

**City of Fort Lauderdale
Infrastructure Task Force Committee
October 2, 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	6	0
Ed Kwoka	P	5	1
Ralph Zeltman	P	6	0
Keith Cobb	P	5	1
Leo Hansen	P	4	1
Roosevelt Walters	P	6	0
Fred Stresau	A	5	1
Norm Ostrau	P	4	0
Dave Orshefsky	P	3	0

Staff Present

Vice Mayor, Bruce Roberts
Lee Feldman, City Manager
John Herbst, City Auditor
Alan Dodd, Deputy Director of Public Works
Talal Abi-Karam, Assistant Public Works/Utilities Director
Nancy Gassman, Assistant Public Works Director
Meredith Shuster, Administrative Assistant
Lian Chan, Prototype-Inc. Recording Secretary

2. Approval of Agenda and Previous Meeting Minutes

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

Chair Mammano requested the addition of a discussion at the Joint Workshop with the City Commission on December 6, 2017 as well as information regarding material received in the comment section of the web page and how it would be handled.

Mr. Kwoka clarified that the past recommendation to add General Discussion was a one-meeting suggestion for this meeting.

Mr. Orshefsky requested that in the future the agenda be amended to include a General Discussion item prior to Old Business.

Chair Mammano believed the General Discussion should be at the end of the meeting.

Mr. Kwoka indicated that if General Discussion were put at the beginning of the meeting and limited to minutes then it would be beneficial; it should not be an open-ended discussion.

There was a consensus to include a General Discussion item at each meeting with a 15-minute limit prior to Old Business.

Motion made by Mr. Orshefsky, seconded by Mr. Walters, to approve changes to the agenda. In a voice vote, the motion carried unanimously.

A. Change of January 1st Meeting date: Proposed – January 4, 2018 (Thursday)

There was a consensus to change the January 1, 2018 meeting date to January 4, 2018.

Chair Mammano mentioned the procedure for backup material and stated that there needs to be a way to handle comments on the comment page on the website. The City Clerk has advised that there is a procedure and when emails are received through the website, the emails will be printed and distributed to the Committee at the next meeting. During the Public Comment portion of the agenda, the Committee can discuss those questions and if a response is warranted, decide on who will answer for the Committee. Responses will be forwarded to Ms. Shuster, who will then forward them to the person who asked the question.

Mr. Walters indicated that several emails were received between this meeting and the last meeting. One email expressed concern that no information could be found regarding this meeting. Information for future meetings should be made publicly known to residents.

Chair Mammano advised that the information was there when staff received it but it was not there a week in advance.

Mr. Orshefsky commented that there are two places on the City's website where the activity of this Committee is recorded. One is the City Clerk's webpage, which shows agendas once they are posted, and the other is a link to the Public Works webpage that has ties to get to the municipal studies and Public Works activities. When there was discussion about a web presence Mr. Orshefsky thought there was going to be a separate page for the Infrastructure Task Force Committee that would list the agenda and materials, as well as a place for comments. The comment mechanism is cumbersome because there is no response as a Committee. A separate Infrastructure Task Force Committee webpage was requested so the public could see all questions and/or comments. In Mr. Orshefsky's opinion, the Committee does not have an easily

accessible web presence to put all the materials together. It was suggested that the webpage also have links to the utilities study and any other studies available so there is not a question of having to go through several pages on the Public Works website.

Chair Mammano was of the same opinion in the beginning but it worked out in a traditional way as opposed to a more sophisticated way. It was suggested that a separate agenda item be made for the next meeting. Staff will be directed to advise what is possible as far as getting the word out.

Mr. Dodd believed there should be discussion with the Strategic Communications Office regarding the website and how it is organized.

Mr. Orshefsky mentioned there was a lot of discussion at the last meeting about whether the Committee was going to try to respond to the public at the public meeting and who was going to answer the questions. Mr. Orshefsky believed it was decided to require the public to state their comments and then the Committee would move on and those comments would become a list of laundry items to be reviewed and separated as to whether to move them on to the Commission.

Chair Mammano referenced the Joint Workshop with the Commission on December 6, 2017 and assumed it would be a big item on the November agenda.

