

**City of Fort Lauderdale  
Infrastructure Task Force Committee  
November 6, 2017  
2:00 p.m. to 5:00 p.m.  
8th Floor City Commission Room – City Hall  
Fort Lauderdale, FL 33301**

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

<b>MEMBERS</b>		<b>PRESENT</b>	<b>ABSENT</b>
Marilyn Mammano	P	7	0
Ed Kwoka	P	6	1
Ralph Zeltman	P	7	0
Keith Cobb	A	5	2
Leo Hansen	P	5	1
Roosevelt Walters	P	7	0
Fred Stresau	P	6	1
Norm Ostrau	A	4	1
David Orshefsky	P	4	0

**Staff Present**

Meredith Shuster, Administrative Assistant  
Linda Logan-Short, Deputy Director of Finance  
Laura Reece, Budget Director  
Alan Dodd, Deputy Public Works Director  
Paul Berg, Public Works Director  
Lee Feldman, City Manager,  
Lian Chan, Prototype-Inc. recording secretary

2. **Approval of Agenda**

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

3. **Approval of Previous Meeting Minutes**

**A. September 18, 2017 Special Meeting, Priorities Workshop**

Mr. Orshefsky advised that he marked the minutes, sent them to staff for review, they were sent to Prototype, and then the draft minutes went out. Staff was requested to forward the markup for the Committee's review. The purpose of forwarding the markup is not to discuss each of the markups but to make sure there is a chance for questions.

**Motion** made by Mr. Orshefsky, seconded by Mr. Walters, to approve the September 18, 2017 Special Meeting, Priorities Workshop as modified. In a voice vote, the motion carried unanimously.

Mr. Stresau commented that it would be helpful if the draft minutes are dated when Ms. Shuster sends them out.

Mr. Orshefsky suggested putting the date in the footer of the document.

Chair Mammano mentioned that specific issues brought up at the meeting were highlighted in this draft to aide in remembering the points the board wanted to discuss.

### **B. October 2, 2017 Meeting**

Chair Mammano confirmed the draft minutes had incorporated the markups after Mr. Orshefsky's review and that there were some additions or corrections.

Mr. Kwoka referenced Page 13 about half way down, and recommended striking the sentence, "that it needs to be addressed", as nothing can be done about the tides.

Mr. Zeltman mentioned Page 7 and noted that it should say, Mr. Zeltman "*stated*" instead of questioned. The second line down should read, "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." The second line from the bottom should read, "Mr. Zeltman *stated* this *methodology* was only for stormwater, not wastewater."

The first sentence on Page 8 should read, "Mr. Zeltman *stated* that *medians* and swales are included *as part of the stormwater system*."

Mr. Orshefsky stated that the minutes are taking around three hours to review and if that becomes a burden he reserves the right to revisit the approach to the minutes.

**Motion** made by Mr. Stresau, seconded by Mr. Orshefsky, to approve the October 2, 2017 minutes. In a voice vote, the motion carried unanimously.

### **4. General Discussion (Board Members) – 15 minutes**

Chair Mammano stated that the Committee is flooded with information but definitive answers have not been received to some of the questions. Part of the problem may be that there are no definitive answers and if that is the case, the Committee needs to be told.

Mr. Orshefsky responded that he keeps a table of questions that was sent to all the board members of what was asked and when. It is a matrix with questions that have been asked and the status of the response. Chair Mammano asked questions before

the meeting in September and Mr. Orshefsky has spent time with Public Works and Budget staff working to get the answers. As an example deriving the answer to the question about the 25% large users fee is being asked by the Budget Advisory Board and it is a complicated answer the Budget staff is working on getting. Similarly with the CIP, a lot of time was spent with Alan Dodd. Some of the money is legislatively allocated and some is grant money that cannot be reallocated without losing the grant.

It did not help to narrow down the list by dollar amount on projects that have been on the books for more than five years. He would also like the answer to Ms. Mammano's question "When were impact fees last assessed and how much was collected last year?" Mr. Orshefsky saw a problem with the timeliness of the response. He recognized the questions had complicated answers and the Public Works Department had to deal with emergencies and hurricanes. There is no one place for the answers as several departments are involved. The problem is: how to address the capital needs at the 30,000 and 40,000-foot level without some of these answers, and if Public Works has enough staff.

Mr. Roosevelt asked about adding more staff and the cost.

Mr. Dodd stated staff is fully employed. There are vacancies; however, there are not people who have the capacity to handle the volume of analysis the Committee is requesting.

Mr. Walters and Mr. Kwoka expressed that if Public Works was fully staffed then if they were not getting answers to make decisions, staff was making decisions without appropriate information also.

Mr. Dodd advised that staff in Public Works, particularly Project Management is not designed or structured based on the needs of the Infrastructure Task Force Committee. It is based on the requirements of the Capital Improvement Plan and those projects. New positions were created in the mid-year budget and the 2018 budget. They are currently vacant but when filled the project managers will be working on projects.

Mr. Orshefsky clarified that Mr. Dodd and his staff have been as responsive as they can be from the Public Works side. There are finance and budget items involved; facilities review is completely different. The Committee needs someone who has expertise and is available on an as needed basis. It is not all Mr. Dodd or his shop's job to deal with this.

