

City of Fort Lauderdale

*City Hall
100 North Andrews Avenue
Fort Lauderdale, FL 33301
www.fortlauderdale.gov*



Meeting Minutes

Wednesday, December 6, 2017

12:00 PM

Joint Workshop with Infrastructure Task Force Committee

City Commission Conference Room

CITY COMMISSION WORKSHOP

FORT LAUDERDALE CITY COMMISSION

***JOHN P. "JACK" SEILER Mayor - Commissioner
BRUCE G. ROBERTS Vice Mayor - Commissioner - District I
DEAN J. TRANTALIS - Commissioner - District II
ROBERT L. McKINZIE - Commissioner - District III
ROMNEY ROGERS - Commissioner - District IV***

***LEE R. FELDMAN, City Manager
JOHN HERBST, City Auditor
JEFFREY A. MODARELLI, City Clerk
CYNTHIA A. EVERETT, City Attorney***

ROLL CALL

Present 5 - Vice Mayor Bruce G. Roberts, Commissioner Dean J. Trantalis, Commissioner Robert L. McKinzie, Commissioner Rogers and Mayor John P. "Jack" Seiler

QUORUM ESTABLISHED

Infrastructure Task Force Members Present: Chair Marilyn Mammano, Vice Chair Ed Kwoka, Leo Hansen, David Orshefsky, Norman Ostrau, Fred Stresau, Roosevelt Walters and Ralph Zeltman,

Not Present: Keith Cobb

Also Present: City Manager Lee R. Feldman, City Auditor John Herbst, City Clerk Jeffrey A. Modarelli, City Attorney Cynthia A. Everett

No e-comments were submitted for this meeting.

CALL TO ORDER

Mayor Seiler called the meeting to order at 12:08 p.m.

OLD/NEW BUSINESS**BUS-1** [17-1500](#)

Discussion - Infrastructure Task Force Priorities and Objectives

Mayor Seiler announced the purpose of this meeting is to identify the purpose and objectives of the Infrastructure Task Force (ITF).

Vice Mayor Roberts arrived at 12:10 p.m.

Chair Marilyn Mammano made opening remarks, commenting on the ITF's work over the last eight months on complex infrastructure issues.

Vice Chair Ed Kwoka discussed the Consent Order and the current length of the ITF, causing the limitation of important discussions. The ITF suggested a discussion for an extension of its duration.

Board Member Roosevelt Walters commented on the qualified ITF members, acknowledging their independent knowledge and ability to address infrastructure issues.

Board Member Ralph Zeltman acknowledged the dedication of the ITF in

establishing needs and priorities, commenting on the ITF's progress.

Board Member Norman Ostrau discussed the outstanding cooperation of Staff.

Board Member Fred Stresau discussed the large amount of information the ITF has been requested to digest, commenting on the need to extend the duration of the ITF.

Board Member Leo Hansen concurred with the previous comments of Board Members, agreeing on the need for an extension of the ITF. He discussed decisions about expenditures that are made by the Commission and the City Manager, acknowledging the need for the public to know that infrastructure needs are being addressed to ensure their safety and security.

Board Member David Orshefsky commented on the number of financial and engineering infrastructure challenges occurring at the same time including water, sewer, stormwater and other issues. He discussed his concern about how these infrastructure costs and obligations will be funded and the need to determine a way to minimize long-term debt costs for these improvements. Mr. Orshefsky voiced his concern over "debt creep" that will load additional bond issuances on top of each other. Alternative mechanisms may need to be utilized to minimize that debt load.

Chair Mammano commented on the need for the ITF to have public input, confirming there will be a public forum on January 30, 2018. She discussed the importance of making the public aware of the magnitude and impact of these issues. Chair Mammano acknowledged Staff's assistance in this realm, videotaping ITF meetings and uploading to the City website. She confirmed that this a large public education issue and they are pursuing public outreach. Vice Chair Kwoka confirmed a meeting tomorrow with Mr. Adams.