3. Approval of Previous Meeting Minutes

Mr. Orshefsky requested direction from the Committee as to how to respond when addressing minutes or other materials. The first cut is to make sure the minutes accurately reflect what is attributed to whom, the second cut is to make sure the minutes are factually accurate, and the third cut is sentence fragments and grammar.

Mr. Hansen stated if the subject is effected or if confusion is created then it should be mentioned. A check list was suggested for members to say aye or nay and then move on.

Mr. Orshefsky volunteered to edit the minutes prior to staff distribution. It is frustrating that no minutes are posted on the website.

Chair Mammano believed staff would appreciate having up front information about the problems before going any further. Perhaps there could be a notice on the same web page saying that the meetings could be viewed via video and/or audio by clicking a button.

Mr. Feldman commented this meeting is being televised until 5:00 p.m.

Chair Mammano questioned if there could be another box on the official web page that reminds people of audio and visual coverage.

Ms. Shuster indicated that there will be a link to the website on the minutes that directs to the video.

- **June 5, 2017 as amended**

Mr. Orshefsky made the following amendments:

Page 3, first full paragraph, second line, should read as follows:

Mr. Orshefsky does not believe the City has a handle on universal capital needs, although there is a Comprehensive Utility Strategic Master Plan, **there are also** a facilities report that is a little aged dealing with the police headquarters and fire stations; and a parks report.

Page 5: All references to EPA should be changed to **DEP**.

Page 9, first full paragraph, second line from the bottom, should read as follows:

Paul Chettle found it interesting that the Mayor came in with a list of five things and noted that is not the consent the Commission gave. The Commission gave consent for three things; #1 water and sewer, #2 stormwater and seawalls, and #3 resiliency that was not defined. He mentioned the priority list. He is hopeful that more money will get sent to Public Works. He also mentioned the five-year CIP, the FDEP consent order list of \$100 million, the crossover from the **Payments in Lieu of Taxes (PILOTS)** to the ROI 2011, the increase in water, sewer, and stormwater, and how much money is being invested in the critical infrastructure.

Motion made by Mr. Walters, seconded by Mr. Cobb, to approve the June 5, 2017 minutes as amended. In a voice vote, the motion carried unanimously.

- **June 26, 2017 as amended**

Mr. Orshefsky made the following amendments:

Page 2, second full paragraph, should read as follows:

Mr. Orshefsky indicated he would like an agenda item to come back under New Business regarding the 40,000-foot level aggregation **of the City's capital needs**.

Bullets under 4A should read as follows:

- Regulatory and usage fees. **Water and sewer impact fees.**
- 3.0m and 2.8m. **\$3 million and \$2.8 million.**

- Proprietary fees and public/private partnerships (P3). (**Considered to be revenue based bonding**)

Page 3 should read as follows:

One millage rate increase should read as, **One mill property tax** increase **equals**.

When members speak they should be asked to identify themselves, whether they are representing someone, and what their address is. That is not listed.

Motion made by Mr. Kwoka, seconded by Mr. Walters to approve the June 26, 2017 minutes as amended. In a voice vote, the motion carried unanimously.

- **August 28, 2017**

Mr. Orshefsky made the following amendments:

Page 1, Item 2, third full paragraph, should read as follows:

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.

Page 2, fourth full paragraph, should read as follows:

Mr. Orshefsky questioned if the second draft **of the June 5, 2017 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.

Page 4, fifth full paragraph, should read as follows:

Mr. Orshefsky believed it is important for members of the Committee to know and 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.

Page 6, Line 3, references study. It is assumed it relates to the master plan but it is not clear.

Page 7, Public Comments, should read as follows:

Again, Mr. Orshefsky stated when members speak they should be asked to identify themselves, whether they are representing someone, and what their address is

Paul Chettle, resident, thought 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 the City had the **PILOT** 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.

Page 8, first full paragraph, first line, should read as follows:

Stan Eicheobaum, with the Downtown **Fort Lauderdale** Civic Association, advised that there is a citizenry concern right now.

Page 9, first line, should read as follows:

...of additional sewage *in*...

Page 10, first paragraph, last three lines, should read as follows:

Needs for the first **twenty** years of the plan are about \$1.4 billion. If everything in the Reese report as well as in the CIP is funded, the total would be about \$332 billion.

Page 11, first paragraph, line 3, should read as follows:

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.

