

**UTILITY SPECIAL DISTRICT
BOARD OF DIRECTORS MEETING
February 19, 2020
5:30 p.m.**

PRESENT AT MEETING¹:

CHAIRPERSON KASHAMBA MILLER-ANDERSON – DISTRICT 2	CHAIRPERSON MILLER-ANDERSON
CHAIR PRO TEM JULIA A. BOTEL, Ed.D – DISTRICT 4	CHAIR PRO TEM BOTEL
BOARD MEMBER TRADRICK MCCOY- DISTRICT 1	BOARD MEMBER MCCOY
BOARD MEMBER SHIRLEY D. LANIER – DISTRICT 3	BOARD MEMBER LANIER
BOARD MEMBER DOUGLAS A. LAWSON – DISTRICT 5	BOARD MEMBER LAWSON
MAYOR RONNIE FELDER, <i>Ex Officio</i> Member	MAYOR FELDER
CITY MANAGER JONATHAN EVANS	CITY MANAGER EVANS
INTERIM DIRECTOR OF UTILITIES DEIRDRE JACOBS	INTERIM DIRECTOR OF UTILITIES JACOBS
DISTRICT CLERK CLAUDENE ANTHONY	DISTRICT CLERK ANTHONY
DISTRICT ATTORNEY DAWN WYNN	DISTRICT ATTORNEY WYNN
DISTRICT FINANCE DIRECTOR RANDY SHERMAN	DISTRICT FINANCE DIRECTOR SHERMAN

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¹ List of Public Comment Speakers and Others on Page 29

**CITY OF RIVIERA BEACH
PALM BEACH COUNTY, FLORIDA
UTILITY SPECIAL DISTRICT MEETING MINUTES
WEDNESDAY, FEBRUARY 19, 2020 AT 5:30 P.M.**

(The following may contain unintelligible or misunderstood words due to the recording quality.)

CALL TO ORDER

Chairperson Miller-Anderson: I'd like to call to order the Utility Special District Board of Directors meeting, Wednesday, February 19, 2020, 5:34 p.m.

ROLL CALL

Chairperson Miller-Anderson: Madam, roll call.

District Clerk Anthony: Chairperson KaShamba Miller-Anderson?

Chairperson Miller-Anderson: Present.

District Clerk Anthony: Chair Pro Tem Julia Botel?

Chair Pro Tem Botel: Here.

District Clerk Anthony: Board Member Tradrick McCoy? [Pause]. Board Member Shirley Lanier? [Pause]. Board Member Douglas Lawson?

Board Member Lawson: Here.

District Clerk Anthony: *Ex Officio Member* Mayor Ronnie Felder? [Pause]. City Manager Jonathan Evans?

City Manager Evans: Present.

District Clerk Anthony: Interim Director of Utilities Dierdre Jacobs?

Interim Director of Utilities Jacobs: Here.

District Clerk Anthony: District Clerk Claudene Anthony is present. District Attorney Dawn Wynn?

District Attorney Wynn: Here.

District Clerk Anthony: District Finance Director Randy Sherman.

Finance Director Sherman: Here.

District Clerk Anthony: You have a quorum.

INVOCATION

PLEDGE OF ALLEGIANCE

Chairperson Miller-Anderson: We'll have a moment of silence followed by the Pledge of Allegiance led by Councilman Lawson.

[Moment of silence]

Board Member Lawson: 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

Chairperson Miller-Anderson: Do we have any additions, deletions or substitutions?

City Manager Evans: No, Madam Chair.

Chairperson Miller-Anderson: Alright.

DISCLOSURES BY BOARD OF DIRECTORS

Chairperson Miller-Anderson: Disclosures by the Board of Directors?

Chair Pro Tem Botel: No.

Board Member Lawson: No, Madam Chair.

ADOPTION OF AGENDA

Chairperson Miller-Anderson: We have a motion to adopt the Agenda?

Chair Pro Tem Botel: So moved.

Board Member Lawson: Second.

Chairperson Miller-Anderson: Alright. Madam Clerk.

District Clerk Anthony: Board Member Lawson?

Board Member Lawson: Yes.

District Clerk Anthony: Pro Tem Botel?

Chair Pro Tem Botel: Yes.

District Clerk Anthony: Chair Miller-Anderson?

Chairperson Miller-Anderson: Yes.

District Clerk Anthony: Unanimous vote.

