

**CITY OF RIVIERA BEACH
PALM BEACH COUNTY, FLORIDA
UTILITY SPECIAL DISTRICT MEETING MINUTES
RIVIERA BEACH EVENT CENTER
190 E 13TH STREET, RIVIERA BEACH, FL 33404
WEDNESDAY, SEPTEMBER 20, 2017 AT 5:30 P.M.**

CALL TO ORDER

BOARD CHAIRPERSON MILLER-ANDERSON: ...meeting, September 20, 5:30 p.m.

ROLL CALL

INVOCATION

KM. Madam, roll call.

DISTRICT CLERK ANTHONY: Chairperson KaShamba Miller-Anderson?

BOARD CHAIRPERSON MILLER-ANDERSON: Present.

DISTRICT CLERK ANTHONY: Chair Pro Tem Tonya Davis Johnson?

CHAIR PRO TEM DAVIS JOHNSON: Here.

DISTRICT CLERK ANTHONY: Board Member Lynne Hubbard?

BOARD MEMBER HUBBARD: Here.

DISTRICT CLERK ANTHONY: Board Member Dawn Pardo?

BOARD MEMBER PARDO: Present.

DISTRICT CLERK ANTHONY: Board Member Terence Davis?

BOARD MEMBER DAVIS: Here.

DISTRICT CLERK ANTHONY: Mayor Thomas A. Masters, *Ex Officio* Member?

MAYOR MASTERS: Present.

DISTRICT CLERK ANTHONY: City Manager Jonathan E. Evans?

CITY MANAGER EVANS: Present.

DISTRICT CLERK ANTHONY: Acting Executive Director of Utility Special District Troy Perry?

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: Present.

DISTRICT CLERK ANTHONY: District Clerk Claudene Anthony is present. District Attorney Andrew Degraffenreidt?

DISTRICT ATTORNEY DEGRAFFENREIDT: Here.

DISTRICT CLERK ANTHONY: District Finance Director Randy Sherman?

DISTRICT FINANCE DIRECTOR SHERMAN: Here.

DISTRICT CLERK ANTHONY: You may proceed.

PLEDGE OF ALLEGIANCE

BOARD CHAIRPERSON MILLER-ANDERSON: We'll have a moment of silence followed by the Pledge of Allegiance led by Councilwoman Pardo.

BOARD MEMBER PARDO: Do you have the flag?

[Inaudible comments]

[Moment of silence]

BOARD MEMBER PARDO: I pledge allegiance...

ALL: ...to the Flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible with liberty and justice for all.

AGENDA APPROVAL

ADDITIONS, DELETIONS, SUBSTITUTIONS

BOARD CHAIRPERSON MILLER-ANDERSON: Do we have additions or deletions? Substitutions?

CITY MANAGER EVANS: Madam Chair, no additions, deletions or substitutions from Staff.

BOARD CHAIRPERSON MILLER-ANDERSON: Okay.

DISCLOSURES BY THE BOARD OF DIRECTORS

BOARD CHAIRPERSON MILLER-ANDERSON: Disclosures by the Board of Directors?

[Pause]

ADOPTION OF AGENDA

BOARD CHAIRPERSON MILLER-ANDERSON: Do we have a motion to adopt the Agenda?

BOARD MEMBER PARDO: So moved.

CHAIR PRO TEM DAVIS JOHNSON: Second.

DISTRICT CLERK ANTHONY: Board Member Hubbard?

BOARD MEMBER HUBBARD: Yes.

DISTRICT CLERK ANTHONY: Board Member Davis?

BOARD MEMBER DAVIS: Yes.

DISTRICT CLERK ANTHONY: Board Member Pardo?

BOARD MEMBER PARDO: Yes.

DISTRICT CLERK ANTHONY: Pro Tem Davis Johnson?

CHAIR PRO TEM DAVIS JOHNSON: Yes.

DISTRICT CLERK ANTHONY: Chair Miller-Anderson?

BOARD CHAIRPERSON MILLER-ANDERSON: Yes.

DISTRICT CLERK ANTHONY: Unanimous vote.

BOARD CHAIRPERSON MILLER-ANDERSON: COMMENTS FROM THE PUBLIC ON THE CONSENT AGENDA IS A THREE MINUTE LIMITATION TOTAL. ALL MATTERS LISTED UNDER THIS ITEM ARE CONSIDERED TO BE ROUTINE AND ACTION WILL BE TAKEN BY ONE MOTION. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS A BOARD MEMBER SO REQUESTS, IN WHICH EVEN T, THE ;ITEM WILL BE REMOVED FROM THE GENERAL ORDER OF BUSINESS AND CONSIDERED IN ITS NORMAL SEQUENCE ON THE AGENDA.

BOARD CHAIRPERSON MILLER-ANDERSON: Do we have anyone that will like to pull an Item?

[Pause]

MINUTES

BOARD CHAIRPERSON MILLER-ANDERSON: Alright. Minutes? None.

RESOLUTIONS

BOARD CHAIRPERSON MILLER-ANDERSON: Resolutions?

END OF CONSENT AGENDA

BOARD CHAIRPERSON MILLER-ANDERSON: End of our Consent Agenda.

AWARDS AND PRESENTATIONS

BOARD CHAIRPERSON MILLER-ANDERSON: Awards and presentations?

DISTRICT CLERK ANTHONY: None.

PUBLIC HEARINGS

BOARD CHAIRPERSON MILLER-ANDERSON: Public hearings?

DISTRICT CLERK ANTHONY: None.

REGULAR AGENDA

1. ITEM NO. 1

BOARD CHAIRPERSON MILLER-ANDERSON: Regular Agenda Item No. 1.

DISTRICT CLERK ANTHONY: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT, PALM BEACH COUNTY, FLORIDA ADOPTING THE FISCAL YEAR 2017-2018 BUDGET FOR THE UTILITY SPECIAL DISTRICT AND PROVIDING AN EFFECTIVE DATE.

BOARD MEMBER PARDO: So moved.

BOARD CHAIRPERSON MILLER-ANDERSON: Do we have a second?

CHAIR PRO TEM DAVIS JOHNSON: Second.

BOARD CHAIRPERSON MILLER-ANDERSON: Do we have any public comment cards?

DISTRICT CLERK ANTHONY: No pub'..., public comment cards.

BOARD CHAIRPERSON MILLER-ANDERSON: Alright.

CITY MANAGER EVANS: Madam Chair, at this time, Staff would like to present the Fiscal Year 2017-2018 Utility District budget. If I can have the District Finance Director, as well as the Acting Executive Director for the Utility District provide a brief presentation concerning the Fiscal Year budget for the Utility District?

DISTRICT FINANCE DIRECTOR SHERMAN: You want me to go? Yeah. Good evening. Randy Sherman, Finance Director for the Utility Special District.

We held the first budget meeting on the Utility District budget on August 21st. What you have in front of you here is the summary of that budget. At that time, there were no recommended changes from the Board. As you can see, the budget is going up just slightly over \$1,000,000. And again, you can see that that is in the operating accounts where your ECR payments are. There were two new, uh, I'm sorry, excuse me, three new positions that are being added. We're going from 56 positions to 59. Two of them are water plant operators and one is a facility maintenance manager. If you have your budget books and you wanna look at the detail, Utility District is actually on Page 134, 135 and then, if you want the individual line item detail, that begins on Page 273.

And I can answer any questions that you may have.

BOARD MEMBER PARDO: Madam Chair?

BOARD CHAIRPERSON MILLER-ANDERSON: Go ahead.

BOARD MEMBER PARDO: Okay. Mr. Sherman, under the projects section?

DISTRICT FINANCE DIRECTOR SHERMAN: Yes.