Motion made by Mr. Kwoka, seconded by Mr. Cobb, to approve the August 27, 2017 minutes as amended. In a voice vote, the motion carried unanimously.

Mr. Kwoka commented that for the purpose of efficiency, anything outside of factual changes should be emailed ahead of time.

Chair Mammano indicated that Mr. Orshefsky has volunteered to review the minutes beforehand for issues of non-substantive nature. It was questioned if General Discussion could be waived.

There was a consensus to waive General Discussion.

4. Old Business
A. Presentation by Michael Burton

Michael Burton, Vice President of Stantec, provided a presentation regarding stormwater revenue requirements.

Chair Mammano questioned if this is a proposal for going forward and if there will be a \$3 increase forever.

Mr. Burton advised that the increase will be forever and it has tremendous challenges that require an increase in rates. The increases are per single-family home, even for renters.

Mr. Zeltman stated if a renter is paying the utility bill and the bill comes directly to the renter, then the renter would be responsible.

Mr. Burton advised that it would be a separate line item on the bill and the renter would be responsible. There are many capital projects starting in 2019. In 2018 the fee goes from \$8 to \$10, and then from then on it will be increased \$3 per month (\$36 annually) every year for ten years. At the end of ten years, the fee will be increased to \$37 annually. This is a current projection; nothing has been adopted. The only thing that has been adopted is the increase for 2018.

Chair Mammano questioned if there will be enough money to do what is needed with the increases and if more money would be collected at the end of the ten-year period.

Mr. Kwoka indicated that research shows, nationally, the cost of this type of project, in order for it to be paid properly, will increase between 3% to 10% above inflation.

Mr. Burton stated that more money will probably have to be collected after ten years.

Chair Mammano questioned what the scenario looks like if rates continue to be based on individual houses.

Mr. Burton stated this is what the revenue would need to go up to regardless.

Mr. Orshefsky mentioned that there is not a stormwater utility fund.

Mr. Burton commented that fees are in place but if the structure is not changed this is what would have to happen to that fund. Even if the structure is changed, there would still be an increase in the overall rate revenue no matter what. There would have to be 30% or 30%+ increases in rates even if the rates are restructured.

Mr. Zeltman stated this methodology was only for stormwater, not wastewater.

Mr. Burton advised it is only stormwater. It was noted that this fee takes into consideration the impervious surface and runoff coefficients on non-impervious surface on properties.

Mr. Zeltman stated swales are included as part of the stormwater system.

Ms. Gassman stated there are two components; the capital improvement part meaning new infrastructure being installed or a replacement infrastructure they are installing and the other is operation and maintenance. The City has a swale program, which is funded through this program. Swales are not rehabilitated as part of the operating budget. Operating and maintenance is one part of this budget and the CIP is the second part.

Mr. Burton clarified that anything the City is funding related to storm drainage is included whether it is swales, O&M for the swales, etc.

Mr. Stresau questioned why residents have to pay more once the pipes are installed.

Mr. Burton stated that the City's best estimate, when it was previously reviewed, was under a billion dollars in infrastructure needs that are going to happen over ten to 15 years. There was \$500 million for ten years and about \$414 million of borrowing that will be required over the ten-year period. With regard to the current rate structure, rates were based upon the impervious surface, which is sidewalks, driveways, footprints of houses, etc. and runoff coefficients for the non-pervious surface.

Chair Mammano mentioned there has been a lot of chatter about the possibility of changing methodology. Category 1 is residential, lot parcels, three or less.

Mr. Burton advised that anything that is not Category 1 is Category 2 or it is unimproved, which is Category 3. With regard to stormwater, there is a lot of tidal influence on the system. The stormwater system is designed and constructed primarily to address road flooding, not private property flooding. Originally, a tidally influenced surcharge was considered but it became problematic and was dropped from the analysis. There has been talk about using trip generation rates as a portion for criteria instead of impervious surface. Trip generation rates represent a better representation of the benefit about property class than impervious surface. Trip generation rates are used in impact fees for roadways and the Florida Stormwater Association paid for establishing a stormwater utility. Chapter 4.21 was referenced. The logic is being applied to the benefit derived from the properties and saying that trip generation is the

benefit criteria is how costs should be attributed to the different property classes and properties within a property class. Trip generation rates are commonly used. A supermarket was used as an example and it was noted that a 5,000-square-foot supermarket equivalent charge would be 3.817 for each 1,000-square-foot. The revenue requirement was done in 2016 and if an alternative rate structure was used, 58.84 would be generated, which would be \$6 for a single-family rate. This spreads the burden to others who are currently not paying their fair share.

