

**City of Fort Lauderdale
Infrastructure Task Force Committee
August 28, 2017 – 3:00 P.M.
8th Floor City Commission Room – City Hall
Fort Lauderdale, FL 33301**

1. **Call to Order:**
- **Roll Call**

MEMBERS		PRESENT	ABSENT
Marilyn Mammano	P	5	0
Ed Kwoka	P	4	1
Ralph Zeltman	P	5	0
Keith Cobb	P	4	1
Leo Hansen	P	3	1
Roosevelt Walters	P	5	0
Fred Stresau	A	4	1
Norm Ostrau	P	3	0
Dave Orshefsky	P	2	0

Staff Present

Rhonda Hasan, Assistant City Attorney
Meredith Shuster, Administrative Assistant
Paul Berg, Director of Public Works
Lee Feldman, City Manager
John Herbst, City Auditor
Jeff Modarelli, City Clerk
Jamie Opperlee, Prototype-Inc. recording secretary

2. **Approval of Agenda and Previous Meeting Minutes**

Mr. Kwoka proposed that discussion of the status of the Task Force and the direction moving forward be added as an agenda item at the beginning of the agenda.

There was a consensus to amend the agenda to include an item called General Discussion.

Mr. Orshefsky referenced the July 26, 2017 meeting and again requested that approval of agenda and approval of the previous meeting minutes be separated as items on the agenda.

Motion made by Mr. Zeltman, seconded by Mr. Walters, to approve the agenda as amended. In a voice vote, the motion carried unanimously.

Previous Meeting Minutes

Chair Mammano read the handbook regarding the minutes. The book is clear as what must be in the minutes and then there is another series of what may be in the minutes. She would like this to be addressed.

Mr. Moderelli, City Clerk, explained that all City of Fort Lauderdale Boards and Committees do summary minutes, which is summarizing what is being said. The most important thing in the minutes is that the motion is going to be the board's recommendation to the Commission or what is decided as a board. The Commission created a vehicle called a Communication to the Commission and this is where the Committee would agree on a motion or tell the Commission something so it would go in the next possible Commission meeting for discussion. This is the fastest way to communicate with the Commission.

Mr. Kwoka stated that in his experience with other City Boards that the second draft is consistent and in addition, the minutes are recorded so details can be reviewed later. The biggest things that should go in the minutes are things that need to be memorialized.

Mr. Orshefsky questioned if the second draft of the June 5th minutes were the minutes transmitted this morning. The ones he received last week were the same as the ones originally distributed for the meeting of June 26th.

Ms. Shuster advised that some of them did not open so she resent the second draft.

Mr. Orshefsky agreed with Mr. Modarelli. In Mr. Orshefsky's opinion, the meeting minutes as drafted for June 26, 2017, were too summary. The only way he can keep track of what has been done in the past, especially if the meetings are every five to six weeks, is to go back to the minutes and go over what has been discussed. He referenced page 2 of the minutes of June 26, 2017, item 4 under New Business, the fourth paragraph from the bottom, and noted that paragraph did not tell him anything about what was discussed. The difference between the verbatim received for the meeting of June 5, 2017 and the two summaries on June 26, 2017 is somewhere where the minutes need to be. As we go back ten months from now there needs to be some detail with respect to what was discussed in October. Mr. Orshefsky did not think the too summary nature of the June 26, 2017 minutes will get the Committee where they want to be.

Chair Mammano commented that the answer is always in the middle somewhere.

Mr. Zeltman concurred.

Mr. Cobb liked the summary version. The minutes should reflect the action of the Committee and the substance of the discussions.

Mr. Hansen suggested a summary paragraph in bold at each point made with more lengthy discussion underneath.

Mr. Stresau was stunned when he received the draft minutes because one sentence summarizes almost an hour and 20 minutes of the meeting. Mr. Stresau thought overall it was a better effort and the second draft was better. On Page 4 of the first draft the discussion of priorities was deleted and once the Committee starts getting down to establishing the priorities, that is going to be one of the most important things and it was left out. Most of Mayor Seiler's comments were deleted. He found it difficult to understand the reason the Mayor was here was to tell us what he thought we should be doing and that was almost two pages deleted verbatim. Mr. Cobb commented on prioritization but some of the higher infrastructures on page 9 were deleted. There was no reference to what Mr. Cobb thought was important. Much of the public input was deleted. If the public is invited, then their comments should be included in the minutes verbatim. It was more important to note that the Committee's comments on the important of prioritization and the needs were made in many places towards the end of the meetings and that was deleted. Those things were important and should have been in the minutes.