BOARD MEMBER PARDO: Alright. So, I need clarification. On the parallel intracoastal water main, so we're showing there's, you know, a number one priority and that's for \$3,193,000 and then if you go down to the number three priority list, the same water main is there and this time it's for \$7.13M.

DISTRICT FINANCE DIRECTOR SHERMAN: Yeah.

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: Which [inaudible]?

BOARD MEMBER PARDO: Do you see it? Do you want me to show it to you?

DISTRICT FINANCE DIRECTOR SHERMAN: I, I see, I see the seven, I'm looking for the three'.., the first one.

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:[Inaudible].

DISTRICT FINANCE DIRECTOR SHERMAN: [Inaudible] crossing. [Chuckle]. Okay. I got that one. Okay. So, let me look at the sheets.

BOARD MEMBER PARDO: [Inaudible].

DISTRICT FINANCE DIRECTOR SHERMAN: Yeah. Let me see if I can find the sheets. [Pause]. Did you find it, Mr. Perry? [Pause]. There's a water main...

BOARD MEMBER PARDO: Right. Because I believe that that project...

DISTRICT FINANCE DIRECTOR SHERMAN: Water main.

BOARD MEMBER PARDO: ...the last time we spoke about it, we said it was about \$7,000,000.

DISTRICT FINANCE DIRECTOR SHERMAN: Yeah. Let me find...

BOARD MEMBER PARDO: So, are you...

DISTRICT FINANCE DIRECTOR SHERMAN: ...the second one.

BOARD MEMBER PARDO: ...piecemealing it or what are you doing?

DISTRICT FINANCE DIRECTOR SHERMAN: Yep.

BOARD MEMBER PARDO: Or is it just a typo?

CITY MANAGER EVANS: It looks like there is a parallel intracoastal water main and then...

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: [Inaudible] force main.

CITY MANAGER EVANS: ...a parallel intracoastal force main.

DISTRICT FINANCE DIRECTOR SHERMAN: [Inaudible].

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: It's two different mains.

CITY MANAGER EVANS: Two different mains.

DISTRICT FINANCE DIRECTOR SHERMAN: One is water and one is sewer?

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: Sewer, correct.

BOARD MEMBER PARDO: One is water and one is sewer?

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: That's correct.

BOARD MEMBER PARDO: Okay. So, the water will be done first or the sewer?

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: We will do the, we will do the, um, wa'..., sewer first, based on the previous...

BOARD MEMBER PARDO: So, the sewer is less expensive...

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: Correct.

BOARD MEMBER PARDO: ...than the water?

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: Correct.

BOARD MEMBER PARDO: Okay. Alright. That's all I have.

Thank you.

DISTRICT FINANCE DIRECTOR SHERMAN: Okay. Thanks. [Chuckle].

BOARD MEMBER HUBBARD: Ques'..., two, two questions, Madam Chair?

BOARD CHAIRPERSON MILLER-ANDERSON: Go ahead.

BOARD MEMBER HUBBARD: The, the..., is this a, a repair or...

BOARD CHAIRPERSON MILLER-ANDERSON: [Inaudible background comment].

BOARD MEMBER HUBBARD: ...a new water main that's being put in?

BOARD MEMBER PARDO: [Inaudible background comment].

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: Troy Perry. We currently have those systems in place but they're, they're old and they need to be

evaluated and, and pla'.., replaced based on the evaluation conducted years ago by the previous Director. [Inaudible]...

BOARD MEMBER HUBBARD: Okay. I'm just, I was just wondering...

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: Those are primary...

BOARD MEMBER HUBBARD: Yeah. Those are...

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:...force main...

BOARD MEMBER HUBBARD: ...the ones that are there now that has to be...

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:Absolutely.

BOARD MEMBER HUBBARD: ...replaced because...

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:Correct.

BOARD MEMBER HUBBARD: ...of decay and...

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:Yes. Yes, ma'am.

BOARD MEMBER HUBBARD: ...things of, of, of that nature. Do the.., the second question was this, the extension of the budget that was granted by the Governor, does that fall over to include the Utility budget? That wraps around?

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:Yes.

BOARD MEMBER HUBBARD: The whole.., the entire thing?

DISTRICT FINANCE DIRECTOR SHERMAN: Yes.

BOARD MEMBER HUBBARD: Okay. Thank you.

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:Mhmm.

MAYOR MASTERS: Madam Chair...

BOARD MEMBER HUBBARD: The...

BOARD CHAIRPERSON MILLER-ANDERSON: Are you finished, Ms. Hubbard?

BOARD MEMBER HUBBARD: The.., well, well I, I... Are we gonna.., we're gonna, we're gonna be taking a vote on these individually? My, my concern is, before we, we.., if we vote on the Utility District budget and choose to extend the entire City's budget and take advantage of the extension that the Governor has given, will be kind of [pause] in a place. You see what I'm, what I'm, what I'm saying, Mr. Sherman or Mr. Perry?

DISTRICT FINANCE DIRECTOR SHERMAN: I'm not sure the extension would..., we would qualify for the extension mostly since we met all of our statutory deadlines and had all of our meetings.

BOARD MEMBER HUBBARD: I don't think we're [inaudible]...

DISTRICT FINANCE DIRECTOR SHERMAN: I mean, again, you still have to a...

BOARD MEMBER HUBBARD: ...[inaudible].

DISTRICT FINANCE DIRECTOR SHERMAN: You still have to have a budget by the end of September. That, that doesn't change but what the, what I understood was is.., there, there's certain number of days that you had to post things and you had to have your budgets within a set period of time and it was those timelines that had been extended and, and there were waivers in there but, where we've had our first reading and we've had our second reading, you know, we've met the, the statutory...

BOARD MEMBER HUBBARD: We...

DISTRICT FINANCE DIRECTOR SHERMAN: ...requirements so again, I don't think the extension would necessarily...

BOARD MEMBER HUBBARD: We've met the...

DISTRICT FINANCE DIRECTOR SHERMAN: ...relate to us.

BOARD MEMBER HUBBARD: And I think everybody.., a lot of people had already met the statutory requirements prior to the extension and prior to..., I'm sure it had a lot to do with the disaster, for the, for the, the extension because there's not even a deadline on the extension. So, it's a.., there has not been a deadline. I don't think it had anything to do with those of us who had met the statutory requirements and those of us who had not met the statutory requirements, I think it was quote unquote, a courtesy due to the disaster that, that, that was placed. Because a lotta people were in preparation, as you...

DISTRICT FINANCE DIRECTOR SHERMAN: Right.

BOARD MEMBER HUBBARD: ...well know, trying to meet that September 30th deadline because of the normalcy of having it posted for Octo'.., having it done by October 1st, so that couldn't very well be the reason why they, you know, that, if you have already met certain components, you no longer qualify for the overall extension.

DISTRICT FINANCE DIRECTOR SHERMAN: Well again, you have certain advertising requirements and notice for your meetings...

[Inaudible dais comment]

DISTRICT FINANCE DIRECTOR SHERMAN: ...and that was really what they were trying to help the communities do is, is give them some relief in that regard so that they could still hold their meetings but didn't necessarily have to meet all of those or extend their meetings out further so they could do a required notice. But again, where we met all of those, I'm not sure if, if what they, you know, those waivers, you know, pertain to... But, I don't know if, uh...

BOARD MEMBER HUBBARD: Yeah. I, I'm...

DISTRICT FINANCE DIRECTOR SHERMAN: ...the Attorney...

BOARD MEMBER HUBBARD: It would, you know...

DISTRICT FINANCE DIRECTOR SHERMAN: ...would like to, to opine on...

BOARD MEMBER PARDO: [Inaudible] can have...

DISTRICT FINANCE DIRECTOR SHERMAN: ...it at all to...

BOARD MEMBER PARDO: ...the Attorney look at...

