED

The following items are not included:

1. Facility condition assessments. Carollo will incorporate documentation of facility condition as available from the PRWC and/or member governments.
2. Meetings beyond what is specified in this Scope of Services.
3. Model scenarios beyond what is specified in this Scope of Services.

ASSUMPTIONS

Because of the nature of this project, certain assumptions apply to this Scope of Services. To the extent possible, these assumptions are stated within this document and are reflected in the budget. If the project task requirements are significantly different from the assumptions presented in this Scope of Services, or if the PRWC desires additional services, the resultant change in scope will serve as a basis for amending this project assignment or initiating the development of a new project assignment as agreed to by both the PRWC and Carollo. The following assumptions and PRWC responsibilities apply to this project:

1. The PRWC and its members and customers will provide requested data and other information relative to the project. Carollo shall be entitled to rely upon the accuracy of such data and information without independent review or evaluation.
2. In providing opinions of cost, financial analyses, economic feasibility projections, schedules, and quantity and/or quality estimates for potential projects, Carollo has no control over cost or price of labor and material; unknown or latent conditions of existing equipment or structures that may affect operation and maintenance costs; competitive bidding procedures and market conditions; time or quality of performance of third parties; quality, type, management, or direction of operating personnel; the incoming water quality and/or quantity; the way the PRWC's plant(s) and/or associated processes are operated and/or maintained; and other economic and operational factors that may materially affect the ultimate project elements, including, but not limited to, cost or schedule. Therefore, Carollo makes no warranty that the PRWC's actual project costs, financial aspects, economic feasibility, schedules, and/or quantities or quality realized will not vary from Carollo's opinions, analyses, projections, or estimates.

3. Notwithstanding any contrary provision in the Agreement, Carollo shall be entitled to use and reasonably rely upon all such information and services provided by the PRWC or others in performing Carollo's services under this Agreement, in accordance with the standard of care.

4. The PRWC shall arrange for access to and make all provisions for Carollo to enter upon public and private property as required for Carollo to perform services hereunder.

5. Documents, including drawings and specifications, prepared by Carollo pursuant to this Agreement are not intended or represented to be suitable for reuse by the PRWC or others for this Project or on any other project. Any reuse of completed documents or use of partially completed documents without written verification or concurrence by Carollo for the specific purpose intended will be at the PRWC's sole risk and without liability or legal exposure to Carollo.

6. Notwithstanding any contrary provision in the Agreement, Carollo shall perform the Services as expeditiously as is consistent with the standard of care.

7. The services to be performed by Carollo are intended solely for the benefit of the PRWC. No person or entity not a signatory to this Agreement shall be entitled to rely on Carollo's performance of its services hereunder, and no right to assert a claim against Carollo by assignment of indemnity rights or otherwise shall accrue to a third party as a result of this Agreement or the performance of Carollo's services hereunder.

8. The PRWC will provide all required information within the timeframe established in the schedule contained in the Scope of Services. The schedule is based upon timely receipt of data, which will be provided based on a reasonable, mutually agreed upon timeframe.

9. The PRWC will review and comment upon deliverables within three weeks of receipt.

SCHEDULE

The Scope of Services will be delivered over the course of 18 months after given the notice to proceed. The estimated time required for the completion of each task and the approximate date for distribution of deliverables is summarized in the following project schedule.

FEE

A summary of the project fee is provided in Table 1 below. Compensation will be based on a fee not to exceed basis, with all services performed at PRWC's direction.