Chair Mammano mentioned the rate structure and stated that there would be more money because condos would pay more. It was questioned whether the percentage of the rates need to be raised if this would work by itself.

Mr. Burton indicated that it would take at least one or two years, and would cover the increase for the first year or two. Once at that level of revenue, there would still have to be a 30% increase on top of this structure fee.

Mr. Orshefsky understood that the key input is the total cost of the capital expenditures necessary to put in the stormwater system so it is \$500 million in the first ten years and the overall over 20 years is around a billion dollars. That is the number used in the beginning and then work backwards.

Chair Mammano stated that the burden is being reapportioned to make it fair as well as increasing rates.

Mr. Burton advised that if this were done in the first year it would probably generate enough revenue to make up for the 30% increase but within the first couple of years the 30%+ increase would have to be done.

Chair Mammano commented that this becomes a policy question for the Commission to decide if everyone should have a double whammy in the first year or two or to get people accustomed to the new system before charging them extra.

Mr. Burton stated that the increase in revenue is almost double and suggested doing it revenue neutral without an increase on top.

Mr. Kwoka questioned whether the funds are restricted.

Mr. Burton indicated that the funds are an Enterprise fund.

Chair Mammano questioned if any ROI's are currently done for stormwater.

Mr. Burton stated if no ROI's are shown in this budget then it is not listed. The rate structure and property impact rate were then mentioned.

Chair Mammano commented that a definitive answer is needed for this question.

Mr. Kwoka suggested deferring this to the ROI discussion later on the Agenda.

Mr. Burton advised that in 2017 the rate went from \$6 to \$8 and in 2018 it is supposed to go to \$10. The \$6 number is two years behind and the chart needs to be updated. The increase will go into effect on October 1, 2017.

Chair Mammano mentioned supermarket rates.

Mr. Burton advised that a typical supermarket is paying \$178.42 before the new rate structure and on a trip generation basis it will be \$758.64; the change would be \$580. Municipals have a lot of trips and different rate structure changes for different buildings were discussed. Mr. Burton stated that warehouses and churches do not have many trips. A commercial high rise needs to be listed because, like multi-family, it would go up on a square-footage basis and would still be comparable to a single-family equivalency. The higher the commercial high-rise buildings go, the more effect there will be because their impervious surface is determined on a per-square-foot basis. There was concern because the City Commission questioned where this is done and stated that it has not been done this way in the State of Florida. Trip generation rates have been done for impact fees and assessments, but not for stormwater or roadway assessments.

Mr. Hansen commented that this system is illogical and questioned what is going to be done to make the system fair. The cost should be based on public use.

Mr. Burton indicated that trip generation is used in the industry but has not been used for stormwater before.

Chair Mammano believed the trip generation makes a lot of sense; however, everything is not a standard calculation. There are many large apartment complexes but there is a part-time population with snowbirds and elderly, which the engineers did not consider with the numbers.

Mr. Burton understood the point but thought it was fair. He mentioned the property class impact analysis and the recommended rate structure. A shift will be primarily from single-family and institution to commercial and government properties. Among multi-family properties, those are high-rise buildings with a small impervious area relative to the large number of multi-family units in the building will see a higher effective stormwater fee per dwelling unit, which will be more in line with single-family and other multi-family dwelling units. Those more horizontally in low-rise buildings may be effected neutrally or may have a better effective rate depending on the specific configuration relative to the units in the impervious surface. Commercial and government property benefit from roadways clear of flooding in proportion to trips generated; those classes will see an increase because of trips generated by those property classes represent a greater portion of trips in the City than the impervious surfaces as a percentage of the total impervious surface in the properties within the city.

Chair Mammano commented that revenue neutral is not realistic.

Mr. Burton advised that the analysis needs to be updated. The implementation consideration was referenced. Fees could be adopted in the first quarter of 2018 and be effective October 1, 2018, keeping the current rate structure in place until then so there is no risk at that point.