DISTRICT FINANCE DIRECTOR SHERMAN: Yeah.

BOARD MEMBER PARDO: ...the... Right? Didn't we...

BOARD CHAIRPERSON MILLER-ANDERSON: Well, hold on a minute, hold on. Are you finished, Ms. Hubbard?

BOARD MEMBER HUBBARD: I'm just waiting for an answer, that's all.

BOARD CHAIRPERSON MILLER-ANDERSON: Who you waiting it for? From who?

BOARD MEMBER HUBBARD: The, the Attorney's discussing it.

BOARD CHAIRPERSON MILLER-ANDERSON: Mr. Degraffenreidt.

DISTRICT ATTORNEY DEGRAFFENREIDT: I didn't see that [inaudible].

BOARD MEMBER PARDO: Do you guys have a copy of it?

DISTRICT FINANCE DIRECTOR SHERMAN: I don't.

DE: Well, I'll go...

DISTRICT FINANCE DIRECTOR SHERMAN: ...I...can you...

BOARD MEMBER PARDO: ...in my email...

DISTRICT FINANCE DIRECTOR SHERMAN: ...can you...

BOARD MEMBER PARDO: ...because I...

DISTRICT FINANCE DIRECTOR SHERMAN: ...find the email? [Chuckle].

BOARD MEMBER PARDO: Yeah. I recall...

DISTRICT FINANCE DIRECTOR SHERMAN: ...Okay, thank you.

BOARD MEMBER PARDO: ...getting a copy.

DISTRICT FINANCE DIRECTOR SHERMAN: I could find my email and, and send it. [Pause]. I think it came out on the 6th, if I recall.

BOARD CHAIRPERSON MILLER-ANDERSON: Okay. While she's looking...

BOARD MEMBER HUBBARD: [Inaudible]..

BOARD CHAIRPERSON MILLER-ANDERSON: ...that up, did you have something else to say?

BOARD MEMBER HUBBARD: [Stammer], [pause], no I don't but I think there was an update since the 6th.

BOARD CHAIRPERSON MILLER-ANDERSON: Mr., Mayor...

MAYOR MASTERS: Yeah.

BOARD CHAIRPERSON MILLER-ANDERSON: ...were you...

MAYOR MASTERS: Yes, ma'...

BOARD CHAIRPERSON MILLER-ANDERSON: ...wanting to say something regarding this Item?

MAYOR MASTERS: Yes. Madam Cahir.

BOARD CHAIRPERSON MILLER-ANDERSON: Go ahead.

MAYOR MASTERS: On the, um, I don't know whether it's Mr. Sherman or Mr. Perry, my question is relating to staffing. Seems that there's increase every year from staffing. I don't whether that's a pattern or that's just something that is needed, every year, to add 52 - 2016, 52 - 2017, 56 - 2018, 59... Can you explain to me why are we increasing every year or what's going on with that?

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: Sure. For the 2017 Fiscal Year, Mayor, parti'.., part of that increase was due to the Consent Orders that we had with the State and the, and the federal government and, as part of that Consent Order, they required us to implement several positions to do several tasks. This last year, for 2018, as you.., if you recall, it's part of the Consent Order and the study done by U.S. Water, they recommended a facilities manager. And then, one of the things Staff is recommending for a safety measure, over night.., the District has, for years, operated with one operator on duty at certain spans at night, we wanna increase that to at least two personnel for safety reasons, to have...

MAYOR MASTERS: Mm.

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:...somebody else there to manage that water plant at night. So, most of those increase in staffing are due to that Consent Order and in order to make the, the Utility District more efficient.

MAYOR MASTERS: So therefore, since we're in compliance with the Consent Orders and since we needed to add a couple people for safety reasons for the public..., for the public good, could we assume that we're just about at the staffing level that we need to be or, or should we expect it to continue to increase every year or we're not there yet?

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: Well, one of the things I think you..., I think we need to..., we were trying to get caught up in terms of those tasks that need to be completed immediately but, as you know, when you hire your new Director of Utilities, that person will come in and evaluate the organization and might have a different outlook on what they feel may take the organization forward. So, I wouldn't wanna close the door on the possibility of not, you know, the new Director asking for staffing but, obviously, we wanna try to meet that little barrier in the middle to try to get those objectives accomplished while, you know, under this Consent Order so we can move forward.

MAYOR MASTERS: Thank you, sir.

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: No problem.

CITY MANAGER EVANS: Madam Chair, if I may?

BOARD CHAIRPERSON MILLER-ANDERSON: Go ahead.

CITY MANAGER EVANS: Certainly, one of the aspects associated with the personnel increases is that we have roughly, and Mr. Sherman, correct me if I'm wrong, close to 64 to 75..., or 64 to \$70,000,000 with respect to monies that is waiting...

[Inaudible dais comment]

CITY MANAGER EVANS: ...for strategic investments as it relates to our infrastructure on our, our water and, and wastewater side so, as those particular projects become shovel ready and you start seeing us invest in modernizing our Utility operations, I can definitely say that you would most likely see that personnel cost, or personnel will increase as we look to deploy different technologies and, and infrastructure. And now, we're gonna use a lot of technology that will be able to assist us but, based on the reports that we've been able to review, is that we are grossly understaffed with respect to our Utility operations and so, this is something, as we look to modernize our operations and make strategic investments, that we're looking at personnel and looking at the right personnel for their respective positions.

So, this is something that we will continuously monitor but we can envision that in subsequent budget years, that you may see personnel come before. But once we get to a point where we select an Executive Director, that's gonna be one of the things that they're gonna look at, is the organizational chart and what's the best way to deploy personnel in the Utility District.

BOARD MEMBER DAVIS: Madam Chair?

BOARD CHAIRPERSON MILLER-ANDERSON: Yes.

BOARD MEMBER DAVIS: Does everyone hear my microphone?

BOARD CHAIRPERSON MILLER-ANDERSON: Hmm?

BOARD MEMBER DAVIS: Do you hear my microphone.., do you hear...

BOARD CHAIRPERSON MILLER-ANDERSON: No, not that good.

BOARD MEMBER DAVIS: Testing, testing.

UNK: Yeah.

BOARD MEMBER DAVIS: Okay. I'll get a little closer.

BOARD MEMBER HUBBARD: That's fine.

BOARD MEMBER DAVIS: Mr. Evans, I have just a real brief yes or no question.

[Inaudible audience comment]

BOARD MEMBER DAVIS: Have you made an offer to the number two person from the, for the Executive Director position yet?

CITY MANAGER EVANS: We have not made an offer as of this moment.

BOARD MEMBER DAVIS: Thank you.

[Pause]

BOARD CHAIRPERSON MILLER-ANDERSON: Alright. Do you all have it? You have the information?

BOARD MEMBER HUBBARD: Did you find it?

BOARD CHAIRPERSON MILLER-ANDERSON: Did you find the...

BOARD MEMBER PARDO: Yeah. And...

BOARD CHAIRPERSON MILLER-ANDERSON: ...information we're looking for?

BOARD MEMBER PARDO: ...Mr. Degraffenreidt is looking at it.

BOARD MEMBER DAVIS: [Inaudible].

BOARD CHAIRPERSON MILLER-ANDERSON: What?

BOARD MEMBER DAVIS: Madam Chair?

BOARD CHAIRPERSON MILLER-ANDERSON: Yes.

BOARD MEMBER DAVIS: I remember when the Resolution came, the Governor sent that information out. He was talking about having the flexibility when it came to actually having the, the readings for the budget, not.., with the understanding that there may be some things taking place that ma'.., would require us to make some adjustments during the storm, that gives us the flexibility whether we shall use it or not.

[Inaudible audience comments]

BOARD MEMBER DAVIS: And, and I'm [pause]. I don't know you interpreted it the same way, Mr. Sherman, or not but that was my understanding of it 'cause he wanted to everyone else some flexibility at that time.

