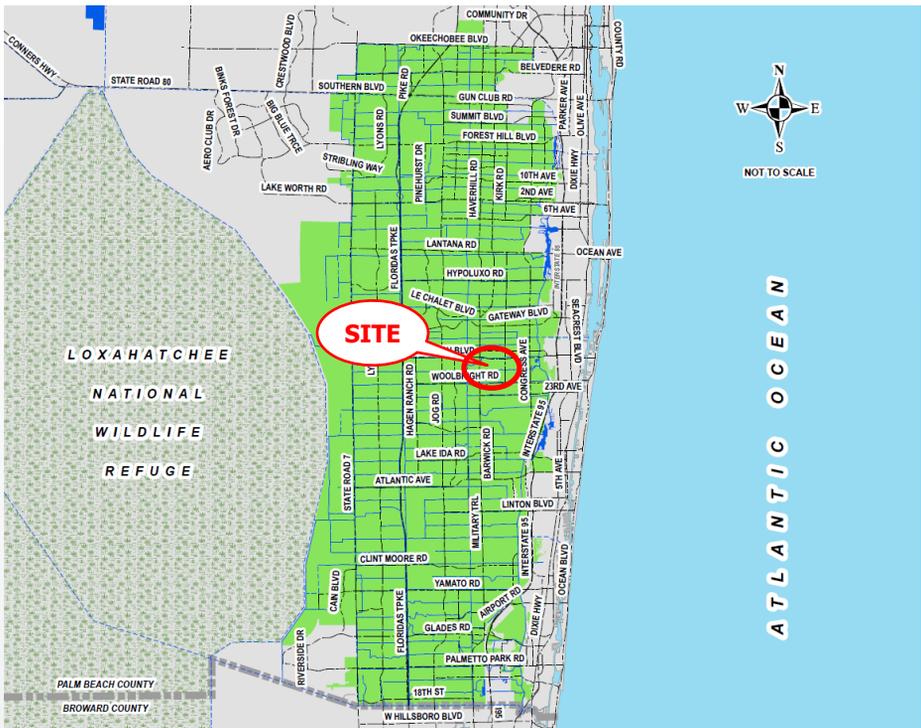


**PUBLIC HEARING**  
**L-25 Pipe Repair/Rehabilitation**  
**FINAL COSTS AND ASSESSMENT**  
**Joseph Family Trust, UTD**  
Project No. 91-1557D.01; 03-1557P.08; CM-20-0260  
Reagan Walker, Assistant Executive Director  
Board of Supervisors' Regular Meeting, February 11, 2026  
Agenda Items 7 & 8



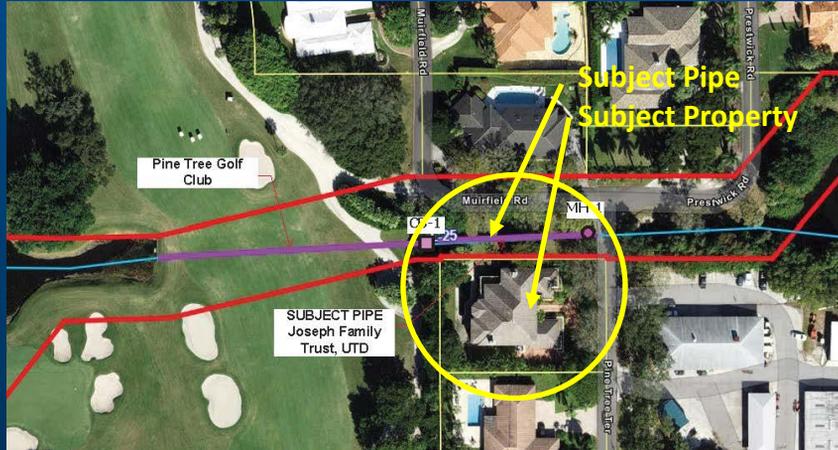
Lake Worth Drainage District

1



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## Site Map



3

## Timeline



- May 15, 2024 – Board approved Resolution No. 2024-01 finding a certain piping easement agreement in default; directing staff to prepare the necessary plans and specifications to remedy the default and prepare cost estimates; directing the plans and cost estimates to be placed on file with the District; and providing an effective date.
- September 11, 2024 – Board approved Resolution 24-03 providing:
  - Necessity for and nature of improvement
  - Estimated costs
  - What part of costs shall be paid by special assessment (100%)
  - Method of payment (annual property taxes; collected by PBC Tax Collector)
  - Number of annual installments and interest rate (20 years @ 5% interest rate on deferred payments)
  - Boundary of property benefitted
  - Notice of public hearing
- October 4 & 11, 2024 - Notice of Public Hearing and Resolution 24-04 published in local newspaper
- October 16, 2024 – Public Hearing held at Board meeting; finding no sufficient objections raised at the public hearing, the Board approved Resolution 24-04 and directed staff to move forward with improvements

4

## Project Specifications



- Removal and disposal of ~200 L.F. of 4 FT aluminum and chain link fence within LWDD right-of-way (referenced area).
- Installation of ~125 L. F. of 4 FT chain link fence along north property line to restrict access to pool per Palm Beach County building codes.
- Removal of all trees and vegetation within the referenced area.
- Install ~150 L.F. 72" CIPP (Cured In-Place Pipe) - (CB-1 – MH-1) to repair existing failing pipe, in accordance with FDOT standards [Section 431](#), Pipe Liner and [ASTM F1216](#).
- Following completion of pipe repair, grade and resod referenced area.

5

## Timeline

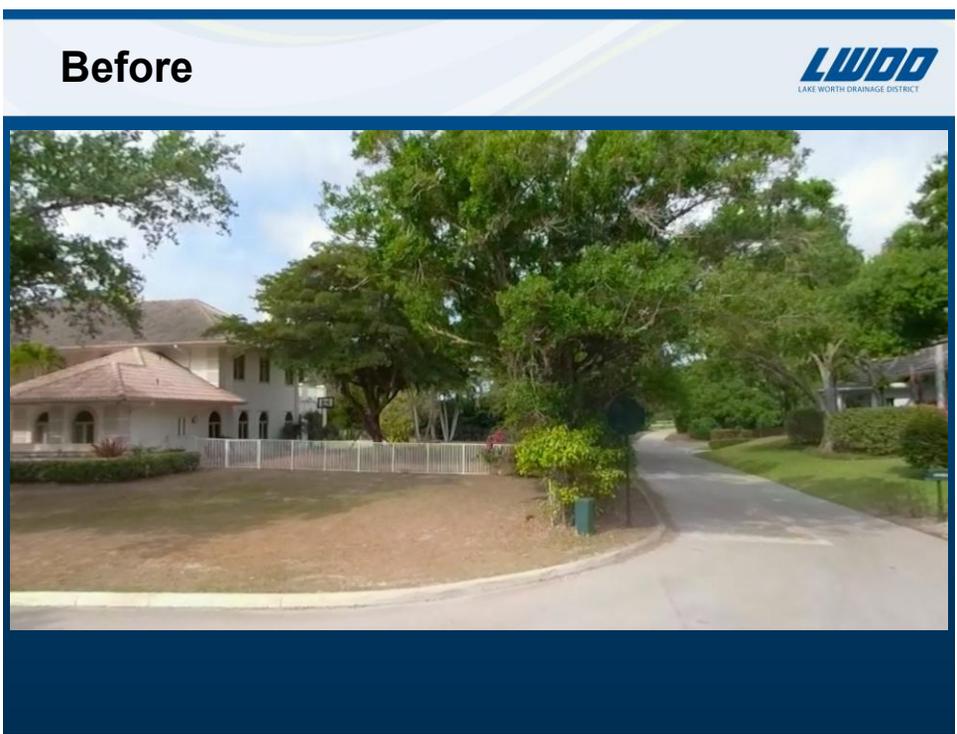


- March 6, 2025 – Advertised Bid for work
- April 16, 2025 – Bid awarded to Hinterland Group (\$278,574)
- July 2025 – Completed improvements

6



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# After



9

# Project Costs



L-25 Pipe Repair/Rehabilitation (Joseph Property)				
Final Cost for Tax Roll Purposes				
Project Component	Vendor	Estimated	Final Cost	Diff
Pipe Inspection & Cleaning	Shenandoah	\$ 5,850.00	\$ 5,850.00	\$ -
Engineering & Survey Services	Schorah & Associates	\$ 17,160.00	\$ 19,240.00	\$ (2,080.00)
Pipe Slip Line Project	Hinterland Group	\$ 171,750.00	\$ 255,534.00	\$ (83,784.00)
Preparation Assessment Documentation	LLW	\$ 5,000.00	\$ 8,867.00	\$ (3,867.00)
Publishing	PB Post	\$ 2,500.00	\$ 460.48	\$ 2,039.52
	<b>TOTAL</b>	<b>\$ 202,260.00</b>	<b>\$ 289,951.48</b>	<b>\$ (87,691.48)</b>
LWDD Deduction			<b>(\$100,000.00)</b>	
	<b>TOTAL TO BE ASSESSED</b>		<b>\$ 189,951.48</b>	

- January 2026 – Board approved final project costs and directed staff to advertise a public hearing

10

## Next Steps



- February 2026 – Public Hearing and consideration of Resolution 26-01 approving final costs and assessment
  - To be submitted to PB County Tax Collector's office to be included in next FY27 tax roll

11

## Public Comment



12

## Staff Recommendation



- Adoption of Resolution No. 2026-01
  - A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE LAKE WORTH DRAINAGE DISTRICT CERTIFYING THE FINAL COSTS FOR CERTAIN SPECIAL IMPROVEMENTS; DECLARING THE PORTION OF THE COSTS TO BE PAID BY THE BENEFITED PROPERTIES; STATING THE METHOD FOR PAYMENT OF THE ASSOCIATED ASSESSMENTS, THE TERM OF THOSE ASSESSMENTS, AND THE INTEREST RATE TO BE APPLIED TO THE ASSESSMENT; ADOPTING THE FINAL ASSESSEMENT ROLL OF BENEFITED PROPERTIES; DECLARING SUCH ASSESSMENTS TO BE A LIEN UPON THE BENEFITED PROPERTIES; FINDING NO SUFFICIENT OBJECTIONS RAISED AT PUBLIC HEARING; AND PROVIDING AN EFFECTIVE DATE.

**LAKE WORTH DRAINAGE DISTRICT  
RESOLUTION NO. 2026-01**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE LAKE WORTH DRAINAGE DISTRICT CERTIFYING THE FINAL COSTS FOR CERTAIN SPECIAL IMPROVEMENTS; DECLARING THE PORTION OF THE COSTS TO BE PAID BY THE BENEFITED PROPERTIES; STATING THE METHOD FOR PAYMENT OF THE ASSOCIATED ASSESSMENTS, THE TERM OF THOSE ASSESSMENTS, AND THE INTEREST RATE TO BE APPLIED TO THE ASSESSMENT; ADOPTING THE FINAL ASSESSMENT ROLL OF BENEFITED PROPERTIES; DECLARING SUCH ASSESSMENTS TO BE A LIEN UPON THE BENEFITED PROPERTIES; FINDING NO SUFFICIENT OBJECTIONS RAISED AT PUBLIC HEARING; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Lake Worth Drainage District (LWDD) is a public body and political subdivision of the State of Florida, created pursuant to the General Drainage Laws of 1913 and currently operating under Chapter 2009-258 (the "District Act") and amendments thereto and Chapter 298, Florida Statutes; and

**WHEREAS**, on May 15, 2024, the LWDD Board of Supervisors adopted Resolution 2024-01, directing LWDD staff to have the necessary plans, specifications, and costs estimates prepared for a necessary special improvement, to be brought back to the Board at a future date; and

**WHEREAS**, on September 11, 2024, the LWDD Board of Supervisors adopted Resolution 2024-03, finding a necessity for certain special improvements to a defined benefited property; describing the nature of the necessary special improvements; providing the estimated total cost of the improvements; declaring the portion of the costs to be paid by benefited property; stating the method for payment of the associated assessments, the term of those assessments, and the interest rate to be applied to the assessment, and calling for a public hearing regarding same; and

**WHEREAS**, on October 11, 2024, the LWDD Board of Supervisors conducted a public hearing and adopted Resolution 2024-04, finding a necessity for certain special improvements to a defined benefited property; describing the nature of the necessary special improvements; providing the estimated total cost of the improvements; declaring the portion of the costs to be paid by benefited property; stating the method for payment of the associated assessments, the term of those assessments, and the interest rate to be applied to the assessment; finding no sufficient objections raised at public hearing; directing staff to proceed with the improvements, and providing for a final accounting of costs post-construction; and

**WHEREAS**, on January 14, 2026, the District Treasurer provided the LWDD Board of Supervisors with a final cost accounting of the special improvements and the assessment roll of the benefited properties.

**NOW THEREFORE, BE IT RESOLVED**, that the Board of Supervisors of the Lake Worth Drainage District hereby declares the following:

1. Per the District Act, notice of a public hearing was published in Palm Beach County once

each week for 2 consecutive weeks signed by the Secretary of the Board of Supervisors.

2. A noticed public hearing was held on February 11, 2026 for the purpose of hearing all objections to the proposed final accounting of the cost of the special improvements, attached hereto as Exhibit "A", and the assessment roll of benefited properties attached hereto as Exhibit "B".
3. The LWDD Board of Supervisors, finding no sufficient objections raised, hereby adopts the final accounting of costs to be charged for the construction of the special improvements, attached as Exhibit "A" and the assessment roll attached as Exhibit "B".
4. The costs for the special improvements shall be assessed as a non-ad valorem assessment against the Benefited Property over a term of 20 years, placed upon the tax roll for Palm Beach County, such costs to accrue interest at the rate of 5% per annum.
5. The special benefits of the special improvement accrue solely to the parcel shown on the assessment roll and the assessed costs hereby assessed are not in excess of such benefits.
6. The assessment shall be a lien until paid on the property against which assessed and enforceable in like manner as county taxes.
7. This Resolution shall be effective upon its passage.

This Resolution passed and adopted at the regular monthly meeting of the Board of Supervisors of the Lake Worth Drainage District this 11<sup>th</sup> day of February, 2026.

ATTESTED:



Recording Secretary

LAKE WORTH DRAINAGE DISTRICT  
BOARD OF SUPERVISORS



Stephen Bedner, President

**EXHIBIT "A"**

**FINAL COST ACCOUNTING FOR SPECIAL IMPROVEMENTS AUTHORIZED BY  
RESOLUTION 2024-04**

**L-25 Pipe Repair/Rehabilitation (Joseph Property)  
Final Cost for Tax Roll Purposes**

<b>Project Component</b>	<b>Vendor</b>	<b>Estimated</b>	<b>Final Cost</b>	<b>Diff</b>
Pipe Inspection & Cleaning	Shenandoah	\$ 5,850.00	\$ 5,850.00	\$ -
Engineering & Survey Services	Schorah & Associates	\$ 17,160.00	\$ 19,240.00	\$ (2,080.00)
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Preparation Assessment Documentation	LLW	\$ 5,000.00	\$ 8,867.00	\$ (3,867.00)
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LWDD Deduction			<b>(\$100,000.00)</b>	
	<b>TOTAL TO BE ASSESSED</b>		<b>\$ 189,951.48</b>	

**EXHIBIT "B"**

**ASSESSMENT ROLL FOR SPECIAL IMPROVEMENTS**

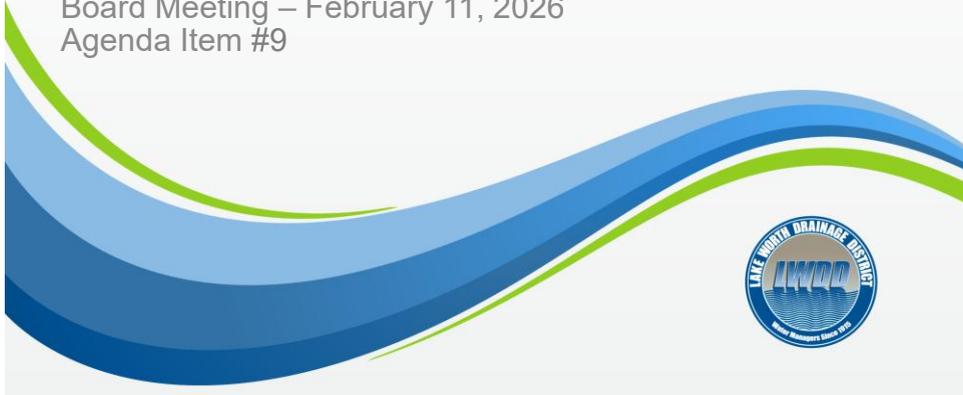
<b>BENEFITED PROPERTY TO BE ASSESSED</b>	<b>AMOUNT OF ASSESSMENT*</b>
<b>00-42-45-25-03-000-0430 10519 Pine Tree Terrace</b>	<b>\$189,951.48</b>