Mr. Orshefsky questioned how much of the demand for stormwater drainage systems were driven by tidal flooding versus storms.

Mr. Burton advised there are two kinds of tidal flooding; one that effects people on islands and the other that affects everyone.

Mr. Orshefsky questioned what percentage of the volume of stormwater is tidal versus storm. If it is a marginal 5% a simplifying assumption makes sense, but if it is more than 50%/50% then maybe something needs to be figured out to determine what is going on with respect to tidal. Perhaps it is worth finding out what is going on and researching tidal.

Ms. Gassman stated the two issues cannot be separated. She mentioned recent rainfall and noted that the areas of the city that flooded are not areas that normally flood during a tidal event. That rainfall happened to coincide with a high tide and could not discharge. The flooding seen in the city was stormwater related but flooding in the streets today is tidal, it is saltwater flooding. It depends on the timing of the rain as to whether there is flooding.

Mr. Orshefsky questioned if there would have been flooding if there were not a high tide.

Ms. Gassman advised that some of the areas would have had mild flooding because there was almost four inches of rainfall in a very short period of time. When looking at 165 miles of water in the city, the vast majority of that waterway is tidally influenced. It is difficult to determine what part of the city is tidally influenced.

Mr. Orshefsky commented that there is a stormwater demand driven by the drainage basin.

Mr. Burton indicated that there are FEMA basins out there but the outfall must be clear. The tidal that effects the system upstream from the outfalls should be a system cost. At some point in the future, perhaps people on the islands could pay a surcharge since the cost of the system has to be spent for them.

Chair Mammano mentioned that the City is trying to fund billions of dollars and questioned if that includes all seawalls.

Ms. Gassman stated there is a stormwater master plan, which is the \$500 million to \$1 billion over the next ten years. Part of that, up to a billion dollars, does include the seawalls because those funds have not been apportioned.

Mr. Orshefsky questioned what percentage of the billion dollars are seawalls.

Mr. Dodd advised that \$30 million to \$35 million is for seawalls.

Chair Mammano questioned why City Hall property is being sold to raise money to put into those projects if all stormwater projects should be paid out of the Enterprise fund.

Mr. Kwoka stated that a hole is being plugged.

Chair Mammano commented that it is the ROI in reverse. It was questioned if it is policy that all work that gets done on water and sewer gets paid for from the Enterprise fund and all the work in the storms are paid and no money comes in or out of the Capital funds.

Mr. Kwoka advised that Mr. Feldman indicated that generally money does not go from the Capital fund into Enterprise.

Mr. Dodd stated that seawalls are not funded as part of the stormwater program; however, it is a recognized tie between the seawalls and the stormwater program. The City cannot be saved from tidal influences unless seawalls are addressed as part of the overall solution. As part of the stormwater master plan, a number of seawalls have to be raised and then captured in the plan; how to pay for the seawalls is to be determined. Currently, stormwater would be funded under a General fund category but the City can always decide to manage the stormwater program and it would have to be paid for through a different means. That is a decision the Elected Officials need to make.

Chair Mammano understood taking the funds from taxpayer money because the money is not available and it will be paid back into the Capital budget when the money is raised. Using ad valorem taxes to do seawalls could not be understood when the City is raising a billion dollars that includes the seawalls.

Ms. Gassman indicated that traditionally seawalls are not considered part of the stormwater management system and tidal flows are also not normally considered part of the stormwater management problem but are interlinked with the city. Seawalls are paid out of the General fund and stormwater infrastructure is paid out of the stormwater fund. There is a cross conversation because there is a tie between the two systems.

Mr. Orshefsky questioned if the City has made a decision that residents throughout the entire city are going to pay for the seawall improvement or if it is the people who are contiguously located with seawalls.

Ms. Gassman stated there are public and private seawalls. There are seawalls that are in the ownership of the city and those are the seawalls the City is concentrating on as their responsibility; everyone else has to do their own. There has been discussion as to whether the City should pay for seawalls as part of an assessment but it goes back to the idea of trips. The roadways being impacted are not exclusively benefitting individuals who live directly on that street. Many of them are pass thru streets and many people are benefiting from the access to those streets.

Mr. Walters questioned the amount of the total budget.

Chair Mammano advised that the total budget is up to \$2+ billion.