COMMENTS FROM THE PUBLIC ON CONSENT AGENDA (Three Minute Limitation)

CONSENT AGENDA

Chairperson Miller-Anderson: 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 EVENT, THE ITEM WILL BE REMOVED FROM THE GENERAL ORDER OF BUSINESS AND CONSIDERED IN ITS NORMAL SEQUENCE ON THE AGENDA.

MINUTES

RESOLUTIONS

Chairperson Miller-Anderson: We don't have any..., we don't have any Consent Agenda Items, so we'll go down to our awards and presentations. I'm sorry, we have a motion to accept the Agenda? [Inaudible]...

Board Member Lawson: So moved.

[Inaudible dais comment]

Chairperson Miller-Anderson: I said that already. Okay.

Board Member Lawson: [Inaudible].

Chairperson Miller-Anderson: All I gotta do is just find an Agenda and I'll be okay.

Chair Pro Tem Botel: [Inaudible].

Chairperson Miller-Anderson: It's..., I just need to read, that's all. [Chuckle].

END OF CONSENT AGENDA

AWARDS AND PRESENTATIONS

Chairperson Miller-Anderson: Awards and presentations.

PUBLIC HEARINGS

Chairperson Miller-Anderson: Public hearings? [Pause]. None?

District Clerk Anthony: None, Madam Cahir.

Chairperson Miller-Anderson: Alright.

REGULAR AGENDA

Chairperson Miller-Anderson: Regular Agenda Item.

[Pause]

END OF REGULAR AGENDA

Chairperson Miller-Anderson: End of Regular Agenda Item. Comments from the public, we'll come to after we finish the discussion and deliberation.

DISCUSSION AND DELIBERATION

1. **Chairperson Miller-Anderson:** Item No. 1.

District Clerk Anthony: **UPDATE ON PROPOSED NEW WATER TREATMENT PLANT.**

DIERDRE JACOBS, INTERIM DIRECTOR OF UTILITIES (561) 845-4185

Chairperson Miller-Anderson: Alright. Mr. Evans, Ms. Jacobs.

City Manager Evans: Madam Chair and, and Members of the Board, the City Staff has been working diligently with our consultant, Mr. Nigel Grace, from Brown and Caldwell to bring to fruition some of the important elements as it relates to moving forward with a new water treatment plant. This has been a priority of this Board since you've been seated, and Staff has been working diligently to bring decision points to you so we can move forward in aggressive fashion. We know that the existing treatment process that we [stammer] currently utilize is an archaic system and we're moving forward as quickly as possible to bring a superior product here to our community. Ms. Jacobs and her team have put together a PowerPoint presentation that will encapsulate where we are today, but also, where we hope to move , and certainly then hit on some of the items that the Board has authorized to continue to keep our existing plant up and operational.

So, without further ado, Assistant City Manager and Interim Director of the Utility District, Ms. Dierdre Jacobs.

Chairperson Miller-Anderson: Alright.

Interim Director of Utilities Jacobs: Good evening...

Chairperson Miller-Anderson: Good evening.

Interim Director of Utilities Jacobs: ...Madam Chair, Dr. Botel, Mr. Lawson and Mr. Evans. For the record, my name is Dierdre Jacobs and I am the Assistant City Manager here with the City of Riviera Beach.

This evening, we really didn't have any Agenda Items in particular so we wanted to use this as an opportunity to just apprise you on where we are with the, the development of our proposed new water treatment facility. And, Mr. Nigel Grace, has been working hand in hand with us as a consultant, from Brown and Caldwell, to assist and a presentation has been prepared for, for you to view and be able to understand where we are at this particular point in time.

Chairperson Miller-Anderson: Okay.

Interim Director of Utilities Jacobs: So, Nigel... If Nigel..., if you'll come up to the podium. As he begins his presentation, we wanted to simply make you aware, when I say me I mean the Utility District Staff that, over the last several months, we've been working diligent'.., diligently to put projects into place and some of the major accomplishments have been... We were just awarded a grant of a little under \$2M from the Department of Economic Opportunity to, to replace some of our aerial crossings. As well, we've done some bury infrastructure improvements. There have been a couple of design build teams that have been in place to help with our water treatment plant improvements, we've been working with the Department of Health so that we can minimize and get rid of the series of issues that have come up against us with regards to the Consent Order. There's been some rehabilitation to the lime softening units and we've done a, a, a wealth of infrastructure improvements underground. Also, we have some of our Staff here from the Utility Special District in the event.., I know Mrs. Miller-Anderson had concerns with some of our lift stations, so in the event you want to be brought up to speed on where we are with those, Mr. Joe Jackson is here. Also, Mr. Brown is here, and Mr. Danford is here if you have specific questions about the collections systems, or the water treatment plant in particular.

