



LOXAHATCHEE RIVER DISTRICT

2500 JUPITER PARK DRIVE, JUPITER, FLORIDA 33458

TEL: (561) 747-5700

FAX: (561) 747-9929

D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

AGENDA

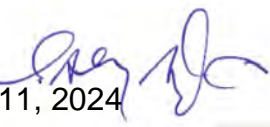
REGULAR MEETING #04-2024

MARCH 21, 2024 – 7:00 PM AT DISTRICT OFFICES

ALSO, THE MEETING WILL BE AVAILABLE TO THE PUBLIC ONLINE AT:
LOXAHATCHEERIVER.ORG/PUBLICMEETING

1. Call to Order & Pledge of Allegiance
2. Administrative Matters
 - A. Roll Call
 - B. Previous Meeting Minutes **Page 4**
 - C. Additions and Deletions to the Agenda
3. Comments from the Public
4. Status Updates
 - A. Loxahatchee River Watershed **Page 10**
 - B. Loxahatchee River District Dashboard **Page 11**
5. Consent Agenda (see next page) **Page 12**
6. Regular Agenda
 - A. Consent Agenda Items Pulled for Discussion
 - B. Annual Audit for Fiscal Year 2023 **Page 48**
 - C. LRD Rule Chapter 31-10 Schedule of Rates, Fees, and Charges (Rate Study) **Page 129**
7. Reports (see next page) Pulled for Discussion
8. Future Business **Page 226**
9. Board Comments
10. Adjournment

“...if a person decides to appeal any decision made by the Board, with respect to any matter considered at such meeting or hearing, he/she will need a record of the proceedings, and that, for such purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.”

Submitted by: 
Date: March 11, 2024

Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

Gordon M. Boggie
BOARD MEMBER

Dr. Matt H. Rostock
BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER

5. CONSENT AGENDA

All items listed in this portion of the agenda are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a Board member or citizen; in which event, the item will be removed and considered under the regular agenda.

- A. AC Force Main Replacements: LS090-FM1 and LS095FM5/FM6/FM7 – to approve professional engineering services [Page 13](#)
- B. Continued Operation of Biosolids Processing Facility beyond August 9, 2029 – to authorize letter [Page 22](#)
- C. Customer Service Delinquent Account Payment Plan Policy – to approve updates [Page 28](#)
- D. Investment Policy – to approve updates [Page 31](#)
- E. Fixed Asset Disposal – to approve disposal [Page 44](#)
- F. Change Orders to Current Contracts – to approve modifications [Page 46](#)

7. REPORTS

- A. Neighborhood Sewering [Page 161](#)
- B. Legal Counsel's Report [Page 163](#)
- C. Engineer's Report [Page 165](#)
- D. Busch Wildlife Sanctuary [Page 173](#)
- E. Director's Report [Page 174](#)



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D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

AGENDA
PUBLIC HEARING #01-2024
MARCH 21, 2024 - 6:55 P.M. AT DISTRICT OFFICES
ALL MEETINGS ARE OPEN TO THE PUBLIC

1. Call to Order and Pledge of Allegiance
2. Roll Call
3. To receive public comments pertaining to the LRD Rule Chapter 31-10 Rates, Fees and Charges
4. Comments from the Board
5. Adjournment

".... if a person decides to appeal any decision made by the Board, with respect to any matter considered at such meeting or hearing, he/she will need a record of the proceedings, and that, for such purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based."

Submitted by:
Date: March 11, 2024

Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

Gordon M. Boggie
BOARD MEMBER

Dr. Matt H. Rostock
BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER



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D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

TO: Governing Board
FROM: D. Albrey Arrington, Ph.D., Executive Director
DATE: March 15, 2024
SUBJECT: Approval of Meeting Minutes

Attached herewith are the minutes for the Regular Meeting of February 15, 2024. As such, the following motion is presented for your consideration:

“THAT THE GOVERNING BOARD approve the minutes of the Regular Meeting of February 15, 2024 as submitted.”

Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

Gordon M. Boggie
BOARD MEMBER

Dr. Matt H. Rostock
BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
REGULAR MEETING - MINUTES
FEBRUARY 15, 2024

1. CALL TO ORDER

Chairman Rockoff called the Regular Meeting of February 15, 2024 to order at 7:00 PM.

2. ADMINISTRATIVE MATTERS

A. ROLL CALL

The following Board Members were in attendance:

Mr. Baker
Mr. Boggie
Mr. Rockoff
Dr. Rostock
Mr. Yerkes

Staff Members in attendance were Dr. Arrington, Mr. Dean, Mr. Howard, Ms. Fraraccio, Mr. Pugsley, and Ms. Jones. Consultants in attendance were Mr. Curtis Shenkman.

B. PREVIOUS MEETING MINUTES

The minutes of the Regular Meeting of January 18, 2024 were presented for approval and the following motion was made:

“THAT THE GOVERNING BOARD approve the minutes of the Regular Meeting of January 18, 2024 as corrected.”

MOTION: Made by Dr. Rostock, Seconded by Mr. Yerkes
Passed Unanimously.

C. ADDITIONS & DELETIONS TO THE AGENDA

Delete Item 5C and Item 5F

3. COMMENTS FROM THE PUBLIC

Barbara Boutros 7128 181st St N asked from the Governing Board a final answer on if the District would forgive the \$838.16 of interest accumulated on her special assessment. The Governing Board informed her that they will not forgive the interest, as the District followed the special assessment process.

4. STATUS UPDATES

A. LOXAHATCHEE WATERSHED STATUS

Ms. Melissa Tolbert, Environmental Program Supervisor, with Palm Beach County Department of Environmental Resources Management provided an informative update about their ongoing efforts to expand ownership, improve habitat quality, and document the occurrence of rare and endangered plants and animals within Palm Beach County Natural Areas. Ms. Deb Drum, Director, Palm Beach County Environmental Resources Management participated in the question-and-answer session that followed the presentation.

B. LOXAHATCHEE RIVER DISTRICT DASHBOARD

The District Dashboard stood as presented.

5. CONSENT AGENDA

MOTION: Made by Mr. Boggie, Seconded by Mr. Baker
Passed unanimously.

“THAT THE GOVERNING BOARD approve the Consent Agenda of February 15, 2024 as presented with the removal of 5C and 5F”

The following motions were approved as a result of the Board’s adoption of the Consent Agenda:

A. ITB 24-003-00133 Lift Station General Construction Services - recommendation of award

“THAT THE DISTRICT GOVERNING BOARD authorize award of an initial 1-year term contract for ITB #24-003-00133 Lift Station General Construction Services to Hinterland Group, Inc. in amount not to exceed \$500,000.”

B. RFQ 24-002-00132: CCNA - Professional Services by Professional Engineers, Architects, Landscape Architects, and Planning Firms - recommendation of award

“THAT THE DISTRICT GOVERNING BOARD approve RFQ 24-002-00132 Final Qualification as follows:

A. Wastewater Collection & Transmission System

1. Carollo
2. Chen-Moore
3. Kimely-Horn

B. Reuse Distribution System

1. Carollo
2. Chen-Moore
3. Hazen and Sawyer
4. Kimley-Horn

C. Wastewater Treatment Facility

1. Carollo
2. Hazen and Sawyer
3. Kimley-Horn”

D. E-Verify Policy – to approve updates

“THAT THE GOVERNING BOARD ratify and approve the attached E-Verify Policy, effective February 16, 2024, and authorize the Executive Director to update the E-Verify Policy from time to time, and periodically present it to the Governing Board for ratification and approval.”

E. Easement Abandonment – Water Pointe – to approve easement

“THAT THE DISTRICT GOVERNING BOARD approved the Termination / Abandonment of Easement for Water Pointe.”

G. Change Order to Current Contract – Lift Station 050 Emergency Generator and ATS:
Revised Site Plan

“THAT THE DISTRICT GOVERNING BOARD approved the professional engineering services agreement for Lift Station 050 Emergency Generator Project with Holtz Consulting Engineers under the continuing contract dated February 20, 2020 inclusive of Change Order 001 for the total amount of \$71,445.00 AND a contingency of \$7,145.00.”

6. REGULAR AGENDA

A. CONSENT AGENDA ITEMS PULLED FOR DISCUSSION

B. Busch Wildlife Sanctuary license agreement & escrow agreement– release of escrow funds

“THAT THE DISTRICT GOVERNING BOARD authorizes Chairman Rockoff to notify the Law offices of Cohen, Norris, Wolmer, Ray, Telepman & Cohen (“Escrow Agent”) that Busch Wildlife Sanctuary has met the terms of paragraph 39 of the License Agreement and the Escrow Agent is authorized to release the sum of \$400,000 from the Escrow Funds to Busch Wildlife Sanctuary.”

MOTION: Made by Mr. Boggie, Seconded by Mr. Baker
Passed unanimously.

C. Personnel Policies and Procedures Update

“THAT THE DISTRICT GOVERNING BOARD ratify and approve the Loxahatchee River Environmental Control District’s Personnel Policies Sections

- 1.2 Equal Employment Opportunity Policy Statement;
- 1.4 Non-Discrimination and Anti-Harassment Policy;
- 4.7.I. Military Leave, as further discussed; and

4.8. Workers' Compensation
as revised with an effective date of February 16, 2024, and authorize the District's Executive Director to update the Personnel Policies & Procedures from time to time, and periodically present it to the Governing Board for ratification and approval."

MOTION: Made by Mr. Boggie, Seconded by Dr. Rostock
Passed unanimously.

D. LRD Rule Chapter 31-10 Schedule of Rates, Fees, and Changes (Rate Study)

Dr. Arrington reviewed the assumptions in the 2024 Rate Study, which now clearly assumes a new deep injection well, onsite solar, and sodium hypochlorite conversion will not be implemented within the next 5 years. The Rate Study does include significant capital investments, including onsite and offsite investments necessary to continue our participation in the Solid Waste Authority Biosolids Processing Facility as well as other significant investments, which were outlined in the Rate Study memo. Staff recommended leaving rate increases as stated in Chapter 31-10, i.e., 3% annual increase for the next four years, plus a 3% rate increase in year 5. Board Members discussed cash projections and cash reserves, and questioned if an alternate rate structure could be appropriate if our goal is to reduce our cash on hand. No action was required, and Dr. Arrington encouraged Board Members to contact him, if they had specific scenarios they would like to see incorporated in the Rate Study projections for next month. This item will be brought back for Board action next month.

7. REPORTS

The remaining reports stood as written.

A. NEIGHBORHOOD SEWERING

B. LEGAL COUNSEL'S REPORT

C. ENGINEER'S REPORTS

D. BUSCH WILDLIFE SANCTUARY

E. DIRECTOR'S REPORT

8. FUTURE BUSINESS

Future Business stood as written.

9. COMMENTS FROM THE BOARD

Dr. Arrington informed the Board that the Town of Jupiter had paid \$42,125.74 to the District to reimburse improperly billed taxes that the Town had previously collected from the District. The Board thanked Mr. Boggie for his part in the efforts to recover these funds.

Dr. Arrington then informed the Board that the Town of Jupiter is interested in locating one of their new fire stations on LRD property at the corner of Central Blvd and Jupiter Park Drive. The Town is under a defined time constraint to get their new fire stations built in a timely manner, so they need to understand if the District is willing to consider leasing approximately 2 to 3 acres to the Town for a period of 25-50 years for a fire station. Additionally, the Town explained their requirement that the fire station site be annexed into the Town, to allow the Town to manage the site plan approval process.

The District Governing Board did not take any official action, but a majority of the Governing Board indicated an interest in continuing discussions with the Town regarding a long-term lease of our property at the corner of Central Blvd and Jupiter Park Drive for the siting of a Town Fire Station.

The District Governing Board expressed significant concern about annexing the existing District property into the Town, but there appears to be a willingness to annex the Fire Station footprint if the license agreement stipulates the property would be unannexed at the conclusion of the lease. Also, the Governing Board discussed that any such lease needs to be fair to both the Town and District, which seems to indicate the need for an appraisal (or two) to ensure a fair value was established as the basis of anticipated annual lease payments.

District Governing Board Members also discussed the concept of public site access and passive nature trails as a component of the fire station, but there did not appear to be a clear consensus on this concept.

10. ADJOURNMENT

MOTION: Made by Mr. Baker, Seconded by Mr. Boggie,
Passed Unanimously.

“That the regular meeting of February 15, 2024 adjourns at 9:18 PM.”

BOARD CHAIRMAN

BOARD SECRETARY

RECORDING SECRETARY



Loxahatchee River Watershed Status 2024 WateReuse Award Winner – Transformational Innovation

The Loxahatchee River Environmental Control District and its research partners published a long-term research project in South Florida that showed the fate of nutrients in reclaimed water through treatment, storage, distribution, and application. This 12-year study revealed that significant reductions in nutrient concentrations occurred when reclaimed water used for landscape irrigation moved through a combination of traditional treatment and green infrastructure. Sequentially moving reclaimed water through the water reclamation facility, storage features, and transmission system provided a cost and energy-efficient option that achieved nutrient reductions similar to advanced wastewater treatment. Landscape irrigation with this reclaimed water for over 20 years has not caused eutrophication of downstream surface waters.



Bart Weiss, WateReuse Association President, poses for a selfie while presenting the Transformational Innovation award to Dr. Arrington. Click on this image to visit the WateReuse Association awards website.

A big thanks to Dan Winters for his willingness to participate in the creation of our award video. Click the image to the right to watch the video on YouTube.



Loxahatchee River ECD - 2024 WateReuse Award Winner



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LOXAHATCHEE RIVER DISTRICT'S EXECUTIVE DASHBOARD



		Stewardship	Pre-Treatment	Collection & Transmission		Wastewater Treatment			Reclaimed Water	EHS	General Business					River Health			
		# People educated at RC	Grease Interceptor Inspections	Customer Service	Unauthorized Discharge of Sewage	Mean Daily Incoming Flow	Permit exceedance	NANO Blend to Reuse (@ 511)	Delivery of Reclaimed Water	Employee Safety	Cash Available	Revenue (excluding assessment & capital contrib.)	Operating Expenses	Capital Projects		Minimum Flow Compliance	Salinity @ NB seagrass beds	River Water Quality	
		Units	% of Target	% requiring pump out	# blockages with damage in home	Gallons; # impacting surface waters	million gallons/day	# occurrences	Max Specific Conductance (umhos/cm)	# days demand not met	# of OSHA recordable injuries	\$	% of Budget	% of Budget	% within budget	average # days ahead (behind) schedule	# Days MFL Violation	‰	Fecal Coliform Bacteria (cfu/100ml)
Green Level		≥ 90%	≤ 15	Zero	<704; 0	< 7.7	Zero	<1542	<2	Zero	≥ \$9,894,657	≥ 95%	≥ 85% but ≤ 105%	≥ 80%	≥ (30)	0	min ≥ 20 ‰	≤ 1 site > 200	
Yellow		< 90%	≤ 25	1	≤1,500; 0	< 8.8	1	≤1875	≥ 2	-	< \$9,894,657	≥ 90%	≥ 80%	≥ 60%	< (30)	1	min ≥ 10 ‰	≤ 3 sites >200	
Red		<75%	> 25	≥ 2	>1,500; ≥1	≥ 8.8	≥ 2	>1875	≥ 9	≥ 1	< \$5,557,057	< 90%	< 80% or > 105%	< 60%	< (60)	≥ 2	min < 10 ‰	≥ 4 sites > 200	
2021 Baseline		952	16	0.3	1,130	7.1	0	1,294	2	0.2	\$ 40,651,532	97%	89%	79%	-34	0	24.3	3	
2022 Baseline		1,319	12	0.1	395	6.8	0	1,268	3	0.0	\$ 44,372,235	101%	91%	83%	-51	1	22.6	3	
2023 Baseline		1,451	13	0.0	1,124	7.0	0	1,296	6	0.0	\$ 44,656,875	106%	94%	90%	-39	2	23	4	
2023	Feb	1,204	14	0	8; 0	7.2	0	1,334	5	0	\$ 45,825,795	105%	89%	92%	(22)	0	28.9	0	
	Mar	1,601	13	0	2949; 0	7.1	0	1,324	24	0	\$ 45,242,896	105%	90%	92%	(30)	1	32.7	2	
	Apr	1,382	9	0	0; 0	7.1	0	1,317	17	0	\$ 44,973,518	106%	93%	92%	(26)	26	27.8	5	
	May	1,016	13	0	92; 0	6.7	0	1,365	2	0	\$ 46,555,442	107%	92%	97%	(30)	0	27.7	1	
	June	2,600	17	0	8,082; 0	7.1	0	1,275	2	0	\$ 44,195,894	108%	93%	94%	(35)	0	21.7	7	
	July	2,046	10	0	0; 0	6.5	0	1,293	1	0	\$ 44,736,939	110%	93%	92%	(42)	0	23.6	4	
	Aug	1,215	9	0	15; 0	6.8	0	1,242	4	0	\$ 46,355,162	110%	93%	100%	(54)	0	17.1	6	
	Sept	1,093	11	0	441; 0	6.7	0	1,201	0	0	\$ 43,649,874	110%	92%	97%	(49)	0	21.7	5	
	Oct	1,940	14	0	101; 0	6.9	0	1,281	1	0	\$ 43,600,779	97%	109%	74%	(55)	0	15.6	9	
	Nov	1,183	15	0	1,705; 0	7.1	0	1,255	0	0	\$ 43,936,002	101%	93%	81%	(46)	0	23.7	3	
	Dec	1,021	14	0	45; 0	7.4	0	1,218	3	0	\$ 42,207,663	106%	100%	78%	(57)	0	9.9	2	
	2024	Jan	1,178	14	0	2275; 0	7.4	0	1,209	1	1	\$ 41,429,932	104%	96%	87%	(64)	0	19.9	2
		Feb	1,689	15	0	2405; 1	7.5	0	1,239	2	0	\$ 42,298,111	104%	95%	87%	(51)	0	25.3	1
Consecutive Months at Green		7	8	22	0	177	34	161	1	1	173	28	4	2	0	10	1	1	
Metric Owner		O'Neill	Pugsley	Dean	Dean	Pugsley	Pugsley	Pugsley	Dean	Horchar	Fraraccio	Fraraccio	Fraraccio	Dean	Dean	Howard	Howard	Howard	

Metric

Explanation

Unauthorized Discharges	This month we had 5 unauthorized discharges of sewage: (1) 2,240 gallons due to a force main failing within a stormwater conflict structure - the degraded force main has been replaced; (2) 125 gallons due to our contractor not effectively maintaining bypass conditions during system rehabilitation work; (3) 30 gallons due to a damaged pvc coupling in a low pressure sewer system; (4) 5 gallons from a low pressure sewer system caused when the home's disconnect switch was turned off; and (5) 5 gallons due to a blocked gravity line. See Kris' report for additional information.
IQ Water Delivery	Jupiter Hills did not receive their full allocation on two days (6, 7) due to an IQ Water force main leak at Central Blvd and Loxahatchee River Rd. Tequesta Country Club and Riverbend Country Club were also impacted on the second day.
Capital Projects (time)	The following projects are over 100 days behind schedule: (1) Improving operational flexibility of our IQ System [-330 days] - project close out is awaiting a maintenance bond; (2) site planning for 2500 Jupiter Park Drive [-289 days] - should be closed out this month; (3) Lateral lining in Lift Station 41 collection system [-232 days] - majority of work is complete, working on corrective issues; (4) Lateral lining in Lift Station 27 collection system [-125 days]; (5) Control Panel Replacements and RTU Installations at 36 Stations [-118 days]; (6) Lateral lining in Lift Station 12 collection system [-113 days]. Additional details are available in Kris' report.



LOXAHATCHEE RIVER DISTRICT

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FAX: (561) 747-9929

D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

TO: Governing Board
FROM: Administration Staff
DATE: March 13, 2024
SUBJECT: Consent Agenda

All items listed below are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a Board Member or citizen, in which event, the item will be removed and considered under the regular agenda.

This month's consent agenda consists of the following items:

- A. AC Force Main Replacements: LS090-FM1 and LS095FM5/FM6/FM7 – to approve professional engineering services
- B. Continued Operation of Biosolids Processing Facility beyond August 9, 2029 – to authorize letter
- C. Customer Service Delinquent Account Payment Plan Policy – to approve updates
- D. Investment Policy – to approve updates
- E. Fixed Asset Disposal – to approve disposal
- F. Change Orders to Current Contracts – to approve modifications

Should you have any questions regarding these items, I would be pleased to discuss them further with you.

The following Motion is provided for Board consideration:

“THAT THE GOVERNING BOARD approve the Consent Agenda of March 21, 2024 as presented.”

Signed

D. Albrey Arrington, Ph.D.
Executive Director

Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

Gordon M. Boggie
BOARD MEMBER

Dr. Matt H. Rostock
BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER

Water Reclamation – Environmental Education – River Restoration



LOXAHATCHEE RIVER DISTRICT

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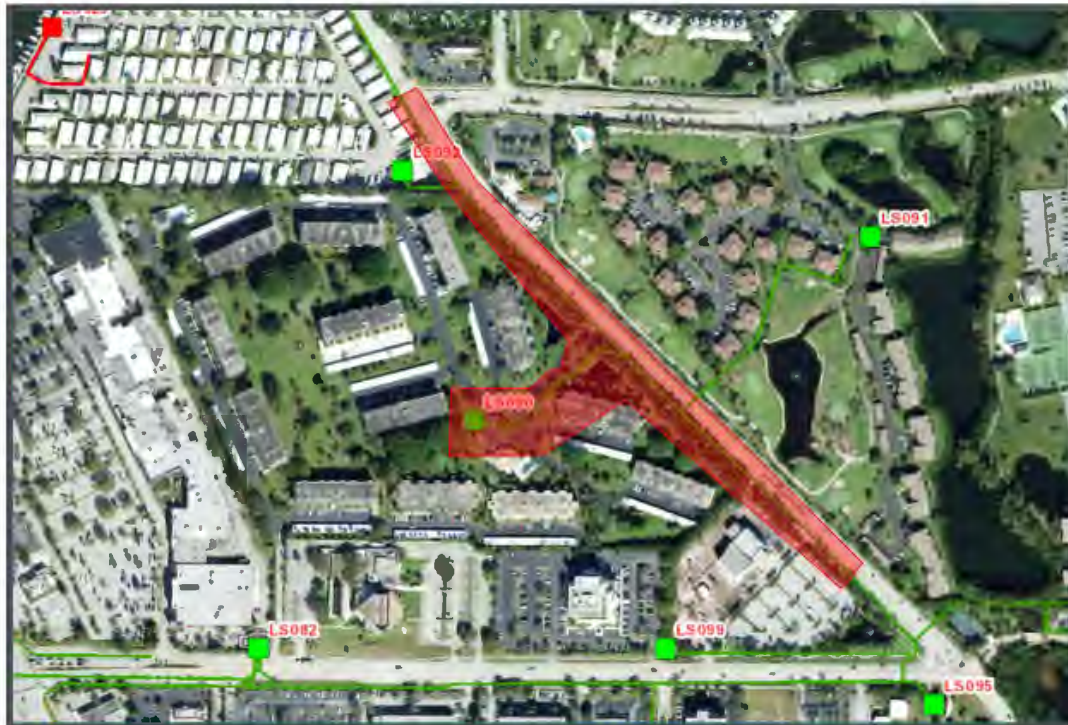
D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

TO: D. Albrey Arrington, Ph.D., Executive Director
FROM: Kris Dean, P.E., Deputy Executive Director
DATE: March 14, 2024
SUBJECT: AC Force Main Replacements A1A - From Jupiter Beach Road to Indiantown Road - Professional Engineering Services

As part of the District's rehabilitation and replacement program asbestos cement pipelines have been targeted for replacement. Recent previous projects include Ocean Cove Force Main Replacement and Jupiter Ocean Racquet Club Ph 1 and 2. This project, will replace AC force mains installed around 1972 through 1977 located in A1A and in the Ocean Parks development as highlight below.



This is a budgeted item in the FY2025 budget; however staff wish to moved design, permit and bidding up in the schedule to ensure completion of the project in FY25. Funds are available in the FY24 budget to accommodate this schedule change.

Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

Gordon M. Boggie
BOARD MEMBER

Dr. Matt H. Rostock
BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER

The District engaged with Kimley-Horn and Associates to develop a scope for the project which includes site survey, subsurface survey for existing utilities, design, permitting, bidding, construction management and a resident project representative during construction. This scope will allow for a complete site assessment to ensure a feasible design and sufficient construction oversight to ensure the District's best interests are maintained.

Kimley-Horn and Associates proposes to perform these services for a combination lump sum fee of \$149,140.00 and time and materials fee not to exceed \$23,975.00 as detailed in the attached work authorization under their Continuing Contract for Professional Engineering Services issued under RFQ 20-001-PROFSERVICES.

Staff recommend the following motion.

“THAT THE DISTRICT GOVERNING BOARD authorize the Executive Director to enter into a contract with Kimley-Horn and Associates for professional engineering services as detailed in the attached agreement and in the amount of \$173,115.00 and a contingency of \$17,311.00.”

**LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
ENGINEERING SERVICES WORK AUTHORIZATION**

**AC Forcemain Replacements
A1A from Jupiter Beach Road to Indiantown Road**

This Work Authorization authorizes Kimley-Horn and Associates, Inc. to perform work set forth herein and is issued pursuant to The Professional Engineering Services Agreement (20-001-PROFSERVICES), between the Loxahatchee River Environmental Control District ("Client" or "District") and Kimley-Horn and Associates, Inc. ("Kimley-Horn" or "Consultant"), dated September 30, 2020 ("Agreement"). All terms and conditions of said Agreement are hereby incorporated and made part of this Work Authorization.

PROJECT UNDERSTANDING

The District has identified segments of their existing force mains that is constructed of asbestos cement (AC) pipe that needs to be replaced. The following segments will be designed, permitted, and constructed for replacement as part of this work authorization:

- A 10-inch AC force main running along the west side of A-1-A from Indiantown Road north to Jupiter Beach Road, approximately 2,300LF.
- A 6-inch AC force main from the lift station within Ocean Parks Condominium, east to A-1-A, approximately 500LF.

This work authorization will be for the development of design plans, permitting services, bidding assistance and limited construction administration/inspection services. The scope of services noted below address services to be performed for the District. It is understood that the Engineer will develop one (1) set of design plans and specifications for the permitting, bidding and construction phases of this Project. The project will consist of eight (8) sheets as outlined below.

- C-1 Title Sheet
- C-2 General Notes
- C-3 Key Map
- C-4 – C-5 Ocean Parks Plan and Profile Sheets (1" = 20')
- C-6 – C-10 A-1-A Plan and Profile Sheets (1" = 20')
- D-1 – D-2 Detail Sheets

SCOPE

Kimley-Horn will perform the following services:

Task 1 Data Collection/Field Investigation

Task 1.1 Site Survey

Kimley-Horn will have their survey subconsultant, Caulfield and Wheeler, Inc. perform a topographic survey in accordance with current standards to include a right-of-way survey of A-1-

A from Indiantown Road to Jupiter Beach Road (approx. 2,600LF) and the corridor (approx. 125LF in width) from the Ocean Parks lift station to A-1-A (approx. 500LF). The survey on A-1-A will include right of way to right of way from Indiantown Road to Jupiter Beach Drive, and the area within the Ocean Parks Condominium will be from the lift station to A-1-A as required to cover the alignment of the new force main. The survey will include one (1) project benchmark (unless an existing benchmark is found within the project limits).

The survey be prepared in AutoCAD 2022 Civil 3D.

Task 1.2 Subsurface Survey

Kimley-Horn will utilize Infra Map Corp., to perform up to eight (8) soft dig utility test holes at locations determined by Kimley-Horn. The test holes will mainly be concentrated at the north and south ends of the existing AC force main along A-1-A, as required to find the location of material transition from AC to PVC pipe. The utility test holes will be coordinated with the survey services to capture locations and depths of the existing utility identified.

Task 1.1 thru 1.2 Deliverables

- Site Survey (PDF and AutoCAD file)
- Subsurface Survey Report (Findings with Exhibits in PDF format)

Task 2 Design Services (Kick-off, 30%, 90% and Final Submittals)

Task 2.1, 30% Plans

Kimley-Horn will conduct a “kick-off” meeting with the District and their representatives to discuss the overall project. Prior to this meeting, the CONSULTANT will “walk” the proposed route to confirm constructability issues to be discussed at the kick-off meeting. The topographic services (Task 1.1 above) will be authorized after the kick-off meeting. The preliminary design (30%) shall address the requirements of the project and shall include the base survey in the background. The intent of the preliminary design (30%) is to acquire District acceptance of the new utility alignment that will be noted on the base sheets (without any profiles), connections and valve locations. Horizontal locations of existing utilities will be identified along with possible conflicts. Locations of soft digs will be noted.

Task 2.2, 90% Plans

Upon acceptance of the 30% design by the District, Kimley-Horn will commence with the 90% design plans incorporating District comments from the 30% review and developing the plans to a level that if no comments are made, that the plans would be sufficient for signing and sealing for issuance into the permitting agencies noted in Task 3 below. Subsurface Surveys (Task 1.2) will be authorized after the 30% design acceptance. The 90% design shall include pipe profiles with call outs, identify utility conflicts, utility test hole data, connection details for District review. An opinion of probable construction cost and draft technical specifications will be made with this submittal. Kimley-Horn will provide an updated opinion of probable construction cost and technical specifications with the 90% submittal.

Task 2.3, Final Plans

Upon acceptance of the 90% design by the District, Kimley-Horn will finalize the plans and technical specifications (including insertion of District provided upfront documents) for a complete set of documents to be used for bidding and construction.

The drawings will be based on the AutoCAD (2024) Civil 3D base files. The drawings will depict the proposed utility relocation work in plan and profile view at a 1" = 20' scale, depicted in a single plan/profile view per sheet. Technical specifications will be developed based on District Design Standards.

Task 2.1 thru 2.3 Deliverables

- 30%, 90% and Final Plans (PDF and AutoCAD format)
- Opinion of Probable Construction Cost, at 90% and Final (PDF and Excel format)
- Technical Specifications, at 90% and Final (PDF and Word format)

Task 3 Permitting Services

Kimley-Horn will prepare permit support documents and submit accordingly to the following regulatory agencies and will provide assistance in addressing a reasonable set of questions from the permitting agency in order to move forward with permit application submittals.

- Palm Beach County Engineering Department, "Right-of Way Use" Permit Application
- FDEP "Notification/Application for Constructing A Domestic Wastewater Collection/Transmission System" Permit", DEP Form 62-604.300 3a.
- Town of Jupiter - Engineering

Task 3 Deliverables

- Copies of permit applications (PDF format)
- FDEP Correspondence/Emails
- Responses to FDEP Requests for Additional Information
- Responses to PBC for Additional Information
- Permits received.

Task 4 Bidding Assistance

Kimley-Horn will prepare and provide electronic bid documents for District's use in advertising the project. Kimley-Horn will attend and conduct the pre-bid meeting at the District's offices, prepare meeting minutes, prepare up to three (3) addendums to address contract questions and attend the bid opening. Kimley-Horn will also prepare a bid tabulation of bid results, evaluate the bids and the apparent low bid contractor, make a recommendation of award, and attend the District Board when the project award is being presented.

Task 4 Deliverables

- Addendums prepared with any backup material.
- Bid Tabulations
- Contractor evaluation sheets
- Recommendation of Award

Task 5 Construction Administration

Kimley-Horn shall prepare conformed documents (plans and specifications) for the District's use in the execution of the contract with the contractor. In addition, the CONSULTANT shall perform the following.

- Prepare for and conduct the pre-construction meeting and distribute meeting minutes.
- Provide assistance to the District for the issuance of the Notice to Proceed.

- Review shop drawings and submittals for their conformance of the design documents. Such review and approvals or other action will not extend to means, methods, techniques, equipment choice, sequences, or procedures of construction or to related safety precautions. It is assumed that approximately five (5) submittals will be reviewed. Kimley-Horn will strive to complete the reviews within seven (7) working days.
- Review and recommend approval of contractor monthly pay requests, up to five (5) pay requests.
- Review and recommend for approval up to two (2) contractor requests for change orders.
- Attend up to four (4) bi-monthly progress meetings on-site.
- Review contractor provided record drawing information.
- Prepare the Substantial Completion forms as required by the construction contract.
- Prepare a final punch list of contractors required contract items for completion of the work.
- Prepare the appropriate regulatory completion/certifications forms required by the issuing agency to close out the project.
- Confirm that all required punch lists identified are completed prior to preparing final close out documents and final pay application approvals.
- Prepare final contractor close out documents to include, final pay request, final balancing change order, contractor subcontractor release of liens and warranty items.

Task 5 Deliverables

- Meeting minutes
- Notice to Proceed form.
- Shop Drawings and associated log.
- Approved pay requests.
- Change Order request responses and forms.
- Punch lists.
- Substantial Completion forms.
- Regulatory Certification of Completion forms and releases.
- Final balancing change order.

Task 6 Resident Project Representative

Kimley-Horn will provide the following construction observation.

- Provide limited on-site construction observation with all other remaining observation time being performed by District staff. Assuming a 6-month construction schedule, with 4.5-months of actual construction activities, it is assumed that two (2) site visits per week will be made by Kimley-Horn, at 2-hours per visit (plus travel time). Site visits will also include, pipe flushing/pigging, pipe connections, pipe pressure tests and site walk-throughs for development of a punch list.

Task 6 Deliverables

- Inspector site visit forms
- Site photos
- Test reports

Task 7 Project Management

Project management includes activities related to initiating, planning, executing, controlling, monthly reporting, project schedule updates and closing the Project. The Consultant will perform a technical review of deliverables, in accordance with standards, prior to transmitting them to the Client. Under this Task, the Consultant will be responsible for overall coordination and oversight of the project execution. The task includes monthly invoicing, project financials, enter subcontracts, and start the Project kick-off within 14 calendar days upon receiving the Notice to Proceed, along with coordinating the project progress meetings throughout the duration of the project.

ADDITIONAL SERVICES

Any services not specifically provided for in the above scope, as well as any changes in the scope requested by the District, will be considered additional services to this Work Authorization and will be performed based on subsequent Work Authorizations approved prior to performance of the additional services.

INFORMATION AND SERVICES PROVIDED BY THE DISTRICT

Kimley-Horn assumes that all information provided by the District can be relied upon in the performance of professional services. The following information shall be provided to Kimley-Horn and/or the following services will be performed by the District.

- Record drawing information.
- Assistance during construction to supplement the Kimley-Horn inspector.

ASSUMPTIONS

The CONSULTANT has made the following assumptions in the development of this scope of services:

1. The District will pay for all permit related fees.
2. The project does not require any environmental related work along the proposed utility route.
3. Geotechnical services are currently not anticipated to be required.

SCHEDULE

The term of the contract is for approximately eighteen (18) months from the issuance date of the Purchase Order. Unless indicated otherwise, Kimley-Horn shall commence work within ten (10) days after receiving the fully executed contract/Purchase Order.

Task Name	Duration
Task 1.1 Site Survey	60 Days (i)
Task 1.2 Subsurface Survey	45 Days (ii)
Task 2.1 30% Plans	30 Days (iii)
Task 2.2 90% Plans	90 Days
Task 2.3 Final Plans	35 Days

Task 3 Permitting Services	60 Days
Task 4 Bidding Services	Commensurate with District bid guidelines
Task 5 Construction Administration	180 Days
Task 6 Resident Project Representative.	135 Days
Task 7 Project Management	Occurs during all Tasks

- (i) to commence after the kick-off meeting
- (ii) to commence after the 30% review meeting
- (iii) to commence after receipt of survey

COMPENSATION

The total amount to be paid by the District to Kimley-Horn is on a lump sum basis for Scope of Services Tasks 1 thru 5 and 7 outlined below per the fee schedule below for a grand total of One Hundred and Forty-Nine Thousand One Hundred and Forty Dollars (\$149,140.00)

Task Name	Lump Sum Fee Amount
Task 1.1 Site Survey	\$21,230.00
Task 1.2 Subsurface Survey	\$10,830.00
Task 2.1 30% Plans	\$13,750.00
Task 2.2 90% Plans	\$24,500.00
Task 2.3 Final Plans	\$6,250.00
Task 3 Permitting Services	\$11,280.00
Task 4 Bidding Services	\$7,500.00
Task 5 Construction Administration	\$42,250.00
Task 7 Project Management	\$11,550.00
TOTAL	\$149,140.00

Kimley-Horn will perform the services described in the Scope of Services Task 6 (under District and Village Tasks) on an hourly basis with a not to exceed amount noted below in accordance with the hourly rates established in the Professional Engineering Services Agreement between the District and Kimley-Horn.

Task Name	Hourly Not to Exceed Amount
Task 6 Resident Project Representative	\$23,975.00

Accepted by:

Loxahatchee River Environmental
Control District

D. Albrey Arrington, Ph.D., P.E.
Executive Director

Date: _____

Kimley-Horn and Associates, Inc.



Michael F. Schwartz, P.E.,
Sr. Vice President

Date: 03/13/2024

LRD

A1A FM REPLACEMENT

13-Mar-24

Fee Estimate Summary

Scope No.	Task Description		Senior Professional	Sr Project Manager	Professional	Jr Professional	Analyst	Sr CAD Designer	Sr Const Proj Rep	CAD Designer	Admin. Support	Subconsultant	Total Hours	Grand Total (\$)
1.0	Data Collection													
	Site Survey				0.0	0.0	4.0	6.0			0.0	\$ 19,530.00	10.0	\$ 21,230.00
	Subsurface Survey		1.0		2.0			4.0			0.0	\$ 9,240.00	7.0	\$ 10,830.00
2.0	Design Services													
	30% Plans		2.0		2.0	2.0	52.0	28.0			2.0	\$ -	88.0	\$ 13,740.00
	90% Plans		6.0		4.0		105.0	42.0			0.0		157.0	\$ 24,505.00
	Final Plans		2.0		4.0		16.0	12.0			3.0		37.0	\$ 6,280.00
3.0	Permitting													
	PB County		4.0		2.0	0.0	12.0	4.0			4.0		26.0	\$ 4,540.00
	Town of Jupiter		4.0		1.0		4.0	2.0			2.0		13.0	\$ 2,720.00
	HRS/FDEP		4.0		1.0	0.0	8.0	6.0			2.0		21.0	\$ 4,020.00
4.0	Bidding Assistance		4.0		22.0	0.0	2.0	4.0			2.0		34.0	\$ 7,490.00
5.0	Construction Administration		20.0		72.0	36.0	10.0	24.0	32.0		22.0		216.0	\$ 41,226.00
6.0	Resident Project Representative								162.0				162.0	\$ 23,976.00
7.0	Project Management		20.0		8.0			10.0			8.0			\$ 11,560.00
	TOTAL HOURS/LABOR COST		67.0	0.0	118.0	38.0	213.0	142.0	194.0		45.0		609.0	
	Billing Rate		\$ 350.00	\$ 235.00	\$ 220.00	\$ 150.00	\$ 125.00	\$ 200.00	\$ 148.00	\$ 127.00	\$ 100.00			\$ 172,117.00
	SUB TOTAL		\$ 23,450.00	\$ -	\$ 25,960.00	\$ 5,700.00	\$ 26,625.00	\$ 28,400.00	\$ 28,712.00		\$ 4,500.00	\$ 28,770.00		
	GRAND TOTAL		\$ 23,450.00	\$ -	\$ 25,960.00	\$ 5,700.00	\$ 26,625.00	\$ 28,400.00	\$ 28,712.00		\$ 4,500.00	\$ 28,770.00		\$ 172,117.00



LOXAHATCHEE RIVER DISTRICT

2500 JUPITER PARK DRIVE, JUPITER, FLORIDA 33458

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D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

TO: GOVERNING BOARD
FROM: D. ALBREY ARRINGTON, Ph.D.
DATE: MARCH 4, 2024
SUBJECT: SOLID WASTE AUTHORITY BIOSOLIDS PROCESSING FACILITY

In 2005, the District entered into an interlocal agreement with the Solid Waste Authority (SWA) to fund a portion of the cost to design, build, and operate the SWA Biosolids Processing and Recycling Facility (BPF). The District owns 8.96% of the BPF's total capacity, and all of the District's dewatered biosolids are hauled to the BPF and processed at the BPF.

The Interlocal Government Agreement for Biosolids Processing and Recycling Between the Solid Waste Authority and Loxahatchee River Environmental Control District terminates on August 9, 2029, and the agreement stipulates that at least five years before the termination date the partners must agree to continue operating the facility (anticipate capital costs to rehabilitate and upgrade the facility) or decommission the facility (anticipate costs to demo the facility). Of course, if we decommission the existing facility, we would need to find and permit a new disposal option for our biosolids, which could be challenging.

The SWA has requested our written response, no later than March 29, 2024, confirming our desire to (A) continue operation of the BPF beyond August 9, 2029 or (B) discontinue operation of the BPF on August 9, 2029. Based on available information, LRD staff believe it is in our best interest to continue operation of the BPF beyond August 9, 2029.

The District's anticipated costs necessary to continue operation of the BPF are included in our Rate Study.

Thus, I request your consideration of the following motion:

"THAT THE DISTRICT GOVERNING BOARD authorize Chairman Rockoff to notify the Solid Waste Authority of Palm Beach County of the Loxahatchee River District's intent to continue operation of the Biosolids Processing Facility beyond August 9, 2029 in conformity with our existing Interlocal Government Agreement for Biosolids Processing and Recycling."

Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

Gordon M. Boggie
BOARD MEMBER

Dr. Matt H. Rostock
BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER



LOXAHATCHEE RIVER DISTRICT

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D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

March 21, 2024

Ramana Kari, P.E.
Solid Waste Authority of Palm Beach County
7501 N. Jog Road
West Palm Beach, FL 33412

Dear Mr. Kari,

The Loxahatchee River Environmental Control District hereby informs the Solid Waste Authority of Palm Beach County of our intent to continue operation of the Biosolids Processing Facility beyond August 9, 2029. This letter is provided in conformity with our existing Interlocal Government Agreement for Biosolids Processing and Recycling Between the Solid Waste Authority and Loxahatchee River Environmental Control District.

This letter has been authorized by the Loxahatchee River Environmental Control District Governing Board.

Sincerely,

Stephen B. Rockoff,
Chairman
Loxahatchee River District

Cc: D. Albrey Arrington, Ph.D., Executive Director, LRD
Nate Mayer, SWA
Scott Trainor, SWA

Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

Gordon M. Boggie
BOARD MEMBER

Dr. Matt H. Rostock
BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER



Transmitted via EMAIL

November 27, 2023

Dear Utility Participants,

In accordance with each Utility Participant's Interlocal Government Agreement (ILA) for Biosolids Processing and Recycling at the Biosolids Processing Facility (BPF), at least five years prior to the termination of the Operations and Maintenance Agreement (August 2029), the Participants are required to jointly determine if the BPF shall continue operation or if the operation shall cease on August 9, 2029. The determination is required to be made upon a written vote of all Participants as called by the Solid Waste Authority of Palm Beach County (Authority). This letter is to formally request your vote to either (1) Continue operation of the BPF or (2) Discontinue the BPF operation after August 9, 2029. A written response is due to the Authority by March 29, 2024.

To assist in your vote, additional information is provided in **Attachment A**. It is understood that this contractual vote will need to be made upon the best available information at this time. If there is a unanimous vote to continue the operation of the BPF beyond August 9, 2029, the Authority anticipates beginning the procurement process in 2027.

Sincerely,

Ramana Kari, P.E., BCEE
Chief Engineer

Attachment: "Attachment A"

Memorandum



To: *Mr. Scott Trainor, P.E., BCEE
Solid Waste Authority of Palm Beach County (SWA)*

From: *Ms. Amy Hightower, P.E., BCEE, PMP*

Date: *November 20, 2023*

Subject: *Biosolids Processing Facility Master Planning*

Introduction

The six utility partners of the Biosolids Processing Facility (BPF) are required to jointly determine if the BPF will continue operations five years prior to the August 2029 expiration of the Operations and Maintenance Agreement (OMA), which is by August 2024. The Partners entered into Interlocal Government Agreements (ILAs) with the Authority, wherein, the Partners, through contributions to the capital cost of the BPF, own pro-rata shares of the BPF's processing capacity, fund the operations and maintenance through the payment of processing fees and have certain rights and obligations regarding the ongoing operations of the BPF as detailed therein. The ILAs lay out the following terms for this vote:

- 1) If there is a unanimous vote to continue operation of the BPF, then SWA will be required to initiate procurement of a contract operator and determine any rehabilitation, upgrades, or improvements that need to be made to the BPF. All costs for procuring an operator and improving the BPF will be shared pro rata by all Partners.
- 2) If all Partners, other than SWA, vote to continue operation of the BPF, SWA will compensate the Partners on a pro rata basis for the fair market value of the BPF.
- 3) If all Partners, other than SWA, vote to discontinue operation of the BPF and SWA chooses to keep the BPF, SWA will compensate the Partners on a pro rata basis for the fair market value of the BPF.
- 4) A unanimous vote is required to terminate operation of the BPF. If this occurs, all Partners and SWA, will contribute on a pro rata basis to the costs of removing the BPF and all connections, utilities, etc. and restore the land to grade level.
- 5) If there is not a unanimous vote, then negotiations will begin. If a unanimous decision is not made within six months of the original vote, then it will be deemed that the vote is to unanimously discontinue operation of the BPF.

To assist with this decision, SWA contracted with CDM Smith Inc. (CDM Smith) to prepare a Phase II Master Plan report. As noted in the report, the BPF will require rehabilitation, equipment replacement, and upgrades to continue operating for the next 20-year contract period. This memorandum summarizes the historical processing fees for the BPF and the planning level capital costs to rehabilitate the BPF for the next 20-year contract period.

Processing Fees

Table 1 provides the historical processing fees (paid to NEFCO) for the BPF from fiscal year (FY) 2010 to the present.

Table 1: BPF Historical Processing Fees

Fiscal Year	Processing Fee (\$/ton) (0-91,250 tons)	Processing Fee (\$/ton) (91,250-104,000 tons)	Processing Fee (\$/ton) (>104,000 tons)
2024	\$40.33	\$20.56	\$18.07
2023	\$39.00	\$19.88	\$17.48
2022	\$36.14	\$18.42	\$16.20
2021	\$34.42	\$17.54	\$15.43
2020	\$33.61	\$17.13	\$15.07
2019	\$32.91	\$16.78	\$14.76
2018	\$32.02	\$16.32	\$14.36
2017	\$31.13	\$16.03	\$14.11
2016	\$30.70	\$15.81	\$13.92
2015	\$30.52	\$15.72	\$13.84
2014	\$29.89	\$15.40	\$13.56
2013	\$29.28	\$15.08	\$13.28
2012	\$28.90	\$14.89	\$13.11
2011	\$28.00	\$14.43	\$12.73
2010	\$27.48	\$14.16	\$12.46

BPF Rehabilitation, Equipment Replacement, and Capital Costs for Upgrades

Planning level capital costs for the required rehabilitation of the BPF along with upgrades to improve operational efficiency are presented in **Table 3**. The work is planned to be completed in the first three years of the next 20-year contract term. All costs are present value.

Table 3: Planning Level Capital Costs for BPF Rehabilitation and Upgrades

Implementation Year:	2030	2031	2032	Total
Item	Costs (2023 Present Value)	Costs (2023 Present Value)	Costs (2023 Present Value)	(2023 Present Value)
Rehabilitation and Equipment Replacements	\$12,600,000	\$12,500,000	\$2,100,000	\$27,200,000
Upgrade: Maintenance and Storage Building	\$2,600,000			\$2,600,000
Upgrade: Storage and Receiving Area Modifications	\$5,000,000			\$5,000,000
Total	\$20,200,000	\$12,500,000	\$2,100,000	\$34,800,000

Mr. Scott Trainor, P.E., BCEE
November 20, 2023
Page 3

Another option that could be considered to provide adequate capacity in the future is the addition of a third drying train as a stand-alone facility next to the current BPF. The planning level cost for a third train is \$50 million.

cc: Ramana Kari, SWA
Nathan Mayer, SWA
Ray Schauer, SWA
Richard Tsang, CDM Smith
Eric Grotke, CDM Smith



LOXAHATCHEE RIVER DISTRICT

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D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

To: Albrey Arrington, Ph. D., Executive Director
From: Bud Howard, Director of Information Services
Date: March 13, 2024
Subject: Policy Review and Update: Delinquent Account Payment Plan

This is a request for the Board's review and approval of updates to the District's policy to specify the principal of action for the delinquent account payment plan.

In December 2020 the Governing Board approved our policy and relevant procedures for a delinquent account payment plan. This policy was last revised in January 2021. Since implementing this policy, it has been proven to be highly functional. We have numerous success stories where customers that were seriously delinquent systematically worked through repayment to bring their accounts current. We consistently receive compliments from customers that sincerely appreciate the fair and reasonable approach that truly facilitates successful repayment.

These recommended revisions to the policy stem from the variety of scenarios and situations that we have encountered with our customers. The most substantive changes are 1) offering flexibility with the repayment amounts, and 2) the ability for the Division or Executive Director to reinstate the payment plan agreement.

We have found that the vast majority of customers pay off their delinquency as soon as they come out of hardship. Offering the flexibility of lower payment amounts during the difficult times helps us keep an amicable dialogue with them, which then leads to quicker repayment as their situation improves. Likewise, customers that default on their payment plans, and fees and charges resume, they may contact us again later when their situation improves to reinstate their payment plan and systematically pay off the delinquency. The reinstatement option facilitates this scenario under reasonable situations.

Therefore, staff offers the following motion for consideration:

"THAT THE DISTRICT GOVERNING BOARD approves the attached, revised Delinquent Account Payment Plan Policy with an effective date of March 22, 2024.

Stephen B. Rockoff

CHAIRMAN

Kevin L. Baker

BOARD MEMBER

Gordon M. Boggie


BOARD MEMBER

Dr. Matt H. Rostock

BOARD MEMBER

Clinton R. Yerkes

BOARD MEMBER

	LOXAHATCHEE RIVER DISTRICT	Doc No:	LRD-POL-IS-9.00
		Effective Date	12/17/2020
		Revision History:	1/1/2021, 3/21/2024
Author: Bud Howard, Albrey Arrington	Revision No.	3	
	Expiration Date:	None	
Issuing Department: Customer Service	Page:	Page 1 of 2	

DELINQUENT ACCOUNT PAYMENT PLAN POLICY

Purpose

To specify the principal of action for the delinquent account payment plan.

Policy

Delinquent sewer accounts accumulate charges, fees, and interest in accordance with Rule Chapter 31-10.009. However, the District will forbear delinquent fees for customers actively participating in, and fully compliant with the terms of, an approved payment plan.

The spirit of this plan is to maintain monthly communication with the delinquent customer, with the goal of satisfying delinquent sewer service charges and bring the account current within one year or less.

The customer shall complete and submit a payment plan agreement form with the initial payment, then make a payment each calendar month. If the District does not receive payment for three (3) consecutive calendar months, the payment plan agreement will be considering in default, and delinquent charges, fees and interest will resume accruing.

The Executive Director, or his designee, has the authority to approve a payment plan that is in conformity with this policy and reinstate defaulted payment plans.

Relevant Policies & Rules: LRD Rules Chapter 31-10.009

Protest

The mechanism for an Owner to formally protest the outcome of this policy is LRD Rule 31-10.009(8) Administrative Credit and 31-1.008 Quasi-Judicial Hearing Procedures.

Applicability: Customer Service

Policy Questions: Questions regarding this policy should be directed to the author(s) listed above.