Mr. Hansen, Ms. Mammano and Mr. Stresau discussed asking for additional staff, if it could be shown as saving money, the length of time to fill the position and the time the new person would need to get to the point of expertise. Ms. Mammano continued that the committee should be able to call on other departments and Mr. Stresau expressed Mr. Dodd is the liaison so it falls in his lap.

Mr. Zeltman commented that Mr. Dodd is consistent about no one being **available who is** qualified to answer the type of questions the Committee has. We need to remember

the altimeter reading, which is 30,000 feet according to Mayor Seiler to evaluate the infrastructure. Mr. Zeltman is taking a lot of time to review the map of all the watermains if there was someone that could tell him where all the dead end connections are, deficiency with fire hydrant connections specifically out on the extremities of the system and identify the deficiencies so the committee can determine what needs to be done outside of the Department of Environmental Protection Consent Order. Time on his part where could be reduced from someone knowledgeable in the field.

Chair Mammano indicated that she was using the Public Works Critical Projects Update memo put out weekly update. She expressed still needing more understanding.

Mr. Dodd clarified the memo is not every project that is funded in the CIP. There are 155 projects currently funded. These are the projects identified as critical that need greater visibility. Mr. Dodd stated the listing is fully funded; however, it does elude to the Consent Order project manager and future work. The projects either have contracts in design or are in the procurement process. Projects going to bid are fully funded

Ms. Mammano after reviewing the memo questioned why the \$200 Million bond is still needed with all the money being spent. Her concern is the projects are “keeping the lights on” but are not long range.

Mr. Walters commented that when the Committee talks about the 30,000 feet there needs to be someone saying it sounds good and looks good but there is no one to do that when getting down to ground level. It is too easy to make mistakes at that level. He does not understand what is funded and what isn't. When talking about a \$200 million bond issue it is unknown where the money is going because nothing says where it is going. He is asking for a list of projects for the next 30 years and what will be funded by the \$200 Million and then what funding will be needed in ten years. He needs that to make decisions on raising and spending money.

Mr. Kwoka agreed and Mr. Hansen concurred.

Mr. Orshefsky understood the discomfort of the 30,000 feet but if the horizon is five years the funding requirements are one thing, if it is ten years it is another thing, and if it is 20 years, which is normally the timeframe for the master plans, it is a different thing. It was agreed that unless the timeframe and focus is drilled down there will not be a definitive answer. As Mr. Orshefsky understood from discussions with staff, the Committee would know by the end of this year the cost of the first five to seven years of stormwater and there will be another bond issued for that. There is a five to seven-year horizon and \$200 million to \$250 million that needs a funding source. The Committee has no choice in the uncertainty because the numbers are not available.

Chair Mammano expressed concern that sometime in January the Committee is going out to the public.

Mr. Kwoka advised there is no information to make decisions and the City has indicated that they are operating in the same fashion.

Mr. Dodd mentioned when the process first began the Committee was given a thumb drive that had master plans. If the master plans are read, most of them are on a 15 to 20-year horizon and lay out the vision the City is trying to accomplish in each of the programs. The Reiss Report, which was the Comprehensive Utility Strategic Master Plan, gives a 20-year horizon for the needs requirements and what the projected priorities should be over that time. The chart received in the last six months laid out the projected funding requirements over the 20-year period. There are master plans for bridges and other projects as well. When looking at the long-range vision, refer to the master plans that lay out the priorities. Staff not only looked at the master plan, but overlaid the current plan, which is the five-year horizon called the Community Investment Plan and another part called the Consent Order. Tying all those together shows it is an integrated effort moving forward. The document received (Critical Update memo) did not provide a long-range picture but showed what was going on at this time the high priority projects were being executed. In order to see the vision, the master plans must be reviewed.

Mr. Kwoka agreed that the information was provided. Someone needs to drill down the primary pieces of information the Committee is looking for.

Mr. Dodd advised that a presentation could be provided regarding the Comprehensive Strategic Utility Strategic Plan; however, when the task force this was originally set up a schedule was provided showing what presentations would be given each month. The Committee decided it did not want that schedule because the reports could be read.

Mr. Feldman spoke on water and sewer. He stated the master plan did not have to be read in its entirety. The executive report summarizes the results over 20 years and that the rate structure gives the City the ability to finance 20 years of projects over the next 10 years. Part of the bond project will be to list the projects it will pay for. It will include the Consent Order projects and projects identified in the Reiss Report. Water and sewer is pretty good but if the committee asks for the Reiss presentation, it can be done. Stormwater will have another magnitude of around \$200 Million to \$250 Million. We don't have the numbers yet but they will be coming soon. There is not funding for stormwater. That is the methodology that needs to be figured out.

Mr. Kwoka believed the frustration was that the answers to the questions lie somewhere in the presentations offered. From Mr. Kwoka's perspective, the timetable is not available to watch all the presentations and it was questioned whether it would be possible to go through the executive summaries and drill down to the specific questions being asked.

Mr. Feldman stated that water and sewer study was not the only study. The City also had bridge and canal studies.

Mr. Zeltman indicated the Reiss Report has 837 pages, and the executive summary that outlines and prioritizes the improvements with both water and sewer.

Mr. Feldman advised that the executive summary was in the first few pages of the Reiss Report.

Chair Mammano believed the Committee should take the position that the master plan is good and that is the plan to go with. Not sure if that is the way to go.

Mr. Kwoka did not argue that it was not the best plan. If that were the solution then this Committee does not need to be here.

Mr. Walters commented that it appears the City has given the Committee a job that is pretty much already done.