Chairperson Miller-Anderson: Okay. Let the record reflect Mr. McCoy is present.

[Inaudible dais comment]

Chairperson Miller-Anderson: Alright. Are we gonna do a presentation?

City Manager Evans: Yes. At this time, Mr. Grace is going to lead us through the presentation.

Mr. N. Grace: Certainly. Thank you. Good evening, Madam Chair and...

Chairperson Miller-Anderson: Good evening.

Mr. N. Grace: ...Council Members. I certainly appreciate this opportunity to, to work alongside the Utilities District Staff, to further the interest in improving the overall quality of the water program within the City. The Manager gave, you know, a synopsis overview of the, the objectives of this program. I'm gonna spend the next few minutes just kind of recapping, you know, what the vision is for this overall program and some of the accomplishments that's been achieved to date. Significant progress has been made with the existing drinking water system, as Ms. Jacobs recently numerated. In furthering the interest of this new technology center treatment facility, a number of [stammer] important improvements and, and progress has been made with the procurement of this site, and some preliminary investigations, but just to, to step back and take a, a [inaudible] look at, at where things are headed.

As part of this program, virtually all elements of your drinking water system will be impacted. Your, your assets can be categorized as distributed assets, those are everything outside of the fence line, as well as essentialized assets. The types of distributed assets that will be impacted are your existing wells, you're gonna need additional wells. Some wells may need to be rehabilitated, some wells may need to be replaced altogether. We're gonna be tapping new water supplies in aquifer.., a brackish

water aquifer, that historically, has not been utilized by the system. Your raw water transmission infrastructure, as well as your finished water transmission infrastructure is gonna be..., are, are gonna be impacted. The centralized..., when we think of the Utility District water system restructuring, we really think first and foremost about the centralized assets. That is the water treatment plant and the supporting facilities around that. But, together with the distrib'..., distributed assets, that, that's represents the collective whole of the, the, the improvements that will be made to the system.

Pivoting a little bit to the, the, the water treatment assets. As, as you're, you're aware, we're looking at locating the facility at this site, located just catty-corner, across the railroad tracks at Avenue, Avenue L and Blue Heron. That facility is gonna locate more than just the water treatment plant, which is defined in this area, but we're looking at an additional Utility administration building that will not only holds Utility Staff, but will bring together a number of other departments within the City to place them under one roof. These are departments that could be..., include Procurement, Finance, you know, [stammer], any department that the City needs located in a centralized facility. This campus will also holds your Public Works facilities and there are a collection of structures ranging from maintenance structures to, to Public Works Administration Center, and offices that, that will also be located on the site.

One of the initial things that needs to be done prior to moving full steam ahead with, with implementing some of these improvements is to determine what this site is gonna actually look like. For each of these buildings, who's gonna reside within each? What department functions need to be housed? What resources need to be provided around each of these to be [stammer]... In essence, planning needs to be done to determine what the collective needs of the various stakeholders of this facility needs to be. And once that is in place, site planning needs to be established to determine, you know, the, the, the concurrency requirements for this site, traffic, parking, et. cetera, as well the aesthetics of the site. What, what's this gonna look like? This, this, this development is essentially gonna become an important anchor for this particular corridor. So, a number of planning efforts have to be done to determine kinda the theme of what this is gonna look like.

And the central core, which relates to the treatment facility and, and unlike your exiting treatment plant, the overwhelming majority of the treatment facility will be housed in one building. It's a very compact process that will house, you know, the treatment process, the laboratory control center, etcetera. That..., those assets have to be, due to Homeland Security requirements, have to be really in a protected, secure environment. So, looking at kinda the flow and movement of Staff across the site, as well as the public..., there, there are gonna be public access areas built into this. All this needs to be think'..., thought through in an integrated manner before going forward.

The other thing to keep in mind as it relates to the treatment facility, is that there's a, a number of permitting related things that have to be worked out. Right? With the water management district to develop additional water supply allocation without a firm commitment to the supply that's gonna feed this facility, then you can't realign the technology and, and design details.