Authority: Chapter 31-10

Date Approved by Governing Board: 3/21/2024

Loxahatchee River District Policy

Department: Customer Service	Effective Date: January 1, 2021
Policy: Delinquent Account Payment Plan	
Purpose: Payment Plan for Delinquent Quarterly Service Charges.	
Policy #: LRD-POL-IS-09.00	
<p>The spirit of this payment plan is to satisfy 12 months of delinquent charges, plus ongoing sewer service charges, and bring the account current in less than one year.</p> <p>Customers desiring to bring delinquent quarterly service charges current may enter into a Payment Plan Agreement. To enter into a Payment Plan Agreement, a customer must:</p> <ol style="list-style-type: none"> 1. Have not defaulted on a payment plan agreement in the previous 12-months; 2. Complete the District's Payment Plan Agreement form; and 3. Agree to make a minimum* MONTHLY payment to the District greater than, or equal to: <ol style="list-style-type: none"> A. Residential customers: 67% of the present quarterly sewer service charge until the account is current. Example: For a quarterly sewer service charge of \$66.91 the monthly payment is \$44.83 ($\\$66.91 * 0.67 = \\$44.83$); or B. Non-Residential/Commercial customers: the calculated amount based on the total due, plus 3 quarters of the anticipated forthcoming quarterly bills, which brings the account current at 10 to 12 months, depending if payment plan starts at the beginning or end of billing quarter. The minimum monthly payment is calculated as: $(\text{Total Amount Due} + 3 * \text{the average quarterly bill}) / 10.5$. Example: $(\\$4,000 \text{ total due} + 3 * \\$1,000 \text{ average quarterly bill}) / 10.5 = \\667 minimum monthly payment; 4. and, make the first payment greater than, or equal to, the minimum payment. <p>* NOTE: Per Governing Board Action on May 21, 2020, the minimum payment is \$1 from May 22, 2020 through September 30, 2020; Board Action on September 17, 2020 extends this provision through December 31, 2020; Board Action on December 17, 2020 extends this provision and the forbearance of the Late Charges (Rule 31-10.009(3)) through July 31, 2021.</p> <p>The District will forbear Delinquent Fees for customers actively participating in, and fully compliant with the terms of, an approved payment plan. Forbearance of Delinquent Fees will begin on the date of the first monthly payment on an approved payment plan.</p> <p>If the District does not receive the minimum payment in two consecutive calendar months, the Payment Plan Agreement will be considered in default, and delinquent charges, fees and interest will resume accruing.</p> <p>The minimum monthly payment shall be adjusted to any rate changes once the new rates take effect. Delinquent accounts accumulate charges, fees, and interest in accordance with Rule 31-10.009.</p>	
Authority: Chapter 31-10.009(9)	
Authorized: <input type="checkbox"/> Governing Board	Date: 12/17/2020
Approved: <input type="checkbox"/> Executive Director	Date: 12/17/2020
Revised: December 17, 2020	



LOXAHATCHEE RIVER DISTRICT

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D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

Memorandum

To: Governing Board
From: Kara Fraraccio, Director of Finance and Administration
Date: March 15, 2024
Subject: Investment Policy

District staff relies on our Investment Policy for guidance and direction when selecting investments on behalf of the District. Pursuant to our policy revision schedule, staff has systematically reviewed our Investment Policy and provided suggested recommendations for Board approval. The last revision to our Investment Policy was approved by the Board in June 2019. The Investment Policy is written in accordance with Florida Statute 215.415. The most notable change made to Florida Statute 218.415 since 2019, is additional language addressing the newly issued House Bill 3, which mandates all investment decisions to be made based on pecuniary factors. The LRD Investment Policy has been updated to reflect this revision in the Statute. This policy was also revised to follow our new policy format where we have identified the “policies” and removed the “procedures.” A marked-up draft of our revised Investment Policy and a complete copy of FS 218.415 is attached for your review. All proposed revisions have been approved by District counsel.

I look forward to receiving your comments and feedback on this draft policy. If you find the policy acceptable, I offer the following motion for your consideration:

“THAT THE GOVERNING BOARD ratify and approve the attached Investment Policy, effective March 22, 2024, and authorize the Executive Director to update the Investment Policy from time to time, and periodically present it to the Governing Board for ratification and approval.”

Stephen B. Rockoff

CHAIRMAN

Kevin L. Baker

BOARD MEMBER

Gordon M. Boggie


BOARD MEMBER

Dr. Matt H. Rostock

BOARD MEMBER

Clinton R. Yerkes

BOARD MEMBER

	LOXAHATCHEE RIVER DISTRICT	Doc No:	LRD-POL-ADM-16.00
		Effective Date	03/22/2024 06/17/2022
		Revision History:	09/21/95 07/19/01 06/27/19 03/21/24
Author: Kara Fraraccio		Revision No.	14
		Review Date:	06/2027
Issuing Department: Finance and Administration		Page:	Page 1 of 8

INVESTMENT POLICY

Purpose

The purpose of this policy is to set forth investment objectives and parameters for the management of public funds of the Loxahatchee River Environmental Control District (the “District”). ~~These policies are~~ This policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds ~~when as~~ needed, and an investment return competitive with comparable funds and financial markets.

In accordance with Section 218.415, Florida Statutes, this Investment Policy applies to all cash and investments held or controlled by the District with the exception of Pension Funds, which are self-directed by the plan beneficiaries, and funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds.

Policy

Investment Objectives

The primary objectives, in priority order, of investment activities ~~shall will~~ be safety of capital, liquidity of funds and then return on investment.

A. Safety of Capital

Safety of capital is regarded as the highest priority in ~~the handling of investments for the~~ District funds. Investment transactions ~~must shall~~ seek to keep capital losses at a minimum, whether they are from securities defaults or erosion of market conditions. To attain this objective, diversification is required to avoid incurring unreasonable risks regarding specific security types or individual financial institutions.

B. Liquidity of Funds

The District’s investment portfolio ~~shall must~~ remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. ~~This can be accomplished by structuring the portfolio so that securities mature concurrent with cash needs. Since all possible cash demands cannot be anticipated, a~~ A portion of the portfolio ~~may must~~ be placed in money market mutual funds or local government investment pools that offer same-day liquidity for short-term funds.

C. Investment Income

The District’s investment portfolio ~~must shall~~ be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints, liquidity needs, and state laws that restrict the placement of public funds.

Authority: Chapter 218.415, Florida Statutes

Date Approved by Governing Board: ~~06/27/2019~~ 03/21/2024

Performance Measurements

The District ~~will~~shall seek to optimize return on investments within the constraints of safety of capital and liquidity by the identification of an appropriate benchmark against which to compare the portfolio's performance. ~~The three-month U.S. Treasury Bills and the average rate on Federal Funds are considered benchmarks for riskless investment transactions and therefore comprise the standard for the portfolio's rate of return.~~ The investment program ~~shall~~will seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles.

Prudence and Ethical Standards

The standard of prudence to be applied ~~shall~~will be the Prudent Person Rule, ~~which states: "Investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income derived from the investment"~~

The District Governing Board and staff involved in the investment process ~~shall~~must observe and adhere to all ethical standards applicable to public employees and their respective professions.

The District Governing Board and staff involved in the investment process, acting in accordance with the written procedures and exercising due diligence, ~~shall~~will not be held personally responsible for a specific security's credit risk or market price changes, provided that these changes are reported as soon as practical and that appropriate action is taken to control adverse developments.

Authorized Investments

The District shall limit investments under the guidelines of these policies to:

- A. The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Florida Statutes s. 163.01.
- B. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- C. Interest-bearing time deposits, savings accounts, or money market accounts in qualified public depositories as defined in Florida Statutes s. 280.02.
- D. Direct obligations of the United States Treasury.
- E. Federal agencies and instrumentalities.
- F. Rated or unrated bonds, notes, or instrumentalities backed by the full faith and credit of the government of Israel.
- F.G. Securities of, or other interests in, any open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided that the portfolio of such investment company or investment trust is limited to obligations of the United States Government or any agency or instrumentality thereof and to repurchase agreements

fully collateralized by such United States Government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

G.H. Repurchase agreements collateralized by obligations of the United States Government.

H.I. Authorized Deposits up to the amount guaranteed by the U.S. Government under Federal Deposit Insurance Corporation (FDIC) limits where:

1. Funds are initially deposited in a qualified public depository, as defined in Florida Statutes, 280.02 selected by the District;
2. The selected depository arranges for depositing the funds in financial deposit instruments insured by the FDIC in one or more federally insured banks or savings and loan associations, wherever located, for the account of the unit of local government;
3. The full amount of the principal and accrued interest of each financial deposit instrument is insured by the FDIC; and
4. The selected depository acts as custodian for the unit of local government with respect to each financial deposit instrument issued for its account.

I.J. Other investments authorized by law ~~or and by resolution of approved by~~ the Governing Board.

~~Investments not listed in this investment policy are prohibited.~~ Any investments in derivative products are ~~also prohibited by this investment policy. A 'derivative' is defined as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or index or asset values.~~ The use of 'reverse' repurchase agreements or other forms of leverage is also prohibited by this investment policy.

Maturity and Liquidity Requirements

The District's investment portfolio ~~shall must~~ be structured to provide sufficient liquidity to pay obligations as they come due. To the extent possible, the District ~~shall must~~ attempt to match investments with anticipated cash flow requirements. ~~Subject to the safety provisions outlined above, the choice of investments and maturities shall be based upon known cash needs, anticipated cash flow requirements, interest rate trends and specific market opportunities.~~

Portfolio Composition

Investments ~~should must~~ be made subject to cash flow needs and revised as market conditions and the District's needs change.

The percentage allocation requirements for investment types and issuers are calculated based on the market value of each investment at the time of purchase. Investments not listed in this policy are prohibited.

The following limits are hereby established to serve as guidelines:

QPD Money Market/Savings Accounts	100%
QPD Certificates of Deposit	100%

U.S. Treasury Notes, Bonds, or Bills	100%
U.S. Agencies and Instrumentalities	50%
Local Government Surplus Funds Trust Fund	50%
Local Government Investment Pools	50%
Authorized Deposits	25%
Repurchase Agreements	10%

The Investment Officer ~~shall have~~has the option to further restrict investment percentages from time to time based on market conditions, risk and diversification investment strategies.

~~Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than five years from the date of purchase.~~

Risk and Diversification

Investments held ~~shall~~must be diversified, to the extent practicable, to control risk of loss resulting from overconcentration of assets in a specific maturity, issuer, instruments, dealer, or bank through which the financial instruments are bought and sold. Diversification strategies ~~shall~~must be reviewed and revised by the Investment Officer periodically.

Authorized Investment Institutions and Dealers

The District ~~shall~~must only ~~conduct business invest funds~~ with approved Public Depositories qualified by the Chief Financial Officer of the State of Florida, in accordance with Florida Statutes Chapter 280, financial institutions fully insured by the FDIC where permitted by law, and SEC-registered investment advisors, where the adviser, as a fiduciary, is expected to act in the best interest of the District. ~~primary securities dealers reporting directly to the New York Federal Reserve Bank or with secondary brokers/dealers having equity of at least ten million dollars (\$10,000,000). Securities investment institutions shall meet or exceed the SEC Net Capital Rule. Annually, the firm will submit independent certification by an outside auditor or similar agency that it complied with the Net Capital Rule on its most recent year end balance sheet date or FOCUS report submitted to FINRA. Current audited financial statements for each Qualified Institution and broker/dealer with which the District transacts business related to this investment policy must be readily available for review in an electronic format.~~

~~All brokers, dealers, and other financial institutions deemed to be Qualified Institutions shall be provided with current copies of this investment policy and shall provide, in return to the Director of Finance and Administration, certification of having read and understood the investment policy and an agreement to comply with this investment policy. The certification should list any financial or family interests between the District's investment officers and the firm/depository and employees offering securities or investments to the District.~~

Third Party Custodial Agreements

To protect against potential fraud and embezzlement, the assets of the District ~~shall~~must be secured through third-party custody and safekeeping procedures. Securities ~~shall~~must be held by a third party, and all securities purchased by, and all collateral obtained by, the District ~~should~~

must be properly designated as an asset of the District. No withdrawal of securities, in whole or in part, ~~shall will~~ be made from safekeeping, except by an authorized staff member ~~listed in section XIV (A) of this Policy of the District.~~

~~Securities transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities will be made on a 'delivery vs. payment' basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.~~

For investments purchased from institutions that require the delivery of securities versus payment (including electronic book entry process), a safekeeping receipt ~~shall must~~ be issued to the District which fully describes the securities and evidences clear ownership by the District.

Master Repurchase Agreement

Institutions ~~and dealers~~ transacting repurchase agreements must execute and perform as stated in the Master Repurchase Agreement ~~and should be monitored by the District on a monthly basis.~~ All repurchase agreement transactions must adhere to the requirements of the Master Repurchase Agreement.

Bid Requirements

~~Authorized after the District's cash flow needs have been determined, the approximate maturity dates and market conditions will be analyzed to determine one or more of the optimal types of investment. The investment policy requires District~~ staff ~~to must~~ analyze and select ~~the security investment~~, and competitively bid the security investment vehicle in question, when feasible and appropriate, through the authorized investment institutions ~~and dealers~~. Except as otherwise required by law, the bid deemed to best meet the investment objectives ~~shall will~~ be selected.

Internal Controls

A. Delegation of Authority

The Director of Finance and Administration is the Investment Officer of the District ~~and is responsible for the administration of the investment program and complying with activities within the limits of the District's Investment Policy.~~ In the absence of the Director of Finance and Administration, qualified persons designated by the Executive Director are authorized to initiate investment activities, subject to limits set forth in this policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures so established.

Positions currently authorized as investment signatories are the Executive Director and the Director of Finance and Administration. The persons holding these positions are also authorized to initiate internet and wire transfer of investments for the District.

B. Written Procedures

The Director of Finance and Administration or designee ~~shall~~must establish a system of internal controls and operations procedures that are in writing and made part of the District's financial ~~standard~~standard operational procedures. The internal controls ~~should~~must be designed to prevent losses of funds which might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the District. No person may engage in an investment transaction except as authorized under the terms of this Policy. Employees or contractors involved in the investment process ~~shall~~must adhere to the Internal Control Policy of the District.

Independent auditors as a normal part of the annual financial audit to the District ~~shall~~must conduct a review of the system of internal controls to ensure compliance with policies and procedures.

Continuing Education

The Director of Finance and Administration, as the Investment Officer, ~~shall~~must annually complete 8 hours of continuing education in subjects or courses of study related to investment practices and products.

Reporting

The Director of Finance and Administration ~~shall~~must annually, or more frequently, submit a report to the Governing Board which ~~shall~~includes securities by class or type, book value, income earned, comparison to established benchmarks, and market value as of the report date. These reports ~~shall~~must be available to the public. In addition, the Director of Finance and Administration ~~shall~~must generate and provide other such reports and information as deemed reasonable, upon request, from other internal and external sources.

Securities Disposition

- A. Every security purchased under this section on behalf of the District must be properly earmarked and:
 - 1. if registered with the issuer or its agents, must be immediately placed for safekeeping in a location that protects the District's interest in the security;
 - 2. If in book entry form, must be held for the credit of the District by a depository chartered by the Federal Government, the state, or any other state or territory of the United States which has a branch or principal place of business in this state as defined in Florida Statutes s.658.12, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this state, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or
 - 3. If physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault.
- B. The District's Governing Board may also receive bank trust receipts in return for investment of surplus funds in securities. Any trust receipts received must enumerate the

various securities held, together with the specific number of each security held. The actual securities on which the trust receipts are issued ~~may~~must be held by any bank depository chartered by the Federal Government, this state, or any other state or territory of the United States which has a branch or principal place of business in this state as defined in Florida Statutes s. 658.12, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this state.

Sale of Securities

When invested funds are needed in whole or in part for the purposes originally intended or for more optimal investments, the District's Governing Board and/or the Investment Officer may sell such investments at the then-prevailing market price and place the proceeds into the proper account or fund of the District.

Review by Auditors

The controls and procedures specified in this investment policy ~~shall~~must be reviewed by the District's independent auditors as part of the audit process; the independent auditor ~~shall~~will report whether or not the District has complied with this policy.

Investment Decisions

When investing funds, the District must make decisions based solely on pecuniary factors and may not subordinate the interests of the public to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor.

Definitions


List definitions necessary to understand the policy statement (section above).

- A. Derivative: as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or index or asset values.
- B. Investment Officer: person responsible for the administration of the investment program and complying with activities within the limits of the District's Investment Policy.
- C. Pecuniary factors: a factor that is expected to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with applicable investment objectives and funding policy. The term does not include the consideration of the furtherance of any social, political, or ideological interests.
- A.D. Prudent Person Rule: means investments are to be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income derived from the investment.

Relevant Procedures

The following procedures guide staff in the appropriate implementation of this policy:

- A. Cash Management, Investment and Internal Controls

Select Year: 2023  Go

The 2023 Florida Statutes (including Special Session C)

Title XIV

TAXATION AND FINANCE

Chapter 218

FINANCIAL MATTERS PERTAINING TO POLITICAL SUBDIVISIONS

[View Entire Chapter](#)

218.415 Local government investment policies.—Investment activity by a unit of local government must be consistent with a written investment plan adopted by the governing body, or in the absence of the existence of a governing body, the respective principal officer of the unit of local government and maintained by the unit of local government or, in the alternative, such activity must be conducted in accordance with subsection (17). Any such unit of local government shall have an investment policy for any public funds in excess of the amounts needed to meet current expenses as provided in subsections (1)-(16), or shall meet the alternative investment guidelines contained in subsection (17). Such policies shall be structured to place the highest priority on the safety of principal and liquidity of funds. The optimization of investment returns shall be secondary to the requirements for safety and liquidity. Each unit of local government shall adopt policies that are commensurate with the nature and size of the public funds within its custody.

(1) **SCOPE.**—The investment policy shall apply to funds under the control of the unit of local government in excess of those required to meet current expenses. The investment policy shall not apply to pension funds, including those funds in chapters 175 and 185, or funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds.

(2) **INVESTMENT OBJECTIVES.**—The investment policy shall describe the investment objectives of the unit of local government. Investment objectives shall include safety of capital, liquidity of funds, and investment income, in that order.

(3) **PERFORMANCE MEASUREMENT.**—The investment policy shall specify performance measures as are appropriate for the nature and size of the public funds within the custody of the unit of local government.

(4) **PRUDENCE AND ETHICAL STANDARDS.**—The investment policy shall describe the level of prudence and ethical standards to be followed by the unit of local government in carrying out its investment activities with respect to funds described in this section. The unit of local government shall adopt the Prudent Person Rule, which states that: “Investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.”

(5) **LISTING OF AUTHORIZED INVESTMENTS.**—The investment policy shall list investments authorized by the governing body of the unit of local government, subject to the provisions of subsection (16). Investments not listed in the investment policy are prohibited. If the policy authorizes investments in derivative products, the policy must require that the unit of local government’s officials responsible for making investment decisions or chief financial officer have developed sufficient understanding of the derivative products and have the expertise to manage them. For purposes of this subsection, a “derivative” is defined as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or index or asset values. If the policy authorizes investments in reverse repurchase agreements or other forms of leverage, the policy must limit

the investments to transactions in which the proceeds are intended to provide liquidity and for which the unit of local government has sufficient resources and expertise.

(6) **MATURITY AND LIQUIDITY REQUIREMENTS.**—The investment policy shall require that the investment portfolio is structured in such manner as to provide sufficient liquidity to pay obligations as they come due. To that end, the investment policy should direct that, to the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash-flow requirements.

(7) **PORTFOLIO COMPOSITION.**—The investment policy shall establish guidelines for investments and limits on security issues, issuers, and maturities. Such guidelines shall be commensurate with the nature and size of the public funds within the custody of the unit of local government.

(8) **RISK AND DIVERSIFICATION.**—The investment policy shall provide for appropriate diversification of the investment portfolio. Investments held should be diversified to the extent practicable to control the risk of loss resulting from overconcentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are bought and sold. Diversification strategies within the established guidelines shall be reviewed and revised periodically, as deemed necessary by the appropriate management staff.

(9) **AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS.**—The investment policy should specify the authorized securities dealers, issuers, and banks from whom the unit of local government may purchase securities.

(10) **THIRD-PARTY CUSTODIAL AGREEMENTS.**—The investment policy shall provide appropriate arrangements for the holding of assets of the unit of local government. Securities should be held with a third party; and all securities purchased by, and all collateral obtained by, the unit of local government should be properly designated as an asset of the unit of local government. No withdrawal of securities, in whole or in part, shall be made from safekeeping, except by an authorized staff member of the unit of local government. Securities transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a “delivery vs. payment” basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

(11) **MASTER REPURCHASE AGREEMENT.**—The investment policy shall require all approved institutions and dealers transacting repurchase agreements to execute and perform as stated in the Master Repurchase Agreement. All repurchase agreement transactions shall adhere to the requirements of the Master Repurchase Agreement.

(12) **BID REQUIREMENT.**—The investment policy shall require that the unit of local government’s staff determine the approximate maturity date based on cash-flow needs and market conditions, analyze and select one or more optimal types of investment, and competitively bid the security in question when feasible and appropriate. Except as otherwise required by law, the bid deemed to best meet the investment objectives specified in subsection (2) must be selected.

(13) **INTERNAL CONTROLS.**—The investment policy shall provide for a system of internal controls and operational procedures. The unit of local government’s officials responsible for making investment decisions or chief financial officer shall establish a system of internal controls which shall be in writing and made a part of the governmental entity’s operational procedures. The investment policy shall provide for review of such controls by independent auditors as part of any financial audit periodically required of the unit of local government. The internal controls should be designed to prevent losses of funds which might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the unit of local government.

(14) **CONTINUING EDUCATION.**—The investment policy shall provide for the continuing education of the unit of local government’s officials responsible for making investment decisions or chief financial officer. Such officials must annually complete 8 hours of continuing education in subjects or courses of study related to investment practices and products.

(15) **REPORTING.**—The investment policy shall provide for appropriate annual or more frequent reporting of investment activities. To that end, the governmental entity’s officials responsible for making investment decisions or chief financial officer shall prepare periodic reports for submission to the

legislative and governing body of the unit of local government, which shall include securities in the portfolio by class or type, book value, income earned, and market value as of the report date. Such reports shall be available to the public.

(16) **AUTHORIZED INVESTMENTS; WRITTEN INVESTMENT POLICIES.**—Those units of local government electing to adopt a written investment policy as provided in subsections (1)-(15) may by resolution invest and reinvest any surplus public funds in their control or possession in:

(a) The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in s. 163.01.

(b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

(c) Interest-bearing time deposits or savings accounts in qualified public depositories as defined in s. 280.02.

(d) Direct obligations of the United States Treasury.

(e) Federal agencies and instrumentalities.

(f) Rated or unrated bonds, notes, or instruments backed by the full faith and credit of the government of Israel.

(g) Securities of, or other interests in, any open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided that the portfolio of such investment company or investment trust is limited to obligations of the United States Government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States Government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

(h) Other investments authorized by law or by ordinance for a county or a municipality.

(i) Other investments authorized by law or by resolution for a school district or a special district.

(17) **AUTHORIZED INVESTMENTS; NO WRITTEN INVESTMENT POLICY.**—Those units of local government electing not to adopt a written investment policy in accordance with investment policies developed as provided in subsections (1)-(15) may invest or reinvest any surplus public funds in their control or possession in:

(a) The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in s. 163.01.

(b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

(c) Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in s. 280.02.

(d) Direct obligations of the U.S. Treasury.

The securities listed in paragraphs (c) and (d) shall be invested to provide sufficient liquidity to pay obligations as they come due.

(18) **SECURITIES; DISPOSITION.**—

(a) Every security purchased under this section on behalf of the governing body of a unit of local government must be properly earmarked and:

1. If registered with the issuer or its agents, must be immediately placed for safekeeping in a location that protects the governing body's interest in the security;

2. If in book entry form, must be held for the credit of the governing body by a depository chartered by the Federal Government, the state, or any other state or territory of the United States which has a branch or principal place of business in this state as defined in s. 658.12, or by a national

association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this state, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or

3. If physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault.

(b) The unit of local government's governing body may also receive bank trust receipts in return for investment of surplus funds in securities. Any trust receipts received must enumerate the various securities held, together with the specific number of each security held. The actual securities on which the trust receipts are issued may be held by any bank depository chartered by the Federal Government, this state, or any other state or territory of the United States which has a branch or principal place of business in this state as defined in s. 658.12, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this state.

(19) **SALE OF SECURITIES.**—When the invested funds are needed in whole or in part for the purposes originally intended or for more optimal investments, the unit of local government's governing body may sell such investments at the then-prevailing market price and place the proceeds into the proper account or fund of the unit of local government.

(20) **PREEXISTING CONTRACT.**—Any public funds subject to a contract or agreement existing on October 1, 2000, may not be invested contrary to such contract or agreement.

(21) **PREEMPTION.**—Any provision of any special act, municipal charter, or other law which prohibits or restricts a local governmental entity from complying with this section or any rules adopted under this section is void to the extent of the conflict.

(22) **AUDITS.**—Certified public accountants conducting audits of units of local government pursuant to s. 218.39 shall report, as part of the audit, whether or not the unit of local government has complied with this section.

(23) **AUTHORIZED DEPOSITS.**—In addition to the investments authorized for local governments in subsections (16) and (17) and notwithstanding any other provisions of law, a unit of local government may deposit any portion of surplus public funds in its control or possession in accordance with the following conditions:

(a) The funds are initially deposited in a qualified public depository, as defined in s. 280.02, selected by the unit of local government.

(b) The selected depository arranges for depositing the funds in financial deposit instruments insured by the Federal Deposit Insurance Corporation in one or more federally insured banks or savings and loan associations, wherever located, for the account of the unit of local government.

(c) The full amount of the principal and accrued interest of each financial deposit instrument is insured by the Federal Deposit Insurance Corporation.

(d) The selected depository acts as custodian for the unit of local government with respect to each financial deposit instrument issued for its account.

(24) **INVESTMENT DECISIONS.**—

(a) As used in this subsection, the term “pecuniary factor” means a factor that the governing body of the unit of local government, or in the absence of the existence of a governing body, the respective principal officer of the unit of local government, prudently determines is expected to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with applicable investment objectives and funding policy. The term does not include the consideration of the furtherance of any social, political, or ideological interests.

(b) Notwithstanding any other law, when deciding whether to invest and when investing public funds pursuant to this section, the unit of local government must make decisions based solely on pecuniary factors and may not subordinate the interests of the people of this state to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor. The weight given to any pecuniary factor must appropriately reflect a prudent assessment of its impact on risk or returns.

History.—s. 1, ch. 95-194; s. 2, ch. 97-9; s. 3, ch. 2000-264; ss. 66, 141, ch. 2001-266; s. 2, ch. 2005-126; s. 1, ch. 2007-89; s. 42, ch. 2008-4; s. 2, ch. 2009-140; s. 13, ch. 2023-28.



LOXAHATCHEE RIVER DISTRICT

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D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

To: Governing Board
From: Kara Fraraccio, Director of Finance and Administration
Date: March 15, 2024
Subject: Disposal of Surplus Property

Whenever the District disposes of tangible personal property of a non-consumable nature, Florida Statutes and our Disposal of Surplus Tangible Personal Property Policy require Governing Board approval before any Surplus Tangible Personal Property can be disposed of. Consistent with state statute and our policies and procedures, I request your authorization to dispose of the items listed below:

Tag #	F/A #	Description	Condition	Date Recorded	Acquired Value	Book Value	Estimated Value
2294	ME289	Lifeair System	Needs Repair	09/30/00	\$ 1,728	\$ -	\$ 200
2433	ME341	10KW Honda Portable Genera	Not Operational	09/30/05	2,500		50
2434	ME340	10KW Honda Portable Genera	Not Operational	09/30/05	2,500		50
2685		13 KW Honda Portable Gener	Not Operational	09/30/11	2,500		50
2686		13 KW Honda Portable Gener	Not Operational	09/30/11	2,500		50
Total Assets to be Disposed					\$ 11,728	\$ -	\$ 400

In addition, the following assets were aggregated with other assets or grouped as part of a project when purchased and we therefore do not have individualized asset information on each item, instead a description of each asset is provided. Consistent with state statute and our policies and procedures, I request your authorization to dispose of the items listed below:

Description	Serial Number	Condition	Estimated Value
10 HP Flygt Pump	FLY-9710480	Beyond Repair	\$50
10 HP Flygt Pump	FLY-448181	Beyond Repair	\$50
2 HP Barnes Pump	Z101067-1118	Beyond Repair	\$50
2 HP Barnes Pump	C1463392-0310	Beyond Repair	\$50
2 HP Barnes Pump	Z100970-0918	Beyond Repair	\$50
2 HP Barnes Pump	C1272538-0417	Beyond Repair	\$50
Hydromatic Pump	SPG200M2-2	Beyond Repair	\$50

The items listed in the schedules above is no longer of use to the District and are considered Surplus. The assets will be disposed of in accordance with the District's Disposal of Surplus Tangible Personal Property Policy.

Items slated for disposal that have no remaining value will be recycled or otherwise disposed of in an environmentally conscious manner.

Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

Gordon M. Boggie
BOARD MEMBER

Dr. Matt H. Rostock
BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER

If you have any questions, please feel free to contact me.

I offer the following motion for your approval:

“THAT THE GOVERNING BOARD authorize the Executive Director to dispose of tangible personal property asset tag numbers 2294, 2433, 2434, 2685 and 2686 and the items from the aggregated assets listed in the schedule above in accordance with the District’s Disposal of Surplus Tangible Personal Property Policy.”



Change Orders

No Change Orders are presented
for Board consideration this month.



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LOXAHATCHEE RIVER DISTRICT

2500 JUPITER PARK DRIVE, JUPITER, FLORIDA 33458

TEL: (561) 747-5700

FAX: (561) 747-9929

D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

To: Governing Board
From: Kara Fraraccio, Director of Finance and Administration
Date: March 15, 2024
Subject: Audit for Fiscal Year 2023

The Annual Financial Report for the fiscal year ended September 30, 2023, is provided for your review.

I am proud to tell you we received an unmodified or 'clean' audit opinion with no recommendations to improve financial management from the auditors. As you read the audit, I suggest you pay particular attention to the "Management's Discussion and Analysis" (pages 4-10). This section is prepared by the District and provides an overview of the financial activities of the District for the fiscal year ended September 30, 2023, with comparative information for the prior two years.

The following reports are prepared by the auditors and are required by either Auditing Standards or Florida Statutes. These reports describe what is required by the auditors and detail any findings and conclusions.

- Independent Auditor's Report (pages 1-3)
- Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on and Audit of Finance Statements Performed in Accordance with *Government Auditing Standards* (pages 53-54)
- Management Letter in Accordance with the Rules of the Auditor General for the State of Florida (page 55-57)
- Independent Accountant's Report on Compliance Pursuant to Section 218.415, Florida Statutes (pages 58)

The audit firm will present the audit at our Board meeting this month. If you have questions before the Board meeting, please feel free to call Mr. Moises D. Ariza directly (561-653-7300) or you can contact me.

Therefore, I recommend the following motion:

"THAT THE GOVERNING BOARD receive the Annual Financial Report for the fiscal year ended September 30, 2023 as prepared and submitted by Marcum LLP."

Stephen B. Rockoff

CHAIRMAN

Kevin L. Baker

BOARD MEMBER

Gordon M. Boggie

BOARD MEMBER

Dr. Matt H. Rostock

BOARD MEMBER

Clinton R. Yerkes

BOARD MEMBER



Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2023

ANNUAL COMPREHENSIVE FINANCIAL REPORT

LOXAHATCHEE RIVER
ENVIRONMENTAL CONTROL DISTRICT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

**Prepared by the
Finance Department**

**Kara Fraraccio, CPA
Director of Finance and Administration**

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

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**LOXAHATCHEE RIVER
ENVIRONMENTAL CONTROL DISTRICT**

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INTRODUCTORY SECTION



LOXAHATCHEE RIVER DISTRICT

2500 JUPITER PARK DRIVE, JUPITER, FLORIDA 33458

TEL: (561) 747-5700

FAX: (561) 747-9929

D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

March 14, 2024

Chairman and Members of
the District Governing Board and Customers of
Loxahatchee River Environmental Control District
Jupiter, Florida

Florida Statutes require that government entities publish, within nine months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards accepted in the United States and *government auditing standards* by a firm of licensed certified public accountants. Pursuant to that requirement, we are pleased to submit this Annual Comprehensive Financial Report of the Loxahatchee River Environmental Control District (the District) for the fiscal years ended September 30, 2023 and 2022. District staff remains committed to reaching and maintaining the highest possible standards in financial reporting now and in the future.

This report was prepared by the District's Finance Department. Responsibility for data accuracy and completeness and fairness of the presentation, including all disclosures, rests with the District's management. We believe the data, as presented, are accurate in all material respects, that they are presented in a manner designed to fairly set forth the financial position and results of operations of the District, and that all disclosures necessary to enable readers to gain maximum understanding of the District's financial activity have been included.

Marcum LLP, independent auditors', have issued an unmodified opinion on the Loxahatchee River Environmental Control District's financial statements for the fiscal years ended September 30, 2023 and 2022. The independent auditors' report is presented as the first component of the financial section of this report.

Following the independent auditors' report, you will find the Management Discussion and Analysis (MD&A) where senior District staff provide a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter and should be read in conjunction with it.

District Profile

The Loxahatchee River Environmental Control District was created by Chapter 71-822, Special Acts of Florida, 1971, as amended, and codified in Chapter 2021-249, Laws of Florida, as a separate local agency of government to provide for the management of sewage, storm drainage, and water supply, and conduct environmental monitoring, education, and enhancements in an area of approximately 73 square miles in portions of northern Palm Beach and southern Martin Counties generally defined as the Loxahatchee River Basin. An elected five-member board governs the District.

Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

Gordon M. Boggie
BOARD MEMBER

Dr. Matt H. Rostock
BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER

The District is dedicated to protecting public health and preserving the Loxahatchee River watershed and its natural habitats through innovative wastewater solutions, research, and environmental stewardship.

The District's wastewater treatment facility provides the following services to approximately 32,000 residential customers and 1,500 commercial customers.

Wastewater collection, treatment and disposal

The District's wastewater system is made up of more than 1,584,000 feet or 300 miles of gravity sewer pipes, over 1,567 single family residential sewage pumping units, 234 regional or neighborhood sewage pumping stations, and 560,525 feet of major force mains (pipes). This network carries wastewater from homes and businesses to our regional wastewater treatment facility, which is located at 2500 Jupiter Park Drive, Jupiter, FL. The original treatment plant became operational in 1978. In 2007, a major upgrade to our wastewater treatment facility increased its capacity from 9 to 11 million gallons per day. Excess treated wastewater, i.e., during wet periods, is disposed of using our deep injection well, which effectively removes the water from our local hydrologic cycle. Excess microbial biomass generated in our wastewater treatment facility, also known as biosolids, is dewatered onsite and hauled in tractor trailers to the Biosolids Processing Facility (adjacent to the SWA landfill) where methane gas from the landfill is used to process the microbial biomass into energy and nutrient dense pellets that are recycled as fertilizer.

Irrigation Quality Water

During normal and dry periods, 100% of the wastewater we treat is recycled to meet landscape irrigation needs. Our treated wastewater goes by many names: treated effluent, reclaimed water, reuse water, and, our favorite, Irrigation Quality (IQ) Water. In 1986 the District began recycling our treated wastewater to meet local landscape irrigation needs as a proactive effort to offset impacts to the National Wild and Scenic Loxahatchee River being caused by saltwater intrusion. Today, our Irrigation Quality Water serves residential communities, golf courses, public parks and recreational facilities such as Roger Dean Stadium with over seven million gallons of water a day. The District distributes IQ Water to these customers through more than 184,800 feet or 35 miles of force mains that measure up to 24-inches in diameter.

River Research

The District's Wildpine Laboratory is a state-certified laboratory that provides scientific staff and equipment to conduct professional analysis of daily wastewater treatment facility operations, as well as an extensive environmental monitoring program within the Loxahatchee River watershed. Scientists conduct routine monitoring of water quality throughout the watershed on a monthly basis. Scientists also assess seagrass and oyster health within the Loxahatchee River because these species provide critical habitat to countless species and are a reliable indicator of ecosystem health.

Environmental Education

The District's environmental education program exists to foster a sense of environmental stewardship for the Loxahatchee River's diverse watershed with quality education programs, exhibits and meaningful events. These programs are conducted throughout the watershed and at the River Center, our environmental education facility. The River Center features live aquatic tanks, interactive exhibits, and a touch tank, all of which allow the public, especially children, to explore, experience, and connect with the diverse habitats and creatures found within the

Loxahatchee River watershed. The River Center provides a fun educational opportunity for school children, adults, visitors, and long-time residents to learn about Florida's first National Wild and Scenic River and the efforts to preserve and protect it. The River Center offers a variety of programs such as Seine & Snorkel, Fishing Clinics, Youth Camps, Monthly Lecture Series, Kayak Trips, and Boating Safety Classes.

Financial Data

The District's financial accounting system is based on the full accrual basis of accounting. All District activities are accounted for within a single proprietary (enterprise) fund.

In developing and evaluating the District's accounting system, consideration is given to the adequacy of internal accounting controls which are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of an internal control system should not exceed the benefits likely to be derived, and that the evaluation of cost and benefits requires estimates and judgements by management. We are confident the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The District maintains a system of budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual, appropriated budget approved by the Board. The budget process begins in March with the rate study. The operating budget incorporates the goals and objectives identified during the rate study and the strategic plan. The Board begins reviewing proposed budget figures in June and approves final budget appropriations in September; any subsequent revisions that increase the total appropriations must be approved by the Board.

The District follows its adopted investment policy when handling public funds. The investment policy is in compliance with Florida Statutes, Section 218.415 and the intent of this policy is to 1) ensure the preservation of principal, 2) maintain sufficient cash flow to enable the District to meet its obligations, and 3) maximize the return on assets for acceptably low exposure to risk.

The District currently has no outstanding debt. The intent of the Governing Board is that the cost of providing goods or services to the general public is financed primarily through user charges. Operational and maintenance costs, including minor equipment purchases, are funded from customer fees and charges. The acquisition and construction of capital assets are funded by assessment charges, grants, contributions from customers and developers, and customer revenues.

Economic Outlook

Systematic, effective treatment and disposal of wastewater (sewage) is critical to the maintenance of public health and environmental health. Wastewater treatment is a public necessity; thus, revenues derived from wastewater treatment typically remain stable regardless of transient economic conditions. During the fiscal year 2023, the District had an increase in residential equivalent connections (ECs) of 396 (0.7%). Given the lack of developable land in our service area, increases in quarterly sewer revenue are anticipated to be driven, not by growth in customers, but by rate increases. This perspective would change if the Board were to decide to initiate neighborhood sewerage of unscheduled areas, i.e., west of I-95.

The District performs an annual rate study where rates are compared to planned spending over the course of a five-year period. During the fiscal year 2023, the District implemented a 4% rate increase for quarterly sewer service charges, a 3% rate increase for retail and wholesale IQ Water charges, and a 5% rate increase in Nano IQ Water charges. Plant Connection Charges, Regional Transmission System Line Charges, and Administrative Charges are adjusted annually based upon the February Engineering News Record Construction Cost Index, which was 3.88% for February 2023. Subregional Line Charges are adjusted annually based on the 10-Year Treasury Rate published by the US Department of Treasury on February 1.

The District remains financially sound through conservative budgeting and continuously monitoring costs compared to the budget. District staff makes a concerted effort to be frugal with expenditures, which helps keep annual rate increases minimal. Nonetheless, the District understands the critical importance of renewal and replacement of existing assets, and each year we systematically assess our assets, plan for, and invest in rehabilitation and/or renewal of degraded assets (e.g., gravity sewer pipe lining projects, rehabilitation of sewage pumping stations, cleaning and rehabilitation of aeration basins).

Strategic Plan

The District's Strategic Plan sets the priorities and the direction of the District. In 2018, the Governing Board and senior management utilized a comprehensive strategic planning process to identify and prioritize key strategic objectives and improvement initiatives. The four strategic initiatives are:

- Stakeholder Focus – Improve Customer and Stakeholder satisfaction.
- Operational Excellence – Increase system reliability, optimize use of technology, improve analytical use of data, improve internal policies and procedures, improve workplace safety, and improve environmental stewardship.
- Employee Learning and Growth – Maintain employee morale and satisfaction, improve employee capabilities, and enhance internal communication.
- Financial Stewardship – Ensure prudent financial stewardship to achieve the expected level of return to stakeholders.

In 2023, the District published an Environmental Education Strategic Plan to realign our environmental efforts. This strategic plan included 40 strategic initiatives, i.e., prioritized, action-oriented, measurable goals. Accomplishing these strategic initiatives will drive improvement on our defined environmental education goals and objectives.

Fiscal year 2023 notable highlights of the accomplishments and advancements of strategic initiatives is summarized below.

- Safety continues to be a top priority at the District. During the fiscal year, the Lift Station Fall Protection project was completed, providing fall protection at the 200 lift stations that lacked fall protection. To facilitate and encourage safe work practices the District expanded computerized maintenance management system (CMMS) and analytical tools to monitor completion of mandatory lock-out/tag-out procedures and job hazard analysis'. Additionally, the District expanded the near miss program and implemented resolution tracking through CMMS.
- The District continues to fund capital improvement projects to maintain and improve District facilities. In FY 2023, the Master Lift Station Traveling Bridge Crane project was completed. This project provides a safe and effective method to perform lifting of pumps, motors, bases, valves and fittings in the Master Lift Station dry pit.

- As part of the District's comprehensive rehabilitation initiative, the District completed eight lift station rehabilitations and completed rehabilitation of more than 75,000 linear feet of gravity main and rehabilitation of more than 10,000 linear feet of service laterals.
- The District completed six neighborhood sewerage projects, converting an additional 60 homes from septic systems to our regional sanitary sewer system.
- The District appreciates the value of professional development provided by training our staff. As part of this effort, programs were implemented to improve our understanding of skills that staff need to not only perform their assigned duties, but also provide career development that can provide additional value to the District. During the fiscal year, we improved our systems to manage job skill requirements as well as identified opportunities for skill development and identified training for those skills. While many trainings can be performed in person, computer-based training has become indispensable to teams within the District as the staff can complete the training without any complex coordination. The District utilized OpenSesame, a provider of computer-based training courses, whose course catalogue includes a wide variety of topics including compliance, safety, and business skills. District staff will be able to receive required training and will be able to take courses that contribute to their career development.

These accomplishments over the past year are primarily the result of the Governing Board's leadership and diligent efforts of the District's dedicated professional staff, who routinely and consistently deliver superior service to our customers in an efficient and respectful manner.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Loxahatchee River Environmental Control District for its annual comprehensive financial report for the fiscal year ended September 30, 2022. This was the fifth year the District has achieved this prestigious award. Requirements to receive a Certificate of Achievement include the government publishing an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this annual comprehensive financial report was made possible by the dedicated service of the entire staff of the District. Each participant has our sincere appreciation for the contributions made in support of this report.

We would like to thank the Governing Board and customers of the Loxahatchee River Environmental Control District for their interest and support in enabling the District to achieve its goal of providing quality service in a cost effective and responsible manner.

Respectfully submitted,



D. Albrey Arrington, Ph.D.
Executive Director



Kara Fraraccio, CPA
Director of Finance
and Administration



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Loxahatchee River Environmental Control District
Florida**

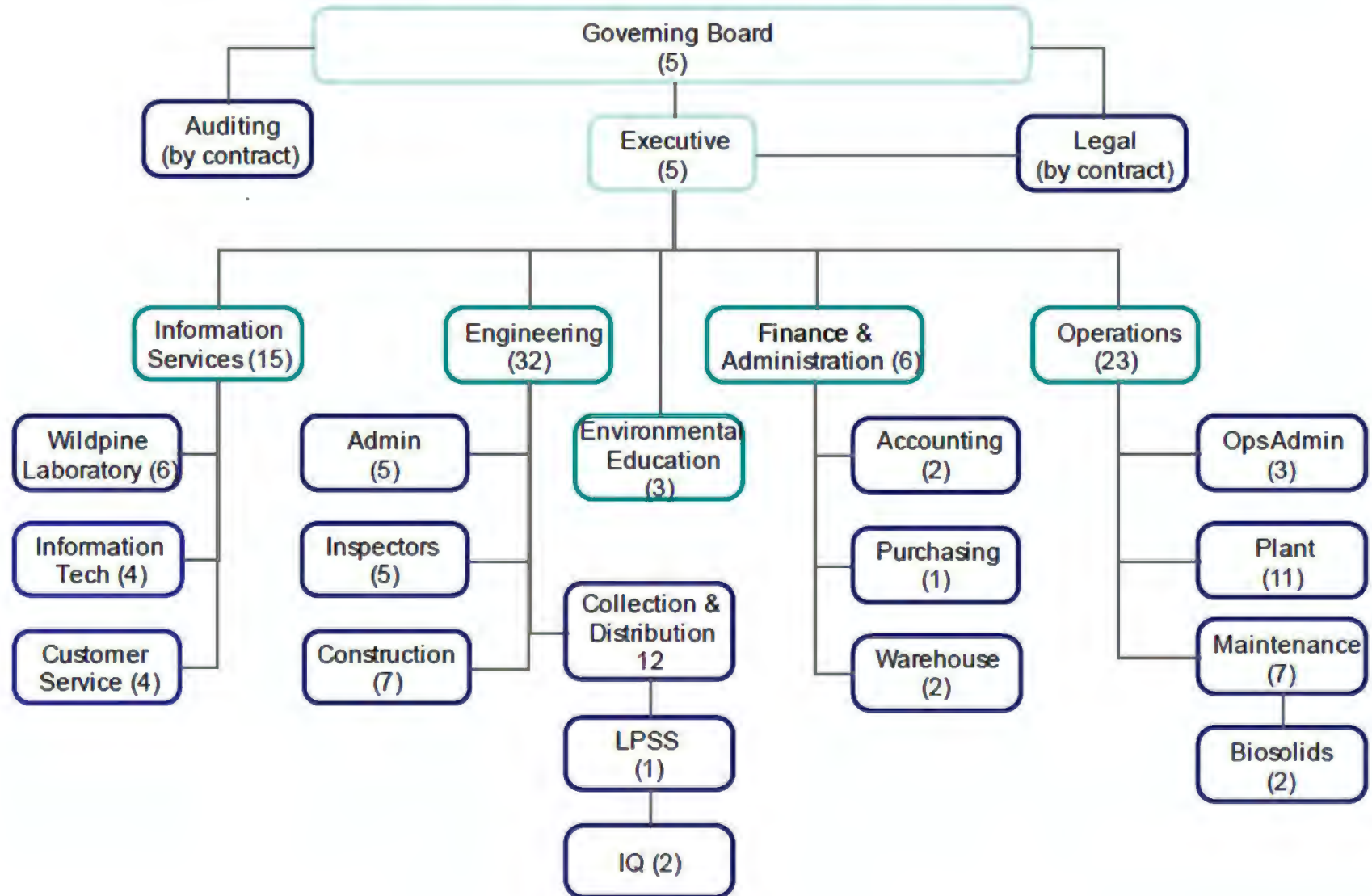
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO

LRD Organizational Chart



LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

LIST OF PRINCIPAL OFFICIALS

September 30, 2023

GOVERNING BOARD MEMBERS

Chairman..... Dr. Matt H. Rostock
Vice-Chairman..... Stephen B. Rockoff
Treasurer Gordon M. Boggie
Secretary Clinton R. Yerkes
Assistant Secretary/TreasurerKevin L. Baker

DISTRICT STAFF

Executive DirectorD. Albrey Arrington, Ph.D.
Deputy Executive Director Kris Dean, PE
Director of Finance and Administration Kara D. Fraraccio, CPA
Director of Information Services..... Kenneth Howard
Director of Engineering..... Courtney Jones, PE
Plant Manager..... Jason A. Pugsley, PE

CONSULTANTS

Legal Counsel.....Curtis Shenkman, P.A.
Independent Auditors.....Marcum LLP

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

To the Governing Board and Executive Director
Loxahatchee River Environmental Control District

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Loxahatchee River Environmental Control District (the "District"), as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the District, as of September 30, 2023, and the respective changes in financial position and its cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part

of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, statistical, and other information sections but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Matter – Summarized 2022 Comparative Information

The financial statements of the District as of and for the fiscal year ended September 30, 2022, were audited by a predecessor auditor whose report dated February 9, 2023 expressed an unmodified opinion. The summarized comparative information presented herein as of and for the year ended September 30, 2022 was derived from the 2022 financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Marcum LLP

West Palm Beach, Florida
March 14, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT’S DISCUSSION AND ANALYSIS

The Loxahatchee River Environmental Control District’s (the District) Management’s Discussion and Analysis (MD&A) presents highlights of the District’s financial activities for the fiscal years ended September 30, 2023 and 2022. Please read it in conjunction with the letter of transmittal in the introductory section and the District’s audited financial statements which follow.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District is a special-purpose government consisting of a single enterprise fund whose function is to provide for the management of sewage, storm drainage, and water supply, and conduct environmental monitoring, education, and enhancements within the Loxahatchee River Basin. The Annual Comprehensive Financial Report is presented in five sections: Introductory, Financial, Statistical, Other Information, and Reporting. The Introductory section includes a Transmittal Letter, List of Principal Officials and Staff, and the District’s Organization Chart. The Financial section includes the MD&A, audited basic financial statements and accompanying notes, as well as the report of the independent certified public accountant on the financial statements. The Statistical section includes unaudited financial and demographic information, and the Reporting section includes the supplementary auditors’ reports.

The MD&A represents management’s examination, analysis, and report on the District’s financial condition and performance. The financial statements, as well as other available operational and financial information and the budget were used for this analysis. The MD&A should be used with the audited financial statements and the accompanying notes to those statements.

FINANCIAL HIGHLIGHTS

- Operating revenues were \$21,025,062, an increase of 4.69% over the prior year.
- Capital contributions were \$3,214,703, an increase of 11.69% over the prior year.
- Operating Expenses, including depreciation and amortization, were \$24,599,114, an increase of 6.37% over the prior year.
- Net position increased by \$1,737,381 or 0.97%.
- Net investment in capital assets were \$124,152,628, an increase of 2.03% over the prior year.

REQUIRED FINANCIAL STATEMENTS

As an Enterprise Fund, the District’s financial statements and accounting methods closely resemble those used by private sector companies. These statements offer short and long-term financial information about its activities. The required financial statements include Statement of Net Position; Statement of Revenues, Expenses and Changes in Net Position; Statement of Cash Flows; and Notes to Basic Financial Statements.

The Statement of Net Position includes all of the District’s assets and liabilities. This statement provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. Over time, increases or decreases are indicators of whether the financial position of the District is improving or not.

All of the current year’s revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District’s operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and other charges, as well as being fiscally accountable and creditworthy. While the Statement of Net Position discussed previously shows a snapshot of balances as of a certain date, the Statement of Revenues, Expenses, and Changes in Net Position focuses on changes in the fiscal operating period.

The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the District's cash receipts and cash payments during the reporting period. This statement reports cash receipts, cash payments, and net changes in cash resulting from operating, non-capital and capital financing, and investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Finally, the accompanying Notes to the Financial Statements provide required disclosures and other information pertinent to understanding and explaining the financial statements. The notes contain information such as accounting policies, explanations, and descriptions of significant account balances, expanded detail on summarized data in the financial statements, as well as required disclosures about the District.

FINANCIAL ANALYSIS OF THE DISTRICT

Net position may serve over time as a useful indicator of a government's financial position. The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about the District's activities in a way that will help determine the District's financial position at September 30, 2023. The District's net position is one way to measure the financial health or financial position of the District. Over time, increases and decreases in the District's net position indicate whether the District's financial health is improving or deteriorating. However, other factors such as changes in economic conditions, population growth, and new or changed governmental legislation also impact the fiscal condition.

Net Position

We begin our analysis by providing a condensed summary of the District's statements of net position for the fiscal years ended September 30, 2023, 2022, and 2021. The analysis below shows the District net position (Table 1) and changes in net position (Table 2) during the year in a condensed format.

Table 1					
Condensed Summary Statements of Net Position					
	2023	2022	%	2021	%
Current and other assets	\$ 59,825,383	\$ 60,871,381	(1.72)	\$ 58,814,098	3.50
Capital assets, net	126,579,314	122,895,010	3.00	122,527,302	0.30
Total assets	<u>\$ 186,404,697</u>	<u>\$ 183,766,391</u>	1.44	<u>\$ 181,341,400</u>	1.34
Noncurrent liabilities	\$ 1,145,346	\$ 972,567	17.77	\$ 933,235	4.21
Other liabilities	5,122,611	4,394,465	16.57	2,763,065	59.04
Total liabilities	<u>\$ 6,267,957</u>	<u>\$ 5,367,032</u>	16.79	<u>\$ 3,696,300</u>	45.20
Net position:					
Net investment in					
capital assets	\$ 124,152,628	\$ 121,680,199	2.03	\$ 122,143,333	(0.38)
Unrestricted	55,984,112	56,719,160	(1.30)	55,501,767	2.19
Total net position	<u>\$ 180,136,740</u>	<u>\$ 178,399,359</u>	0.97	<u>\$ 177,645,100</u>	0.42

As illustrated in the table above, the District's assets exceeded liabilities by \$180,136,740, \$178,399,359, and \$177,645,100, at September 30, 2023, 2022, and 2021, respectively. A broad array of factors contributed to this positive increase in net position: conscientious collection practices, careful attention to cost control, sizable capital contributions. The largest portion of the District's net position (69.0%) reflects its net investment in capital assets (land, right to use asset, treatment and disposal systems, collection and transmission systems, equipment and construction in progress), net of related debt. The District uses capital assets to provide services to citizens; accordingly, these assets are not available for future spending. Current and other assets include \$9.0 million in noncurrent special assessments receivable.