Table 1 Project Fee by Task

Description	Budget
Task 1 – Project Management and Coordination	$7,430
Task 2 – TECO Polk Power Station Investigation	$25,410
Task 3 – Alafia River or Joint AWS with TBW	$49,820
Task 4 – Reclaimed Water or Other AWS	$17,252
TOTAL	**$99,912**

Agenda Item H.1. 9/16/2026

SUBJECT

Election of Chairman, Vice-Chairman, and Secretary for the PRWC Southeast Wellfield Board of Directors - FY2027 (Action)

DESCRIPTION

The Polk Regional Water Cooperative's (PRWC) Formation Interlocal Agreement and the Implementation Agreements have essentially the same provisions regarding Board of Director's (BOD) officers. Both the Regular Cooperative Board, Combined Projects Board, Southeast Wellfield Project Board, and the West Polk Project Board elect a Chairman, Vice-Chairman, and Secretary/Treasurer to serve for a term of one year. Each officer may serve two consecutive one-year terms, if re-elected.

The current Chairman on the PRWC Southeast Wellfield Project BOD is Trish Pfeiffer (Bartow), the Vice-Chairman is Becky Troutman (Polk County), and the Secretary/Treasurer position is Morris West (Haines City). All three officers have served one term in their position and are eligible to be elected to a second one-year term.

RECOMMENDATION

Request the BOD to elect a Chairman, Vice-Chairman and Secretary/Treasurer for FY2026 (beginning October 1, 2026 through September 30, 2027).

FISCAL IMPACT

There is no fiscal impact associated with this item.

CONTACT INFORMATION

Eric DeHaven
Ed de la Parte

Agenda Item H.2. 9/16/2026

SUBJECT

Adopt Resolution 2026-13 for the Final PRWC Southeast Wellfield Project Budget - FY2027 (Action)

DESCRIPTION

The Fiscal Year (FY) 2027 Final Southeast Wellfield Project Budget for the PRWC is presented for the Board's consideration and approval. 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 2026 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).

The Business Plan for FY 2027 included the salary for a contractual project manager and the pro-rata allocation of administrative contractual employees' salaries in the Southeast project costs. These costs are reflected in the total FY 2027 budget.

Included with this agenda item is Resolution 2026-13 which memorializes the Regular Board of Directors action of approving the FY 2027 Final Southeast Wellfield Project Budget. Exhibit A recaps expenditures on previous FY budgets and the budget for FY 2027. Exhibit B is the water charge consisting of a Base Rate Charge for FY 2027. Project Participants shall be obligated to pay these charges upon receipt of billing to commence October 2026 and end September 2027.

RECOMMENDATION

Approve Resolution 2026-13 for the FY 2027 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 and Exhibit B of Resolution 2026-13 and to expend funds accordingly.

CONTACT INFORMATION

Eric DeHaven
Laura Guy-Rice

POLK REGIONAL WATER COOPERATIVE

Resolution 2026-13

RESOLUTION APPROVING SOUTHEAST WELLFIELD PROJECTS COSTS PORTION OF THE FINAL BUDGET FOR FY 2027

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 2027 is comprised of Administrative Expenses, Conservation Expenses, and Water Project Costs. FY 2027 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 2027, including Southeast Wellfield Project Costs, at its regularly scheduled meeting on July 29, 2026;

WHEREAS, each Member Government was provided written notice of the Cooperative's intention to adopt the Final Budget for FY 2027, along with a copy of the Tentative Budget for FY 2027, including

Water Project Costs, prior to the Southeast Wellfield Project Board's regular meeting on September 16, 2026;

WHEREAS, the Southeast Wellfield Project Board conducted a public hearing on the Southeast Wellfield Project Costs portion of the Final Budget for FY 2027 on September 16, 2026 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 2027 at its regular meeting on September 16, 2026 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 2027 attached hereto as **Exhibit A** and **Exhibit B**.