**\*Assessment to be charged over a 20-year term, with interest to accrue at the rate of 5% per annum**

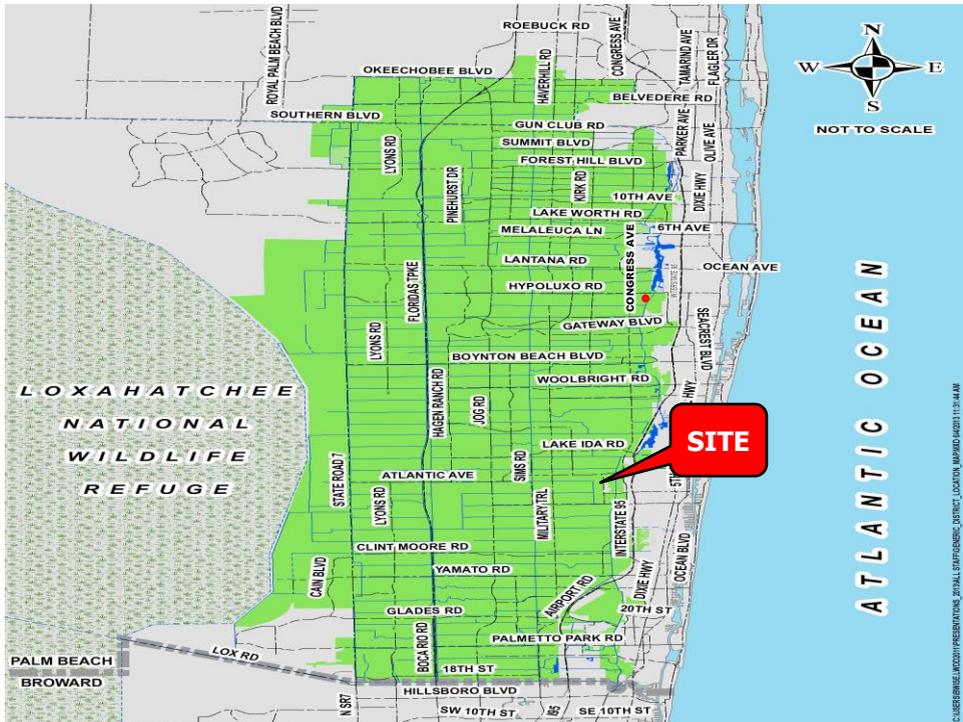
# City of Delray Municipal Golf Course - request for an existing .5-acre tree to remain within the west right-of-way of the E-4 Canal

Project #RW-26-0011

Nicole Smith, Permit Supervisor  
Board Meeting – February 11, 2026  
Agenda Item #9



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## Golf Course Agreement History:



- **May 1994:** City of Delray Beach appeared before the LWDD's Board to enter into a License Agreement for the existing Employee Parking and Golf Tee to remain within the right-of-way. Staff recommended the Parking to remain until other arrangements are made, subject to removal of the Tee and Tree Encroachments as soon as possible.
- **August 1994:** Susan Ruby, Esq. City of Delray Beach Attorney sent letter to LWDD
  - Letter requested changes to the Encroachment Agreement approved at the May board meeting
  - Request the golf tee and tree encroachments to remain in the E-4 Canal Right-of-Way until LWDD required removal, at the City's expense
  - Requested edits required board approval and was scheduled for the September 1994, board meeting
- **September 1994:** LWDD's Board of Supervisors approved the City's request to allow the encroachments to remain in the right-of-way until LWDD requires their removal; as stated in condition of the Encroachment Agreement
- **October 1994:** LWDD and City of Delray Beach enter into an Encroachment Agreement (ORB 8474, PG 1286) for an existing Golf Tee and Employee Parking
  - City of Delray Beach agreed to have the Golf Tee and Tree Encroachments removed from LWDD's Right-of-Way within ninety (90) days of written notice from LWDD at their expense
- **March 1996:** Encroachment Agreement was extended for One Year (ORB 9254, PG 786, dated April 23, 1996) from March 13, 1996, to March 13, 1997

7

## Golf Course Agreement History (cont.):



- **January 1997:** LWDD and City of Delray Beach enter into a Second Amendment to Encroachment Agreement (ORB 9697, PG 1355, dated February 25, 1997) extended the agreement for Three Years from January 15, 1997, to January 15, 2000
- **March 2001:** David Harden, City Manager sent letter to LWDD
  - Requesting a ten (10) year extension for the twenty (20) parking spaces and golf tee
- **April 2001:** Board approved a five (5) year extension instead of the requested ten (10) years
- **June 2001:** LWDD and City of Delray Beach enter into a Third Amendment to Encroachment Agreement (ORB 12678, PG 1847) extended the agreement for Five Years from April 11, 2001, to April 11, 2006
- **February 2003:** Robert Barcinski, Assistant City Manager sent letter to LWDD
  - City executed contracts for golf course renovations
  - Relocated the first tee box out of right-of-way, but not the parking lot
  - Requesting a permanent encroachment agreement for the employee parking lot within the right-of-way
- **April 2003:** Board approved employee parking lot to remain until LWDD notified the City of its removal. LWDD will start excavation of the E-4 Canal ~May 2003
- **May 2003:** LWDD and City of Delray Beach enter into a Fourth Amendment to Encroachment Agreement (ORB 15269, PG 1718)
  - Per April 2003 Board approval condition was added that the parking lot and all previous encroachments will remain until such a time that LWDD requires their removal

8

## Delray Golf Course Redevelopment



- **January 2025:** Pre-app meeting held to discuss permitting
- **June 2025:** City of Delray Beach applied for Right-of-Way Permit for the Repair and Replacement the Two (2) bridges (RW-25-0136 - Issued)
  - Under this permit, the City was to clear all vegetation from the west right-of-way of the E-4 Canal
  - During removal of the vegetation, the City decided they wanted the Banyan Tree to remain
- **August 2025:** City of Delray Beach applied for Right-of-Way Permit for an Irrigation Connection (RW-25-0193 - Issued)
- **August 2025:** City of Delray Beach applied for Right-of-Way Permit for Utilities (RW-25-0194 - Issued)
- **November 2025:** City of Delray Beach applied for Right-of-Way Permit for a Drainage Outfall Connection and to provide LWDD with maintenance access (RW-25-0281 - Pending)
- **January 2026:** City of Delray Beach applied for Right-of-Way Permit for the tree to remain (RW-26-0011 – Pending)

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## Permitting Concerns



- Risk and extent drainage impacts
- Liability – Indemnification & Insurance
- Prioritization of removal – canal v. other public infrastructure
- Timeframe for removal
- Regular maintenance

13

## City of Delray Beach Response:



- **Any arborist report** prepared for the City of Delray Beach regarding the existing tree
  - Tree Preservation Assessment was provided (01/27/2026) via email; report did not evaluate risk of location on canal bank
- **Contingency Plan** for Emergency Tree Removal the City of Delray Beach will have in place prior to a storm event
  - The City will use existing contracts already in-place with certified debris removal companies
- **24-hour emergency contact information** including names, titles, 24-hour contact details for individuals with authority and the capability to remove obstructions or otherwise implement emergency measures necessary to restore canal design flow at any time, 24 hours a day, 7 days per week
  - Michael Karali, Deputy Director of Public Works, 561-504-7511 (mobile), [karalim@mydelraybeach.com](mailto:karalim@mydelraybeach.com)
- **A description of specific protocols** the City will implement to ensure an adequate level of flood protection during the removal of the tree from the E-4 Canal in a storm event including mitigation of flooding upstream of the blockage. The plan should also provide specific means and methods for providing continuous uninterrupted design channel flow capacity during the entire removal process.
  - The City will use existing contracts already in place with certified storm debris removal companies. Their approach is dictated by their means and methods
- **A detailed outline of the steps and processes** the City will use to remove the tree from the E-4 Canal during a storm event, including but not limited to, specific equipment (models, sizes, lifting capacity, pump capacities, etc.), location of staging areas, disposal sites, etc.
  - The City will use existing contracts already in place with certified storm debris removal companies. Their approach is dictated by their means and methods

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## Recommendation



- *Denial of right-of-way permit application submitted by the City of Delray Beach requesting approval to keep an existing ½ acre tree within the right-of-way of the E-4 Canal*
- *LWDD will require the tree and all other encroachments to be removed within 30 days*

15

## Tree Risk Assessment

Tommy Strowd



16

# Delray Golf Course Ficus Tree Potential Risk Assessment

Project #RW-26-0011

Tommy B. Strowd, P.E. – Executive Director / District Engineer  
Board Meeting – February 11, 2026  
Agenda Item #9



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# Banyan / Fig

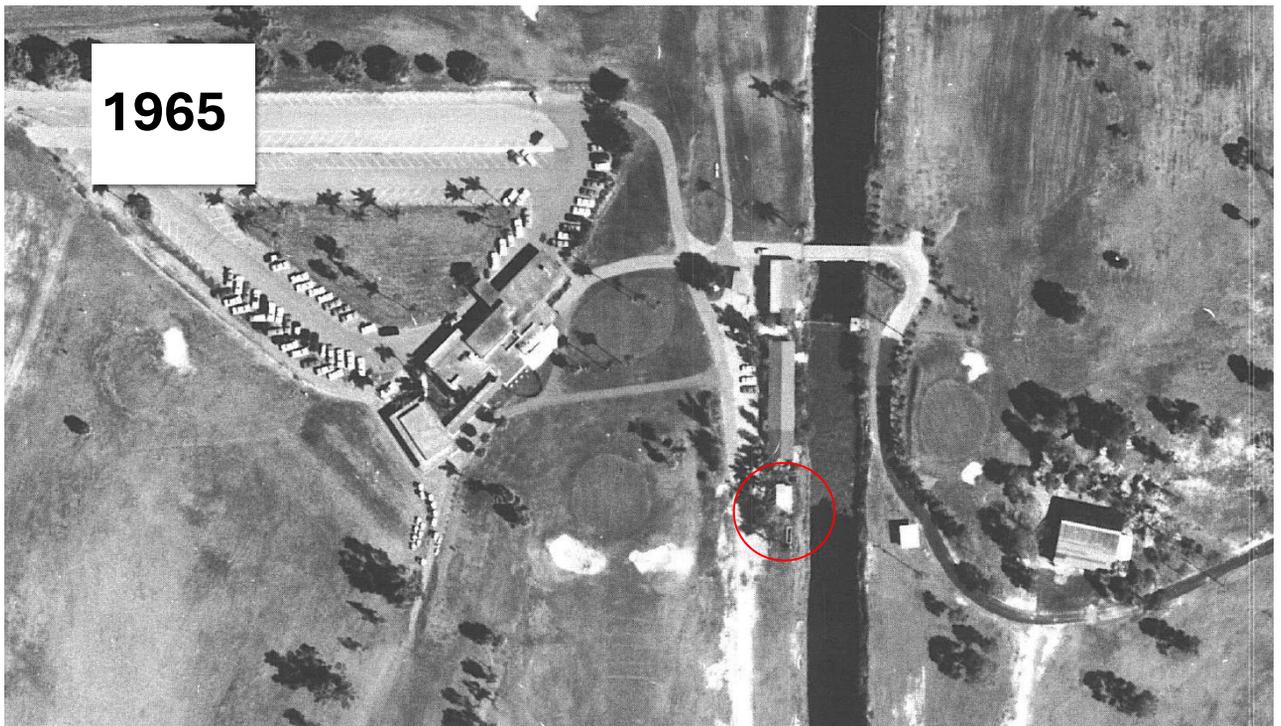


Lofty Fig or False Banyan (*Ficus altissima*)



Banyan Tree (*Ficus benghalensis*)

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1968

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1973

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Looking SW from the east bank

9



Looking west from the east bank

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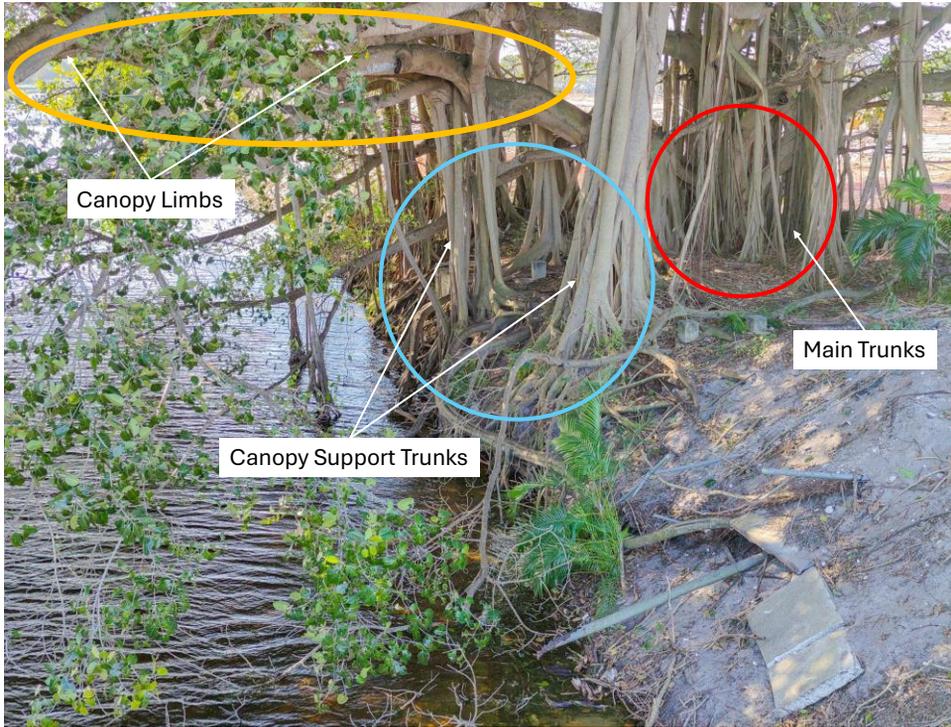
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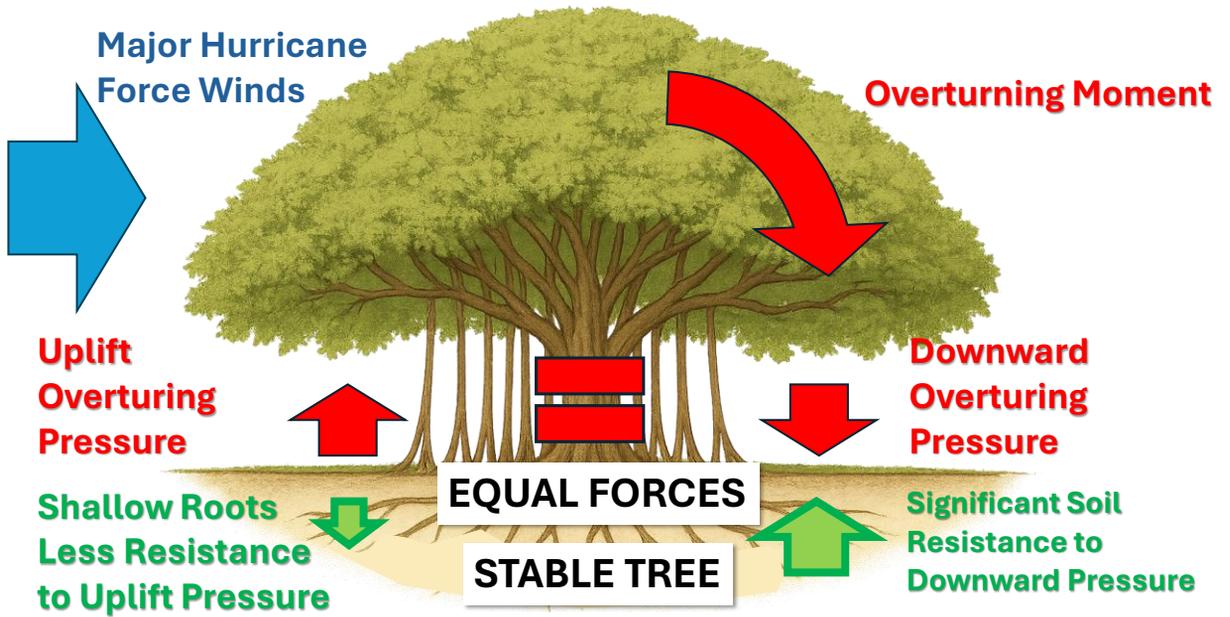
## **'EDISON' BANYAN TREE – FT. MYERS**

