



**BOARD OF DIRECTORS
MEETING MINUTES
May 17, 2022**

Directors

In Person:

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

Directors

Absent:

Brian Farrar-President (Remote)

Staff Present:

John Jenkins, Steve Richards, Andy Koebel, Kim Hoskins, 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 Vice President Marchesani.

Minutes: **Kosilla** moved to approve the Minutes from May 3, 2022 Board Meeting. 2nd by **Attwood**. Approved 8-0. Director Farrar did not vote.

Member

Comment: None.

220517-01 Emily Moore, Chair of the Florida Section of the American Water Works Association, Chris Stewart and Karen Miller, presented the Division 4 2021 Outstanding Water Distribution System Award to BSU's Distribution/Collection Department. BSU has won the award nine times since 2009.

220517-02 **Koebel** briefed the Board on the WaterSmart AMI Customer Service Portal. A short video demonstrated the WaterSmart platform and the features offered to Members and Staff. The AMI project is 70% complete, with completion expected by October, 2022. Koebel explained the WaterSmart features compared to the FPL Flo by Moen program features.

220517-03 **Richards** confirmed the Notice of Indexing Rate Adjustment was filed with the City of Bonita Springs and Lee County on May 3, 2022. Upon advise of counsel, Staff requested approval of a June 1 implementation date. **Malloy** moved to approve the June 1 implementation date. 2nd by **Bachman**. Approved 9-0.

220517-04 **Hoskins** presented a Change Order to Jacobs Task Order #2 Reverse Osmosis Water Treatment Plant Phase 3 and Wellfield Expansion project to replace Lime Softening Water Treatment Plant (WTP) filter basin pumps and valves. Staff identified a cost \$1,392,823 which was more than double the budgeted amount due to constructability issues. **Kosilla** moved to approve the Change Order. 2nd by **Nelson**. Approved 9-0.

220517-05 **Hoskins** presented a Change Order to Jacobs Task Order #2 Reverse Osmosis Water Treatment Plant Phase 3 and Wellfield Expansion to replace selected reverse osmosis membrane vessels. Two replacement options are possible. Staff is recommending Option 2 to replace the 6 vessels on trains 1, 3 and 4 and replace all vessels (36) in train 2 which are 18 years old at a cost of \$179,411. **Bauman** moved to approve Option 2 of the Change Order to Jacobs Task Order #2. 2nd by **Garner**. Approved 9-0.

Other

Business: **Jenkins** provided an update on the Notice of Indexing of Rate Adjustment and Petition to Amend Tariffs which was filed with the City of Bonita Springs and Lee County on May 16, 2022. Progress on Petition approval will be provided as review proceeds.

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

Director

Comments: **Farrar** appreciated the opportunity to participate from out of town.

Bachman briefed the Board on the Finance Committee meeting: operating revenue is somewhat ahead of projection; expenses are slightly higher than projected; operating revenue still higher than expenses; net margin is up 15% through March over projection; lockbox services with two banks are being reviewed and Staff will provide an update with a recommendation at a later date; \$500,000 in Capital Credits unclaimed after three years will be transferred to the company equity leaving less than \$200,000 in unclaimed Capital Credits; the Finance Committee is working on cash reserve levels to establish a baseline for future budgeting; 3.5% rate increase has been added in projections; the goal is to set reserve levels to maintain financial strength consistent with the Company's "Aa" rating from Moody's Investor Services.

Garner congratulated the Staff on the FSAWWA Division 4 2021 Outstanding Water Distribution System Award.

Kosilla joined in the award congratulations.

Garner made a motion to adjourn the meeting. 2nd by **Bauman**. Approved 9-0.

Meeting Adjourned at 6:00 p.m.