BOARD OF DIRECTORS
MEETING MINUTES
February 17, 2026

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

Directors Absent: None

Staff Present: Andy Koebel, Don Woodruff, Kim Hoskins, Steve Richards, Jose Espinoza, Lisa Karnow, and Veronica DeLeon

Legal Counsel: Scott Beatty of Henderson Franklin

Meeting Called to Order at 5:02 p.m. by President **Garner**.

Minutes: **Kosilla** motioned to approve February 3, 2026, Board Minutes. 2nd by **Farrar**. Approved 9-0.

Member Comment: None

Hoskins provided a new construction update. Marchesani commented on the Operating Margin graph from the Finance KPI's presented at the last Board Meeting. He explained the correlation coefficient in the data and requested Richards to follow up with the exact numbers for further discussion.

260217-01 **Hoskins** presented a request to the Board to approve a Purchase Order for Huber Technology to replace two fine screen baskets at EWRF. The fine screen process, last replaced in 2015, now requires replacement baskets due to damage beyond effective welded repair. Huber has provided a quote in the amount of $208,564.49. Staff recommend approval with a 10% Executive Director Contingency. **Farrar** motioned to approve the purchase for the fine screen baskets. 2nd by **Murphy**. Approved 9-0.

260217-02 **Hoskins** presented a request to the Board to approve the Joint Project Agreement (JPA) for the utility relocation associated with the City of Bonita Springs' East Terry Street Stormwater and Multi-Use Project. Staff will bring the bids for approval once received. Staff worked with counsel on the language for

JPA. **Bachman** motioned to approve the JPA for utility relocation. 2nd by **Bauman**. Approved 9-0.

260217-03 **Richards** presented draft financial statements for the year ending December 31, 2025. He discussed financial trends and highlights for the year. A $19 million increase in total cash and cash equivalents driven by ANC fees and grants. The balance sheet revealed total assets of $410 million, an increase of $22 million over the prior year, while the income statement showed a 5.1% revenue increase and a 3.2% operating expense increase. The cash flow highlighted a $41 million inflow, with $19 million in capital expenditures, $6.5 million in debt principal payments and an $8 million transfer into the investment portfolio.

260217-04 Sean Gannon, BSU's Investment Manager from PFM Asset Management, presented the annual investment report as required by Section IX of BSU's Investment Policy. He provided an update on the performance of investments held in the portfolio during the year ended on December 31, 2025. The investment report includes a general economic market update and provides a breakdown of investments by credit quality and sector allocation.

Other Business: **Koebel** informed the Board that he received a Notice of Cancellation on the Imperial Harbor contract yesterday. There are a couple of issues that were raised and need to be resolved before they might reconsider.

Payment: **Bauman** moved to approve payment of the bills presented. 2nd by **Attwood**. Approved 9-0.

Director Comments: **Malloy** questioned the correlation coefficient of operating revenues and expenses, suggesting seasonality may affect the results.

Farrar noted that recent hurricanes and water main breaks have impacted revenues and expenses.

Bauman commented kudos to Woodruff and staff for their outstanding work on the water main break over the weekend.

Marchesani provided an update on the Engineering/Ops Committee Meeting.

Garner wished Murphy a safe procedure and recovery.

Adjourn **Meeting adjourned at 5:56 p.m. Farrar** motioned to adjourn. 2nd by **Garner**. Approved 9-0.