BOARD MEMBER HUBBARD: [Inaudible]...

DISTRICT FINANCE DIRECTOR SHERMAN: Yeah. He.., again, the way I read it and.., was that he was waving certain provisions, not...

BOARD MEMBER DAVIS: Not all of it.

DISTRICT FINANCE DIRECTOR SHERMAN: Not...

BOARD MEMBER DAVIS: And it was about the reading 'cause I know...

DISTRICT FINANCE DIRECTOR SHERMAN: Right.

BOARD MEMBER DAVIS: ...specifically...

DISTRICT FINANCE DIRECTOR SHERMAN: And, and, and the...

BOARD MEMBER DAVIS: ...the conversation about when...

DISTRICT FINANCE DIRECTOR SHERMAN: ...and the notice and... Right.

BOARD MEMBER DAVIS: Okay.

UNK: Okay.

BOARD CHAIRPERSON MILLER-ANDERSON: Okay? Is everybody good? Did you get your answer?

BOARD MEMBER HUBBARD: The Attorney.

BOARD CHAIRPERSON MILLER-ANDERSON: Oh, you're waiting on him?

BOARD MEMBER HUBBARD: I'm sorry.

DISTRICT ATTORNEY DEGRAFFENREIDT: What.., exactly, what is the question you want me to respond to?

BOARD MEMBER HUBBARD: Was it just for the different readings or the September 30th posting, that it should be completed by September 30th and uploaded by the 1st?

DISTRICT ATTORNEY DEGRAFFENREIDT: What I'm reading, it says that the restrictions on the adoption of budget [inaudible] and they're relating to the hearings, as well as the conflict with the hearings between counties and municipalities. The intent, as I'm reading it, is to remove the impediments imposed by those restrictions in order that we can meet all the exigencies of getting a budget adopted within that 30 day extension. It's my understanding from what our Finance Director says, is we have the extension but we don't need it.

DISTRICT FINANCE DIRECTOR SHERMAN: We don't need it. Yeah. And, and again, I [stammer], the, the conflicts of dates is because we..., we're not allowed to have our public hearings...

DISTRICT ATTORNEY DEGRAFFENREIDT: Right.

DISTRICT FINANCE DIRECTOR SHERMAN: ...the same night the county has theirs.

BOARD MEMBER HUBBARD: Right, right.

DISTRICT FINANCE DIRECTOR SHERMAN: Or the School District, so the citizens can go to all of them...

BOARD MEMBER HUBBARD: Gottcha

DISTRICT FINANCE DIRECTOR SHERMAN: So again, they were, they were waiving those issues so we could all move forward and get our budgets done on, on a timely basis.

[Pause]

BOARD CHAIRPERSON MILLER-ANDERSON: Okay?

BOARD MEMBER HUBBARD: If that's the Att'..., Attorney's interpretation...

DISTRICT ATTORNEY DEGRAFFENREIDT: Yes.

BOARD MEMBER HUBBARD: ...then that's what we'll have to go with.

DISTRICT ATTORNEY DEGRAFFENREIDT: Yes.

BOARD CHAIRPERSON MILLER-ANDERSON: Alright. Anyone else?

DISTRICT ATTORNEY DEGRAFFENREIDT: Thank you.

BOARD CHAIRPERSON MILLER-ANDERSON: Alright. Madam Clerk.

DISTRICT CLERK ANTHONY: Board Member Davis?

BOARD MEMBER DAVIS: Yes.

DISTRICT CLERK ANTHONY: Board Member Pardo?

BOARD MEMBER PARDO: Yes.

DISTRICT CLERK ANTHONY: Board Member Hubbard?

BOARD MEMBER HUBBARD: Yes.

DISTRICT CLERK ANTHONY: Vice Chair Davis Johnson?

CHAIR PRO TEM DAVIS JOHNSON: Yes.

DISTRICT CLERK ANTHONY: Chair Miller-Anderson?

BOARD CHAIRPERSON MILLER-ANDERSON: Yes.

DISTRICT CLERK ANTHONY: Unanimous vote.

END OF REGULAR AGENDA

BOARD CHAIRPERSON MILLER-ANDERSON: And that's the end of our Regular Agenda.

COMMENTS FROM THE PUBLIC

BOARD CHAIRPERSON MILLER-ANDERSON: Comments from the public?

DISTRICT CLERK ANTHONY: No public comment cards.

BOARD CHAIRPERSON MILLER-ANDERSON: Alright.

DISCUSSION AND DELIBERATION

BOARD CHAIRPERSON MILLER-ANDERSON: Discussion and deliberation.

DISTRICT CLERK ANTHONY: DISCUSSION AS IT RELATES TO THE EXECUTIVE DIRECTOR OF THE UTILITY SPECIAL DISTRICT

CITY MANAGER EVANS: Madam Chair and Members of the Board, this particular Item is to seek direction from the Board how they would like to proceed with respect to the Executive Director of the Utility District. We have concluded a background check of the individual, Mr. Willie Horton, and would like direction from the Council to be able to proceed forward to extend an offer to Mr. Horton. The reason that Staff did not proceed forward with the extension of an offer, is that we wanted to make sure that we got direction from the Council., or the Board, how you would like to proceed and how the reporting structure et. cetera, is to is to move forward.

So, this is basically looking for clarification and guidance from the Board. Mr. Horton has been in contact with Mr. Davis and Mr. Davis can provide some additional information, if necessary, but Staff is requesting direction from the Board as to how we can move forward on this particular process.

BOARD MEMBER DAVIS: Madam Chair?

BOARD CHAIRPERSON MILLER-ANDERSON: Go ahead.

BOARD MEMBER DAVIS: I wanna talk to my colleagues at this time. If we all do recall, there was a conversation in the previous Utility District meeting as in regards to the importance of us getting someone here, at the Utility District, so we can get someone to really get this ship running, and who have the qualifications. The previous person, who was the number one, was the gentleman out of Ocala, Florida has declined to accept the job and in that meeting, I asked my colleagues to help to give the City Manager a directive to make the offer at that time. And I just wanna make sure that, um, and ask the question why, when we gave the City Manager a directive and the consensus from the entire Board, why, at this point, a offer hasn't been made?

CHAIR PRO TEM DAVIS JOHNSON: Madam Chair? I also believe that during the time that we were having that conversation, there was a discussion about the reporting structure and what the actual Utility District ser'.., service agreements spoke to as it relates to reporting. We also talked about how we didn't flesh out, if memory serves me correctly, and I believe that Mr. Degraffenreidt was to render.., he, he had given us some suggestions as to how we might accomplish that but the issue, if my memory serves me properly, we were kind of at an impasse as to how we wanted the Utilities Director to report, whether it was going to be a direct report to the Council or if he was going to.., if that position would fall under the City Manager's purview. That was the unresolved issue that I recall we left off with, although we did talk about completing the background check and extending the offer.

BOARD MEMBER DAVIS: Madam Chair?

BOARD CHAIRPERSON MILLER-ANDERSON: Go ahead.