Chair Mammano stated that her initial reaction was to go with Mr. Cobb and Mr. Kwoka and prefer the summary. There is a video. The procedure is to have audio and video.

Mr. Stresau commented that some people are more succinct in what they hear and write and he does not know how to get to what we are talking about. Each of us has a different idea as to what is important.

Mr. Zeltman concurred and believes the minutes should be a third-party ability to distinguish certain specific items.

Chair Mammano suggested telling the recording secretary when something specific needs to be in the minutes.

Mr. Stresau thinks one sentence for an hour and half meeting is absurd. Once the minutes are written perhaps the Chair and Mr. Berg should review them. It should be the first cut.

Mr. Stresau believes the secretary is stumbling on what is important and needs some technical guidance.

Chair Mammano stated that the secretary needs to know when there is an important discussion and what needs to be reflected in the minutes greater than a summarization.

Mr. Modarelli believed that is the best way to do it. While going through the meeting, members can highlight aspects to be pointed out in the minutes. That would be very

helpful. He heard a summary at the end where the minutes could be recapped as well. Those are things the Committee can do while going along.

Mr. Zeltman commented that initially the Committee was able to review and edit the minutes. He thinks that is important and should be brought back.

Mr. Modarelli advised that a vendor does the minutes so there is a third party. Generally, the Committee gets the draft minutes and approves them at the meeting.

Chair Mammano stated that in order to have some time to comment on the draft minutes, it would be nice to have the minutes a week in advance. If we also make it a point to have the secretary put something on the record, then we will cover two bases.

Ms. Shuster indicated that can be done. There was a little mix up with having to redraft the minutes. She will make sure the minutes are distributed as soon as possible.

Mr. Orshefsky believed it is important for members of the Committee to know minutes are for the public or other interested people who want to follow what is going on. He thought the Committee was making sure to interface with the public and making sure the infrastructure sets the issues presented for public review and discussion. He understood the discussion but it seems a little too focused. He suggested the public be educated as well.

Ms. Shuster will add a link to the minutes so when someone goes online they can look at the minutes and video.

<http://www.fortlauderdale.gov/departments/city-manager-s-office/strategic-communications/fltv>

Chair Mammano questioned if a comment box is going to be put on the minutes and agendas.

Ms. Shuster stated IT is working on that. Because of security issues there is a process of putting on an email box. She is expecting the box to be open this week.

Motion made by Mr. Zeltman, seconded by Mr. Orshefsky, to defer the June 5, 2017 and June 26, 2017 minutes so they can be rewritten to reflect the substance of the meetings. In a voice vote, the motion carried unanimously.

General Discussion

Discussion ensued regarding Workshop meetings and regular meetings. Several suggestions were made such as having meetings twice a month and Saturday mornings, or adding a half hour or an hour to each meeting until the end of the year. It was noted that there needs to be serious discussions about Workshops, interacting with

the community, and about transparency. The Committee needs direction and must come up with a strategy and consider root cause analysis type events. The Task Force should be working to build a consensus among the City, the Task Force, and the community to come up with answers and timeframes to accomplish those answers.

Mr. Zeltman commented on an outline he developed not only for wastewater, but also for stormwater and other items in Resolution No. 17-36. Certain things need to be identified so they can be put on a list to create priorities in each of the infrastructures.

Mr. Ostrau mentioned the Sun Sentinel and the Public Relations response. The assessment and response from Administration as to what was laid out and the Consent Decree was referenced and Mr. Ostrau questioned if significant differences can be pointed out. They have not been compared but if it is the same thing then there are two items put out by Administration and the Consent Decree.

Mr. Kwoka commented that Mr. Zeltman's document is very encompassing. The Consent Order primarily focuses on wastewater. The discussion is about having two different consulting firms with two different opposing opinions.

Chair Mammano stated that the City's response to the Sun Sentinel was a typical Public Relations response. The report was done by consultants hired and paid by the City. Depending on information provided to them by the City, not certifying that the information was correct or appropriate, she would have been shocked if they did not come up with everything being okay, well maintained, and well managed but getting old, because the report was written for the bond holders to assure that the bonds were safe.

