BOARD OF DIRECTORS
MEETING MINUTES
August 4, 2026

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

Directors Remote: Paul Attwood and Mike Malloy

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

Legal Counsel: Scott Beatty and Madeline Hailer of Henderson Franklin

Meeting Called to Order at 5:00 p.m. by President **Garner**.

Minutes: **Farrar** motioned to approve the June 16, 2026 Board Minutes and the July 8, 2026 Special Meeting Board Minutes. 2nd by **Kosilla**. Approved 9-0.

Member Comment: None

Staff Reports: **Richards** presented the Finance Key Performance Indicators.

260804-01 Resolution 26-05 was presented to the Board for approval to amend the Bylaws to require a supermajority vote, defined as at least 75% of the Directors currently in office at the time of the vote, for the removal of a Board member for cause. **Bachman** motioned to approve Resolution 26-05. 2nd by **Bauman**. Approved 9-0. Resolution 26-05 was signed by Board President **Garner** and Secretary **Farrar** and was notarized.

260804-02 Resolution 26-06 was presented to the Board for approval to amend the Bylaws to require a supermajority vote, defined as at least 75% of the Directors currently in office at the time of the vote, for approval of certain major corporate transactions. These transactions include, but are not limited to, a merger, consolidation, or the sale, lease, or exchange of substantially all of the assets of Bonita Springs Utilities, Inc. The amendment would also require the same

supermajority vote to modify or repeal this provision once adopted. **Bauman** motioned to approve Resolution 26-06. 2nd by **Bachman**. Approved 9-0. Resolution 26-06 was signed by Board President **Garner** and Secretary **Farrar** and was notarized.

260804-03 **Hoskins** brought to the Board a request to approve an amendment to certain line items in the 2026 Capital Improvement Program (CIP) budget in the amount of $10,975,000. These funds would be reallocated to future years. **Marchesani** motioned to approve the 2026 CIP budget amendment. 2nd by **Farrar**. Approved 9-0.

260804-04 **Hoskins** presented a request for the Board to consider the purchase of additional properties and the sale of currently owned Company properties. Properties identified for potential sale include 24132 Waterfall Dr., 24166 Waterfall Dr., 11440 Tangerine Dr., and 11644 Saunders Ave. Properties identified for potential purchase include 27034 Pinecrest Ln., 25926 Paradise Rd., the Pulte property located at the Paradise Road roundabout, properties located at 10250, 10300, or 10301 Tigress Ln., and properties located at 10340, 10360, 10480, or 10500 Strike Ln. Hoskins discussed the potential benefits of the acquisitions and confirmed the currently owned properties are not needed at this time. **Bauman** motioned to approve securing an agent/broker to provide estimated acquisition costs for potential purchases and estimated sale prices for properties being considered for sale. 2nd by **Kosilla**. Approved 9-0.

Regarding 26095 Imperial Harbor Blvd., **Hoskins** presented the broker's recommendation to reduce the listing price from $299,000 to $280,000. Bachman recommended demolishing the existing building and tank prior to sale. **Woodruff** confirmed the building demolition could be completed internally and would obtain cost estimates for demolition of the tank. **Bachman** motioned to approve reducing the sale price to $280,000, proceeding with demolition of the building and tank, and revisiting the sale price if needed. 2nd by **Marchesani**. Approved 9-0.

260804-05 **Richards** brought to the Board a request to approve and electronically file the 2025 company tax return, IRS Form 990, prepared by BSU' s independent auditors, Nichols, Cauley, and Associates. **Farrar** motioned to approve the 2025 tax return. 2nd by **Murphy**. Approved 9-0.

260804-06 **Woodruff** presented a request for Board approval to replace Lime Reactor #5 at the Water Plant. Staff recommended awarding the project to Ovivo, the OEM supplier, for a total cost of $215,800.00, which includes installation, startup services, and a warranty. The project was budgeted for in the Engineering Capital Improvement Program (CIP). **Bauman** motioned to approve the replacement purchase for Lime Reactor #5. 2nd by **Attwood**. Approved 9-0.

260804-07 **Woodruff** presented a request for Board approval to purchase and install replacement emergency backup generator systems at the East Water Reclamation Facility (EWRF) and West Water Reclamation Facility (WWRF) from E2 Companies. The proposed systems include battery energy storage to provide uninterrupted power during outages and improve operational reliability.

The WWRF project would also consolidate its two existing power feeds into one. The existing generators at both facilities have reached the end of their useful life. Tax counsel confirmed the project is eligible for a federal Investment Tax Credit, potentially reducing the project cost by approximately $3.2 million. Individual project costs are $7,857,415.00 for WWRF and $7,895,356.00 for EWRF. With both generators purchased together, a 5% discount reduces the total project cost to $14,965,132.45. **Bachman** motioned to approve the total cost of the replacement generators subject to legal counsel approval and a $250,000 Executive Director contingency. 2nd by **Murphy**. Approved 9-0.

Other Business: **Koebel** informed the Board that the new Customer Information System, SpryPoint, has gone live as of Monday morning, August 3, 2026. The first bill cycle will be this Thursday, August 6, 2026. **Karnow** informed the Board that SpryPoint will be on-site for billing and loans.

Koebel updated the Board that the Florida Public Service Commission approved the transfer of Citrus Park utilities, so the closing will take place this Thursday, August 6, 2026.

Espinoza updated the Board on recent national cybersecurity events, including cyber attacks targeting water facilities. He confirmed that the BSU's current security measures and system configuration provide strong protection and would not allow for an attack of that nature. **Espinoza** also shared that staff is working to build partnerships with other local utilities to strengthen cybersecurity awareness and protection across the industry.

Bill Payment: **Bachman** motioned to approve payment of the bills presented and Renewal and Replacement Withdrawal Request (2026-11). 2nd by **Murphy**. Approved 9-0.

Director Comments: **Garner** requested an update from **Hoskins** regarding the phosphorus removal project. **Hoskins** advised that Tru-Spec Mechanical, the contractor selected to complete the project, is expected to break ground in mid-August, with the project anticipated to take approximately twelve months to complete.

Marchesani updated the Board on the Safety Committee Meeting and reported that BSU is on track to achieve exceptional OSHA recordable incident performance considered world-class. He noted that if the year concludes without any additional incidents, the accomplishment should be recognized and celebrated.

Bachman thanked **Espinoza** and **Karnow** for their efforts in implementing the SpryPoint customer information system and noted that the implementation process has gone more smoothly than anticipated.

Kosilla commended BSU staff for their outstanding response to a recent water main break, recognizing the team's prompt response and quality of work, including the replacement of a tree and sod on the property.

Meeting recessed at 6:13 p.m.

Executive Session started at 6:17 p.m.

Adjourn **Meeting adjourned at 6:31 p.m. Marchesani** motioned to adjourn. 2nd by **Murphy**. Approved 9-0.