Mayor Seiler concurred with the idea of extending the duration of the ITF. He confirmed a consensus on extending the ITF for an additional 18 months. He requested the City Attorney's Office prepare a corresponding resolution.

In response to Commissioner Rogers' question, Paul Berg, Director of Public Works, requested the Commission advise Staff of their areas of focus and specific outcomes, noting the current lengthy list of infrastructure items. This will assist in setting priorities. Chair Mammano concurred on the importance of this issue, reiterating Staff's positive

efforts and cooperation from all departments. She confirmed that necessary resources need to be made available.

City Manager Feldman commented on his agreement to extend the duration of the ITF. He also discussed his plan for a dedicated part-time professional Staff person to assist the ITF. City Manager Feldman noted the importance of having adequate Staff resources to research, address and answer questions regarding infrastructure issues. The additional responsibilities of this position include clarifying issues, authoring ITF reports, recommendations and disseminating information. Mayor Seiler commented on the need for this Staff person to be a good communicator who can facilitate and disseminate information. Vice Mayor Roberts commented on possible hiring opportunities for this position.

Vice Chair Kwoka commented on the timeline required for a clear understanding of the issues by the ITF and communicating with Staff, confirming the ITF's crossing of a threshold that allows better meeting flow. Further comments and discussion ensued. It was confirmed that Mr. Berg would not need to attend ITF meetings involving infrastructure issues pertaining to seawalls and transportation. Chair Mammano concurred with City Manager Feldman's recommendation for a professional Staff person to assist the ITF.

Mr. Orshefsky discussed the multi-disciplinary and various departmental areas involved in addressing ITF issues, i.e., Public Works, Finance and Budget, and Transportation. He concurred with the need for a central person to coordinate the facilitation of gathering necessary elements of required information. Further comments and discussion ensued on coordinating ITF work. City Manager Feldman suggested the Staff person report to Paul Berg, Director of Public Works.

Mr. Walters also confirmed the need to extend the duration of the ITF. A Staff person will enable the ITF to address all aspects of infrastructure. Chair Mammano commented on past Staff support. Vice Mayor Roberts recommended the Staff person be under the City Manager's Office to enable work across departments.

Mayor Seiler confirmed a consensus from the Commission and the ITF for a Staff person. Mayor Seiler recommended having public meetings outside City Hall. Chair Mammano concurred, noting that the State of the City is scheduled for January 30, 2018. As such, the previously discussed public outreach meeting will be rescheduled to a different date.

Vice Chair Kwoka agreed on the need to have public outreach meetings

in each District, confirming each area has its own infrastructure issues. Further discussions ensued on possible locations. Mayor Seiler suggested the ITF make these determinations.

Board Member Stresau suggested each respective District Commissioner chair the meetings. Mayor Seiler discussed this suggestion, noting the need for the ITF to operate independently from the Commission. Further comments and discussion ensued.

Board Member Orshefsky noted the need for assistance from the City's Public Information Office to achieve the required public input on ITF plans and goals.

Vice Mayor Roberts commented on the need for input and education at the public meetings as well as progress reports for public dissemination. Board Member Zeltman commented on an upcoming meeting regarding the Imperial Point Lift Station Rehabilitation Project to be held on Monday, December 11, 2017, at 2:00 p.m. It is an onsite meeting and is multipurpose and includes: the public expressing their views; allowing for clarification and explanation about issues of concern to residents; and educating all stakeholders. Mayor Seiler commented on the need for the public to see the ITF at work. There was a consensus on holding public meetings in each District.

Mayor Seiler asked for a recommendation from the ITF regarding narrowing the issues and priorities, requesting a ranking.

Board Member Zeltman said the George Lohmeyer Treatment Plant is a crucial item, confirming the need to meet with the Operations Staff to advise the ITF about all underlying issues in need of being addressed.

Chair Mammano commented on issues concerning the ranking of projects, i.e., the common elements of all projects as they relate to public safety, redundancy, equity, and sustainability. Discussions ensued on the Consent Order and its impact on ranking of infrastructure projects. Mayor Seiler discussed the process in place that puts infrastructure requests before the Commission for approval and the need for the ITF to provide the Commission with a preliminary ranked list of priorities.