Mr. Kwoka stated that the public perception is that the Committee is assembled as a stage show to facilitate the pulling of bonds that are going to happen anyway.

Mr. Feldman clarified that the Commission does not need a vote like a general revenue bond to issue water and sewer bonds. The Commission has that capacity and has exercised that capacity in the past. It was believed that one of the charges the Commission had early on was for the Committee to help determine where the conflict exists between engineering studies. The Commission wanted the Infrastructure Task Force Committee to help staff and the Commission tries to recognize where the difference is.

Mr. Kwoka mentioned that this specific conversation has come up before. The way it was explained was that one report was for bonding purposes and the other was for engineering and development purposes. He was hearing a new directive that there is an opinion A and an opinion B and somewhere in between lays the truth. He mentions that someone should be hired to compare the two.

Ms. Mammano voiced that she was not going to be put in the position of saying where the report was right and wrong.

Mr. Stresau added that it was the staff's job to sort that out and tell the Task Force.

Mr. Feldman clarified that in the Reiss Report there were projects that may not need to be done. The Reiss Report was being very thorough. It has projects in there and essentially everything needs to get fixed. The City has the report, the list of projects totally \$1 Billion and the rate structure that will support the funding. The City will go ahead and exercise the projects based on the priorities the plan lays out along with the Consent Order and moving forward with water and sewer. The Task Force can agree with that approach or not but Mr. Feldman's need is funding for stormwater.

Mr. Kwoka summarized saying if the plan is done, the Task Force can move on.

Ms. Mammano stated that she is not the person that can prioritize the projects in the plan if that is what is being asked. The Commission gave a much larger perspective.

Mr. Zeltman believes that a project schedule can establish milestones and the scope would be helpful to keep on track. If a project schedule could be generated that identifies the milestones and a timing element those would be the constraints that would guide the Committee to accomplishing what the City is expecting.

Mr. Kwoka agreed and questioned if the City has a program manager.

Mr. Dodd advised there are six senior project managers who oversee the different aspects of the overall projects and determine the priorities and needs. Two are for water and sewer, 1 over the stormwater, 1 oversees bridges, dredging, seawalls and fire stations, 1 that oversees roads and sidewalks and 1 that handles smaller architectural projects and NCIP (Neighborhood Community Investment Program) Mr. Abi-Karem is the Asst. Public Works Director over the Utilities, Dr. Gassman oversees the stormwater. Parks has three parts, facilities, open spaces (interrupted) Engineering works with the program but the departments have the budget. The departments set the priorities and meet monthly to coordinate.

Chair Mammano commented that the priorities are set by the departments and questioned who arbitrates which priority from which department and who goes first. Perhaps the Committee can be structured that way.

Mr. Stresau commented that if the Commission challenged this Committee to review the priorities and then take public input then that is where the focus should be and not the specifics.

Mr. Dodd advised that the priorities are established through the budgetary process and the Community Investment Program process. Each year the Commission establishes priority action plans or in the budget process. Public Works looks to the budget is where the Commission puts the dollars and that is where they want the money spent.

Mr. Kwoka stated that water and sewer do not need to be discussed anymore. The next ten years is being driven by the Consent Order. (Mr. Dodd clarified the Consent Order is only for sewer aka wastewater, not water.) Mr. Kwoka suggested abandoning sewer and move on to stormwater, bridges, and canals. .. (other voices) parks, facilities, transportation

Mr. Walters referred to the September 18<sup>th</sup> meeting where the Committee decided to narrow its focus.

Mr. Kwoka didn't believe the \$200 Million bond for the Consent Order needed to be discussed further. It has to be done regardless. Let's abandon that issue and move on to where the Committee can make a difference.

Mr. Walters wants to get to a point where he knows what clear view this Committee is going to do.

Mr. Orshefsky brought up that direction should come from the Commission at the December 6, 2017 meeting. One of the top issues he thought the Commission was asking for was to help prioritize using public input in respect to what they thought was important as an infrastructure matter. Mr. Feldman has presented to the Budget Advisory Board in the past, a more detailed transportation survey that deals with roads, sidewalks, and other things, to get a handle on what is important in that area for the citizens of Fort Lauderdale. If sewer is put off because it is being taken care of by bonds and a consent agreement, fine. If the other elements of the resolution are as high a priority then that direction needs to be obtained from the City Commission. If the Commission is running out of time then this Committee should make a recommendation based on efforts made at this meeting and get feedback from them.

Ms. Mammano reminded that the current Commission was in office for five more months.

Mr. Kwoka advised that the resolution and this Committee predate the completion of the consent work. Based upon the direction of the Consent Order, it would perhaps be the Committee's opinion or position to go back to the Commission or communicate that the Committee would like to set aside, other than perhaps hearing some public feedback on what is taking place. Even the feedback received, other than being an appropriate sounding board, the Committee cannot deviate from a signed and approved Consent Order. The best the Committee can do is respond to anything in the Consent Order.

Both Mr. Orshefsky and Ms. Mammano agreed that this is not a political discussion; infrastructure is 30 – 50 years.

Mr. Zeltman asked if the Consent Order focused on the main culprit of the system, the Inflow/Infiltration (I/I) issues.

Mr. Feldman believed the Consent Order required them to develop an I/I plan. There is already \$15 million devoted to I/I currently under contract and they plan on giving more.