BOARD MEMBER DAVIS: It is my understanding, as I do agree with some of your senti'.., the information that Councilperson Davis Johnson has discussed at this time but it was very clear in the last meeting, when all five of us were here, that we gave the City Manager the authorization and the directive to move forward with a offer of the number two person. We all understand with the U.S. Water reports and the different reports that Attorney Michael Brown and others we spent countless dollars on, the public has watched us being on notice of the quality of water. Now, Mr. Perry has done a wonderful job, along with Mr. Beaudet and many others, with really getting a hold on with making sure that our Staff have what they can, with what they work with but it's very important and that's why we wanted to make sure that we stopped kicking the can down the road with who we bring in as Utility Director. Mr. Evans had an offer on the table with number one. At that time, he waited weeks before he went to.., didn't even go to number two, came back to the Board when he had the authority to do so, his job was to make a recommendation. It didn't happen at the last meeting. So, what I did was, I had the conversation with all.., the.., everyone that was here and present at that time and everyone agreed, and gave a co'.., consensus that said, 'Hey, go ahead and make an offer.' That has not happened. That's the issue I'm dealing with, is that we all came together to work together on the Board, to protect the citizens, to protect our quality of water and to make sure that the City Manager had a directive to go and act upon and put someone at the helm to make sure we protect where we are. That, once again, we had given another directive and he

has not done that. We cannot keep making this..., making, you know... At some point, either he works for the Board or the Board works for him. And I'm just asking the question, if we give directives to Staff and if Staff' not doing it, what do we expect our lower man'.., upper middle management to do with their Staff? 'Cause their Staff is watching this meeting and see that the Board's giving him directives and he don't do it, their Staff is not gonna follow them. The Police, Fire, Public Works, Parks, and it's gonna trickle all the way down through various departments. We don't need to

Provide that type of environment to our people.

BOARD CHAIRPERSON MILLER-ANDERSON: Mr. Davis, I, I do just want to remind everyone that a little while ago, Mr. Evans did ask for him to be able to go ahead and offer the position and do what he needed to do to hire the person. He did that over a month ago, I believe it was, and at that time, it was a big fuss about whether or not he was given the right to do that. The vote was not there for him to be able to do what he needed to do, so it sounds to me that he's trying to make sure that he is doing what the Board wants him.., want him to do so that he gets the job done and I think he's trying to make sure that we do that right now. So, instead of us talking about what he did and didn't do, because we did not agree to allow him to do it, we need to just go ahead and say what he ne'.., let him do what he needs to do.

BOARD MEMBER DAVIS: Madam Chair?

BOARD CHAIRPERSON MILLER-ANDERSON: Go ahead.

BOARD MEMBER DAVIS: With all due respect, the policy that came before this Board, at that time, this Utility District is an independent district from the City, as we educate the people on that. The City Manager is an employee for the City, not the Utility District. We had told him, at that time, it's the Board's decision to hire. His job is to make the recommendation upon offer. He was given the directive to go make the offer. He chose not to make the offer. He knew that prior to even coming to the previous meeting but he chose not to do so. Here it is, once again, meeting number three, he was given a directive. So, when we're talking about the water, how long are we gonna keep waiting to get someone to the helm? There was a, a policy in place where he wanted to change it so he can do the hire. We already got a hiring Board. He just need' to make the offer, make the recommendation so we can approve it and do the hire from, from a Board Utility District perspective.

Until he does that, he hasn't done his job. He was given a directive, I asked him earlier, he said, 'No. I haven't made the offer.' Why are you asking us for permission when we already told you and gave you a directive already? That's the question. We can't beat around the bush with it. We all know, no one on this Board can disagree that we gave him a directive.

BOARD CHAIRPERSON MILLER-ANDERSON: Mr...

CITY MANAGER EVANS: Ma'...

BOARD CHAIRPERSON MILLER-ANDERSON: ...Davis... Go ahead, Mr. Evans.
Do you wanna...

CITY MANAGER EVANS: Madam Chair, if I may? The, the reason why an offer wasn't extended is because the Resolution that we brought forward to the Council was never adopted, thus, not giving the City Manager the authority, in a written document, to be able to go ahead and proceed forward,. Based on the Ordinance and the Resolutions that effectively adopt the structure for the Utility District, the Board, as it sits right now, can make the offer to that particular individual. So, from Staff's standpoint, I did not want to overstep the authority of the elected body with not having that Resolution in place and that's why we brought that Resolution in place. And I do believe that it was four of the elected officials that were here, at that particular meeting, and it was discussed to bring the Item back for consideration. The City Attorney...

[Inaudible comment]

CITY MANAGER EVANS: ...can opine on the.., what the Charter for the Utility District communicates but I felt that, based on the, the documents in place, that I did not have the authority to extend an offer without documentation that says that the Council has, in fact, abrogated that authority to me to go ahead and do that.

BOARD MEMBER DAVIS: Madam Chair?

BOARD CHAIRPERSON MILLER-ANDERSON: I was getting ready to say something right before...

BOARD MEMBER DAVIS: I'll wait.

BOARD CHAIRPERSON MILLER-ANDERSON: ...Mr. Evans.

BOARD MEMBER DAVIS: Go ahead.

BOARD CHAIRPERSON MILLER-ANDERSON: So, it seems like he's being put in a Catch 22.

BOARD MEMBER DAVIS: [Inaudible comment]

BOARD CHAIRPERSON MILLER-ANDERSON: So, the thing is, when.., like I just said a few minutes ago, we did not agree or vote to give him the authority to do it but then we're saying he should've done it. And if he had done it without given the authority to do it, then we would be sitting here complaining about he did something he didn't have the authority to do. So, I mean, playing these games about, 'We told him, we., he.., no he can't do it, and...' I mean, can we just go ahead and move forward and do what we need to do because, at this point, we did not vote to give him the authority to do it. So, the Board can say what they want done, right now.

BOARD MEMBER DAVIS: Madam Chair?

BOARD CHAIRPERSON MILLER-ANDERSON: Go ahead.

BOARD MEMBER DAVIS: I don't think we're to do any games, I think we're here to conduct some business.

BOARD CHAIRPERSON MILLER-ANDERSON: That's what we're doing.

BOARD MEMBER DAVIS: Thank you. I'mma be very calm and patient as we speak to the people and one another. It's very clear, when the Board gives you a directive, you do your job. Okay? We have attorneys here to, to take care of the legalities. Never, at no point, did he send an email feeling uncomfortable with moving forward with it. Never at one point, did he sit down, to my knowledge, and discuss with any of the attorneys. At no other point, did he pick up the phone and call me and say, 'Mr. Davis, I can't make this offer because, even though you gave me the authority, I just won't do it.' No. You said, in front of the public, the people are listening, that...

BOARD MEMBER HUBBARD: [Inaudible]

BOARD MEMBER DAVIS: ...and you're asking.., I'm talking about the City Manager, the people are listening, you made.., you wai'.., you came to make us an officer, once again. This is the third time we discussed this. Sir, we gave you a directive, all five of us to go ahead and do it. We didn't make a vote, no we did not but we can hide around the language and all that. The reality, we need to get someone in this Utility District that's qualified.

BOARD CHAIRPERSON MILLER-ANDERSON: So let's make a motion to go ahead and do that then. Somebody make a motion so we can go ahead and take care of it now.

BOARD MEMBER DAVIS: Listen, we gave a directive. If I give a dir'... Now, if you wanna take a motion, cool. So you're telling me that a motion and directives are different? At this time, I'm done with it. If someone entertain a motion, I s'.., I second it.

CHAIR PRO TEM DAVIS JOHNSON: Madam Chair? Mr. Degraffenreidt, the last time that we discussed this matter, would you please restate your interpretation of the authority for the USD Board versus extending that authority to the City Manager?

DISTRICT ATTORNEY DEGRAFFENREIDT: The Charter gives the authority appointing Utilities Director to the Board. That authority has never been delegated despite the fact that everybody thought they had done that and the infrastructure of the Utilities District, from the beginning, was designed so...

CHAIR PRO TEM DAVIS JOHNSON: Pull the mic to you, please.

DISTRICT ATTORNEY DEGRAFFENREIDT: ...that the Manager...

CHAIR PRO TEM DAVIS JOHNSON: Pull the mic to you, please.

DISTRICT ATTORNEY DEGRAFFENREIDT: Our actions and activities were designed so that the Manager would be the authority to whom the Utilities Director reported to...