Condensed Statements of Revenues, Expenses, and Changes in Net Position					
	2023	2022	%	2021	%
Operating revenues:					
Charges for services	\$ 20,609,837	\$ 19,673,952	4.76	\$ 19,077,644	3.13
Miscellaneous	415,225	408,339	1.69	329,299	24.00
Total operating revenues	21,025,062	20,082,291	4.69	19,406,943	3.48
Operating expenses:					
Personal services	10,427,671	9,207,293	13.25	8,193,390	12.37
Operational	3,663,411	3,428,115	6.86	3,055,824	12.18
Supplies and chemicals	1,387,961	1,161,338	19.51	975,258	19.08
Repairs and maintenance	1,518,971	1,621,574	(6.33)	1,427,301	13.61
Contractual services	492,150	552,686	(10.95)	783,509	(29.46)
Depreciation and amortization	7,108,950	7,154,369	(0.63)	7,528,150	(4.97)
Total operating expenses	24,599,114	23,125,375	6.37	21,963,432	5.29
Operating loss	(3,574,052)	(3,043,084)	17.45	(2,556,489)	19.03
Nonoperating revenues					
(expenses):					
Grant revenue	5,126	351,500	(98.54)	270,000	30.19
Interest income	2,018,876	754,712	167.50	722,220	4.50
Net income (loss) on fair value of investments	41,273	(152,397)	(127.08)		100.00
Net income (loss) on disposal of capital assets	37,071	(28,603)	(229.61)	(14,652)	95.22
Interest expense	(5,616)	(6,086)	(7.72)		100.00
Total nonoperating revenues					
(expenses)	2,096,730	919,126	128.12	977,568	(5.98)
Income (loss) before capital contributions	(1,477,322)	(2,123,958)	(30.44)	(1,578,921)	34.52
Capital contributions	3,214,703	2,878,217	11.69	1,661,848	73.19
Change in net position	1,737,381	754,259	130.34	82,927	809.55
Net position, beginning of year	178,399,359	177,645,100	0.42	177,562,173	0.05
Net position, end of year	\$ 180,136,740	\$ 178,399,359	0.97	\$ 177,645,100	0.42

While the statements of net position show the change in financial position of the District, the statements of revenues, expenses and changes in net position provide answers as to the nature and source of these changes.

Operating revenue increased by \$942,771 or 4.69% compared to fiscal year 2022 and increased \$1,618,119 or 8.34% comparing fiscal year 2023 to 2021. The chart below compares operating revenues by source for the fiscal years 2023, 2022, and 2021. The increase in Regional Sewer Service is largely due to a 4% rate increase effective April 1, 2023, and an increase in commercial business usage after a decline in 2021 due to COVID-19 closures. Commercial sewer sales are billed based on their average prior year usage; therefore, there is a lag between the COVID-19 effects and the reported revenues. Other charges include charges for late fees, interest, etc. During fiscal year 2021, the District forgave all delinquency fees, charges, interest, and all lien processing fees. These charges were reinstated during fiscal year 2022, causing the level to increase back to a more normal amount. In fiscal year 2021, Irrigation Quality Water agreements were curtailed due to dry weather conditions. Curtailed agreements offset by a rate increase effective April 1, 2022 and another rate increase effective April 1, 2023, caused Irrigation Quality Water sales to increase from fiscal year 2021.

Revenue Comparisons

\$20,000,000

\$15,000,000

\$10,000,000

\$5,000,000

\$-

	Regional Sewer Service	Irrigation Quality Water	Stand-by Sewer Revenue	Other Charges for Services	Miscellaneous
2023	18,040,429	2,364,586	113,984	90,838	415,225
2022	17,157,795	2,307,624	113,801	94,732	408,339
2021	16,683,096	2,267,555	98,167	28,826	329,299

Operating expenses increased from \$21,963,432 in fiscal year 2021 to \$23,125,375 in fiscal year 2022 and \$24,599,114 in fiscal year 2023. The chart below presents operating expenses for the comparative years ending September 30, 2023, 2022, and 2021. Of the increases driving fiscal year 2023 higher, inflation was the principal factor, but not the only factor. Personal Services have increased largely due to a cost-of-living increase of 9.1%. The increase in Supplies and Chemicals is related to the cost of chlorine more than doubling from fiscal year 2021 to fiscal year 2023. The decrease in Contractual Services in fiscal year 2023 is primarily related to the conclusion of the Nano Bubble Ozone Technology (NBOT) water quality project, which started in fiscal year 2021, concluded in 2022, and was grant funded. Also, in 2023, the District no longer had to pay for wastewater surveillance to test trends of SARS-CoV-2 within the raw sewage we treat.

Operating Expense Categories

\$12,000,000

\$10,000,000

\$8,000,000

\$6,000,000

\$4,000,000

\$2,000,000

\$-

	Personal services	Operational services	Supplies and chemicals	Repairs and maintenance	Contractual services	Depreciation and amortization
2023	10,427,671	3,663,411	1,387,961	1,518,971	492,150	7,108,950
2022	9,207,293	3,428,115	1,161,338	1,621,574	552,686	7,154,369
2021	8,193,390	3,055,824	975,258	1,427,301	783,509	7,528,150

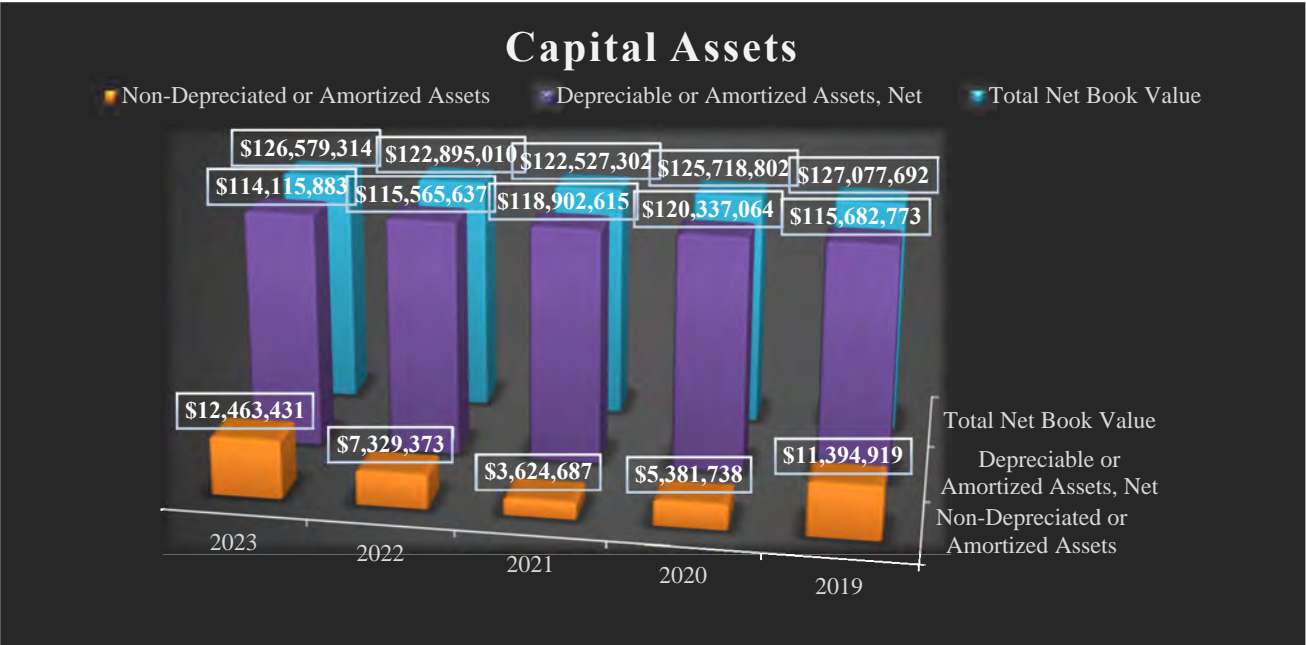
Non-operating revenues and expenses increased to \$2,096,730 in fiscal year 2023 from \$919,126 in fiscal year 2022 and \$977,568 in fiscal year 2021. This increase is driven by a significant increase in investment earnings. Market conditions, investable surplus, and cash flow needs dictate the District's investment earnings. Changing interest rate market conditions between fiscal year 2021 and fiscal year 2023 resulted in an increase in interest income. The Fed raised interest rates eleven times between March 2022 and July 2023, increasing rates by 5%. During fiscal year 2022, the District invested in government backed bond funds. However, the impacts of COVID-19 weakened the bond market, sending rates on potential authorized investments to historical lows resulting in a decrease in the fair value of investments of \$152,397. In fiscal year 2023, the bond market started to strengthen resulting in an increase in the fair value of investments of \$41,273. The District received grant revenue of \$270,000 for a completed neighborhood sewerage project during fiscal year 2021 and grant revenue of \$350,000 to fund the Nano Bubble Ozone Technology (NBOT) water quality project during fiscal year 2022. The District received no significant grant revenues in the current year. The District continues to renew and replace its aging infrastructure. When capital items are replaced before they are fully depreciated, the resulting typical write-offs result in accounting losses, the amount of which will vary from year to year. District staff seeks to maximize cash recovery for disposed assets by public sale. Fiscal year 2023 had a profit on the disposal of assets totaling \$37,071, while fiscal years 2022 and 2021 had losses of \$28,603 and \$14,652, respectively. Interest expense in fiscal years 2023 and 2022 is a result of the District implementing GASB 87, *Accounting for Leases* in fiscal year 2022.

Capital Contributions are composed of special assessments related to neighborhood sewerage, connection charges, and donated infrastructure. Consequently, capital contributions can fluctuate from one fiscal year to the next. Substantial completion of the Jupiter Inlet Lighthouse Outstanding Natural Area septic to sewer project and reimbursement by the Bureau of Land management caused the increase in capital contribution revenues in fiscal year 2023.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's capital assets as of September 30, 2023, in the amount of \$126,579,314 (net of accumulated depreciation and amortization) has increased 3.0% over the prior year. This investment in capital assets includes land, right to use asset, treatment and reuse/disposal system, collection and transmission system, equipment, and construction in progress. There were \$10.7 million in capital additions, but the decrease of \$7.0 million due to normal scheduled depreciation, amortization, and asset disposals left an increase in capital assets of approximately \$3.7 million.



Major capital asset events during the current year included the following:

- Construction work in progress as of the close of the fiscal year ended September 30, 2023, was \$11,608,987. Of this amount, notable projects include: \$1,732,248 for septic to sewer conversions; \$6,754,822 for lift station improvements; \$780,744 for IQ Pump Station improvements; \$599,359 for site planning; \$548,620 for Loxahatchee River Subaqueous Replacement Project; \$531,426 for lining projects; and \$399,880 for network and software replacement projects.
- Construction of new treatment and disposal features and renewal of existing features completed and booked during fiscal year 2023 totaled \$670,116.
- Construction of new collection and transmission systems and renewal of existing features completed and recorded in fiscal year 2023 totaled \$3,976,361.
- Construction of IQ system improvements completed in fiscal year 2023 totaled \$39,295.

Also, presented in Note 5 to the financial statements are additional details of the District's Capital Assets.

Long-term Debt

As shown in Table 3 below, the District's long-term liabilities consists of compensated absences and lease liability.

	2023	2022	%	2021	%
Compensated Absences	\$ 1,189,610	\$ 1,037,346	14.68%	\$ 1,028,286	0.88%
Lease Liability	127,235	115,162	10.48%		100.00%
Total long-term liabilities	1,316,845	1,152,508	14.26%	1,028,286	12.08%
Less Current Portion	(171,499)	(179,941)	-4.69%	(95,051)	89.31%
Long-term liabilities (net of current portion)	<u>\$ 1,145,346</u>	<u>\$ 972,567</u>	17.77%	<u>\$ 933,235</u>	4.21%

Compensated absences include estimated accrued vacation and sick leave to be paid at retirement. Lease liability include right to use leases for certain equipment. New lease agreements totaling \$105,613 were entered into during the current year. Principal payments totaling \$93,540 were made on leases during fiscal year 2023. The District incurred \$5,616 and \$6,086 of interest charges for the fiscal years ended 2023 and 2022, respectively.

Additional information on the District's long-term liabilities can be found in Note 6 to the financial statements.

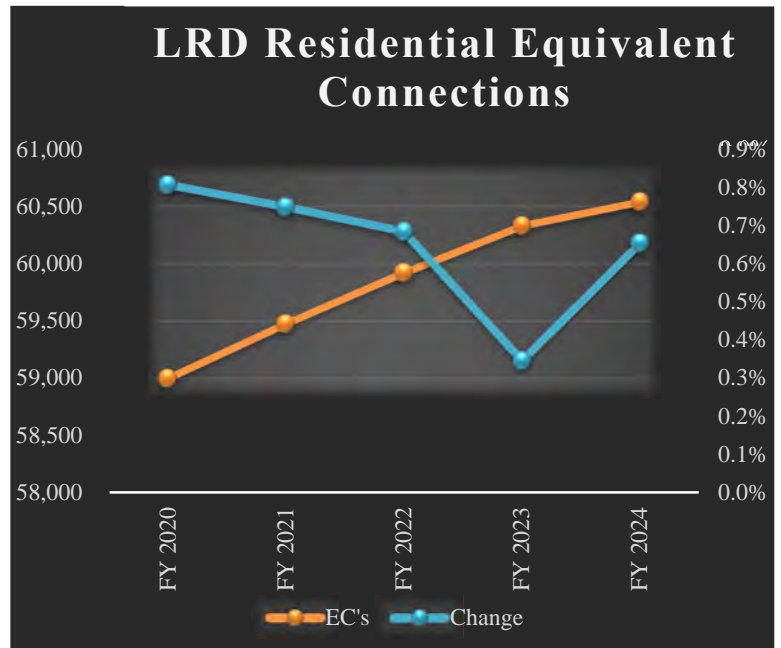
ECONOMIC FACTORS AND RATES

The District operates in a stable economic environment evidenced by a steadily growing customer base along with some of the most affordable rates in South Florida. Numerous economic factors, such as increasing operating costs, the need for new or renewed facilities, the pace of growth, cost of financing, etc., are evaluated when determining the District's budget and rates. Charges for services continue to be the District's largest single source of revenue, as wastewater treatment is a public necessity. Revenue typically remains stable as long as the number of equivalent connections does not decline.

The following information summarizes the financial conditions anticipated over the next few years and the core assumptions that produced these conditions.

Rates and System Growth

In March, 2023, the District approved the revised District Rule 31-10 which included an annual rate increase of 4.0% in 2023 and 3.0% in 2024 through 2027 for Quarterly Services Charges. Plant Connection Charges, Regional Transmission System Line Charges, and Administrative Charges increase based upon the annual increase (or decrease) in the Engineering News Records (ENR) Utility Cost Construction Index published in the February edition each year, which equaled 3.88% for February 2023. These rate increases were implemented in an effort to provide funding for anticipated future expenses while balancing a desire to reduce the unrestricted cash balance. The figure on the right shows the change in residential equivalent connections over the last 5 years (based on October billing). Once the remaining developable land is consumed this growth rate is anticipated to fall to near zero.



Significant neighborhood sewerage projects have been ongoing for over 20 years, so we are starting to experience a decline in assessment revenues. However, low pressure sewers were completed and assessed on Olympus Drive during fiscal year 2023, for a total assessment of \$25,507. Other ongoing neighborhood sewerage projects include Rolling Hills and Jamaica Drive. Excluding private roads, neighborhood sewerage east of I-95 will be completed in 2024.

System Renewal and Replacement

Over the last few years, the District initiated several major construction projects that focus on renewal and replacement of its facilities and infrastructure. The District's capital improvements will continue to be funded primarily through existing cash reserves, grants, and rate revenue. No additional debt is expected to be issued. Approved capital improvements include:

- Fiscal year 2024 neighborhood sewerage projects include Island Way and Old Jupiter Beach Road. The District will continue to pay 10% of associated neighborhood sewerage costs.
- Gravity System Lining.
- Loxahatchee River Subaqueous Replacement Project.
- Rehabilitation of Lift Station #82.
- Lift Station Cellular Telemetry.
- IQ511 Pump Station Piping Improvements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGER

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District at 2500 Jupiter Park Drive, Jupiter, Florida 33458.

FINANCIAL STATEMENTS

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2022)

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents - unrestricted	\$ 22,618,868	\$ 23,672,396
Cash and cash equivalents - restricted	86,973	78,945
Investments	20,962,731	19,839,185
Receivables:		
Accounts	586,253	465,495
Special assessments	815,954	1,155,632
Accrued interest	513,892	565,080
Due from other governments	131,585	476,614
Inventories	2,999,322	2,689,221
Prepaid expenses	602,519	369,893
Total Current Assets	49,318,097	49,312,461
Noncurrent Assets		
Receivables		
Accounts	640,607	614,711
Accounts - allowance	(157,185)	(157,185)
Special assessments	8,995,713	9,897,400
Investment in joint venture	1,028,151	1,203,994
Capital assets:		
Non-depreciable	12,463,431	7,329,373
Depreciable (net of depreciation)	113,992,863	115,456,998
Right to use lease assets (net of amortization)	123,020	108,639
Total Noncurrent Assets	137,086,600	134,453,930
Total Assets	\$ 186,404,697	\$ 183,766,391

Continued

The accompanying notes are an integral part of these financial statements.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2022)

	2023	2022
Liabilities		
Current Liabilities		
Accounts payable	\$ 533,301	\$ 627,716
Construction contracts payable	2,299,451	1,099,649
Accrued liabilities:		
Wages and payroll taxes	335,562	289,882
Pension	47,591	43,007
Compensated absences	107,701	108,056
Unearned revenue	1,648,234	2,075,325
Lease liability	63,798	71,885
Total Current Liabilities (payable from current assets)	5,035,638	4,315,520
Payable from restricted assets:		
Customer deposits	86,973	78,945
Total Current Liabilities (payable from restricted assets)	86,973	78,945
Total Current Liabilities	5,122,611	4,394,465
Noncurrent Liabilities		
Compensated absences	1,081,909	929,290
Lease liability	63,437	43,277
Total Noncurrent Liabilities	1,145,346	972,567
Total Liabilities	6,267,957	5,367,032
Net Position		
Net investment in capital assets	124,152,628	121,680,199
Unrestricted	55,984,112	56,719,160
Total Net Position	\$ 180,136,740	\$ 178,399,359

The accompanying notes are an integral part of these financial statements.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022)

	2023	2022
Operating Revenues		
Charges for services	\$ 20,609,837	\$ 19,673,952
Miscellaneous	415,225	408,339
Total Operating Revenues	<u>21,025,062</u>	<u>20,082,291</u>
Operating Expenses		
Personal services	10,427,671	9,207,293
Operational	3,663,411	3,428,115
Supplies and chemicals	1,387,961	1,161,338
Repairs and maintenance	1,518,971	1,621,574
Contractual services	492,150	552,686
Depreciation and amortization	7,108,950	7,154,369
Total Operating Expenses	<u>24,599,114</u>	<u>23,125,375</u>
Operating Loss	<u>(3,574,052)</u>	<u>(3,043,084)</u>
Non-operating Revenues (Expenses)		
Grants	5,126	351,500
Interest income	2,018,876	754,712
Net increase (decrease) in fair value of investments	41,273	(152,397)
Gain (loss) on disposal of capital assets	37,071	(28,603)
Interest expense	(5,616)	(6,086)
Total Non-operating Revenues (Expenses)	<u>2,096,730</u>	<u>919,126</u>
Loss Before Capital Contributions	(1,477,322)	(2,123,958)
Capital Contributions	<u>3,214,703</u>	<u>2,878,217</u>
Change in Net Position	1,737,381	754,259
Net Position - Beginning of Year	<u>178,399,359</u>	<u>177,645,100</u>
Net Position - End of Year	<u>\$ 180,136,740</u>	<u>\$ 178,399,359</u>

The accompanying notes are an integral part of these financial statements.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

STATEMENT OF CASH FLOWS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022)

	2023	2022
Cash Flows from Operating Revenues		
Receipts from customers	\$ 20,455,155	\$ 19,777,755
Payments to employees	(10,630,199)	(9,128,950)
Payments for goods and services	(7,510,805)	(6,720,589)
Other receipts	1,187,345	988,535
Net Cash Provided by Operating Activities	3,501,496	4,916,751
Cash Flows from Non-capital Financing Activities		
Grants	5,126	351,500
Net Cash Provided by Non-capital Financing Activities	5,126	351,500
Cash Flows from Capital and Related Financing Activities		
Contributed capital	2,306,465	1,118,258
Acquisition and construction of capital assets	(10,576,912)	(5,168,011)
Cash received from the sale of capital assets	73,396	50,069
Payment paid on leasing activities	(12,073)	(67,336)
Interest paid on leasing activities	(5,616)	(6,086)
Proceeds from collections of special assessments	1,241,365	1,296,273
Net Cash Used in Capital and Related Financing Activities	(6,973,375)	(2,776,833)
Cash Flows from Investing Activities		
Purchase of investments	28,114,865	(25,989,282)
Proceeds from sales of investments	(27,763,676)	16,629,989
Interest and dividends on investments	2,070,064	790,141
Net Cash Provided by (Used in) Investing Activities	2,421,253	(8,569,152)
Net Decrease in Cash and Cash Equivalents	(1,045,500)	(6,077,734)
Cash and Cash Equivalents - Beginning of Year	23,751,341	29,829,075
Cash and Cash Equivalents - End of Year	\$ 22,705,841	\$ 23,751,341

Continued

The accompanying notes are an integral part of these financial statements.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

STATEMENT OF CASH FLOWS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022)

	2023	2022
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities		
Operating loss	\$ (3,574,052)	\$ (3,043,084)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	7,108,950	7,154,369
(Increase) decrease in assets:		
Accounts receivable	(146,654)	111,321
Due from other governments	345,029	(3,148)
Inventory	(310,101)	(133,333)
Prepaid expenses	(232,626)	(9,264)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	(108,113)	234,102
Developer deposits	(8,028)	(7,518)
Unearned revenue	427,091	613,306
Net Cash Provided By Operating Activities	\$ 3,501,496	\$ 4,916,751
Noncash Investing, Capital and Financing Activities		
Contributions of lift stations, lines and equipment	\$ 908,238	\$ 1,358,717
Book value of assets disposed	\$ 57,880	\$ 78,672
Equity in joint venture	\$ 175,843	\$ 175,843

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 1 – NATURE OF ORGANIZATION

Loxahatchee River Environmental Control District (the “District”) was created by Chapter 71-822, Special Acts of Florida, 1971, as amended, and codified pursuant to Chapter 2021-249, Laws of Florida, as a separate local agency of government to provide for the management of sewage, storm drainage, and water supply, and conduct environmental monitoring, education, and enhancements in an area of approximately 73 square miles in portions of northern Palm Beach and southern Martin Counties generally defined as the Loxahatchee River Basin. An elected five-member board governs the District.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting principles and policies used in the preparation of these financial statements.

REPORTING ENTITY

As required by GAAP, the financial statements present the government and its component units. Component units are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the District’s financial statements to be misleading or incomplete. The primary government is considered financially accountable if it appoints a voting majority of an organization’s governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government, regardless of the authority of the organization’s governing board. Blended component units, although legally separate entities, are, in substance, part of the primary government’s operations and are included as part of the primary government.

Based on the application of the criteria set forth by the GASB, the District has determined that there are no legally separate entities to consider as potential component units.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION AND ACCOUNTING

On October 1, 2002, the District adopted the provisions of GASB Statement No. 34 (“Statement 34”) “*Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments.*” Statement 34 established standards for external financial reporting for all state and local governmental entities which includes a statement of net position, a statement of revenues, expenses, and changes in net position and a statement of cash flows. It requires the classification of net position into three components – net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

Net investment in capital assets – this component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted net position – this component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There was no restricted net position at September 30, 2023.

Unrestricted net position – component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets”.

The District’s financial statements are presented on the full accrual basis. All activities of the District are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are: (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**LOXAHATCHEE RIVER
ENVIRONMENTAL CONTROL DISTRICT**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION AND ACCOUNTING (CONTINUED)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the District's wastewater treatment enterprise fund are charges for the operation of the plant facilities. The District recognizes charges for services (revenue) that are earned and measurable on the accrual basis of accounting. Operating expenses for the enterprise fund include the cost of the operation of the plant facilities, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The accounting and financial reporting treatment applied to the District is determined by its measurement focus. The transactions of the District are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the Statement of Net Position.

BUDGETARY ACCOUNTING

The District's procedures for establishing budgetary data are as follows:

- The District's Executive Director submits a proposed operating budget to the governing board for the fiscal year commencing the following October 1.
- Public meetings and a public hearing are conducted to obtain comments.
- Formal budget integration is employed as a management control device during the fiscal year. The accounting principles applied for the purpose of developing data on a budgetary basis differ from those used to present financial statements in conformity with generally accepted accounting principles in that the District does not provide for depreciation expense in its budget.
- The Governing Board approves the budget appropriations. Any revisions that increase the total appropriations must be approved by the Governing Board.
- Unused appropriations for budgeted funds lapse at the end of the fiscal year.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the period reported. These estimates include assessing the collectability of accounts receivable, the use and recoverability of inventory, and useful lives and impairment of tangible assets. Accordingly, actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

For the purposes of the financial statements, the District considers all highly liquid investments including cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition to be cash and cash equivalents.

RESTRICTED ASSETS

As of September 30, 2023, the District had \$86,973 of cash and investments restricted for customer deposits. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

INVESTMENTS

The District's investments consist of U.S. Government and Agency securities, fixed income mutual funds, non-negotiable certificates of deposit, and investments with authorized Florida intergovernmental investment pools. Investments in the U.S. Government and Agency securities and fixed income mutual funds are valued at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Florida intergovernmental investment pools authorized by the District include the Florida PRIME Fund (Florida PRIME) and the Florida Fixed Income Trust ("FIT"). Participants in the investment pools are limited to governmental entities in the State of Florida. Florida PRIME is operated by the Florida State Board of Administration in a manner consistent with SEC Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC registered mutual funds to use amortized cost, rather than fair value, to report net position used to compute share prices if certain conditions are met. Those conditions include restrictions on

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS (CONTINUED)

the types of investments held, restrictions on the term-to-maturity of individual investments and the dollar-weighted average of the portfolio, requirements for portfolio diversification, and requirements for divestiture considerations in the event of security downgrades and defaults, and required actions if the fair value of the portfolio deviates from amortized cost by a specified amount. The fair value of the position in the pool is considered to be the same as the District's account balance (amortized cost) in the pool.

FIT is organized by Florida public agencies under Florida Statutes Section 163, the Florida Interlocal Cooperation Act, for the purpose of operating independent investment pools for local governments in Florida and are administered by a Board of Trustees elected by the participants in the pool. FIT is exempt from registration under the Securities Act of 1933, the Investment Company Act of 1940 and the Florida Securities and Investors Protection Act. FIT operates four fixed income funds with differing cash management and investment goals. The fair value of investments in FIT is the net asset value ("NAV") of each fund based on the fair value of the fund's underlying investment portfolio as determined by the fund administrator at the end of each month.

Investments in non-negotiable certificates of deposits and the Florida PRIME are stated at amortized cost, which approximates fair value. Investments in FIT are valued at net asset value, which approximates fair value.

Florida PRIME and FIT are reported as cash and cash equivalents.

Purchases and sales of investments are recorded on the trade date. Realized and unrealized gains and losses on investments are reflected in current operating results as investment earnings. Realized gains and losses on investments held at the end of the prior year and sold during the current year include the change in fair value from the beginning of the year to the date sold.

INVENTORIES

Inventories are valued at cost (as determined by the first-in/first-out method).

PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepayments on the statement of net position.

**LOXAHATCHEE RIVER
ENVIRONMENTAL CONTROL DISTRICT**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS

Property, plant and equipment in service and construction in progress are recorded at cost, if purchased or constructed. Assets acquired through contributions from developers or other customers are capitalized at acquisition value. All assets greater than \$5,000 are capitalized. Expenditures for maintenance and repairs are expensed as incurred, while expenditures for renewals and improvements are capitalized. Construction costs of new collection and transmission facilities that are reimbursed by users or financed by developers and property owners are capitalized and recorded as revenues.

Depreciation has been provided over the useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Lakes and retention ponds	50-100 years
Buildings	10-40 years
Improvements other than buildings	20-60 years
Equipment	3-10 years

ALLOWANCE FOR DOUBTFUL ACCOUNTS

The District's enabling legislation gives the District the authority to place liens on properties in the event that fees or charges are not paid when due. An allowance for uncollectible accounts is maintained at a level the District believes is sufficient to cover potential losses. A portion of the accounts receivable is classified as a noncurrent asset. These represent accounts that currently have liens or are anticipated to have liens placed on them in the future.

SPECIAL ASSESSMENTS

The District levies special assessments against benefited property owners for design, construction and other expenses necessary to complete wastewater and sewerage system improvements constructed in their assessment area. The property owners have an option to pay the assessment in full at the time of connection or have installment payments added to their real estate taxes over a period of 20 years with a rate of Wall Street Journal Prime Rate plus 2% at the time assessed. A portion of the balance is reclassified as a current special assessment receivable. The current portion of the special assessment receivable and accrued interest is billed and collected by the Palm Beach County and Martin County Tax Collectors. No allowance is recorded because liens are recorded against the assessed property, which provides the District the expectation that all amounts are fully collectible over time.

**LOXAHATCHEE RIVER
ENVIRONMENTAL CONTROL DISTRICT**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LEASES

Lease contracts that provide the District with control of a non-financial asset, such as land, buildings, or equipment, for a period of time in excess of twelve months are reported as an intangible right to use lease asset with a related lease liability. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible right to use leased asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Leased assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment.

Lease contracts that provide an external entity with control of a District's non-financial asset, such as land, buildings, or equipment, for a period of time in excess of twelve months are reported as a leased receivable with a related lease deferred inflow of resources. The lease receivable is recorded at the present value of future lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts. The lease deferred inflow of resources is recorded for the same amount as the related lease receivable less any lease incentives. Leased deferred inflow of resources are amortized over the lease term. The lease receivable is reduced for lease payments made, less the interest portion of the lease payment.

The District, as lessor, leases 400 square feet of land to Sprint Spectrum L.P. (tenant) for a communications service equipment. The land is used by the tenant for installing, maintaining and operating a communication service system facility and related antenna equipment and fixtures. The lease agreement initially commenced in April 2000 and was amended in October 2007. The lease agreement provides for four additional renewal terms of five (5) years each term. The current and final renewal term pursuant to this lease agreement is the period of April 18, 2022 to April 17, 2027. The agreement requires that the rent be prepaid in advance of the commencement of the lease term. The tenant has prepaid the District rent of \$375,417 for the term April 18, 2022 through April 17, 2027. See Unearned Revenues note below.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The District has implemented GASB Statement No. 75, “*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*” and has determined that the District is not required to provide any benefits that qualify as other postemployment benefits (“OPEB”) under the provisions of GASB Statement No. 75. District management has received a legal opinion from external counsel to support such conclusion.

UNEARNED REVENUES

Unearned revenues primarily represent capital connection and inspection fees and service payments that are paid in advance by customers. These fees will be recognized as income in subsequent years as the services are performed.

The prepaid rent on the land lease with Sprint Spectrum, L.P. is also recorded and included in unearned revenues. The balance of advance rent paid under this lease agreement is \$266,336 and included in unearned revenues in the accompanying statement of net position at September 30, 2023.

CAPITAL CONTRIBUTIONS

Capital contributions are recognized in the statement of revenues, expenses, and changes in net position when earned and include capital grants or contributions from developers, customers, or other governmental agencies.

COMPENSATED ABSENCES

It is the District’s policy to permit employees to accumulate a limited amount of earned but unused vacation and sick leave, which will be paid upon separation from the District’s service. The District uses the vesting method in accruing vacation and sick leave as the benefits are earned by the employee if it is probable that the employee will be compensated for the benefits through payments conditioned on termination or retirement.

IMPLEMENTATION OF GASB STATEMENTS

The District considered the new accounting standards which effective dates are applicable for the fiscal year ended September 30, 2023. The implementation of GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 99, *Omnibus 2022*, did not have a significant impact on the District’s financial statements.

**LOXAHATCHEE RIVER
ENVIRONMENTAL CONTROL DISTRICT**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COMPARATIVE FINANCIAL STATEMENTS

The financial statements included certain prior summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the fiscal year ended September 30, 2022, from which the summarized information was derived.

RECLASSIFICATIONS

Certain amounts derived from the September 30, 2022 financial statements were reclassified to conform to the current year presentation.

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments of the District at September 30, 2023, including unrestricted and restricted assets, are summarized as follows:

	<u>2023</u>
Deposits with financial institutions	\$ 7,051,667
Petty cash	10,925
Investments	<u>36,605,980</u>
Total Cash, Cash Equivalents and Investment	<u>\$ 43,668,572</u>
Reported in the Statement of Net Position	
Cash and cash equivalents - unrestricted	\$ 22,618,868
Cash and cash equivalents - restricted	86,973
Investments	<u>20,962,731</u>
Total Cash, Cash Equivalents and Investments	<u>\$ 43,668,572</u>

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

DEPOSITS

At September 30, 2023, the carrying amount of the District's deposits were \$7,051,667 and the related bank balance was \$7,953,365. The District also had petty cash and cash on hand of \$10,925. Deposits included non-negotiable certificates of deposit with financial institutions with original maturities greater than three months in the amount of \$5,371,419. The non-negotiable certificates of deposit are reported as investments.

In addition to insurance provided by the Federal Depository Insurance Corporation ("FDIC"), all deposits are held in banking institutions approved by the Treasurer of the State of Florida. Under Florida Statutes, Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or other banking institution eligible collateral. In the event of the failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. The District's deposits are considered insured for custodial credit risk purposes.

INVESTMENTS

The investment of surplus public funds is governed by an investment policy approved by the Board. The policy limits investments to the following securities:

- a) The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Florida Statutes s. 163.01.
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- c) Interest-bearing time deposits, savings accounts, or money market accounts in qualified public depositories as defined in Florida Statutes s. 280.02.
- d) Direct obligations of the United States Treasury.
- e) Federal agencies and instrumentalities.
- f) Securities of, or other interests in, any open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided that the portfolio of such investment company or investment trust is limited to obligations of the United States Government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States Government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

**LOXAHATCHEE RIVER
ENVIRONMENTAL CONTROL DISTRICT**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

- g) Repurchase agreements collateralized by obligations of the United States Government.
- h) Authorized deposits up to the amount guaranteed by the U.S. Government under FDIC limits where:
 - 1. Funds are initially deposited in a qualified public depository, as defined in Florida Statutes, 280.02 selected by the District;
 - 2. The selected depository arranges for depositing the funds in financial deposit instruments insured by the FDIC in one or more federally insured banks or savings and loan associations, wherever located, for the account of the unit of local government;
 - 3. The full amount of the principal and accrued interest of each financial deposit instrument is insured by the FDIC; and
 - 4. The selected depository acts as custodian for the unit of local government with respect to each financial deposit instrument issued for its account.
- i) Other investments authorized by law or by resolution of the Governing Board.

GASB Statement No. 72, *Fair Value Measurement and Application*, requires governments to disclose the fair value hierarchy for each type of asset or liability measured at fair value in the notes to the financial statements. The standard also requires governments to disclose a description of the valuation techniques used in the fair value measurement and any significant changes in valuation techniques. GASB 72 establishes a three-tier fair value hierarchy. The hierarchy is based on valuation inputs used to measure the fair value as follows:

Level 1: Inputs are directly observable, quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs are other than quoted prices included within Level 1 that are for the asset or liability, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation or by other means. The District does not have any investments categorized as Level 2.

Level 3: Inputs are unobservable inputs used only when relevant Level 1 and Level 2 inputs are unavailable. The District does not have any investments categorized as Level 3.

The level to which an asset is assigned is not indicative of its quality but an indication of the source of valuation inputs.

**LOXAHATCHEE RIVER
ENVIRONMENTAL CONTROL DISTRICT**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

Valuation Methodologies: The valuation methods and assumptions used by the District in estimating the fair value of financial instruments measured at fair value on a recurring basis under GASB Statement No. 72, were as follows:

U.S. Government and Agency: Valued at the closing price or net asset value reported on the active exchange on which the individual securities or funds are actively traded. Securities that are not actively traded are valued by the investment manager using a matrix pricing technique based on the securities' relationship to quoted benchmark prices. Certain fixed income investment funds include private corporate obligations that are not traded and are valued by the investment manager using proprietary models.

Fixed income mutual funds: Valued at the closing price or net asset value reported on the active exchange on which the individual securities and mutual funds are actively traded.

Investments measured at net asset value (NAV): The Florida FIT is valued at the unadjusted NAV per share and calculated in a manner consistent with GAAP for external governmental investment pools based on the fair value of the underlying fund investments as determined by the fund manager.

The Florida PRIME and the non-negotiable certificate of deposits are exempt from reporting under the fair value hierarchy. The fair value of the Florida PRIME is measured at amortized cost in accordance with GASB Statement No. 79. The fair value of the certificates of deposit is measured at cost.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

As of September 30, 2023, the District held the following investments:

Investments by Level	Weighted Average Maturity	Fair Value	Fair Value Measurement	
			Level 1	Level 2
U.S. Government and Agency	67 days	\$ 12,148,120	\$ 12,148,120	\$ --
Fixed income mutual funds	N/A	3,443,192	3,443,192	--
		15,591,312	<u>\$ 15,591,312</u>	<u>\$ --</u>
<u>Investments reported at Net Asset Value</u>				
Florida FIT	2 days	6,601,924		
<u>Investments reported at Amortized Cost</u>				
Non-negotiable certificates of deposit	55 days	5,371,419		
Cash equivalent:				
Florida PRIME	35 days	9,041,325		
Total Investments		<u>\$ 36,605,980</u>		

INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District limits its exposure to fair value losses resulting from rising interest rates by structuring the investment portfolio to remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated and structuring the portfolio so that securities mature concurrent with cash needs. The District's investment policy does not specifically limit the maturity of investments.

CREDIT RISK

Credit risk is the risk that an issuer will not fulfill its obligations. The District's investment policy addresses credit risk by limiting allowable investments in U.S. Agencies and Instrumentalities, Local Government Surplus Funds Trust Fund, Local Government Investment Pools, Authorized Deposits, Repurchase Agreements, and High-Quality Investments. The security rating by a Nationally Recognized Statistical Rating Organization

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

CREDIT RISK (CONTINUED)

(“NRSRO”) is also an indication of credit risk. The table below outlines the credit ratings for the District’s investments with certain investments not specifically rated by both Standards & Poor’s (S&P) and Moody’s.

As of September 30, 2023, the District held the following investments:

	S&P Rating	Moody's Rating	Fair Value
U.S. Government and Agency	AA+	AAAa	\$ 12,148,120
Fixed income mutual funds	NR	NR	3,443,192
Non-negotiable certificates of deposit	NR	NR	5,371,419
Florida FIT	S1	AAAf	6,601,924
Florida PRIME	AAAm	NR	<u>9,041,325</u>
Total Investments			<u><u>\$ 36,605,980</u></u>

CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District’s investment policy limits its investments to high quality investments to control custodial credit risk. Investment held at year end are registered and held in the name of the District.

CONCENTRATION OF RISK

The District’s investment policy permits up to 100% of the portfolio to be invested in Qualified Public Depository Money/Saving Accounts, Certificate of Deposits, U.S. Treasury Notes, Bonds or Bills and 50% in U.S. Agency and Instrumentalities, Local Government Surplus Funds Trust Funds and Local Government Investment Pools.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

CONCENTRATION OF RISK (CONTINUED)

As of September 30, 2023, the investments of the District include the following holdings that exceed 5% of total investments:

	Fair Value	Percentage of Portfolio
U.S. Government and Agency	\$ 12,148,120	33%
Fixed income mutual funds	3,443,192	9%
Non-negotiable certificates of deposit	5,371,419	15%
Florida Fixed Income Trust (FIT)	6,601,924	18%
Florida PRIME	9,041,325	25%
Total	<u><u>\$ 36,605,980</u></u>	<u><u>100%</u></u>

NOTE 4 – INVESTMENT IN JOINT VENTURE

BIOSOLIDS PROCESSING AND RECYCLING FACILITY

On June 7, 2005, the District entered into an interlocal agreement (Agreement) with the Solid Waste Authority (“SWA”) to fund a portion of the cost to design, build, and operate a Biosolids Processing and Recycling Facility (“BPF”). There have been three amendments to the original agreement. The first amendment dated June 15, 2006, adjusted the original capital costs of the BPF and the second amendment dated June 21, 2012 set forth the total net capital costs for the BPF. In the third amendment dated July 18, 2013, the District sold 1.54% of its share of the original capacity to another government agency, thereby reducing the District’s share of the total capacity to 8.96%. Proceeds from the sale were \$448,282, which reduced the District’s original capital cost to \$3,311,772. In addition, capital costs were incurred in the fiscal year ended September 30, 2014 in the amount of \$68,944; in the fiscal year ended September 30, 2018 in the amount of \$84,224; and in the fiscal year ended September 30, 2021 in the amount of \$5,232, increasing the District’s portion of its capital cost to \$3,470,172.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 4 – INVESTMENT IN JOINT VENTURE (CONTINUED)

BIOSOLIDS PROCESSING AND RECYCLING FACILITY (CONTINUED)

The District's purchase price of \$3,470,172 in the BPF has been recorded as an investment in joint venture in the statement of net position and is being amortized over the 20-year life of the agreement. Amortization expense was \$175,843 for the fiscal year ended September 30, 2023. Accumulated amortization totaled \$2,442,021 and the net investment in joint venture was \$1,028,151 for the fiscal year ended September 30, 2023.

The BPF processes certain wastewater treatment residuals (biosolids) which is necessary to comply with increasingly stringent environmental regulations that have significantly decreased the number of land application sites available for the disposal of biosolids. Prior to August 2009, bulk land application was the primary method of disposing of the biosolids.

The Agreement is for a period of 20 years beginning on August 1, 2009 when operations commenced. Upon the conclusion of the term of the agreement, the BPF will remain the property of SWA with each participating entity owning its share of the BPF, in perpetuity, for the life of the plant. Under GAAP, the District is required to account for this arrangement as a joint venture. Therefore, an asset in the BPF is reported on the District's financial statements under the caption "Investment in joint venture." Since the BPF agreement does not state that the participants are to share in the profits and losses of the joint venture, the investment in joint venture account will not be adjusted to reflect the joint venture's results of operations. Rather the investment in joint venture will be amortized using the straight-line method over the 20-year life of the agreement. The District's total operating costs were \$747,548 for the fiscal year ended September 30, 2023. The District's pro rata share of the construction costs is shown as an asset – investment in joint venture – on the accompany statement of net position.

The SWA is responsible for the design, construction, operation, and maintenance of the BPF. On April 12, 2005, the SWA approved a contract with a private company, NEFCO, to design/build/operate the BPF. The District, along with the other participating entities, are in turn responsible for delivering wastewater biosolids to the BPF and for paying their pro rata share of the capital and net operating costs. This provision helps to ensure that the BPF venture does not accumulate assets that may result in a financial benefit to the District or cause the District to experience fiscal stress from the BPF.

No separate financial statements are prepared for the BPF, which is reported as part of the SWA operations. Financial statements for the SWA may be obtained at the following address: Solid Waste Authority, 7501 North Jog Road, West Palm Beach, Florida 33412.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets				
Capital assets, not being depreciated and amortized				
Land and land rights	\$ 854,434	\$ 10	\$ --	\$ 854,444
Construction in progress	6,474,939	8,516,498	(3,382,450)	11,608,987
Total capital assets, not being depreciated and amortized	7,329,373	8,516,508	(3,382,450)	12,463,431
Capital assets being depreciated and amortized				
Plant	70,471,268	670,116	(832,593)	70,308,791
Lakes	1,211,079	--	--	1,211,079
Lines	121,836,862	1,597,792	--	123,434,654
Lift stations	31,892,088	2,417,864	(342,677)	33,967,275
Equipment	10,389,216	749,848	(811,479)	10,327,585
Right-to-use lease	245,868	105,613	--	351,481
Total capital assets being depreciated and amortized	236,046,381	5,541,233	(1,986,749)	239,600,865
Less accumulated depreciation and amortization:				
Plant	(41,374,974)	(2,145,364)	816,189	(42,704,149)
Lakes	(539,382)	(12,121)	--	(551,503)
Lines	(50,051,640)	(3,163,563)	--	(53,215,203)
Lift stations	(20,807,819)	(1,099,473)	314,042	(21,593,250)
Equipment	(7,569,700)	(421,354)	798,638	(7,192,416)
Right-to-use lease	(137,229)	(91,232)	--	(228,461)
Total accumulated depreciation and amortization	(120,480,744)	(6,933,107)	1,928,869	(125,484,982)
Total capital assets being depreciated and amortized, net	115,565,637	(1,391,874)	(57,880)	114,115,883
Capital Assets, Net	\$ 122,895,010	\$ 7,124,634	\$ (3,440,330)	\$ 126,579,314

Depreciation expense was \$6,841,875 for the fiscal year ended September 30. Amortization expense was \$267,075 for the fiscal year ended September 30, 2023, which includes \$175,843 of amortization related to the investment in joint venture for the Biosolids Processing Facility (see Note 4).

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 6 – LONG-TERM LIABILITIES

Changes in long-term liabilities for the fiscal year ended September 30, 2023 were as follows:

	September 30, 2023				
	Balance October 1, 2022	Additions	Reductions	Balance September 30, 2023	Due Within One Year
Compensated absences	\$ 1,037,346	\$ 224,246	\$ (71,982)	\$ 1,189,610	\$ 107,701
Lease liability	<u>115,162</u>	<u>105,613</u>	<u>(93,540)</u>	<u>127,235</u>	<u>63,798</u>
Total	<u><u>\$ 1,152,508</u></u>	<u><u>\$ 329,859</u></u>	<u><u>\$ (165,522)</u></u>	<u><u>\$ 1,316,845</u></u>	<u><u>\$ 171,499</u></u>

RIGHT TO USE LEASE

In January 2019, the District entered into a right-to-use lease for certain biofilter and odor control scrubber equipment. Under the terms of the agreement, the lease is paid monthly with a term of 64 months. The discount rate was 4% using the District's estimated incremental borrowing rate. In fiscal year 2023, the District entered into a right-to-use lease for a GPS Tracking System. The lease agreement requires 36 monthly payments of \$1,649 through August 2025. The discount rate was 0.23% using the District's estimated incremental borrowing rate. The District also entered into a right-to-use lease for copiers and a postal machine. The copiers require 60 monthly payments of \$106 through April 2027. The postal machine requires 12 quarterly payments of \$314 through March 2028. The discount rate was 0.19% on the copier and 0.61% on the postal machine.

The principal and interest requirements to maturity for the District's leases as of September 30, 2023 are as follows:

Year Ending September 30,	Principal	Interest	Total
2024	\$ 63,798	\$ 2,460	\$ 66,258
2025	21,130	1,357	22,487
2026	21,668	819	22,487
2027	19,931	271	20,202
2028	<u>708</u>	<u>7</u>	<u>715</u>
	<u><u>\$ 127,235</u></u>	<u><u>\$ 4,914</u></u>	<u><u>\$ 132,149</u></u>

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 7 – CONSTRUCTION CONTRACTS PAYABLE

Construction contracts of the District at September 30, 2023 are as follows:

	September 30, 2023			
	Total Project Authorization	Total Expended	Contracts Payable	Balance to Complete
Lift station rehabilitations	\$ 2,603,340	\$ 476,901	\$ 360,370	\$ 1,766,069
Septic to sewer conversions	1,564,801	1,204,118	159,041	201,642
Sewering line lining	4,983,121	2,410,756	1,323,256	1,249,109
Lift Station telemetry	3,521,768	923,586	148,075	2,450,107
Other construction contracts	<u>2,909,420</u>	<u>1,751,932</u>	<u>308,709</u>	<u>848,779</u>
Total	<u>\$ 15,582,450</u>	<u>\$ 6,767,293</u>	<u>\$ 2,299,451</u>	<u>\$ 6,515,706</u>

NOTE 8 – RESTRICTED ASSETS, LIABILITIES AND RESERVES

Restricted assets and liabilities consist of customer deposits. Assets restricted for these purposes represent cash and investments totaling \$86,973 for the fiscal year ended September 30, 2023.

The following is a summary of restricted assets, related liabilities, and restricted net position at September 30, 2023:

	Restricted Assets	Liabilities Payable from Restricted Assets	Restricted Net Position
Customer Deposits	<u>\$ 86,973</u>	<u>\$ 86,973</u>	<u>\$ --</u>

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 9 – DEFINED CONTRIBUTION PLAN

The District contributes to the Loxahatchee River Environmental Control District Money Purchase Plan and Trust, a defined contribution pension plan, for its full-time employees. The Plan is administered by an Administrative Committee that reports to the Governing Board. Benefit terms, including contribution requirements, for the Plan are established and may be amended by the Governing Board. The District is required to contribute 12% of annual salary to individual employee accounts for each participating employee. Employees contribute 4% of their eligible compensation. For the fiscal year ended September 30, 2023, employee contributions totaled \$260,508 and the District's recognized pension expense was \$1,040,298.

Employees are required to participate in the District's mandatory plan after attainment of 18 years of age and completion of one year of continuous service. Employees are fully vested after two years of plan participation. Nonvested contributions are forfeited upon termination of employment and such forfeitures are used to reduce employer contributions. There were \$40,377 in forfeiture balances as of September 30, 2023.

The District had a liability to the Plan at September 30, 2023 in the amount of \$47,591 for required employer contributions related to fiscal year 2023.

NOTE 10 – COMMITMENTS

SERVICE AGREEMENT

The District entered into an agreement with Synagro South, LLC starting October 1, 2018 for the hauling and disposal of wastewater sludge to the SWA Pelletization Facility; that contract expired September 30, 2023. The contract provided for the hauling and disposal of wastewater sludge from the District's facility to the SWA Pelletization Facility at an agreed upon distance of 16 miles at a rate of \$10.42 per mile effective October 1, 2022. The District paid \$158,083 for the fiscal year ended September 30, 2023.

The District entered into an agreement with Merrell Bros for the hauling and disposal of wastewater sludge to the SWA Pelletization Facility for a 24-month period starting October 1, 2023. The contract provided for the hauling and disposal of wastewater sludge from the District's facility to the SWA Pelletization Facility at an agreed upon distance of 16 miles at a rate of \$10.90 per mile. The contract also provided for the hauling and disposal of wastewater sludge from the District's facility to an undesignated site within a 60-mile radius at a rate of \$7.36 per mile.

PURCHASE COMMITMENTS

The District had outstanding purchase orders totaling approximately \$231,964 for the fiscal year ended September 30, 2023.

**LOXAHATCHEE RIVER
ENVIRONMENTAL CONTROL DISTRICT**

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Specifically, the District purchases commercial insurance for property, medical benefits, workers' compensation, general liability, automobile liability, errors and omissions, and directors and officers liability. The District is also covered by Florida Statutes under the Doctrine of Sovereign Immunity, which effectively limits the amount of liability of government agencies to individual claims of \$200,000/\$300,000 for all claims relating to the same accident. There were no changes in insurance coverage for the fiscal year ended September 30, 2023. There were no settlements that exceeded insurance coverage in the last three years.

STATISTICAL SECTION

STATISTICAL SECTION

This part of the District’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

Contents	Page
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the District’s financial performance and well-being have changed over time.</i>	
Schedule of Net Position by Component	37
Schedule of Changes in Net Position	38
Revenue Capacity	
<i>These schedules contain service and infrastructure data to help the reader understand how information in the government’s financial report relates to the services the District provides and the activities it performs.</i>	
Schedule of Revenues by Source	39
Total Sewer Units by Category	40
Total Sewer Revenue by Category	41
Schedule of Sewer Rates	42
Wastewater Treated	43
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the District’s current levels of outstanding debt and the District’s ability to issue additional debt in the future.</i>	
Ratio of Outstanding Debt	44
Schedule of Pledged Revenue Coverage	45
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place.</i>	
Demographic and Economic Statistics	46
Principal Employers	47

Operating Information

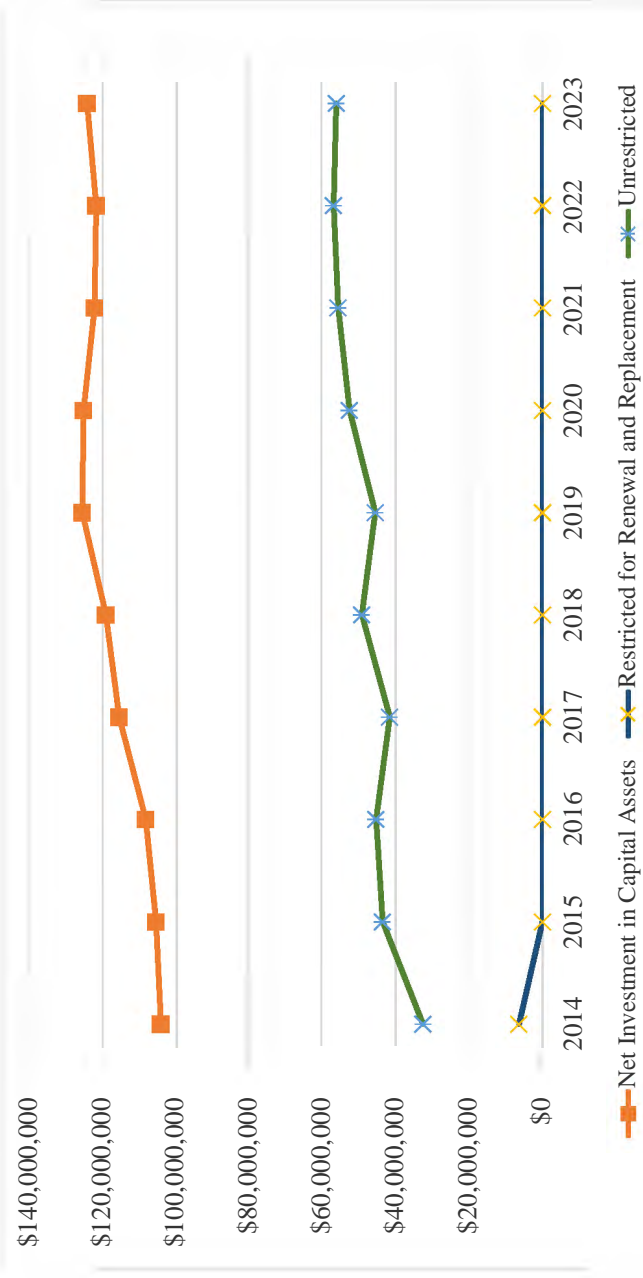
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the District provides and the activities it performs.

