



**BOARD OF DIRECTORS  
MEETING MINUTES  
May 2, 2023**

**Directors**

**In Person:** Brian Farrar - President, Wayne Bauman - Vice President, Richard Garner – Treasurer, Vince Marchesani - Secretary, Mike Malloy, Paul Attwood, Larry Kosilla, Jim Murphy and Bob Bachman.

**Directors**

**Absent:** None

**Staff Present:** John Jenkins, Andy Koebel, Steve Richards, Kim Hoskins, Todd Griglin, Jose Espinoza, Nathalie Galvan and Courtney Stevenson.

**Legal Counsel:** Erin Houck-Toll (Remotely)

**Meeting** called to order at 5:02 p.m. by President Farrar.

**Minutes:** **Marchesani** moved to approve the Minutes for the April 18, 2023, Board Meeting. 2<sup>nd</sup> by **Kosilla**. Approved 9-0.

**Member**

**Comment:** None

**230502-01** **Courtney Stevenson** presented the 2023 FSAWWA “Drop Savers” Water Conservation Poster Contest awards to local students. The program promotes water awareness and the importance of water conservation. Several local winners also won at the State level.

**230502-02** **Dawn Colecchio** from Arthur J Gallagher & Co. presented the 2023-2024 insurance package renewal including property and casualty, general liability, auto, management liability and other coverages. A hard insurance marked following Hurricane Ian resulted in a premium of \$1,167,082, a \$224,000 increase from the prior year. Increases in property values and replacement cost assumptions resulted in 15% of the increase. On average inflation and other factors resulted in a 27% overall increase. A change in the application of the named wind storm P&C deductible of 4% from per structure to total insured value resulted in a deductible of \$8,628,966 per occurrence. Gallagher is working on optional coverages to help fill the deductible gap including a wind parametric which was explained to the Board, and a wind deductible buy down which has yet to be priced. **Murphy** moved to approve the renewal package, with ancillary policies to be

presented later. 2<sup>nd</sup> by **Attwood**. There was further discussion regarding reducing the second layer of excess liability coverage from \$10M to \$5M and other issues. **Murphy** amended the motion. 2<sup>nd</sup> by **Attwood**. **Murphy** amended a second time to vote on the package as presented. 2<sup>nd</sup> by **Attwood**. Approved 9-0.

**230502-03** **Courtney Stevenson** provided a Water Conservation Plan update. Pursuant to BSU's SFWMD Consumptive Water Use Permit and District rules BSU has developed and implemented a Standard Water Conservation Plan to promote water conservation throughout our service area pursuant to the Plan elements. Recent edits to the Plan were reviewed.

**230502-04** **Hoskins** presented a Standard Agreement for Professional Services with Agnoli, Barber & Brundage, Inc. (ABB) in the amount of \$66,150. This follows an August, 2020 agreement with ABB for work on the East Terry St. raw water main and Kent Road extension to two planned wells. This agreement will complete design of the Kent Road main including permitting, bidding services and record drawings. **Bachman** moved to approve the Proposed Agreement. 2<sup>nd</sup> by **Kosilla**. Approved 9-0

**230502-05** **Hoskins** presented a Change Order for Utility Innovations for the Spanish Wells collapsed gravity sewer line repair costs. This follows a September, 2022 Purchase Order to Utility Innovations to attempt a trenchless repair to a damaged gravity main in Spanish Wells. The trenchless repair method was unsuccessful, the contractor then undertook an open excavation repair, but did not anticipate the extraordinary dewatering, equipment and restoration needed to complete the job. A Change Order in the amount of \$115,138.00 was presented from which staff will deduct approximately \$20,000 in overstated dewatering costs. Legal counsel agrees that the BSU is likely responsible for payment of the qualifying extraordinary costs. Uretek, the company responsible for the sewer line collapse denies fault, but also has offered to waive payment for their geopolymer injection work in the amount of \$26,100. Staff and legal counsel have prepared a settlement letter requesting payment from Uretek of \$60,000.

**Bauman** moved to approve the Change Order less the staff recommended dewatering adjustment. 2<sup>nd</sup> by **Malloy**. Approved 9-0.

**230502-08** **Hoskins** provided the New Construction Project status update.

#### **Other**

**Business:** **Jenkins** confirmed distribution of the 2022 Annual Engineering Report prepared by Jacobs

**Jenkins** stated the Hickory Island Condo Association ("HICA") has questioned the requirement that its members pay monthly base facility charges as the damage from Hurricane Ian continues to render the units uninhabitable. HICA believes they should qualify for a waiver. **Koebel**

confirmed water service has been available on Hickory Island. Richards and Griglin and reviewing HICA member bills regarding water usage.

**Jenkins** advised that he and Koebel attended a Bonita Bay Water Quality Task Force Meeting regarding water quality issues in stormwater management at Bonita Bay. The meeting included presentations by FGCU staff commissioned to study stormwater quality including Dr. Serge Thomas and Dr. Don Duke. RCS and its consultants also attended. Jenkins advised the cost of advanced wastewater treatment to limit nutrients in the reclaimed water was high and BSU was investigating phosphorous removal. Jenkins has directed staff to follow up with Jacobs on this work. Board discussion ensued. Garner suggested moving this process forward as previously discussed, independent of the Task Force activities. Bachman expressed concern with the cost and impact. Farrar requested any response to the Task Force be reviewed by the Board. Garner felt the Task Force was interested in collaborating with BSU and that time had passed without much action. Jenkins thought additional information would be forthcoming from FGCU, but the studies presented were from 2022. Farrar suggested BSU hear from Kirk Martin of Water Sciences, a hydrogeologist knowledgeable about these issues. Jenkins will follow up. Attwood asked about phosphorus levels fluctuating and Koebel confirmed they may, particularly with monthly grab samples.

**Jenkins** briefed the Board on the Resilient Lee Recovery Task Force which will distribute \$1.1B in federal grant funds for future storm mitigation and resiliency efforts. BSU may want to participate in or monitor work of the Infrastructure subgroup. Funding will be directed to low and moderate income areas of the County. The funding allocation is going to be a complex, multi-year process.

**Bills:** **Garner** moved to approve payment of the bills presented and Renewal and Replacement Withdrawal Request (2023-7). 2<sup>nd</sup> by **Bachman**. Approved 9-0.

**Director  
Comments:**

**Malloy** briefed the Board on the Member Services Committee meeting.

**Marchesani** expressed concern regarding the option of a wind parametric, presented during the Property and Casualty Insurance renewal.

**Murphy** stated there were two weather stations on Bonita Grande that may be helpful in choosing a parametric wind speed location. He gave the name of Jason Zimmerman at Pelican Landing as a contact for Pelican Landing.

**Meeting adjourned at 6:57 p.m.**