Mr. Dodd advised there is approximately \$21.7 million worth of I/I work included.

Mr. Feldman mentioned I/I is a concern with the other systems that join the City's system and noted that I/I predictions for long-term wastewater agreements need to be enforced.

**An issue on water from the Reiss Report says the Fiveash Water Treatment Plant (WTP) needs to be redone in its entirety; however, Mr. Feldman was not sure that was correct and believed the Fiveash WTP needs to be upgraded. This would be an area the Committee could focus on as an action plan.**

Mr. Kwoka referenced the emails received addressing the Wave and that it was outside the purview of this Committee. Further, the City Commission may want to consider establishing a transportation board.

Chair Mammano disagreed and felt that transportation was within the purview. there was only so much money and bonding to go around. Talking about priorities, getting public input, and what the public believes the limited dollars should be spent on is perfectly in the Committee's purview to discuss.

Mr. Kwoka did not disagree but noted there are no resources and there are other problems. Mr. Kwoka recently did some work in transportation mobility and there were too many stakeholders. In Mr. Kwoka's opinion, the Committee would be a sounding board that needs to be heard. It was believed that a more appropriate action would be to establish an independent Task Force entirely towards transportation and mobility and perhaps some of the Committee members would be asked to be on the Committee.

Mr. Hansen brought up looking at the philosophy where these other issues will come up. The Committee is all about philosophy and not the individual numbers.

Mr. Orshefsky agreed that the focus should not be on the Wave Streetcar (Wave) as it is not the only transportation infrastructure issue facing the City. It was believed that safe streets, sidewalks, and other elements of mobility as part of the injunction given under the resolution. Mr. Orshefsky concurred with Mr. Kwoka and did not want to get tied up in the Wave; however, he did not want to throw out transportation or mobility as an infrastructure issue.

Mr. Kwoka believed discussing what transportation and mobility should look like ten years out falls perfectly within the purview of planning.

Chair Mammano agreed and believed it was the Committees' responsibility to weigh philosophically about where the limited resources are being put.

Mr. Hansen brought up the interconnection when infrastructure projects cross and that there is probably not any government that has someone that creates that kind of philosophy for making those decisions.

Chair Mammano advised that there is a vision plan and the Wave is perfectly in line with that vision. The consequence of the way that vision is being carried out is going to cost a lot of money, which may be needed more critically for other uses.

Mr. Kwoka believed that in the context of this Committee, the Committee should be agnostic to any one particular mode of transportation.

## **5. Old Business**

### **A. Clarification of Recommendation to the City Commission regarding Stormwater Rate Structure**

Chair Mammano mentioned emails where the Commission asked this Committee to clarify its position. In her opinion, the request was clear.

Mr. Feldman commented on the word “consider” and indicated that most of his recommendations say, “It is recommended that we should approve or disapprove.” He would like to say, “It is the Commissions’ decision.”

Chair Mammano stated that the Committee was concerned about the information needed for updated numbers on the stormwater rate structure and where it was going to come from.

Mr. Feldman indicated that the next report would have the FY2018 updated numbers. It is important that the Committee not concentrate on the numbers as much as the methodology behind the numbers. Until the number on the bond issue is received there will not be a number to look at.

Mr. Kwoka advised that it is a recommendation of the approval of proceeding with the process. Mr. Kwoka liked the concept of running the process through the court. From a process standpoint, this is far more equitable than any other approach and that was the basis of his making the motion last time.

Mr. Feldman stated that the City is aware that the only way to get the number down is to issue a stormwater revenue bond. If there is a revenue bond there will be a rate structure to back the revenue bond. Prior to issuance of the bond, the City would go to court where the Judge would look at their rate structure and if it meets all the tests, the bonds would be issued.

Mr. Zeltman commented that currently the City uses a footprint of the impervious area to determine stormwater cost responsibility. The proposal methodology uses the travel route method which is a fairer way for inclusion of units in the high-rises and vertical structures. A breakdown of the impervious area versus the footprint was mentioned.

Chair Mammano indicated that the concern was to see what the numbers look like and how it would be redistributed but there was not a column for commercial. Chair Mammano thought the Committee agreed that the methodology made sense.

Mr. Hansen believed the language needed to be stronger.

Mr. Kwoka suggested recommending that the City Commission adopt a stormwater rate methodology based upon trip generation and cost apportionment and recommend 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.

Mr. Orshefsky commented that is too broad; the Committee did not want ROI. Mr. Orshefsky believed the language should be that the only transfers out of the stormwater fund to the City General revenue should be cost recovery. The way this was presented to the Committee was that there would be an automatic rate increase every year essentially forever. It was suggested that the automatic increase be revisited every five years.

Chair Mammano commented that the Committee wanted to see, by doing the recalculation on the methodology, that it would be enough money to cover some of the projects without the constant 5%. The concern was about the numbers and that there was not enough information.

Mr. Feldman clarified the 5% increase was not forever under water and sewer. There is test done in April of each year and if they hit these points a rebate is given. It is not an automatic continuation. The test creates a “stop”.

Mr. Walters questioned if the recommendation issue was coming up tomorrow. [City Commission meeting on November 7]

Mr. Feldman advised the recommendation was not on tomorrow night’s meeting. There would be two items dealing with the \$200 million water and sewer bond, which is to appoint a legal bond counsel and to pass a reimbursement resolution.