DONE at Auburndale, Florida this 16th day of September, 2026

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

FY 2027 FINAL SOUTHEAST WELLFIELD PROJECT BUDGET

Polk Regional Water Cooperative
Final Southeast Wellfield Project Budget
Fiscal Year 2027

	FY 2027	FY 2026	FY 2025	FY 2024	FY 2023
Projected Costs ($M)	**$ 166.44**	**$ 183.94**	**$ 180.49**	**$ 28.40**	**$ 34.97**
Funding ($M)					
Co-funding and other Grants [1]	**38.08**	**$ 60.92**	**$ 78.20**	**$ 8.62**	**$ 10.40**
PRWC Obligation [2, 3]	**$ 128.36**	**$ 123.02**	**$ 102.29**	**$ 19.78**	**$ 24.57**
Project	$ -	*$ 122.69*	*$ 102.29*	*$ 19.78*	*$ 24.57*
Project Manager [3]	$ -	*$ 0.14*	$ -	$ -	$ -
Contractual Employees Salary Allocation	$ -	*$ 0.19*	$ -	$ -	$ -
TOTAL FUNDING	**$ 166.44**	**$ 183.94**	**$ 180.49**	**$ 28.40**	**$ 34.97**
Actual Expenditures ($M) [4]	**N/A**	**$ 59.25**	***$ 78.10***	***$ 29.03***	***$ 14.29***

NOTES:
Commencing with FY 2025, Business Plan budget methodology is followed.

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

2. Primary financing is through WIFIA and SRF with other funding sources pursued as needed. Additional grant funding may reduce PRWC obligation. This does not include debt issuance costs.

3. FY 2027 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. For FY 2027, these costs are included in the projected Business Plan costs.

4. FY 2026 actual expenditures are through March, which reflects only 32% expended with higher expenditures projected in last six months. The FY 2026 budget was built on a higher amount of material purchases and grants being shifted forward from prior fiscal years.

EXHIBIT B

FY 2027 FINAL SOUTHEAST WELLFIELD PROJECT

WATER CHARGES

Polk Regional Water Cooperative
Final Southeast Wellfield Budget - Water Charges
Fiscal Year 2027

MEMBER FUNDING COSTS	2045 AWS Demands (MGD)	% of Total 2045	FY 2027 Project Cost	True Up Adjustment FY 2025 and FY 2024	FY 2027 Total Water Charge
Auburndale	1.65	10.12%	$ 547,722	$ (270,908)	$ 276,814
Bartow	0.36	2.21%	$ 119,611	$ (63,952)	$ 55,659
Davenport	2.72	16.69%	$ 903,309	$ (462,047)	$ 441,262
Dundee	0.90	5.52%	$ 298,758	$ (146,323)	$ 152,435
Eagle Lake	0.65	3.99%	$ 215,950	$ (141,293)	$ 74,657
Fort Meade	0.00	0.00%	$ -	$ -	$ -
Frostproof	0.00	0.00%	$ -	$ -	$ -
Haines City	3.50	21.47%	$ 1,162,015	$ (565,950)	$ 596,065
Lake Alfred	1.00	6.13%	$ 331,772	$ (207,452)	$ 124,320
Lake Hamilton	0.50	3.07%	$ 166,157	$ (81,377)	$ 84,780
Lake Wales	0.00	0.00%	$ -	$ -	$ -
Lakeland	0.10	0.61%	$ 33,015	$ (38,223)	$ (5,208)
Mulberry	0.00	0.00%	$ -	$ -	$ -
Polk City	0.00	0.00%	$ -	$ -	$ -
Polk County	3.40	20.86%	$ 1,129,000	$ (574,441)	$ 554,559
Winter Haven	1.52	9.33%	$ 504,965	$ (252,435)	$ 252,530
TOTAL	**16.30**	**100%**	**$ 5,412,274**	**$ (2,804,401)**	**$ 2,607,873**

Agenda Item H.3. 9/16/2026

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) Bidding and Construction;
    a. Production wells
    b. Water Production Facility
    c. Transmission Main
2) Land acquisition;
3) 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.4. 9/16/2026

SUBJECT

Adopt Resolution 2026-11 to Approve the Truist Loan Refinancing and New Money Interim Loan (Action Item)

DESCRIPTION

In April 2023, the PRWC Board of Directors approved the WIFIA loan agreement in the amount of $305,799,441 to provide long-term funding for eligible project costs through the anticipated five-year construction period. The WIFIA loan closed in May 2023 and has an interest rate of 4.02%.

