



**BOARD OF DIRECTORS  
MEETING MINUTES  
April 19, 2022**

***Directors***

***In Person:***

Brian Farrar-President, Vince Marchesani-Vice President, Paul Attwood-Secretary, Bob Bachman-Treasurer, Richard Garner, Larry Kosilla, Mike Malloy and Ben Nelson

***Directors***

***Remote***

Wayne Bauman

***Staff Present:***

John Jenkins, Steve Richards, Andy Koebel, Kim Hoskins, Lisa Karnow, Jose Espinoza, Lori Nalli and Tim Augustine

***Legal Counsel:***

Don Thomson of Henderson Franklin

**IN ACCORDANCE WITH THE CENTERS FOR DISEASE CONTROL (CDC) SOCIAL DISTANCING GUIDELINES DUE TO THE COVID-19 PANDEMIC, SOME DIRECTORS, STAFF, MEMBERS, AND OTHERS ATTENDING THIS MEETING DID SO REMOTELY UTILIZING THE ZOOM MEETING ONLINE PLATFORM.**

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

**Minutes:**

**Nelson** moved to approve the Minutes from April 5, 2022 Board Meeting. 2<sup>nd</sup> by **Kosilla**. Approved 9-0.

**Marchesani** moved to approve the Minutes from the April 5, 2022 Board of Directors Special Meeting. 2<sup>nd</sup> by **Nelson**. Approved 9-0.

**Member**

**Comment:** None.

**220419-01**

Karen Miller, Chris Stewart and Mary Meima from the Florida Section of the American Water Works Association presented BSU with the Region V Best Tasting Water Award for 2022. Region V includes Lee, Collier and Hendry counties. BSU will compete in the State competition later this month.

**220419-02**

Consideration of the EPA SmartSense Partnership Agreement was tabled to a future date.

**Stevenson** proceeded with the conservation and sustainability update which included information on Grant Funding, High Efficiency Toilet Rebate Program, Outdoor Water Use Rebate Program, Education/Outreach and Communication, WaterSmart program, Risk and Resilience Assessment Follow Up and Recognition of Conservation at BSU.

**220419-03** **Richards** presented Reserve Levels and Rate Indexing Item. Market and economic conditions are substantially increasing cost of service including inflation, supply chain issues, and a tight labor market. The Consumer Price Index (CPI) for all Urban Consumers for the South Region increased by 9.1% for the year ended March 31, 2022. Section 5(D) of the Franchise Agreement allows BSU to index rates, not more than once a year, not more than the CPI index. **Bachman** moved to approve recommended 3.5% rate indexing. 2<sup>nd</sup> by **Attwood**. Approved 9-0.

**220419-04** **Hoskins** presented a contract with Wells & Water Systems to construct three wells for the Reverse Osmosis Phase 3 Wellfield Expansion (drilling only). Permitting is complete for 3 wells and Wells & Water Systems has bonding capacity to proceed. Price for the three wells is \$2,510,577.30. **Bachman** moved to approve the contract with Wells & Water Systems for drilling only. 2<sup>nd</sup> by **Garner**. Approved 9-0.

**220419-05** **Hoskins** gave an update on the Capital Improvement Program Budget, spending and encumbered amounts. Contracted amounts may carry over in subsequent years.

**220419-06** **Hoskins** updated the Board on the South Florida Water Management District Water Use Permit (WUP) Renewal. The WUP combined the Lower Tamiami and the Upper Floridan permits. The WUP increased in the maximum monthly allocation from 222 to 274 million gallons for the Lower Tamiami aquifer and will increase operational flexibility by allowing BSU to use the rated capacity of the Lime Softening reactors and supports the Reverse Osmosis expansion at the Reverse Osmosis Water Treatment Plant. The WUP expires 2042, but the Lower Tamiami allocation reverts back to prior level in five years.

#### **Other**

**Business:** **Jenkins** discussed Board scheduling items and the June 3<sup>rd</sup> BSU night at the ballpark to attend a Mighty Mussels baseball game.

**Bills:** **Bachman** moved to approve payment of the bills presented and Renewal and Replacement Withdrawal Request (2022-7). 2<sup>nd</sup> by **Attwood**. Approved 9-0.

#### **Director**

**Comments:** **Bauman** congratulated BSU on the Region V Best Tasting Water Award and suggested a bottled water labeled with award to hand out to Staff.

**Nelson** thanked staff for the improved look and content of the BSU website and social media posts. At the May 3<sup>rd</sup> Member Services Committee

Meeting, he looks forward to working on rate increase messaging. He is not happy with the Wells & Water Systems contract and cost escalation issues.

**Bachman** thanked staff for their hard work on getting the Water Use Permit approved and said it has been a long time coming. He commented on improved audio in the Board room.

**Marchesani** stated Kim gave an excellent tour of the Reverse Osmosis Water Treatment Plant construction, the Engineering/Operations Committee Meeting was a shorter meeting, drilling on Well 39 is complete, the WWRP strain press design is complete, Jacobs is moving forward with nutrient removal investigation, and the Automated Metering Infrastructure (AMI) Installation project is two-thirds complete.

**Malloy** approves of the rate increase and is pleased to hear it will generate needed revenue for the Company, feels BSU has been doing the right thing and commended BSU for not raising rates for the past 11 years and would like to see the same moving forward.

**Kosilla** also commented on the how great the website has been looking and asked about the Board group photo.

**Attwood** expressed concern with vendor relationships moving forward and his fear of cost increases which could have a huge impact on businesses.

**Farrar** stated it was a great tour of the Reverse Osmosis Water Treatment Plant and the enjoyed the Drone operator's report on the progress of the project and thanked Staff for working through all the issues and their continued hard work.

**Marchesani** added congratulations to Jose Espinoza as the Company's new IT Manager.

**Meeting Recessed at 6:00 p.m.**

**Executive Session began at 6:05 p.m.**

**Meeting Adjourned at 6:25 p.m.**