Mr. Kwoka suggested that the Committee advise the Commission that it is understood there are expenses that need to be recaptured that are appropriate as described by Mr. Orshefsky. Explicitly, the Committee is trying to avoid the ROI. Mr. Kwoka questioned if what Mr. Orshefsky said was correct as far as terms of recovery of expenses is not ROI.

Mr. Feldman indicated that there is currently no ROI for stormwater; there used to be but it was not a large number. Stormwater was not an extraterritorial system. It is all inclusive within the City. ROI was taken out of the equation. If the recommendation is that the Committee supports this provided that the methodology says there is no ROI coming back but that the City could still capture its expenses there would not be any resistance from him.

**Motion by Mr. Kwoka, seconded by Mr. Orshefsky, to recommend that the City Commission adopt a new stormwater rate methodology based upon the trip generation cost apportionment and recommend using the bond validation**

**process immediately thereafter to validate said methodology. This recommendation is made with the provision that there be no transfer of stormwater enterprise funds into the General Fund other than for direct expense recovery, to exclude ROI. In a voice vote, the motion carried unanimously.**

### **B. Follow-up to Special Meeting Priority Setting Workshop**

Chair Mammano referenced the minutes from September 18, 2017. Topics were highlighted. Discussion as requested.

Mr. Orshefsky expressed concern that the highlights were from Chair Mammano and noticed that he would have highlighted different portions. This was honed today in the General Discussion. This is evolving and it is believed it is going to continue to evolve.

### **C. Survey for Public Outreach Meeting**

Mr. Kwoka commented that the survey should begin to progress. Decisions were made earlier and the exclusion of some of the items have been brought up in emails; therefore, it was believed the Public Outreach Meeting could move forward. If anyone has specific items they believe should be incorporated in the survey, perhaps that feedback could be given to Ms. Shuster.

Mr. Orshefsky noted that as long as the Committee does not speak to each other everything is good.

Mr. Kwoka stated that the survey could go up for everyone in the Infrastructure Task Force Committee to review as well as for the City for comments.

Chair Mammano mentioned there is a note on the page in addition to the Submit Your Comments button, which people are learning how to use. There is also a link on the page to the videos.

Mr. Kwoka thought comments received were constructive.

Mr. Orshefsky commented that everyone's pages are different; other pages have draft minutes and backup. The last time he looked there was no backup in their page and the draft minutes were not there. A synopsis was also discussed at the last meeting. Mr. Orshefsky suggested everyone look at the Marine Advisory Board and how their City Clerk page is handled. It was noted that there should be a synopsis, backup, and draft minutes.

Chair Mammano noted that public comments should also be in the backup.

Ms. Shuster requested there be cutoff dates because some of the information is received Monday morning. In the case of getting comments for the survey, there needs

to be a cutoff date at least a week ahead of time so the information can be put together and be sent to members in a timely manner.

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

Chair Mammano indicated that the Committee was going to put together their own questions for the survey and give them to Ms. Shuster, who would give them to Mr. Kwoka so a draft could be prepared. The draft would go out prior to the date of the Public Outreach meeting.

Mr. Orshefsky suggested a meeting date of January 30, 2018.

There was a consensus that the Public Outreach meeting be held on January 30, 2018.

Mr. Kwoka requested everyone give him more than less but stated not everything would be listed; there will be some duplication. It was noted that there should not be any leading questions. When thinking about the questions, try to break them down into classifications with A – E, yes/no, and certain questions open to public comment. If there is an item someone feels strongly that might have a public comment, it will be captured.

Mr. Berg suggested looking at the citizen's survey.

Mr. Kwoka stated there are reasons to keep it separate but at the same time some of the analytics may overlay both sets of data. The Committee is supposed to have a certain set of distance. Mr. Kwoka would like the questions by November 20, 2017 so Ms. Shuster would have a few days to compile the information and so he could make the survey.

**E. Discussion of ROI – Board Members**  
(Linda Logan, Deputy Director Finance will be present)

Ms. Logan indicated that the budget handles the ROI.

Mr. Kwoka commented that he is not talking for nor against the ROI but mentioned a handout regarding the ROI in their packet.

Ms. Logan stated that the handout talked about things the City implemented in 2003.

Mr. Kwoka advised that he found other materials that are supportive of the ROI. It was meant to bring to the forefront some of the ideas. Part of the problem the City has is that there is a gap between what people think is going on and what is going on. Mr. Kwoka's intention was to have a small discussion and take input from the public to understand in what capacity an ROI is used.

Mr. Orshefsky commented that the case law is equally aged. If there is a return on investment, which is essentially a return on capital, this paper maintains the position that if there is a dividend, it should go back to the ratepayers who paid for the system in the first place. What troubled him was the dividend being paid from utilities was going to ad valorem taxpayers, not the ratepayers. There are a lot of ratepayers that are not ad valorem taxpayers and it was believed the dividend should be going to ratepayers to keep the rates low, not necessarily ad valorem taxes outside the edge of the Enterprise fund. Ms. Logan was questioned as to the ballpark savings in terms of bonds that could be recognized. It was questioned how much the bonds could be decreased for the sewer system to fund the FDEP consent agreement If \$20 million was left in the Enterprise fund.

Ms. Logan advised that the consent agreement is a ten-year project but currently, the money is needed. It was hard to give an exact answer.

Mr. Orshefsky questioned if the transaction cost for bond counsel was 1.8%.