Mr. Ostrau questioned the basis for the Committee's determination going forward.

Chair Mammano indicated that the Reis Report was better as it was more comprehensive. The report commented on how things are currently done and not about what needs to be done.

Mr. Orshefsky mentioned there are two different audiences relevant to the decision-making process; however, they are not necessarily contradictory because they are focused in different directions. The bond holders are focused on financials.

Mr. Feldman explained that the biannual report, which is done every two years by consulting engineers, CH2, who look at the general condition of the water and wastewater utility in terms of how utilities are run and if it is financially supportable to meet the needs of the City's CIP. The Reis Report was a long-term outlook of the system. One of the functions of the Task Force was to help provide direction to the Commission and staff where those emphases are and to indicate to staff where the middle is. There was a question whether the system should pay for itself or if debt would be issued to be paid by users. In 2018, the plan is going to issue debt and there will be an ability to issue more debt moving forward in upcoming years. A presentation will be provided and the Committee must sort out whether they concur with the

assessment. There is a significant issue in terms of stormwater and there is not a plan in place to fund it. The Stormwater Master Plan will not be out until December 2017. As far as roads, more funding has been provided in this budget but how do we get all the roads to A+ condition? Sidewalks are two issues; fixing the sidewalks and putting in sidewalks where there are not any. As the Mayor mentioned, there are some parts of the infrastructure that do not have to be discussed such as the airport, the cemetery, and parks because there is a board already working with parks, recreation, and beaches. Whereas city facilities such as the police station built for 100 people now has 800 people working at it. The Committee will express their ideas and advise when they want to meet to discuss this.

Chair Mammano questioned what areas the Committee can be effective in so those areas can be focused on.

Mr. Kwoka suggested that the Task Force take responsibility for picking a direction and going that way instead of waiting for the City to craft the agenda and guide them by the hand. The City assembled this group for their knowledge and wisdom and the Committee should take responsibility and ask for resources needed to follow that path. If there needs to be a Workshop, the Committee should advise that a Workshop is going to be held on a date certain for three or four hours and request that a place be found for the meeting to be held as long as it meets the boundaries of the Sunshine.

Mr. Orshesky agreed that is the direction needed. Additional time should be requested because five months have passed and nothing has been accomplished out of an 18-month agenda. The Committee is not going to solve 25 years of problems in 12 months.

Mr. Feldman commented that the question is what needs to be done and how it needs to be paid for.

Mr. Cobb believes the Committee has learned there is a shortfall in the funds available to fund what needs to be done and it is in the hundreds of millions of dollars. The Commission should be told that there is a substantial shortfall in funds available based on what has been heard and endorse what Mr. Feldman has said. The only way to resolve that is to pay for it over a period of time. This will give the Commission a preview that the recommendation is that the City float the required Bond issues to fund that number, whatever that number might be. The Committee should work to determine how to raise the money to accelerate rebuilding of the infrastructure.

Mr. Feldman indicated that a millage increase would solve some of the infrastructure issues but water and sewer are an extra-territorial system and taxpayer dollars should not be used to support infrastructure outside of the City. In terms of water and sewer, there will be sufficient revenue over the next 20 to 30 years. For a Police Station and City Hall, those may need General Obligation Bonds and perhaps a millage increase for support. The way stormwater fees are calculated is being restructured to enhance the

revenue stream. If all the utility meters are changed out with smart meters, there would be a gain of \$7 million to \$9 million in revenue annually.

Mr. Orshesky suggested a facilitator session.

Mr. Kwoka stated a facilitator is not needed; this can be managed internally. He reiterated that the Committee needs a block of time and a location that meets all the objectives to get on track.

Chair Mammano questioned if it was a general agreement that one meeting is needed devoted exclusively to the priorities and how to get from point A to point B.

Mr. Walters felt there should be a meeting but that meeting should substitute any other additional meetings.

Chair Mammano commented that since this was the rescheduled September meeting perhaps there should be another meeting in September devoted exclusively to this discussion. The only item on the agenda will be setting priorities for the Committee going forward. All the Committee members concurred.

Ms. Shuster advised that she would find a date and location for a September meeting.