As an alternative to drawing from the WIFIA loan for the initial three years of construction, Truist Bank proposed a $154,338,308 fixed-rate tax-exempt bank loan to be used as interim financing. The Truist loan had an interest rate of 3.55% with tender dates beginning in November 2025 and every six months thereafter until November 2028. The Truist loan was fully funded at closing, allowing for the loan proceeds to be invested in a fully collateralized depository account with Truist Bank Interest on the Truist loan has been paid annually by member payments. The net interest cost of the Truist loan, when considering investment earnings, results in debt service savings when compared to draws on the higher interest rate WIFIA loan.

Additionally, by delaying draws on the WIFIA loan using the Truist loan, the PRWC maintained the flexibility to request a one-time interest rate reset on the WIFIA loan if rates declined and certain conditions were met. Interest rates have increased since May 2023, and the WIFIA loan rate of 4.02% is much lower than the current applicable WIFIA loan rate of approximately 5.26%.

In November 2025, the PRWC extended the Truist loan for one year to continue to access interim financing at a lower interest rate than WIFIA. The loan was extended to November 13, 2026, at an interest rate of 3.78%.

The PRWC would like to continue to access interim financing at a lower interest rate than WIFIA and may wish to repay portions of the interim financing from WIFIA, grants, and/or SRF loan proceeds over the next year. To be able to pay off a loan at any time without penalty, the PRWC would like to refinance the loan with a variable rate, non-revolving line of credit. The WIFIA loan agreement restricts variable rates to no more than 25% of its indebtedness. SRF has also notified PRWC that its federal funding has been reduced and the PRWC must seek other funds for $81M, which is discussed further below.

To obtain additional interim financing and meet these requirements, the PRWC requested:

1) a non-revolving, variable rate loan in the amount of approximately $135M to refinance a portion of the existing Truist loan, and

2) a non-revolving, fixed rate loan in the amount of approximately $65M to refinance the remaining portion of the existing Truist loan and provide approximately $45.7M in additional interim financing to be deposited into an escrow account.

The interest rate on the variable rate loan will reset monthly at 79% of 1-Month Term SOFR plus 0.70%, which is currently approximately 3.63%. The fixed rate loan is currently at an estimated interest rate of 3.90%, with the $45.7M new money portion.

These proposed obligations are summarized as follows:

PRWC 2026 Truist Variable Rate Loan and Fixed Rate Loan

	Interest Rate	Uses	Subtotal Refinancing	
New Variable Rate Loan	3.63%	134,923,982		Refinance Portion of Truist Interim WIFIA Loan
New Fixed Rate Loan	3.90%	19,414,326	154,338,308	Refinance Portion of Truist Interim WIFIA Loan
		45,661,692		New Money Invested at 3.30%
		65,076,018		
Total		**200,000,000**		

Below is a summary of the current funding for the Southeast Wellfield project after notification from SRF of the $81M reduction in funding. The most recent plan of finance reduced the amount of WIFIA funding and increased the low-interest rate SRF funding. Given SRF's notification, the $81M will be funded by increasing WIFIA to the full amount available and interim financing from the new Truist fixed rate loan. The interim financing can be taken out by additional SRF, if available, and/or a long-term bank loan or bonds.

Southeast Funding Summary	
Description	Capital Costs
WIFIA Construction Loan	215,346,450
SWFWMD Grants	166,306,142
SRF Construction Loans	41,781,520
SRF Principal Forgiveness	7,218,480
State Appropriations	49,721,179
SRF Design Loans	21,434,636
Heartland Grants	14,475,130
Member Funds	7,214,795
Federal Grants	2,038,635
Existing SRF Planning Loan	912,438
Additional Funding Source	41,442,062
Total Capital Expenditures	**567,891,467**

Proposed New Truist Loans	
Additional Funding Need Due to Reduced SRF	41,442,062
Additional Interim Amount from Truist (may be reimbursed from WIFIA or used for Cap I and taken out w/ permanent financing)	4,219,630
Subtotal Additional Funds from New Truist Loan	45,661,692
Transfer of Existing Truist Loan Balance	154,338,308
Total New Truist Loans	**200,000,000**

The following table summarizes the PRWC's total fixed and variable rate debt after the issuance of the new Truist loans.