**Largest Banyan Tree in the Continental United States**



18

## BANYAN TREE ON SOLID LEVEL SURFACE



19

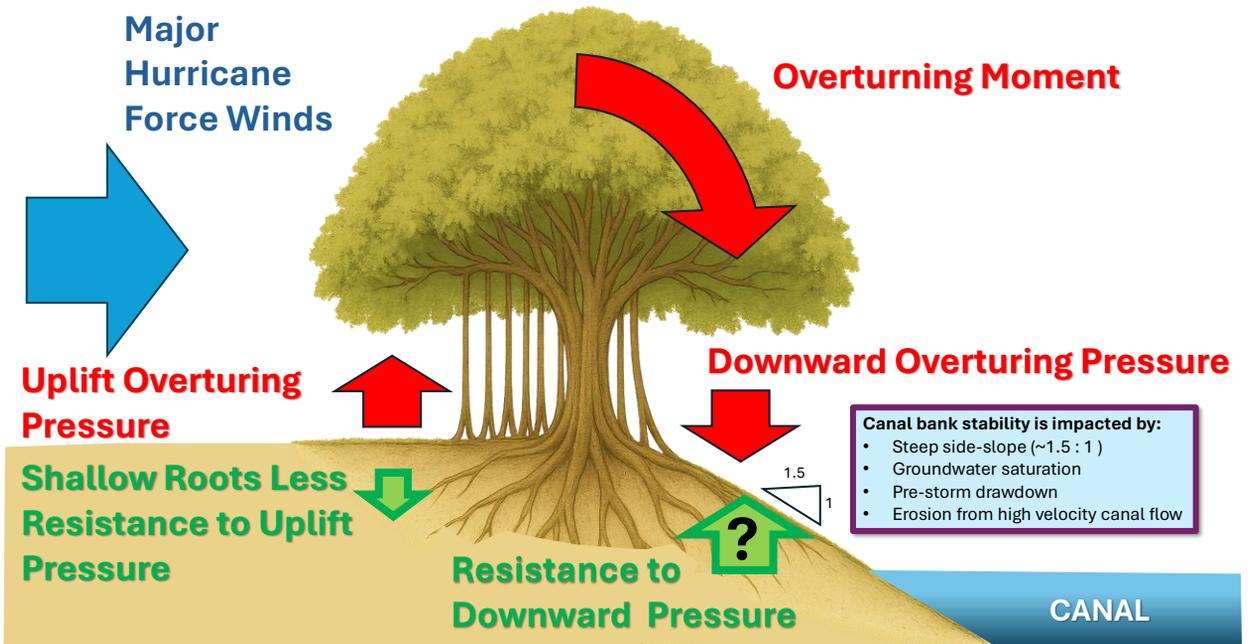


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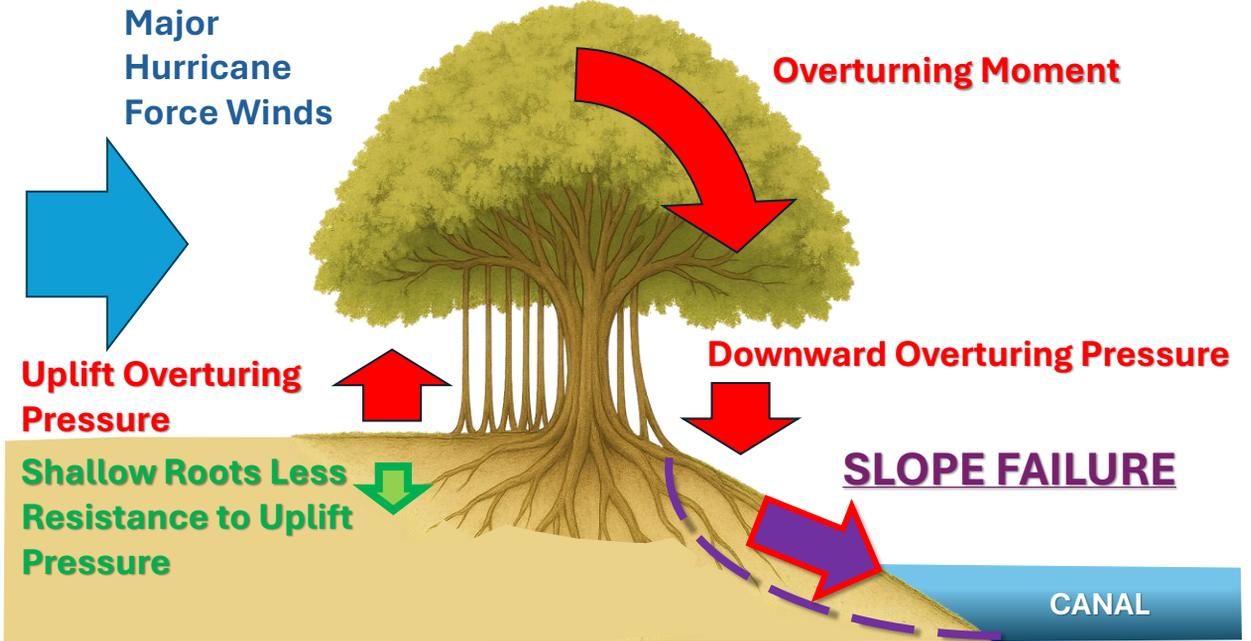
21

## BANYAN TREE ON CANAL SIDE SLOPE



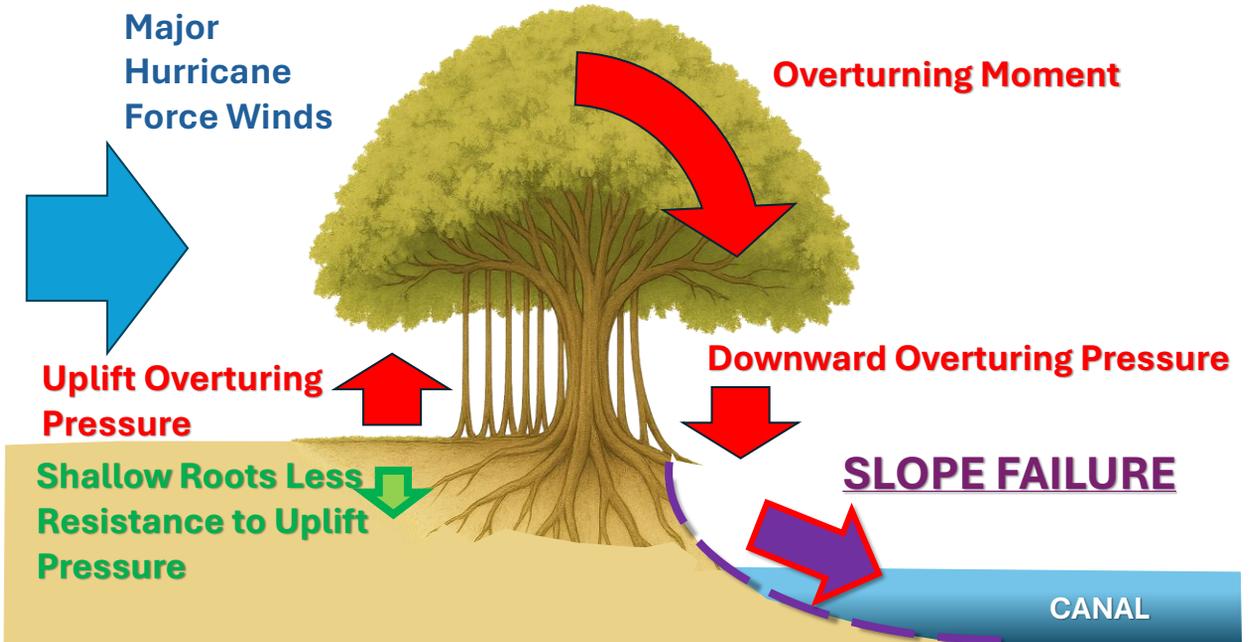
22

### **BANYAN TREE ON CANAL SIDE SLOPE**



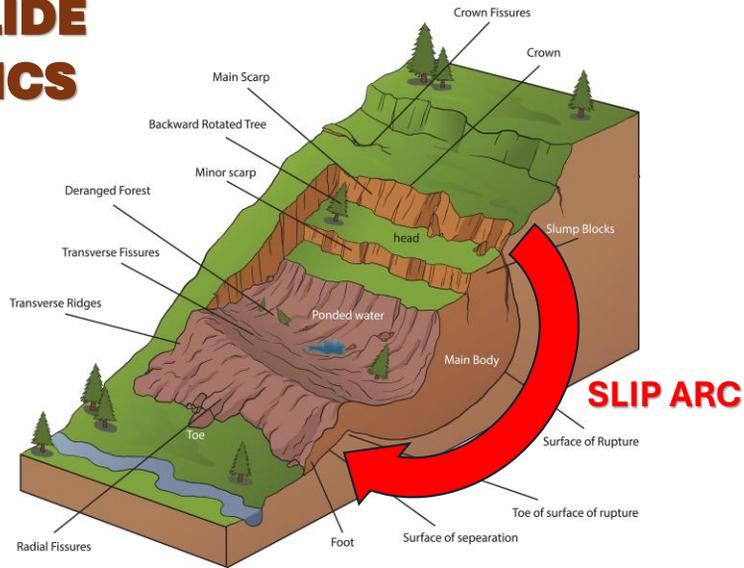
23

### **BANYAN TREE ON CANAL SIDE SLOPE**



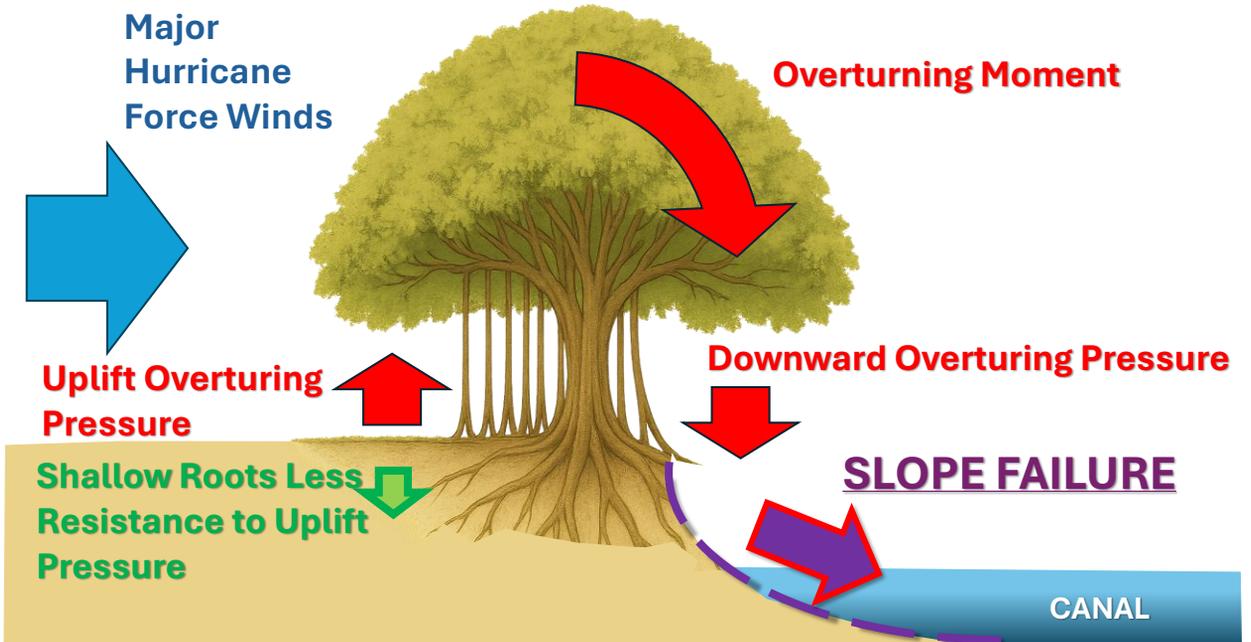
24

# LANDSLIDE DYNAMICS



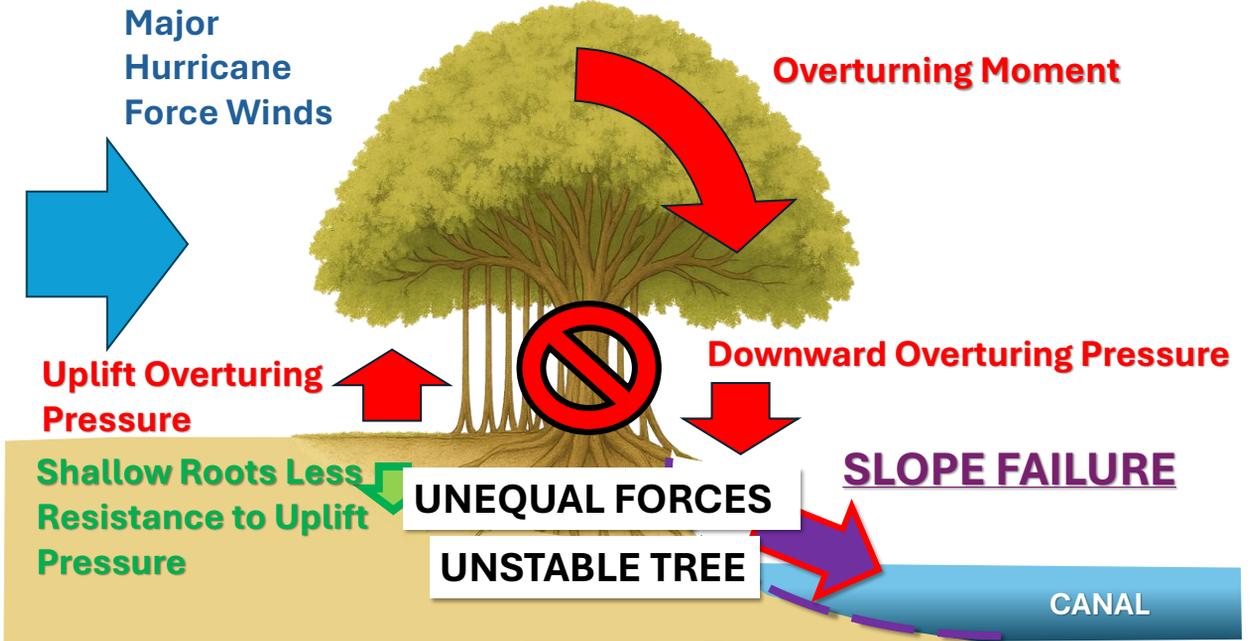
25

## BANYAN TREE ON CANAL SIDE SLOPE



26

# BANYAN TREE ON CANAL SIDE SLOPE



27



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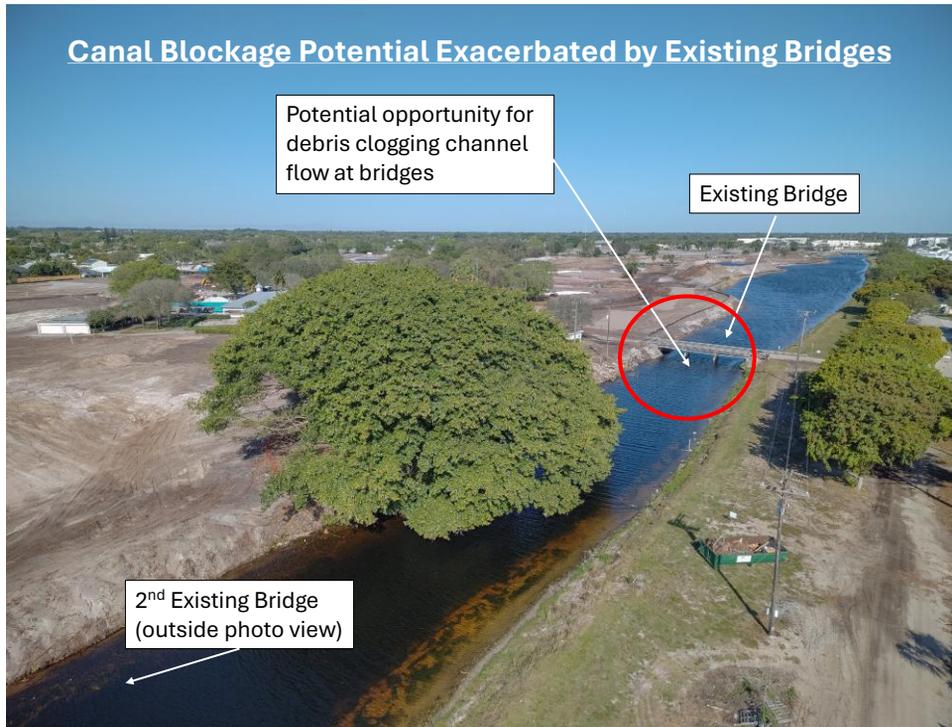
29