BOARD MEMBER DAVIS: [Inaudible].

DISTRICT ATTORNEY DEGRAFFENREIDT: ...and the Utilities District would be run as an ancillary department of the City. That's what was intended.

BOARD MEMBER DAVIS: Thank you.

DISTRICT ATTORNEY DEGRAFFENREIDT: That we had contracts to that effect, we operated to that effect. What I did was, call that to your attention what the Charter said, we did not delegate that authority as we intended to do and I gave you a Resolution that would've delegated that authority, which would put us exactly where we wanted to be.

BOARD MEMBER HUBBARD: Madam Chair?

[Inaudible background comment]

BOARD MEMBER HUBBARD: Madam?

CHAIR PRO TEM DAVIS JOHNSON: [Inaudible]. And, and that's what I understood and we, we did not vote to...

DISTRICT ATTORNEY DEGRAFFENREIDT: To adopt the Resolution.

CHAIR PRO TEM DAVIS JOHNSON: We did not vote to adopt that Resolution so, therefore, we kept it., it would then re'., have remained with the USD...

DISTRICT ATTORNEY DEGRAFFENREIDT: Yes, ma'am.

CHAIR PRO TEM DAVIS JOHNSON: ...being responsible.

DISTRICT ATTORNEY DEGRAFFENREIDT: Yes, ma'am.

BOARD MEMBER DAVIS: Which is...

CHAIR PRO TEM DAVIS JOHNSON: So then, therefore, it's not., it would not be his responsibility, his being the City Manager, to make that offer, that would be come from the USD?

DISTRICT ATTORNEY DEGRAFFENREIDT: The appointing authority would be the Board. As your...

BOARD MEMBER DAVIS: [Inaudible].

DISTRICT ATTORNEY DEGRAFFENREIDT: ...Executive Director for the District...

BOARD MEMBER PARDO: [Inaudible].

DISTRICT ATTORNEY DEGRAFFENREIDT: ...you could've told him to go do that.

BOARD MEMBER DAVIS: And we did that.

DISTRICT ATTORNEY DEGRAFFENREIDT: And, and., but you would have had to ratify or...

CHAIR PRO TEM DAVIS JOHNSON: That Resolution.

DISTRICT ATTORNEY DEGRAFFENREIDT: ...actually sanction the actual appointment because you're the only one who could do it.

[Inaudible davis comment]

BOARD MEMBER HUBBARD: Okay.

CHAIR PRO TEM DAVIS JOHNSON: Right.

BOARD MEMBER HUBBARD: Two things to that. One, I think we're talking about two different things.

BOARD MEMBER DAVIS: Thank you.

BOARD MEMBER HUBBARD: For me, it's two different things. One giving the City Manager the authority to make an offer to the impending [pause] Utility Director. The second issue would be whether or not the Utility District Director will fall under the auspices of the City Manager. Now, that was two totally di... different discussions. Let's start with the one where the City Manager would have... wo'..., would oversee the Utility District. Based on what I'm understanding and hearing and heard you to say, Mr. Degraffenreidt, is that you feel that that was the general intent all the time, that the paperwork and the ratification was never there.

DISTRICT ATTORNEY DEGRAFFENREIDT: Yes.

BOARD MEMBER HUBBARD: However, [pause], my impression from the Board was that we wanted..., that we would not ratify that so that the Utility District Director would be under the auspices of the City Manager, that we were not gonna ratify it to that extent, that it would be the Utility District Director would be a stand alone director, it has a stand alone board and a stand alone budget. So, it would be an entity within itself.

Now, the second thing that ;I'm understanding and hearing, it..., since we do not have a [pause] since we do..., since we do not have a City Manager, I would have suggested that you..., we could have had the Interim Executive Director make the offer or we could have had the City Manager to make the offer for us on our behalf as, as a Board. Right now, Mr. Perry is the Interim Executive Director, Mr. Evans is the Ci'..., is the City Manager. So we're talking two things..., tw'..., about two things and if we're not careful, we're gonna merge 'em all into one and we're gonna make a motion that is going to encompass both.

BOARD MEMBER DAVIS: Yep.

BOARD MEMBER HUBBARD: We've already said that we..., well, I, well, my understanding, let me always preface it by saying, 'My understanding was that we wa'..., we did not want the Utility Director to come under the auspices of the City Manager. However, we have to extend the task to someone to please make the gentleman the offer to be the Executive Director of the Utility District. So, I think that would take on a..., two Resolutions, if you will and, and the one you say that we need to clear up and clarify

whether or not we want it to stand alone or whether or not we want it to come under the City Manager's office. And the other would be a Resolution to give him, the City Manager, or the Interim Executive Director the authority to make an offer to the gentleman that is in the number two position.

CHAIR PRO TEM DAVIS JOHNSON: Madam Chair?

BOARD MEMBER DAVIS: [Inaudible background comment]

CHAIR PRO TEM DAVIS JOHNSON: So, I appreciate your, your breakdown of that. I don't believe that we need to entertain a Resolution in order to give a directive to Mr. Perry to make the offer because it seems as if this Board is leaning towards pulling the Utility's District Executive Director from under the supervision of the City Manager and to, therefore, report to us. If that is what we desire, then that is already in place, correct?

DISTRICT ATTORNEY DEGRAFFENREIDT: Yes.

CHAIR PRO TEM DAVIS JOHNSON: So then, the only thing that we need to do at this point, having said that and with that understanding of my colleagues desires, it seems to me, then, we need to just direct Mr. Perry to go ahead and to make that offer based on the way that the Ordinance is currently established.

BOARD MEMBER DAVIS: Madam Chair?

CHAIR PRO TEM DAVIS JOHNSON: It, it wouldn't make sense to...

DISTRICT ATTORNEY DEGRAFFENREIDT: You need a lieutenant. Whoever it is you designate...

CHAIR PRO TEM DAVIS JOHNSON: Well, the next Mr. Perry.

DISTRICT ATTORNEY DEGRAFFENREIDT: ...go make the deal with this guy and...

CHAIR PRO TEM DAVIS JOHNSON: Mr. Perry is...

DISTRICT ATTORNEY DEGRAFFENREIDT: ...bring it back up...

CHAIR PRO TEM DAVIS JOHNSON: ...currently serving...

DISTRICT ATTORNEY DEGRAFFENREIDT: ...and we'll ratify it. That's [inaudible]...

CHAIR PRO TEM DAVIS JOHNSON: So, then in my mind, Mr. Pe'...

DISTRICT ATTORNEY DEGRAFFENREIDT: Yes.

CHAIR PRO TEM DAVIS JOHNSON: ...Mr. Perry is currently serving as the Interim Executive Director, he can extend that offer because it appears to me that there is no desire to have the City Manager make that offer or be involved in that process, at this point. So, if that is our desire, let's move forward.

BOARD MEMBER HUBBARD: Can...

CHAIR PRO TEM DAVIS JOHNSON: Mr. Perry...

BOARD MEMBER DAVIS: [Inaudible background comment]...

CHAIR PRO TEM DAVIS JOHNSON: ...make the decision.

BOARD MEMBER HUBBARD: Can I make it clear'...

BOARD MEMBER DAVIS: [Inaudible background comment].

CHAIR PRO TEM DAVIS JOHNSON: The, the...

BOARD MEMBER HUBBARD: Can I clarify it a little bit, Ms...

CHAIR PRO TEM DAVIS JOHNSON: Sure.

BOARD MEMBER HUBBARD: ...Johnson?

CHAIR PRO TEM DAVIS JOHNSON: Go ahead.

BOARD MEMBER HUBBARD: It's not that.., I wasn't trying to say that there was not a desire to have the Executive Director...

BOARD MEMBER DAVIS: [Inaudible background comment].

BOARD MEMBER HUBBARD: ...I was just trying to make an example...