PRWC - Fixed and Variable Rate Mix	Proposed Plan	
SRF Construction Loans	41,781,520	Fixed
SRF Design Loans	21,434,636	Fixed
WIFIA Construction Loan	305,799,441	Fixed
New Truist Variable Rate Loan	134,753,899	Variable
New Truist Fixed Rate Loan	19,584,409	Fixed, Not Invested
	45,661,692	Fixed New Money, Invested at Closing
Subtotal Truist Interim Financing	200,000,000	
Existing Truist Line of Credit	10,000,000	Variable
Total Debt	**579,015,597**	
Fixed Rate	434,261,698	75%
Variable Rate	144,753,899	25%
	579,015,597	100%

RECOMMENDATION

Adopt Resolution 2026-11 to approve the new Truist variable rate loan to refinance $134.9M of the prior Truist loan and approve the new Truist fixed rate loan to refinance $19.4M of the prior Truist loan and provide $45.7M in new interim financing for construction.

FISCAL IMPACT

The PRWC has utilized the lower interest rate Truist loan and has not made a draw upon the WIFIA loan. Given the upcoming mandatory put date on the Truist loan and notification from SRF that it cannot commit to $81M in funding at this time, refinancing the loan continues to provide funding at a lower interest cost than WIFIA and the increased new money provides interim funds for construction. If additional SRF funding becomes available, the PRWC could pay off an equal amount of the new Truist loan with low interest cost SRF funding. The flexibility for PRWC to provide more time for SRF funds to become available is valuable due to the subsidized interest rates and potential principal forgiveness. The interest rates on the new Truist loan are as of this date below the WIFIA loan. Also, the interest earnings on the unspent Truist loan proceeds help offset the interest cost of the new money portion of the loan.

CONTACT INFORMATION

Julie Santamaria, PFM Financial Advisors LLC

Agenda Item I.1. 9/16/2026

SUBJECT

Election of Chairman, Vice-Chairman, and Secretary for the PRWC West Polk Project Board of Directors - FY2027 (Action)

DESCRIPTION

The Polk Regional Water Cooperative's (PRWC) Formation Interlocal Agreement and the Implementation Agreements have essentially the same provisions regarding Board of Director's (BOD) officers. Both the Regular Cooperative Board, Combined Projects Board, Southeast Wellfield Project Board, and the West Polk Project Board elect a Chairman, Vice-Chairman, and Secretary/Treasurer to serve for a term of one year. Each officer may serve two consecutive one-year terms, if re-elected.

The current Chairman on the PRWC West Polk Wellfield Project BOD is Mike Musick (Lakeland), the Vice-Chairman is Joe Lacsia (Polk City), and the Secretary/Treasurer is Alex Cam (Auburndale). All three officers have served one term in their position and are eligible to be elected to a second one-year term.

RECOMMENDATION

Request the BOD to elect a Chairman, Vice-Chairman and Secretary/Treasurer for FY2026 (beginning October 1, 2026 through September 30, 2027).

FISCAL IMPACT

There is no fiscal impact associated with this item.

CONTACT INFORMATION

Eric DeHaven
Ed de la Parte

Agenda Item I.2. 9/16/2026

SUBJECT

Adopt Resolution 2026-14 for the Final PRWC West Polk Wellfield Project Budget - FY2027 (Action)

DESCRIPTION

The Fiscal Year (FY) 2027 Final West Polk Wellfield Project Budget for the PRWC is presented for the Board's consideration and approval. 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 2026 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).