## Fallen Trees Create a Huge Flood Risk in South Florida Canal Networks

- Hurricanes impose the **combined risks** of...
  - **Excessive wind**
  - **Excessive rain**
- The blockage of canal flows from debris during heavy rainfall events is a primary concern in a post-storm emergency response
  - Maintenance crews can't respond until Tropical Storm force winds have subsided
  - Mobilization of heavy equipment may be delayed due to flooding, downed trees, electrical transmission facilities, etc. in streets and rights-of-way
  - Quick removal of submerged vegetation and other debris is hampered by high canal flows
  - **Flooded areas could take days to recover from high stages caused by blocked canals**



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31

## History of Hurricane Force Winds in S.E. Palm Beach County

- Over the period-of-record hurricane statistics (~1878 to 2025), the probability of southeastern Palm Beach County being directly impacted by a major hurricane is **~10% annually**

Storm Type	Annual Probability (Palm Beach County)
Named Storm	~42–47%
Hurricane (All)	~21–24%
<b>Major Hurricane (Cat 3+)</b>	<b>~9–10%</b>

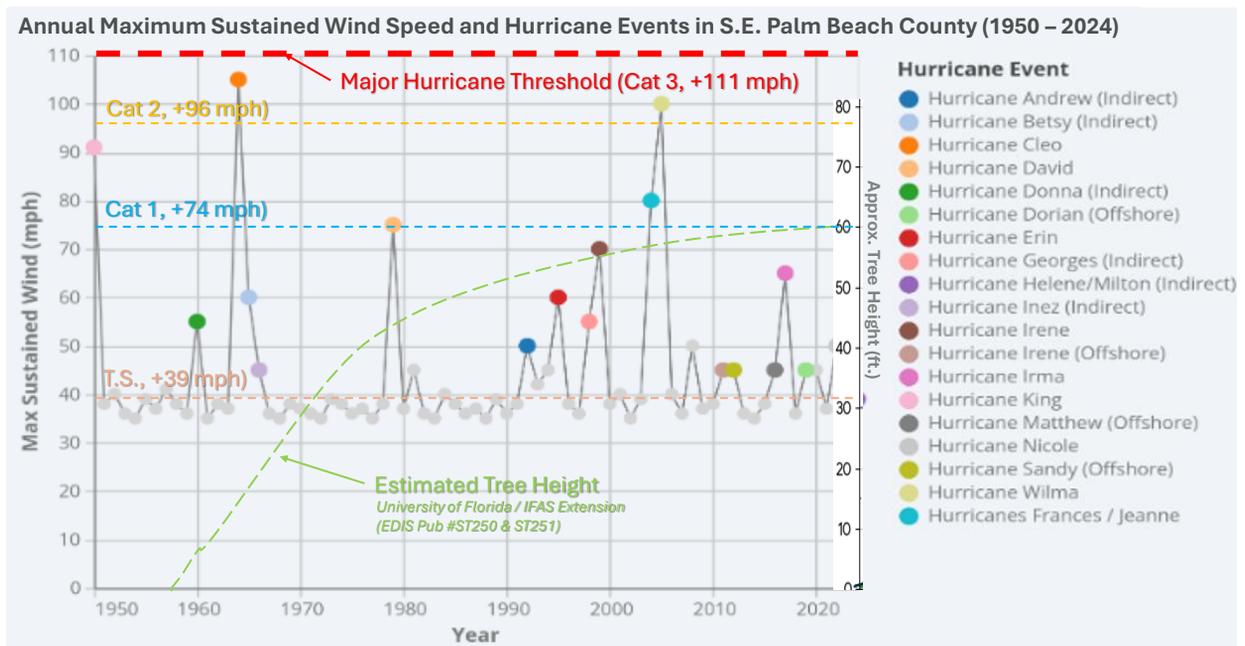
CSU Tropical Cyclones, Radar, Atmospheric Modeling, and Software Team (TC-RAMS) - Colorado State University

32

# History of Hurricane Force Winds in S.E. Palm Beach County

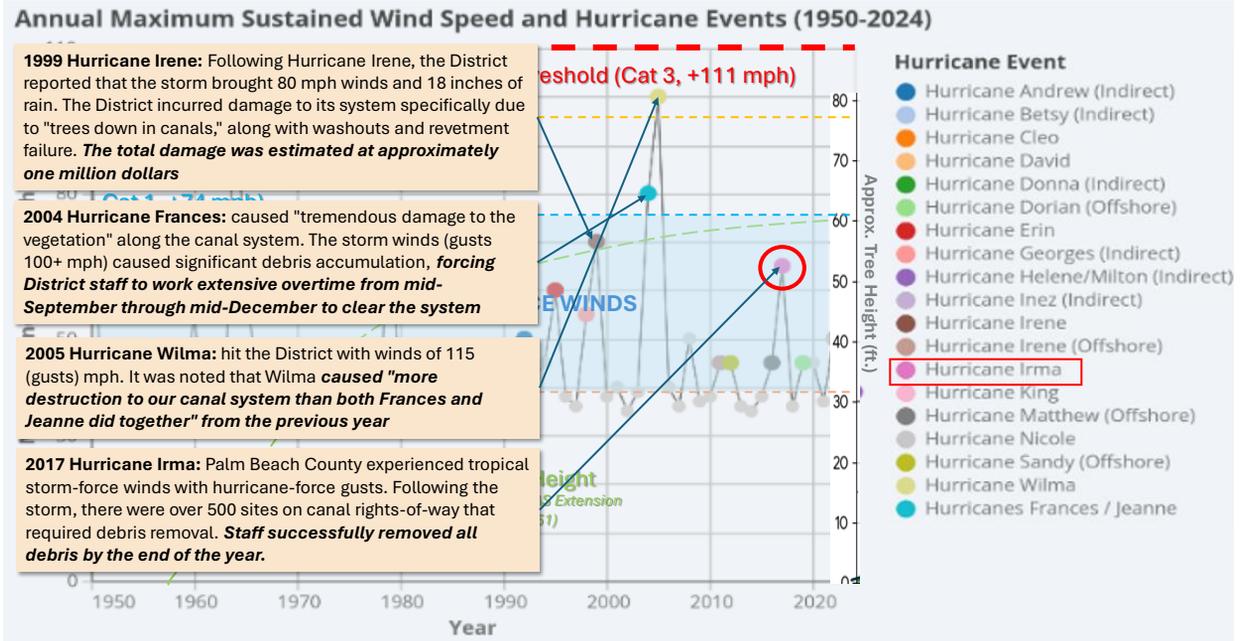
- Based on records from the National Oceanic and Atmospheric Administration (NOAA) and the National Weather Service (NWS), **no hurricane since 1950 has officially verified sustained Category 3 winds (111+ mph) or greater, specifically within Southeast Palm Beach County (Boca Raton, Delray Beach, Boynton Beach).**
- While several "Major Hurricanes" (Category 3 or greater) have made landfall in Florida and impacted the region since 1950, the official sustained wind speeds recorded in Southeast Palm Beach County for these storms have historically fallen into the Tropical Storm, Category 1 or Category 2 range.
  - None of these lower wind speeds impacted the stability of the Ficus.
- But in this context, it's important to consider the old financial disclaimer... **'past performance is no guarantee of future results.'**

33



National Hurricane Center (NHC) Tropical Cyclone Reports (TCR) and NWS Miami Post-Storm Summaries. Local Climatological Data (LCD) annual summaries: Station ID: KPBI (Palm Beach International Airport). Database: NOAA National Centers for Environmental Information (NCEI).

34

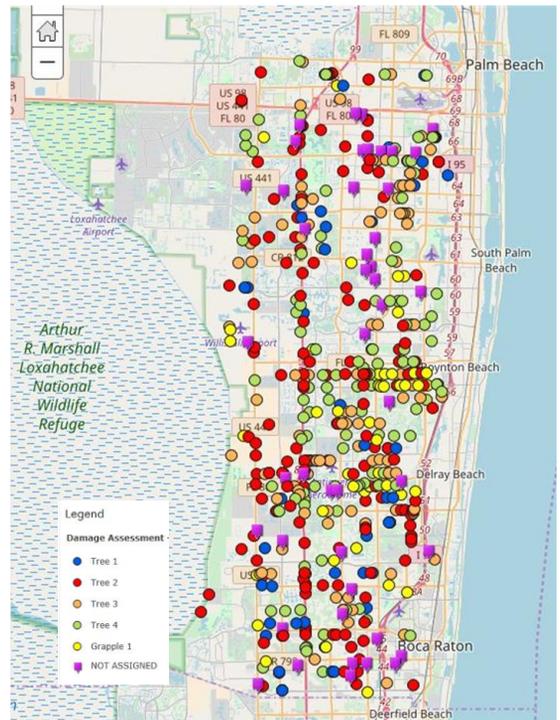


National Hurricane Center (NHC) Tropical Cyclone Reports (TCR) and NWS Miami Post-Storm Summaries. Local Climatological Data (LCD) annual summaries: Station ID: KPBI (Palm Beach International Airport). Database: NOAA National Centers for Environmental Information (NCEI).

35

## Fallen Trees Impose a Huge Flood Risk in South Florida Canal Networks

- **Hurricane Irma** (Sept. 2017) resulted in ~500 fallen trees / vegetation due to **tropical storm force winds in LWDD**
- The blockage of canal flows during heavy rainfall events is a primary concern in a post-storm emergency response
- **Recovery operations took approximately 4 months to complete**



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# Impacts of Deferred Maintenance

- **FEMA Funding Eligibility:** Following the recovery from Francis, Jean & Willma, the Federal Emergency Management Agency (FEMA) and the Natural Resources Conservation Service (NRCS) indicated that future reimbursement for debris removal would be jeopardized if the District did not maintain clear rights-of-way.
  - **The District was advised that it must demonstrate a proactive maintenance program to remain eligible for federal disaster assistance**
- In response, LWDD initiated the *'Critical Path Program'* in 2006 to clear ROW of vegetation
- Efforts were accelerated in 2014 with the implementation of the *'Canal Rehabilitation Program'*
  - **Phase I - Tree Removal (completed in 2025)**
    - *Involved thousands of trees*
  - Phase II - Canal Reconstruction (ongoing)



**Robert Duyos, Sun Sentinel**  
As Hurricane Wilma clears the Florida coast, Pompano Beach resident Jeff McMullan, grimaces in the wind as his 80 year old Ficus tree lays over his home. (10/23/2010)

37



**Natural Disasters Are Real  
...and they happen**

**Combined risk of excessive  
wind with excessive rain....**

*A.I. Generated Image of Possible South Florida Hurricane Damage (CAT 5 ~Dorian, 2019)*



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# Historic Major Hurricanes

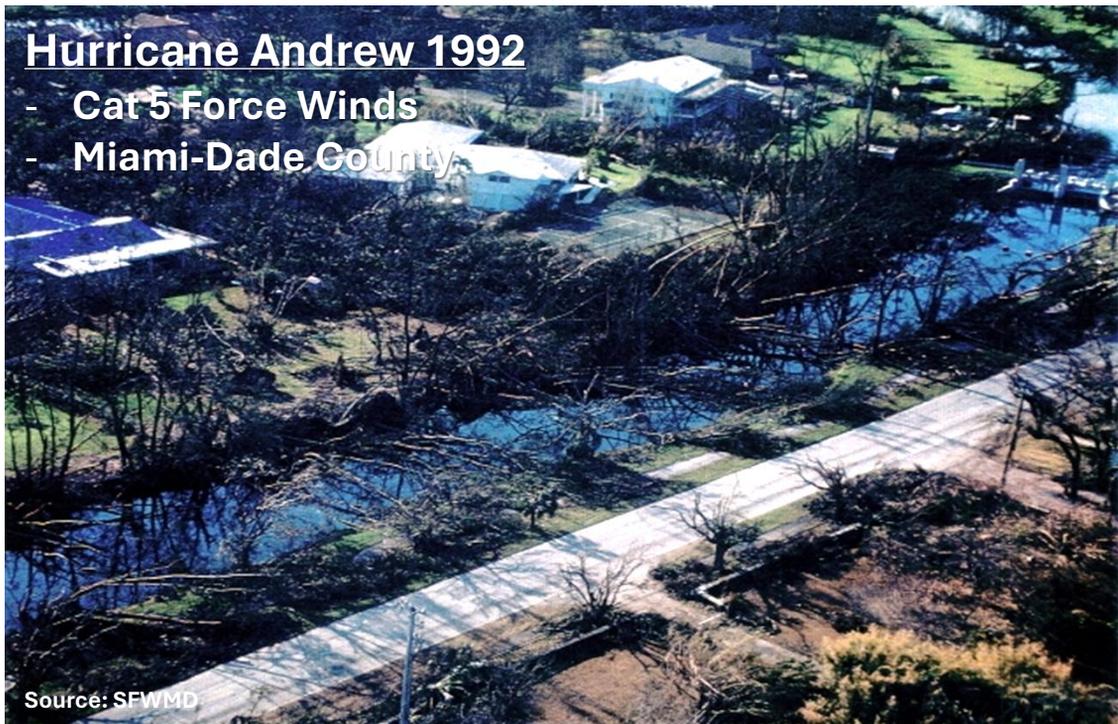
- **1926 Great Miami Hurricane:**
  - Caused massive economic devastation, abruptly ending the 1920s Florida land boom.
  - Exposed critical vulnerabilities in early, un-engineered muck dikes south of Lake Okeechobee.
- **1928 Okeechobee Hurricane:**
  - A catastrophic 20-foot storm surge easily overtopped the lake's fragile earthen banks.
  - Resulted in 2,500+ fatalities, underscoring the lethal risk of inadequate water containment to agricultural and residential communities.
- **1947 Fort Lauderdale Hurricane:**
  - Combined an 11-foot coastal storm surge with unprecedented, prolonged inland rainfall.
  - Left vast portions of South Florida submerged for over a month, paralyzing the region.



39

## Hurricane Andrew 1992

- Cat 5 Force Winds
- Miami-Dade County

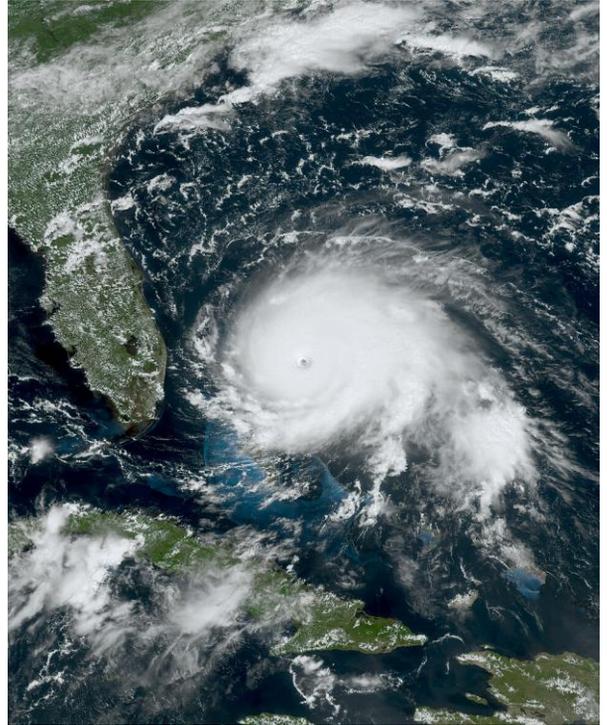


Source: SFWMD

40

## Hurricane Dorian (2019) Category 5

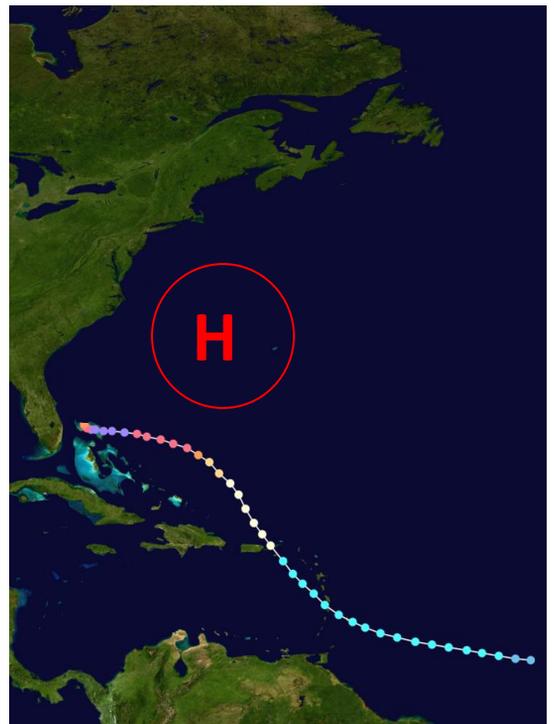
- The most intense hurricane on record to strike the Bahamas.
- It is tied with the 1935 Labor Day Hurricane and Hurricane Melissa in 2025 for the strongest landfall in the Atlantic basin in terms of maximum sustained winds.