Ms. Logan stated it was close to a half million dollars overall on the high end, between \$400,000 and \$500,000.

Chair Mammano commented that perhaps \$200 million is not needed, maybe \$100 million is needed and pay as you go. This way the cash flow issue is covered and the money comes in every year.

Mr. Orshefsky believed there should be a subset of the FDEP agreement or other projects within water and sewer that could be funded with ROI and that may decrease the amount of the necessary bond tranches. It would lower the transaction costs at the front end and lowers debt costs over the 30-year period of the bond. Mr. Orshefsky would like to know the bond sizing is the right way and would like to make it as little as possible.

Chair Mammano stated that the philosophy would be to keep bonding obligations as low as possible; therefore, keeping costs as low as possible. Keeping the ROI in the operating account accomplishes that and could be a recommendation.

Mr. Kwoka did not disagree but stated that no reasonable, well managed corporation pays a dividend before it has paid all its bills.

Chair Mammano read that when organizations get into trouble is when they take money out of the Enterprise fund and use it for Police, Fire, salaries, etc.

Mr. Orshefsky mentioned that a second analysis needs to be run and if that is the Committee's recommendation, pay as you go money should be used first.

Ms. Reece stated when this policy was initiated the Commission wanted the Budget Advisory Board to deal with it at a philosophical level. This went back to the Budget Advisory Board twice and was in favor. Also it is taken to the Commission every year with the budget. It is not hidden or done in a vacuum.

Mr. Kwoka commented if the non-ROI position required an increase in the ad valorem tax to fill that gap then that may be what is required. The City is about to pull upwards of \$300 million in bonds creates a new bill that somewhere must be paid.

Mr. Orshefsky advised that the Budget Advisory Board also took a recommendation to the City Commission. When an infrastructure deficit is seen, ad valorem should be raised so the Board said both.

Mr. Kwoka requested to see is the minutes from the Budget Advisory Board.

Mr. Orshefsky stated that the ad valorem discussion would be in one of the recommendations in 2014 or 2015.

**6. Board Member Comments – None.**

**7. New Business**

**A. Discussion of Available Media Outreach Options**

Chair Mammano had discussion with staff about doing more than what is being done. Apparently, the Committee is doing more than most Boards. The Committee liaison did not have the capacity for more.

Mr. Orshefsky mentioned that there was discussion about asking for additional resources and perhaps this may be one of the places where additional resources should be asked.

Mr. Kwoka brought up the capacity of the City staff to continue to take on more and there needs to be a level of respect. He suggested contacting the Sun Sentinel and requesting they put out notice of the Infrastructure Task Force Committee meeting at the end of an article.

Mr. Orshefsky noted that one of the Committee's charges is to solicit public input. An interactive webpage where comments could be posted was mentioned as well as some sort of blog that was visually attractive. This is tough to navigate.

Mr. Kwoka questioned whether notice of these meetings could be sent out with the Go Big Go Fast.

Mr. Dodd commented that going big fast has certain parameters.

Mr. Orshefsky questioned where the survey instrument would be posted for people to see. The Committee does not have a mechanism.

Chair Mammano suggested that Chaz Adams, with Public Outreach and Public Information Office, come to the next meeting to advise what more can be done to get the message out. The survey could be put on the Public Works web page.

Mr. Berg stated he would meet with Chaz Adams in Strategic Communication.

Mr. Kwoka volunteered to meet with Chaz Adams of the Public Outreach and Public Information Office.

Ms. Mammano pointed out that the Civic Associations were targeted to send the survey to and the City confirmed that it could send it to all the HOA's.

### **B. Joint Workshop with the City Commission on December 6<sup>th</sup>.**

Chair Mammano advised that there will be an Infrastructure Task Force Committee meeting before the December 6, 2017 Joint Workshop meeting.

Mr. Dodd indicated that the agenda will be posted before the next Infrastructure Task Force Committee meeting.

Mr. Kwoka suggested leaving the agenda open ended.

Mr. Walters agreed. It is not the City Commission's meeting, it is the Committee's meeting. There are two purposes, to talk and to listen. Everyone is there to ask and answer questions; it has to be a give and take in order to be productive.

Mr. Kwoka believed the Committee has begun to generate sufficient momentum in this process that could be functional and worthwhile. The Committee wants to put closure to some things, a recommendation was just made, and ROI is being discussed. Everyone should come prepared with notes.

Mr. Orshefsky stated that because of the FDEP consent agreement the \$100 million worth of improvements is being taken off the table because that is going to take care of itself. Action was just taken on stormwater. Some of these things can be informational and then there could be a dialogue about them. ROI was mentioned and if it is going to be discussed, at what depth.

Chair Mammano did not see any possibility of not having discussion about the ROI.

Mr. Orshefsky mentioned the scope of the Committee's inquiry; full resolution, eight items, top three or top five. His recommendation was not to ask that question.

Mr. Kwoka agreed. The Commission made recommendations and this Committee has to stay within the boundaries of the resolution. If the Commission asks about the Wave it could be noted that the Committee is looking at a from a more holistic level.

Chair Mammano commented that the Commission cannot get into every project but the Committee can say this project versus the whole pot of money and ask if it rises to the priority level.