The Business Plan for FY 2027 included the pro-rata allocation of administrative contractual employees' salaries in the West Polk project costs. These costs are reflected in the total FY 2027 budget.

Included with this agenda item is Resolution 2026-14 which memorializes the Regular Board of Directors action of approving the FY 2027 Final West Polk Wellfield Project Budget. Exhibit A recaps expenditures on previous FY budgets and the budget for FY 2027. Exhibit B is the water charge consisting of a Base Rate Charge for FY 2027. Project Participants shall be obligated to pay these charges upon receipt of billing to commence October 2026 and end September 2027.

RECOMMENDATION

Approve Resolution 2026-14 for the FY 2027 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 and Exhibit B of Resolution 2026-14 and to expend funds accordingly.

CONTACT INFORMATION

Eric DeHaven
Laura Guy-Rice

POLK REGIONAL WATER COOPERATIVE

Resolution 2026-14

RESOLUTION APPROVING WEST POLK WELLFIELD PROJECT COSTS PORTION OF THE FINAL BUDGET FOR FY 2027

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 2027 is comprised of Administrative Expenses, Conservation Expenses, and Water Project Costs. FY 2027 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 2027, including West Polk Wellfield Project Costs, at its regularly scheduled meeting on July 29, 2026;

WHEREAS, each Member Government was provided written notice of the Cooperative's intention to adopt the Final Budget for FY 2027, along with a copy of the Tentative Budget for FY 2027, including

Water Project Costs, prior to the West Polk Wellfield Project Board's regular meeting on September 16, 2026;

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 2027 on September 16, 2026 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 2027 at its regular meeting on September 16, 2026 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 2027 attached hereto as **Exhibit A** and **Exhibit B**.

DONE at Auburndale, Florida this 16th day of September, 2026.

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

FY 2027 FINAL WEST POLK WELLFIELD PROJECT BUDGET

Polk Regional Water Cooperative
Final West Polk Wellfield Project Budget
Fiscal Year 2027

	FY 2027	FY 2026	FY 2025	FY 2024	FY 2023
Projected Costs ($M)	**$ 5.22**	**$ 16.68**	**$ 27.18**	**$ 11.89**	**$ 7.18**
Funding ($M)					
Co-funding and other Grants [1]	**$ -**	**$ 7.60**	**$ 7.62**	**$ 3.95**	**$ 1.85**
PRWC Obligation [2, 3]	**$ 5.22**	**$ 9.08**	**$ 19.56**	**$ 7.94**	**$ 5.33**
Project	$ 5.22	$ 9.06	$ 19.56	$ 7.94	$ 5.33
Contractual Employees Salary Allocation		$ 0.02			
TOTAL FUNDING	**$ 5.22**	**$ 16.68**	**$ 27.18**	**$ 11.89**	**$ 7.18**
Actual Expenditures ($M) [4]	**N/A**	**$ 10.12**	***$ 9.14***	***$ 0.46***	***$ 1.74***

NOTES:
Commencing with FY 2025, Business Plan budget methodology is followed.

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

2. Primary financing is through WIFIA and SRF with other funding sources pursued as needed. Additional grant funding may reduce PRWC obligation. This does not include debt issuance costs.

3. FY 2027 PRWC obligation includes an allocation of the administrative contractual salaries between the Southeast and West Polk Projects on a pro rata basis. For FY 2027, these costs are included in the project costs presented in the Business Plan.

4. FY 2026 actual expenditures are through March.

EXHIBIT B

FY 2027 FINAL WEST POLK WELLFIELD PROJECT

WATER CHARGES

Polk Regional Water Cooperative
Final West Polk Wellfield Budget - Water Charges
Fiscal Year 2027

