MINUTES OF THE ANNUAL MEETING
OF MEMBERS AND BOARD OF DIRECTORS
MEETING MINUTES
March 17, 2026

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

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

Legal Counsel: Scott Beatty of Henderson Franklin

Meeting Called to Order at 6:00 p.m. by President Garner.

Brian Farrar gave the Invocation.

Wayne Bauman led the Pledge of Allegiance.

Richard Garner thanked the attendees and recognized City Councilwoman, Laura Carr, for attending.

Bob Bachman identified the Bylaw provision requiring not less than twenty members be present in person to constitute a quorum at the Annual Membership Meeting. Based on the member sign-in sheet there were sufficient members to constitute a quorum. **Bachman** moved to approve the member count to constitute a quorum. 2nd by **Farrar**. Approved 9-0.

Jim Murphy stated the 2026 Annual Meeting Notice providing the date and time of the Annual Meeting was mailed to members with their February utility bills; was advertised in the Bonita Banner Newspaper on February 25, 2026 and March 4, 2026; was posted on the BSU Website and social media channels; and advertised in late 2025 with the call for candidates. **Murphy** moved to accept the Proof of Notice. 2nd by **Bauman**. Approved 9-0.

Richard Garner provided the President's comments and welcomed those in attendance at the Annual Meeting and expressed appreciation for their continued support throughout the year. He noted that 2025 was another strong year for Bonita Springs Utilities by any measure.

Garner stated that whether evaluated by traditional business indicators, such as financial performance, operational efficiency, and key ratios or by broader benchmarks of a successful

year the results were outstanding. These additional benchmarks included strengthening and protecting BSU's acquisition, treatment, and delivery systems. In addition, actively fulfilling environmental responsibilities, maintaining the highest standards of customer service and keeping member pricing among the lowest of peer utilities. He commended the management team and staff for their exceptional performance in meeting these goals.

In the past year, we have been extremely proud of the phosphorus removal project under construction at our East Water Reclamation Facility (EWRF). This project will significantly improve our wastewater quality and reduce the impact on the environment. In addition, we are looking forward to the floating solar photovoltaic project at EWRF, as part of a broader strategy to manage long-term costs.

Garner recognized several awards received in 2025, including the Florida Department of Environmental Protection Domestic Wastewater Plant Excellence Award and the national Utility of the Future Award. He also noted that Executive Director, Andy Koebel, was honored with the William G. "Bill" Grubbs Special Recognition Award by the Florida Rural Water Association. These recognitions reflect the expertise and professionalism of the entire team serving our members.

Garner concluded by thanking the Board and staff for their professionalism and the members for their continued trust and support.

Steve Richards presented the Annual Financial Report for the year ending December 31, 2025. He discussed financial trends, statements, and highlights for the year. Total liabilities decreased by $3.8 million primarily due to principal payment on revenue bonds. The utility increased its water and wastewater rates by 1.9% due to cost increases from inflation and a tight labor market. **Richards** reported that BSU is in a strong financial position and will continue with its Capital Improvement projects, including plant, wells, and line renewal and replacement. Additionally, BSU will keep paying down revenue bonds, ensuring it remains well-positioned to enhance the level of service to its members.

Kim Hoskins provided an Engineering Report highlighting current capital improvements. BSU continued progress on the Reverse Osmosis Water Treatment Plant expansion, which includes significant field development. Of the ten planned wells, eight have been completed, each expected to supply approximately 500 gallons per minute to support our area. **Hoskins** emphasized the importance of renewable and replacement projects to ensure reliable system operation. At the West Water Reclamation Facility (WWRF), several process water pumps were replaced, along with the full replacement of the return activated sludge pump station, including new piping, valves, and pumps. At the East Water Reclamation Facility (EWRF), improvements continued on the natural gas fuel train, along with replacements of several chemical storage tanks and the bridge crane hoist.

Looking ahead to 2026, **Hoskins** reported that the deep injection well project remains a major focus, with construction anticipated to begin this year. We also have plans to move forward with replacing the customer service software system. We will continue working with the City of Bonita Springs on several joint projects that include Queens/Dean area and E. Terry Street.

Andy Koebel provided the Executive Director comments, reflecting on the past year, reaffirming that the core purpose of the utility is to produce safe, high-quality drinking water and to collect and treat wastewater for the community. In 2025, BSU supported more than 34,000 member accounts, delivering these essential services without interruption. Throughout the year, staff successfully managed daily operations, ongoing maintenance, and system improvements. The team handled an average of over 10 million gallons of drinking water and nearly 5 million gallons of wastewater each day. Field crews maintained lift stations, repaired water main breaks, replaced aging system components, and responded to service calls across the service area. While much of this work is routine and often unnoticed by the public, it remains critical to the reliable, day-to-day functioning of the utility.

Renewal and replacement projects continued throughout the system, including pump station upgrades and membrane replacements. Construction also advanced on the phosphorus removal project at the East Water Reclamation Facility, a major initiative that will strengthen long-term treatment performance and help ensure regulatory compliance. **Koebel** highlighted several additional accomplishments from the year, including transitioning to a new insurance broker to better manage organizational costs and finalizing a purchase and sale agreement with Citrus Park to provide long-term, reliable utility service to that community.

Koebel emphasized that the strength of BSU lies in its people. Operators, field staff, technicians, and customer service representatives perform the essential work that keeps the system running smoothly and deserve recognition for their dedication throughout the year. In 2025, the utility received several honors from the FSAWWA, including the Best Tasting Water Award for the southeastern United States, the Outstanding Water Distribution System Award, and Top Ops competition accolades. These achievements reflect the skill, professionalism, and commitment of the teams across both water and wastewater operations.

Koebel stated that thoughtful planning and continued investment in infrastructure ensure that the utility stays well-positioned to meet the needs of its members for many years to come.

Richard Garner called for member comments. There were no comments.

Scott Beatty of Henderson Franklin informed attendees of the provisions in Article VIII, Section 1, of the Bylaws. Directors are elected each year at the Annual Meeting to serve three-year terms corresponding to the seats expiring within the election cycle. The terms of Directors, Paul Attwood, Brian Farrar, and James Murphy concluded this year and were therefore subject to election. In accordance with Article VII, Section 5, of the Bylaws, all ballots are required to be returned and tabulated prior to the Annual Meeting, with certified results announced at the meeting. The election was administered by Survey & Ballot Systems (SBS), which managed the preparation, mailing, receipt, and counting of all ballots. Six qualified candidates appeared on the ballot, and the three candidates receiving the highest number of votes would be elected to the Board of Directors. SBS completed the tabulation of all ballots

received on or before March 13, 2026, and certified the official results to counsel. A total of 27,665 eligible members had the opportunity to vote, and SBS received 2,673 ballots representing a participation rate of 9.6%. The three candidates earning the highest number of votes were Paul Attwood, Brian Farrar, and James Murphy. The Board extends its congratulations to the elected directors.

Unfinished Business - None

New Business - None

Brian Farrar moved to adjourn the meeting. 2nd by **Marchesani**. Approved 9-0.

Meeting Adjourned by President Garner at 6:37 p.m.