Mr. Zeltman indicated that Mayor Seiler gave direction on June 6, 2017. When the Task Force first started, there was a list of recommended future meeting topics with dates and infrastructures. There was not an August 7, 2017 meeting and that was slated for canal dredging and seawalls. Seawalls are an important infrastructure.

Chair Mammano questioned if everyone agreed to another September meeting exclusively to decide on priorities. She requested Ms. Shuster send a poll for some time in the middle of the month for at least three hours. It was the consensus that the meeting be held during the week, not on a Saturday or Sunday. It was noted that the October meeting is not going to be cancelled.

E. Public Comments (Public comments were heard out of order)

Chair Mammano stated that verbatim is not necessary on public discussion, just a summary of their issue.

Paul Chettle, resident, thinks the City Auditor and Mayor have, at separate times, independently said they support the ROI and both have suggested that the question is how much money is physically being moved. When they had the Payment in Lieu of Taxes program they used to move \$4 million, now \$22 million is moved. The CIP is full of items like Fiveash, which was a vocal public disagreement. Items in the CIP are there for many years with no plan to use the money. It is very reasonable to reduce the amount ROI being taken out and to exercise some fiscal constraint over the actual CIP.

On June 5, 2017, Mr. Chettle advised that Commissioners Rogers, Trantalis, and McKinzie agreed to give the Mayor consensus that the Committee was supposed to focus on three things; water and sewer, stormwater which includes seawalls, and resiliency. When the Mayor spoke at the Task Force June 5, 2017, he gave five things; roads, bridges, and sidewalks which were never discussed; parks and open spaces, which were not included, and public facilities. The Mayor said City Hall would be taken care of with the County and Romney Rogers said they hoped they could come up with a P3 for the Police Station.

Stan Eicheobaum, with the Downtown Fort Lauderdale Civic Association, advised that there is a citizenry concern right now. The Task Force must get to a point of objectivity and prioritization. Mr. Eicheobaum referenced the Reis study, which is very comprehensive and repeatedly says there is questionability whether the water infrastructure can handle one more building downtown. An additional four buildings have been proposed in the last few days so there is a possibility of 14 to 18 buildings coming up at one time. There is concern that the City does not have a staging plan to deal with traffic, with the wave inclusion, the fire station on the other side of the tracks, and the addition of 40+ trains. More importantly, the concern is whether there are going to be water issues and if they will be resolved during that time. This needs to be reviewed diligently as a priority and the question of doing that many buildings at one time. As far as economic shortfall, there must be a comprehensive assessment of what is going on in this City and the totality of funding that is short. There is something called deferred maintenance in all accounting, which has a point of diminishing return. It is not used forever; however, it appears the City has used it forever. If the numbers are backed out, it is not believed this will work in any way no matter what is done. There needs to be financial resources besides the engineering resources.

Mr. Berg stated that the Reis study was aware of the developments coming on and how many new residential units were on the books when the report was done. The study found that there is a capacity to handle these things. The distribution system is another thing; it could be an issue. Every building permit for water or sewer is modeled.

Carol Ann Bartholmey, resident, mentioned that the water, sewage, and stormwater are broken. Parts of the system are about to quit; therefore, in her mind, the system cannot sustain additional capacity. She urged this Committee to focus on capacity and the burden of additional development. Perhaps the Committee could recommend a moratorium on any further building or at least some kind of an analysis before going any further.

Mr. Zeltman commented that the Health Department puts out the moratoriums.

Jack Malcom, resident, commended the Committee for being a megaphone for the public. There will be an opportunity on Wednesday to say some things to the City Commission and he thinks the main point should be that the CH2M Hill report shows the water and wastewater is well managed and well maintained. There was 100,000 gallons

of additional sewage in the Intracoastal and that is not well managed and well maintained. He provided statistics from two days ago regarding water main breaks from FY14 to FY2017.

Craig Fischer, resident, appreciates the time and input the Committee members put in. Mr. Fischer requested that Mr. Herbst show the costs of the additional 15 or 16 buildings that have been built downtown and also requested that Mr. Berg find out the impact fees these buildings paid. Mr. Fischer thinks their fair share has not even been equal to one-third of what it should have been.

NOTE: Items 3.A and 4.A were heard in tandem.