MEMBER FUNDING COSTS	2045 AWS Demands (MGD)	% of Total 2045	FY 2027 Project Cost	True Up Adjustment FY 2025 and FY 2024	FY 2027 Total Water Charge
Auburndale	0.10	1.27%	$ 16,132	$ (2,953)	$ 13,179
Bartow	0.36	4.57%	$ 58,071	$ (4,020)	$ 54,051
Davenport	0.00	0.00%	$ -	$ -	$ -
Dundee	0.00	0.00%	$ -	$ -	$ -
Eagle Lake	0.00	0.00%	$ -	$ -	$ -
Fort Meade	0.00	0.00%	$ -	$ -	$ -
Frostproof	0.00	0.00%	$ -	$ -	$ -
Haines City	0.00	0.00%	$ -	$ -	$ -
Lake Alfred	0.00	0.00%	$ -	$ -	$ -
Lake Hamilton	0.00	0.00%	$ -	$ -	$ -
Lake Wales	0.00	0.00%	$ -	$ -	$ -
Lakeland	6.31	80.08%	$ 1,017,982	$ (106,591)	$ 911,391
Mulberry	0.00	0.00%	$ -	$ -	$ -
Polk City	0.03	0.38%	$ 4,831	$ (34,400)	$ (29,569)
Polk County	0.98	12.44%	$ 158,093	$ (18,556)	$ 139,537
Winter Haven	0.10	1.27%	$ 16,145	$ (2,960)	$ 13,185
TOTAL	**7.88**	**100%**	**$ 1,271,254**	**$ (169,480)**	**$ 1,101,774**

Agenda Item I.3. 9/16/2026

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

Agenda Item I.4. 9/16/2026

SUBJECT

Adopt Resolution 2026-11 to Approve the Truist Loan Refinancing and New Money Interim Loan (Action Item)

DESCRIPTION

In April 2023, the PRWC Board of Directors approved the WIFIA loan agreement in the amount of $305,799,441 to provide long-term funding for eligible project costs through the anticipated five-year construction period. The WIFIA loan closed in May 2023 and has an interest rate of 4.02%.

As an alternative to drawing from the WIFIA loan for the initial three years of construction, Truist Bank proposed a $154,338,308 fixed-rate tax-exempt bank loan to be used as interim financing. The Truist loan had an interest rate of 3.55% with tender dates beginning in November 2025 and every six months thereafter until November 2028. The Truist loan was fully funded at closing, allowing for the loan proceeds to be invested in a fully collateralized depository account with Truist Bank Interest on the Truist loan has been paid annually by member payments. The net interest cost of the Truist loan, when considering investment earnings, results in debt service savings when compared to draws on the higher interest rate WIFIA loan.

Additionally, by delaying draws on the WIFIA loan using the Truist loan, the PRWC maintained the flexibility to request a one-time interest rate reset on the WIFIA loan if rates declined and certain conditions were met. Interest rates have increased since May 2023, and the WIFIA loan rate of 4.02% is much lower than the current applicable WIFIA loan rate of approximately 5.26%.

In November 2025, the PRWC extended the Truist loan for one year to continue to access interim financing at a lower interest rate than WIFIA. The loan was extended to November 13, 2026, at an interest rate of 3.78%.

The PRWC would like to continue to access interim financing at a lower interest rate than WIFIA and may wish to repay portions of the interim financing from WIFIA, grants, and/or SRF loan proceeds over the next year. To be able to pay off a loan at any time without penalty, the PRWC would like to refinance the loan with a variable rate, non-revolving line of credit. The WIFIA loan agreement restricts variable rates to no more than 25% of its indebtedness. SRF has also notified PRWC that its federal funding has been reduced and the PRWC must seek other funds for $81M, which is discussed further below.

To obtain additional interim financing and meet these requirements, the PRWC requested:

1) a non-revolving, variable rate loan in the amount of approximately $135M to refinance a portion of the existing Truist loan, and

2) a non-revolving, fixed rate loan in the amount of approximately $65M to refinance the remaining portion of the existing Truist loan and provide approximately $45.7M in additional interim financing to be deposited into an escrow account.