Mr. Kwoka suggested that the Committee ask why the Infrastructure Task Force Committee is limited to 18 months and why it is any different than the Budget Advisory Board. Infrastructure and transportation will always be needed and there are big changes coming in transportation and mobility. It is offensive that the City paid almost \$220,000 for a 450-page Transportation Master Plan report that did not mention Uber one time. Mr. Kwoka's recommendation was that the Infrastructure Task Force Committee become a regular ongoing process.

Chair Mammano agreed that the Committee cannot possibly work on an 18-month timeframe. An extension of time will be discussed. There is an official resolution approved by the Commission and that was the Committee's charge.

Mr. Stresau questioned if the Committee wanted to address resiliency and what the projects are currently budgeted and financed for.

Mr. Dodd indicated that the stormwater master plan and the utilities all identify their need for resiliency. It was noted that resiliency is not a standalone project; it is integrated within projects as a whole.

Mr. Orshefsky stated that one piece is going to be seawalls as well as water and sewer.

Mr. Stresau advised that Mr. Feldman was asked about the seawalls and it was noted that it was never funded.

Mr. Berg stated that was proposed to be funded with the proceeds from the sale of the property.

Chair Mammano questioned why proceeds are being taken from a piece of property to do a major important project when it should be done out of regular funds.

Mr. Orshefsky questioned if there are funded CIP line item projects such as seawalls that go beyond the sale of the piece of property.

Mr. Dodd stated there are some seawall projects in the CIP and there is currently one funded on the Riverfront. The projects mentioned are not currently funded such as Cordova Road.

Chair Mammano commented that there has been no discussion where money will come from for new parks and improvements of the parks or purchase of open space.

Mr. Kwoka questioned the anticipated 30-inch force main repair cost.

Mr. Dodd advised that \$14.5 million was the final contract cost.

Mr. Orshefsky clarified there was \$13.5 million from the Fiveash WTP reallocation and there was another \$8 million out of fund balances. Mr. Orshefsky thought there were two budget amendments to fund the 30-inch force main.

Mr. Dodd stated the initial estimate was \$13.1 million when they were borrowing money and upon finalizing the contract the final cost was \$14.5 million and a second budget amendment was done in order to make up the remaining funds required for that project.

Mr. Kwoka was sure some kind of premium was paid because it was done under duress. The number received from the City Manager to date shows that \$11.8 million was paid to pump sewage from one end to the other side. The project was paid twice. If the City does not start making some changes \$1.4 billion in a crisis is going to become \$3 billion. It was noted that in the past two and a half years 20+ million gallons of raw sewage has been dumped in the water.

Mr. Zeltman stated that just because there are lift stations and pump stations there is still a problem with the gravity sewer mains continually eroding the new force mains. If the City does not fix it through the I/I it will get worse.

Mr. Dodd stated when looking at the go big go-fast program it is not just a summary of what is on the Consent Order; it is a much bigger issue and the priorities need to be across water and sewer to reinforce and do what the master plan tells them to do and to get the urgency behind those efforts

Mr. Hansen mentioned that during the Joint Workshop that the Committee could at least make the point that \$11.8 million on trucking should never happen again.

Mr. Berg indicated they are trying to take a systematic approach to these things but knew they could not bill \$1 billion in five years. They knew they could schedule and handle \$200 million and meet the immediate needs right now and begin that process in building

extra redundancy in the system so when they get 15 to 20 years down the road and need another round of components that were worn out they have ways to route sewage. They need to have more than one point for failure.

Chair Mammano commented that the Committee could look at the plan to see what should be prioritized. It would be on a philosophical basis. Whatever is in the plan that saves energy and provides redundancy to the system should be the priority projects.

### **C. Initiation of the Water/Wastewater Bond Funding Process**

Mr. Stresau asked what the \$200 million was going to cover and asked for a one page, best guess.

Mr. Berg stated it was being worked on. First the list will go to the Commission.

Mr. Dodd advised it is on the list to work on and when the information is received it will be forwarded to the Committee.

Mr. Berg indicated that the first priority will be to fund the balance of projects in the Consent Order that are not funded, second will be to re-fund the projects that had to be "unfunded" as they were deemed priority and still are and then to fund projects that have not been funded. Third, the twenty year master plan list of needed projects will be reviewed for where the balance of funds will be best used. He clarified that seawalls and sidewalks will not be included because this is water and sewer fund money and those issues cannot be paid for from that fund. There are going to be other projects that are unfunded in the current CIP that have some priority in water and sewer. The Committee is asking for a big item and they are doing their best to get the information.

Mr. Kwoka stated that someone picked the \$200 million and the Committee wants to understand where that number came from. The difficulty of the task was understood and it was questioned how they go out for a \$200 million bond.

Mr. Berg advised that the City knows their current rate structure and could fund \$200 million with the current rate structure. He stated that redundancy is built into the Master Plan as well as advances in technology that will save money. With the current rate structure, probably another \$200 million two or three years down the road could be done in terms of getting to the \$1 billion the master plan says they need to invest into water and sewer. Mainly the amount of \$200 Million is the amount that can be managed. .

Mr. Kwoka clarified that the City can manage \$200 Million at a time and will do as much as they can.

Mr. Berg indicated that the Consent Order is going to take \$77 million and there is another \$300 million the master plan says is needed to finance over the next five years. The City knows their needs exceed the ability to cover it. A lot of time is spent going through projects. There is currently \$69 million in projects in the construction phase and over \$80 million between construction and planning and design. If it is in the CIP, it is funded or anticipated funding through normal rate structures over the next five years.