Full-Time Equivalent Employees by Function	48
Schedule of Wastewater Treatment Capacity	49
Capital and Infrastructure Statistics	50

Sources: Unless otherwise noted, the information in these schedules is derived from the District's records.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
SCHEDULE OF NET POSITION BY COMPONENT
For the Last Ten Fiscal Years

Fiscal Year Ended September 30,	Net Investment in Capital Assets	Restricted for Renewal and Replacement	Unrestricted	Total Net Position	Change from Prior Year
2014	\$ 104,210,176	\$ 6,300,000	\$ 32,666,737	\$ 143,176,913	2.93%
2015	105,523,262	-	43,503,660	149,026,922	4.09%
2016	108,348,576	-	45,289,111	153,637,687	3.09%
2017	115,529,222	-	41,618,783	157,148,005	2.28%
2018	119,058,082	-	49,135,460	168,193,542	7.03%
2019	125,449,146	-	45,506,795	170,955,941	1.64%
2020	125,138,836	-	52,423,337	177,562,173	3.86%
2021	122,143,333	-	55,501,767	177,645,100	0.05%
2022	121,680,199	-	56,719,160	178,399,359	0.42%
2023	124,152,628	-	55,984,112	180,136,740	0.97%



Source: Loxahatchee River Environmental Control District

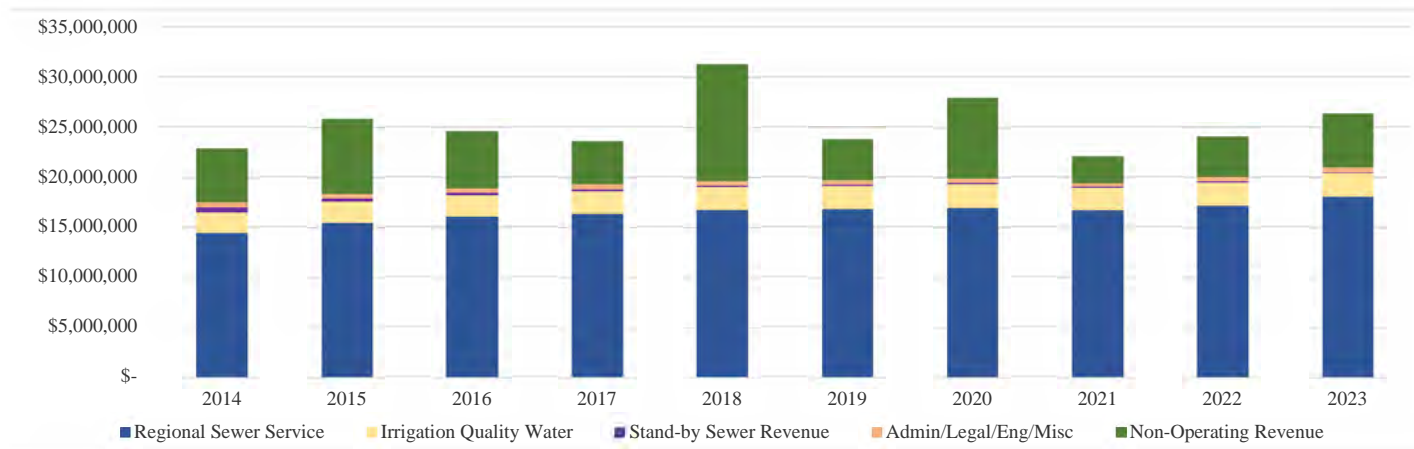
LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
SCHEDULE OF CHANGES IN NET POSITION
For the Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
OPERATING REVENUES:										
Charges for services	\$ 17,068,443	\$ 17,955,155	\$ 18,439,733	\$ 18,929,914	\$ 19,269,413	\$ 19,387,399	\$ 19,531,720	\$ 19,077,644	\$ 19,673,952	\$ 20,609,837
Miscellaneous	500,866	420,734	472,844	436,024	416,191	314,265	386,857	329,299	408,339	415,225
Total operating revenues	17,569,309	18,375,889	18,912,577	19,365,938	19,685,604	19,701,664	19,918,577	19,406,943	20,082,291	21,025,062
OPERATING EXPENSES:										
Personal services	6,322,100	6,933,959	7,183,021	7,382,421	7,486,707	7,652,362	7,994,898	8,193,390	9,207,293	10,427,671
Operational	2,688,221	2,700,888	2,751,449	2,895,600	3,182,510	3,037,405	2,928,535	3,055,824	3,428,115	3,663,411
Supplies and chemicals	1,404,409	1,350,463	1,538,706	1,454,776	1,285,931	1,199,984	1,034,064	975,258	1,161,338	1,387,961
Repairs and maintenance	2,030,502	2,051,192	1,731,117	1,719,023	1,479,091	1,723,423	1,685,351	1,427,301	1,621,574	1,518,971
Contractual services	353,989	228,673	209,288	294,311	392,387	421,393	401,169	783,509	552,686	492,150
Depreciation and amortization	5,885,015	6,067,532	6,221,487	6,348,091	6,365,385	6,532,952	7,262,858	7,528,150	7,154,369	7,108,950
Total operating expenses	18,684,236	19,332,707	19,635,068	20,094,222	20,192,011	20,567,519	21,306,875	21,963,432	23,125,375	24,599,114
OPERATING INCOME (DEFICIT)	(1,114,927)	(956,818)	(722,491)	(728,284)	(506,407)	(865,855)	(1,388,298)	(2,556,489)	(3,043,084)	(3,574,052)
NONOPERATING REVENUES (EXPENSES)										
Grants	10,000	62,060	33,329	13,550	190,980			270,000	351,500	5,126
Interest income	784,574	871,896	936,584	988,965	1,079,754	1,381,134	969,565	722,220	754,712	2,018,876
Net gain (loss) on fair value of investments	(7,386)	-	-	-	-	-	-	-	(152,397)	41,273
Loss on extinguishment of debt	-	(419,797)	-	-	-	-	-	-	-	-
Gain (loss) on disposal of capital assets	(83,934)	(198,364)	(318,769)	33,630	(33,294)	(456,428)	63,860	(14,652)	(28,603)	37,071
Interest expense	(5,834)	-	-	-	-	-	-	-	(6,086)	(5,616)
Total nonoperating revenue (expenses)	697,420	315,795	651,144	1,036,145	1,237,440	924,706	1,033,425	977,568	919,126	2,096,730
INCOME (DEFICIT) BEFORE CAPITAL CONTRIBUTIONS	(417,507)	(641,023)	(71,347)	307,861	731,033	58,851	(354,873)	(1,578,921)	(2,123,958)	(1,477,322)
CAPITAL CONTRIBUTIONS	4,497,472	6,491,032	4,682,112	3,202,457	10,314,504	2,703,548	6,961,105	1,661,848	2,878,217	3,214,703
INCREASE (DECREASE) IN NET POSITION	4,079,965	5,850,009	4,610,765	3,510,318	11,045,537	2,762,399	6,606,232	82,927	754,259	1,737,381
NET POSITION, BEGINNING OF PERIOD	139,096,948	143,176,913	149,026,922	153,637,687	157,148,005	168,193,542	170,955,941	177,562,173	177,645,100	178,399,359
NET POSITION, END OF PERIOD	\$ 143,176,913	\$ 149,026,922	\$ 153,637,687	\$ 157,148,005	\$ 168,193,542	\$ 170,955,941	\$ 177,562,173	\$ 177,645,100	\$ 178,399,359	\$ 180,136,740

Source: Loxahatchee River Environmental Control District

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
SCHEDULE OF REVENUE BY SOURCE
For the Last Ten Fiscal Years

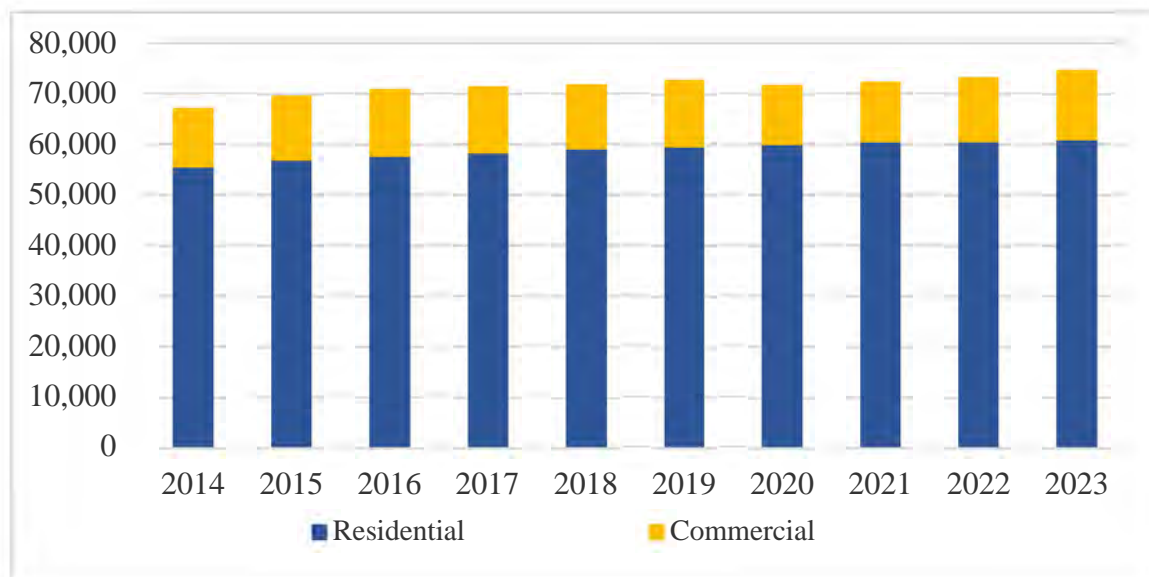
Fiscal Year Ended September 30,	Operating Revenues					Non-Operating Revenues								Total Non-Operating Revenues	Total Revenues
	Regional Sewer Service	Irrigation Quality Water	Stand-by Sewer Revenue	Admin/Legal Engineering Fees and Miscellaneous	Total Operating Revenues	Assessment Revenue	Connection Charges	Line Charges	Investment Income	Grants/ Contributed Capital	Other				
2014	\$ 14,478,093	\$ 2,059,339	\$ 496,829	\$ 535,048	\$ 17,569,309	\$ 327,432	\$ 2,569,441	\$ 670,857	\$ 784,574	\$ 939,742	\$ -	\$ 5,292,046	\$ 22,861,355		
2015	15,502,465	2,131,578	305,107	436,739	18,375,889	2,571,005	2,455,424	279,076	871,896	1,247,587	-	7,424,988	25,800,877		
2016	16,051,221	2,154,339	221,965	485,052	18,912,577	2,035,390	1,073,180	369,122	936,584	1,237,749	-	5,652,025	24,564,602		
2017	16,408,048	2,221,586	175,916	560,388	19,365,938	388,857	854,526	286,500	988,965	1,686,124	33,630.00	4,238,602	23,604,540		
2018	16,751,205	2,307,946	120,034	506,419	19,685,604	6,508,665	1,409,475	547,129	1,079,754	1,849,235	190,980.00	11,585,238	31,270,842		
2019	16,806,144	2,361,783	99,294	434,443	19,701,664	733,072	573,255	241,047	1,381,134	1,156,174	-	4,084,682	23,786,346		
2020	16,971,526	2,379,798	93,741	473,512	19,918,577	5,118,705	675,485	412,140	969,565	754,775	63,860	7,994,530	27,913,107		
2021	16,683,096	2,267,555	98,167	358,125	19,406,943	454,670	658,413	303,397	722,220	515,368	-	2,654,068	22,061,011		
2022	17,157,795	2,307,624	113,801	473,109	20,052,329	287,035	571,288	181,071	754,712	2,190,323	-	3,984,429	24,036,758		
2023	18,040,429	2,364,586	113,984	506,063	21,025,062	37,577	791,865	517,398	2,018,876	1,872,989	78,344	5,317,049	26,342,111		



Source: Loxahatchee River Environmental Control District

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
TOTAL SEWER UNITS BY CATEGORY
For the Last Ten Fiscal Years

Fiscal Year	Residential		Commercial		Total
	Equivalent Connections	% of Annual Total	Equivalent Connections	% of Annual Total	
2014	55,417	83%	11,675	17%	67,092
2015	56,794	82%	12,836	18%	69,630
2016	57,579	81%	13,276	19%	70,855
2017	58,196	81%	13,269	19%	71,465
2018	59,002	82%	12,784	18%	71,786
2019	59,478	82%	13,276	18%	72,754
2020	59,923	84%	11,784	16%	71,707
2021	60,333	83%	11,958	17%	72,291
2022	60,542	83%	12,728	17%	73,270
2023	60,938	82%	13,775	18%	74,714

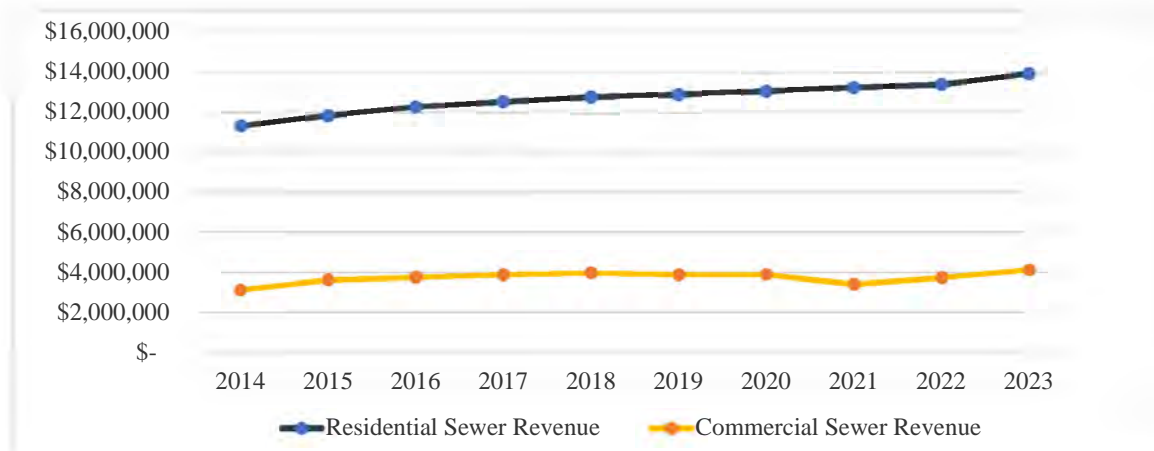


Source: Loxahatchee River Environmental Control District

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
TOTAL SEWER REVENUE BY CATEGORY
For the Last Ten Fiscal Years

Fiscal Year	Residential				Commercial				Total
	Regional Sewer Service Revenue	% of Annual Total	Number of Equivalent Connections	Rate per Equivalent Connection	Regional Sewer Service Revenue	% of Annual Total	Number of Equivalent Connections	Rate per Equivalent Connection	
2014	\$ 11,325,317	78%	54,864	\$ 206.43	\$ 3,152,776	22%	11,156	\$ 282.61	\$ 14,478,093
2015	11,864,990	77%	55,931	212.14	3,637,475	23%	12,450	292.17	15,502,465
2016	12,284,659	77%	57,199	214.77	3,766,562	23%	12,850	293.12	16,051,221
2017	12,527,978	76%	57,853	216.55	3,880,070	24%	13,180	294.39	16,408,048
2018	12,776,079	76%	58,533	218.27	3,975,126	24%	13,319	298.46	16,751,205
2019	12,919,575	77%	59,201	218.23	3,886,569	23%	13,015	298.62	16,806,144
2020	13,079,358	77%	59,625	219.36	3,892,168	23%	12,956	300.41	16,971,526
2021	13,256,092	79%	60,128	220.46	3,427,004	21%	11,348	301.99	16,683,096
2022	13,408,178	78%	60,408	221.96	3,749,617	22%	12,292	305.05	17,157,795
2023	13,923,096	77%	60,688	229.42	4,117,333	23%	13,100	314.30	18,040,429

Note: The Schedule of Principal Payors is not presented. The District bills residential customers by Equivalent Connection, therefore all residential customers pay approximately the same amount.



Source: Loxahatchee River Environmental Control District

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
SCHEDULE OF SEWER RATES
As of September 30, 2023

Quarterly Service Charge

Residential		Non-Residential
Equivalent Connection	Rate	
1.00	\$ 58.50	\$6.68 / 1,000 gallons or minimum of \$80.06/quarter
1.25	73.13	
1.50	87.75	
1.75	102.38	
2.00	117.00	
2.25	131.63	
2.50	146.25	
2.75	160.88	

Quarterly Stand-by Sewer Revenue Charge

Residential	\$ 39.78 \per Equivalent Connection
Non-Residential	54.44 \per Equivalent Connection

Connection Charges

Equivalent Connection	Rate
1.00	\$ 3,258.59
1.25	4,073.24
1.50	4,887.89
1.75	5,702.53
0.25	814.65

Rates effective April 1, 2023

Source: Loxahatchee River Environmental Control District

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
WASTEWATER TREATED
For the Last Ten Fiscal Years

Fiscal Year Ended September 30,	Annual Influent Treated (MGD)	Regional Sewer Service Revenue	Total Direct Sewer Rates (1)
2014	2,479	\$ 14,478,093	\$ 5.84
2015	2,474	15,502,465	6.27
2016	2,453	16,051,221	6.54
2017	2,386	16,408,048	6.88
2018	2,493	16,751,205	6.72
2019	2,476	16,806,144	6.79
2020	2,611	16,971,526	6.50
2021	2,617	16,683,096	6.56
2022	2,508	17,157,795	6.84
2023	2,522	18,040,429	7.15

(1) per thousand gallons influent treated.

MGD = Millions of gallons per day.

Source: Loxahatchee River Environmental Control District

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
RATIO OF OUTSTANDING DEBT
For the Last Ten Fiscal Years

Fiscal Year Ended September 30,	2009 Revenue Bonds	2022-2023 Lease Liability (1)	Total Debt Outstanding	Debt Per Equivalent Connection
2014	\$ 2,648,163	\$	\$ 2,648,163	\$ 38.03
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	115,162	115,162	1.57
2023	-	127,235	127,235	1.70

(1) In fiscal year 2022, the District implemented GASB 87 and recorded a lease liability for right to use leases.

Note: Bonds were paid off during fiscal year 2015.

Source: Loxahatchee River Environmental Control District

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
SCHEDULE OF PLEDGED REVENUE COVERAGE
For the Last Ten Fiscal Years

Fiscal Year Ended September 30,	Total Debt Service Requirement	Gross Revenues	Operating Expenses Before Depreciation	Net Revenue Available (1)	Debt Service Coverage (2)	Capital Charges	Net Revenue Available	Debt Service Coverage (3)
2014	\$ 915,791	\$ 18,272,563	\$ 12,799,221	\$ 5,473,342	5.98	\$ 4,497,472	\$ 9,970,814	10.89
2015	331,540	18,691,684	13,265,175	5,426,509	16.37	6,491,032	11,917,541	35.95
2016	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-

(1) Net revenue available before capital charges

(2) In accordance with the Bond Resolutions, required debt service coverage is 1.10 times

(3) In accordance with the Bond Resolutions, required debt service coverage is 1.25 times

Note: Bonds were paid off during fiscal year 2015.

Source: Loxahatchee River Environmental Control District

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
For the Last Ten Fiscal Years

Fiscal Year	Population (1)				Personal Income (2)		Per Capita Personal Income (2)		Unemployment Rate (3)	
	Town of Jupiter	Village of Tequesta	Town of Juno Beach	Town of Jupiter Inlet Colony	Palm Beach County	Martin County	Palm Beach County	Martin County	Palm Beach County	Martin County
2014	57,263	5,629	3,194	396	\$ 92,842,100	\$ 10,666,979	\$ 66,218	\$ 69,607	5.9%	6.1%
2015	59,108	5,665	3,240	396	100,579,513	11,397,001	70,415	73,189	5.3%	5.3%
2016	60,615	5,699	3,351	411	104,108,093	12,078,164	71,613	76,211	5.0%	5.0%
2017	61,388	5,731	3,400	407	109,973,732	12,650,502	74,754	79,104	4.1%	4.0%
2018	62,100	5,857	3,427	409	118,519,249	13,496,101	79,760	83,873	3.1%	3.0%
2019	62,497	5,850	3,442	406	124,632,614	13,748,480	83,268	85,394	3.2%	2.9%
2020	63,188	5,874	3,463	414	131,881,463	14,455,817	87,478	89,185	6.6%	4.6%
2021	61,121	6,152	3,862	403	150,737,459	16,357,821	100,627	102,273	4.1%	3.4%
2022	61,341	6,152	3,869	406	165,598,174	17,875,112	109,055	110,336	3.5%	2.9%
2023	61,333	6,179	3,883	400	N/A	N/A	N/A	N/A	3.3%	3.2%

Data Sources:

- (1) University of Florida, Bureau of Economic and Business Research.
- (2) U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.
- (3) U.S. Department of Labor Statistics - based on not seasonally adjusted September rates.

N/A - Data not available

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Palm Beach County						
Palm Beach County School District	22,426	1	2.98%	21,449	1	3.20%
Palm Beach County - BOCC	5,753	2	0.76%	11,020	2	1.65%
Tenet Coastal Division of Palm Beach County	5,734	3	0.76%	6,100	3	0.91%
NextEra Energy/Florida Power & Light	5,330	4	0.71%	3,804	4	0.57%
Florida Atlantic University	5,059	5	0.67%	2,980	6	0.45%
Boca Raton Regional Hospital	3,135	6	0.42%	2,250	10	0.34%
Veterans Health Administration	2,600	7	0.35%	2,700	8	0.40%
Hospital Corporation of America - HCA	2,419	8	0.32%	2,714	7	0.41%
The Breakers	2,300	9	0.31%			
Baptist Health of South Florida	2,282	10	0.30%			
G4S (Wackenhut Corp)				3,000	5	0.45%
Bethesda Memorial Hospital				2,643	9	0.39%
Totals	<u>57,038</u>		<u>7.57%</u>	<u>58,660</u>		<u>8.77%</u>
Martin County						
Martin Memorial Health Systems	3,762	1	4.95%	3,120	1	4.71%
Martin County School District	2,749	2	3.62%	2,528	2	3.81%
Publix	1,565	3	2.06%			
Martin County Government	1,166	4	1.54%	1,634	3	2.47%
Martin Memorial Physicians Corp	874	5	1.15%			
Home Depot	409	6	0.54%			
Walmart	392	7	0.52%			
Department of Corrections	346	8	0.46%			
Wellpath Recovery	328	9	0.43%			
HealthPro Heritage LLC	320	10	0.42%			
State of Florida				506	4	0.76%
Paradigm Precision				369	5	0.56%
Triumph Group - Vought Aircraft Division				324	6	0.49%
Liberator Medical Holding, Ins.				316	7	0.48%
Florida Power & Light				302	8	0.46%
Seacoast National Bank				302	9	0.46%
City of Stuart				254	10	0.38%
Totals	<u>11,911</u>		<u>15.68%</u>	<u>9,655</u>		<u>14.58%</u>

Source: Palm Beach County data from Business Development Board of Palm Beach County. Data is for Palm Beach County.
Martin County data is from Martin County.

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
For the Last Ten Fiscal Years

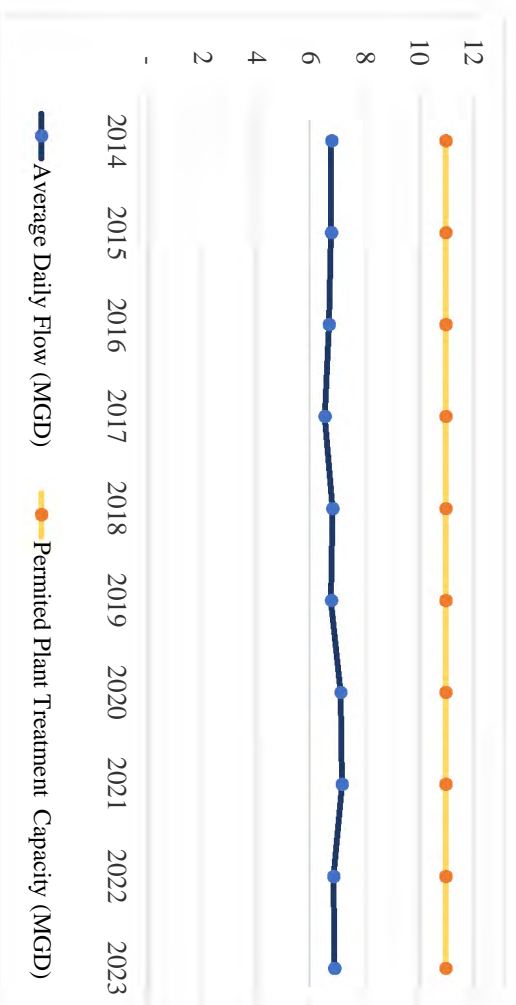
Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Executive	3	3	4	4	4	4	5	5	5	5
Finance	8	8	7	7	7	6	6	6	6	6
Public Education	3	3	3	3	3	3	3	3	3	3
WildPine Lab	7	7	7	7	7	7	7	7	7	7
Customer Service	-	4	4	4	4	4	4	4	4	4
Information Technology	-	4	4	4	4	4	5	4	4	4
Engineering and Inspection	9	8	8	9	9	10	10	10	10	10
Construction	6	7	7	6	6	6	6	7	7	7
Operations Administration	9	3	4	4	3	3	2	3	3	3
Collection and Transmission	13	13	11	11	11	11	11	13	13	13
Treatment and Disposal	16	16	17	18	19	19	19	18	18	18
Reuse	2	2	2	2	2	2	2	2	2	2
Biosolids	2	2	2	2	2	2	2	2	2	2
Total	78	80	80	81	81	81	82	84	84	84

Source: Loxahatchee River Environmental Control District

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
SCHEDULE OF WASTEWATER TREATMENT CAPACITY
For the Last Ten Fiscal Years

Fiscal Year Ended September 30,	Permitted Plant Treatment Capacity (MGD)	Average Daily Flow (MGD)	Max Daily Flow (MGD)	Annual Influent Treated (MGD)	Percent Capacity
2014	11	6.79	8.55	2,479.42	62%
2015	11	6.78	8.76	2,473.96	62%
2016	11	6.70	9.89	2,453.35	61%
2017	11	6.54	8.30	2,386.16	59%
2018	11	6.83	9.35	2,492.55	62%
2019	11	6.78	8.70	2,475.53	62%
2020	11	7.13	11.74	2,610.69	65%
2021	11	7.17	9.98	2,617.27	65%
2022	11	6.87	8.32	2,507.52	62%
2023	11	6.90	8.39	2,522.21	63%

MGD = Millions of gallons per day.



Note: Improvements in water use efficiency and decreasing infiltration and intrusion (due to rehabilitation of gravity sewer systems) have contributed to stable average daily flows in the face of increasing number of equivalent connections served

Source: Loxahatchee River Environmental Control District

**LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
CAPITAL AND INFRASTRUCTURE STATISTICS
For the Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Low Pressure Main (miles)	Low Pressure Services	Force Main (miles)	Gravity Sewer (miles)	Gravity Sewer Services	Irrigation Quality (miles)	Number of Lift Stations	Number of Manholes
2014	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-
2018	27.03	N/A	103.95	294.12	N/A	26.70	224	7,944
2019	27.03	1,390	103.95	294.12	15,666	34.66	224	7,944
2020	29.56	1,420	104.77	296.84	15,689	34.81	226	8,032
2021	29.91	1,453	105.24	299.98	15,248	34.85	227	8,068
2022	30.28	1,526	105.12	299.07	15,341	35.16	233	8,414
2023	30.81	1,567	106.16	300.03	15,327	35.16	234	8,451

Infrastructure information is provided by the District's Geographical Information System

* Information is not available for year prior to 2018

N/A - Data not available.

OTHER INFORMATION

LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
OTHER INFORMATION - INFORMATION REQUIRED BY SECTION 218.39(3)(C), FLORIDA STATUTES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
(UNAUDITED)

As required by Section 218.39(3)(c), Florida Statutes, the District reported:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year as 84.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 10.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$7,175,523.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$97,393.
- e. Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:

Project	Budget	Expenditures
20 Acre Site Remediation	\$ 100,000	\$ 113,509
BLM House Demo and Construction	850,000	10,256
Network Replacement	315,000	377,980
2500 Jupiter Park Drive Site Planning	75,000	82,951
Rolling Hills Neighborhood Sewering	100,000	139,507
Jupiter Inlet Lighthouse Septic to Sewer Conversion	140,000	562,162
Lift Station Control Panel Replacement	250,000	246,065
Lift Station Conversion #82	800,000	128,931
Lift Station General Construction Services	400,000	638,306
Main Line and Service Lateral Renewal or Replacement	3,150,000	3,489,788
Cleaning and TV Inspection	100,000	-
24" Subaqueous Replacement	1,298,955	100,954
Lift Station 160 and 296 Emergency Generator	215,000	118,468
Lift Station 050 Emergency Generator	150,000	71,073
Lift Station Telemetry	2,395,500	1,134,137
Maintenance Facility - Design	125,000	-
Warehouse - Design	125,000	-
Plant Site Traffic Flow and Parking - Design	100,000	-
Jupiter Park Drive and Central Blvd. Intersection Improvements	100,000	-
IW Pump Station Emergency Generator Connect	200,000	141,262
Headworks Generator Installation	75,000	76,717
Clarifier # 4 Dewatering and Inspection	80,000	-
MCC Condition Assessment	80,000	-
Arc Flash Study	80,000	133,123
Clarifier #3 Rehabilitation	150,000	137,013
County Line Road Bridge IQ Main Relocation	100,000	95,245
Interconnect "B" Structure to 511	300,000	29,808

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, see Budget to Actual statement on page 52. The District did not amend its final adopted budget for fiscal year 2023.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Loxahatchee River Environmental Control District reported:

- a. The rate or rates of non-ad valorem special assessments imposed by the District as 8.0%.
- b. The total amount of special assessments collected by or on behalf of the district as \$1,241,365.
- c. The total amount of outstanding bonds issued by the district and the terms of such bonds. The district has no outstanding bonds.

**LOXAHATCHEE RIVER ENVIRONMENTAL CONTROL DISTRICT
OTHER INFORMATION - BUDGET VARIANCE REPORT**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
(UNAUDITED)**

	Original/Final Budget	Actual (Budgetary Basis)	Variance With Final Budget Positive (Negative)
Revenues			
Operating Revenues			
Administration and engineering fees	\$ 17,501,000	\$ 18,040,429	\$ 539,429
IQ water charges	2,352,000	2,364,586	12,586
Standby sewer services	108,000	113,984	5,984
Administration and engineering fees	63,000	75,838	12,838
Other revenue	516,265	430,225	(86,040)
Total Operating Revenues	<u>20,540,265</u>	<u>21,025,062</u>	<u>484,797</u>
Capital Revenues			
Line charges	465,000	517,398	52,398
Assessments	1,411,000	37,577	(1,373,423)
Plant charges	686,000	791,865	105,865
Capital contributions	140,000	1,867,863	1,727,863
Total Capital Revenues	<u>2,702,000</u>	<u>3,214,703</u>	<u>512,703</u>
Other Revenues			
Interest income	560,700	2,018,876	1,458,176
Net increase (decrease) in fair value of investments	--	41,273	41,273
Grant revenue	--	5,126	5,126
Gain (loss) on disposal of capital assets	--	37,071	37,071
Carryforward of surplus	7,774,425	--	(7,774,425)
Total Other Revenues	<u>8,335,125</u>	<u>2,102,346</u>	<u>(6,232,779)</u>
Total Revenues	<u>\$ 31,577,390</u>	<u>\$ 26,342,111</u>	<u>\$ (5,235,279)</u>
Expenses			
Operating Expenses			
Salaries and wages	\$ 7,381,800	\$ 7,175,523	\$ 206,277
Payroll taxes	530,500	519,488	11,012
Retirement contributions	1,107,000	1,040,298	66,702
Employee health insurance	1,542,500	1,626,772	(84,272)
Workers' compensation insurance	77,800	65,590	12,210
General insurance	423,520	442,635	(19,115)
Supplies and expenses	1,105,382	1,065,064	40,318
Utilities	1,555,116	1,680,906	(125,790)
Chemicals	634,000	625,522	8,478
Repairs and maintenance	1,940,780	1,518,971	421,809
Outside services	2,312,578	1,729,395	583,183
Contingency	225,000	--	225,000
Depreciation and amortization	--	7,108,950	(7,108,950)
Total Operating Expenses	<u>18,835,976</u>	<u>24,599,114</u>	<u>(5,763,138)</u>
Other Expenses			
Interest expense	--	5,616	(5,616)
Capital	<u>12,741,414</u>	<u>9,668,664</u>	<u>3,072,750</u>
Total Expenses	<u>\$ 31,577,390</u>	<u>\$ 34,273,394</u>	<u>\$ (2,696,004)</u>

REPORTING SECTION

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the Governing Board and Executive Director
Loxahatchee River Environmental Control District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Loxahatchee River Environmental Control District (the "District"), as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 14, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marcum LLP

West Palm Beach, Florida

March 14, 2024



MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL FOR THE STATE OF FLORIDA

To the Governing Board and Executive Director
Loxahatchee River Environmental Control District

Report on the Financial Statements

We have audited the financial statements of the Loxahatchee River Environmental Control District (the “District”), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 14, 2024.

Auditors’ Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 14, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 2 to the financial statements. There are no component units related to the District.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. This assessment was performed as of the fiscal year end.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statute.

Specific Information for Special Districts

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the District reported the required information in Other Information found on pages 51 and 52.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Governing Board, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Marcum LLP

West Palm Beach, Florida
March 14, 2024



**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE
PURSUANT TO SECTION 218.415 FLORIDA STATUTES**

To the Governing Board and Executive Director
Loxahatchee River Environmental Control District

We have examined Loxahatchee River Environmental Control District's (the "District"), compliance with Section 218.415, Florida Statutes, Local Government Investment Policies for the fiscal year ended September 30, 2023. Management of the District is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with Section 218.415, Florida Statutes, for the fiscal year ended September 30, 2023.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, applicable management, and the Governing Board, and is not intended to be and should not be used by anyone other than these specified parties.

Marcum LLP

West Palm Beach, Florida
March 14, 2024



LOXAHATCHEE RIVER DISTRICT

2500 JUPITER PARK DRIVE, JUPITER, FLORIDA 33458

TEL: (561) 747-5700

FAX: (561) 747-9929

D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

TO: GOVERNING BOARD
FROM: D. ALBREY ARRINGTON, Ph.D.
DATE: MARCH 15, 2024
SUBJECT: RULE 31-10 RATES, FEES, & CHARGES – RATE STUDY

Staff are back for the second month of evaluation and discussion of our annual rate study, and this month we are seeking Board action to adjust our rates, fees, and charges to meet projected financial demands. Through the Rate Study process, LRD staff looks out into the future anticipating significant projects and costs and balancing our financial position with an effective rate structure. Throughout this process we understand your desire to achieve operational excellence (e.g., system reliability, satisfied customers, strong employee morale) while maintaining a reasonable rate structure.

Last month we worked through the significant financial assumptions that our Rate Study is built upon, and we looked at how those assumptions affect our available cash as we move out into the future. This month, the most notable revisions include (1) we have increased the costs associated with design and construction of the new maintenance building, warehouse, and parking/traffic flow improvements by \$7.2 million, which is derived from CMA's category 5 cost estimates for these projects, (2) we have delayed \$1.25 million in potential nutrient removal improvements within the treatment plant to beyond the next 5-years, and (3) we have spread onsite biosolids improvements across 5 years (rather than concentrated in the next three years). Also, we revised the cash projection chart to extend through 2029, i.e., last month the chart stopped at 2028.

On the following pages you will find a comprehensive summary of the assumptions included in this year's Rate Study. The final page includes a high-level summary of the proposed FY2025 to FY2029 Capital Improvement Plan. This memorandum is provided to the Governing Board and the public to facilitate an understanding of our current financial position, anticipated revenues and operating expenses, and planned capital projects and costs. Of course, as we look further into the future, our vision becomes cloudier and should be taken as such. Nonetheless, the process of developing this financial plan is indispensable to sound financial management.

I look forward to the Board's meaningful discussions around the key elements of our Capital Improvement Plan and anticipated rate increases. This month, I have illustrated the impact of five different rate projections on our future cash position. The base assumption is that our rate increases are approximately concordant with anticipated CPI values, which at the moment assumes inflation will remain around 3% for an extended period and will reach 2% (the federal government's target rate) in 2028.

Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

Gordon M. Boggie
BOARD MEMBER

Dr. Matt H. Rostock
BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER

This year, the Rate Study is based on the following assumptions:

1. Revenue from Quarterly Service Charges – Given the lack of developable land in our service area, increases in quarterly sewer revenue are anticipated to be driven, not by growth in customers, but by rate increases. District Rule 31-10 currently includes scheduled rate increases of 3% for this year and the following 3 years. I propose leaving the rate increases as published in Chapter 31-10 and add a 2% rate increase for year 5 (effective April 1, 2028). Our existing cash reserves afford us a meaningful amount of flexibility in the near term.
2. Revenue from New Development (Plant and Line Charges) – these revenues are paid by new customers (i.e., new development) and represent the proportional cost of existing infrastructure needed to serve new customers (i.e., a new home connecting to the sewer system pays for the tiny fraction of the wastewater treatment facility needed to accommodate their wastewater). Last year, following the Raftelis report, we tied these rates to the Engineering News Record Construction Cost Index published in the February edition of each year, which is 2.6% this year.
3. Service Availability Standby (SAS) Revenue – projected to continue a slow, gradual decline, which has been occurring as our service area nears built-out conditions.
4. IQ Water Revenue – our IQ revenues are relatively stable at \$2.4 million per year. Given constraints on the availability of reclaimed water, we do not anticipate entering into any new IQ Water contracts. Thus, increases in IQ Water revenues will be tied directly to rate increases, which would be affected by cost increases. Also, we have informed the Town of Jupiter that we will not renew the existing agreement that governs their nano concentrate, which we currently blend with our IQ Water or dispose of down our deep injection well when necessary. The current agreement expires in 2026. So, I have removed anticipated Nano IQ rates beginning in 2027.
5. Miscellaneous Revenues – over the past 5 years, we have averaged \$589,000 per year in miscellaneous revenues. These revenues originate from grant funds (e.g., LRPI grants), cell tower lease, estoppel fees, and sale of surplus equipment. We expect these revenues to remain relatively stable.
6. Interest Revenue – we receive two sources of interest revenue: (a) interest on assessments, which is fixed at the time the assessment is levied, and (b) interest on investments, which fluctuate with market conditions. As of 3/8/2024, 1-month US Treasury rates were 5.51% and 6-month Treasury rates were 5.34%. As shown in Kara's report this month, our average weighted rate of return on investments is 4.38%. While many have been projecting a rapid decline in interest rates, it is my opinion that high interest rates will be more durable than previously expected. I am projecting interest rates paid on our investments will fall to 2% in 2028.
7. Operating Expenses – we anticipate a 3.5% increase in budgeted operating expenses between FY2024 and FY2025. Certain prices are declining, but certain services and the labor market have remained surprisingly tight, which impact our operating expenses. In FY2026 and FY2027 we anticipate inflationary pressures to hover around 3.0% per year and fall to 2% in 2028.

8. Capital Improvement Projects – The remainder of this memo provides a categorical summary of the proposed Rate Study, which is based upon the FY2025 to FY2029 Capital Improvement Plan (see table below). This table is intended to facilitate the Board's understanding of forthcoming significant capital investments staff have identified as desired and/or needed. Below, my intent is to specifically discuss any single item or project that is expected to cost \$200,000 or more:

- A. Buildings – Next year we plan on spending \$100k to repurpose the old BWS Discovery Center for use by Engineering. Over the next three years, \$8.8 million is anticipated for design and construction of a new maintenance facility, a new warehouse building, and improvements to parking and traffic flow at the plant site. These new budget figures are taken from the category 5 (-50% to +100%) cost estimates provided by Chen Moore. Staff are hopeful that these figures will decline as we refine these buildings.
- B. Infrastructure Improvements (not buildings) – Staff have included \$800,000 in FY2025 for remediation of the 20 acres. These funds are budgeted under Treatment and Disposal because the remediation is occurring as a consequence of using this property as the effluent disposal point from 1975 through 1986. \$350,000 is anticipated in FY2025 for comprehensive rehabilitation of A Structure and B Structure. Both are key structures involved in management of reclaimed water flowing to our storage lakes. \$150k is anticipated for rehabilitation of the internal liner at our headworks structure.
- C. Machinery and Equipment – Spending in this category is projected to average \$1.6 million per year over the next five years. These funds are targeted to replace and improve a diversity of critical tools used by District staff, including heavy equipment (replacement front end loader), lift station pumps, IQ Water pumps and motors, portable generators, and updated aerbay process blowers and controls, programmable logic controllers, and IT security improvements.
- D. Vehicles – rehabilitating vehicles is anticipated to cost an average of \$315,000 per year over the next 5 years. We anticipate replacing one vacuum truck, our most expensive vehicle with an anticipated cost of \$450,000 in FY2029. F550 crane trucks are estimated to cost \$160,000, and we anticipate replacing four over the next 5 years.
- E. Public Education – For the 5-year period of this rate study, we have included \$250,000 for demo and renovations of Unit H (summer camp house) at Bureau of Land Management's Jupiter Inlet Lighthouse Outstanding Natural Area, and \$200,000 for construction of parking facilities, a chickee hut and nature trails at the 20 acres (\$100,000 of this amount will be refunded via a grant from the legislature via the Loxahatchee River Preservation Initiative). BLM is seeking funds to renovate Unit I (northern house).
- F. Neighborhood Sewering – With the completion of our scheduled neighborhood sewerage projects, the Rate Study only includes minimal funds necessary to address sewerage of remnant areas as they become available. Should the Board desire to initiate neighborhood sewerage of unscheduled areas, i.e., west of I-95, we would need to revamp these projections.

- G. Lift Stations – We are projecting two major capital projects to improve our lift stations over the next 5 years. The first is projected to cost \$500,000 per year and will result in systematic rehabilitation of our lift stations. This work is driven by ongoing lift station assessments, and each budget year our efforts will be focused on those stations deemed most in need of renewal. The second project will comprehensively replace the control panel and associated appurtenances and add telemetry at 34 lift stations. Our consultant has estimated this work will cost \$5.5 million and we have spread that work over the next five years. Staff believe this cost estimate is overly conservative, and we will be working over the coming months to revise this value.
- H. Gravity System – We anticipate approximately \$2.2 million per year over the next 5 years as we continue to rehabilitate our aging collection system (gravity laterals, gravity mains, and manholes). This includes \$1 million for lining of gravity mains, \$6.5 million for lining service laterals, and \$2 million for rehabilitation of the gravity system serving the master lift station. Staff are confident that these systematic investments in system reliability will decrease long term costs by minimizing very costly emergency point repairs.
- I. Force Main – Over the next 5 years, staff have projected an average expenditure of \$3.8 million per year to upgrade and improve resiliency of our wastewater transmission system (i.e., force mains). Such efforts include minimizing the number of pump stations that re-pump wastewater, adding redundancy (where feasible) to our force main network, testing, and rehabilitating aging force main infrastructure. Specific projects include (A) construct a new Loxahatchee River subaqueous force main (\$1.7 million); (B) replace the force main that parallels Old Dixie Highway (\$4.5 million) because we believe the north and south extensions of the proposed new Loxahatchee River subaqueous crossing has similar issues to the subaqueous force main which was taken out of service; (C) beginning in year 3 systematic investments in new transmission system resiliency projects to address known and assumed limitations or weaknesses in our transmission system (\$8 million in the 5-year rate study period); (D) evaluate our 30-inch force main between the master lift station and headworks; (E) force main valve replacements at \$525k over 5 years. These projects carry very large costs given the nature and criticality of the infrastructure and the uncertainty currently surrounding the work. As staff refine the specific project scopes, these project costs will be significantly refined.
- J. Permanent Generators – We have anticipated approximately \$900,000 in costs over 5 years to continue to add permanent generators at critical sewage pumping stations (e.g., Lift Station 50) and rehabilitate aging permanent generators at lift stations.
- K. Telemetry – The contract to add telemetry to the majority of our wastewater pumping stations was executed in May 2022 and we anticipate it being completed this fiscal year.
- L. Operations General Site Improvements – Staff do not anticipate any such projects exceeding \$200,000 over the next 5 years.
- M. Treatment and Disposal – Over the next 5 years, staff anticipate an average expenditure of approximately \$500,000 per year to rehabilitate various systems in our water

reclamation facility (e.g., clarifier #4, electrical system upgrades, and replacement of fine bubble diffusers).

- N. Reuse – Major planned projects include relocate our IQ Water force main located on County Line Rd bridge (\$500,000), evaluation and improvements to IQ Water metering systems (\$550,000 over the next 3 years), rehabilitation of our IQ Water pumps (\$850,000 over the next 5 years), and evaluation and rehabilitation of our IQ Water panels, instrumentation, and controls (\$1 million).
- O. Biosolids – See the discussion below regarding continuation of our joint venture with SWA's Biosolids Processing Facility. We are currently awaiting a report from our consulting engineers on improvements that are needed within our on-site biosolids storage and treatment facilities, and our current cost estimate for this work is \$2.75 million, which would likely be incurred between FY2025 and FY2027.

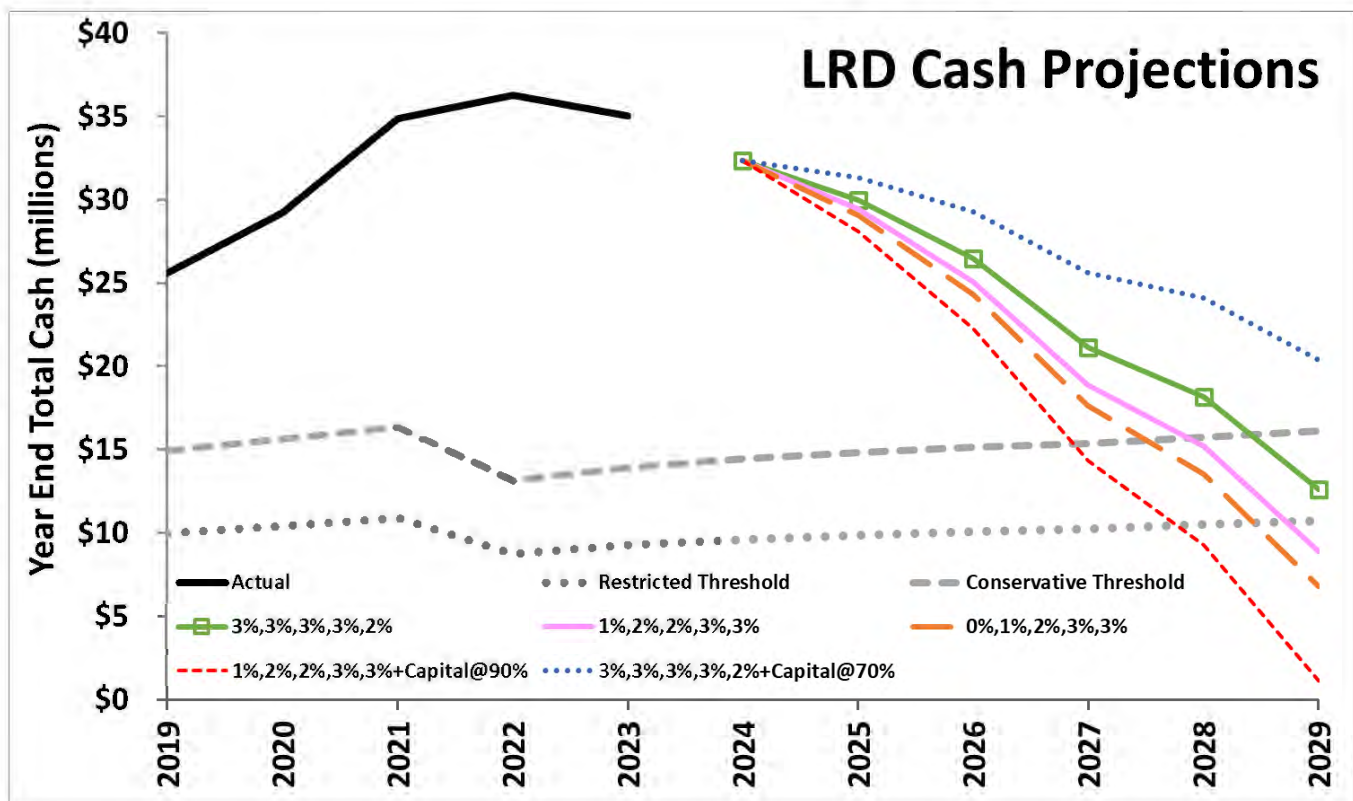
In addition to the items currently in our draft 5-Year Capital Improvement Plan, staff have identified the following large cost items that potentially could be incorporated into our planned capital projects. Mr. Dean has distributed technical reports providing a technical assessment of each project. Here, we provide our assumption regarding incorporation of these projects into the Rate Study as planned capital projects. These projects include:

- I. **Biosolids Processing and Recycling Facility** – In 2005, the District entered into an interlocal agreement with the Solid Waste Authority (SWA) to fund a portion of the cost to design, build, and operate the SWA Biosolids Processing and Recycling Facility (BPF). The District owns 8.96% of the facility's total capacity. The District's capital costs to date for the facility equal \$3,470,172. The interlocal agreement terminates on August 9, 2029, and the agreement stipulates that at least five years before the termination date the partners must agree to continue operating the facility (anticipate capital costs to rehabilitate and upgrade the facility) or decommission the facility (anticipate costs to demo the facility and costs to design, permit, construct, and startup a new facility). No later than March 29, 2024, the SWA has requested our written response confirming our desire to (A) continue operation of the BPF beyond August 9, 2029 or (B) discontinue operation of the BPF on August 9, 2029. Based on available information, LRD staff believe it is in our best interest to continue operation of the BPF beyond August 9, 2029. So, LRD staff have adjusted the Rate Study to include \$2.75 million in capital costs spread across FY2030, FY2031, and FY2032 associated with continued operation of the BPF, which will include renewing existing equipment and facilities and constructing new facilities. There are significant uncertainties and assumptions that are inherent to these cost estimates, but maintaining a reliable and effective disposal mechanism for our biosolids is an absolute necessity. LRD staff will be engaged throughout the life of this project looking for cost-effective options and solutions.
- II. **New Deep Injection Well or Aquifer Storage and Recovery (ASR) Well** - In accordance with Kara's monthly financial reports, we have designated \$11.5 million

towards a new deep injection well (see pie chart in Kara's monthly financial report). Recent assessments of our existing injection well show no meaningful signs of degradation or lack of performance. We perform these permit-required technical assessments every 2.5 years, and staff believe it is reasonable and prudent to schedule design, permitting, and construction of a New Deep Injection Well 6 to 8 years into the future. Staff will evaluate this schedule annually using data collected from our ongoing monitoring of the Deep Injection Well System (e.g., wellhead pressures) and each subsequent permit-required assessment (e.g., 2026, 2028). As soon as the mechanical integrity of the Deep Injection Well System comes into question, staff will begin the replacement process, which will likely take 5 years to have a new, fully functional well in service. The outcome of all this, relative to the Rate Study, is that the deep injection well funds can be reassigned to meet other capital cost demands in the near term, or we can continue to earmark these funds for the future deep well. Engineering estimates suggest a new injection well will cost approximately \$16 million, so staff assume we will borrow some amount of funds to complete construction of a new deep injection well when the project begins moving forward. Borrowing these funds means future rate payers will pay a larger share of these costs.

- III. **LRD Solar** – Holtz and Hazen have revised the 2017 Solar Evaluations Report and we have received detailed information from FPL regarding their SolarVantage program. Based on the information we have at this time, pursuing a large-scale solar installation at our reclaimed water facility does not appear justified based solely upon a cost benefit analysis. So, staff have not included the solar project in the current Rate Study. If the Board desires to pursue this project for non-monetary reasons, i.e., to reduce greenhouse gas emissions, this should be discussed among Board Members to provide direction to staff.
- IV. **Sodium Hypochlorite Conversion** - Holtz and Hazen produced a technical report assessing the potential value of converting our existing disinfection process to liquid sodium hypochlorite (i.e., bleach). They showed that such a conversion would eliminate certain regulatory requirements and would reduce certain known risks but would result in \$1.3 million in additional capital costs and ultimately \$2.61 million in additional costs in their 20-year net present worth analysis. Therefore, staff have determined staying the course with our existing, functional disinfection system is the preferred alternative. So, this project has not been added to the Rate Study.