41

## Hurricane Dorian (2019)

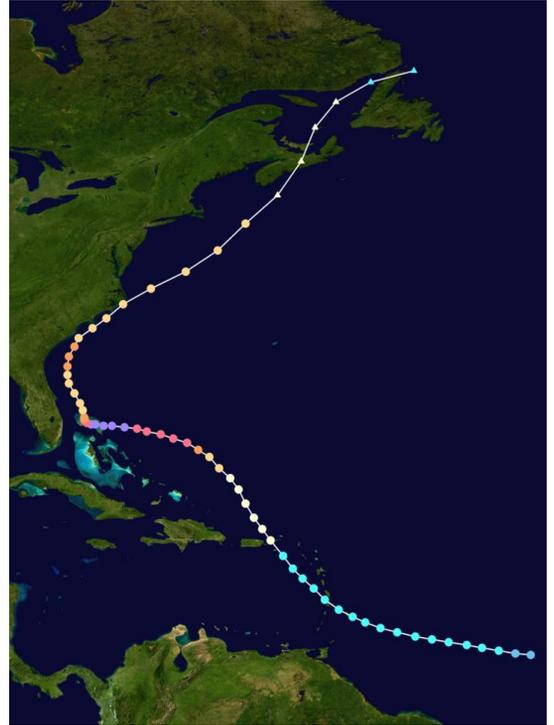
- Slow moving, Category 5 Major Hurricane impacting the Bahamas.
- Storm stalled over the Bahamas for over 48 hours
  - 185 mph sustained winds
    - Gusts reaching 220 mph
  - 23 – 24 inches of Rainfall
- **Was on a direct track to impact S.E. Palm Beach County**



42

## Hurricane Dorian (2019)

- Slow moving, Category 5 Major Hurricane impacting the Bahamas.
- Storm stalled over the Bahamas for over 48 hours
  - 185 mph sustained winds
    - Gusts reaching 220 mph
  - 23 – 24 inches of Rainfall
- Was on a direct track to impact S.E. Palm Beach County
  - **The ‘Bermuda High’ collapsed as the storm moved westward off the coast of the Bahamas causing an abrupt course shift to the north**



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## Hurricane Wilma - Okeechobee



Source: SFWMD

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# Hurricane Irene (2011) - Tropical Storm Force Winds



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# Hurricane Irene (2011) - Tropical Storm Force Winds



48

## Hurricane Irene (2011) - Tropical Storm Force Winds



Source: SFWMD  
Miami-Dade County: C-7 tree removal.

49

## Hurricane Irene (2011) - Tropical Storm Force Winds



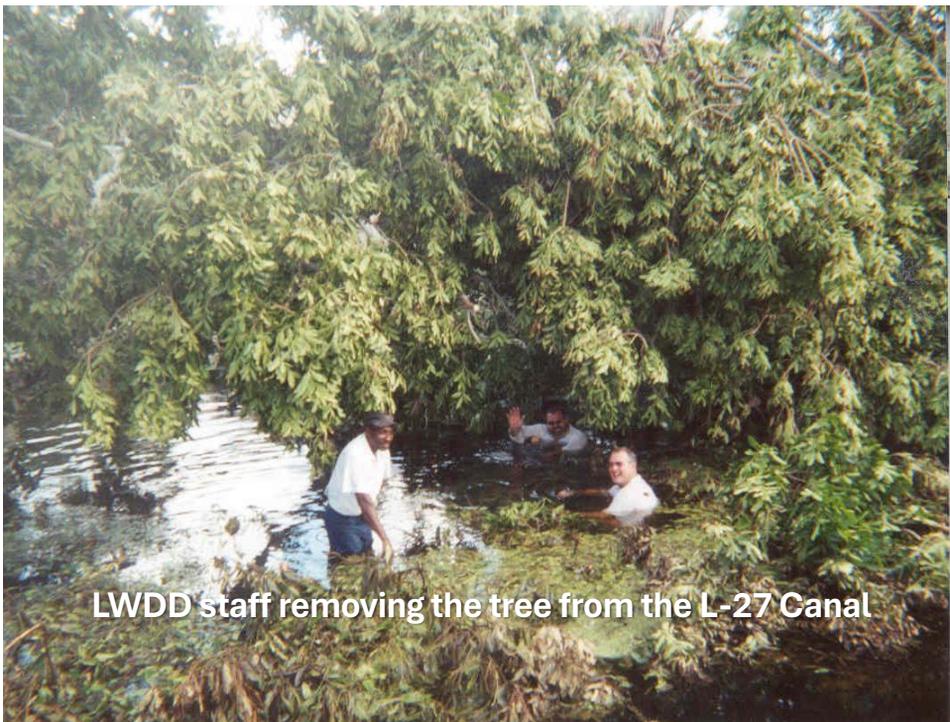
Source: SFWMD  
Miami-Dade County: C-7 tree removal.

50



African Mahogany in the L-27 Canal after Hurricane Francis

51



LWDD staff removing the tree from the L-27 Canal

52

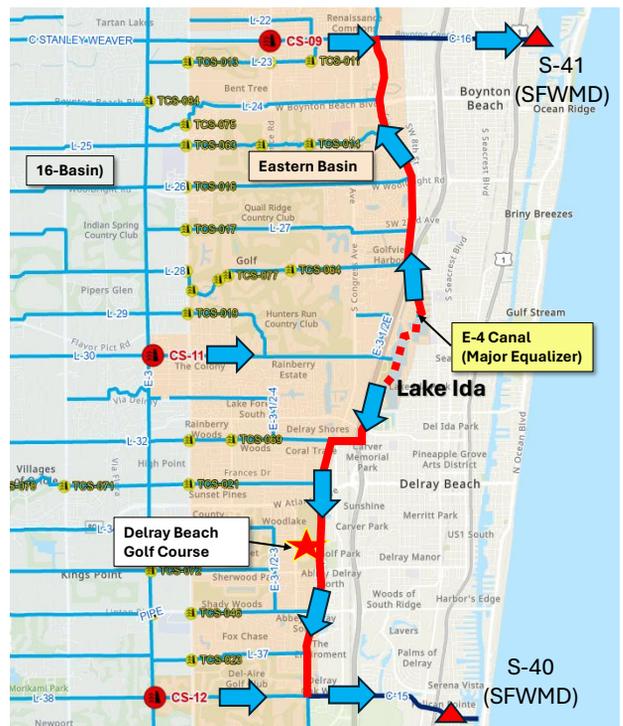


E-3 Canal, North of L-38 Canal

53

## LWDD FLOOD CONTROL SYSTEM

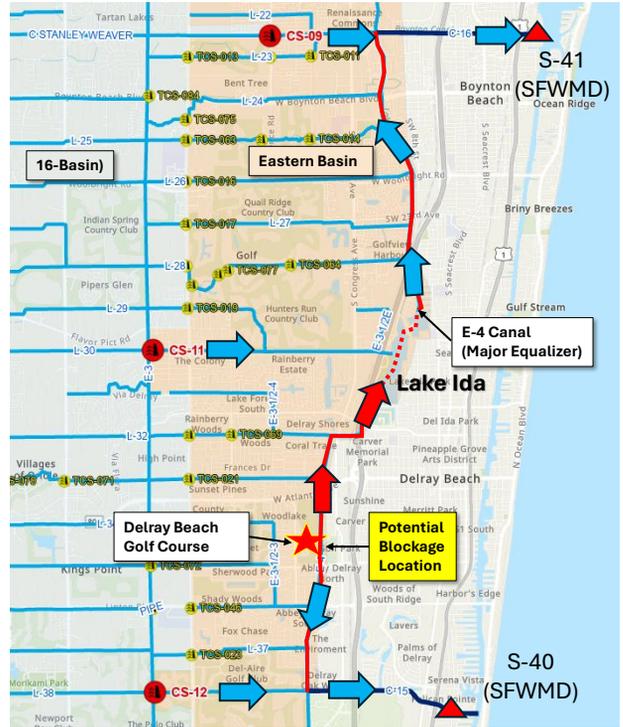
- Eastern Basin along I-95 Corridor
- **Primary LWDD Outfall: E-4 (Equalizer Canal)**
  - **MAJOR FLOOD CONVEYANCE COORIDOR**
- Coastal Discharge: SFWMD C-15 & C-16 Canals (S-40 & S-41 Control Structures)
- E-4 also receives significant stormwater inflow from LWDD 16-Basin



54

# LWDD FLOOD CONTROL SYSTEM

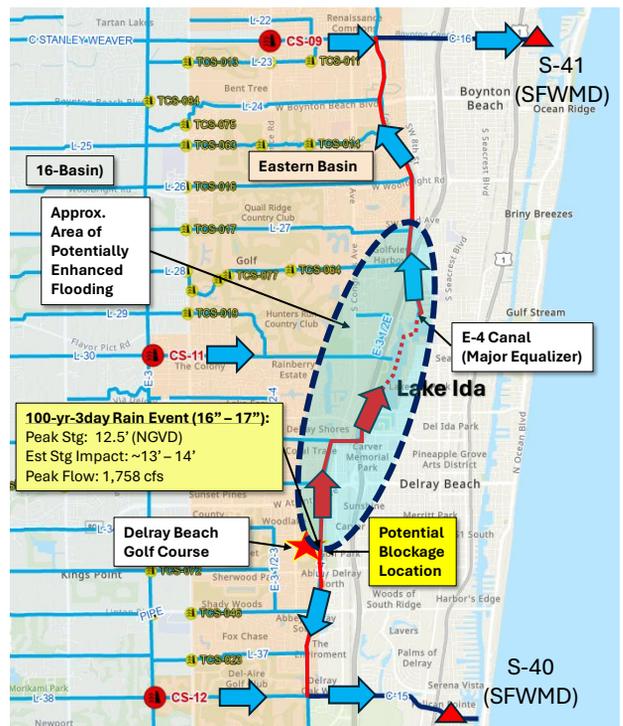
- Eastern Basin along I-95 Corridor
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- Coastal Discharge: SFWMD C-15 & C-16 Canals (S-40 & S-41 Control Structures)
- E-4 Receives significant stormwater inflow from LWDD 16-Basin
- **Blockage in the E-4 would force flood flows to take a longer northward conveyance route, increasing the flow path and associated flood stage gradients**



55

# LWDD FLOOD CONTROL SYSTEM

- Eastern Basin along I-95 Corridor
- Primary LWDD Outfall: E-4 (Equalizer Canal)
  - MAJOR FLOOD CONVEYANCE COORIDOR
- Coastal Discharge: SFWMD C-15 & C-16 Canals (S-40 & S-41 Control Structures)
- Receives significant stormwater inflow from LWDD 16-Basin
- **Blockage in the E-4 would force flood flows to take a longer northward conveyance route, increasing the flow path and associated flood stage gradients -- potentially worsening flood impacts to adjacent communities in the Eastern Basin.**



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# POTENTIALLY AFFECTED COMMUNITIES

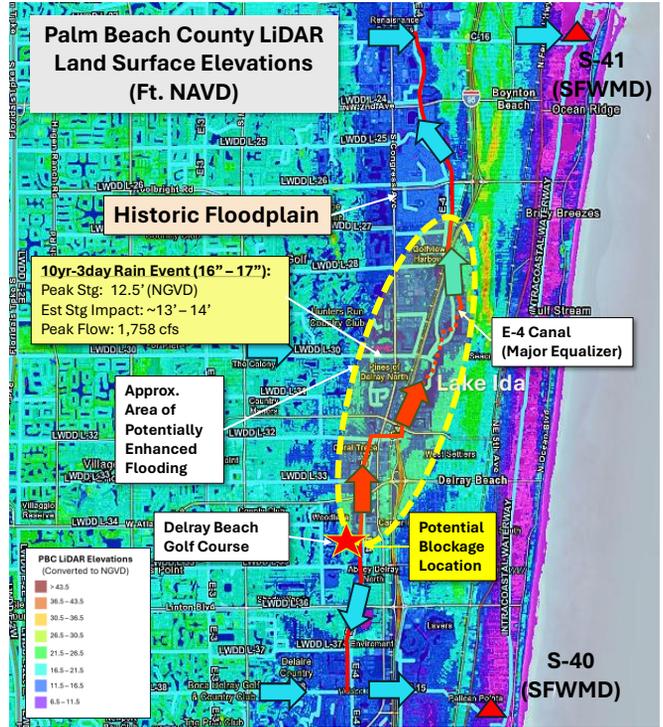
- High Point
- Coral Trace
- Delray Shores
- Delray Lakes
- Lake Ida
- Pines of Delray
- Hunters Run
- City of Delray Beach
- Golfview Harbor

Approximate area of impact is ~3 sq.mi.

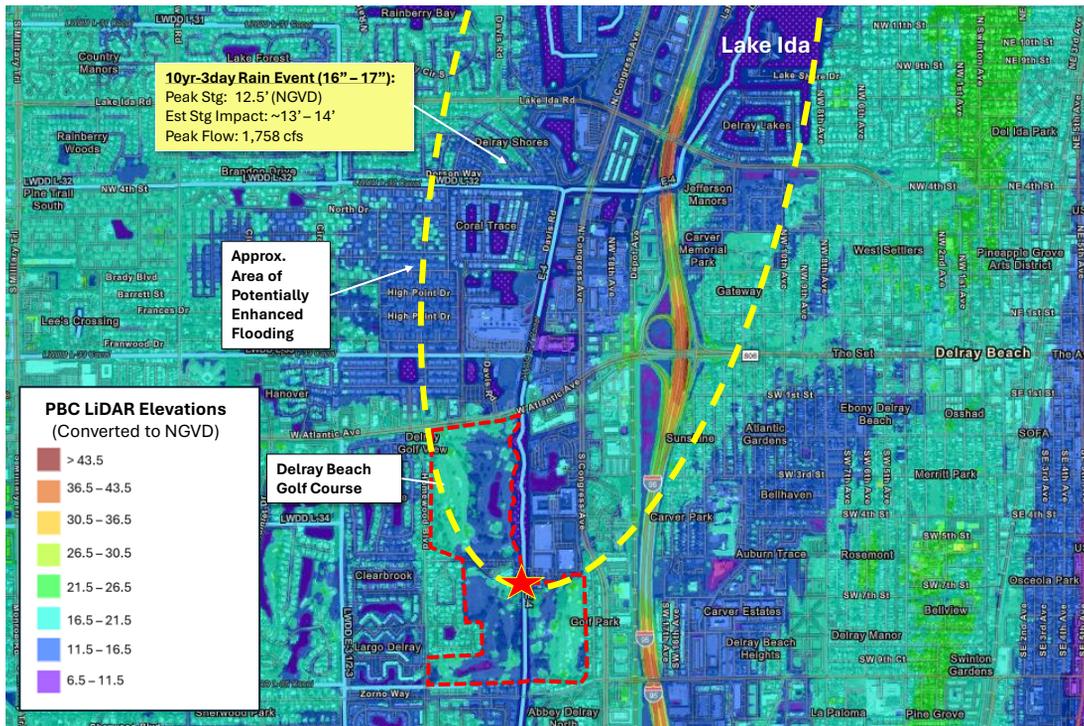
Average population density of ~4,000 people / sq-mi

it is estimated that ~12,000 residents could be impacted from a major canal blockage the E-4 in this region

(< 20% of the City of Delray Beach's total population)



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# DISCUSSION

LAKE WORTH DRAINAGE DISTRICT  
**LWDD**  
Water Managers Since 1910

60



# LAKE WORTH DRAINAGE DISTRICT

## Investment Performance Review For the Quarter Ended December 31, 2025

### Client Management Team

Sean Gannon, CTP, Institutional Sales and Relationship Manager  
Datnilza Metz, Institutional Sales and Relationship Manager  
Giancarlo Morales-Belletti, Portfolio Manager

### PFM Asset Management A division of U.S. Bancorp Asset Management, Inc

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Atlanta, GA 30328  
706-207-9756

213 Market Street  
Harrisburg, PA 17101-2141  
717-232-2723

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## Current Market Themes



- ▶ U.S. economy remains resilient but government shutdown obscures data
  - ▶ Inflation print likely biased lower due to data collection gaps and technical adjustments
  - ▶ Unemployment rate trends higher with net new job creation near zero
  - ▶ Strong consumer and business spending, along with steadier trade dynamics, support growth



- ▶ The Fed lowered the target rate by 50 basis points in the fourth quarter to 3.50-3.75%
  - ▶ Fed Chair Powell acknowledged ongoing challenges in achieving the Fed's dual mandate of maximum employment and price stability
  - ▶ The Fed's December "dot plot" indicates 25 bps of cuts in both 2026 and 2027, but the wide dispersion in underlying projections highlights differing views on path forward
  - ▶ Markets view policy is skewed towards additional easing assuming a more dovish Chair takes office in mid-2026