CHAIR PRO TEM DAVIS JOHNSON: Yes.

BOARD MEMBER HUBBARD: ...of, based on the structure that the Attorney had laid out, it could be either or.

CHAIR PRO TEM DAVIS JOHNSON: Right.

BOARD MEMBER HUBBARD: So, if, if.., so if it's the...

BOARD MEMBER DAVIS: Thank you.

BOARD MEMBER HUBBARD: ...pleasure of the Board to have the City Manager, do it, it's fine and, if the Executive Director does it...

BOARD MEMBER DAVIS: It's the same thing.

BOARD MEMBER HUBBARD: ...the Interim, it, it's fine and I don't have a problem...

BOARD MEMBER DAVIS: [Inaudible].

BOARD MEMBER HUBBARD: ...but I just don't wanna leave here...

CHAIR PRO TEM DAVIS JOHNSON: No.

BOARD MEMBER HUBBARD: ...with that on that table...I

CHAIR PRO TEM DAVIS JOHNSON: Well, I'm not...

BOARD MEMBER HUBBARD: ...that that's what I...

CHAIR PRO TEM DAVIS JOHNSON: ...suggesting that you all feel that way but it just seems, based on the fact that we did not vote to ratify the Resolution which would have given him, given him the USD to report to and everything else that is all encompassing which...

BOARD MEMBER HUBBARD: Yeah.

CHAIR PRO TEM DAVIS JOHNSON: ...would've included making the offer.

BOARD MEMBER HUBBARD: Right.

CHAIR PRO TEM DAVIS JOHNSON: So that, that's where I'm going...

BOARD MEMBER HUBBARD: That's why I said...

CHAIR PRO TEM DAVIS JOHNSON: ...with this.

BOARD MEMBER HUBBARD: ...we had the two...

CHAIR PRO TEM DAVIS JOHNSON: So...

BOARD MEMBER HUBBARD: ...different things...

CHAIR PRO TEM DAVIS JOHNSON: Right. So, at this point, I believe that we should just move forward and allow Mr. Perry to extend the offer. I'm sure that he can get the information and make the offer so that we can move on because, you know, we have critical issues going on in the Utilities Di'.., Division.., the Utilities Department, there are so many projects that need to be undertaken and we need to be able to get Mr. Horton with, with his level of expertise that he possesses.

BOARD MEMBER DAVIS: Madam Chair?

BOARD CHAIRPERSON MILLER-ANDERSON: Go ahead.

BOARD MEMBER DAVIS: Real quick. We gave a directive, so let's not get away from that. We had the, we had the discretion to give it to the City Manager or Mr. Perry. At the last meeting, we gave it to the City Manager, so let's not get away from that. So, if you wanna change directions since he can't do the job, yes, I will support giving Mr. Perry the directive to do it since the City Manager won't do it.

BOARD CHAIRPERSON MILLER-ANDERSON: That...

BOARD MEMBER HUBBARD: Okay'...

BOARD CHAIRPERSON MILLER-ANDERSON: ...that's...

BOARD MEMBER DAVIS: I [inaudible],...

BOARD CHAIRPERSON MILLER-ANDERSON: That's so...

BOARD MEMBER DAVIS: ...that's my opinion [inaudible]...

BOARD CHAIRPERSON MILLER-ANDERSON: That's your opinion.

BOARD MEMBER DAVIS: ...respect it, please do.

BOARD CHAIRPERSON MILLER-ANDERSON: Alright. So, are we going to go ahead and give...

BOARD MEMBER DAVIS: Motion.., motion to have Mr. Troy Perry to make an offer for the s'.., the, the Director of the Utility District.

BOARD MEMBER PARDO: Second.

BOARD MEMBER DAVIS: Ms. Pardo just said second if it didn't get on the record.
[Inaudible dais comments]

DISTRICT CLERK ANTHONY: Board Member Pardo?

BOARD MEMBER PARDO: Yes.

DISTRICT CLERK ANTHONY: Board Member Davis?

BOARD MEMBER DAVIS: Yes.

DISTRICT CLERK ANTHONY: Board Member Hubbard?

BOARD MEMBER HUBBARD: Yes.

DISTRICT CLERK ANTHONY: Vice Chair Davis Johnson?

CHAIR PRO TEM DAVIS JOHNSON: Yes.

DISTRICT CLERK ANTHONY: Chair Miller-Anderson?

BOARD CHAIRPERSON MILLER-ANDERSON: Yes.

DISTRICT CLERK ANTHONY: Unanimous vote.

BOARD CHAIRPERSON MILLER-ANDERSON: Alright. Do we have any public comment cards.

DISTRICT CLERK ANTHONY: No, we do not, ma'am.

BOARD CHAIRPERSON MILLER-ANDERSON: Okay. Oh, we were at the bottom, I'm sorry. I went way back.

STATEMENTS BY THE DISTRICT BOARD

BOARD CHAIRPERSON MILLER-ANDERSON: Statements by the district Board. We'll start on the end at the Mayor and work our way down.

MAYOR MASTERS: Thank you, Madam Chair. I [pause]. Um, I just think that whatever happened, didn't happen that was even.., there wasn't any misintent for the Manager, or anyone else not to their job, it's called being human. Sometimes you think you're going one direction and, and then you find out that's not the direction because of this, that or the other. So, I just hope that in our deliberations, that we would just keep in mind that we all are here to do what we feel is in the best of our citizens. And we all are elected officials and those of us wh'.., those who are Administrators, I, I really do believe that our Staff, including the Manager, actually want to, desire to execute whatever the directives may be. However, sometimes, directives may not be clear.

[Inaudible dais comment]

MAYOR MASTERS: And if that's the case, then you do what's the next best thing, you bring it back and you get direction but I just wanted, I just wanted to make a statement that I don't see any'.., anyone up here doing something that would cause injury to the Utility Department or to our citizens. Certainly, that would not be the intent.

I do want to announce, while I have the, the mic, we're trying to bring our community together in a spirit of unity and a spirit of peace and a spirit of getting to know with one another and working with one another. And, um, we all could have been dead because of that hurricane, the Gods spared our lives and he spared our City. And for me, and hopefully for others, it's a time to be thankful and to celebrate his grace and his mercy and to come together as one community and one people, regardless of political persus.., political persuasions or regardless of geography. So, the City of Riviera beach is sponsoring tomorrow night what we call 'We are One After Hurricane Irma.' We have five of the most outstanding bands who have agreed to give back to the community, at very little cost. And that's the Derek Mack Band, the Old School Band, the incredible Funk Band, the Motown Magic and Gary King. And we're also blessed to have Jimmy Bo Horne, who's a international recording artist who has agreed to be the MC and I wanna make the plea to all of you here tonight, come tomorrow night at 6:00 p.m. and let's have a celebration.

Thank you, Madam Chair.

BOARD CHAIRPERSON MILLER-ANDERSON: Okay. Ms. Councilwoman Hubbard.

BOARD MEMBER HUBBARD: I want to ask about the questions that we, that we received the answers to, in writing, that the Chairwoman commissioned. Will.., if any of those changes that can be used to reduce the water bill that was mentioned in that, would that impact this impact someway, would you think or we would have to wait 'til January for the amendment? You didn't get them, Mr. Perry?

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:[Inaudible].

BOARD MEMBER HUBBARD: Oh, you did?

[Pause]

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY: I, I'd like the Ma'..., we, we had a brief meeting this afternoon to discuss those, those answers and I'll let the..., [stammer] the Manager, maybe elaborate some more.