Debt – The District does not have any debt at this time; however, as we move forward with some of the larger projects in the rate study it is entirely conceivable that the District will need to take on some debt in the future to finance some of these major projects.



The chart above shows our projected financial condition over the upcoming 5 fiscal years. In each of these scenarios we have released the deep injection well funds we had set aside, i.e., those funds are no longer earmarked for a new injection well (see discussion above). A core assumption is that we will accomplish 80% of anticipated capital projects (see Capital Improvement Plan on second page following). The base condition (green line) assumes we maintain the four years of 3% rate increases already in Chapter 31-10 and we add a fifth year rate increase of 2% - these rate increases are concordant with expected CPI. The pink line shows predicted financial conditions if we implement annual rate increases of 1%, 2%, 2%, 3%, and 3%. The orange dashed line shows predicted cash available if we implement annual rate increases of 0%, 1%, 2%, 3%, and 3%. The red dashed line shows predicted cash available if we implement annual rate increases of 1%, 2%, 2%, 3%, and 3% (same as the pink line) but we also achieve 90% of planned capital projects. The blue dotted line shows predicted cash available if we implement annual rate increases of 3%, 3%, 3%, 3%, and 2% (same as green line) but we only achieve 70% of planned capital projects (either we're slower implementing capital projects or we find more efficient means to achieve these projects).

It is my opinion that a reasonable person could support any of the projections excluding the red dashed line. The green and blue lines are the most effective at maintaining relatively healthy cash balance and preparing future rates to accommodate the larger fraction of capital costs without having to implement significant rate increases. The dashed red and orange lines most rapidly lowers our available cash.

The attached draft of Chapter 31-10 Rates, Fees, and Charges maintains our existing rate increases and appends an additional year of 2% rate increases for the fifth year, i.e., achieves the green line in the chart above. Plant Connection Charges, Regional Transmission System Line Charges, and Administrative Charges will increase (or decrease) based upon the annual increase (or decrease) in the Engineering News Record Construction Cost Index (ENR CCI) published in the February edition of each year, which equals 2.6% for February 2024. Also, all Subregional Line Charges are adjusted each April 1st based on the 10-Year Treasury Rate published by the US Department of Treasury on February 1st, which was 3.87% on 2/1/2024.

Should the Governing Board desire to implement rate increases other than what is included in the draft of Chapter 31-10, staff would be supportive, and will be prepared to modify Chapter 31-10 as directed by the Board in your meeting.

Please consider this draft motion:

“THAT THE DISTRICT GOVERNING BOARD approve Rule Chapter 31-10 as revised and with an effective date of April 1, 2024.”

An alternative motion for consideration could be:

“THAT THE DISTRICT GOVERNING BOARD approves Rule Chapter 31-10 as revised to include the following rate increases:

- A. Plant Connection Charges, Regional Transmission System Line Charges, and Administrative Charges shall increase based upon the annual increase in the Engineering News Record Construction Cost Index published in the February edition of each year, which was 2.6% for February 2024.**
- B. All Subregional Line Charges shall be adjusted each April 1st based on the 10-Year Treasury Rate published by the US Department of Treasury on February 1st, which was 3.87% on 2/1/2024.**
- C. Quarterly Service Charges for Sewer Service:**
 - April 1, 2024 a __% rate increase,**
 - April 1, 2025 a __% rate increase,**
 - April 1, 2026 a __% rate increase,**
 - April 1, 2027 a __% rate increase,**
 - April 1, 2028 a __% rate increase; and**
- D. With an effective date of April 1, 2024.”**

Loxahatchee River District's FY2025 – FY2029 Capital Improvement Plan

	FY2025	FY2026	FY2027	FY2028	FY2029
80% of Total Capital is used in Rate Study Cash Projection Model (due to conservative nature of projected capital costs)	\$ 10,504,000	\$ 11,460,000	\$ 12,778,000	\$ 10,382,720	\$ 13,054,400
Total Projected Capital Costs =	\$ 13,130,000	\$ 14,325,000	\$ 15,972,500	\$ 12,978,400	\$ 16,318,000
Contingency	\$0	\$0	\$0	\$0	\$0
Land	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Buildings	\$900,000	\$3,995,000	\$3,995,000	\$0	\$0
Infrastructure Improvements (not buildings)	\$1,565,000	\$280,000	\$230,000	\$90,000	\$90,000
Machinery and Equipment	\$1,220,000	\$2,355,000	\$1,827,500	\$1,003,400	\$1,638,000
Vehicles	\$325,000	\$520,000	\$220,000	\$60,000	\$450,000
Construction in Progress	\$9,110,000	\$7,165,000	\$9,690,000	\$11,815,000	\$14,130,000
CIP - Exec/Finance/Lab/Cust Svc/IT/Const	\$0	\$0	\$0	\$0	\$0
CIP - Public Education	\$450,000	\$0	\$0	\$0	\$0
CIP - Master Planning	\$375,000	\$250,000	\$50,000	\$50,000	\$50,000
CIP - General Collection & Transmission	\$0	\$0	\$0	\$0	\$0
CIP - Neighborhood Sewering	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
CIP - Lift Station	\$1,175,000	\$1,150,000	\$1,125,000	\$3,125,000	\$3,025,000
CIP - Gravity System	\$2,300,000	\$1,600,000	\$2,050,000	\$1,800,000	\$3,300,000
CIP - Force Mains	\$2,750,000	\$2,505,000	\$5,205,000	\$5,205,000	\$5,205,000
CIP - LPSS	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
CIP - Permanent Generators	\$400,000	\$125,000	\$125,000	\$125,000	\$125,000
CIP - Telemetry	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
CIP - Operations Planning Studies	\$0	\$0	\$0	\$0	\$0
CIP - Operations General Site Improvements	\$0	\$0	\$0	\$0	\$0
CIP - Treatment & Disposal	\$535,000	\$635,000	\$235,000	\$360,000	\$775,000
CIP - Reuse General	\$550,000	\$50,000	\$50,000	\$50,000	\$50,000
CIP - Reuse Pumping Stations	\$25,000	\$0	\$0	\$500,000	\$500,000
CIP - Reuse Mains	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
CIP - Reuse Telemetry/Metering/Controls	\$50,000	\$250,000	\$250,000	\$0	\$0
CIP - Biosolids	\$400,000	\$500,000	\$500,000	\$500,000	\$1,000,000

RULES
OF THE
LOXAHATCHEE RIVER
ENVIRONMENTAL CONTROL DISTRICT
CHAPTER 31-10
SCHEDULE OF RATES, FEES AND CHARGES
FOR THE USERS OF THE REGIONAL WASTEWATER SYSTEM

31-10.001	Definitions.
31-10.002	Residential Equivalent Connections.
31-10.003	Non-Residential Equivalent Connections.
31-10.004	Application for Sewer Service.
31-10.005	Plant Connection Charges, Regional Transmission System Line Charges, Administrative Charges, and Subregional Line Charges for Residential and Non-Residential Units.
31-10.006	Special Assessments
31-10.007	Quarterly Service Charges for Sewer Service.
31-10.008	Determination of Equivalent Connections.
31-10.009	Responsibility for Payment and Enforcement of Collections.
31-10.010	Payment of Certain Rates, Fees and Charges; Developer Agreement.
31-10.011	Connection to Sewer Required. (Repealed)
31-10.012	Exceptions to the Payment of Connection Charges.
31-10.013	Irrigation Quality Water User; Rates, Fees and Charges for Irrigation Quality Water Services; Irrigation Quality Water Agreements.
31-10.014	Low Pressure Pump Unit Delivery Procedures & Delivery Charge.
31-10.015	Termination/Abandonment of Easements – Application Fee.

31-10.001 Definitions.

When used in this Chapter the following terms are defined as follows.

(1) “Account” is the account for each property connected to the District’s sewer system established by the District. No more than one (1) account will be established per unique Property Control Number (PCN) as established by either Martin County or Palm Beach County, whichever is applicable.

(2) “Administrative Charge” is the charge paid for each Equivalent Connection to the Regional Wastewater System, to pay for administrative, legal, engineering, and inspection expenses associated with each new connection to the system. The Administrative Charge is due and payable before connection is made to the system and is not transferable or refundable.

(3) “Capital Cost” means the construction cost of regional transmission facilities plus an allowance for associated cost. Construction costs include, but are not limited to, the cost of installation of pipelines, special fittings, valves, pumps, appurtenances, and the cost of acquiring permanent and construction rights-of-way and easements. Allowances for associated costs include engineering services, legal, fiscal, contingencies, and administrative cost. In no event will the allowance for associated cost exceed twenty percent (25%) of the construction cost.

(4) “Delinquent Quarterly Service Charge for Sewer Service” is delinquent if not paid during the service period.

(5) “District” means the Loxahatchee River Environmental Control District, a separate local agency of government operating in accordance with Chapter 2021-249, Laws of Florida.

(6) “Equivalent Connections” or “E.C.” is a multiple factor determined by the amount of toilets (water closets) per individual residential and non-residential unit, the estimated public usage or average flow of wastewater per day, or a combination of the above which may be connected with or used by each parcel of land which may be connected with or used by the Regional Wastewater System, as more particularly set forth in Rules 31-10.002 and 31-10.003.

(7) “Estoppel Fee” means the charge to offset administrative and legal expenses associated with providing information to parties requesting the status in writing for justifiable reliance purposes as to rates, fees, and charges due to the District for a specific property. An Estoppel Fee is determined at \$30.00 per Estoppel letter provided by the District and may be changed from time to time in accordance with the law.

(8) “Governing Board” means the Governing Board of the Loxahatchee River Environmental Control District.

(9) “G.P.D.” means gallons per day.

(10) “Non-residential Unit” is a non-residential building or structure connected to the Regional Wastewater System including, but not limited to, hotels, motels and boarding houses, wholesale and retail businesses, professional offices, schools, warehouses (including each individual bay) and without limitation all other buildings and structures of a commercial, public, or quasi-public nature.

(11) “Owner” means the legal owner or owners of a property served by the District. By accepting sewage service from the District, all of the property owners of each parcel shall be jointly and severally liable to the District for all charges, rates, and fees incurred for each parcel. If requested by the Owner in writing, the District will submit its bills and other communications to an agent of the Owner such as a property owners or homeowners association manager, property manager, or other legally authorized representative of the Owner.

(12) “Plant Connection Charge” is the charge paid for each Equivalent Connection to the Regional Wastewater System, and credit for which shall run with and be appurtenant to the land. The Plant Connection Charge is due and payable before connection is made to the system and is not transferable. Excess Plant Connection Charge(s) may be refunded if owner demonstrates, in accordance with objective determinations of the District, that fully paid Plant Connection Charges will not be used. In no case shall Plant Connection Charge be refunded for a Residential or Non-residential Unit not connected within one (1) year of sewer being declared Available. Plant Connection Charges are determined as set forth in this rule and may be changed from time to time in accordance with the law.

(13) “Quarterly Service Availability Standby Charge” is the periodic charge for each Equivalent Connection, commencing upon the signing of a Standard Developer Agreement, and is computed at the rate of sixty-eight percent (68%) of the Quarterly Service Charge per Equivalent Connection as established by the Governing Board and amended from time to time.

(14) “Quarterly Service Charge” is the periodic charge for each Equivalent Connection when it is connected to the Regional Wastewater System or within one (1) year of the time the connection is Available, whichever occurs first, and shall be billed in advance. Quarterly Service Charges are established by the Governing Board and amended from time to time.

(15) “Regional Transmission Facility” means transmission lines, force mains, gravity interceptors, lift stations or pump stations that collect wastewater from two or more sub-regions and transport the wastewater to the District treatment plant. The size and location of the Regional Transmission Facility are described in the latest Transmission System Master Plan as amended.

(16) “Regional Transmission System Line Charge” is the charge paid for each Equivalent Connection to the Regional Wastewater System, and credit for which shall run with and be appurtenant to the land. The Regional Transmission System Line Charge is due and payable before connection is made to the system and is not transferable. Regional Transmission System Line Charge may be refunded if owner demonstrates, in accordance with objective determinations of the District, that fully paid Regional Transmission System Line Charge will not be used.

(17) “Regional Wastewater System” means any plant, facility or property; and additional extensions and improvements having the capacity for current or future use in connection with the collection, transmission, treatment, purification or disposal of sewage of any nature or originating from any source, including industrial wastes resulting from any processes of industry, manufacture, trade or business, or from the development of any natural resources. The Regional Wastewater System includes but is not limited to: treatment plants, pumping stations, lift stations, valves, force mains, intercepting sewers, laterals, pressure lines, mains and all necessary appurtenances and equipment; all sewer mains and laterals for the reception and collection of sewage; any interest in real and personal property; rights, easements and franchises of any nature whatsoever relating to the District.

(18) “Reserve Service Availability” is the right of an Owner to receive sewer service in the Regional Wastewater System upon reasonable demand.

(19) “Residential Unit” is a residential living unit or structure directly or indirectly connected to the Regional Wastewater System including but not limited to single family dwelling, detached living structure with toilet or sink, and each separate living unit of duplexes, apartments, townhouses, condominiums, and cooperative apartments.

(20) “Special Assessments” are assessments approved, set, and levied by the Governing Board for properties benefitted by the construction, acquisition, extension and operation of the Regional Wastewater System on the basis of the total cost to the District of construction, reconstruction, labor, materials, acquisition, property rights, surveys, design, engineering, legal, administration, operation, maintenance, and all other expenses necessary or incidental to completion of the specially assessed improvements.

(21) “Subregional Collection Facilities” means neighborhood gravity collection lines, collection manholes, force mains, lift stations and pump stations intended primarily to collect and transport wastewater from the subregional system to the regional transmission facility.

(22) “Transmission System Master Plan” means the report on “Wastewater Collection System Master Plan” for the District dated February 1981 or the latest updated version of the report

approved by the Governing Board. The report contains maps and describes those transmission mains, pump stations, lift stations, gravity collectors and interceptors, which constitute the facilities of the regional transmission system.

Specific Authority Chapter 2021-249, Laws of Florida. Law Implemented Chapter 2021-249, Section 6(6), (8), (9), (11), (12), and (27), and Section 8. History – New 12-9-76, Amended 9-26-78, 5-21-81, 3-15-2012, 3-20-2014, 3-19-2015, 6-18-2015, 3-17-2016, 3-21-2019, 3-17-22. Formerly 31-10.01.

31-10.002 Residential Equivalent Connections.

The District will use the following amounts to determine Plant Connection Charges, Regional Transmission System Line Charges, Administrative Charges, Quarterly Service Availability Standby Charges, and Quarterly Service Charges, and other purposes in connection with sewer service provided by the District:

- 1) Residential Equivalent Connections are calculated as:
 - (a) One (1) toilet (water closet) equals 1.000 Equivalent Connection.
 - (b) Two (2) toilets (water closets) equals 1.250 Equivalent Connections.
 - (c) Three (3) toilets (water closets) equals 1.500 Equivalent Connections.
 - (d) Four (4) or more toilets (water closets) equals 1.750 Equivalent Connections.
- 2) Nurseries/Day Care Centers are calculated as 1.0 residential Equivalent Connection per 550 square feet of gross space.
- 3) Live/Work Units (as such zoning designation is approved and defined by the local zoning authority) are calculated based upon two components:
 - (a) The Residential (“Live”) component is calculated as provided in subsection (1) above; plus
 - (b) The Limited Non-Residential (“Limited Work Unit”), defined as a total gross floor area 500 square feet or less, adds 0.50 Equivalent Connection, or the Standard Non-Residential (“Standard Work Unit”), defined as a total gross floor area more than 500 square feet, adds 1.0 Equivalent Connection.

TYPE OF USE	EQUIVALENT CONNECTIONS
Residential Unit with 1 toilet	1.0
Residential Unit with 2 toilets	1.25
Residential Unit with 3 toilets	1.50
Residential Unit with 4 or more toilets	1.75
Nurseries/Day Care	1.0 per 550 square feet of gross space
Limited Live/Work Unit (500 sq. ft. or less of work use) as designated by zoning authority	0.5 per unit plus applicable Residential E.C.
Standard Live/Work Unit (more than 500 sq. ft. of work use) as designated by zoning authority	1.0 per unit plus applicable Residential E.C.

Specific Authority Chapter 2021-249, Laws of Florida. Law Implemented Chapter 2021-249, Laws of Florida, Section 6(6), (8), (9), (11), and (19), and Section 8. History-New 12-9-76, Amended 9-26-78, 5-21-81, 6-30-85, 11-1-98, Formerly 31-10.02. Amended 3-17-2005, 3-16-2006, 3-15-2012, 3-20-2014, 6-18-2015, 3-17-22.

31-10.003 Non-Residential Equivalent Connections.

(1) The District will use the highest number of Equivalent Connects to determine Plant Connection Charges, Regional Transmission System Line Charges, Administrative Charges, Quarterly Service Availability Standby Charges, and Quarterly Service Charges, and other purposes in connection with sewer service provided by the District:

- (a) A minimum of one (1) Equivalent Connection per non-residential unit, as defined herein; or
- (b) One (1) Equivalent Connection per toilet (water closet); or
- (c) Equivalent Connections in accordance with the following non-residential businesses, occupations and uses, based upon the maximum occupancy per fire code design where applicable:

TYPE OF USE	EQUIVALENT CONNECTIONS
Tavern (Bar)	.04 per seat
Restaurant (regular)	.06 per seat
Restaurant (24 hours)	.10 per seat
Trailer Park and Mobile Home Park	1 per space
Hotel/Motel (no Bar or Restaurant)	1.0 per unit + 1.0 per common area and/or employee toilet Bar/Restaurant calculated separately
Hospital	.80 per bed + 1.0 per common area and/or employee toilet
Nursing/Rest Home	.40 per bed + 1.0 per common area and/or employee toilet
Assisted Living Facility / Adult Congregate Living Facility	.575 per bed + 1.0 per common area and/or employee toilet
High School and Middle School	.08 per pupil
Elementary School and Pre-School	.06 per pupil
Office Buildings	.75 per 1000 sq. ft. (gross building area) or 1.0 per toilet whichever is greatest
Large Single Use Retail (>20,000 sq. ft.)	.50 per 1000 sq. ft. (gross building area) or 1.0 per toilet whichever is greatest
Laundromats	1.1 per washing machine
Recreational Vehicle (RV) Park	0.75 per recreational vehicle space + 1.0 per common area and/or employee toilet
Swimming Pool Backwash Discharge	0.1 per 3,000 gallons
Elevator Sump	0.5 per sump
Marina pump out station	1.0 per pump out station
Public toilets in parks	1.0 per toilet
Quasi-public toilets e.g., community recreation areas	1.0 per toilet

or,

(d) As may be designated by the Governing Board upon presentation of good and sufficient evidence to merit other specific determination.

Specific Authority Chapter 2021-249, Laws of Florida. Law Implemented Chapter 2021-249, Sections 6(6), (8), (9), (11), and (19), and Section 8, and Sections 6(9), (12) and (27). History- New 12-9-76, Amended 6-25-78, 9-26-78, 5-21-81, 4-25-84, 6-30-85. Formerly 31-10.03. Amended 3-23-00, 3-17-05, 3-16-06, 03-18-10, 3-20-2014, 6-18-2015, 3-17-2016, 3-17-22.

31-10.004 Application for Sewer Service.

Before any Owner receives sewer service from the District, the Owner shall:

1. if a new customer, submit an application form as provided on the District website (“Application for Sewer Service”) to the District’s Customer Service Department in person;
2. provide proper personal identification and proof of ownership of the property at which sewer service is desired. The District may accept telephone or electronic orders for utility service from existing customers with an active District account provided that the Owner provides the District proper personal identification (driver's license number or state identification card number) that matches the previous information in the Owner’s record and proof of ownership of the property at which service is desired; and
3. pay all outstanding fees and charges owed to the District for the subject property, including any delinquent fees and/or charges.

An Application for Sewer Service shall not be deemed complete unless the above three (3) requirements are met.

The Fair and Accurate Credit Transaction Act of 2003, 15 United States Code, Chapter 41, Section 1681, which can be found at <https://www.ftc.gov/enforcement/statutes/fair-accurate-credit-transactions-act-2003>, requires that the District obtain positive identification from the Owner requesting utility service. The receipt of an application by the District does not constitute a guarantee of sewer service.

Specific Authority Chapter 2021-249, Laws of Florida. Law Implemented Chapter 2021-249, Laws of Florida, Section 6(6), (9), (11) and (19), and Section 8. History - New 12-9-76. Repealed 12-12-78, Formerly 31-10.04. New 3-19-2015 as to Application for Sewer Service, Amended 3-17-22.

31-10.005 Plant Connection Charges, Regional Transmission System Line Charges and Subregional Line Charges for Residential and Non-Residential Units.

(1) Before connecting, directly or indirectly, to the Regional Wastewater System, an Owner shall pay all applicable Plant Connection Charges, Regional Transmission System Line Charges, Administrative Charges, and Subregional Line Charges.

(2) Effective April 1, 1981, all residential and non-residential Plant Connection Charges, Regional Transmission System Line Charges, and Administrative Charges shall be based on the schedules in effect at the time the District and Owner execute a developer agreement as listed below: Effective ~~4-1-2024~~~~12-15-2023~~

PLANT CONNECTION CHARGES

~~April 1, 2023 thru March 31, 2024 @ \$1,869.00 per E.C.~~

~~April 1, 2024 thru March 31, 2025 @ \$1,918.00 per E.C.~~

REGIONAL TRANSMISSION SYSTEM LINE CHARGES

~~April 1, 2023 thru 31 March 31, 2024 @ \$1,214.00 per E.C.~~

~~April 1, 2024 thru 31 March 31, 2025 @ \$1,246.00 per E.C.~~

ADMINISTRATIVE CHARGES

~~April 1, 2023 thru March 31, 2024 @ \$175.59 per E.C.~~

~~April 1, 2024 thru March 31, 2025 @ \$180.16 per E.C.~~

Commencing April 1, ~~2024~~~~2023~~ and thereafter, Plant Connection Charges, Regional Transmission System Line Charges, and Administrative Charges shall increase (or decrease) based upon the annual increase (or decrease) in the Engineering News Record Construction Cost Index published in the February edition of each year.

The District shall not execute a contract committing to provide service that exceeds the total capacity limitations set by the Governing Board. The full amount of the Regional Transmission System Line Charges and Administrative Charges shall be due and payable in U.S. funds (dollars) or by contract to provide Capital Costs and to construct certain portions of the Regional Transmission System at the time commitment of service is made.

(3) Notwithstanding Section 31-10.005(2) above, effective April 1, 1995, those properties having (or which previously had) buildings or structures having certificates of occupancy prior to April 1, 1981, shall pay the full Plant Connection Charge established in Section 31-10.005(2) less a subsidy of Five Hundred Dollars (\$500.00), provided they are paid for and connected to the Regional Sewer System within one (1) year of the time that lines serving said property are formally declared Available by the Governing Board. Notwithstanding Section 31-10.005(2) above, the Plant Connection Charge, Regional Transmission System Line Charges, and Administrative Charges for those buildings or structures having certificates of occupancy prior to notice of sewer availability, can be financed using the District's Installment Agreement method of collection up to five (5) years at a fixed interest rate equal to the current Wall Street Journal Prime Rate plus two percent (2.0%), but not to exceed eight percent (8%), existing at the time of execution of the Installment Agreement, with no prepayment penalty. Should any structure or building not be paid for or financed using the District's Installment Agreement and connected to the District's system within one (1) year of the time that the line serving said property is formally declared Effective ~~4-1-2024~~~~12-15-2023~~

Available by the Governing Board, it will at the time of connection pay full Plant Connection Charges, Regional Transmission System Line Charges, and Administrative Charges as are applicable to new construction at time that connection is made regardless of the date of certificate of occupancy.

(4) Owners with existing contracts for service with the District shall pay Plant Connection Charges, Regional Transmission System Line Charges, and Administrative Charges as indicated in those contracts, and such charges shall not be subject to increase.

(5) Subregional Line Charges. From time to time the District constructs and extends Subregional Collection Facilities to existing Residential and/or Non-residential Units. The District shall collect the costs of extending the Subregional Collection Facilities through the apportionment of these costs to each of the benefited properties. Such charges shall be payable commencing when the Equivalent Connection is connected to the Regional Wastewater System of the District, or within one (1) year of the time the connection is Available, whichever occurs first. All Subregional Line Charges shall be adjusted each April 1st based on the 10-Year Treasury Rate published by the US Department of Treasury on February 1st.

(5)(a) Western Indiantown Road Subregional Collection Facilities: Subregional Transmission System Line Charges for the Western Indiantown Road Subregional Collection Facilities shall be ~~\$2,001.91~~~~\$1,927.32~~ per Equivalent Connection. Commitment of service shall not exceed those total capacity limitations as authorized for commitment by the Governing Board. The full amount of the Subregional Line Charges shall be due and payable at the time commitment of service is made. Those buildings or structures having certificates of occupancy prior to January 20, 2012, the date this transmission system line was deemed Available, may finance this Subregional Line Charge over twenty (20) years at a fixed interest rate equal to the current Wall Street Journal Prime Rate plus two (2.0%) percent, but not to exceed 8%, existing at the time commitment of service is made, with no prepayment penalty, to be collected by non-ad Valorem tax roll.

5(b) Inlet Village Subregional Line Charge for Inlet Village Subregional Collection Facilities. The rate of the Inlet Village Subregional Line Charge shall be ~~\$2,374.40~~~~\$2,285.93~~ per Equivalent Connection. Commitment of service shall not exceed those total capacity limitations as authorized for commitment by the Governing Board. The full amount of the Subregional Line Charges shall be due and payable at the time commitment of service is made, except those buildings or

structures having certificates of occupancy prior to the date this transmission system line is deemed Available, may finance this Subregional Line Charge over twenty (20) years at a fixed interest rate equal to the current Wall Street Journal Prime Rate plus two (2.0%) percent, but not to exceed 8%, existing at the time commitment of service is made, with no prepayment penalty, to be collected by non-ad valorem tax roll.

5(c) Rocking Horse Lane Subregional Line Charge for Rocking Horse Lane Subregional Collection Facilities. The rate of the Rocking Horse Lane Subregional Line Charge shall be ~~\$662.01~~~~\$637.34~~ per Equivalent Connection. Commitment of service shall not exceed those total capacity limitations as authorized for commitment by the Governing Board. The full amount of the Subregional Line Charges shall be due and payable at the time commitment of service is made, except those buildings or structures having certificates of occupancy prior to the date this transmission system line is deemed Available, may finance this Subregional Line Charge over twenty (20) years at a fixed interest rate equal to the current Wall Street Journal Prime Rate plus two (2.0%) percent, but not to exceed 8%, existing at the time commitment of service is made, with no prepayment penalty, to be collected by non-ad valorem tax roll.

5(d) 66th Terrace Phase 1 Subregional Line Charge for 66th Terrace Phase 1 Subregional Collection Facilities. The rate of the 66th Terrace Phase 1 Subregional Line Charge shall be ~~\$668.00~~~~\$643.11~~ per Equivalent Connection. Commitment of service shall not exceed those total capacity limitations as authorized for commitment by the Governing Board of the District. The full amount of the Subregional Line Charges shall be due and payable at the time commitment of service is made, except those buildings or structures having certificates of occupancy prior to the date this transmission system line is deemed available, may finance this Subregional Line Charge over twenty (20) years at a fixed interest rate equal to the current Wall Street Journal Prime Rate plus two (2.0%) percent, but not to exceed 8%, existing at the time commitment of service is made, with no prepayment penalty, to be collected by Non-Ad Valorem tax roll.

5(e) Jamaica Drive Phase 1 Subregional Line Charge for Jamaica Drive Phase 1 Subregional Collection Facilities. The rate of the Jamaica Drive Phase 1 Subregional Line Charge shall be ~~\$971.74~~~~\$935.53~~ per Equivalent Connection. Commitment of service shall not exceed those total capacity limitations as authorized for commitment by the Governing Board of the District. The full amount of the

Subregional Line Charges shall be due and payable at the time commitment of service is made, except those buildings or structures having certificates of occupancy prior to the date this transmission system line is deemed available, may finance this Subregional Line Charge over twenty (20) years at a fixed interest rate equal to the current Wall Street Journal Prime Rate plus two (2.0%) percent, but not to exceed 8%, existing at the time commitment of service is made, with no prepayment penalty, to be collected by Non-Ad Valorem tax roll.

5(f) 69th Terrace Phase 1 Subregional Line Charge for 69th Terrace Phase 1 Subregional Collection Facilities. The rate of the 69th Terrace Phase 1 Subregional Line Charge shall be ~~\$1,125.07~~ \$1,168.61 per Equivalent Connection. Commitment of service shall not exceed those total capacity limitations as authorized for commitment by the Governing Board of the District. The full amount of the Subregional Line Charges shall be due and payable at the time commitment of service is made, except those buildings or structures having certificates of occupancy prior to the date this transmission system line is deemed available, may finance this Subregional Line Charge over twenty (20) years at a fixed interest rate equal to the current Wall Street Journal Prime Rate plus two (2.0%) percent, but not to exceed 8%, existing at the time commitment of service is made, with no prepayment penalty, to be collected by Non-Ad Valorem tax roll.

Specific Authority Chapter 2021-249, Laws of Florida, and Section 381.00655, Florida Statutes. Law Implemented Chapter 2021-249, Laws of Florida, Section 6(6), (9), (11), (12), and (19), and Section 8. History - New 12-9-76, Amended, 9-26-78, 12-12-78, 5-21-81, 5-24-82, 4-24-83, 4-25-84, 6-30-85, Formerly 31-10.05. Amended 6-30-86, 5-4-87, 4-17-88, 5-3-89, 5-13-90, 5-7-92, 5-9-93, 5-9-94, 5-19-96, 7-14-97, 11-1-98, 6-22-99, 3-23-00, 3-15-01, 3-21-02, 3-20-03, 3-18-04, 3-17-05, 3-16-06, 3-15-07, 3-20-08, 3-19-09, 3-18-10, 3-17-11, 3-15-2012, 6-21-2012, 3-21-2013, 3-20-2014, 3-19-2015, 3-17-2016, 3-16-2017, 3-21-2019, 10-15-2020, 3-17-22, 3-17-23, 10-20-23, 12-15-23, 3-21-2024.

31-10.006 Special Assessments.

Special Assessments are due and payable with interest at the time of transfer of the underlying real property for consideration as an at-arms-length transaction unless transferred to the real estate tax bill for the property as a continuing obligation of the property until paid in full.

Specific Authority Chapter 2021-249, Laws of Florida, Section 6(10), (12), (19) and (27). Law Implemented Chapter 2021-249, Laws of Florida, Section 6(10), (12), (19), and (27). History - New 12-9-76, Amended, 9-26-78, 12-12-78, 5-21-81, 5-24-82, 4-24-83, 4-25-84, 6-30-85, Formerly 31-10.05. Amended 6-30-86, 5-4-87, 4-17-88, 5-3-89, 5-13-90, 5-7-92, 5-9-93, 5-9-94, 5-19-96, 7-14-97, 11-1-98, 6-22-99, 3-23-00, 3-15-01, 3-21-02, 3-20-03, 3-18-04, 3-17-05, 3-16-06, 3-15-07, 3-20-08, 3-19-09, 3-18-10, 3-17-11, 3-15-2012, 3-17-22.

Effective 4-1-2024~~12-15-2023~~

31-10.007 Quarterly Service Charges for Sewer Service.

(1) Quarterly Service Charges shall be payable by the Owner commencing when the Equivalent Connection is connected to the Regional Wastewater System of the District, or within one (1) year of the time the connection is Available, whichever occurs first, and shall be billed in advance. Notwithstanding any other provision of this section, an Owner that has established a tenant as the bill recipient for the Quarterly Service Charge prior to April 1, 2015 may continue to have the established tenant listed as the bill recipient for the Quarterly Service Charge until such time as that tenant relationship changes (e.g., new Owner(s) or new tenant(s)). The Owner is required to notify the District within fifteen (15) days of the tenant relationship change.

(a) The Quarterly Service Charge for Residential Units shall be:

~~For the period of April 1, 2023 thru March 31, 2024 @ \$58.50 per E.C.~~

For the period of April 1, 2024 thru March 31, 2025 @ \$60.26 per E.C.

For the period of April 1, 2025 thru March 31, 2026 @ \$62.06 per E.C.

For the period of April 1, 2026 thru March 31, 2027 @ \$63.92 per E.C.

For the period of April 1, 2027 thru March 31, 2028 @ \$65.84 per E.C.

For the period of April 1, 2028 thru March 31, 2029 @ \$67.17 per E.C.

(b) The Quarterly Service Charge for Non-residential Units shall be as follows:

~~For the period of April 1, 2023 thru March 31, 2024 @ \$6.68 per thousand gallons
of metered potable water usage;~~

For the period of April 1, 2024 thru March 31, 2025 @ \$6.88 per thousand gallons
of metered potable water usage;

For the period of April 1, 2025 thru March 31, 2026 @ \$7.08 per thousand gallons
of metered potable water usage;

For the period of April 1, 2026 thru March 31, 2027 @ \$7.30 per thousand gallons
of metered potable water usage;

For the period of April 1, 2027 thru March 31, 2028 @ \$7.51 per thousand gallons
of metered potable water usage;

For the period of April 1, 2028 thru March 31, 2029 @ \$7.66 per thousand gallons
of metered potable water usage;

provided that the minimum Quarterly Service Charge for Non-residential Units shall
be as follows:

~~For the period of April 1, 2023 thru March 31, 2024 @ \$80.06~~

For the period of April 1, 2024 thru March 31, 2025 @ \$82.46

For the period of April 1, 2025 thru March 31, 2026 @ \$84.93

For the period of April 1, 2026 thru March 31, 2027 @ \$87.48

For the period of April 1, 2027 thru March 31, 2028 @ \$90.11

For the period of April 1, 2028 thru March 31, 2029 @ \$91.91

For Non-residential Units that do not have a metered water supply or that have not established a minimum of one (1) month of water use history, and certain other uses (e.g., elevator sump; pool backwash; public toilets in parks; marina pump out station) the Quarterly Service Charge shall be a flat rate of:

~~For the period of April 1, 2023 thru March 31, 2024 @ \$80.06 per E.C.~~

For the period of April 1, 2024 thru March 31, 2025 @ \$82.46 per E.C.

For the period of April 1, 2025 thru March 31, 2026 @ \$84.93 per E.C.

For the period of April 1, 2026 thru March 31, 2027 @ \$87.48 per E.C.

For the period of April 1, 2027 thru March 31, 2028 @ \$90.11 per E.C.

For the period of April 1, 2023 thru March 31, 2024 @ \$91.91 per E.C.

(2) Temporary Disconnection of Sewer Service – The District may temporarily suspend Quarterly Service Charges when sewer service is disconnected as provided below. If temporarily suspended, quarterly sewer service charges will cease on the first day of the quarter following verification and approval by the District. Quarterly sewer service charges will resume on the first day of the quarter following reconnection to the sewer (e.g., upon receipt of a Certificate of Occupancy). Failure to notify the District of reconnection to the sewer system will result in the District back-billing quarterly sewer service charges to the date reconnection to the sewer was made. Circumstances warranting suspension of quarterly sewer service charges of an existing Residential Unit or Non-residential Unit connected to the District’s sewer system include:

- (a) sewer disconnection in coordination with the District’s Engineering Department and according to District standards, or
- (b) proof of designation as uninhabitable by a municipal authority (e.g., fire official, building official).

(3) The Quarterly Service Availability Standby Charge shall be due and payable for each Equivalent Connection reserving service availability, commencing upon the reserving of service availability and shall continue to be owing for each quarter and paid promptly upon billing in the manner as provided for the Quarterly Service Charge thereafter until payment of the Plant Connection Charge. The amount of the Quarterly Service Availability Standby Charge shall be sixty-eight percent (68%) of the Quarterly Service Charge which is set based upon the fixed Effective ~~4-1-2024~~12-15-2023

expenses incurred by the District in operating the plant and the Regional Wastewater System excluding the variable costs related to the amount of sewerage processed.

- (a) A prepayment of twelve (12) months Service Availability Standby Charges will be required commencing upon the reserving of service availability in addition to the Quarterly Service Availability Standby Charge which shall be prepaid quarterly.
- (b) At the time Plant Connection Charges become due and payable ten and one half (10.5) months of the twelve (12) months of prepaid Service Availability Standby Charges shall be credited to the Plant Connection Charges.

Specific Authority Chapter 2021-249, Laws of Florida. Law Implemented Chapter 2021-249, Laws of Florida Section 6(6) (8), (9), (11), (19), and (27), and Section 8. History - New 12-9-76, Amended 6-25-78, 9-26-78, 12-12-78, 11-28-79, 5-21-81, 5-24-82, 10-12-82, 4-24-83, 5-24-84, 6-30-85, Formerly 31-10.07. Amended, 6-30-86, 5-4-87, 4-17-88, 5-3-89, 5-13-90, 5-12-91, 5-7-92, 5-10-93, 5-7-94, 5-7-95, 5-19-96, 7-14-97, 11-1-98, 6-22-99, 3-23-00, 3-15-01, 3-21-02, 3-20-03, 3-18-04, 3-17-05, 3-16-06, 3-15-07, 3-20-08, 3-19-09, 3-18-10, 3-17-11, 3-15-2012, 3-21-2013, 3-20-2014, 3-19-2015, 6-18-2015, 3-17-2016, 3-16-2017, 3-21-2019, 3-17-22, 3-17-23, 3-21-2024.

31-10.008 Determination of Equivalent Connections.

Each Owner of each lot or parcel of land which may be connected to the Regional Wastewater System shall provide proof of the number of Equivalent Connections for each lot or parcel owned. If the Owner does not produce proof of the number of Equivalent Connections, the District will charge the Owner up to the maximum rates, fees and charges of the District based upon 1.75 E.C. per lot or parcel based upon the best information practically Available to the District.

Specific Authority Chapter 2021-249, Laws of Florida. Law Implemented Chapter 2021-249, Laws of Florida, Section 6(6) and (9), and Section 8. History - New 12-9-76. Amended 9-26-78, Formerly 31-10.08, Amended 3-15-2012, 3-19-2015, 3-17-22.

31-10.009 Responsibility for Payment and Enforcement of Collections and Foreclosure of Liens.

(1) Responsibility. The District shall hold the Owner of the property being served with sewage service primarily responsible for all charges for sewage service to the property, without regard to the fact that a tenant, licensee, customer or other party was actually utilizing the sewage service and may be paying for same directly to the District.

(2) Payment. All payments to the District shall be made using U.S. funds (dollars). Payment may be made in cash, check, electronic check, money order, electronic bill pay, direct debit, a Master Card or Visa debit card, or credit card or a Discover credit card. All checks shall be in a form that complies with the standards for cash items adopted by the Federal Reserve System to

facilitate the sorting, routing, and mechanized processing of such items. Payment made using debit card or credit card is limited to a maximum of \$5,000.00 per account per month.

(3) Delinquent Quarterly Service Charge for Sewer Service. Quarterly Service Charge for Sewer Service shall be delinquent if not paid during the service period. The District will apply a delinquent fee equal to ten percent (10%) of the delinquent Quarterly Service Charge for Sewer Service to accounts with a delinquent balance of \$20.00 or more.

(4) Default. If any fees, rates, or charges for sewage service are not paid when due and are unpaid for thirty (30) days or more, the Owner shall be in default, and the District may seek recovery of the amounts due from the Owner through any or all available legal remedies.

(5) Enforcement. When the fees, rates, or charges for the services and facilities of any system are not paid when due and are in default as set forth above, the District shall provide written notice to the Owner that the District may discontinue and shut-off the supply of services and facilities to the property until all fees, rates, or charges, including interest at twelve percent (12%) per annum, plus all penalties and charges for the shutting off and discontinuance and the restoration of such services or facilities are fully paid. If the fees or charges remain unpaid for thirty (30) days after being due, such delinquent fees, rates, or charges shall bear interest at the rate of twelve percent (12%) per annum computed from the date when originally due, until paid and the District may discontinue the supply of service and facilities to the property. The District may file suit in a court of competent jurisdiction to recover any delinquent fees or charges, together with legal interest, penalties, and charges for the shutting off and discontinuance and the restoration of such services or facilities and all other costs and other expenses, including court costs and reasonable attorney's fees.

(6) Foreclosure of Liens. The District shall have a lien on all lands and premises served by it for all charges and fees, until paid, for services provided to such lands or premises by the District, or connection fees associated therewith, which lien shall be prior to all other liens, except that such lien shall be on parity with the lien of state, county, and municipal taxes, and any lien for charges for services created pursuant to Section 159.17, Florida Statutes. Such lien shall be perfected by the District by recording in the official records of the county in which the lands or premises are located a claim of lien in form substantially as provided in Section 713.08, Florida Statutes. A copy of the claim of lien shall be served as provided in Section 713.18, Florida Statutes, within ten (10) days after the claim of lien is recorded. If thirty (30) days after service has been made, liens created under this Rule remain delinquent, such liens may be foreclosed by the District in the manner provided by the laws of Florida for the foreclosure of mortgages on real property, and the District shall be entitled to 12% interest per annum, attorney's fees, and other court costs.

(7) No Service Free. No sewage disposal service shall be furnished or rendered free of charge to any Owner, person, firm, corporation, agency or organization whatsoever, and the District and each and every Owner, person, firm, corporation, agency or organization that uses or is required to use such service shall pay the rates, fees, and charges established by the Governing Board.

(8) Administrative Credits. The Executive Director, or his or her designee, may authorize a credit or refund to an account in certain situations, including billing errors, clerical errors, excessive payments by the customer, meter adjustments, and application of grant funds. In each case, the affected customer must provide a signed written request for refund that quantifies the requested refund, documents the justification for the refund, and states whether the refund should be provided as a credit to the customer's account unless the customer specifically requests a refund check at the same time the customer requests the refund. In no circumstance shall such credit or refund exceed \$10,000 without prior authorization of the Governing Board.

Specific Authority Chapter 2021-249, Laws of Florida. Law Implemented Chapter 2021-249, Laws of Florida, Section 6(6),(8), (9), (11), and (19), and Section 8. History - New 12-9-76. Formerly 31-3.16, 31-3.18 and 31-10.09. Rules 31-3.016 & 31-3.018 moved, consolidated and renumbered 31-10.009(4), (5) and (6) by amendment on 6-15-2000. Amended 9-26-78, 10-11-80, 3-23-00, 6-15-00, 3-15-2012, 3-19-2015, 3-17-2016, 3-17-22.

31-10.010 Payment of Certain Rates, Fees and Charges; Developer Agreement.

(1) Applicants for service requiring less than ten (10) E.C.s must execute an Application for Sewer Service appropriate for the use and shall pay all Connection Charges at the time of application. Applications for Sewer Service forms are provided on the District's website at <https://loxahatcheeriver.org> and may be obtained from the District office.

(2) Applicants desiring to reserve service availability for 10 Equivalent Connections or more must execute a standard developer agreement, as developed and provided by the District ("Standard Developer Agreement"), which is provided on the District's website at <https://loxahatcheeriver.org> and also may be obtained from the District office, and pay all charges and fees required by the agreement. Applicants must also provide plans and specifications with sufficient detail to calculate the number of Equivalent Connections contemplated on the lot or parcel of land.

The following matters are addressed in the Standard Developer Agreement:

- (a) The reservation of the agreed service availability in the Regional Wastewater System on the subject property in terms of Equivalent Connections.
- (b) Payment required to reserve sewer service availability.
- (c) Construction of off-site facilities under certain conditions.

- (d) Dedication of facilities and land to the District.
- (e) Describing the reservation of service availability in terms of the equivalent connections as non-assignable, non-transferable, and running with the land, and describing exceptions.
- (f) Requiring payment of a Quarterly Service Availability Standby Charge and prepayment of twelve (12) months thereof.
- (g) Describing payment and obligations and providing for recovery of costs and attorney's fees.
- (h) Subject the Owner to the rates, fees and charges of the District as established from time to time but fixing the rate for the Regional Transmission System Line Charge, Administrative Charge, and Plant Connection Charge.

(2) Applicants desiring to reserve service availability for concurrency in the Regional Wastewater System must sign a "Concurrency Reservation Agreement," which is provided on the District's website at <https://loxahatcheeriver.org> ("Concurrency Reservation Agreement") and also may be obtained from the District office, and make all payments required by the agreement. Applicants must also provide plans and specifications with sufficient detail to calculate the number of Equivalent Connections contemplated on the lot or parcel of land. The following matters are addressed in the Concurrency Reservation Agreement:

- (a) The reservation of the agreed service availability in the regional wastewater system on the subject property in terms of equivalent connections.
- (b) Requiring payment of a Quarterly Service Availability Standby Charge and prepayment of twelve (12) months thereof.
- (c) Providing a duration of the shorter of twelve (12) months or thirty (30) days after applicant obtains a development order.
- (d) Providing for the unexpired portion of the prepaid Quarterly Service Availability Standby Charge to be refunded to the applicant if the development order is denied, or credited to the Service Availability Standby Charge if a Standard Developer's Agreement is entered into by the applicant within thirty (30) days of the development order.
- (e) Describing the reservation of service availability in terms of the equivalent connections as non-assignable, non-transferable, and running with the land, and describing exceptions.

- (f) Describing payment, including rates, fees, and charges of the District, and obligations and providing for recovery of costs and attorney's fees.

Specific Authority Chapter 2021-249, Laws of Florida. Law Implemented Chapter 2021-249, Laws of Florida, Section 6(6),(8), (9), (11), and (19), and Section 8. History-New 12-9-76. Amended, 9-26-78, 5-21-81, 5-24-84. Formerly 31-10.10. Amended 5-10-93, 3-20-08, 3-19-09, 3-18-10, 3-15-2012, 3-17-22.

31-10.012 Exceptions to the Payment of Connection Charges.

(1) Connection Charges shall not apply to those residential and non-residential buildings and structures referred to in the Agreement for Sale between the Village of Tequesta and the District, dated May 23, 1973.

(2) Those residential and non-residential buildings and structures which have escrowed, paid or committed capital improvement charges and have executed legally binding agreements where capital improvement charges are referred to in such agreements, said agreements shall be enforced according to their tenor, except that the capital improvement charges shall be treated as Plant Connection Charges, and except that where capital improvement charges may be increased or subjected to assessment and reassessment from time to time, there shall be no increase over the amount of capital improvement charges as stated in said agreements, and said provision providing for assessment and reassessment of capital improvement charges shall not be enforced.

Specific Authority Chapter 2021-249, Laws of Florida. Law Implemented Chapter 2021-249, Laws of Florida, Section 6(6), (8), (9) (11), (12), and (27), and Section 8. History - New 12-12-79. Formerly 31-10.12, Amended 3-15-2012.

31-10.013 Irrigation Quality Water User; Rates, Fees and Charges for Irrigation Quality Water Service; Irrigation Quality Water Agreements.

(1) “I.Q. Water” is defined as Irrigation Quality Water provided by the District, regardless of the original source of the I.Q. Water. I.Q. Water also may be referred to as “reuse water” or “reclaimed water”, which is further defined in Chapter 62-610, Florida Administrative Code.

(2) “Wholesale I.Q. User” is defined as user of I.Q. Water, for which the I.Q. Water is pumped by the District to a storage facility, such as ponds, lakes, or tanks, at an off-site location. The I.Q. Water is then pumped by a party other than the District, into the lines that irrigate the User's property.

(3) “Retail I.Q. User” is defined as a user of I.Q. Water, for which the I.Q. Water is pumped by the District, to a storage facility, such as ponds, lakes or tanks, at an off-site location.

The I.Q. Water is then pumped by the District from the storage facility, into the lines that deliver I.Q. Water to the User's property for further distribution and irrigation by the User.

(4) "Nano I.Q. User" is defined as a user of I.Q. Water, where the I.Q. Water was originally made available by blending the Town of Jupiter's nanofiltration concentrate and for which the I.Q. Water is pumped by the District, to a storage facility, such as ponds, lakes, or tanks, at an off-site location. The I.Q. Water is then pumped by a party other than the District, into the lines that irrigate the User's property.

(5) Rates, Fees and Charges for Wholesale, Retail, and Nano I.Q. Water Rates are those rates, fees and charges approved, set, and levied by the Governing Board based on the total cost to the District of construction, reconstruction, labor, materials, equipment, acquisition, property rights, surveys, design, engineering, legal, administration, operation, maintenance, and all other expenses necessary or incidental to construction, operation, and improvement of the I.Q. Water system and provision of I.Q. Water.

(6) The District's rate for I.Q. Water are:

(a) Wholesale I.Q. Users shall pay the following rates for their requested G.P.D.

~~For the period of April 1, 2023 thru March 31, 2024 \$0.4715 per 1,000 gallons.~~

For the period of April 1, 2024 thru March 31, 2025 \$0.4856 per 1,000 gallons.

For the period of April 1, 2025 thru March 31, 2026 \$0.5002 per 1,000 gallons.

For the period of April 1, 2026 thru March 31, 2027 \$0.5152 per 1,000 gallons.

For the period of April 1, 2027 thru March 31, 2028 \$0.5307 per 1,000 gallons.

For the period of April 1, 2028 thru March 31, 2029 \$0.5466 per 1,000 gallons.

(b) Retail I.Q. Users shall pay the following rates for their requested G.P.D.

~~For the period of April 1, 2023 thru March 31, 2024 \$0.6378 per 1,000 gallons.~~

For the period of April 1, 2024 thru March 31, 2025 \$0.6569 per 1,000 gallons.

For the period of April 1, 2025 thru March 31, 2026 \$0.6766 per 1,000 gallons.

For the period of April 1, 2026 thru March 31, 2027 \$0.6969 per 1,000 gallons.

For the period of April 1, 2027 thru March 31, 2028 \$0.7178 per 1,000 gallons.

For the period of April 1, 2028 thru March 31, 2029 \$0.7393 per 1,000 gallons.

(c) Nano I.Q. Users shall pay the following rates for their requested G.P.D.

~~For the period of April 1, 2023 thru March 31, 2024 \$0.8349 per 1,000 gallons.~~

For the period of April 1, 2024 thru March 31, 2025 \$0.8766 per 1,000 gallons.

For the period of April 1, 2025 thru March 31, 2026 \$0.9204 per 1,000 gallons.

For the period of April 1, 2026 thru March 31, 2027 \$0.9480 per 1,000 gallons.

~~For the period of April 1, 2027 thru March 31, 2028 \$0.9765 per 1,000 gallons.~~

The District may revise its schedule of rates, fees, and charges in accordance with the Loxahatchee River Environmental Control District Act codified in Chapter 2021-249, Laws of Florida, all applicable District rules, and all relevant laws. It is the District's intention to evaluate the sufficiency of I.Q. Water rates during the annual Rate Study, which typically occurs in February and March with potential rate adjustments implemented April 1st. The I.Q. Rate shall be billed monthly or such other billing cycle period as the District may determine.

(7) The Start Up Fee of the District for Retail I.Q. Users shall be the greater of (a) six (6) months of charges at the Retail I.Q. Rate for the requested gallons per day, or (b) \$3,500.00. The Application Fee of the District for Wholesale I.Q. Users shall be the greater of (a) six (6) months of charges at the I.Q. Rate for the requested gallons per day, or (b) \$18,000.00.

(8) All persons, firms and corporations (hereinafter called "Applicant") desiring to reserve service availability in the regional I.Q. Water system of the District where said I.Q. Water is Available or is proposed to be Available, as determined by the District, prior to receiving District approval, shall sign a Standard Irrigation Quality Water Agreement and pay the charges and fees specified therein.

Specific Authority Chapter 2101-249, Laws of Florida. Law Implemented Chapter 2021-249, Laws of Florida, Sections 6(6), (8), (9), (11), (12), and (27), and Section 8; History-New 7-23-97, Amended 11-1-98, 3-16-06, 3-18-10, 3-21-2013, 3-19-2015, 3-21-2019, 2-20-2020, 3-17-22, 3-17-23, 3-21-2024.

31-10.014 Low Pressure Pump Unit Delivery Procedures & Delivery Charge.

(1) All Owners in an area serviced by a low pressure sanitary sewer system, shall be responsible for taking possession of the Low Pressure Pump Unit ("**Pump Unit**") upon notification the Pump Unit is available for pick up at the District. A Property Owner that does not pick up the Pump Unit shall be subject to the following delivery procedures and delivery charge. The First Delivery Notice to the Owner shall provide:

- (a) Owner is delinquent with installation of the low pressure pumping system for their wastewater service.
- (b) The District has been holding their Pump Unit since the completion of the sewer project.
- (c) The Pump Unit was included in their assessment and is their responsibility to install.
- (d) The District will no longer hold the Pump Unit for their pick up and installation.