Board Member Walters discussed the ITF's ranking efforts and the determination about sources of financing. Mayor Seiler discussed a schedule for ranking within 45 days and financing within 90 days. As a follow-up to these comments, Board Member Orshefsky confirmed the ability to utilize two short-term axis's for priorities. They are urgency and calendar/chronological. He stated that once received, the Facilities

Review will not be able to be reviewed for approximately four months. It should be delayed to allow for a detailed review and recommendations. Mayor Seiler confirmed, explaining his reasoning with the goal of making the process as efficient as possible, commenting on the Commission process and funding resources. Board Member Orshefsky confirmed agreement that ITF should rank the infrastructure projects, commenting it adds to the legitimacy of the ITF and its recommendations.

Board Member Ostrau discussed the need to separate projects from the financing. He also commented on the need to address the rate structure which needs to be a priority in order to determine the feasibility of projects. Mayor Seiler commented on Water and Sewer Funds and Stormwater Funds being used for those purposes. To put this conversation into context, Commissioner Trantalis commented on the history of using of Water and Sewer Funds for other purposes. He confirmed that events and the Consent Order are now dictating priorities. Further discussion and debate ensued.

Board Member Hansen commented on handling these issues like a business, determining and analyzing costs, savings, and benefits of acting now, acting later or not acting at all. He commented that the costs may not be monetary; they could be life-safety costs. Board Member Orshefsky discussed the Consent Order mandating timeframes. The upcoming Stormwater Master Plan will be an additional element for addressing timelines. He commented that using urgency and funding demands as an organizational principal can cause some projects to fall out. Mayor Seiler stated this is happening in real time.

Board Member Stresau commented on the issue of sidewalks and impending lawsuits that could impact their prioritization. He stated this has no impact on other infrastructure issues such as storm drainage. Mayor Seiler commented on the process once the ITF recommendations come before the Commission. Commissioner McKinzie commented on public input, confirming Neighbor Surveys rank sidewalks as a priority. He confirmed his desire for Board Member Walters to represent him and the District III community.

Chair Mammano noted the need to receive public input before reporting back to the Commission. Mayor Seiler confirmed the number one priority is water and sewer, suggesting the ITF comes back with a list of priorities and recommendations based on input from public meetings in each District.

Commissioner Rogers commented on the Commission's ability to keep Staff accountable, citing the experience with South Side School.

Commissioner McKinzie concurred on Staff staying focused and diligent in pursuing that project.

Vice Chair Kwoka commented on and concurred with the previous point that the City is in infrastructure crisis management, confirming the importance of understanding how the City got to this point. In a broad discussion, it must be addressed along two paths, dealing with the crisis and making recommendations about not repeating past errors.

Mayor Seiler recommended discussions regarding Return On Investment (ROI) be included in a discussion about rate structure and funding, commenting on ROI policies that have been in place for many years.

Vice Chair Kwoka noted the ITF's desire to prioritize and determine funding. Commissioner Rogers responded, commenting on the Commission defaulting to Staff on this issue and the need for the ITF to communicate to the public how these costs will be funded.

Mayor Seiler commented about the ITF recommendation to use Water Sewer Enterprise Fund User Rates (Enterprise Fund). He asked City Auditor Herbst and City Attorney Everett if this is a permitted use. Commissioner Trantalis commented on the unknown factors regarding underground infrastructure. Due to these unknown factors, it is difficult to amortize costs. He recommended a budget that addresses continued maintenance on an annual basis.

City Auditor Herbst stated that the Enterprise Fund follows standard accrual-based accounting for remediation or renewal and replacement. For tax purposes, it is to document how the goods are consumed over time. Depreciation is part of standard operating costs, confirming these funds could be used for this purpose. Chair Mammano discussed how the Capital Improvement Projects are being funded. She said the amount in the fund should be the amount for system replacement. She recommended revisiting this issue. Mayor Seiler concurred.