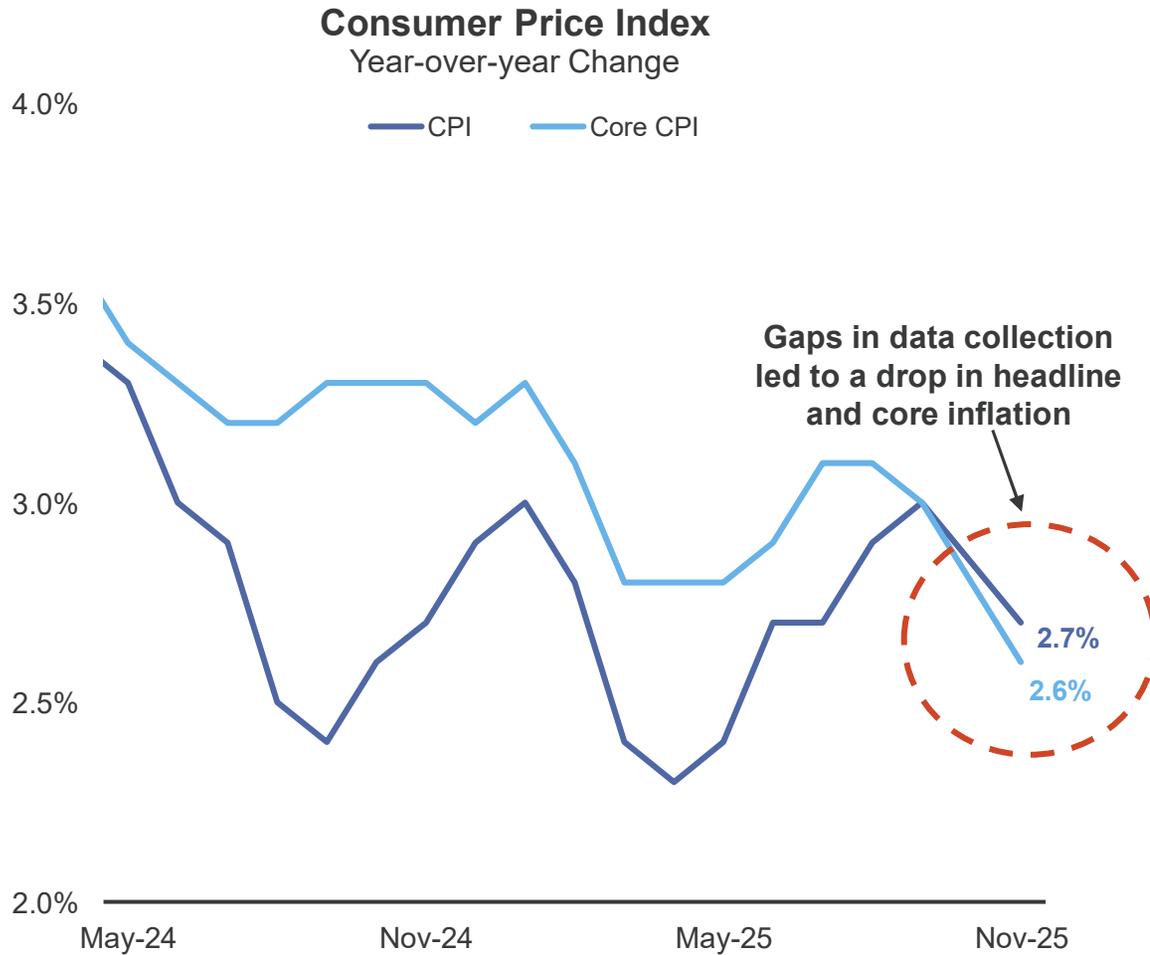


- ▶ Treasury yield curve continues to steepen but remains inverted inside 2 years
  - ▶ Front end Treasury yields moved lower during the fourth quarter on Fed rate cut expectations
  - ▶ Yields were range bound as volatility waned into year end
  - ▶ Credit spreads widened marginally but remain near historically narrow levels

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of December 31, 2025.

## Data Distortions Bias Inflation Lower

*Fed Chair Powell: "The data may be distorted ... because [it] was not collected in October and half of November."*



### Price Increases For Key Goods

Legend: ■ 3-Month Annualized Inflation Rates (Sep-25), ■ 2024

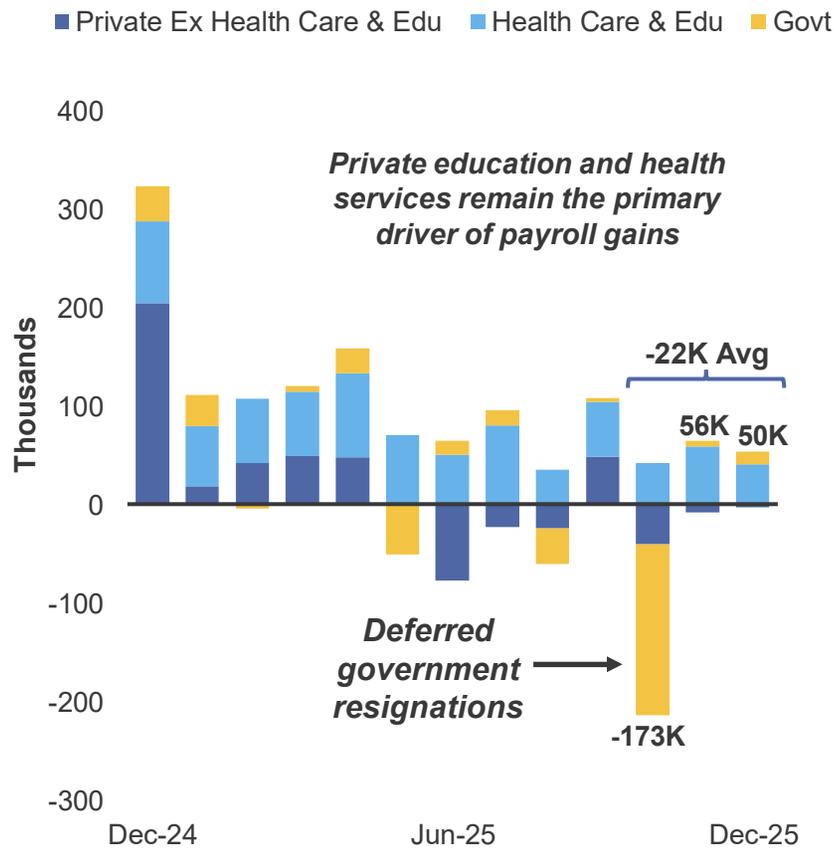
Category	3-Month Average	2024
Home Furnishings	+4.1%	-0.9%
Apparel	+5.3%	+1.2%
Transportation	+3.1%	-1.2%
Food at Home	+3.2%	+1.8%
Energy	+4.6%	-0.5%

Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Bureau of Labor Statistics and Bloomberg Finance L.P. as of November 2025.

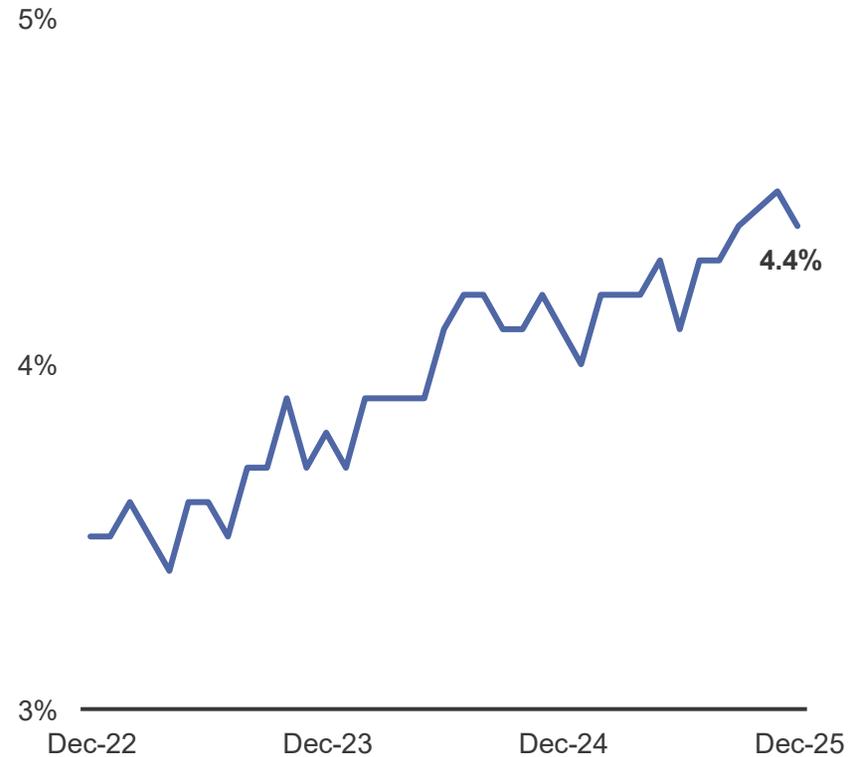
## Labor Market Continues to Cool

*Fed Chair Powell: “[S]upply of workers has also gone way down, so the unemployment rate hasn’t moved that much. It is a labor market that seems to have significant downside risks...”*

### Monthly Change In Nonfarm Payrolls



### Unemployment Rate

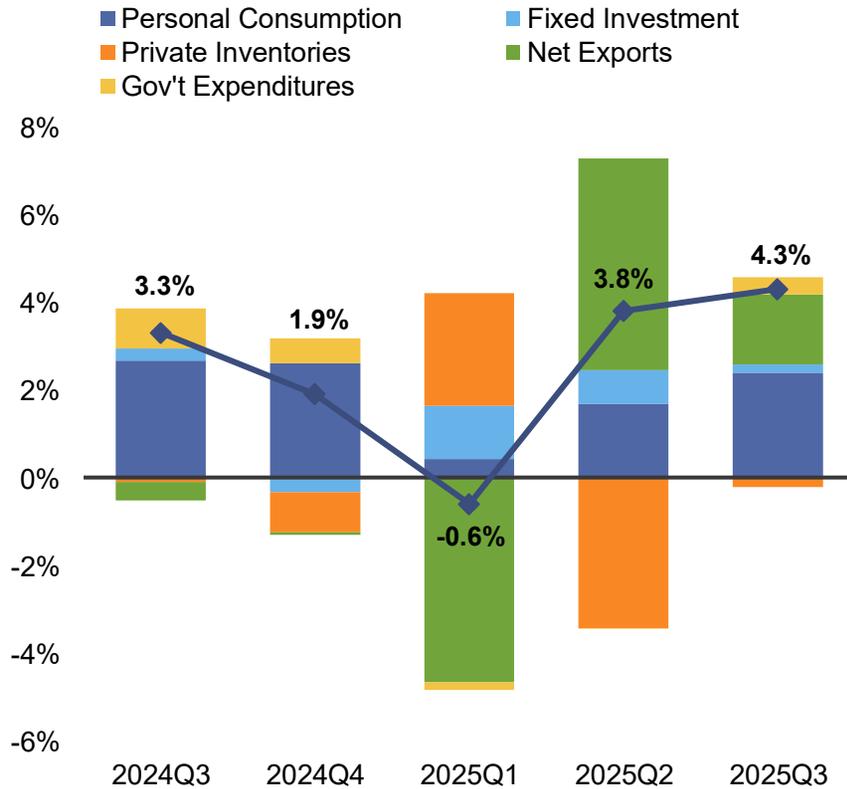


Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Bureau of Labor Statistics and Bloomberg Finance L.P. as of December 2025.

## K-Shaped Economy

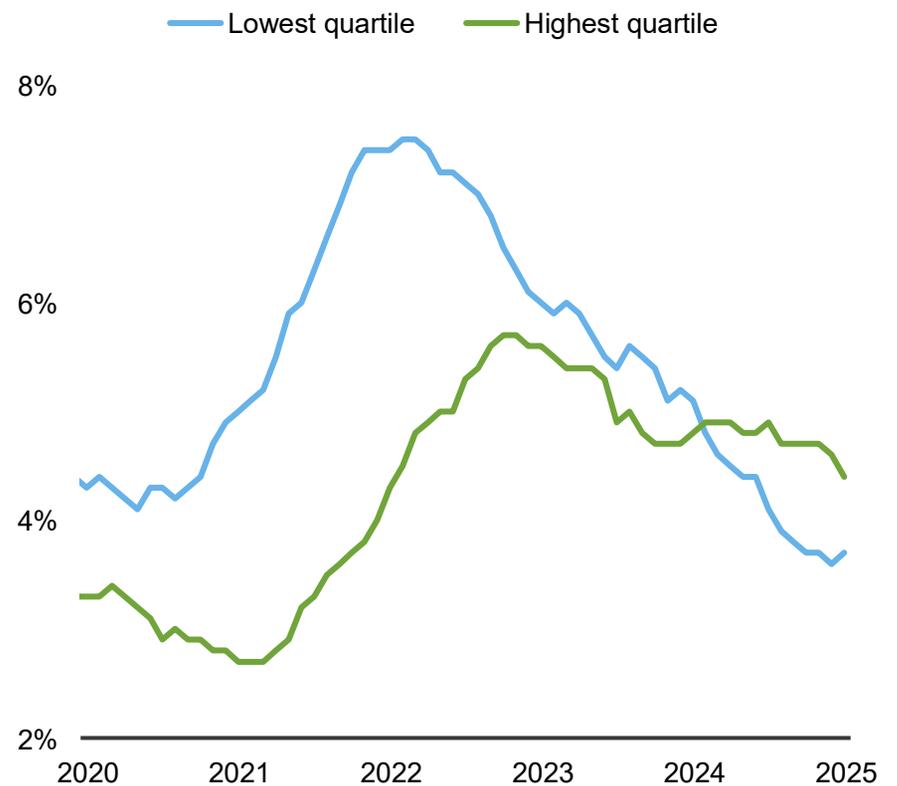
Fed Chair Powell: "[T]he top third [of earners] accounts for way more than a third of the consumption ... So it's a good question how sustainable that is."

### U.S. Real GDP Contributors and Detractors



### Wage Growth by Income Quartiles

Atlanta Fed Wage Growth Tracker

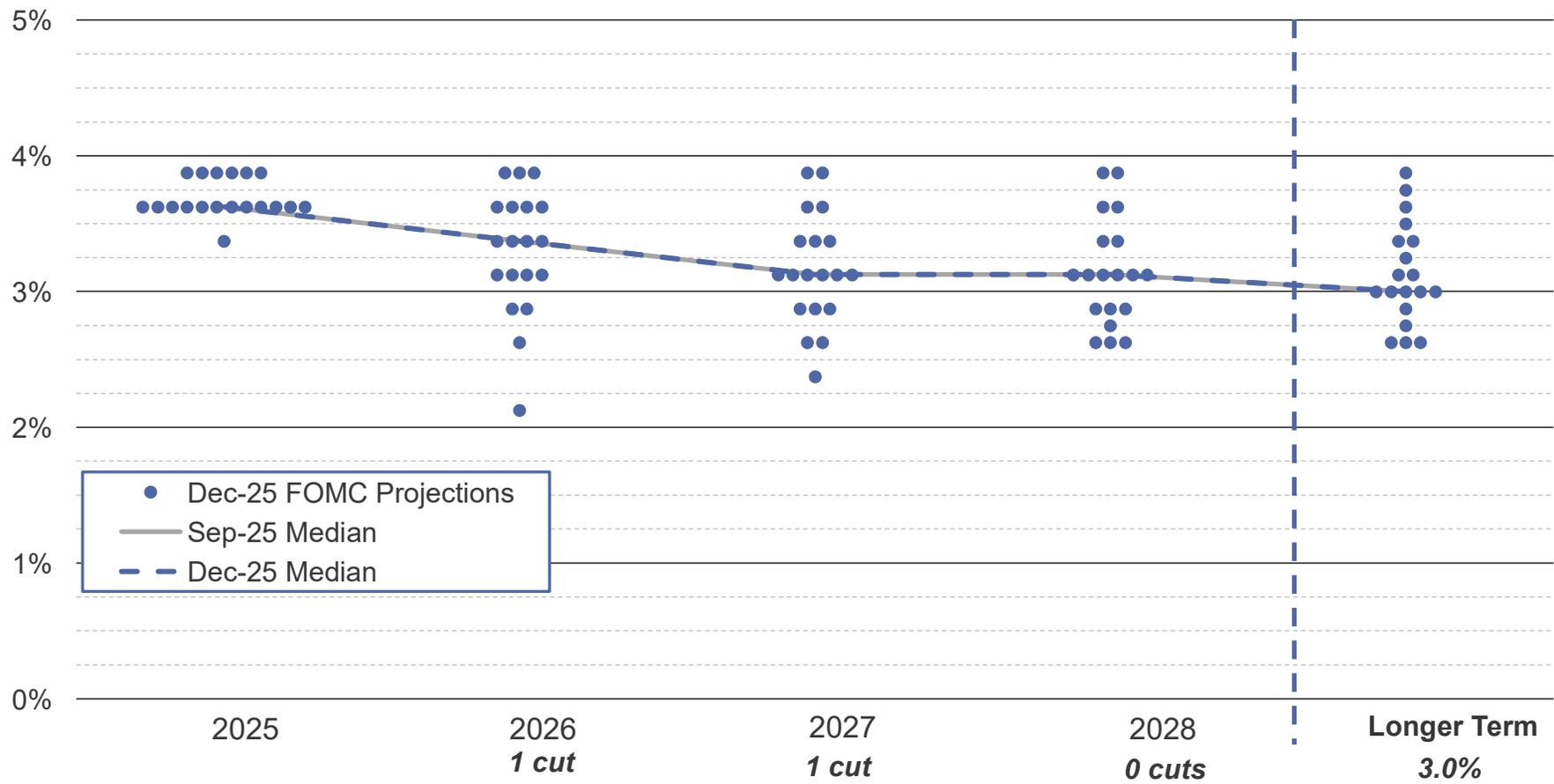


Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Bloomberg Finance L.P. and Bureau of Economic Analysis, as of September 2025 (left). Federal Reserve Bank of Atlanta, as of September 2025 (right).