- (e) If not picked up within thirty (30) days, the Pump Unit will be delivered at an additional Delivery Charge of \$300.00 to the Owner (the “Delivery Charge”).
 - (f) The Pumping Unit will be delivered in good working order, suitable for District’s future maintenance.
 - (g) If the Owner fails to have the Pump Unit installed within forty-five (45) days and there is damage to the Pump Unit components, the Owner will be responsible for the cost to provide a Pump Unit in good working order for District maintenance in the future.
2. If the Pump Unit is not picked up within thirty (30) days after the First Delivery Notice, the Second Delivery Notice shall be sent to the Owner which shall provide:
- (a) Pump Delivery will be made on a date and time certain.
 - (b) The Pump Unit and appurtenances will be delivered to the most accessible location on the Property or a mutually convenient location as discussed with Owner.
 - (c) A written report will be made of each delivery with photographs of the Pump Unit placement at time of delivery and condition of surrounding area. The District will request written receipt from the Owner for the Pump Unit, however it is not mandatory for the Property Owner to provide or for the District to obtain.
 - (d) The written report shall be signed by two District personnel, witnessed and notarized, and made part of the District’s records.
3. After delivery, the Owner will be provided written notification that their Pump Unit has been delivered and an Invoice will be provided for the Delivery Charge.
4. All correspondence to be provided by certified mail with return receipt and regular mail.

Specific Authority Chapter 2021-249, Laws of Florida. Law Implemented Chapter 2021-249, Laws of Florida, Sections 6(6), (8), (9), (10), and (19), and Section 8. History-New 3-15-2012. Amended 3-17-22.

31-10.015 Termination/Abandonment of Easements – Application Fee.

- (1) Property Owners may request a Termination/Abandonment of easement. Requests shall be accompanied by an application and application fee in the amount of ~~\$546.80~~\$561.02.
- (2) The application fee for termination/abandonment of easements shall increase (or decrease) based upon the annual increase (or decrease) in the Engineering News Record Construction Cost Index published in the February edition of each year.

Specific Authority Chapter 2021-249, Laws of Florida. Law Implemented Chapter 2021-249, Laws of Florida, Sections 6(9). History-New 10-20-2023, 3-21-2024.

LOXAHATCHEE RIVER DISTRICT



Neighborhood Sewering Schedule-Revised February 2020

Rank *	Area Description	# Lots	Activity	Original Target Date	Revised Target Start Date
11	Jupiter Farms (East)	708		TBD	TBD
11	PB Country Estates	1547		TBD	TBD
21	Indian Hills	12	Notified Owners – January 2016 Property Records Review Determined Lots Abut US1 Right Of Way Sewer Options and Cost Estimates Mailed to Owners - March 2024		

* Rank based upon "2010 Septic System Inventory & Assessment"

TBD = To be determined

Remnant Areas

Rank*	Area Description	Lots	Activity	Original Target Date	Revised Target Start Date
	605+607 Military Trl (LP)	2	Notified Owners – June 2020 Notice of Intent – Jan 2021	2022	
	18030 69 th Terrace	1	Application for developer project made Comments on plans being addressed by applicant		
	SE Island Way Property	2	Notice of Intent – August 2022 Permitting Complete Under Construction	N/A	2023

Rank *	Area Description	# Lots	Activity	Original Target Date	Revised Target Start Date
AA	Peninsular Road	4	Private Road Notice of Intent – February 2010 Partial construction complete - June 2013 Soliciting easements for remainder of project 1300 Peninsular Rd – Application/Plans Approved – project under construction	2010	AEO
BB	Rivers Edge Road (Martin Co.)	35	Notified Owners – August 2010 Private Road-Easements Solicited –May 2014 Notice of Intent – February 2014 Project Delayed	2013	AEO
CC	171 st Street (Martin Co.)	7	Private Road - In House Design Owners notified October 2012 Easement rec'd from Church – April 2017 Grant received	2014	AEO
D	Loggerhead Park <i>(institutional)</i>	6 ECs	Need Easements from County-No database	2014	AEO
DD	Taylor Road	38	Notified Owners – September 2011 Private Roads	2015	AEO
FF	North A1A	3	Postponed-Town activities in area No database	2012	AEO
GG	815 S US 1	9 ecs	Notified Owner – November 2014	2016	AEO
GG	Rockinghorse <i>(north of Roebuck Road)</i>	11	Notified Owners – January 2013	2018	AEO
GG	SE Castle Rd	5	Notified Owners – Jan 2013-private road	2018	AEO
GG	SE Jupiter Rd	4	Notified Owners – Jan 2013-private road	2018	AEO
HH	Harbor Rd. S. LPSS	6	Notified Owners – January 2014-private road Statutory Way Provision – May 2023 (1 lot) Under Construction	2017	AEO
16	Limestone Creek Road West	49	Notified Owners – January 2013-private road	2018	TBD
19	US Coast Guard Station Offices <i>(institutional)</i> PX Commercial <i>(commercial)</i>	2 ECs 2 ECs	US Government - private roads-No database Contract for installation of sanitary sewers – September 2020 Project Under Construction Plans in Permitting	2019	2021
	109 Old Jupiter Beach Road	1	Notified Owners – September 2021 Follow Up Reminder – July 2022 Constr. Plans In Redesign Per Owner – Sept. 2023		
	182 nd Road North	12	Sewering Pricing Request by 50% of Owners Conceptual Design/Cost Est. - provided June 2023		
	N 65 th Terrace & N 195 th Place	9	Statutory Way Provision Available 6604 N 195 th Place Sewering Request Mar. 2024		
	Jonathan's Landing Guard House	1	Proposed Upgrades will include sewerage Project plans approved- under construction		

* Rank based upon "2010 Septic System Inventory & Assessment

TBD = To be determined AEO = As easements are obtained

CURTIS L. SHENKMAN
Board Certified
Real Estate Attorney
HUNTER SHENKMAN
Attorney

SHENKMAN & SHENKMAN P.A.
4400 PGA BLVD, SUITE 300
PALM BEACH GARDENS, FLORIDA 33410
TELEPHONE (561) 822-3939
Curtis@PalmBeachLawyer.Law

LEGAL ASSISTANTS
REAL ESTATE
JAMIE KEELAN
CAROLINA INMAN
DENISE B. PAOLUCCI

March 14, 2024

Loxahatchee River Environmental Control District
D. Albrey Arrington, Exec. Dir. and Board Members (sent by email to S. Patel)
2500 Jupiter Park Drive
Jupiter, FL 33458

RE: PENDING LITIGATION STATUS REPORT

Dear Dr. Arrington and Board Members:

We are enclosing herewith a brief status report relating to the litigation in which the Loxahatchee River Environmental Control District is involved with our law firm as the attorney of record, and/or monitoring the attorney of record. This status report updates the last monthly status report previously submitted and consists of a summary of the record proceedings which have occurred in each of the pending cases since last month.

Two (2) matters of potential pending litigation are reported under "Other Litigation". There are no analysis of the pending cases included, as the inclusion of such items might constitute a waiver of any attorney/client privilege that exists between our firm and the District. Therefore, if you would like to discuss the particulars of any specific case in more detail or would like to obtain more information concerning the strategy, status, or settlement posture of any of the individual cases, please feel free to contact me.

As always, we are available at any time to discuss any of these lawsuits with each individual Board Member by telephone or by conference, if there are any questions.

Respectfully submitted,

CURTIS L. SHENKMAN

CURTIS L. SHENKMAN

Attachment

OTHER LITIGATION

LRD -collection from Sonoma Isles HOA.

Nov. 6, 2023 LRD Attorney Demand Letter to Sonoma Isles HOA
Dec. 28, 2023 Letter from Attorney for DiVosta of Assignment to Sonoma Isles HOA
Dec. 29, 2023 LRD Attorney Demand Letter to Sonoma Isles HOA & Attorney
Feb. 1, 2024 LRD Attorney Demand Letter to Sonoma Isles HOA Attorney with evidence and documentation going back to 2006 to justify the \$88,180.38 Due to LRD.
Feb. 28, 2024 LRD Attorney Demand Letter to Sonoma Isles HOA Attorney confirming Sonoma Isles HOA in settlement discussions with DiVosta Homes, LP, including the funds owed to LRD. Confirmation with Attorney for DiVosta Homes, LP.

LRD- manhole & gravity main line re-routing by Coastal Property Concepts ("Coastal") real estate developer of new home under construction at 844 Oceanside Drive, Juno Beach, FL 33480.

Oct 12 2022 LRD Attorney Legal Opinion existing Manhole & gravity main line installed by developer in 2005 serving the Oceanside project development permits a reasonably sized home to be designed and constructed in accordance with the District's Construction Standards.
Oct 26 2023 LRD Attorney advising attorney for Coastal the home under construction is being built in violation of the District's Construction Standards, must be addressed by home improvements relocated/reconstructed or manhole and gravity main line re-routed so as not to be in violation of the District's Construction Standards.
Oct 2023-Jan 2024 LRD Attorney & Coastal Attorney in communications for resolution.
Jan 31 2024 Coastal letter to Town of Juno Beach requesting extension of Building Permit #21-9596 seeking extension of Permit expiring blaming delay on manhole alleged not located properly by the District and requesting February 28, 2024 Town Council meeting to address the extension.
Feb 2024 LRD providing response to Town of Juno Beach addressing the manhole and gravity main line facts and circumstances.
Feb 28 2024 Town of Juno Beach granted extension of Building Permit to June 1, 2024.
March 13, 2024 LRD Attorney communication to Attorney for Coastal of the representation made to Town of Juno Beach to get the extension by Coastal that Coastal is working with LRD to resolve the manhole issue.

LIEN FORECLOSURES

NONE

MORTGAGE OR LIEN FORECLOSURES / LRD COUNTERCLAIMS/CROSSCLAIMS

NONE

Loxahatchee River Environmental Control District

Monthly Status Report

March 4, 2024

Submitted To: Kris Dean, P.E., Deputy Executive Director

The following is a summary of work performed by Baxter and Woodman, Inc. (B&W), on District projects for the monthly period ending February 29, 2024.

Lift Station Control Panels & RTU Upgrades

- Received LRECD 90% review comments on February 3, 2024.
- Updating the 90% EOPC.

Irrigation Quality 518 (IQ-518) Electrical and I&C Assessment

- Review the Town of Jupiter Planning and Zoning Codes, located possible electrical building on survey of LRECD property.
- Discussions with Town of Jupiter Planning and Zoning on review process.
- Update the Electrical and I&C Assessment to include discussions with Town of Jupiter Planning and Zoning.

Irrigation Quality 511 (IQ-511) Pump Station Piping Improvements

- Final Payment Application and Letter of Recommendation provided to LRECD on February 12, 2024.
- Project is complete.

Anaerobic Selector Zone Pilot Test

- Submitted Draft Pilot Test Plan Technical Memorandum on February 15, 2024.
- Draft Technical Memorandum – Pilot Test Plan Review Meeting scheduled for March 4, 2024.

Clarifier No. 4 Condition Assessment

- Completed kick-off meeting and the inspection on January 24, 2024.
- Developing the condition assessment.

Irrigation Quality 511 (IQ-511) Pump Station Electrical and I&C Assessment

- Received comments from LRECD on proposal on February 5, 2024.
- Submitted updated proposal to LRECD on February 7, 2024.

Respectfully Submitted by:
BAXTER & WOODMAN, INC.

Sira “Jockey” Prinyavivatkul, P.E.
Florida Water/Wastewater Department Manager



**Loxahatchee River Environmental Control District
CMA Project Status Update
March 1, 2024**

1. Science Center at Jupiter Inlet Lighthouse Outstanding Natural Area (CMA Project # 494.001)

Activities Performed:

- Conceptual Design Memorandum and building layout options were approved by the Board on 10/21/21.
- A coordination meeting was held 11/12/21.
- 90% design, specifications and cost estimate were submitted.
- LRD plan comments were addressed.
- Proposed roof alternative design was submitted to LRD for review (to address comments from SHPO).
- Bid documents were submitted to LRD.
- Comments were received from LRD and meetings/calls conducted to review.
- Final bid documents were submitted to LRD.
- Project advertised for bid (bids due January 10, 2023, anticipated award at January Board meeting).
- Recommendation of bid rejection was presented to the Board on January 19, 2023. Board voted to reject all bids.
- Conducted discussions with LRD staff on possible project adjustments to save costs.
- Project on hold.

2. 2500 Jupiter Park Drive Conceptual Site Planning

Activities Performed:

- Conducted kickoff meeting.
- Environmental field work was performed, report submitted, comments received from LRD, revised report submitted.
- Staff and Board survey were performed.
- Existing site base plan was prepared.
- A review of adjacent stormwater permits was performed.
- Site concept plans were prepared.
- Site visits and meeting with LRD were conducted to review survey results and concept plans.
- Presented survey results and concept plans to the Board.
- Submitted data request to LRD for massing study and received results. Provided LRD with initial space calculations.
- Reviewed WWTF capacity expansion goals with LRD. Submitted memorandum on the WWTF future space to LRD.
- Submitted draft Site Security memorandum, received comments from LRD, and submitted final memorandum.
- Draft massing concepts were presented to LRD at the meeting.
- LRD comments were incorporated, and a revised massing study was submitted.
- LRD provided comments on the revised massing study.
- Revised massing study submitted.
- Draft site plans submitted and comment received. Comment responses issued.

- Site planning memorandum drafted. Holding document submittal for confirmation on some of the key site plan concepts.
- Met with LRD staff to discuss comments and confirm concepts. CMA submitted additional information to follow up discussion at this meeting.
- Additional utility information provided by LRD.
- Site plans, massing study and site planning memorandum submitted.
- Comment responses provided to LRD.
- Meeting conducted to review comments.
- Sample revised site plans submitted to LRD for review of label/color schemes.
- Report and site plan resubmitted to LRD.



HOLTZ CONSULTING ENGINEERS, INC.
270 South Central Boulevard, Suite 207, Jupiter, FL 33458 (561) 575 2005

MEMORANDUM

To: Kris Dean, PE, Deputy Director/Director of Engineering, Loxahatchee River Environmental Control District
From: Christine Miranda, PE, Holtz Consulting Engineers, Inc.
Date: March 13, 2024
Subject: Loxahatchee River Environmental Control District Monthly Status Report

The following is a summary of work performed by Holtz Consulting Engineers, Inc. (HCE) on Loxahatchee River District projects through March 13, 2024. **Note: Any information that is historical or repeated from previous months are shown in italics. Otherwise, all information as shown below is newly reported information.**

Lift Station No. 082 Improvements

- *The Contractor is currently working with the Town of Jupiter on an approved Maintenance of Traffic for the project. The Contractor has also submitted for their building department permit with the Town of Jupiter. Upon approval of the MOT and issuance of the building department permit construction will commence.*

Schedule Update:

The revised and current contract completion date is August 12, 2024.

Country Club Drive Force Main Transmission System Preliminary Evaluation

- *The District is currently reviewing the different methodologies that can be utilized for flow projections and will be providing feedback to HCE for finalization of the technical memorandum.*

Schedule Update: *Per the work authorization agreement, upon receipt of final information from the District on the draft memorandum, the final memorandum will be prepared and submitted within two weeks.*

Lift Station Telemetry Improvements

- To date, the Contractor has installed new RTU panels, conduit and probes at approximately 82% of the total lift stations. HCE continues to support the Contractor in obtaining Palm Beach County right-of-way permits. A meeting to discuss SCADA coordination items was held on March 5, 2024. The Contractor has successfully addressed the majority of all SCADA issues and is working on resolution of any outstanding items.



Schedule Update: *Construction is proceeding as scheduled. The Contractor is currently preparing a change order proposal for a number of items which includes credits for work removed from the project and additional items added. As part of this change order proposal, the Contractor will be requesting a time extension of 57 days to final completion.*

Injection Well Pump Manual Transfer Switch Addition

- The Contractor has not yet submitted the signed and sealed drawing for wind load calculations and final record drawings. HCE is currently coordinating with the Contractor to set up a meeting to discuss the outstanding items, liquidated damages, and resolution and completion of the project.
- **Schedule Update:** *The Contractor's revised schedule reflected a final completion date of July 30, 2023. HCE provided notification to the Contractor on July 21, 2023 that no additional extensions to the Contract would be provided.*

Lift Station No. 050 Emergency Generator

- The District has approved the change of scope proposal to move the existing valve vault to the opposite side of the wet well and relocate the proposed generator to the location of the existing valve vault in order to stay within the existing lift station easement. HCE is currently working on the revised design drawings and will be submitting the 90% design submittal and applying for the Palm Beach County right-of-way permit by March 25, 2024.

Anaerobic Digestion and Biogas Utilization Study

- The draft technical memorandum was submitted to the District for review and comment on March 4, 2024.

Emergency Response ESRI Collection Tool & Synovia Vehicle Tracking Assistance

- *No new activities have occurred for this work.*

**Loxahatchee River Environmental Control District
9278 Indiantown Road/20 Acre Site
Phase I – Remediation
LRECD PO#23-804 / KCI 482021095.02**

Progress Report

To: Mr. Kris Dean, P.E., Deputy Executive Director/Director of Engineering
From: Robert Zuccaro, PE, Env SP, KCI Sr. Project Manager,
Date: March 11, 2024

ACTIVITIES

KCI Technologies progress report updates for the current billing period are:

Activities and Support:

Task 1 - **Kick Off Meeting:** 100% Complete

Task 2 - **Data Collection:** 100% Complete

Task 3 - **Schematic Design Plan:** *73% Complete

Task 4 - **Design Development Plan:** 98%

Task 5 – **Meetings:** 36%

Task 6 – **Construction Document Plans:** 47.5% Complete

Task 7 – **Final Bid Documents:** 0%

Task 8 – **Bid Assistance:** 0%

Task 9 – **Project Schedule and Monthly Reports:** 67%

Task 10 – **Site Plan:** *6%

Task 11 – **Site Plan -Building Permit Processing:** *0%

*Note that Tasks 3, 10 and 11 have increased scope and fee due to supplemental work order for amenities added per approved grant funds (Amendment No.1)



March 11, 2024

Re: **County Line Road Reclaimed Water Main Relocation/R23007 Project Update**

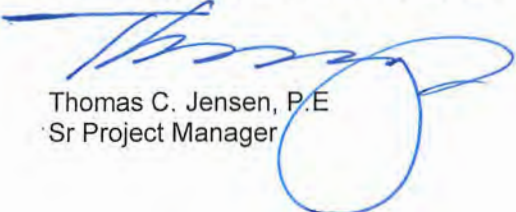
1. For February 2024, the following was completed.

- Coordinating with FDEP ERP staff on our last remaining permit. Due to the easement involved its going thru different Departments for review.
- Revised the project schedule for LRD's use based upon current input from FDEP.
- Late in the month, coordinating with the ACOE on our permit, and our request to extend the permit due to delay in commencing with construction.
- Late in month received word from FDEP that our reviewer internally is being changed due to our last reviewer departing FDEP.

2. For March 2024, we will be doing the following.

- First week of March, received word from ACOE that they will not extend permit date, they asked that we resubmit. KHA will resubmit the ACOE package, they did say they will work with us to expedite its review/approval.
- KHA will update the project schedule based upon recent input from ACOE.
- Resubmitted our most recent data to the new FDEP reviewer last week.
- KHA will be requesting a meeting with FDEP to resolve the last remaining item as it pertains to the easement.

KIMLEY-HORN AND ASSOCIATES, INC.



Thomas C. Jensen, P.E.
Sr Project Manager



March 13, 2024

Mr. Kris Dean, P.E., Deputy Executive Director/Director of Engineering
Loxahatchee River Environmental Control District
2500 Jupiter Park Drive
Jupiter, FL 33458

Ref. No.: C0089.40

Subject: Loxahatchee River Subaqueous Forcemain Replacement (PO No. 22-0911)

Dear Kris:

Below is our Monthly Update through March 13, 2024.

- FDEP Permit application #50-0433593-001-EI
 - DSL Reviewed and Approved submerged land easement 1/24/24. Public Noticing period begins.
 - Public notice document packages delivered to FDEP 1/25/24.
 - Public Noticing Period ended 2/19/24. RAI Response submitted 2/28/24.
 - Awaiting permit issue. FDEP required to respond by 3/29/24.
- USACE Permit
 - No additional information on 408 Permit review status. Awaiting determination.
 - USACE has requested FDEP ERP permit to finish their permit process.

Upcoming Activities:

- Provide FDEP ERP to USACE upon issue.
- Submit 100% Bid Documents upon final permitting agency comments/approval.
- Advertise project for Bids. Expected ready for advertisement end of April.

Sincerely,
Mock, Roos & Associates, Inc.

A handwritten signature in black ink, appearing to read 'SMS'.

Spencer Schroeder, P.E.
Senior Project Manager

GGG:jsj

Copies: Garry G. Gruber, P.E.
John Cairnes, P.E.
Tyler Thompson, P.E.

Mock, Roos & Associates, Inc.

5720 Corporate Way, West Palm Beach, Florida 33407-2066, 561-683-3113, www.MockRoos.com



Busch Wildlife Sanctuary

Last month, the LRD Governing Board authorized release of Busch Wildlife Sanctuary's escrow funds. That action was communicated to Busch Wildlife Sanctuary and the Escrow Agent. Unless the Board directs otherwise, this item will no longer appear on our agenda beginning next month (April 2024).





Director's Report

- | | |
|-------------------------------|------------|
| ➤ Admin. & Fiscal Report | attach. #1 |
| ➤ Engineering Report | attach. #2 |
| ➤ Operations Report | attach. #3 |
| ➤ Information Services Report | attach. #4 |
| ➤ Environmental Education | attach. #5 |
| ➤ Safety Report | attach. #6 |
| ➤ Other Matters (as needed) | attach. #7 |





LOXAHATCHEE RIVER DISTRICT

2500 JUPITER PARK DRIVE, JUPITER, FLORIDA 33458

TEL: (561) 747-5700

FAX: (561) 747-9929

D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

To: Governing Board
From: Kara Fraraccio, Director of Finance and Administration
Date: March 15, 2024
Subject: Monthly Financial Report

Cash and Investments Balance

Balance as of February 29, 2024
Certificates of Deposit:

Institution	Rate	Book Value	Monthly Change in Investment	Market Value
Brokerage Accounts:				
Vanguard GNMA ADM	-1.54%	\$ 336,728	(5,029)	\$ 321,416
Vanguard Short-Term Treasury	-0.44%	3,279,754	(14,153)	3,212,908
Charles Schwab Bank Sweep				2,458
Subtotal		\$ 3,616,482	\$ (19,182)	\$ 3,536,782
U.S. Treasuries:				
U.S. Treasuries - Due 03/28/24	5.53%	11,265,739	48,341	11,403,662
U.S. Treasuries - Due 05/02/24	5.34%	1,499,247	5,187	1,505,187
U.S. Treasuries - Due 06/30/24	5.47%	1,001,097	1,121	1,016,992
Subtotal		\$ 13,766,083	\$ 54,649	\$ 13,925,841
Investment Accounts:				
Florida Prime - SBA	5.55%		\$ 40,600	\$ 9,253,859
Florida FIT - Preferred Cash Pool	5.27%		28,112	6,747,985
Bank United - Public Funds Reserve	4.88%		8,214	2,128,447
Subtotal			\$ 76,926	\$ 18,130,291
Checking Account:				
Truist-Hybrid Business Account	1.95%		\$ 21,026	\$ 6,705,197
Subtotal			\$ 21,026	\$ 6,705,197
Total			\$ 133,419	\$ 42,298,111

Investment Policy Compliance

Performance Measurements

Average weighted rate of return on investments is: 4.38%. As of 02/29/24, 3-month U.S. Treasuries were 5.40% and the 1-month Federal Fund Rate was 5.33%. The District's average weighted rate of return on investment of 4.38% is lower than our benchmark because our investment in Vanguard Short-Term Treasury is underperforming due to interest rate increases in 2023. We also have nearly \$7 million in our business checking account, which earns just over 1%. While we were expecting the Fed to cut rates in early 2024, it is now expected that the Fed will cut rates gradually over the next 12 months.

Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

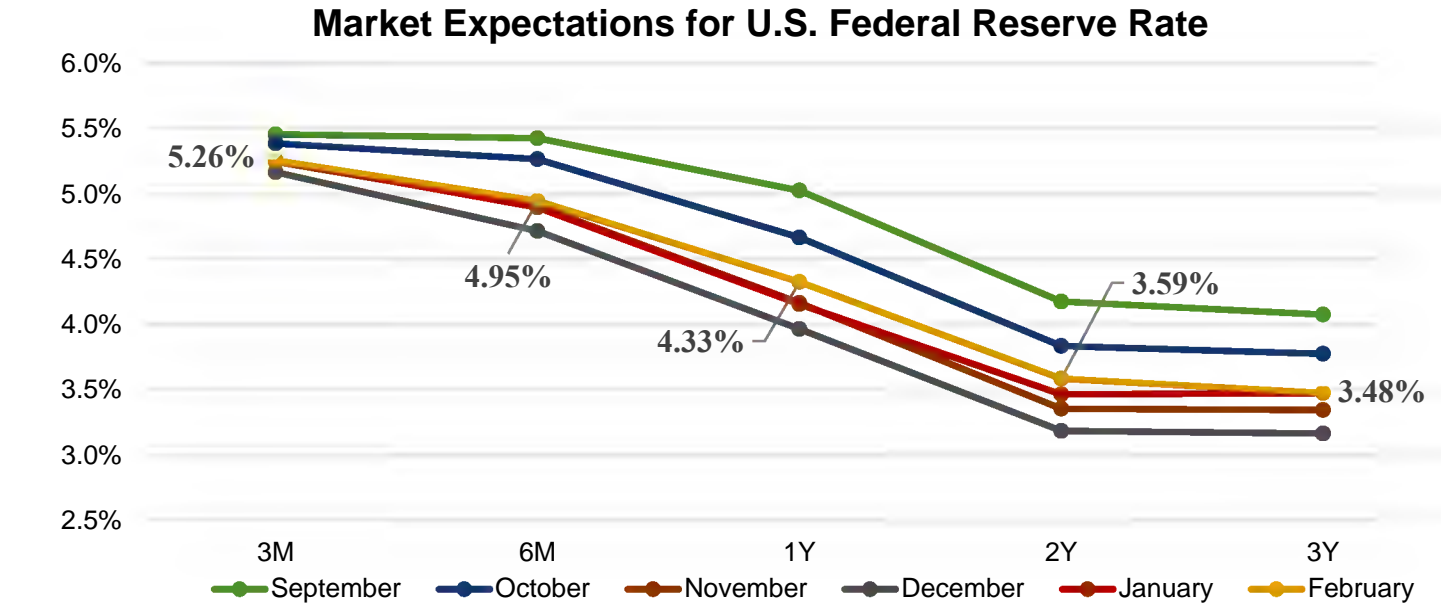
Gordon M. Boggie
BOARD MEMBER

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BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER

Short-term interest rates are currently over 5%. With current market conditions, investing in moderate and long-term CDs produces lower returns than investing in short-term assets. Therefore, District staff are intentionally evaluating and revising our investments. The Board can rest assured that all existing and any future investments will fully comply with our Investment Policy.

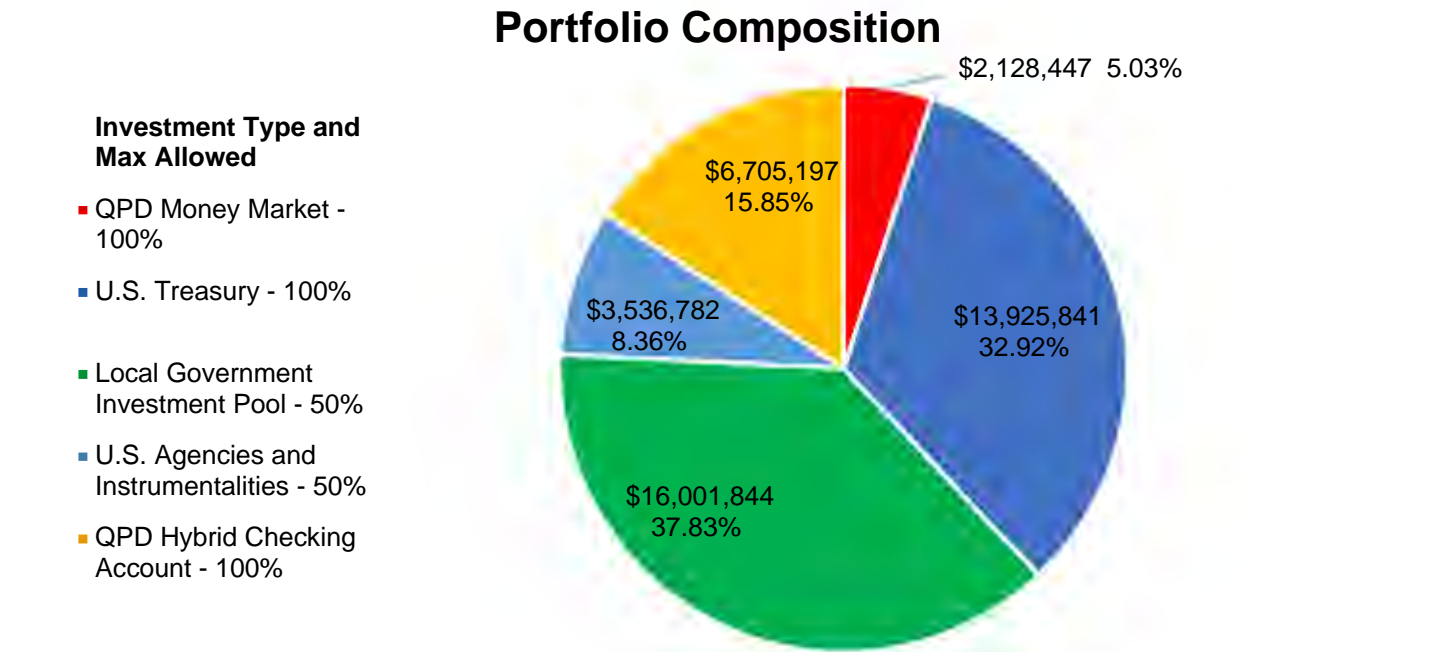
At this time staff believes it is still best to invest in short term maturities as short-term rates are higher than long term rates (e.g. the February 29th, 3-Month treasury rate of 5.40% vs. the 2-Year rate of 4.63%). This inverted yield curve is shown in the chart below. We will continue to monitor the yield curve and evaluate our options during this abnormal market.



*Data as of February 29, 2024.

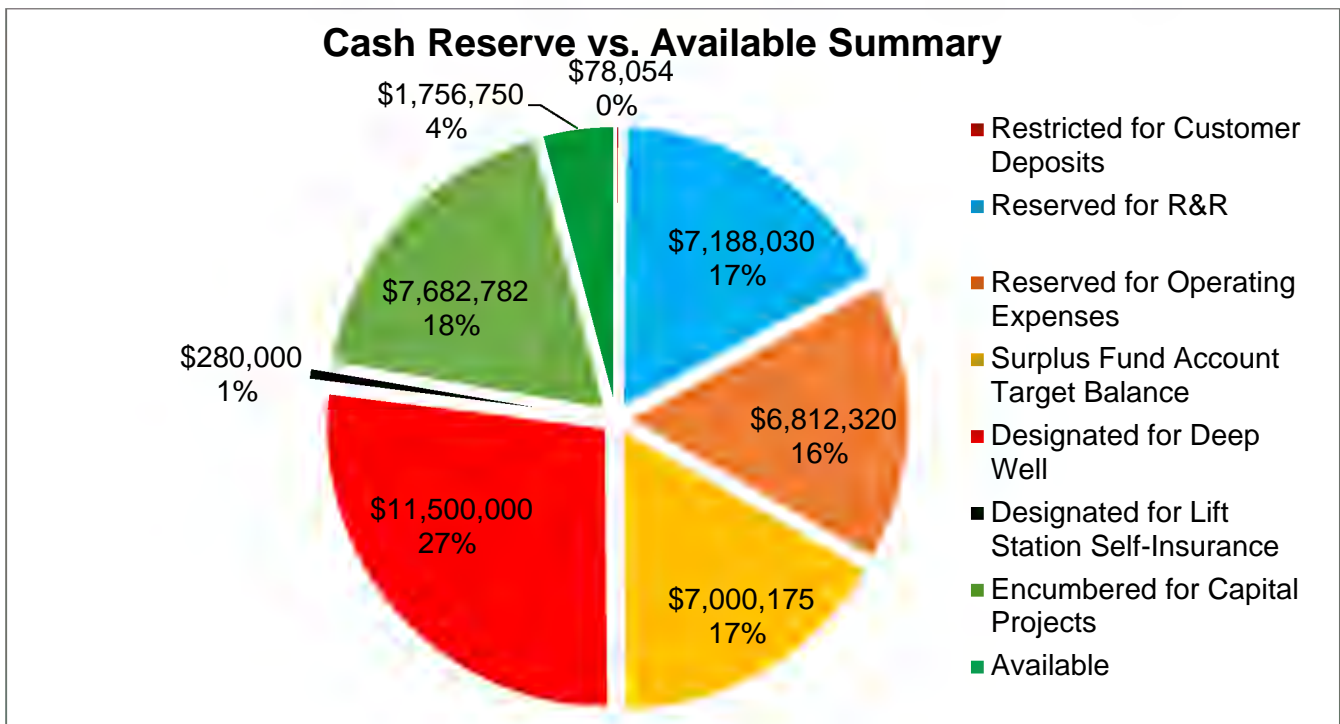
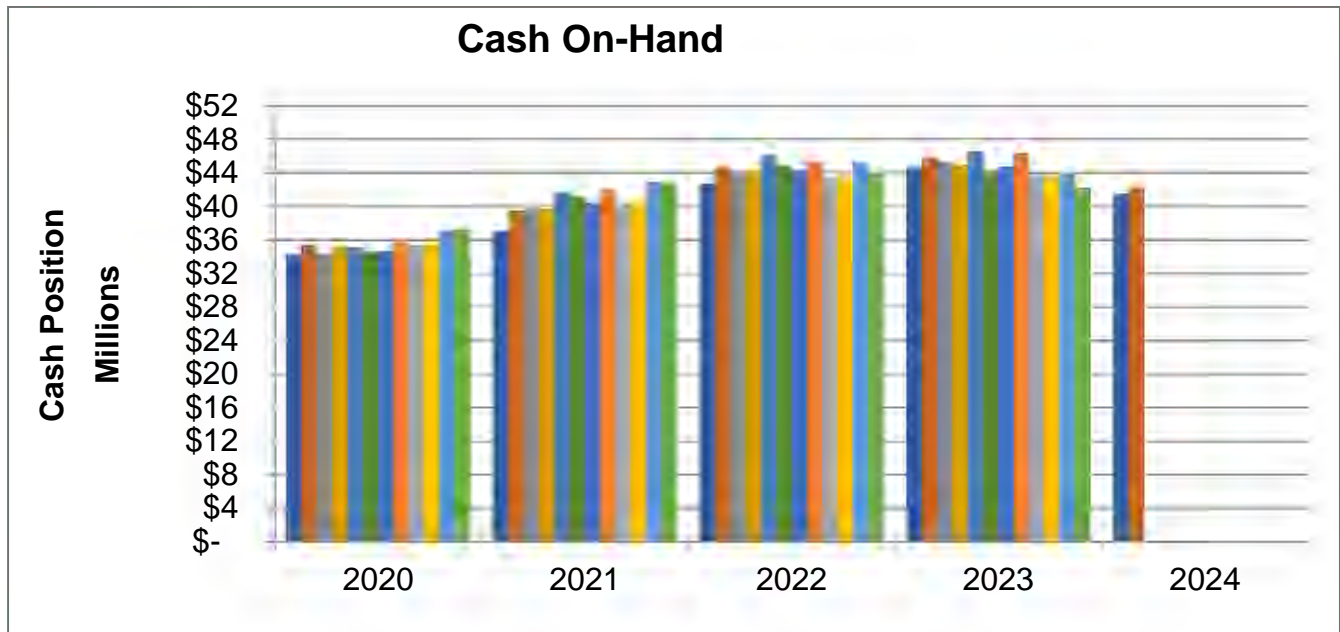
Portfolio Composition

The percentage allocation for investment types is presented below. The percentage allocation requirement for investment types is calculated based on the market value at the time of purchase. All investments percentages are in compliance with the District’s Investment Policy.



Cash Position

Cash position for February 2023 was \$45,825,795. Current Cash position is down by \$3,527,684.



Financial Information

- Legal fees billed in February totaled (\$595). The fiscal year-to-date total is \$28,280.
- Estoppel fees collected in February totaled \$6,090. The fiscal year-to-date total is \$24,530.
- There was no septage billing in February.
- Developer's Agreement – There was one new Developer's Agreement in February.
- I.Q. Water Agreements – Sonoma Isles is past due for 10 months (May 2023-February 2024).

Summary of Budget vs. Actual

<i>Budget Benchmark</i> 41.67%	Feb-24 Actual	YTD Actual	FY 24 Budget	Favorable (Unfavorable)	Budget Expended	Feb-23 YTD
Revenues						
Operating Revenues						
Regional Sewer Service	\$ 1,560,794	\$ 7,806,952	\$18,528,000	\$ (10,721,048)	42.14%	\$7,321,162
Standby Sewer Service	9,587	48,880	79,000	(30,120)	61.87%	44,351
IQ Water Charges	198,954	1,000,313	2,417,000	(1,416,687)	41.39%	972,204
Admin. and Engineering Fees	1,297	6,174	80,000	(73,826)	7.72%	8,596
Other Revenue	59,215	227,263	511,285	(284,022)	44.45%	178,396
Subtotal Operating Revenues	1,829,847	9,089,582	21,615,285	(12,525,703)	42.05%	8,524,709
Capital Revenues						
Assessments	\$ 58,310	\$ 849,940	1,082,000	(232,060)	78.55%	1,062,725
Line Charges	8,967	43,808	450,000	(406,192)	9.74%	53,229
Plant Charges	81,623	203,023	700,000	(496,977)	29.00%	153,890
Capital Contributions			250,000	(250,000)	0.00%	
Subtotal Capital Revenues	148,900	1,096,771	2,482,000	(1,385,229)	44.19%	1,269,844
Other Revenues						
Grants			100,000	(100,000)		5,126
Interest Income	162,310	1,342,142	1,847,400	(505,258)	72.65%	999,444
Subtotal Other Revenues	162,310	1,342,142	1,947,400	(605,258)	68.92%	1,004,570
Total Revenues	\$ 2,141,057	\$ 11,528,495	\$ 26,044,685	\$ (14,516,190)	44.26%	\$ 10,799,123
Expenses						
Salaries and Wages	\$ 558,615	\$ 2,851,238	\$7,863,800	\$ 5,012,562	36.26%	\$2,717,102
Payroll Taxes	41,001	202,259	559,200	356,941	36.17%	192,940
Retirement Contributions	84,150	443,779	1,204,100	760,321	36.86%	383,541
Employee Health Insurance	125,546	668,648	1,995,200	1,326,552	33.51%	659,597
Workers Compensation Insurance		64,135	75,800	11,665	84.61%	29,895
General Insurance		481,625	499,730	18,105	96.38%	252,705
Supplies and Expenses	95,327	522,557	1,243,362	720,805	42.03%	404,711
Utilities	140,555	642,353	1,860,071	1,217,718	34.53%	640,927
Chemicals	63,039	225,187	519,000	293,813	43.39%	223,150
Repairs and Maintenance	208,719	1,009,924	2,088,909	1,078,985	48.35%	572,582
Outside Services	191,978	951,179	2,302,800	1,351,621	41.31%	693,229
Contingency			225,000	225,000	0.00%	
Subtotal Operating Expenses	1,508,930	8,062,884	20,436,972	12,374,088	39.45%	6,770,379
Capital						
Capital Improvements	\$ 2,052,110	\$ 4,185,235	12,697,473	8,512,238	32.96%	2,213,963
Subtotal Capital	2,052,110	4,185,235	12,697,473	8,512,238	32.96%	2,213,963
Total Expenses	\$ 3,561,040	\$ 12,248,119	\$ 33,134,445	\$ 20,886,326	36.96%	\$ 8,984,342
Excess Revenues						
Over (Under) Expenses	\$ (1,419,983)	\$ (719,624)	\$ (7,089,760)	\$ 6,370,136		\$ 1,814,781

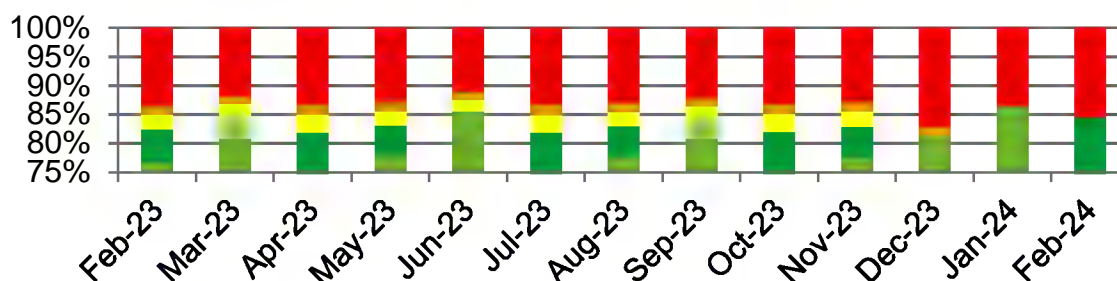
Total Capital expenses incurred and encumbered totalled \$11,170,412 or 87.97% of the capital budget. This includes funds encumbered in a prior fiscal year for projects that stretch across multiple fiscal years.

Accounts Receivable

The District's first quarter billing was \$4,729,535, of this amount \$3,992,660 represents customer balances that are either paid or current. The chart below illustrates customers' receivable status as a percentage of quarterly sewer billing. Paid or current balances represent approximately 84.0% billing.

Customer Status

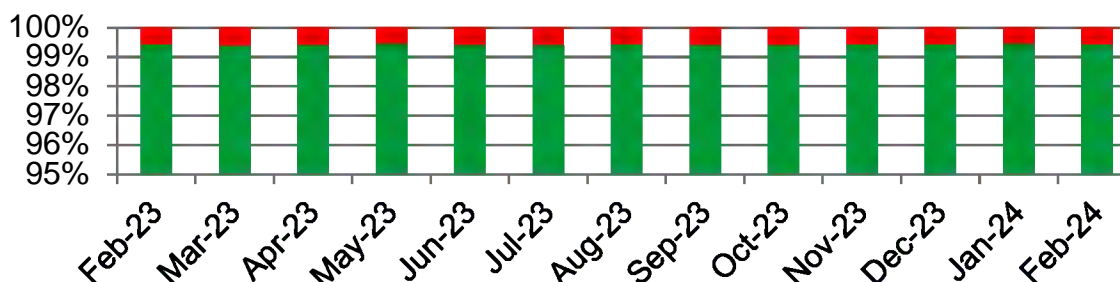
■ Paid ■ Current ■ 1 Quarter Behind ■ 2 Quarters Behind ■ ≥3 Quarters Behind



The District serves approximately 33,399 customers. Currently, the District has 199 liens filed which represent approximately 1.0% of our customers.

Liens Filed

■ Non-Liened ■ Liened



Pending/Threatened Litigation

- No pending or threatened litigation.

Retirement Plan Administrative Committee Update

On March 5, 2024, the Retirement Plan Administrative Committee met in the Operations Conference room to discuss the Fourth Quarter 2023 Retirement Plan results. As of December 31, 2023, the Plan had 90 participants with participant assets totalling \$13,312,011: an average of \$147,911 per participant. The majority of the Plan's balance continues to be in the Self-directed Brokerage accounts (52.4%); however, that percentage continues to decline with new contributions coming in and going to the funds in the Core Line-up. All funds in the core investment line up were deemed to meet fundamental credentials. Underperforming funds were noted, but based on the available data, no funds were flagged for action. Empower Retirement also presented their 2023 Fee Disclosure. The annual fees related to the District's Plan are approximately \$39,883, which is about \$443 per participant. The Administrative Committee also discussed the possibility of offering participants a 457 two potential Plans were discussed, one through Empower and another with the State of Florida. The Administrative Committee is waiting on Plan pricing before making a recommendation to the Governing Board.



LOXAHATCHEE RIVER DISTRICT

2500 JUPITER PARK DRIVE, JUPITER, FLORIDA 33458

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D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

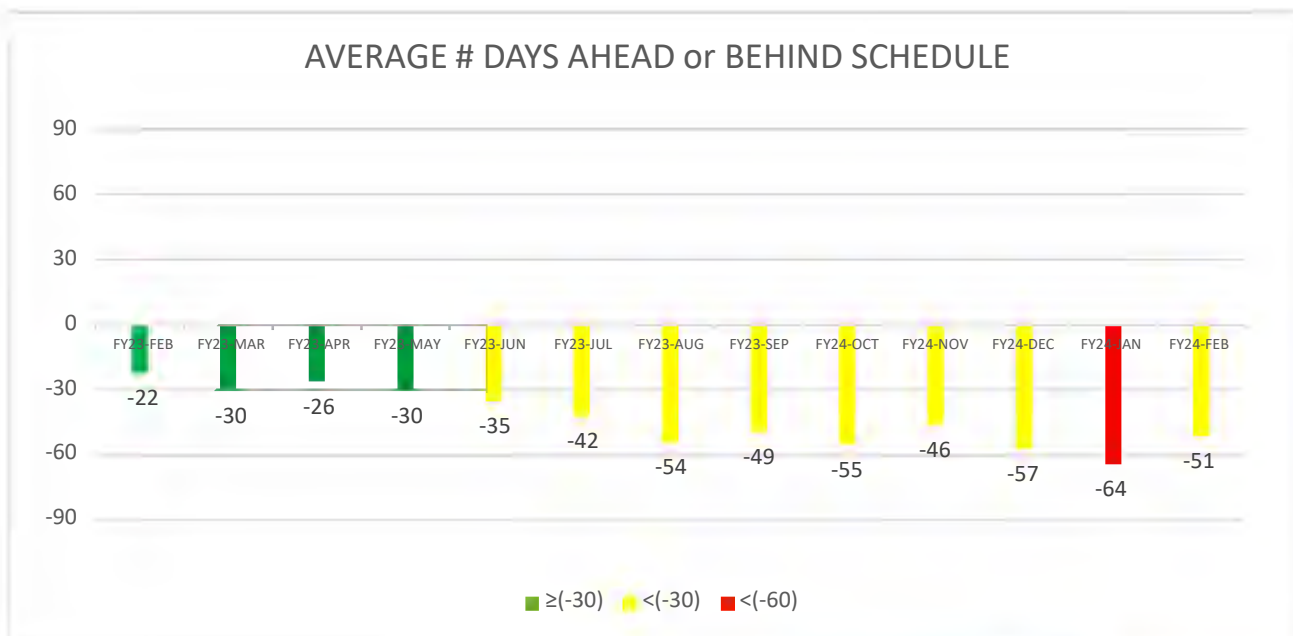
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MEMORANDUM

TO: D. Albrey Arrington, Ph.D., Executive Director
FROM: Kris Dean, P.E., Deputy Executive Director
Courtney Jones, P.E., Director of Engineering
DATE: March 14, 2024
SUBJECT: Capital Program and Engineering Services Report

Capital Projects

Capital Schedule (FLOAT = -51 Days)



Notable delays to the Capital Program are listed below.

Stephen B. Rockoff
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BOARD MEMBER

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N21008 – 2500 Jupiter Park Drive Site Planning – DRAFT Final Submittal was received and reviewed. Final submittal is due in March 2024 and will close out the project.

N20036 – IQ 511 Pump Station Piping Improvements – Staff have requested the maintenance bond. The project will close when received.

R22012 – Control Panel Replacements and RTU Installations at 36 Stations - Staff are working with the consultant on cost estimates and final documents.

R##### (Various projects) – Lining Program – While the majority of work has been completed, outstanding issues requiring contractor correction or District action need to be resolved. Staff are working with the contractor for resolution.

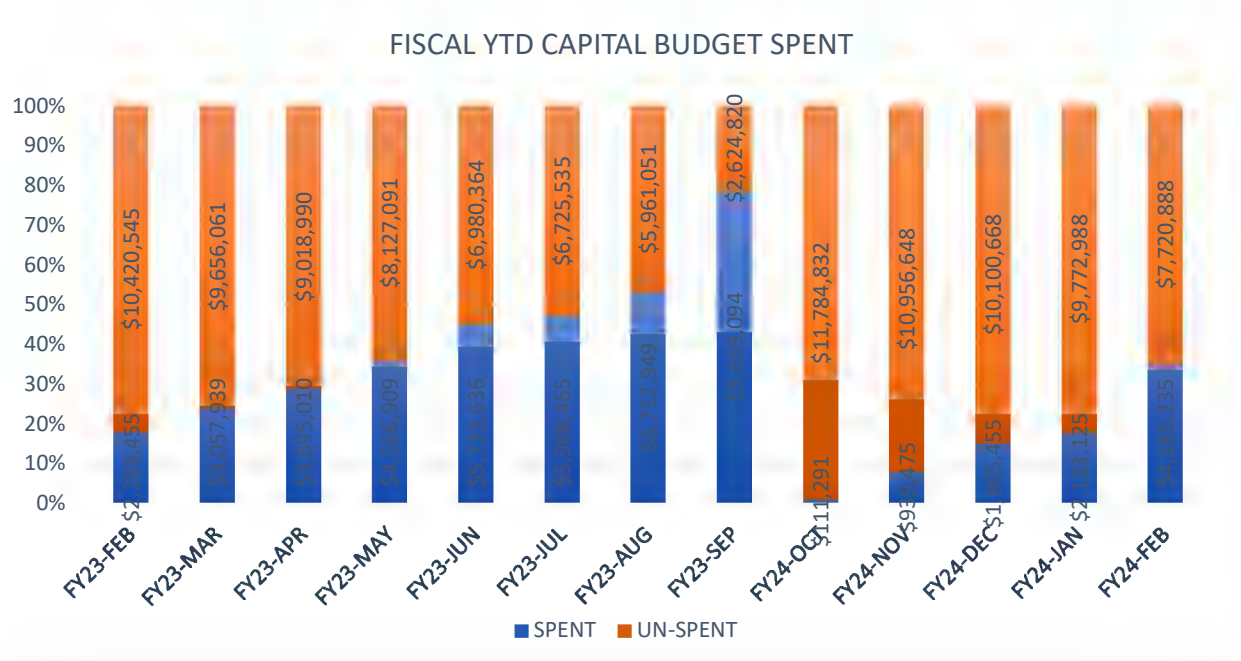
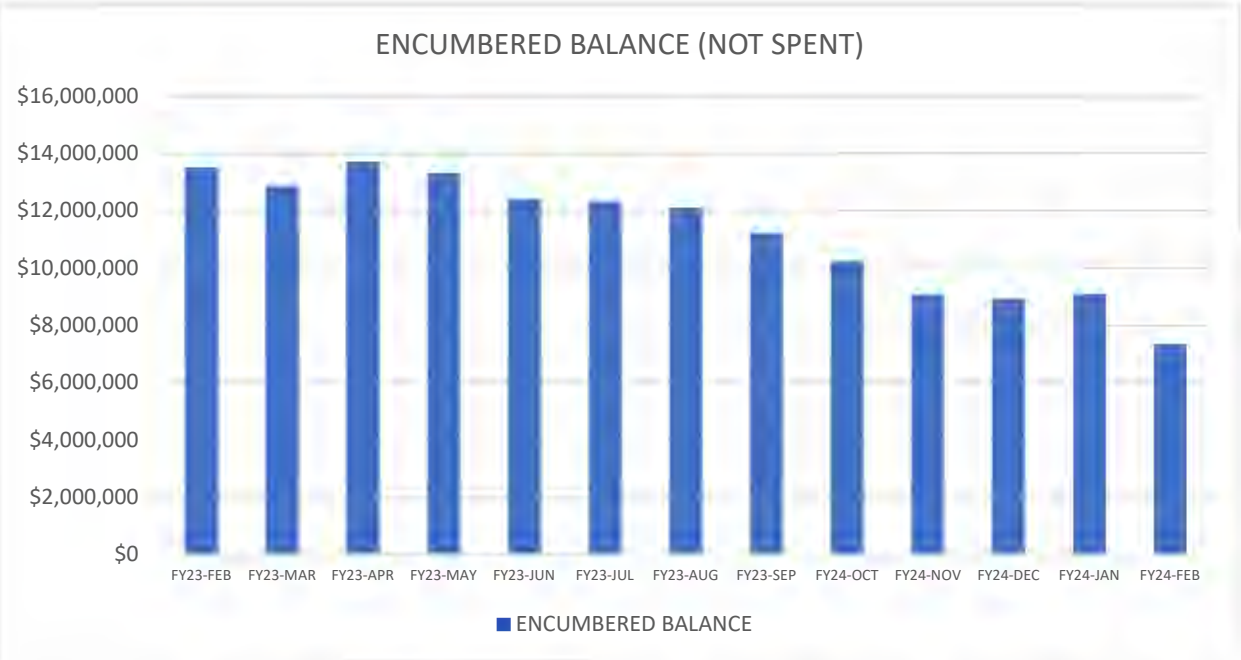
The overall negative (-) float is attributed to the following causes:

Construction Delays:	71%
Supply Chain Issues:	0%
Design/Permit/Bid:	8%
Late Start:	4%
Planning Contracts:	17%

Construction delays have the largest impact to the negative float (71% from 18 projects total). Staff are working with consultants and contractors to close out punchlist items and implement recovery schedules.

Staff processed time extensions to County Line Road IQ Main Relocation, Loxahatchee River Subaqueous Crossing Replacement and Lift Station 050 Emergency Generator to correct project schedules. Staff anticipate close out of IQ 511 Pump Station Piping Improvements, 2500 Jupiter Park Drive Site Planning and Injection Well Emergency Generator Connection which should bring the program float below -30 days (GREEN).