There is not a fund balance; operational needs are determined every year of the budget and anything left over automatically goes into the CIP. There are annual budgets for normal repair and replacement of existing equipment and systems, etc. When purchased, those items are counted as projects because they meet the size and durability but they are built into the operational budgets. That is the \$300 million part in the master plan that is not funded.

Ms. Mammano understands where the \$200 Million was derived and stated the Committee does not need a list.

## **8. Public Comments**

John Bordeaux attended the FDOT meeting where the Wave was discussed. All the bids were rejected because they were too high and the plan was to cut the scope so the scope fits into the budget. Mr. Bordeaux has heard the question about what to do with the City and the infrastructure. The Reiss Engineering report said the downtown system is already at capacity and the way to fix it is to put a moratorium on all new building construction and all new users until this downtown sewer and water system is fixed. There are several buildings that are not even in the Reiss Engineering report. Mr. Bordeaux attended the transportation workshop meeting last week and noted they are putting forward a 30-year plan that calls for \$10 billion in capital projects; \$14 billion in operations; \$24 billion over 30 years and they intend 59% to be funded by a one-cent sales tax increase.

Mr. Walters questioned if the capacity in the downtown area today could be addressed.

Mr. Berg did not have the specific numbers. The problems are in the conveyance system; however, the treatment plants can produce the water they need and handle the waste they need. The conveyance systems are the component systems that need to be replaced in some cases. Part of those projects are in the Consent Order and a contract was awarded a few meetings ago to build an additional one-million gallons of wastewater capacity in the downtown system, which will be done next summer. Capacity is not the issue, the issue is the conveyance systems and certain parts of the conveyance systems have old pipes, old pumps, and old motors.

Mr. Walters commented when the conveyance fails the capacity fails. When this question was asked three or four meetings ago the capacity was at about 80%.

Mr. Bordeaux stated that his understanding from the Reiss Engineering report was that the pipe conveyance systems and pump station 13 were already at capacity before new development comes in and other buildings that have been approved.

Craig Fisher indicated that building needs to stop right now, as there is no capacity. Sewage is not supposed to be moved with \$250,000 per day pump trucks and when that ceases it will be okay to start building again. The Building Department must know

what the capacity is for each of the buildings as that is part of the checklist. Something is wrong. He observed a pump truck at 5:30 a.m. and the road was covered in water and the stench was ridiculous. This is not right or fair. Mr. Fisher is sure Mr. Feldman knows something.

Mr. Zeltman stated the problem is the old pipes.

Paul Chettle commented that the City is very selective as to when they do and do not help you. The City does not have the money and that is why this Committee was ultimately formed. There was an infrastructure problem and it was not being addressed. They have known about the FDEP for two budget cycles; two CIP cycles, and did not adjust the budget or the CIP. For back to back years, four out of five Commissioners, five last year and four this year, voted to cut spending on critical infrastructure. The City took \$13 million from a parking garage to close the budget gap of \$14 million and now they are going to take a line of credit to get the \$13 million to put back so they can issue a bond. The City also took \$13 million from Fiveash WTP to fix the sewer pipe. Changes, needs, and priorities identified in 2007 were rearranged during an entirely different study in 2009 then finally put in the CIP in 2013 for completion in 2017. In 2017, the Commission abandoned the project to fix the sewer and said it would be done in 2019.

Tim Smith stated that he learned a lot and did a lot of research before coming to the meeting. He thinks the Committee's task is too big. To give 18 months to determine what to do with all the infrastructure, half of which is in big trouble, is too much. The number one thing on people's minds is wastewater. In Mr. Smith's opinion, nothing was more important than sewage, particularly when it is floating in the street. The City believes they have it under control and he has read the reports with the 30 projects that are either under way or are going to be funded. The citizen rate does not have any comfort level and are wondering why this happened. Mr. Smith suggested fixing sewer, water, then maybe stormwater. Years later, bridges and the Wave can be discussed. Mr. Smith hopes the Commission makes this a standing Committee. Fort Lauderdale is an old City with lots of problems. Half of this City received sewers in the last two decades. It was noted that at one time 40% of the City had no sewers and the budget was raised, which was half a billion dollars. The projects were funded up front and were successful.

John Roth from Four Seasons Condominiums attended the Wave meeting and has been following the Wave project intensely for the last couple of years. Mr. Roth stated that the Wave project is in big trouble for two physical reasons; one is quicksand all the way from Lake Okechobee to the south and the land is slowly sliding into the sea and the sea level rise is also coming up. When it gets wet the swale does not support the weight of a 90,000-pound streetcar over a railroad track that is slowly sinking. The second problem is the 3<sup>rd</sup> Avenue drawbridge. Mr. Roth mentioned King County Seattle, which is a huge transportation system, who says they would never put a major transportation system over a drawbridge because a drawbridge is inherently unreliable.

The reason to put a major transport system is to deliver reliable transport. The idea that someone is going to come and chop components out of the specification so it costs less will either deliver a whole lot less than what is needed or they will come to the City and ask if they can fix the storm and water drains on Andrews Avenue because the streetcar will only run in three and a half inches of water. There were two pages of stormwater drains required to be done and the City said they would do it. That has been removed from the specification so if it rains and they need a dry road the streetcar will be stopped.

**9. Adjournment – Next Regular Meeting – December 4, 2017**

There being no further business to come before the Committee at this time, the meeting was adjourned at 5:02 p.m.

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