So, those are some of things we're gonna be working on in the immediate term. The, the, the goal is to get to a, a defined site plan that can go through the City's site plan review process and be approved to, to establish the, the programming of each of these buildings, the layouts, the floor plans, what functions need to, to, to be consolidated and where. And with that, then the City will be in a position to begin to put out delivery packages to start phase construction of this site.

What we're looking at here, is a conceptual rendering of what this site can look like, but as it goes through the facility planning process, things may move around to be able to meet all the respective requirements. So, one of the key elements of the treatment facility relates to capacity. What does the capacity of this plant need to look like? Not just to meet the current needs, but also the future needs. And what we have here is a graph that.., in, in grey, this box essentially represents your current water supply allocation, from the surficial -aquifer. This is the water that the lime softening process is able to treat and deliver. This line represents your forecasted growth over the next twenty years. This dash line here, shows basically an attenuated growth trajectory that assumes over time this City will become more efficient in its use of water supply.

So, once you transition from lime softening to [inaudible] as we [inaudible] process, produces a significant waste stream color concentrate. That concentrate is not available for consumption. So essentially, you have reduction in the available finished water, based on your current supply. So, that reduction will.., is gonna have to be made up by some alternative supply. That's what we've talked about the Floridan aquifer, that's a deeper aquifer. We're looking at wells that are essentially ten times the depth of the existing wells and that's a brackish water supply. So, your future facility is gonna rely on a, a reduced amount of existing surficial supply and it's gonna be augmented with this Floridan supply.

The permitting process will determine where this break line is, right? We're, we're gonna have get with the, the South Florida Water Management District, work with them, do some technical analyses to demonstrate and justify the forecasted growth. We're gonna have to demonstrate that the, the pumpage that we're gonna do here won't have any adverse impacts relative to the landfill out to the west or the Solitron site or regional canal network. There's an analysis that needs to go through and that's gonna set this bar here. We're projecting that that bar is gonna be set here but it could move far down. Once we establish this bar, then the per'.., that same permitting processes is gonna allocate the additional supply from the Floridan aquifer to meet the City's twenty year forecast and growth [inaudible]. So that's kind of the next big step that's right before us, then back up on this permitting process to [inaudible] supplies. Once you have the supplies in place, once you have an approved site plan for the overall site, we will understand what's going where and how much space is needed. Then, with those respective buckets of information, then you will be then equipped to go out in the street and begin the process.

So, how is all this gonna come together? Some of the, the initial planning effort that's required to, to move things forward are well underway. We have a good feel for the water supply need, in terms of a capacity standpoint. We've done some preliminary site investigations. In fact, we just completed a phase one assessment of the site. As you

know, the City's already procured an adjacent site. So, there are a number of things that we've done to preliminarily establish that.

The next wave of activities are permitting, the water use permitting that I just described, as well as the facility planning. In parlor with that, the City has had a number of ongoing engagement with the, the, the DEP, through the state revolving funding program, as well as, you know, the state appropriations opportunities to begin to understand what the funding landscape is gonna look like. And I think the City's working on a [inaudible] track to develop a cohesive plan for funding of these improvements. So that's gonna be an ongoing effort that ultimately will have to sync up with the infrastructure improvements before major capital investments can be made.

The other component that we recently looked at and we, we held a workshop together, the, the City's leadership team that was [stammer] cutting across multiple departments for the City, we, we took a look at the various delivery models for implementing your water program and, and we, we went through an exercise to begin the process of aligning each component of your capital program with different delivery mechanisms, with the objective of identifying how to kind of expedite the overall delivery process. So, so, [stammer] these are the front end planning efforts that, that need to occur to set the stage for any delivery that's gonna occur. In parlor, we believe that this City is probably close to being able to put together a solicitation to go out and begin to, to, to bring onboard design/delivery teams, or design-build contractor teams that will ultimately carry the program forward. So that, that's a step that's down the line but probably will be initiated sometime this year.