3. Old Business

A. Consent Order Update – Paul Berg, Public Works Director

4. New Business

A. Water and Wastewater Funding Model Overview – Paul Berg, Public Works Director

- 40,000-foot overview of the Water and Sewer Program (slide)

Mr. Berg indicated that the City has been working with DEP for several months on a Consent Order to address priority issues with the system. Section 4, identifying spills in the wastewater system that have been present since 3-31-14 through 6-30-17, and Section 6, which shows how these issues will be addressed, were referenced. Page 3 notes that the sewer line on Las Olas Boulevard will be replaced by February 28, 2018. By the end of May 2018, 11,620 feet of the 30-inch sewer line that has been out of service will be replaced for a cost of about \$8.7 million.

Mr. Orshefsky mentioned the CIP modification that went through the Commission in late July 2017 was closer to \$13 million.

Mr. Berg stated the difference is that two additional redundant force mains are being built that will be directional bored and that is where the \$14.5 million comes from. It was noted that the sewer portion of the Consent Decree will be \$115 million to \$120 million. Mr. Berg provided a brief slide presentation addressing projects and numbers for FY18-22 CIP projects. There are 47 projects in the 454 fund and 97 projects in the 451 fund. Anticipated revenues over the next five years and those funds are allocated in a plan. Future revenues anticipated under the current rate structures are included. 81 projects were identified as have to have things, including financial liability upgrades of about \$30 million. Water meters were about \$25 million to \$30 million. There are also force main rehabilitations, the water plan, and the well field. There is \$164 million in needs as well as \$93 million in capital improvements projects in the current CIP. Other priorities were mentioned. 65 projects are under \$40 million. The report said \$296.8 million is needed

and the City says perhaps \$40 million could be deferred. The Consent Order is spread out over ten years. It includes an assessment of the city's forcemains and an asset management system that will inventory the sewer infrastructure. Out of \$117 million, \$44.9 million is in the CIP. \$72.6 million is not in the CIP and will need funding over the next years.

There was a lengthy discussion regarding a \$200 million bond issue, the CIP, the Consent Order, which is wastewater, 454 and 451 funds, the Enterprise Fund, and the Return on Investments (ROI) for the last five years. If money was not moved from the Enterprise Funds in the next five years, there would be \$90 million to spend on items in the Consent Order and a bond would not have to be raised. That amount of money could be available without paying for it over 30 years with interest and fees if the policy was changed. This is a policy issue the Commission should review. It was noted that retirement of the bonds over a 30-year period is about \$19 million to \$20 million per year. It was believed that recommendations should be made to the Commission about these policies. If the ROI were eliminated there would be a \$20 million hole in the General Fund budget that would have to be filled. Needs for the first twenty years of the plan are about \$1.4 billion. If everything in the Reis report as well as in the CIP is funded, the total would be about \$332 billion.

Chair Mammano questioned whether new development is being charged the appropriate fair share for their new burden on the infrastructure.

Mr. Berg indicated that when talking about anticipated growth one thing to remember is that everything was evaluated and very specific recommendations were made for the plan over the next 20 years. This is important because people think the hyper development is causing these problems so the issue needs to be addressed.

Chair Mammano advised that the Committee is requesting an analysis of what the new development has been paying in terms of capital expansion fees.

Mr. Kwoka questioned if the capacity can handle the growth in place.

Chair Mammano stated that in everything she had read, if the system is working correctly, there is capacity; the problem is that the system is not functioning to its desired capacity.

Mr. Berg commented that the systems, both water and wastewater, have the capacity; however, some components are worn out and need to be replaced. Mr. Berg indicated that their approach is different from other cities. A proposal has been made to DEP as to what corrections can be made to the system and what corrections need approval and finance from the City Commission. Mr. Berg advised that the City Commission will get a Resolution next week. Staff is confident the timelines can be met because a primary consultant is being hired and then the projects will be bid out. Contractors will be penalized for not meeting deadlines.

Mr. Orshefsky referenced page 6 of the Consent Order and noted there is a little over \$10 million in FY18, all of which needs to be done by May 31st. It sounds like most of that is already funded or was moved from the Fiveash CIP project to fund at least the \$8.7 million discussed previously. He questioned whether the \$1.5 for Las Olas Boulevard was also funded in the CIP, which would be \$10 million. The next set of expenses is \$28.5 million for FY2020, which is Exhibit A and B of the Consent Order. Mr. Orshefsky questioned which are funded in the CIP and requested that Mr. Berg follow up and determine what percentage is funded and what the project numbers are.