Capital Budget



Project Updates

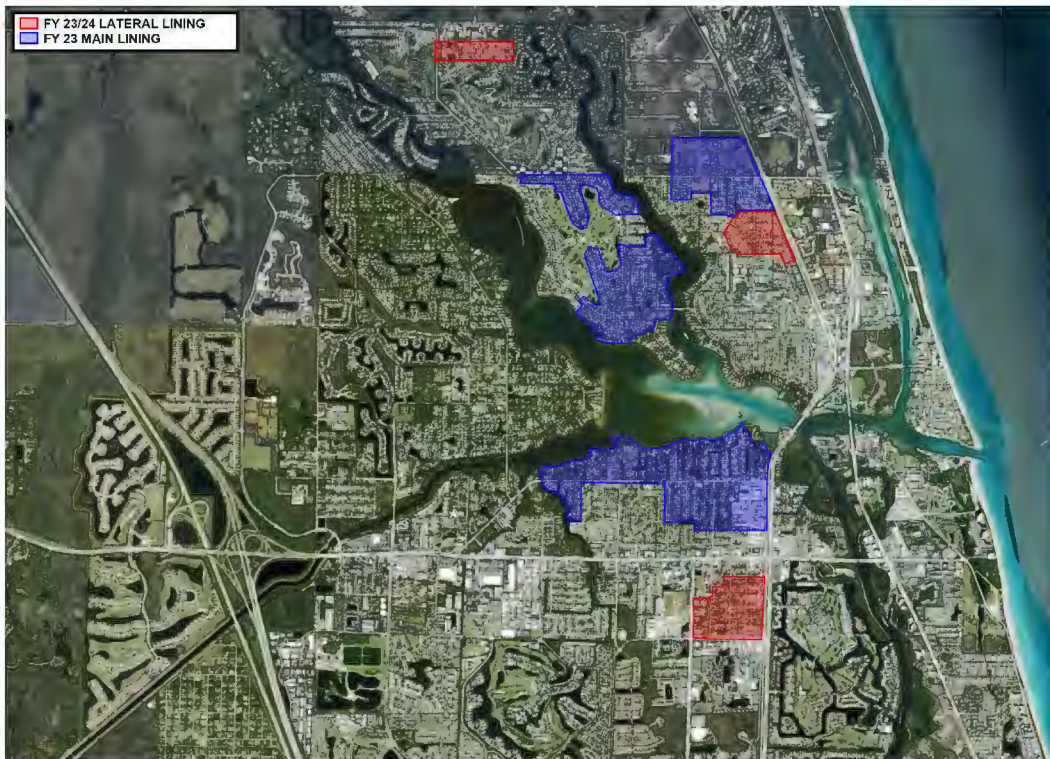
Science Center and Jupiter Inlet Lighthouse Outstanding Natural Area (aka: BLM House Renovations): Staff are evaluating alternate renovation approaches in-house based on revised layouts that have been coordinated with the River Center. Additionally, River Center staff are working on minimal site facilities to allow baseline programming to occur on the site. Facilities include a chickee hut and storage building, both of which are funded by a grant from the Bureau of Land Management.

2500 Jupiter Park Drive Site Planning: Since the presentation to the Board in May 2022, staff and the consultant have continued to make progress on the massing study, architectural programming, potential treatment facility footprint and security review. Once these components are complete staff will provide revised site plans for Board discussion and consideration. See Chen-Moore's engineering report for more details.

20 Acres/9278 Indiantown Road: The Board approved the DEP Grant Agreement for the LRPI funding to construct parking facilities, a chickee hut, and nature trails on the 20 acres site. The consultant is working on the revisions and coordinating with PBC Planning and Zoning for concurrency.

In-house Projects

Gravity System Rehabilitation – Cleaning, TV Inspection and Lining:



Main lining work is complete in LS018, LS041, and LS054 systems.

The Board awarded lateral lining contracts for LS018, LS041 and LS054 in November 2022. A preconstruction meeting was held on January 11, 2023. The Contractor is currently working on lateral lining in all 3 systems.

The Board also awarded main lining contracts for LS050 in November 2022 and LS070 and LS071 in December 2022. Work commenced in January 2023. Main lining work in LS050 is completed. Main lining work in LS070 and LS071 is substantially complete and project is in punchlist/closeout.

In April 2023, the Board awarded a main lining contract for LS011, LS012, LS014, LS027 and LS190 collection systems. Contractor began cleaning and CCTV work in these systems in August 2023 and has started lining in these systems as of September 2023. Contractor is substantially complete in LS011, LS014, and LS190 with a few remaining mains in LS012 and LS027 yet to be completed.

In November 2023, the Board awarded a lateral lining contract, which is planned to cover a portion of the LS050 system laterals. Pre-construction meeting was held on December 7, 2023. Construction commenced in March 2024.

Staff utilized a piggyback contract mechanism to contract for select main lining work identified by field inspections.

Pre-construction meeting held for CIPP lining of six (6) gravity mains (LS001-GL057, LS001-GL160, LS063-GL016, LS063-GL017, LS041-GL015, LS041-GL027) on September 29, 2023. Contractor has completed cleaning/CCTV work for all main lines and permitting is in progress for MOT for the main lining work.

Pre-construction meeting scheduled for CIPP lining of eight (8) gravity mains (LS054-GL044, LS153-GL001, LS153-GL074, LS064-GL001, LS045-GL030, LS055-GL009, LS050-GL067) for March 20, 2024.

Contractor General Services Work:

Lift Station Rehabilitations General Construction Services:

Lift Station	Inspection	Design	Procurement	Construction
230	COMPLETE	COMPLETE	IN-PROCESS	-----
148	COMPLETE	COMPLETE	IN-PROCESS	-----

Lift Station	Inspection	Design	Procurement	Construction
152	COMPLETE	COMPLETE	IN-PROCESS	-----
169	COMPLETE	IN-PROCESS	-----	-----
081	COMPLETE	IN-PROCESS	-----	-----
167	COMPLETE	COMPLETE	IN-PROCESS	-----
072	COMPLETE	IN-PROCESS	-----	-----

Manhole Rehabilitation:

Staff utilized a piggyback contract mechanism to contract for select manhole rehabilitation work that has been identified per field inspections.

Pre-construction meeting for two (2) manhole rehabilitations (LS057-MH014, LS050-MH063) was held on September 8, 2023. Construction commenced in January 2024.

Pre-construction meeting for three (3) manhole rehabilitations (LS041-MH011, LS054-MH015, LS071-MH020) was held on October 5, 2023. Construction commenced in January 2024.

Pre-construction meeting for five (5) manhole rehabilitations (LS231-MH002, LS054-MH002, LS070-MH001, LS070-MH003, LS163-MH013) was held on November 16, 2023. Construction anticipated to commence on March 18, 2024.

Collections System / Operations Rehabilitation:

Staff utilized general services contracts (20-007-WWRECGENCONSTR, 22-005-0115 GENERAL SERVICES – ELECTRICIAN SERVICES) to contract for the following collection system rehabilitation projects. Pre-construction meeting for this work was held on June 14, 2023. The projects that are under construction / not yet completed are as follows:

- Abacoa Town Center Phase 2 – Maxicom Site 21 (ABS21) – replace breaker panel – Construction in-progress
- Abacoa POA – Maxicom Site 6G (ABS06) – replace breaker panel – Construction in-progress
- Abacoa Vintage – Maxicom Site 27 (ABS27) – replace breaker panel– Construction in-progress

Pre-construction meeting for additional work items under 22-005-0115 GENERAL SERVICES – ELECTRICIAN SERVICES was held on September 8, 2023. The projects that are under construction / not yet completed are as follows:

- IQ523 (105 Barbados Drive) – Replace breaker box at RTU panel – Construction in-progress

- LS066 (425 Beach Road) – Replace electrical conduit from FPL meter can to disconnect – Construction in-progress
- LS051 – Replace disconnect– Construction in-progress
- LS094 (1001 Clemons Street) – Replace disconnect– Construction in-progress

Pre-construction meeting for additional work items under 22-005-0115 GENERAL SERVICES – ELECTRICIAN SERVICES was held on October 5, 2023. The projects that are under construction / not yet completed are as follows:

- 18345 SE Birdie Lane – repair stamped concrete driveway in Martin County R/W due to service lateral repair – Construction in-progress
- LS236 – replace disconnect – Construction in-progress
-

Pre-construction meeting for additional work items under 22-005-0115 GENERAL SERVICES – ELECTRICIAN SERVICES was held on November 16, 2023 for the following projects:

- Ground Rod Installation - LS002, LS005, LS013, LS059, LS070, LS073, LS106, LS136, LS145, LS146, LS147, LS179, LS193, LS199, LS231 – Construction in-progress
- IQ504 - replace existing transformer mounted on the backside of the control panel rack and repair/replace bottom 5' tower piece and base plate of damaged RTU antennae – Construction in-progress

Neighborhood Sewering/Remnant Properties:

109-111 Old Jupiter Beach Road: Re-design per the homeowner's request / easement provided for 109-111 Old Jupiter Beach Road is in progress. The project includes two services and low-pressure force main to be installed in existing roadway ingress/egress easement. Homeowners were provided information on 9/22/21 and 7/13/22. Homeowner at 109 Old Jupiter Beach Road has entered into an agreement, paid connection charges, and provided easement for preferred location of sewer facilities. Updated design drawings are in-progress.

Island Way LPSS: The project includes two services and low-pressure force main to be installed in the right of way. Project is substantially complete and in closeout.

18828 SE Jupiter Road: As part of the property re-development requirements, the owner is required to convert from septic to sewer and extend the low-pressure main adjacent to their property limits to allow for service to future customers. Project is substantially complete and in closeout.

SE Indian Hills Drive: Staff are working with POA to present preliminary design alternatives to the property owners.

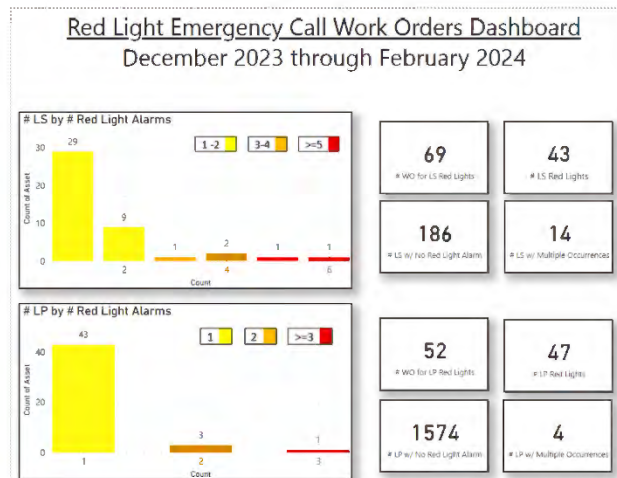
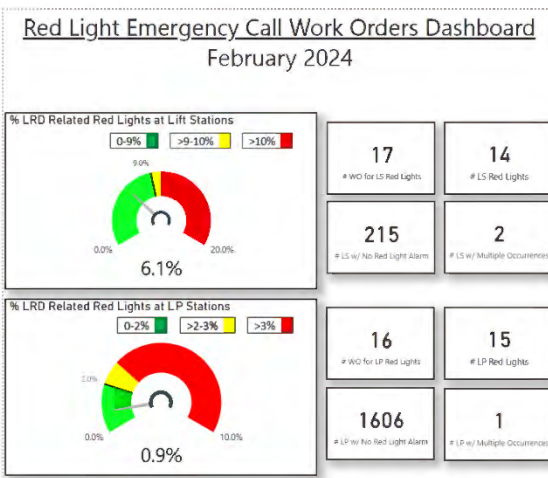
Other: Staff are working with IT and customer service to confirm remnant sewerage and update priority listing based on property access rights.

Statutory Way of Necessity:

Harbor Road South: The property owner of the vacant parcel at the south-end of this private roadway has entered into a letter agreement for staff to proceed on their behalf. Project is substantially complete and in closeout.

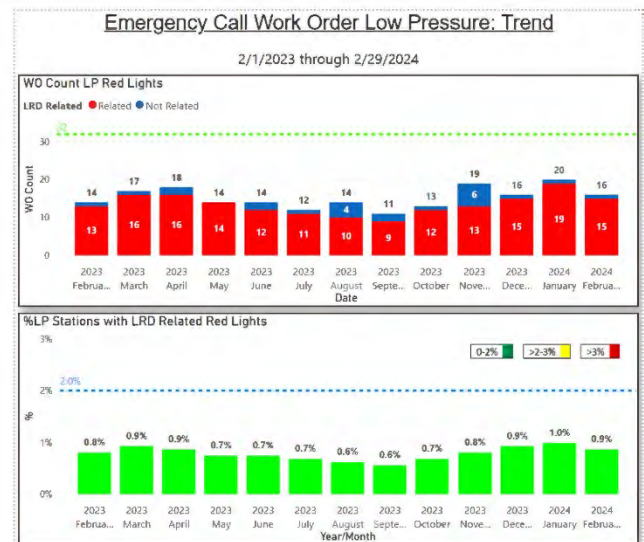
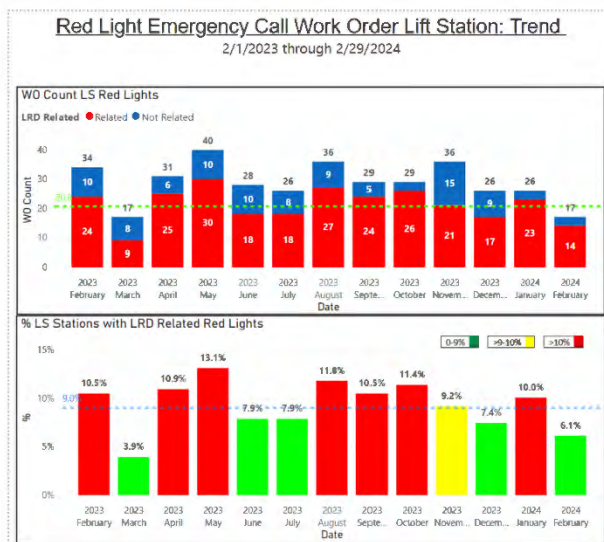
COLLECTIONS AND REUSE

Lift Station Red Lights: This month the system experienced 29 total red lights. 14 lift station red lights (with 2 stations experiencing multiple red light events) and 16 low pressure red lights (with 1 station experiencing multiple red light events).

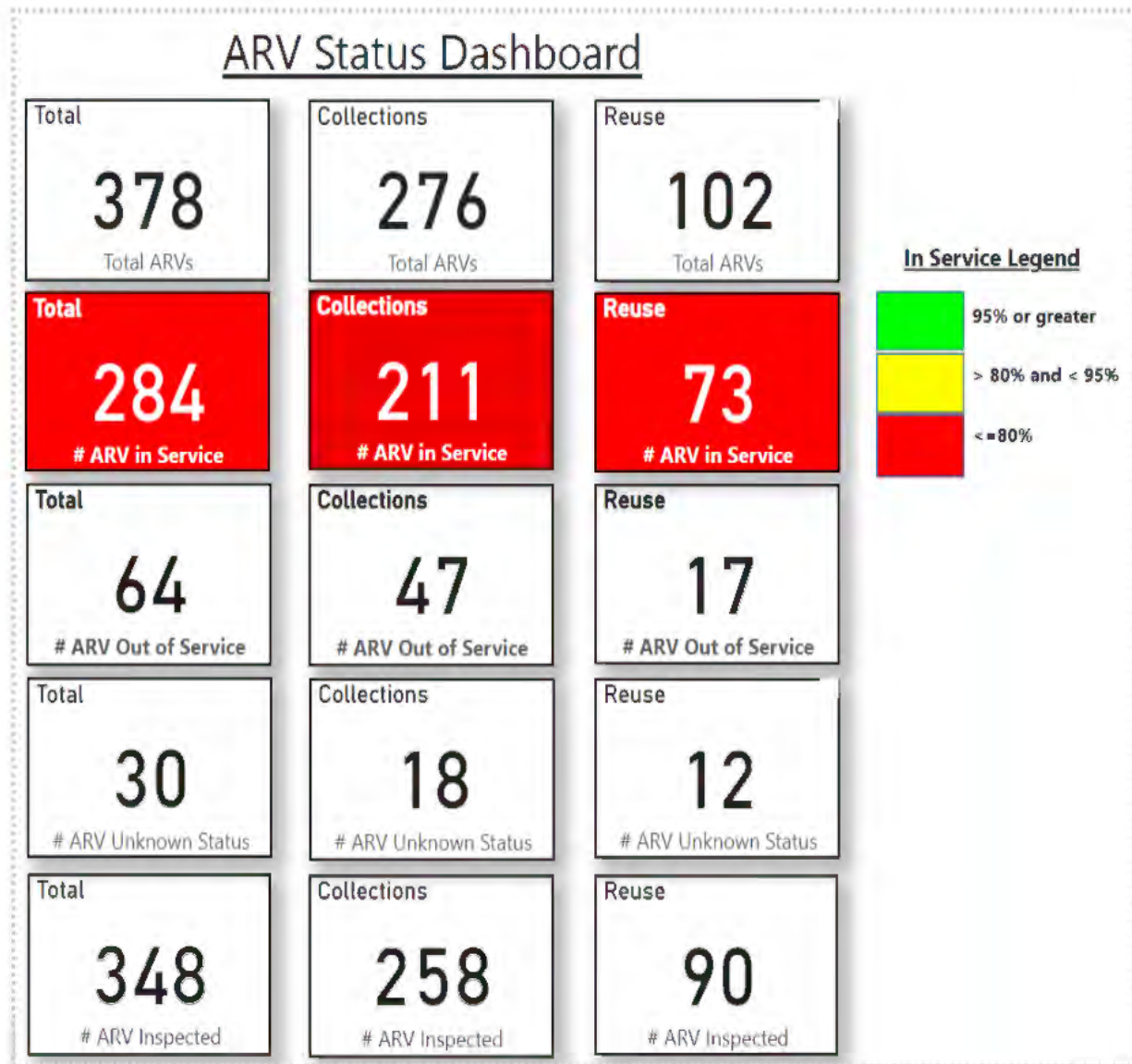


Work Order counts due to red lights exclude red lights due to FP&L power failure since staff have no mechanism to impact FP&L performance during inclement weather or other power outages. Staff continue to include FP&L power outages in the 3-month rolling average for repeat stations and work order

counts to facilitate FPL coordination on problem areas and potential use of portable standby power to ensure continuity of service.



Air Release Valves (ARV):



Wet Well Cleaning:

Wet Well Cleaning Schedule: KPI

February 2024 through February 2024

6 # LS WW PM Monthly	0 # Wells	5 # Wells	1 # Wells
6 # PMs Completed			
9 # LS WW PM Bi-Monthly	0 # Wells	3 # Wells	1 # Wells
4 # PMs Completed			
22 # LS WW PM Quarterly	2 # Wells	3 # Wells	5 # Wells
10 # PMs Completed			
14 # LS WW PM Semi-Annually	0 # Wells	1 # Wells	3 # Wells
4 # PMs Completed			
1 # LS WW PM Annually	0 # Wells	0 # Wells	0 # Wells
0 # PMs Completed			
24 # PMs Completed	2 # Wells	12 # Wells	10 # Wells

UNAUTHORIZED DISCHARGES (fka SANITARY SEWER OVERFLOWS)

There were 6 unauthorized discharges in the collection-transmission-distribution system this month.

On February 1, 2024, the District had an unauthorized discharge of 125 gallons of sewage from a grease trap (GT094-B) connected to LS063-GL016 gravity line located near Old Dixie Hwy in Jupiter, FL. The unauthorized discharge was caused from construction activities for an emergency point repair on the gravity main downstream. The contractor failed to maintain bypass of the system resulting in the unauthorized discharge. The unauthorized discharge was stopped by reestablishing system bypass until repairs on gravity main could be completed. Of the unauthorized discharge, 80 gallons were recovered with a vacuum truck, some evaporated on the asphalt of the parking lot, and some was absorbed into the soil. The affected areas were disinfected with lime and cleaned with approximately 400 gallons of potable water of which 400 gallons were recovered with LRD Vacuum truck. No known storm drains or bodies of water were affected.

On February 1, 2024, the District had an unauthorized discharge of 30 gallons of sewage at a private residence low pressure system (LP0226-LPS1) located on SE Point Terrace in Jupiter, FL. The unauthorized discharge was caused by a damaged PVC coupling. The unauthorized discharge was stopped by disabling and isolating the station until repairs could be made. The unauthorized discharge was absorbed into the soil. The affected area was disinfected with lime. No known storm drains or bodies of water were affected.

On February 7, 2024, the District had an unauthorized discharge of 900 gallons of reclaimed water (i.e. irrigation quality water) from a 16-inch PVC main (IQ511-IQM29) located on Roebuck Road in Jupiter, FL. The unauthorized discharge was caused by a failed pipe joint gasket. The unauthorized discharge was stopped by closing valves and shutting off the system until repairs could be made. Some of the unauthorized discharge was absorbed into the soil in the immediate area under the roadway. The unauthorized discharge propagated under the surface of the roadway traveling 35 feet west on the brim of eastbound lane of Roebuck Road where it entered a storm drain. Approximately 75 gallons were recovered with a vacuum truck. The affected area was washed down with 30 gallons of potable water of which 30 gallons were recovered.

On February 9, 2024, the District had an unauthorized discharge of 2,240 gallons of sewage near Center Street in Jupiter FL. The unauthorized discharge was caused by a failed 6-inch ductile iron force main (LS027-FM01) located in a conflict structure. The unauthorized discharge flowed from the failed force main piping directly into the conflict structure and connecting storm drains. The unauthorized discharge was stopped by turning off the

upstream lift station (LS027) feeding the force main until repairs could be made. A total of 9,000 gallons of liquid was back pumped from the storm drain system using a vacuum truck. Due to the location of the unauthorized discharge within the conflict structure no additional cleanup was performed.

On February 10, 2024, the District had an unauthorized discharge of 5 gallons of sewage from a manhole (LS030-MH017) located on Cape Pointe Circle in Jupiter, FL. The unauthorized discharge was caused by a blocked gravity line (LS030-GL020). The unauthorized discharge was stopped by discontinuing use of water until the blockage was cleared. Some of the unauthorized discharge evaporated on the asphalt in the immediate area around the manhole. The affected area was disinfected with lime and cleaned with 20 gallons of potable water of which 20 gallons were recovered. No known storm drains or bodies of water were affected.

On February 11, 2024, the District had an unauthorized discharge of 5 gallons of sewage at a private residence low pressure system (LP0502-WW) located on Harbor Road North in Tequesta, FL. The unauthorized discharge was caused by a blown fuse in the low-pressure control panel. The unauthorized discharge was stopped by discontinuing use of water until repairs were made. The unauthorized discharge was absorbed into the soil in the immediate area around the wet well. The affected area was disinfected with lime and cleaned with 10 gallons of potable water. No known storm drains or bodies of water were affected.



LOXAHATCHEE RIVER DISTRICT

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D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

TO: Albrey Arrington, Ph.D., Executive Director

FROM: Jason A. Pugsley, P.E., Operations – Plant Manager

DATE: March 14, 2024

SUBJECT: February 2024 Operations Department Monthly Report

Treatment Plant Division / Maintenance Department

Overall, the month of February was productive with all monthly reports prepared and submitted on time. There were no permit exceedances this month. The treatment plant generally operated efficiently and met all treatment objectives. During the month, influent flows to the District's wastewater treatment plant were on the same order of magnitude as the flows recorded during the month of January 2024. The plant did not experience any unauthorized discharges for the month of December.



Stephen B. Rockoff
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

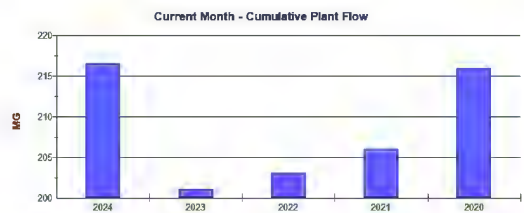
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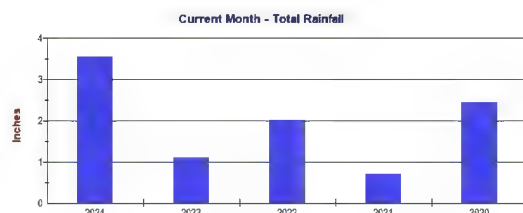
Clinton R. Yerkes
BOARD MEMBER

Water Reclamation – Environmental Education – River Restoration

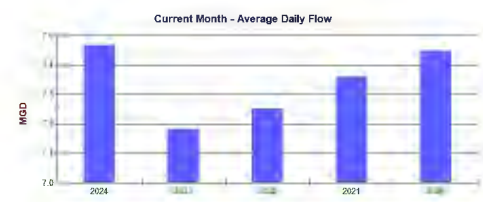
Graphical summaries of the plant flows and rainfall during the month of February, including comparisons with plant flows during the previous month (i.e., January 2023), are presented below.



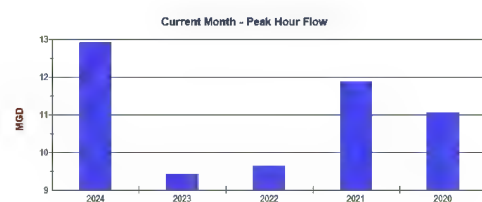
The Cumulative Influent Flow to the plant for the month of February was 216.54 million gallons. This is slightly less than the January flow of 228.69 million gallons.



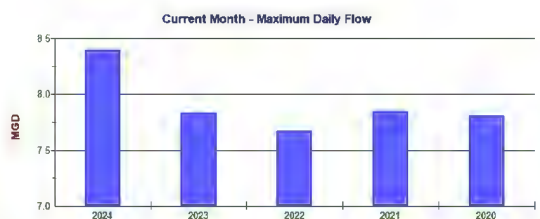
3.56 inches of total rainfall was recorded at the plant site during the month of February. This is significantly higher than the January rainfall recorded of 1.78 inches.



The Average Daily Flow (ADF) for the month of February was recorded at 7.47 MGD compared to 7.38 MGD during the month of January and 7.18 MGD during February 2024.

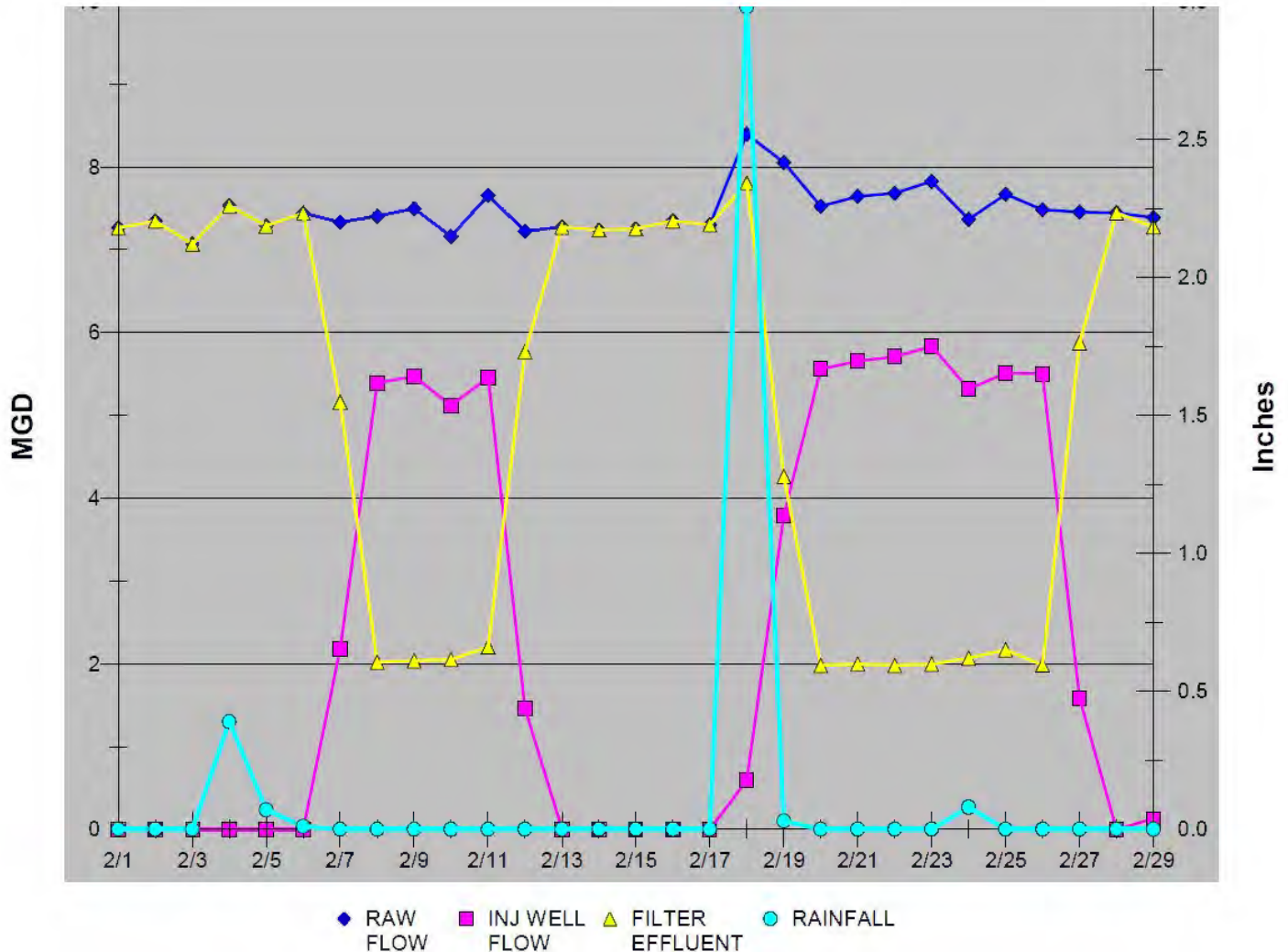


The Peak Hour Flow (PHF) for February was 8,965 GPM which equates to an equivalent daily rate of 12.91 MGD. This is significantly less than the PHF for January of 7,000 GPM (10.08 MGD).



The Maximum Daily Flow (MDF) in February was 8.39 MGD. This is greater than the MDF for January of 7.70 MGD.

For the month of February, 67.61% or 146.41 MG of the cumulative influent flow to the plant was sent to the IQ storage system where it was distributed, as needed, to the various golf courses and the Abacoa development sites. A total of 70.23 MG of blended effluent was diverted to the deep injection well for disposal. The plant delivered a total of approximately 149.69 million gallons of IQ water to the reuse customers during the month of February.



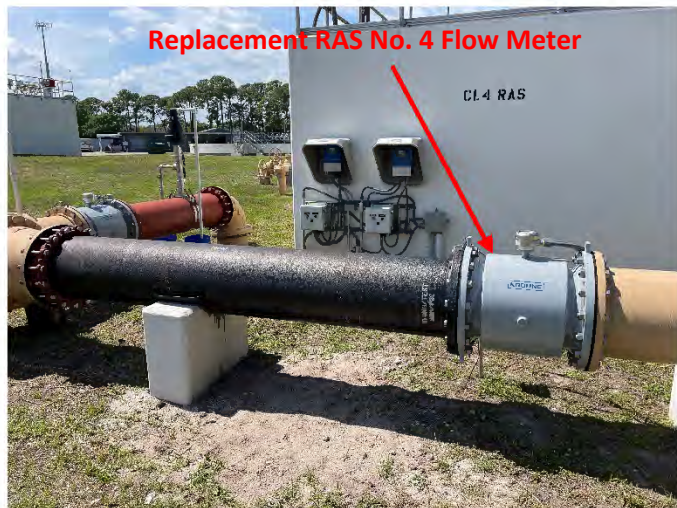
Year to date (i.e., Calendar Year 2024), approximately 50.04% of all influent flow to the plant was treated and available for reuse as IQ water. The total volume of IQ water distributed to reuse customers during Year 2024 was recorded at 263.85 million gallons.

All monthly reporting was submitted on time.

Treatment Plant:

Operations Staff continued to perform routine monitoring, sampling and general maintenance of equipment and structures. Staff also worked and/or provided operational assistance during the execution of various special and/or capital improvement projects. A few of the projects are discussed below.

During the month, Operations Staff worked closely with the Maintenance and Construction Staff during the replacement of the inline magnetic flow meter dedicated to Clarifier No. 4 return activated sludge (RAS) piping. RAS is essentially activated sludge biomass which has settled in the bottom of the secondary clarifier units. Settled RAS is collected and conveyed by gravity from the bottom of each clarifier unit to a dedicated RAS pit, where the RAS is then pumped into a common header pipe located upstream of the aeration basin. RAS is then mixed with influent raw wastewater prior to being discharged to the aeration basins. The recirculation of RAS is critical since it is the primary method used to maintain an appropriate biomass concentration which ensures that the required wastewater treatment level is achievable. The recirculation of RAS also ensures that the biomass (measured as mixed liquor suspended solids or MLSS) has a diverse population of microorganisms and appropriate activated sludge age. The typical RAS flow rate is approximately 65 to 75% of the plant influent flow rate. The existing inline flow meter was approximately 20 years old and had reached the end of its useful service life. This work was nearly identical to the replacement of the RAS meter for Clarifier No. 3 which was performed November 2023. In the end, the work was completed safely within 5-hours without any impacts to plant process.



Clarifier No. 4 – RAS Flow Meter Replacement

This past month, the Operations Team also worked with the Maintenance Team to replace the existing online, continuous pH meter instrumentation at the headworks structure. The purpose of the project was to replace existing instrumentation which had reached the end of their useful life, eliminate unnecessary panels and conduit/cabling, improve the functionality and maintainability of the instrument and lastly address potential issues associated with water intrusion and ultraviolet wear. The existing meter was replaced and upgraded to match the recently installed pH meter at Filter Pump Station No. 2 (FPS-2). Since being installed, the pH meter at FPS-2 has performed well and is consistently within required tolerances when calibrated against known pH solutions. Standardizing on meter manufacturers allows for parts interchangeability and eliminates the need to store spare parts for various manufacturers. The standardization of instruments also increases operator familiarity and in turn improves plant process performance and resiliency. Operators are able to troubleshoot and resolve issues much more efficiently if they have a detailed knowledge and understanding of multiple identical devices. To make periodic maintenance and cleaning of the pH probe easier, Staff were able to mount the probe to a pole mounting kit which allows the probe to slide up and out of the headworks during maintenance. To reduce the potential for malodorous odors being released, Staff fabricated a neoprene apron around the probe pole.



pH Meter Transmitter Unit



pH Probe Pole Mounting Kit

Fall Restraint Anchor (Typical of 2 per Tank)

6-ft x 6-ft Tank Access Hatch

WWTP Operator – Remi Gadoua

197

Maintenance Department:

The Maintenance Department continued to efficiently perform planned maintenance (PM) tasks during the month of December. In addition to the completion of standard PM tasks, the Maintenance Department addressed non-routine maintenance items as well as “special projects.” A few examples of these types of projects are presented below.

Maintenance Team members resolved a drainage issue around the perimeter of the District’s Administration Building. The issue was discovered when Maintenance Team members were attempting to replace sections of flooring within the building. When replacing the flooring, which required the application of an adhesive, it became apparent that there was significant moisture coming up through the slab which was impeding the ability of the adhesive to cure and bond the replacement sections of flooring to the building slab. Upon inspection Staff determined that the moisture was most likely the result of poor drainage around the building perimeter due to improper grading, the planting of shrubs in close proximity to the slab and the placement of excessive mulch within the planter which was trapping moisture. To resolve the issue, Staff removed the interior row of shrubs and all mulch within 12 to 18-inches of the building perimeter. To improve drainage, Staff also excavated approximately 4 to 6-inches of native soil around the perimeter and replaced it with a gravel which is intended to enhance drainage in these areas. As part of the improvements, Staff also installed a landscape border to clearly delineate the intended limits of mulching within the planters.



West Side – Pre-Improvements

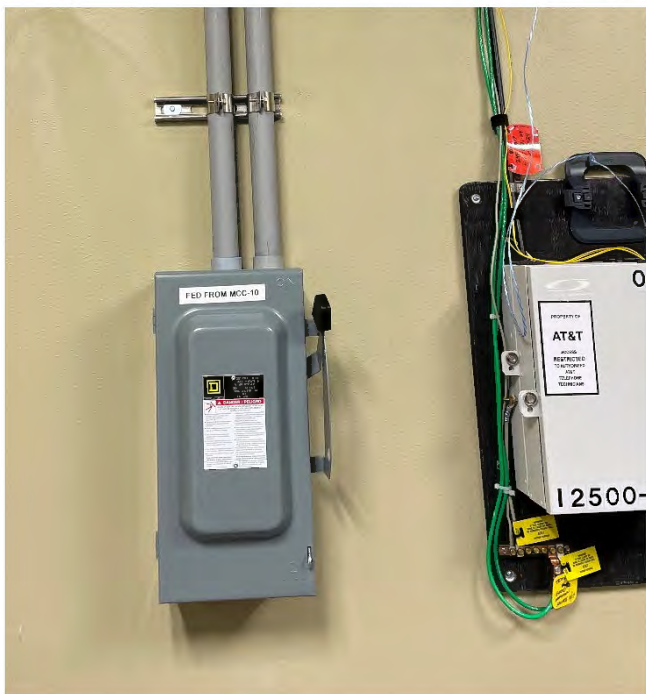


West Side – Post-Improvements

During the month of February, Maintenance Team members worked closely with the District's Information Services (i.e. IT) Team to complete critical upgrades to support recent improvements to the District's network server infrastructure. The project consisted of the replacement and upsizing of the existing uninterruptible power supply (UPS) dedicated to the server equipment located in Electrical Room No. 1. The upgrade required Maintenance Team members to install a larger 480-volt power supply panel, associated step-down transformer and interconnecting conduit and cabling to ensure proper operation of the UPS. In the event of a loss of primary power (i.e., FPL), the UPS ensures that the network server continues to function for a prescribed time or until the plant's emergency power system is up and running. Upon restoration of primary power, the UPS also ensures continuous server functionality while switching back. Once the upgrades were completed, Staff worked with the District's IT Manager, Joe Chung, as well as the District's designated network vendor to test and confirm proper operation and functionality of the UPS.



480V to 120V Step-Down Transformer



UPS Power Supply Fused Disconnect



Uninterruptible Power Supply Unit

Lastly, Maintenance Team members completed necessary upgrades to the existing poly-vinyl chloride (PVC) piping and magnetic flow meter used during periods when waste activated sludge (WAS) is temporarily diverted to Aeration Basin No. 1. The ability to divert WAS to the basin allows Staff the capability to remove the existing sludge storage tank from service for periodic cleaning and maintenance. During these periods, WAS discharged to the basin is then conveyed from the basin to the sludge dewatering building using a diesel driven pump. Operations Staff are currently in the process of identifying vendors to perform cleaning of the sludge tank. Upon inspection of the existing piping and metering device it was determined that replacement was warranted due to age and condition. All existing Schedule 40 PVC piping and fittings were replaced with Schedule 80 PVC piping and fittings.

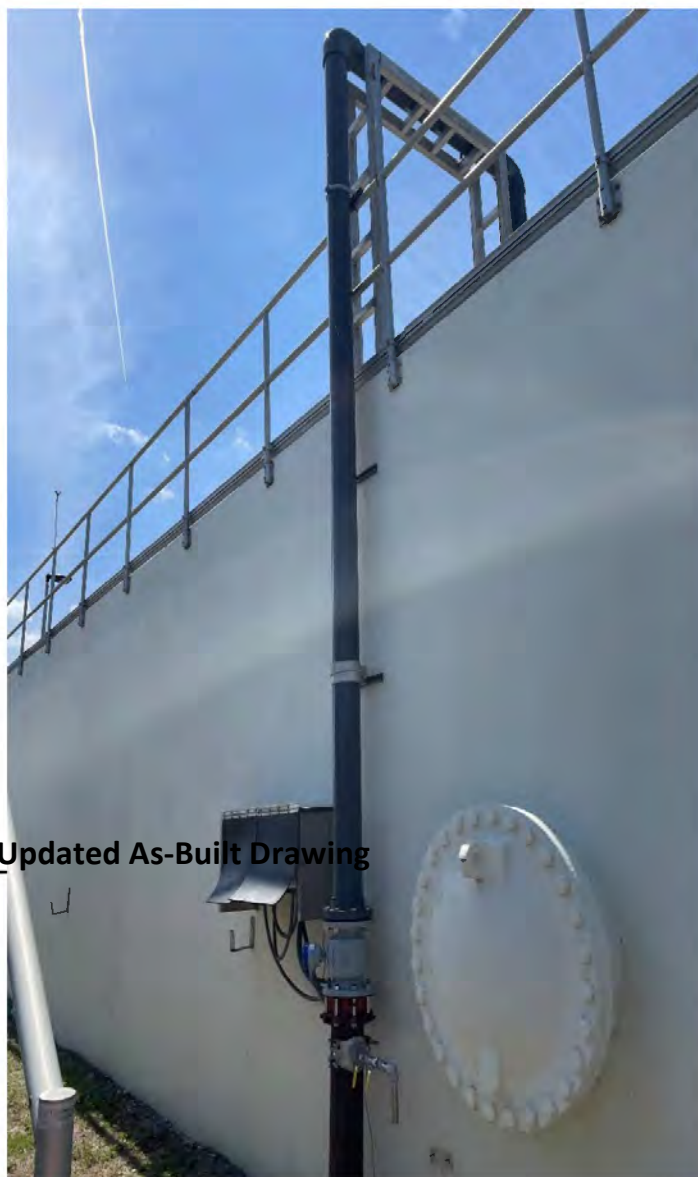


Replaced Schedule 40 PVC Piping



Headworks PLC Panel – Updated As-Built Drawing

Replaced Magnetic Flow Meter Tube



New Schedule 80 PVC Piping and Meter



LOXAHATCHEE RIVER DISTRICT

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D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

TO: Albrey Arrington, Ph.D., Executive Director
FROM: Bud Howard, Director of Information Services
DATE: March 14, 2024
SUBJECT: Information Services Monthly Governing Board Update for February 2024

WildPine Ecological Laboratory Riverkeeper Project

In February, the lab staff and our partners collected 172 water quality samples from 32 monitoring stations throughout the watershed. A total of 76 fecal indicator bacteria samples were analysed in support of additional testing for the weekly bacteria monitoring program and the additional monthly testing in Jones and Sims Creeks.

The overall water quality score for February 2024 was “Good” with 80% of all samples meeting the EPA/DEP water quality criteria for each site. This was similar to last month’s “Fair” score of 79% but a decrease from last year’s February score of 88% (see score card below). The score this month was driven largely by poor chlorophyll scores.

For the core parameters, *Total Nitrogen* scored “Good” during February with 91% of sites meeting the water quality criteria. This was better than last month’s score of 85% and slightly lower than last year’s February score of 93%.

Total Phosphorus results scored “Good” in February with 84% of sites meeting the water quality criteria. This was better than last month’s score of 79%, but worse than last year’s February score of 96%.

Chlorophyll results scored “Poor” for February, with only 56% of sites meeting the water quality criteria, down from last month’s 61%, and last year’s February score of 75%.

For the combined *Fecal Indicator Bacteria* (fecal coliforms in all waters, enterococci in marine and brackish waters, and *E. coli* in fresh waters), February results scored “Good” with an 83% of sites meeting the water quality criteria, slightly down from last month’s score of 84%, and lower than last year’s February score of 88%.

Dr. Matt H. Rostock
CHAIRMAN

Kevin L. Baker
BOARD MEMBER

Gordon M. Boggie
BOARD MEMBER

Stephen B. Rockoff
BOARD MEMBER

Clinton R. Yerkes
BOARD MEMBER

2/1/2023

2/29/2024

Loxahatchee River District

Water Quality Scorecard

Results scored to FDEP/EPA Water Quality Criteria

Green - Good: 80% - 100%

Yellow - Fair: 60% - 79.9%

Red - Poor: < 60%

Monthly Water Quality Score

February
202480%
Overall172
Total Samples

TN: Total Nitrogen, TP: Total Phosphorus, CLA: Chlorophyll a, BAC: Enterococci and E. coli bacteria

Year	Month	# Samples	Overall Score	# TN Samples	Total Nitrogen Percent Good	# TP Samples	Total Phosphorus Percent Good	# CLA Samples	Chlorophyll Percent Good	# BAC Samples	Bacteria Percent Good
2024	February	172	80%	32	91%	32	64%	32	56%	76	83%
2024	January	179	79%	33	85%	33	79%	33	61%	80	64%
2023	December	120	83%	25	100%			25	72%	70	81%
2023	November	179	73%	33	68%	33	76%	33	48%	80	76%
2023	October	157	67%	33	68%	33	48%	33	39%	58	81%
2023	September	132	78%	25	92%	25	60%	25	52%	57	82%
2023	August	193		35	97%	35	60%	35	63%	88	86%
2023	July	165	78%	32	97%	32	72%	32	44%	69	87%
2023	June	144	74%	25	92%	25	68%	25	48%	69	60%
2023	May	173	80%	30	87%	30	60%	30	60%	83	64%
2023	April	157	76%	30	100%	30	60%	30	43%	67	79%
2023	March	125	89%	19	100%	19	100%	19	74%	68	87%
2023	February	159	88%	28	93%	28	96%	28	75%	75	88%
Total		2055	79%	380	93%	355	78%	380	56%	940	83%

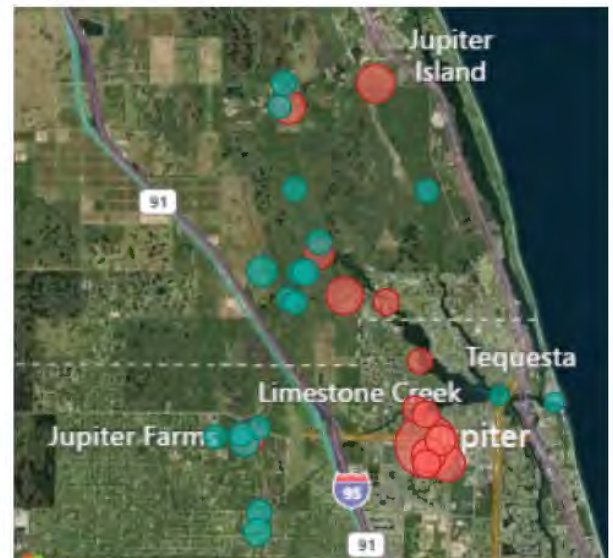
Spatial Distribution of Water Quality Results

In February, *Chlorophyll* results met the water quality criteria at 18 of 32 sites. All six Jones Creek stations scored “poor” with the Delaware (DEL) site having the highest chlorophyll concentration of all sites tested this month with a result of 227 µg/L. This was higher than last month’s 90 µg/L, but lower than the record high of 264 µg/L measured in November. Some sites in Jones Creek are showing improved chlorophyll results. The Town of Jupiter staff reports that the vegetation trimming project in Jones Creek is progressing well and should be completed in March as scheduled. The mobilization of sediments and debris associated with the trimming work in the upper extent, combined with the increases in sunlight, are likely to cause temporary fluctuations in water quality.

In the Northwest Fork, four stations scored “poor” when compared to their strict water quality criteria with

Chlorophyll a (ug/L)

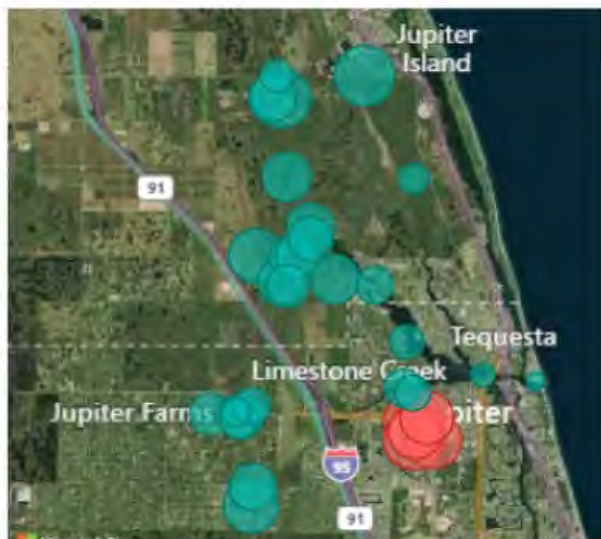
CHL_Score ● GOOD ● POOR



results ranging between 5 and 39 $\mu\text{g/L}$. Two stations in the Jonathan Dickinson State Park boundary also scored “poor” with chlorophyll values at 24 (Station 111) and 42 $\mu\text{g/L}$ (Station 56) and is normal for those areas which are just south of Bridge Road. Water levels are surprisingly high for the present “dry season” in the roadside ditches along Bridge Road.

Total Phosphorus (mg/L)

TP_Score ● GOOD ● POOR

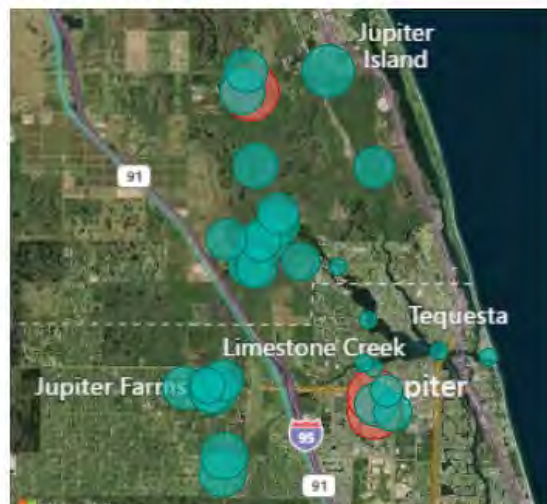


Total Phosphorus scored “good” at 26 out of 33 sites tested in February. The “poor” stations were in the upper reaches of Jones Creek. All 5 stations were over 0.075 mg/L, which is the water quality criteria for brackish systems. Results were between 0.08 and 0.12 mg/L, through some sites in Jones Creek appear to be improving relative to recent months.

Total Nitrogen scored “good” at 29 out of 32 sites tested in February. Once again, two Jones Creek sites were “poor” this month when compared to their water quality criteria of 1.3 mg/L for brackish systems. Jones Creek Upper (JCU) and Delaware St. (DEL), both dead end canals with poor flushing, had 1.4 mg/L nitrogen each, identical to last month. Station 111 in Jonathan Dickinson State Park had 1.6 mg/L, which is over the freshwater criteria of 1.5 mg/L.

Total Nitrogen (mg/L)

TN_Score ● GOOD ● POOR



The overall *Fecal Indicator Bacteria* result scored “good” at 63 of 76 sites in February. For Enterococci bacteria (see map below left), the state’s preferred indicator bacteria for salt and brackish waters, nine stations scored “poor” when compared to the water quality standard of 130 MPN/100 mL. Seven “poor” scoring stations were sampled in Jones and Sims Creeks. The Toney Penna Footbridge (TPJ) site in Jones Creek had the highest concentration again at 723 MPN/100 mL, but the result was much better than last month’s 2,247 MPN/100 mL. The remaining ‘poor’ creek stations were all below 1,000 MPN/100 mL enterococci, with results ranging between 426 and 620 MPN/100 mL.

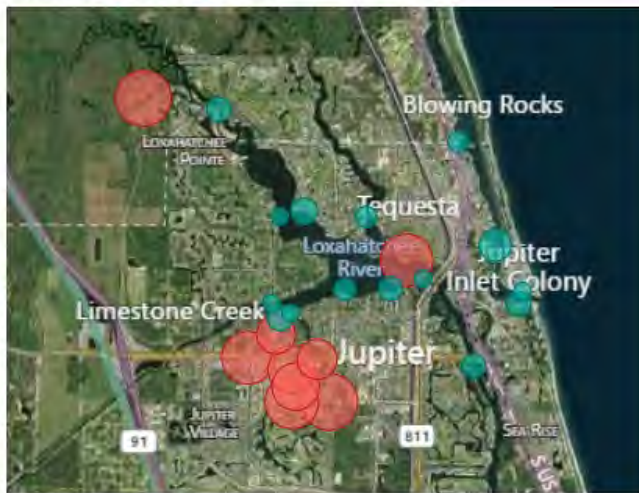
For Fecal Coliform bacteria results in February, four stations scored “poor” when compared to the less stringent Class II water quality standard of 800 MPN/100 mL (see map below right). Delaware

Street (DEL) had the highest fecal concentrations at 1,904 MPN/100 mL. The other two “poor” Jones Creek stations had fecal coliform results below 1,000 MPN/100 mL. Conditions at the Rivers Edge site (a tributary into the northwest fork; Station 107) was 1,789 MPN/100 mL, similar to the previous several months.

Staff continue their work fully evaluating our historical bacteria water quality results and as part of our efforts to develop criteria for the Executive Dashboard that is consistent with current DEP and EPA water quality standards.