Board Member Orshefsky discussed a twenty-year budget for replacing existing underground infrastructure. Over the next two years, the Department of Environmental Protection (DEP) will mandate the City create an inventory of what currently exists underground. When added together, the City has an understanding of a useful life and the cost to replace. He recommended these long-term costs be folded into revised rates, commenting on reserve amounts that exist from bond funding.

Mayor Seiler commented on his concerns regarding the new Stormwater Rate Methodology being challenged in court by condominiums. Vice

Chair Kwoka stated this methodology has not been tested in this capacity on a municipal level but has been tested in other capacities on the municipal level. He stated many municipalities are struggling with these issues. Further comments and discussions ensued. Vice Chair Kwoka discussed the timeline related to possible future litigation involving a bond issuance should it be challenged. Should a challenge ensue, it would be within the first six months, before a rate increase.

In response to Mayor Seiler's question to City Attorney Everett about this approach, she confirmed her comfort with the litigation approach. She confirmed the need to have a more in-depth conversation with the consultant who recommended the methodology. Further discussions ensued on this topic. Vice Mayor Roberts voiced his concern with the implementation of the new rate structure and the need for it to be done in phases, asking if there is another hybrid-methodology.

Board Member Walters discussed the need to take action on this issue and the funding allowing areas to handle a significant rainfall. He said that deferment of this item requires a timeframe. Mayor Seiler requested an opinion from City Attorney Everett by the second Regular Commission Meeting in January 2018.

Vice Chair Kwoka confirmed the need to meet with the consultant regarding the new rate structure methodology. City Attorney Everett concurred, confirming she would attend the ITF's meeting in early 2018 based on the availability of the consultant. Chair Mammano stated that the meeting could be combined with updated information and legal issues.

Chair Mammano concurred with the viewpoint on the issue of equity, confirming the necessity for sharing costs across the board. Vice Chair Kwoka said the consultant confirmed the need to update the numbers, noting they could go down, benefitting everyone. Vice Mayor Roberts commented about the water and sewer rates being lower than surrounding municipalities. Further comments and discussions ensued on rates.

Board Member Orshefsky commented on infrastructure capital expenditures, as being part of the ROI and the funding discussion. He confirmed it could be funded by debt finance, reserves, ROI dollars remaining in the Enterprise Funds or by adding additional general revenue into the Enterprise Funds to support Capital Improvement Project (CIP) expenditures. The latter has not happened in the past. He discussed the need to determine the correct percentage of general revenue funds contributing to CIP expenditures. Mayor Seiler discussed

the subsidizing of municipalities outside the City when diverting general revenue funds for this purpose. Board Member Orshefsky commented on the Enterprise Fund and accounting for depreciation. When ROI stays in its respective funds, it would become more self-funded into the future. The increment in the General Revenue would likely go to non-Enterprise Funds of the CIP. Mayor Seiler concurred. Board Member Ostrau commented on ITF discussions about the ROI precluding a fee for services from the Enterprise Fund, including fire and police services.

Commissioner Rogers commented on the importance of the ITF's infrastructure analysis and its integration with the work of the Budget Advisory Board (BAB) to advise the Commission on important issues. Vice Mayor Roberts asked City Manager Feldman to ensure that the BAB receives the ITF's infrastructure analysis.

Board Member Orshefsky, also a BAB member, commented on the BAB's annual budget review of the amount included in the budget from general revenue allocated to non-Enterprise Fund Capital Improvement Projects. Raising this percentage is a separate policy issue that is being offered for consideration by the Commission. He confirmed this had not been fully discussed at the BAB. There was a consensus that be put on the BAB agenda. City Manager Feldman commented on the policy in place in 2011 and exceeding that amount each subsequent year, explaining the current dollar amounts and forecast dollar amounts.

Mayor Seiler thanked the ITF, Staff and the Commission members for their work and contribution.

ADJOURNMENT

Mayor Seiler adjourned the meeting at 1:30 p.m.