Chair Mammano clarified that the Committee is requesting staff identify which projects of the Consent Order actually have CIP numbers.

Mr. Orshefsky mentioned the next set of phases that probably do not have CIP numbers end up in September 30, 2026; FY2026 for \$57+ million. It is assumed that is part of what was discussed in terms of bonding. The CIP timeframe shown was FY2018 to FY2022. It sounds like there are at least two years of stuff between FY2020 and FY2026 that may be funded. Mr. Orshefsky had the same question with regard to Exhibit C. As far as mapping, there was a question if there was a timeframe after the plan goes to DEP and comes back and what the cost would be over time.

Mr. Kwoka stated the dates are mandated in the Consent order.

Mr. Orshefsky commented that triggers in the Consent Order are to get a plan and have it approved. Once there is a DEP approved plan, there is a sense of the cost and how long it will take to get there.

Mr. Berg did not have a good sense of the cost but knows the asset management program is a software product, which is probably a couple million dollars. Mr. Berg could not guess what the consultant's fee would be to inventory the system but noted that it would be significant and probably would take at least a year. There will be an aggressive schedule.

Mr. Orshefsky questioned whether a likely funding source has been discussed to date.

Mr. Berg stated it is probably in some kind of financing mode. The software is funded. The part of a consultant coming in and inventorying all of their assets and the wastewater system and having that system completed is going to be a large project.

Mr. Orshefsky requested that the status and the numbers be provided at least every quarter so the Committee can keep tabs on this.

Mr. Kwoka stated that within 21 months within the effective date of this Consent Order, the respondent shall certify to the department that mapping is complete.

Mr. Berg commented that would be two years and funding is to be determined.

3. Old Business

B. Emergency Force Main Repair Project Update – Engineering Division

Jorge Holguin, Senior Project Manager, displayed a map and provided an update. The project is comprised of four phases. There are two phases; 1.A and 1.B, which will take care of the failed 30-inch force main. One section has already been completed. A 32-inch HDEP pipe was used, which is not susceptible to the same kind of corrosion as the other material. The new pipe is being inserted into the old pipe. Some capacity will be lost because of a thicker lined pipe; however, the friction makes up from a hydraulic standpoint. Computer modeling was done in-house and they will probably get back about 97% to 98% of the capacity with the new line system. This project is scheduled to be completed by December 1, 2017. The first goal is to complete the 30" pipe repair so the trucking will stop. Phase 2 is a new 30-inch force main pipe, which will be able to withstand pressure of 160psi. This will commence at the end of next week. Phase 3 is directional drilling and new pipe on Sistrunk Boulevard, which started today. This phase will be complete by the end of December 2017. All phases are being done concurrently.

4. New Business

B. Stormwater Rate Methodology Change Update – Michael Burton (Stantec Consulting Services, Inc.)

Motion made by Mr. Kwoka, seconded by Mr. Walters, to defer Item B to the next regular meeting. In a voice vote, the motion carried unanimously.

Mr. Feldman commented that the City pays Mike Burton to attend the meeting and requested that this item not be deferred again.

C. City Commission Infrastructure Workshop – August 30th (12:00 p.m.– 2:00 p.m.)

Chair Mammano indicated that the City Commission will discuss infrastructure.

Mr. Berg advised that the Commission has asked staff for information about water, wastewater and stormwater. He would like to complete his discussion in about 15 to 20 minutes.

Mr. Feldman stated this is set up as a Commission Workshop with the Infrastructure Task Force Committee. The Mayor is running the meeting. There will be about an hour for the presentation and then additional time for the City Auditor and City Attorney. After that, there will be time for City Commission questions and comments as well as Task Force questions and comments.

Chair Mammano would like to advise the Commission that the Committee will be having a Workshop sometime this coming month to discuss what is believed to be their charge and would appreciate some direction.

D. Board Member Comments and Agenda Suggestions – None.

Adjournment – Next Regular Meeting – October 2, 2017

There being no further business to come before the Committee at this time, the meeting was adjourned at 5:27 p.m.

Any written public comments made 48 hours prior to the meeting regarding items discussed during the proceedings have been attached hereto.