Mr. Burton believes the City should focus on the method of collecting the stormwater cost and a policy decision will dictate whether the seawalls will be built. Currently, the focus is on implementing trip generation.

Mr. Stresau mentioned that when talking about the capacity of the storm drains to discharge into the canals as there is a rise in sea level will affect all the other neighborhoods.

Mr. Kwoka stated that even after a major storm the tide does not go out for days at a time.

Chair Mammano advised that it made sense that raising the seawalls owned by the City is a City responsibility and raising private seawalls is an individual property owner issue because they are protecting their property as everyone is protecting the streets.

Mr. Orshefsky questioned if the City, as a policy matter, only wants to allocate 80% of the cost of the stormwater system to the bonding and the rate structure, can the rest come from other sources conceivably including general revenue.

Mr. Burton advised that the City could do so.

Chair Mammano advised that this presentation has to be updated and questioned if the City could authorize the consultants to update the charts to reflect 2018.

Mr. Dodd indicated that would be brought to the attention of the City Manager's office.

Motion made by Mr. Stresau, seconded by Mr. Ostrau, that the City update the stormwater water rate structure presentation to reflect the 2018 rates. In a voice vote, the motion carried unanimously.

Mr. Walters commented that someone has to be responsible for creating the document that goes to the Commission.

Chair Mammano questioned whether the Committee has to wait for a Communication to the Commission.

Mr. Dodd advised that this would be worked on with the City Clerk's office and presented to the Commission at one of the conference meetings.

Commissioner Roberts requested something in writing and indicated that it would be brought to a meeting tomorrow.

Mr. Orshefsky understood that Administration needed a recommendation from this Committee in support of the methodology to take that recommendation to the City Commission. Mr. Orshefsky did not believe a substantive action was taken.

Mr. Kwoka commented that if the Committee is going to take action on this item then substantive action should be taken and there should be input from the public initially.

Chair Mammano advised that if a vote was going to be taken it should be done prior to people leaving. The floor was opened to Public Comments.

Larry Burnette, President of the Venetian Condominium, commented that the residents know they will have to pay more but disagree with the methodology. In the spring of this year, all the water charges were reviewed and no one could explain why water rates and stormwater rates had gone up so much. A full four-year audit was conducted of the Venetian Condominium and three significant things were found. Billing errors totaling \$36,000 were found of which over \$24,000 in refunds have been received and \$11,000 is being disputed. In comparing what was being paid in condominiums to what single-family homes pay and condominiums paid 28% more for water and sewer than single-family homes. The City charges 5% more every year while taking millions of dollars out of the water fund and put it in the general fund. With the 28% and then 5% on top of that it is more and more of a disadvantage. Over the last 12 years this has gotten worse. Mr. Burnette met with Commissioner Trantalis in May and made recommendations. A letter was received from the City Manager on August 7, 2017 stating that a rate study was being conducted and the purpose was to make the rates more equitable. The way to look at the water in the study was to think of it as a commodity. The City is selling water and handling the sewer. Stormwater is related to the footprint on the map and the footprint with the appurtenant streets, curbs, and drains, so everyone handles their own portion of it. This does not have anything to do with trips. What is being considered is the opposite of where it is believed it should go.

Mr. Walters questioned if Mr. Burnette had another suggestion for the methodology.

Mr. Burnette thought the footprint of every property is an equitable methodology. Water has to be handled for people to get to and from the building just as each homeowner has the City handle the stormwater in front of their property. Everyone handles their property and the appurtenant street and it is equitable.

Ms. Mammano closed the public portion of this meeting.

Mr. Hansen mentioned that the size of the property has nothing to do with water being collected on the public landscape, it is the wrong way to do it and is illogical. This is one corrective way but it is unknown if it is the best way.

Mr. Orshefsky stated there are two elements; one is trips and the other is impervious. The mechanisms do not have to be perfect but the allocation methodology has to be reasonable. Mr. Orshefsky was in favor but in going forward in anticipation of potential issues, if this methodology is validated that is going to double revenue. A recommendation should be made to the City Commission that if this is done to fund the Enterprise fund that there not be a back door in terms of ROI. This can be supported as a methodology as long as it does not become another piggybank.