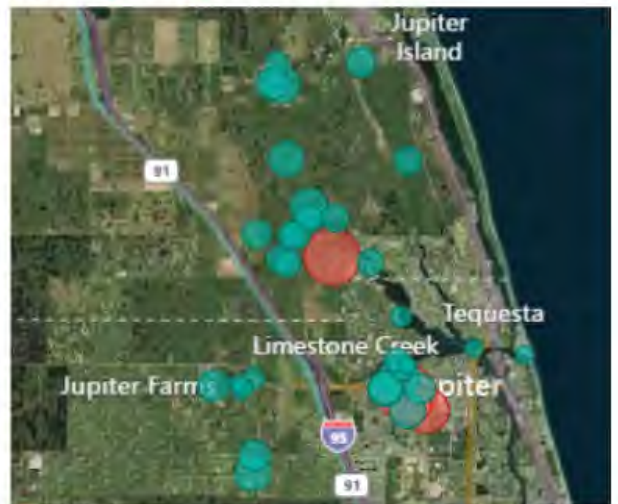
Enterococci Bacteria - Criteria: 130 MPN/100mL

ENT_Score ● GOOD ● POOR



Fecal Coliform Bacteria - Criteria: 800 MPN/100mL

FC_Score ● GOOD ● POOR



Town of Jupiter's Jones Creek Vegetation Trimming Project

In late October the Town of Jupiter's Vegetation project began with the contractor trimming the creek segment east of Delaware St. According to Town staff, the work is progressing very effectively and is on schedule to finish in March 2024. The contractor is trimming and removing fallen branches, large mats of plant matter, and the visual improvement in water flow is noteworthy. As we anticipated, vegetation trimming work is likely temporarily affecting water quality as they work and disturb the sediments in the creek, increase sunlight exposure, and alter water flow. The contractor really opened things up at our TPJ Footbridge water quality monitoring site as you can see in the photo below left. They are currently working along Toney Penna Drive in the thickest areas behind The Colony and Maple Isle neighborhoods. A resident even reported a manatee sighting in Jones Creek. We look forward to monitoring the changes in the water quality as conditions in the area stabilize following the trimming work.



Photos before and after the Town of Jupiter's Jones Creek Vegetation Trimming Project at the Toney Penna Footbridge over Jones Creek.

Volunteer Water Quality



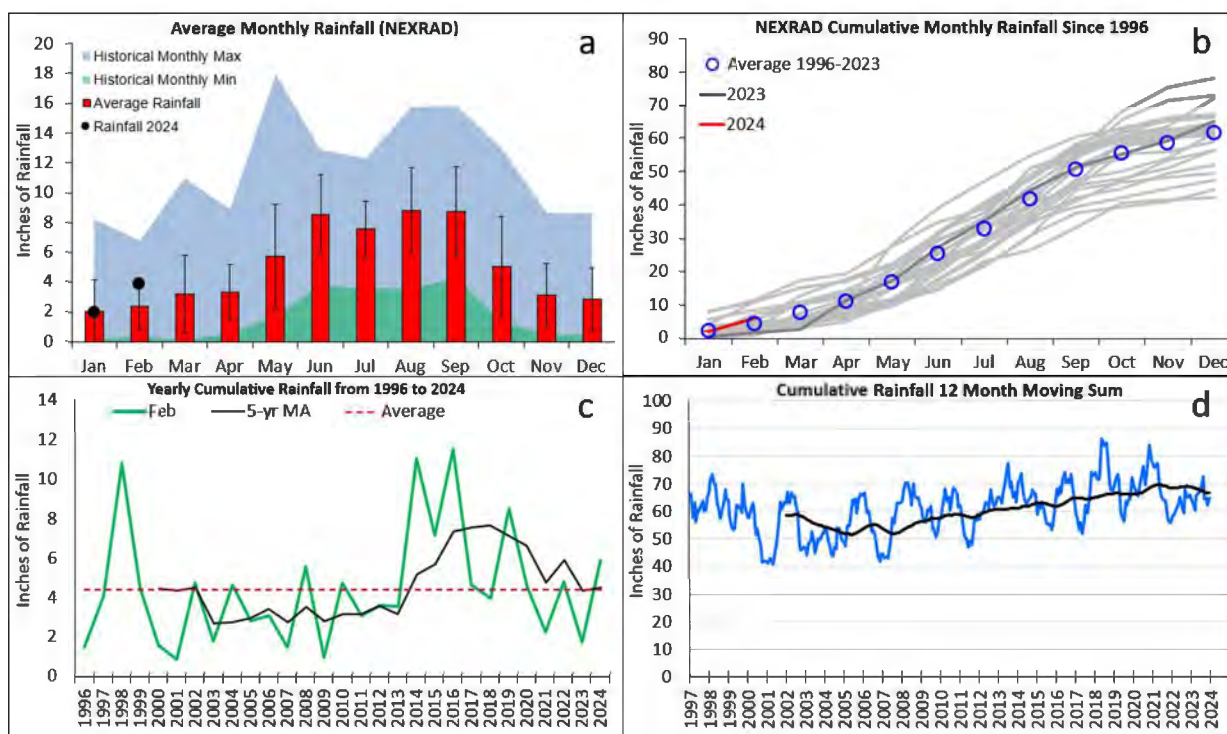
The Volunteer Water Quality Grade for February was an "A". The weekly results showed good water quality parameters at both the inlet (St. 10) and at the mouth of the Northwest Fork (St. 60.1). The water clarity scored in the "Fair" range in the first and last week of February at the Inlet (St. 10) as a result of higher seas. The pH value in the Northwest Fork early in the month was higher than usual, scoring "Fair".

	Averaged results for the Month							Monthly Cumulative Grades						Cumul. Monthly	
Site	Temp (°C)	Secchi	Salinity	pH	DO	DO%	Color	Vis	Salt	pH	DO	DO%	Color	Score	Grade
LR10V	22.1	2.60	34.4	8.2	6.8	94.9	1.0	B	A	A	A	B	A	91.7	A
LR60.1V	19.3	0.90	26.7	8.5	6.3	80.5	1.0	A	A	C	A	A	A	96.4	A
Average	20.7													93.4	A
VAB (Visible at Bottom)														Grade Scale	
DO (Dissolved Oxygen)														81.25 to 100	A
ND (No Data)														62.5 to 81.25	B
														41.76 to 62.49	C
														25.00 to 43.75	D
														0 to 24.99	F

VAB (Visible at Bottom)
DO (Dissolved Oxygen)
ND (No Data)

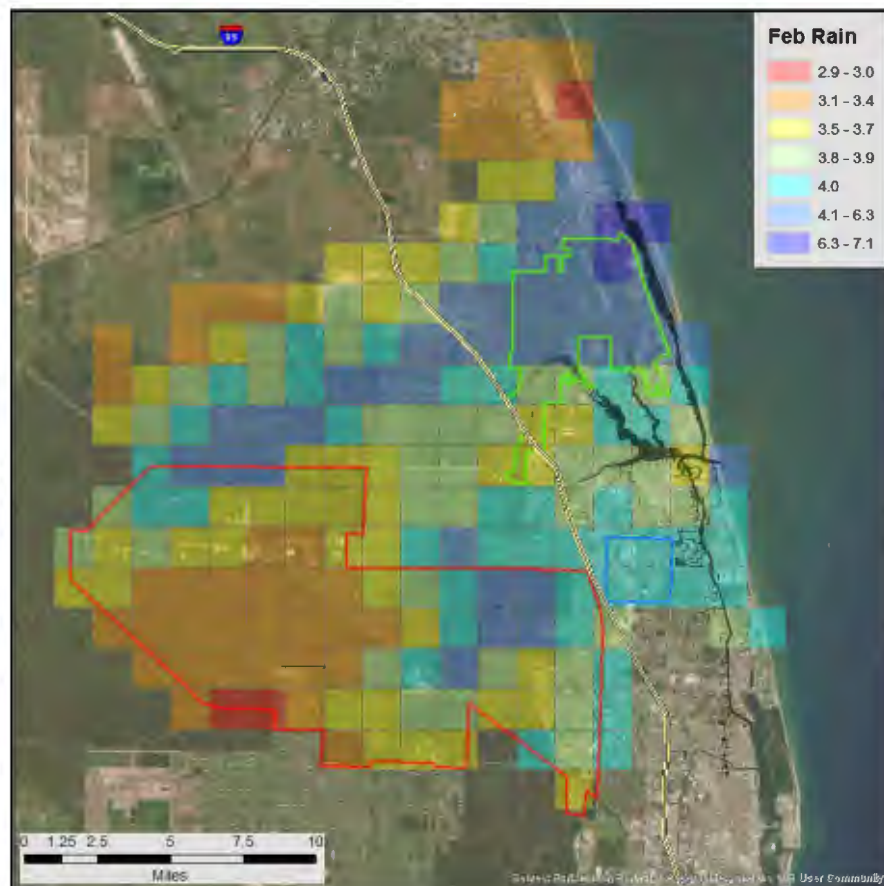
Hydrologic Monitoring

Rainfall across the watershed during February totaled 3.9", about 63% above the 2.4" historical average for the month (panel 'a' in figure below). This total is three times higher than the 1.3" total from February 2023 and is the highest total since 2015, which had 6.2" of rainfall. Rain was detected within the watershed during 10 of the 29 days of February with the highest single day total of 2.7" occurring on February 18, which accounted for 69% of the total monthly rainfall. Cumulative year-to-date rainfall through February totalled 5.9", about 33% above the year-to-date average of 4.4" (panel "b" below). Yearly cumulative trends indicate that annual rainfall through February continue to return to near-average levels following a roughly 10-year trend of increased rainfall for the period that peaked at 11.5" in 2016, with a 5-year moving average generally declining since 2018 (panel "c" below). The 12-month moving sum through February was 69.1", a 10% increase over the 62.9" sum from one year ago (panel "d" below). The generalized long-term trend indicator in panel "d" below shows that total rainfall within the watershed has generally shifted upward from historical ranges since around 2012.



Figures above display various measures of rainfall. Panel (a) shows average monthly rainfall from 1996 to 2023 (red bars; error bars indicate ± 1 sd). Black dots indicate monthly rainfall for the current year. The blue and green shaded areas show the maximum and minimum rainfall ever recorded for each month. Panel (b) shows monthly cumulative rainfall for each year since 1998. Red line indicates cumulative rainfall during 2024; dark grey line indicates rainfall during 2023. Blue circles are monthly cumulative average rainfall measured between 1996-2023. Panel (c) shows cumulative annual rainfall using NEXRAD radar-based data. Green line indicates cumulative rainfall through indicated month for each year since 1996, when the radar-based rainfall measurements began. Black line is the 5-year moving average across all years and red dashed line shows cumulative average through indicated month. Panel (d) shows cumulative 12-month moving sum of monthly rainfall (blue line) along with the five-year moving average (black line).

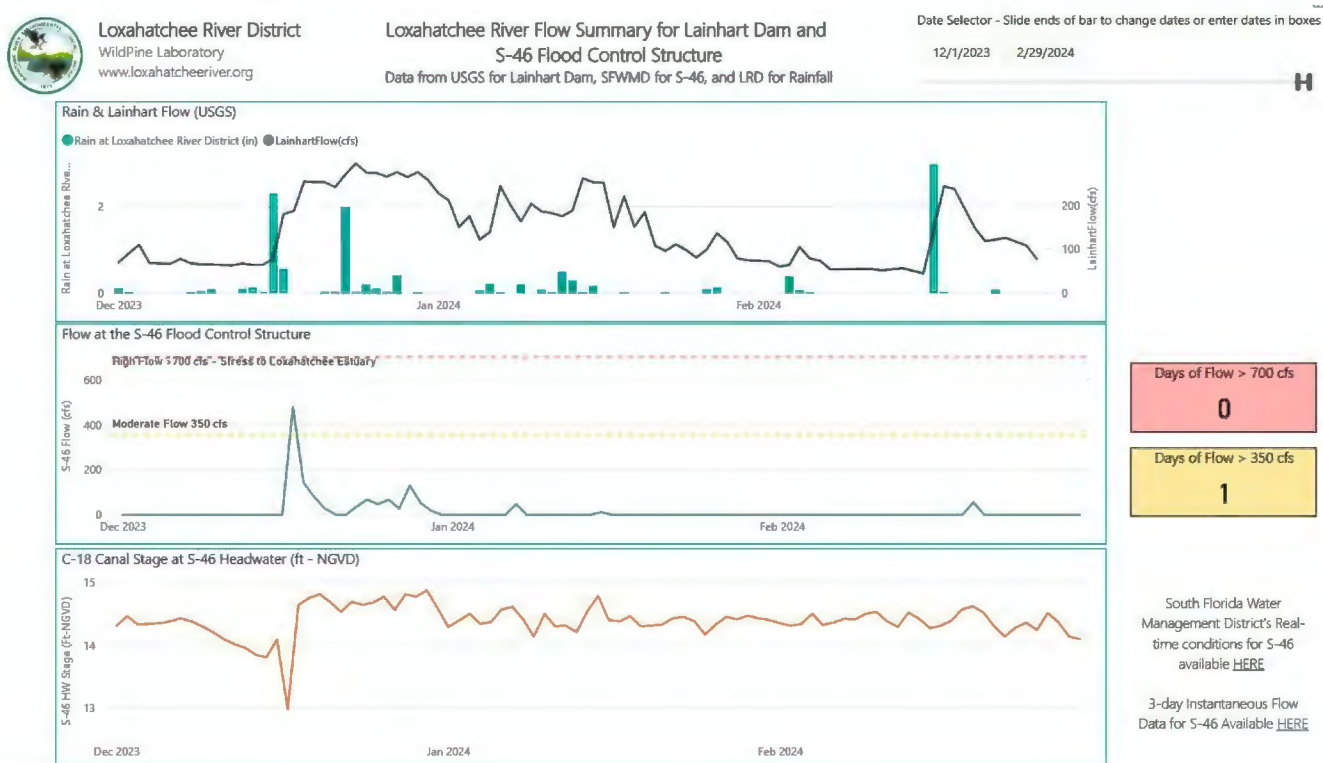
The spatial distribution of rainfall across the watershed during February was varied and ranged from 2.9" in the driest regions to 7.1" in the wettest regions (figure below). In general, the driest regions encompassed some of the northernmost portions of the watershed near Hobe Sound as well as portions in the southwest region in the C-18 basin including the Pratt & Whitney facility. The wettest regions included much of Jonathan Dickinson State Park and portions of Hungryland Wildlife Conservation Area.



Maps showing NEXRAD rainfall distribution across the watershed during the month of January. Each pixel represents an area of 2 km x 2 km. Blue colored pixels show highest rainfall and red pixels show lowest rainfall. For reference, the red line is the C-18 basin which includes portions of J.W. Corbett WMA, Loxahatchee Slough, and Pine Glades Natural Area; green line shows Jonathan Dickinson State Park boundary, light blue line shows the Abacoa development.

River Flows

River flow in the Northwest Fork ranged from 45 cubic feet per second (cfs) to 243 cfs with an average flow of 95 cfs. Flow this year was notably higher than February last year (2023), which had more typical dry season flows between 39 to 50 cfs, with an average of 43 cfs through the month. Flow in February was influenced mostly by the single day rainfall total of 2.7" which sharply increased flow over the Lainhart dam by February 19 (top panel in figure below). Flow over Lainhart Dam rapidly decreased after this peak to end the month at about 75 cfs. As usual for the dry-season, there was no meaningful flow into the Southwest Fork measured at the S-46 flood control structure aside from the single-day average of 56 cfs on February 19 (center chart below), which was likely water managers exercising of the water control gates.



Loxahatchee River Flow Summary for Lainhart Dam and S-46 Flood Control Structure for the previous 3 months. Top chart shows daily rainfall (inches, green bars) measured at the Loxahatchee River District (2500 Jupiter Park Dr) and the black line is the daily average river flows (cfs) measured at Lainhart Dam. The middle chart shows the flows (cfs) at the S-46 Flood control structure relative to estuary stress thresholds of 350 and 700 cfs established by LRD. The bottom chart shows the water stage (ft-NGVD) in the C-18 Canal. Data from USGS and SFWMD. Updated chart available at loxahatcheeriver.org/river under MFL and page 4 of the visualization.

Oyster Spat Monitoring

Based on the oyster spat monitoring ending March 7, the anticipated spring oyster spawning and settlement has not yet begun. Oyster spat settlement was minimal in both forks of the river with the highest average density occurring in the Northwest fork with 150 spat/m² followed by 33 spat/m² in the Southwest Fork. In both forks, the highest settlement density was observed at the downstream sites.

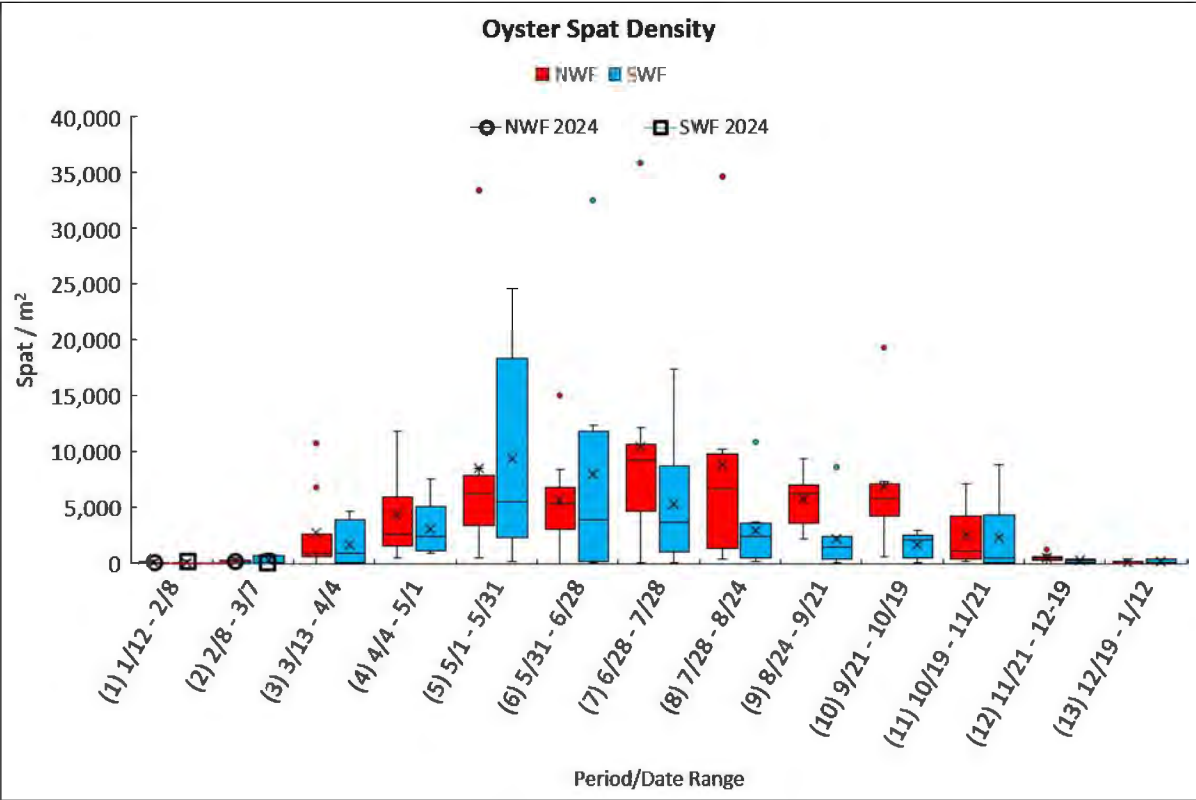
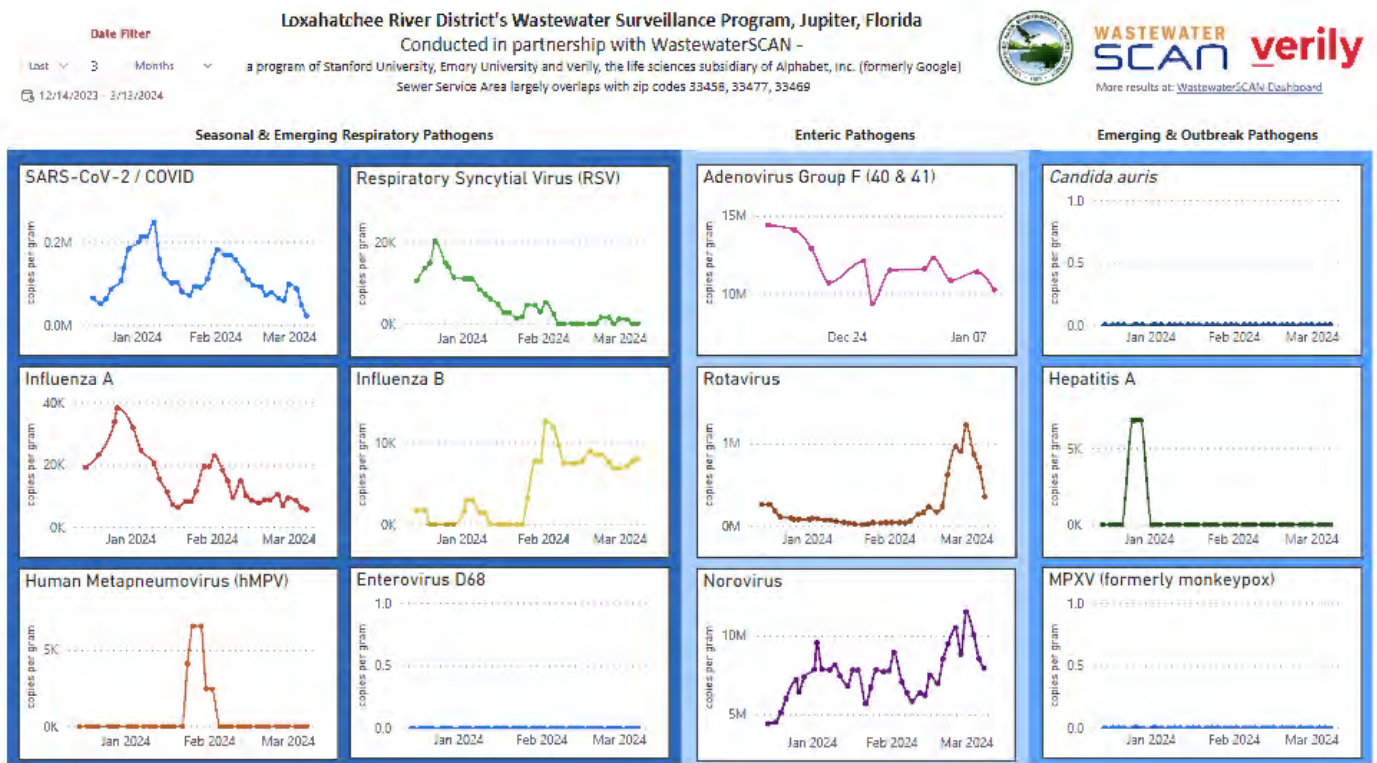


Figure: Box and whisker plot showing interquartile range (IQR) of oyster spat density (spat / m²) for each period in the Northwest Fork (red) and Southwest Fork (blue) of the Loxahatchee River between 2016-2023. The “X” indicates period mean. Superimposed on the IQR are the 2024 period means for both the Northwest Fork (circle/red line) and Southwest Fork (square/blue line).

Wastewater Surveillance

The District's Wastewater Surveillance program, monitoring 12 pathogens through the WastewaterSCAN program, showed continued high levels of Influenza B, and a rise and decline in concentrations of Rotavirus and Norovirus.

Results from the WastewaterSCAN programs testing three times per week are automatically uploaded to our website at <https://loxahatcheeriver.org/wastewater-surveillance/>.



Customer Service

New Customer Information & Billing System

We believe we are coming through the storm of challenges, issues, and surprises during our first quarter of bill processing with our new customer information, billing, and payments system. We have learned a lot!

On February 1st we started the distribution of the first quarter bills (delayed because of the autopay transition work) and bills were due February 28. On March 12 we began the distribution of the past due notices to just over 6,700 customers. This was up from the typical 3,600 late notices we send, but not unexpected given the delayed sending of the bills, the transition of over 10,000 customers formerly on autopay, and other issues. We are hopeful that we can work with these customers and end the quarter with a similar number of satisfied accounts, typically about 94-96% of our 33,388 customers.

Our payments provider is rebuilding the payments portal to improve the functionality of the online payments experience and the setup of autopay. They are projecting the new system will be available in 4-5 months. In the meantime, we are encouraging customers to use the “quick pay” one-time payment option (that seems to work well for all customers), pay or setup bank autopay by phone, or mail us their payment.

This month we also successfully worked through a complete round of delinquency processing including sending the District’s seriously delinquent letter, the Attorney’s final warning before lien, and the creation of new lien and lien amendments in coordination with the Attorney.

A big “shout out” goes out to all of our excellent Staff that have been working through the many challenges and frustrated customers. With many of the issues now sorted out, we look forward to a much smoother round of processing in the second quarter.

Information Technology (IT)

Uninterruptible Power Supply (UPS) Install

Big thanks to Jason Stanley from the maintenance team who connected our new UPS system to the plant electrical system. This new UPS, which replaces our prior system that reached end of life, will provide consistent and reliable power for our forthcoming new server and backup environment.



Phone System Upgrade

In February, the IT team successfully completed an upgrade of our phone system to a unified communications system hosted by 8x8 (formerly Fuze Communications). This transition was well planned and executed with minimal disruption to staff.

We always strive to select the best products and services that bring value to the District and 8x8 is no different as they have been recognized by Gartner Magic Quadrant (12 times) as a leader in this space.

Figure 1: Magic Quadrant for Unified Communications as a Service, Worldwide



Source: Gartner (November 2022)

Loxahatchee River Environmental Center

March 2024



River Center Summary Statistics

LRD'S ENVIRONMENTAL STEWARDSHIP DASHBOARD



		Total Visitors <small>(incl. Visitors, Field Trips, Onsite Programs)</small>	1st Time Visitors	Average Program Participation <small>[Actual participants/Capacity of Program]</small>	Volunteer Hours	Visitor Satisfaction	Staff Overall Program Assessment	Expenses	Revenue
Benchmark / Customer Expectation		Total	Total	% of Capacity	Total	Rating Average <small>[Max Rating is 5]</small>	Rating Average <small>[Max Rating is 9]</small>	% within budget	% of Target
Green Level		≥ 90%	≥ 90%	≥ 85%	≥ 90%	≥ 4	≥ 7	≥ 85% but ≤ 105%	≥ 90%
Yellow		≥ 75%	≥ 75%	≥ 70%	≥ 75%	≥ 3	≥ 5	≥ 80%	≥ 75%
Red		<75%	<75%	<70%	<75%	<3	<5	< 80% or > 105%	<75%
2021 Baseline		952	73	83%	248	4.7	7.8	92%	85%
2022 Baseline		1,322	101	111%	240	4.6	7.9	91%	107%
2023 Baseline		1,462	110	93%	297	4.7	7.8	83%	86%
2023	Feb	1,204	64	73%	164	4.7	7.8	84%	105%
	Mar	1,601	271	91%	212	4.4	8.1	73%	122%
	Apr	1,382	108	83%	143	4.7	7.5	79%	95%
	May	1,016	68	83%	218	4.6	7.8	88%	71%
	June	2,600	106	103%	669	4.7	7.8	87%	83%
	July	2,046	89	92%	1104	4.8	7.6	79%	85%
	Aug	1,215	69	130%	360	4.6	7.6	76%	86%
	Sept	1,093	110	98%	120	5.0	7.5	86%	86%
	Oct	1,940	142	100%	142	4.9	7.8	73%	74%
	Nov	1,183	48	110%	154	5.0	8.0	92%	72%
	Dec	1,021	78	79%	81	4.5	8.0	100%	57%
2024	Jan	1,178	84	89%	115	4.7	8.3	99%	81%
	Feb	1,689	185	105%	264	4.9	8.2	104%	94%
Consecutive Months at Green		7	13	2	1	13	13	4	1
Metric Owner		O'Neill	O'Neill	Duggan/Warwick	Patterson	O'Neill	O'Neill	O'Neill	O'Neill

Metric	Explanation

River Center General

Chickee Hut – Jupiter Inlet Lighthouse Outstanding Natural Area

This month was exciting when we were able to install the grant-funded chickee hut at the Jupiter Inlet Lighthouse ONA. Within a week, the Bureau of Land Management was already using it for a Boy Scout program. It provided a meeting place and shade for the event. BLM had some benches previously constructed by an Eagle Scout that they have donated and moved into the chickee.



Special Programs

Lecture Series [Friday, February 2nd]

On Friday, February 2nd Harper Carroll, Fire Manager for Palm Beach County's Environmental Resources Management, came to present about "The Evolution of Prescribed Fire". He talked about the history of fire and the benefits of prescribed fire in Florida. Harper briefly went over the process for managing a prescribed fire with the burn crew. Prior to the lecture a light lunch is provided.

Blooming in the Garden [Saturday, February 3rd]



During this Blooming in the Garden, our littles ones dug in and explored the ground beneath their feet – literally! We read a story about an earthworm who makes a big difference, then had the chance to observe, measure, and learn about our own earthworms. Then we headed into the garden with shovels and pails to check out roots, rocks, fungi, layers of soil, and many kinds of insects. After lots of exploration, it was time to get creative – with mud! We used mud paint to create individual masterpieces and one big group project. It was such good – but definitely not clean! – fun.



Science with Sam – Green Teens Birding [Saturday, February 3rd]

This Science with Sam class we partnered with Audubon Everglades to provide a birding experience for our students. We walked the trails of Jupiter Inlet Lighthouse Outstanding Natural Area with Autumn using binoculars and bird lists trying to spot any feathered friends. We were able to see Blue Jays, Mockingbirds, Sea Gulls, and Osprey along our journey. The students really enjoyed getting to pick Autumn's brain about birds.



American Heritage Girls [Saturday, February 10th]



This month the River Center hosted a troop of American Heritage Girls for a badge workshop. These Explorer Level scouts were learning all about marine life, aquatic plants, and classification of marine species. Samantha and Sara led the girls on a guided tour of the River Center, discussing our various tanks and exhibit. Then, girls explored our River Center beach comber collection, identifying various local species of seeds and shells. American Heritage Girls is a “Christ-centered character leadership development program for girls ages 5-18 years of age.” They are dedicated to the mission of building women of integrity through service to God, family, community, and country. We have had many requests in the past to host the American Heritage Girls and were excited to help them earn their marine badges.

Nature Hike – Loxahatchee Slough Natural Area [Tuesday, February 13th]

The River Center led a morning walk through the Loxahatchee Slough Natural Area. The Loxahatchee Slough is the historic headwaters for the Loxahatchee River and features a beautiful landscape for our guests to explore. This walk provided beautiful and scenic views of marsh and pine flatwood habitats. Along the rocky path we identified various wildflowers, butterflies, and water snakes! We made our way to the high observation platform for a look over the natural area’s lush grasses and landscape. It was a beautiful hike and an area we hope to explore again soon. We had 21 participants on this walk.



Homeschool Workshop [Wednesday, February 14th]



On Valentine’s Day the River Center hosted a Homeschool workshop program about animal habitats and conservation. Students learned what a habitat is and what resources animals need to survive. We discussed various threats to habitats like natural disasters, human impacts, and invasive species. Students then played our Habitat Conservation Survival game. This modified version of Tag explains the relationship between predators and prey, including habitat protection, human impacts, and restoration. We had such a fun day with our 16 participants.

Evening Lecture [Friday, February 16th] The Effects of Harmful Algal Bloom-Associated Biotoxins on Sea Turtle Health in Florida:

February’s evening lecture was presented by Annie Page Karjian, Associate Research Professor & Clinical Veterinarian at Florida Atlantic University Harbor Branch Oceanographic Institute. She also serves as the Harbor Branch Associate Director of Education and is Co-Director of the Marine Science & Oceanography Master’s Program. She is the Clinical Veterinarian for the Harbor Branch Marine Mammal Stranding, Health & Rehabilitation program, provides veterinary services for the Harbor Branch campus, and serves as a member of the FAU Institutional Animal Care and Use Committee. Her research interests include epidemiology, pathogenesis, eco-immunology, and ecology of diseases affecting marine organisms. Her most recent research project addressed fundamental questions on characteristics of subclinical infection and transmission of chelonid fibropapilloma-associated herpesvirus infection, the likely etiologic agent of sea turtle fibropapillomatosis. Throughout the course of her career, she has developed expertise in wildlife medicine and



rehabilitation, molecular diagnostics, disease ecology, and veterinary pathology, and has covered topics such as conservation biology, environmental and public health, microbiology, immunology, toxicology, and genomics. This was a very interesting lecture highlighting the importance of our actions around water systems and how marine life is affected by harmful algal blooms.

Natural Areas Festival [Saturday, February 17th]



The River Center participated in the Natural Areas Festival held at Winding Waters Natural Area. This festival is hosted by Palm Beach County's Department of Environmental Resources Management to highlight the county's beautiful natural areas. This year the event was held in the afternoon and featured over 25

different exhibitors. Activities at the event included kayak tours, wildflower walks, facepainting and a prescribed fire burn demonstration. This event also brought out over 2,000 people! We can't wait to participate again next year.



Science with Sam – Rocks Rock [Tuesday, February 20th]

On Tuesday, February 20th Science with Sam taught a class on the rock cycle. Students learned the various types of rocks and how they are formed by different natural processes, and what those processes are. Students investigated igneous, sedimentary, and metamorphic rocks at their tables, comparing the differences between them. The class ended by playing an educational game to showcase the rock cycle where the students were able to memorize the stages of the rock cycle by playing a life-size board game.

Nature Hike – Masten Dam Hike – National Rivers [Friday, February 2nd]

On February 2nd the River Center led their first nature hike to the Masten Dam along the Loxahatchee River. The hike was started in Riverbend Park where we connected to the Ocean to Lake Trail, went under the critter crossing and then connected to the Pantano Trail. Along the way we saw unique plants such as Strap Fern, Sunshine Mimosa, Sweet Acacia, and Florida Pennyroyal. The trail led us to the Masten Dam where we were able to take in the river and appreciate our beautiful river system. While at the dam we saw a Red-Shouldered Hawk in the trees above us, and on our way back we saw White-Tailed Deer. Participants really enjoyed this hike and enjoyed learning that instead of kayaking they can also hike to the river.



Tots on Trails – Jupiter Ridge Natural Area [Wednesday, February 21st]



We had another wonderful Tots on Trails! It was perfect Florida winter weather as we hiked at Jupiter Ridge Natural Area. Our little explorers spotted a red-tailed hawk, several gopher tortoise burrows, and a rabbit, as well as lichens, sand live oak, Florida rosemary, and more on this scrub trail. Next month we'll be hiking at Riverbend Park.



Atala Butterfly Festival [Saturday, February 24th]



The River Center hosted our 5th annual Atala Butterfly Festival! This year we had 2 plant nurseries on site selling native plants to participants. We also had 4 exhibitors this year including: The North American Butterfly Association, The Florida Native Plant society, Florida Master Gardeners, and The Treasure Coast Invasive Plant Management Council. We also welcomed 3 lecture speakers given by Dr. Peter Lekos with his butterfly

photography presentation, CJ McCartney and her presentation about the importance of native plants, and Teri Jabour with her presentation about the Atala butterfly. We also welcomed back Gail Gray Tanis who read her story "Monica to Monarch" at our two Storytimes. Other activities at the event included a butterfly scavenger hunt, crafts, and seed plantings. We had about 270 guests participate in our festival this year and we look forward to watching this program grow.



Birding at the Loxahatchee River District with Audubon Everglades [Tuesday, February 27th]

On Tuesday, February 27th the River Center partnered with Audubon Everglades to conduct a birding program at the Loxahatchee River District. This is a new partnership with Audubon Everglades Chapter,



and we hope to incorporate their expertise in a few of our programs. This is the second birding adventure with them on District property and we saw over 47 different species of birds on our walk. Some species we saw were bald eagles, cormorants, anhinga, black-necked stilts, killdeer, black-crowned night herons, a kestrel, and a red-shouldered hawk. It was an awesome day for birding, and we look forward to continuing this partnership with Audubon. We had 25 participants for this event.



Volunteer of the Month

Our February Volunteer of the Month is Maciej Tadla. Maciej is a wonderful new addition to our volunteer team. He stepped in and helped with many different tasks to help the Center run smoothly and helped guests feel welcome when they visit. He also participated in Animal Care training and enjoys taking care of our wonderful animals. Maciej also was an integral part of our Atala Butterfly Festival. He not only helped participants plant seeds but also stepped in to help with parking and other important aspects of the day. We can always count on him to step in where needed and get the job done. We are so happy to have Maciej on our volunteer team! He always makes everyone smile while working hard to help us out. Thank you, Maciej, for all that you do to help at The River Center! We appreciate you!

UPCOMING EVENTS

RSVP at www.lrdrivercenter.org/events-calendar
rivercenter@lrcd.org or 561-743-7123

Every Thursday, 9:30 a.m. – 10 a.m. – Story time: Join the River Center for Story Time. Families are welcome as we read stories and have an animal encounter.

March 23, 9:00 a.m. – 12:00 p.m.: Family Fishing Clinic: Don't miss out on this exciting fishing opportunity with the River Center. Fishing clinics are a great way for kids to learn the basics of fishing methods and tactics! Make sure to join us for an engaging overview that includes knot tying, fish identification, and of course fishing! Parents are encouraged to accompany their kids and participate in the clinic. The cost is \$10 per child. Interested participants should bring water, sunscreen, a hat, and sunglasses.

March 27, 10:00 a.m. – 12:00 p.m.: Nature Hike [PalMar | Hungrylands]: Come explore with us! Tie up your hiking boots and join the River Center for our Nature Walk through Pal Mar-Hungrylands. Walk along the guided paths and immerse yourself in this local natural area. We will explore a path inside this natural area with uneven terrain. Interested participants should wear closed toed shoes, long pants, a walking stick, comfortable clothing and bring plenty of water. Make sure to RSVP to this event! Space is limited.

March 30, 8:30 a.m. – 12:30 p.m.: Girl Scout Workshop [Trail Adventure]: Have you ever wanted to go on an adventure outdoors but don't know where to start? Well tie up your hiking boots and join the River Center for our Girl Scout Trail Adventure workshop! Daisies and Brownies will learn all about what it takes to plan for an adventure, prepare their gear, and will get to go on their own trail adventure during the workshop. Registration is required for this event. \$15.00 per girl.

April 1, 2:00 p.m. – 3:30 p.m.: Nature Journaling [To Each Its Own]: Are you interested in Nature Journaling and don't know how to start? We have the class for you! Nature Journaling is a great way to slow down to discover and explore the nature around us. We will teach observation, writing, measurement and recording skills. You do not need to be an "artist" to be a nature journalist. You just need a little curiosity. This is a monthly class with a different theme and skill each month. Cost is \$5 per person. Purchase the starter kit for an additional \$5 per person.

April 2, 9:00 a.m. – 11:00 a.m.: Garden Club: Join River Center staff members in our garden to learn more about the native plants that we have and how they can be useful in your yard. Get your hands in the dirt and help us keep the garden looking beautiful all while learning how to best care for these native plants. No RSVP required.

April 5, 12:00 – 1:00 p.m.: Lecture [The Wild Dolphin Project]: Join us at the River Center for our monthly lecture series! Our April speaker is **Hayley Knapp, a Master's Student at Florida Atlantic University**. Can you identify individuals in a wild dolphin population? Yes, you can! Over the last 40 years, The Wild Dolphin Project (WDP)—founded by Dr. Denise Herzing— has studied Atlantic Spotted dolphins (*Stenella frontalis*) in the Bahamas, focusing its research on understanding their behavior, ecology, life-history, and acoustics. Through rigorous photo identification methods and a hands-off approach, the WDP has been able to develop a unique, respectful relationship with the Spotted dolphins living in the Bahamas. The project even knows the individuals by name! Their current graduate student, Hayley Knapp, is a Master's student at Florida Atlantic University and is working on tracing paternity and genetic diversity by using fecal DNA to match calves to their parents. This is just one area of research the WDP focuses on. Join us in learning about the Wild Dolphin Project as we hear about the exciting research they are doing and how Hayley's research ties in!

April 6, 3:00 – 4:00 p.m.: Science with Sam: Green Teens [Chemical Reactions]: Join our Scientist Sam for different science activities! Ages 13-17 In this lesson students will conduct experiments to witness and learn about various chemical reactions. Students will be provided materials to conduct individual experiments at their table and collective experiments as a group. Some experiments will be take-home optional, all student experiments will be assisted by leaders and volunteers. There is no cost for this program but please RSVP to attend. Space is limited. Registration Opens March 16th.

April 6, 10:00 – 11:30 a.m.: Blooming in the Garden [Lucky Ladybugs]: Join the River Center for our Bloomin' in the Garden program, designed for children ages 3-6. This month's theme is Lucky Ladybugs! The program will start at 10:00am with story time and a nature-themed craft. We will then move to our garden for exploration and hands-on fun. When it's time to go home, children will receive seed to take home to start their own garden! So don't miss this exciting chance for you and your little ones to enjoy nature together! Limited to 15 children (+ their accompanying adults). This activity is outside, so dress comfortably and be ready to possibly get a little messy. All equipment will be provided, and this program is free of charge. Donations are always welcome.

April 9, 6:00 – 7:30 p.m.: Sunset Nature Hike [Juno Dunes]: Come explore with us! Tie up your hiking boots and join the River Center for our Nature Walk through Juno Dunes. Walk along the guided paths and immerse yourself in this local natural area. We will explore a path inside this natural area with uneven terrain. Interested participants should wear closed toed shoes, long pants (recommended), a walking stick, comfortable clothing, and bring plenty of water. Bug spray is highly recommended. Make sure to RSVP to this event! Space is limited.

April 13, 1:00 – 2:00 p.m.: Introduction to Volunteering: Do you have a passion for the environment? Do you enjoy interacting and educating the public? The River Center is looking for enthusiastic and personable volunteers to join our River Center team! Individuals 14+ are invited to attend the next Intro to Volunteering workshop from 1:00 PM – 2:00 PM. For questions or application information please contact our Volunteer Coordinator Rebecca Patterson at 561-339-3107 or Volunteer@Lrecd.org Volunteering with a friend is more fun. Bring a friend for our Introduction to Volunteering event.

April 16, 10:00 a.m. – 12:00 p.m.: Kayak Tour [Fullerton Island]: Join the River Center for our Public Kayak Tour to Fullerton Island. Paddle along through the Intracoastal on this beautiful and scenic excursion. Jump on this naturalist led tour for great views of local flora and fauna. Launching from Burt Reynold's Park. All equipment will be provided but interested participants should bring water shoes, sunscreen, and plenty of water! Our kayaks are tandem kayaks, or double seated, if you do not register with a partner, you will be assigned one. The cost for this program is \$20 per person. Registration is required. Space is limited. Level of Difficulty: Easy, all paddler levels welcome.

April 16, 4:00 – 5:00 p.m.: Science with Sam [Flower Fun at Jupiter Inlet Lighthouse ONA]: During the Flower Fun lesson, students will learn the purpose of a flower, how plants use them, how humans and animals use them, and how pollinators see them. Students will venture along

the trails of Jupiter Inlet Lighthouse Outstanding Natural Area to see flowers blooming in action and to collect a few flowers create their own flower projects.

April 17, 10:00 a.m. – 12:00 p.m.: Tour of Loxahatchee River District: Join the River Center for a behind the scenes tour of the Loxahatchee River District's Wastewater Treatment Plant. Have you ever wondered what happens to your water once it goes down the drain? Find out how the Loxahatchee River Environmental Control District cleans our wastewater to protect our community's health. Did you know that we recycle about 95% of the wastewater receive which protects our natural water resources. Check out this rare glimpse into what happens to your water once it goes down the drain. Recommended Ages 13+.

April 17, 10:00 – 11:00 a.m.: Tots on Trails [Cypress Creek Natural Area]: Let's get outside! Join the River Center for our Tots on Trails program, designed for children ages 2-6! Each month, we'll explore a new natural area in the Jupiter/Tequesta area. This month, we'll be at Cypress Creek Natural Area. ****THIS IS AN OFF-SITE PROGRAM!**** We will meet in the natural area parking lot at 10:00 am. Together, we'll walk the trail, observe plants and animals with our magnifying glasses & binoculars, and explore nature. Adults and children should come prepared to be outside for an hour. This includes comfortable clothing, closed toe shoes, hats, sunscreen, bug spray, and water bottles. Limited to 20 children (+ their accompanying adults). Siblings of all ages are welcome, just include them in your registration! This program is free of charge. Please RSVP to attend.

April 20, 8:00 a.m. – 4:00 p.m.: Boating America Class: The River Center continues to collaborate with the US Coast Guard Auxiliary "Flotilla 52" to provide a series of Boating Safety Classes targeted specifically to young boaters in our community. These classes are provided through a generous sponsorship by the AustinBlu Foundation, a not-for-profit dedicated to raising awareness and promoting educational programs to improve boater safety. This class does not cost, but a deposit is required to reserve a seat. The deposit of \$10 will be refunded in full to all students who complete the class. Recommended for children 12 years and up, but all ages are welcome.

April 20, 9:00 a.m. – 11:00 a.m.: Great American Cleanup

April 25, 10:00 – 11:00 a.m.: Beach Combers Class: Join the River Center for our new Beach Comber class! Learn how to identify what you see while walking on the beach! Could it be a shell, a seed, or is it a mermaid's purse? Discover what you can find at the beach! Registration is required to attend. Recommended ages 13+

April 26, 9:30 – 11:30 a.m.: Swamp Tromp [Cypress Creek Natural Area]: Come explore with us! Join the River Center on our Swamp Tromp series as we wade through the freshwaters of Cypress Creek Natural Area. Walk along the guided paths and immerse yourself in this local natural area. Participants Will see native orchids, strap ferns, and cypress trees.

April 27, 8:30 a.m. – 12:30 p.m.: Girl Scout Workshop [Home Scientist]: Have you ever wanted to learn how to do science experiments? Experiment with ordinary items found right in your own house? Join us for our Girl Scout Home Scientist workshop for Brownies! Girls will learn about water chemistry, electrical currents, and dive into density! Girls will understand how scientists in our community and around the world help our environment, keep our water clean, and protect animals. This workshop will engage girls to become interested in science and make interesting discoveries about their natural world. At the end of this workshop Brownies will earn their Home Scientist Badge.



LOXAHATCHEE RIVER DISTRICT

2500 JUPITER PARK DRIVE, JUPITER, FLORIDA 33458

TEL: (561) 747-5700

FAX: (561) 747-9929

D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

To: D. Albrey Arrington, Ph.D., Executive Director
From: Ed Horchar Safety Officer
Date: March 13, 2024
Subject: District Safety Report for February 2024

Safety Metrics: February 2024

OSHA recordable injuries: Zero

Lost time injuries: Zero

Actual TRIR: 1.1 [Goal < 1.5]

TRIR = Total Recordable Incident Rate

Safety is a Core Value at LRD – Our

conduct is shaped by a personal commitment to protect the health and safety of ourselves and our colleagues. Safety is driven through education, training, planning, protective equipment, and individual accountability.

OSHA Recordable Incidents/MVA's:

The LRD did not experience an OSHA Recordable Injury in February. The District has a rolling twelve-month Total Recordable Incident Rate (TRIR) of **1.1**. This is below the District goal of 1.5.

The District did not experience a Motor Vehicle Accident (MVA) in February. With one MVA in the last 12-month period, the MVA incident rate is at 1.1. Below the LRD MVA goal of 2.2.

Sustainment:

Job Hazard Assessment (JHA) activity levels in February was at a total of 1,347. Almost a mirror image of the January output. The volume of JHA's generated is slightly greater than the 12-month rolling average of 1263 per month. The Wild Pine Lab and River Center continue to use the JHAs and are included in the overall data. The following is an assessment of February JHAs performed per employee in each department:

Reuse:	36 JHA / employee	Construction:	10 JHA / employee
Operations:	35 JHA / employee	Inspection:	27 JHA / employee
Collections:	34 JHA / employee	Wild Pine Lab	4 JHA / employee
Maintenance:	19 JHA / employee	River Center	1 JHA / employee

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JHA and EAM:

In February approximately 98% of all Work Orders (WO) included a JHA. This represents fifteen (15) months in a row in which the District expectation of 95% was exceeded. The following is a District comparison for the percentage of February EAM Work Orders created for which an electronic JHA was completed:

Reuse:	100 %	Construction:	100 %
Operations:	97 %	Inspection:	98 %
Collections:	99 %	Wild Pine Lab	0 Electronic JHA's
Maintenance:	100 %	River Center	0 Electronic JHA

Near Miss Reporting:

There were 2 Near Miss reports initiated in February which is less than the 12-month rolling average of 8. Employees from Maintenance and Reuse each submitted a near miss report in February. The hazards include an unsafe lifting condition and a spill containment solution to prevent a potential environmental release. Upon receiving the Near Miss report, the Safety Officer will collaborate with the report initiator and department Director/Manager to better understand the reported hazard condition and to determine the best corrective action. When warranted, a Work Order is generated that defines the proposed corrective action and person responsible to complete the corrective action. The work orders are tracked until closed and the status can be viewed on the Safety Intranet page by clicking on the "Near Miss Submission List" under Forms.

All District employees should continue to report potential safety issues, including unsafe or unhealthy conditions, potential pollution sources or events, and suggestions to improve safety processes, via this Near Miss Reporting System. Please be alert, and if you see something, generate a near miss report. The actions taken as a result of submitting a Near Miss report will enhance the District's overall safety performance and help sustain the existing safety culture.

Training: DOT Entry Level Driver Training (ELDT) for two (2) Collections employees preparing for the Class B CDL Learners Permit exam was provided in February. A ELDT Certification is required along with a DOT Medical Examination to enable the employees to take the DOT Learner Permit exam February Computer Based Training (CBT) included PPE Awareness for all District employees. February training also included chainsaw safety, use and care. Senior Forrest Ranger Ed Aldrich and three associates of the Florida Forest Service conducted the training class for eight (8) District employees. The training involved approximately 2 hours of classroom training followed by an additional 2 hours of field level training. District employees demonstrated chainsaw use proficiency by performing basic limbing and bucking while utilizing the techniques learned in the classroom. PPE included chainsaw chaps, hard hats, face shields and safety glasses, hearing protection, safety boots, gloves, and long sleeve shirts. This field level training was performed on the plant site in preparation of the 2024 Hurricane Season.

Upcoming March training includes CPR class will again be provided in March. Two classes will be offered for recertification and certification for newer employees. The CPR certification is good for two years. You can forward requests to participate in the class to Ed Horchar or Maureen Murray.

Inspections: A total of 12 workplace inspections occurred in February. District jobs that were observed included aeration basin confined space entry planning, first aid hand injury investigation, maintenance building walkthrough, RAS4 contractor assessment, cleanout repair, and evaluating near miss reported issues.



At Right: Executive Director Albrey Arrington demonstrates the proper use of a wedge while donned with the proper PPE including chainsaw chaps, hard hat, hearing protection and a face shield.

At Left: Construction employee Wyatt Fischbach demonstrates his proficiency while Florida Forest Service associates provide guidance.



Working safely at the District is about what we do as employees to enable each of us to go home in the same healthy condition as when we started the shift, each and every day. Working safely at the District HAS become the standard work. Let's continue to build on this momentum and demonstrate that dedication to work smart and safely. Please visit with any questions or ideas you may have. And do not forget to utilize the near miss reporting system. Let's help each other stay safe and reach beyond our goals.



At Left: Ray Farmer, Construction, has his turn demonstrating proficiency. Senior Forest Ranger Ed Aldrich emphasized safety and using proper PPE while operating a chainsaw. Only employees trained in this class may operate a chainsaw for the District and all have been provided the proper PPE including chainsaw chaps.

At bottom: Reuse employee Thomas Ryan demonstrates his proficiency while a Florida Forest Service associate provides instruction on how to safely cut this fallen tree. The trained employees may need to support the District during hurricane recovery efforts.





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D. Albrey Arrington, Ph.D. EXECUTIVE DIRECTOR

loxahatcheeriver.org

MEMORANDUM

TO: Governing Board
FROM: Administration Staff
DATE: March 15, 2024
SUBJECT: Consultant Payments

The following amounts have been reviewed and approved for payment to our consultants for work performed during the prior month.

Consultant	Prior Month	Fiscal YTD
Attorneys	\$ 10,510.25	\$ 55,825.25
Baxter & Woodman	\$ 43,967.73	\$ 125,319.46
Holtz	\$ 154,382.13	\$ 212,932.33
KCI	\$ 5,484.40	\$ 21,171.70
Kimley-Horn & Associates, Inc.	—	\$ 18,312.00
Mock, Roos & Associates	\$ 4,610.75	\$ 4,610.75

Should you have any questions regarding these items, please contact Kara Fraraccio concerning the attorney invoices, and Kris Dean concerning the engineer invoices.

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Future Business

General:

- Ethics Training for Governing Board
- Personnel Policies – Florida Guard
- 2500 Jupiter Park Drive Site Planning

Future Contracts:

- Maintenance Facility – Professional Engineering Services Design and Bid Contract
- Warehouse Facility – Professional Engineering Services Design and Bid Contract
- Clarifier No. 4 Rehabilitation – Construction Contract
- County Line Road Bridge IQ Main Relocation – Interlocal Agreement (Tequesta)
- Lift Station 050 Emergency Generator and Automatic Transfer Switch – Award Construction Contract
- Lift Station Control Panel and RTU Upgrades – Award Construction Contract
- Loxahatchee River Subaqueous Force Main Replacement – Award Construction Contract