### The December Fed “Dot Plot”

*Fed Chair Powell: “[I]t is very unusual to have persistent tension between the two parts of the mandate... But it is not like the normal situation where everyone agrees on the direction and what to do. It is more spread out.”*

#### Fed Participants’ Assessments of ‘Appropriate’ Monetary Policy

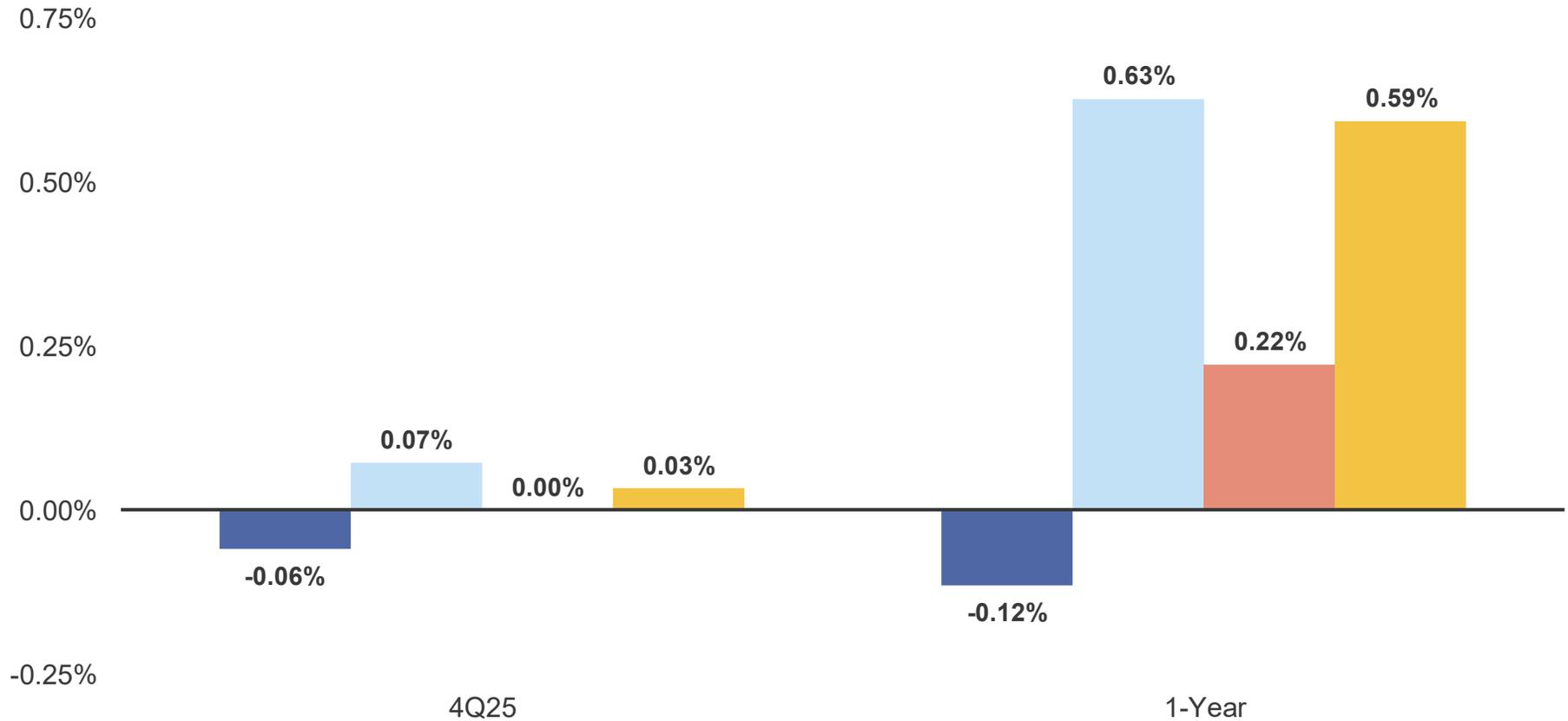


Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Federal Reserve; Bloomberg Finance L.P.. Individual dots represent each Fed members’ judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. As of December 2025.

### Fixed-Income Index Excess Returns

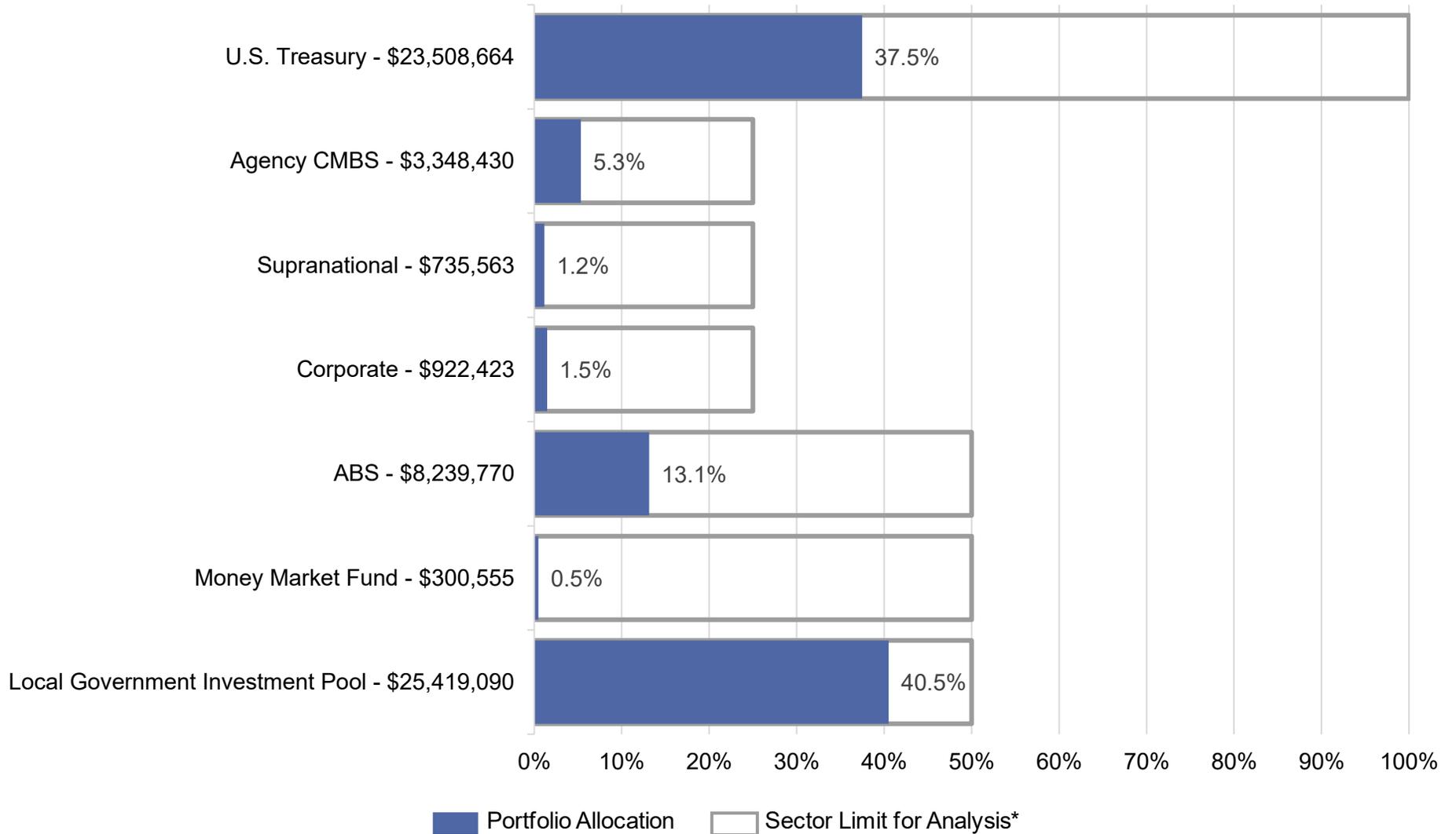
#### Excess Returns 1-3 Year Indices

■ Federal Agency ■ Agency CMBS ■ ABS ■ Corp A-AAA



Source: ICE BofA Indices. ABS indices are 0-3 year, based on weighted average life. Agency CMBS represented by ICE BofA CMBY Index. As of December 31, 2025.

### Sector Allocation Analytics



*For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest.*

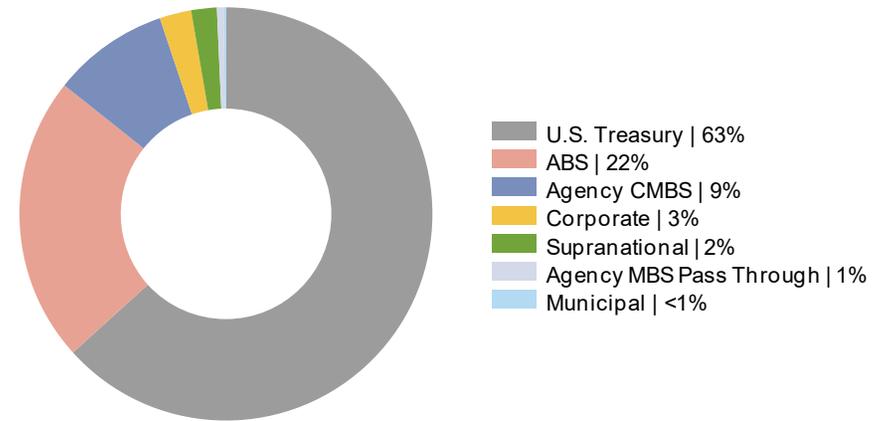
*\*Sector Limit for Analysis is as derived from our interpretation of your most recent Investment Policy as provided.*

## Portfolio Snapshot - LWDD CORE PORTFOLIO<sup>1</sup>

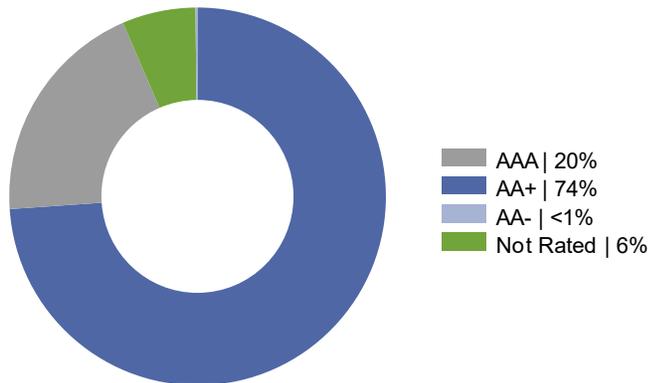
### Portfolio Statistics

<b>Total Market Value</b>	\$37,302,463.90
<i>Securities Sub-Total</i>	\$36,733,032.53
<i>Accrued Interest</i>	\$268,876.43
<i>Cash</i>	\$300,554.94
<b>Portfolio Effective Duration</b>	1.77 years
<b>Benchmark Effective Duration</b>	1.76 years
<b>Yield At Cost</b>	4.15%
<b>Yield At Market</b>	3.60%
<b>Portfolio Credit Quality</b>	AA