Mr. Stresau was looking for determination as to whether the \$3 per month is done or the trip generation. One or the other or both were discussed.

Mr. Burton suggested that the trip generation be done and see how much revenue the \$3 covers.

Mr. Stresau believed it was recommended that the Committee put this before the Circuit Court or Supreme Court to get a judgement on their part as to whether the trip generation is the appropriate way to go and that means there is at least a 12-month or 24-month hiatus between when it is implemented and that the \$3 might be the way to cover the 12 or 24 months.

Mr. Burton clarified if the bond validation is before the Circuit Court then it would be 60 to 90 days. There is a 30-day wait for someone to appeal at the Supreme Court. If no one appeals it is done. If it is appealed to the Supreme Court it may take another nine months to a year.

Mr. Zeltman was not completely sold and needed time to do some research.

Mr. Kwoka was favor of the methodology and thought it needed some work and tweaks but the methodology of putting it up for the bond and running through that process allows for vetting. The methodology gives an opportunity to try the process without doing any substantial damage. It is believed that this has worked in other areas and could work in this area.

Mr. Burton advised that the last slides about the bond validation were not formally presented to the Commission and the Commission keeps trying to determine a way to get there. Perhaps once this new data bond validation is presented it will make a difference.

Mr. Ostrau thought it was an interesting concept; however, it was hard to support at this time due to limited knowledge.

Mr. Hansen believed it was logical and probably the way to go.

Chair Mammano thought it was logical and the way to go but not yet. An updated chart with numbers was requested. It was noted that there comes a point when something is continually added that it will drive people out of their homes.

Mr. Burton stated that was not the intent.

Chair Mammano suggested saying that the Committee encourages the Commission to pursue studying this.

Mr. Burton indicated that this has been used on numerous occasions in Florida; it is a standard process for road impacts.

Motion made by Mr. Kwoka, seconded by Mr. Walters, to proceed with the consideration of this plan to include the parallel bond validation as described. Mr. Orshefsky requested that the Committee recommend that the City Commission adopt a modified methodology to allocate stormwater costs as presented in this plan subject to two things. The first is if the Enterprise fund is funded for this purpose that there not be, now or in the future, any use of an ROI mechanism to transfer funds out of that Enterprise fund. The second is seawalls.

Amended motion made by Mr. Kwoka, seconded by Mr. Walters, to proceed with the consideration of this plan with the bond validation to exclude ever using the funds for ROI to extract funds.

Mr. Orshefsky stated there is a logical nexus the City could charge for some form of what the City gives to the Enterprise fund and there could be something to pay for something.

Mr. Kwoka commented that research shows they can still pay for those things but expense them in a proper way and don't make a unilateral extraction of funds to the General fund under the umbrella of ROI.

Chair Mammano questioned whether the Committee is recommending the Commission adopt the methodology or consider adopting.

Mr. Kwoka advised consider adopting the methodology.

It was suggested adopting this position and use it as an agenda item for the Workshop meeting with the Commission for discussion.

Amended motion by Mr. Kwoka, seconded by Mr. Walters, that the Infrastructure Task Force Committee recommended that the City Commission consider adopting a new stormwater rate methodology based upon the trip generation cost apportionment and to consider using the bond validation process immediately thereafter to validate the methodology. This recommendation is made with the provision that there be no transfer of stormwater Enterprise funds into the General fund. In a voice vote, the motion carried unanimously.

B. Follow-up to Special Meeting Priority Setting Workshop

This item was deferred to the next meeting.

5. Board Member Comments

This item was deferred to the next meeting.

6. New Business

A. Survey for Public Outreach Meeting

This item was deferred to the next meeting.

B. Public Outreach – choice of dates: January 18, 2018 or January 30, 2018

This item was deferred to the next meeting.

C. Discussion of ROI – Ed Kwoka

Mr. Kwoka recommended making the next meeting three hours as opposed to two hours.

Chair Mammano will discuss having an additional hour with staff.

7. Public Comments

None.

Adjournment – Next Regular Meeting – November 6, 2017

View this meeting at: <http://www.fortlauderdale.gov/departments/city-clerk-s-office/advisory-boards-and-committees/agendas-and-minutes/infrastructure-task-force-committee>

There being no further business to come before the Committee at this time, the meeting was adjourned at 4:59 p.m.

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