The interest rate on the variable rate loan will reset monthly at 79% of 1-Month Term SOFR plus 0.70%, which is currently approximately 3.63%. The fixed rate loan is currently at an estimated interest rate of 3.90%, with the $45.7M new money portion. These proposed obligations are summarized as follows:

PRWC 2026 Truist Variable Rate Loan and Fixed Rate Loan

	Interest Rate	Uses	Subtotal Refinancing	
New Variable Rate Loan	3.63%	134,923,982		Refinance Portion of Truist Interim WIFIA Loar
New Fixed Rate Loan	3.90%	19,414,326	154,338,308	Refinance Portion of Truist Interim WIFIA Loar
		45,661,692		New Money Invested at 3.30%
		65,076,018		
Total		**200,000,000**		

Below is a summary of the current funding for the Southeast Wellfield project after notification from SRF of the $81M reduction in funding. The most recent plan of finance reduced the amount of WIFIA funding and increased the low-interest rate SRF funding. Given SRF's notification, the $81M will be funded by increasing WIFIA to the full amount available and interim financing from the new Truist fixed rate loan. The interim financing can be taken out by additional SRF, if available, and/or a long-term bank loan or bonds.

Southeast Funding Summary	
Description	Capital Costs
WIFIA Construction Loan	215,346,450
SWFWMD Grants	166,306,142
SRF Construction Loans	41,781,520
SRF Principal Forgiveness	7,218,480
State Appropriations	49,721,179
SRF Design Loans	21,434,636
Heartland Grants	14,475,130
Member Funds	7,214,795
Federal Grants	2,038,635
Existing SRF Planning Loan	912,438
Additional Funding Source	41,442,062
Total Capital Expenditures	567,891,467

Proposed New Truist Loans	
Additional Funding Need Due to Reduced SRF	41,442,062
Additional Interim Amount from Truist (may be reimbursed from WIFIA or used for Cap I and taken out w/ permanent financing)	4,219,630
Subtotal Additional Funds from New Truist Loan	45,661,692
Transfer of Existing Truist Loan Balance	154,338,308
Total New Truist Loans	**200,000,000**

The following table summarizes the PRWC's total fixed and variable rate debt after the issuance of the new Truist loans.

PRWC - Fixed and Variable Rate Mix	Proposed Plan	
SRF Construction Loans	41,781,520	Fixed
SRF Design Loans	21,434,636	Fixed
WIFIA Construction Loan	305,799,441	Fixed
New Truist Variable Rate Loan	134,753,899	Variable
New Truist Fixed Rate Loan	19,584,409	Fixed, Not Invested
	45,661,692	Fixed New Money, Invested at Closing
Subtotal Truist Interim Financing	200,000,000	
Existing Truist Line of Credit	10,000,000	Variable
Total Debt	**579,015,597**	
Fixed Rate	434,261,698	75%
Variable Rate	144,753,899	25%
	579,015,597	100%

RECOMMENDATION

Adopt Resolution 2026-11 to approve the new Truist variable rate loan to refinance $134.9M of the prior Truist loan and approve the new Truist fixed rate loan to refinance $19.4M of the prior Truist loan and provide $45.7M in new interim financing for construction.

FISCAL IMPACT

The PRWC has utilized the lower interest rate Truist loan and has not made a draw upon the WIFIA loan. Given the upcoming mandatory put date on the Truist loan and notification from SRF that it cannot commit to $81M in funding at this time, refinancing the loan continues to provide funding at a lower interest cost than WIFIA and the increased new money provides interim funds for construction. If additional SRF funding becomes available, the PRWC could pay off an equal amount of the new Truist loan with low interest cost SRF funding. The flexibility for PRWC to provide more time for SRF funds to become available is valuable due to the subsidized interest rates and potential principal forgiveness. The interest rates on the new Truist loan are as of this date below the WIFIA loan. Also, the interest earnings on the unspent Truist loan proceeds help offset the interest cost of the new money portion of the loan.

CONTACT INFORMATION

Julie Santamaria, PFM Financial Advisors LLC