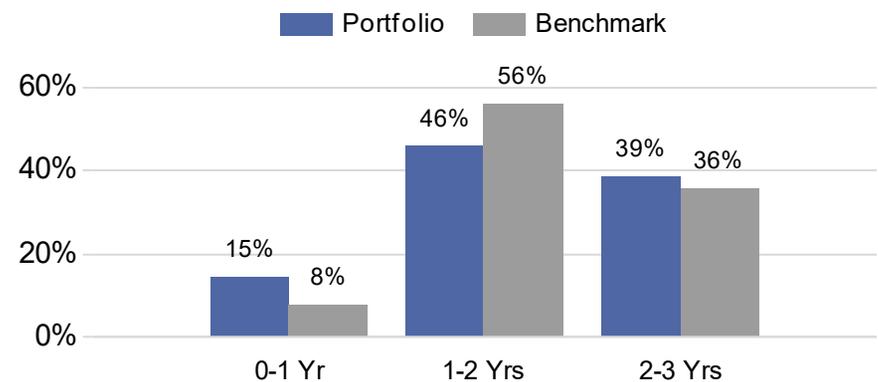
### Sector Allocation



### Credit Quality - S&P

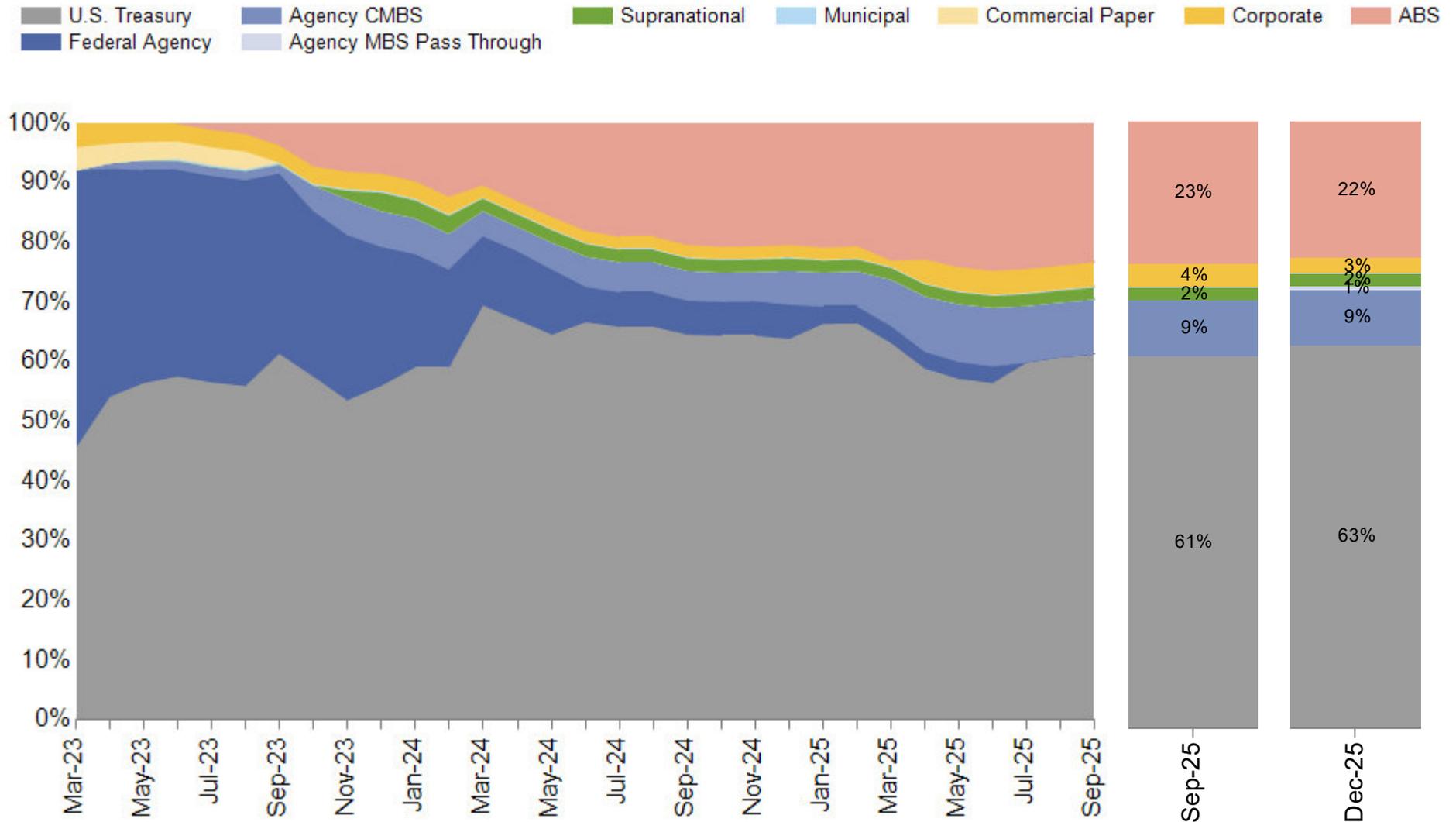


### Duration Distribution



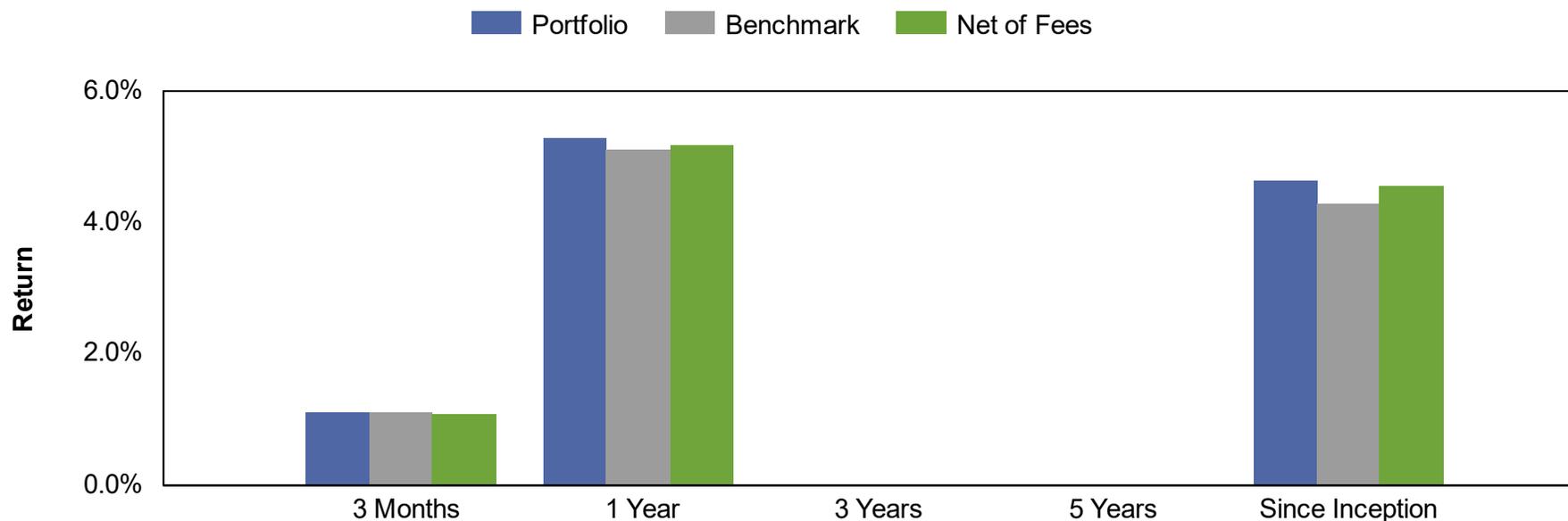
1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. The portfolio's benchmark is the ICE BofA 1-3 Year U.S. Treasury Index. Source: Bloomberg Financial LP. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

### Historical Sector Allocation - LWDD CORE PORTFOLIO



Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM.

### Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception <sup>1</sup>
Interest Earned <sup>2</sup>	\$370,134	\$1,496,636	-	-	\$3,672,246
Change in Market Value	\$40,164	\$378,064	-	-	\$409,802
<b>Total Dollar Return</b>	<b>\$410,298</b>	<b>\$1,874,700</b>	-	-	<b>\$4,082,048</b>
<b>Total Return<sup>3</sup></b>					
Portfolio	1.11%	5.29%	-	-	4.65%
Benchmark <sup>4</sup>	1.12%	5.09%	-	-	4.30%
<b>Basis Point Fee</b>	0.02%	0.09%	-	-	0.10%
<b>Net of Fee Return</b>	1.09%	5.20%	-	-	4.55%

1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is March 31, 2023.  
 2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.  
 3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.  
 4. The portfolio's benchmark is the ICE BofA 1-3 Year U.S. Treasury Index. Source: Bloomberg Financial LP.

## Important Disclosures

- Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services. There may be differences in the values shown for investments due to accrued but uncollected income and the use of differing valuation sources and methods. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. **Past performance is not indicative of future returns.**
- ICE Bank of America Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

## Executive Director Comments

Governing Board Meeting  
February 11, 2026



1

## Water Conditions



- On Feb 5, 2026, the South Florida Water Management District (SFWMD) issued a **Water Shortage Warning** amid continuing dry conditions and increasing water supply concerns for the following counties:
  - Collier,
  - Glades,
  - Highlands,
  - Lee,
  - Miami-Dade and
  - Monroe
- Focuses on **voluntary** water conservation measures
- The Governing Board has given the Executive Director authority to declare and modify future water shortages.

2

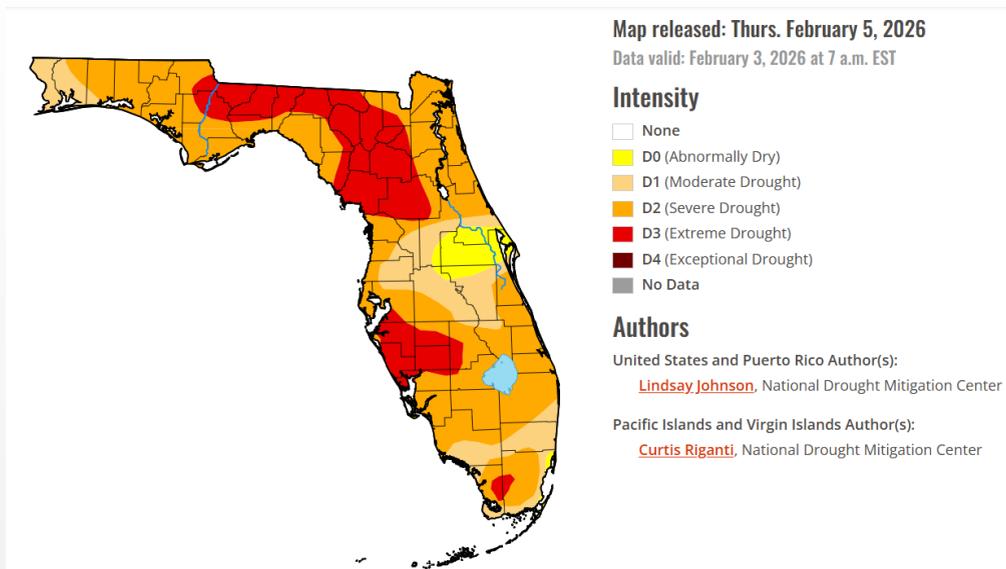
## Water Conditions



- Freeze Protection Operations (January 29 thru February 2)
  - Raised stages in the 16-Basin to ~16 ft. (NGVD)
- 2<sup>nd</sup> round of C-51 Reservoir Pass-Through Operations this year completed this week
- Regionally dry conditions persist

3

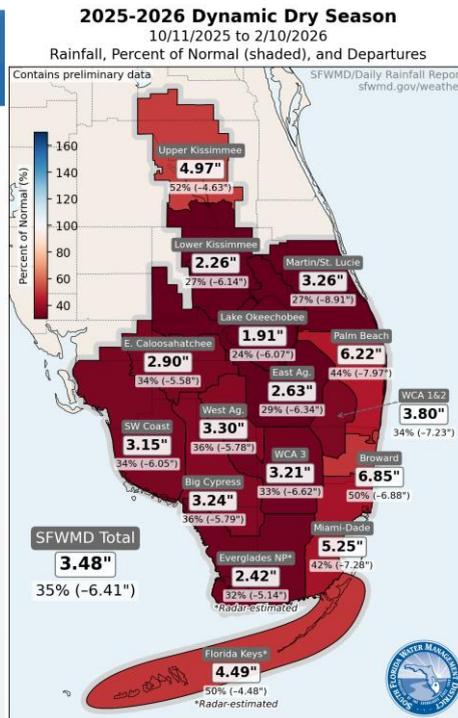
## U.S. Drought Monitor



4

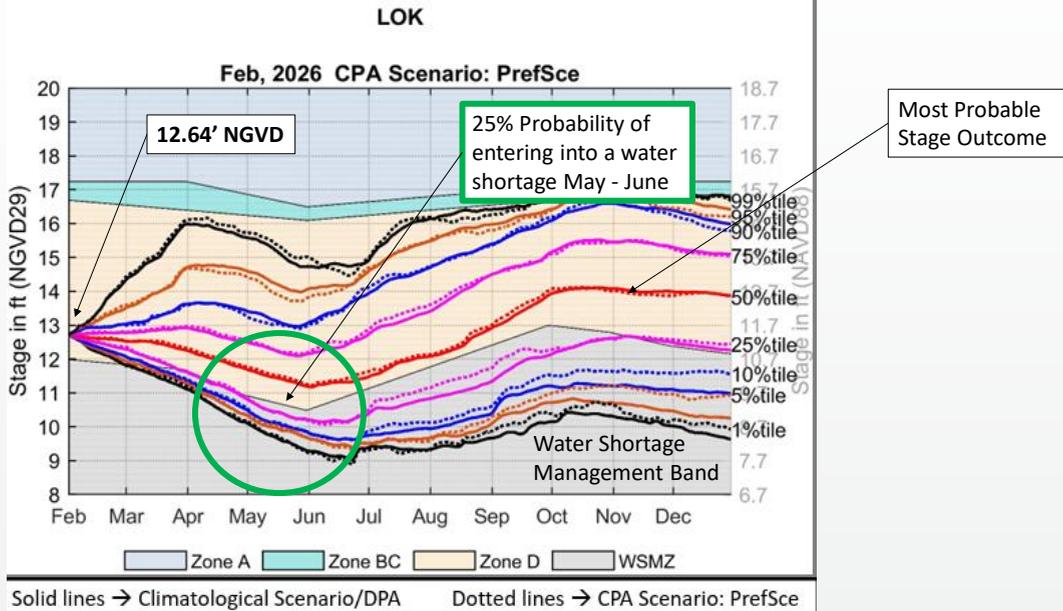
## Dry Season Rain

- Regionally south Florida has received 35% of normal rainfall (-6.41")
- S.E. Palm Beach County has received 44% of normal rainfall (-7.97")



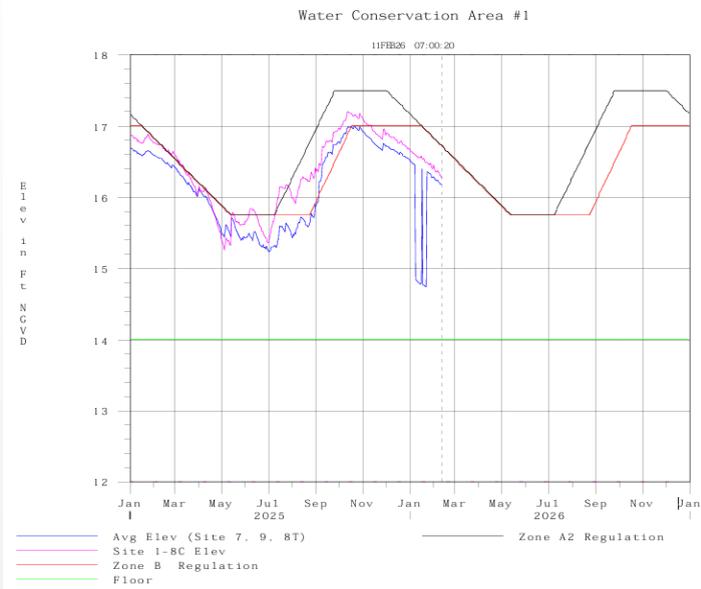
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## Lake Okeechobee Stages



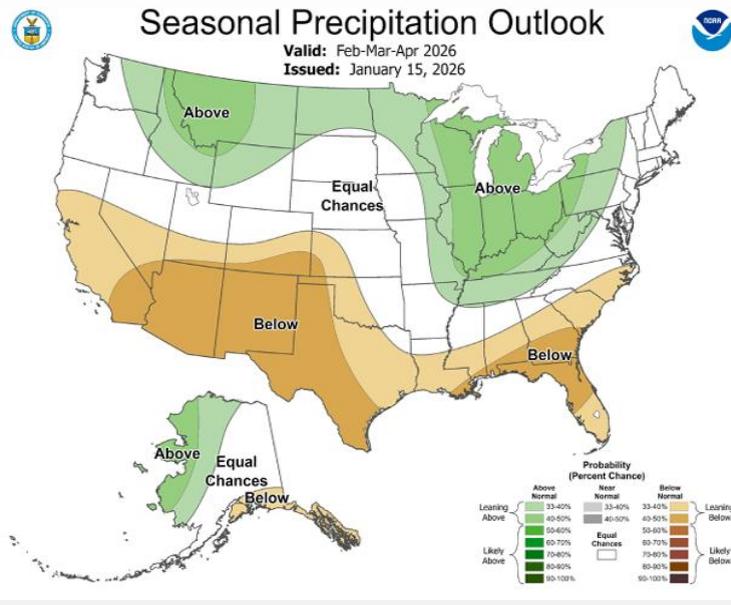
6

# WCA-1 Stages



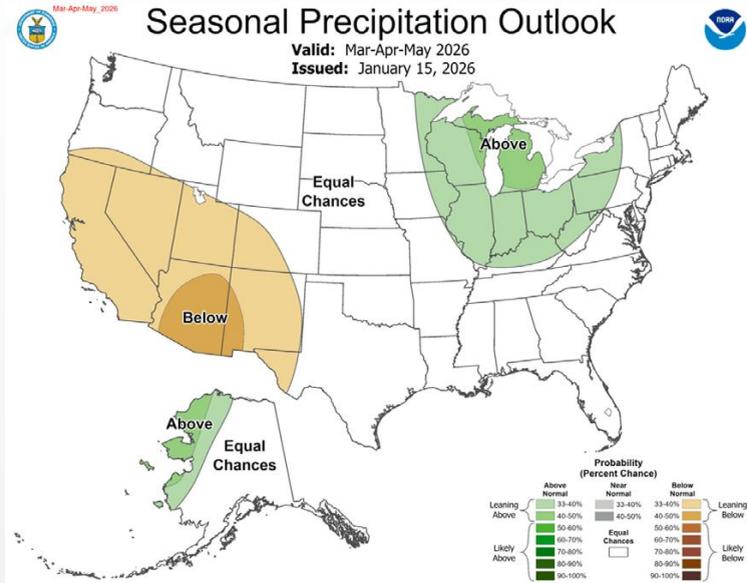
7

# 2026 Seasonal Precipitation Outlook (J, F & M)



8

# 2026 Seasonal Precipitation Outlook (M, A & M)

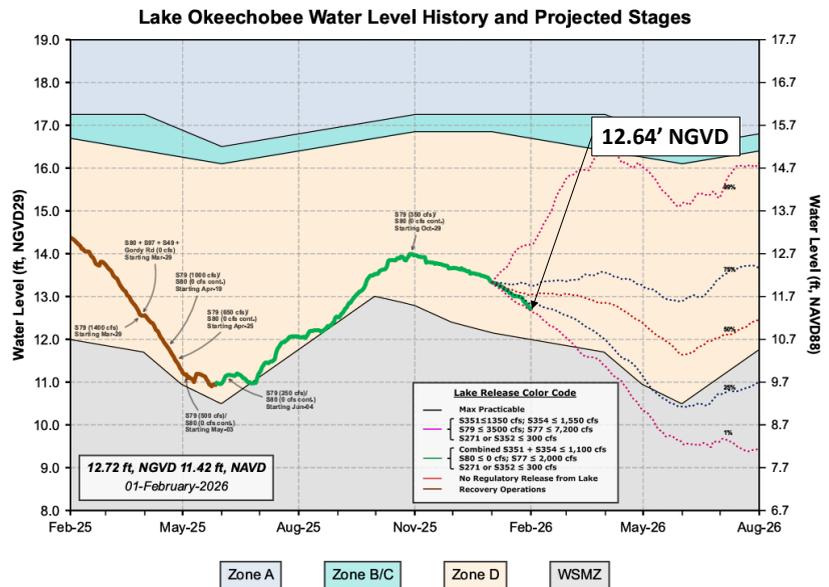


9

# Lake Okeechobee Stages



- SFWMD recent update on regional conditions stated that there's a **'moderate risk for water supply'** this season.



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