CITY MANAGER EVANS: Madam Chair, Members of the Board, one of the things, when we looked at the Items that were discussed in the email correspondence and what opportunities that we had to look at the rate, unfortunately, because the organization has issued debt associated with the rate that we levy is that you realistically have no flexibility as it relates to the reduction of the rate currently. However, as we're getting ready to go through a rate study, there is opportunities to look at our rate structure to make sure that it's fair and proportioned. But another aspect that we discussed as part of the budget process, is looking at the opportunity to capture the loss revenue of about 20% because we said that there's 20% of the water that we produce that is unaccounted for. If we are able to effectively cut that number in half, we can anticipate being able to share those savings with the residents. So that is something that we want to look at with the new Executive Director on board and the finance team and, and Mr. Perry working on how we can close that preverbal gap and then, in essence, share that, that savings with the residents. But unfortunately, based on the debt service that the organization is in..., or is paying right now and the bond covenants, you have to adhere to the, the loan documents and it specifies that you are to charge, to be able to pay back the monies that the City did borrow.

BOARD MEMBER HUBBARD: So, question?

BOARD CHAIRPERSON MILLER-ANDERSON: Yes.

BOARD MEMBER HUBBARD: With the rate..., once the rate study is done and it shows if there is a fair rate being charged, how could we then in turn, use that if we can't effect change on the budget because of the debt service that we are...

CITY MANAGER EVANS: This, this particular...

BOARD MEMBER HUBBARD: ...[inaudible].

CITY MANAGER EVANS: It depends on when the, the..., when the bonds documents and the issuance of the debt and how long for a five year period, if I'm not mistaken, and Mr. Sherman can probable opine a little bit clearer on that but as we get ready to get through the process with another rate study, there is opportunities to look at our rate structure whether it's..., and that's a policy decision that the Council may look at. The Council may decide to say that we're looking at these rates and if we're able to close that gap, then there's some savings that we can pass on. But Mr. Sherman, how long are we locked into those rates before the Council can make a policy decision to effectively look to modify the rate structures, based on the bond documents?

DISTRICT FINANCE DIRECTOR SHERMAN: Yeah. It, it, until you do a new rate study. So, once we do a rate study, when those rates come back and are adopted, you can change 'em at that time. The, the, the issue..., the real issues is, is, you know, you have

tens of millions of dollars of bonds out there and, in order to change the rates, we're required to have a third party consultant come in and approve, you know, tell us what our rates need to be. You know, it's..., and, and we're not unique, all utilities have to do this because the bondholders don't want us to just arbitrarily set the rates, we have to have a third party to do that. And in order to issue the bonds, you had to have a third party say that your rates were sufficient to pay those bonds. So anytime you wanna make that change, you have to hire somebody. So, we have somebody on board, you know, and they will, you know, have started that process, they have all the raw data that, that we have to give them and we believe that, you know, their target right now is January to, to come back with the, with the rate study.

BOARD MEMBER HUBBARD: Okay. So, two things to that, that I think the public needs to know, one is that we do have opportunity once the rate study come' back to possibly lower it, if it comes back in our favor. Secondly, the reason that we can't just lower the rates is because [pause] we mortgaged our residents' water bill and borrowed money on, on that water bill, now we're saying to our residents that you have to pay that money back through the water bill, we mortgaged your, um, we mortgaged your birthright already and there's we can do to help you, unless this study comes back in our, in our favor.

DISTRICT FINANCE DIRECTOR SHERMAN: Right. And again, remember that's..., you have to have \$70,000,000 Capital Improvement Plan and that's what those bonds are, are paying for.

BOARD MEMBER HUBBARD: So, you're saying that the capital..., that that's what we floated the bond for? It wasn't for the Marina project?

DISTRICT FINANCE DIRECTOR SHERMAN: No. Not the water utility bonds, no. The water utility bonds are to pay for the Utility District's capital projects, exclusively. We don't, we don't cross those funds.

BOARD MEMBER HUBBARD: Mr. Sherman, I guess we've been given two stories and two different scenarios and I know it would not have been hard for me to understand comprehend if, if someone had said to me that the capital..., the, the money that we borrowed, the money that we encumbered our bill for, that we receive back...

DISTRICT FINANCE DIRECTOR SHERMAN: Mm.

BOARD MEMBER HUBBARD: ...was for capital improvements projects, for the water Utility District?

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:[Stammer] I believe..., Cou'..., Commissioner, I believe you..., when we first established the Water Utility District, I believe that's what you're referring to. Now, what Mr. Sherman's referring to, the \$70,000,000 that we just borrowed to do infrastructure improvements so when we, when we first established the Water Utility District, remember it was just the Water Department underneath the City, so [inaudible] we went and established about, maybe 10 years ago...

DISTRICT FINANCE DIRECTOR SHERMAN: 2004.

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:2004, when we established the Utility District, that's when the City leveraged those funds that were against the water utilities. So, there was two different scenarios.

BOARD MEMBER HUBBARD: Two different...

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:Yes ,ma'am.

BOARD MEMBER HUBBARD: ...incidents? Thank you.

BOARD CHAIRPERSON MILLER-ANDERSON: That's it for you?

BOARD MEMBER HUBBARD: Yes. Because...

BOARD CHAIRPERSON MILLER-ANDERSON: Okay.

BOARD MEMBER HUBBARD: ...I knew that, I knew that, that had happened and so we, we., so we, so, I guess., in other words, we're really stuck so we just have to wait it out until the study comes back.

BOARD CHAIRPERSON MILLER-ANDERSON: Okay. Ms. Da'.., Councilwoman Davis Johnson?

CHAIR PRO TEM DAVIS JOHNSON: I have no comment.

BOARD CHAIRPERSON MILLER-ANDERSON: Councilman Davis.

BOARD MEMBER DAVIS: No comment.

BOARD CHAIRPERSON MILLER-ANDERSON: Councilwoman Pardo.

BOARD MEMBER PARDO: Yes, thank you, Madam Chair. I would like to thank Mr. Perry for his leadership during Hurricane Irma, along with the Staff at the Utility Department. We had no issues at any of our lift stations, the residents were able to get clean water, the toilets flushed and, unlike some cities, some cities around South Florida had those issues and we didn't. So, Mr. Perry, thank you again for your leadership.

That's all. Thank you, Madam Chair.

BOARD CHAIRPERSON MILLER-ANDERSON: Okay.

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:And I like to thank the Staff, they worked very hard to, to...

BOARD MEMBER PARDO: Absolutely.

ACTING EXECUTIVE DIRECTOR OF UTILITY DISTRICT PERRY:...keep focus.

BOARD MEMBER PARDO: Each and every one of them.

BOARD CHAIRPERSON MILLER-ANDERSON: Alright. And I don't have any comments at this time.

ADJOURNMENT

BOARD CHAIRPERSON MILLER-ANDERSON: Do we have a motion to adjourn?

CHAIR PRO TEM DAVIS JOHNSON: So moved.

BOARD MEMBER HUBBARD: Second.

BOARD CHAIRPERSON MILLER-ANDERSON: Alright.

[Gavel]

BOARD MEMBER HUBBARD: [Inaudible].

BOARD CHAIRPERSON MILLER-ANDERSON: We'll take a give minute...

[End of video/audio]

APPROVED:

ATTEST:

**KaSHAMBA L. MILLER-ANDERSON
CHAIRPERSON**

**CLAUDENE L. ANTHONY
CERTIFIED MUNICIPAL CLERK
CITY CLERK**

**TONYA DAVIS JOHNSON
CHAIR PRO TEM**

**LYNNE L. HUBBARD
BOARDMEMBER**

**DAWN S. PARDO
BOARDMEMBER**

**TERENCE D. DAVIS
BOARDMEMBER**

MOTIONED BY: _____

SECONDED BY: _____

L. HUBBARD _____

K. MILLER-ANDERSON _____

T. DAVIS JOHNSON _____

D. PARDO _____

T. DAVIS _____

DATE APPROVED: OCTOBER 16, 2017