So, moving beyond the initial planning, everything we're looking at here represents the delivery of various elements of your capital program. As I mentioned earlier, your overall capital program includes water supply improvements. That's just basically well fill and associated infrastructure. You have the treatment plant and I, and I bundled it together, the Public Works facility, although that really deserves its own park, but it's bundled here. Then we have the, the transmission system. So, collectively, this represents the primary infrastructure we're talking about. But we, we recognize, you know, Staff development is also important. The City's migrating to an entirely different process, different skillsets will be required to, to do this. So, you know, we, we think the City, and we advise the City to, to be very intentional about developing a cohesive developmental program for bringing Staff along and getting them involved so that the, the, the transition to.., from lime softening to this new technology, we'll be [inaudible]. We believe the time to start is sooner rather than, than later. So, so we, we indicate kinda that Staff development program here. Systems represents all of the basic enabling systems to facilitate effective management of the overall program. Again, it's the, kind of the hidden things that kinda make everything work together. So, that needs to be given some thought. There's a, a pretty long runway to kinda think through some of those things, but we, we can't lose sight of that fact.

And, and finally, the, the final st'.., you know, element we have here relates to the decommissioning of the existing water treatment plant. So, collectively, this represents the over program. Nominally, we're saying, you know, the, the longest delivery pathway is, is.., you're probably looking at a five year horizon to get through all of this and, you know [stammer]...

Chair Pro Tem Botel: Madam Chair?

Chairperson Miller-Anderson: Yes.

Chair Pro Tem Botel: Can I? So, that five years doesn't..., does that five years incorporate the one and half years from the previous slide?

Mr. N. Grace: It, it, it partially does. Right? The, the..., and I'm going back to the previous slide, we believe that the City will be able to initiate the procurement process. If you notice the, the purpose that is here. Right? For certain elements of the program. You know, maybe putting the administration building, you know, for turnkey delivery. We're gonna be at a point where we can initiate that sooner. The permitting, on the other hand, may take a year to get through the permitting on the worst case. So, that pushes the ability to do anything a little further out. So, so, collectively, I've, I've typically said, you know, one to six, six and a half years all in, right? There are opportunities to compress that and we're gonna talk a little bit about that. Again, this one to six, seven years is based on more of a conventional delivery approach. When you look at..., and, and by conventional delivery, you know, we're, we're, we're looking at the, the far left of this graphic here. And, and, and what this represents is the more traditional, you design it, then you permit it, you bid it, you bring on board a contractor who builds it. Right? Everything occurs sequentially. That..., this takes the longest time. Right? The City will be under contract with a designer, you'll be under contract with a contractor and you basically oversee the contractor's work to ensure that they delivered on what you expected.

The next step along the progression, which compresses things a little bit is referred to as construction management at risk. It's very similar to the traditional approach, except that you, you hire the contractor, pretty much at the same time you hire the engineer. Right? So, the contractor is able to work collaboratively, through an informal collaborative relationship with the engineer and at some point, before the design is complete, the contractor's then able to put together what they call a guaranteed maximum price. Right? That's a negotiated price, kind of an open book principals, right? They have to get multiple bids and so on and so forth. And with that guaranteed price, you're able to essentially, once you agree to it, launch into construction. Right? So, it's, it's very similar to this except that the, the construction can actually get going in somewhat of an overlap fashion with the design. It's not all sequential. And you have the benefits of the contractor's input during the design stage, whereas, in this model, they occur in different time domains. Right? Now, once you move beyond this, you're going from kinda the more traditional collaborative approach to the design-build mode. Right? And in the design-build model, the City's entering into one contract with that design-build entity. That design-build entity is, is, is typically led by a contractor with an engineer partnered with them and once you bring them onboard, you have two basic approaches for doing that. You have the progressive design-build model and you have the fixed based model. They're different in a few important ways. In, in the progressive model, you bring on board the contractor, you, you work together with a contractor to define the project, you provide input into what the expectations are, and then the contractor prepares a guaranteed maximum price. Right? That represents a point where beyond which you're, you're locked in. Right? Once you agree to the guaranteed maximum price, then it's in the contractor's hands to

deliver the project. Right? And, you, you really don't need a lot of upfront work to be able to pursue this model. Right? You're, you're probably six plus months from going out and hiring potentially, a design-build contractor.

Once you have your permits set and you know your water supply, and you have your facility plan done, right, you, you, you can actually put out a solicitation and hire someone, potentially, to do this. Right? So, you have one contracting mechanism in place and that handles everything. In this model, you may have an advisor there that can .., is a little bit of a go between and to, to advise in technical matters. But, pretty much you're working with a contractor.

With a fixed priced model, it's similar except that you, the City and your advisor, do more front end work to work through the design details to a higher degree. Right? And, so, the proposal they get from the contractor is a fixed price proposal. So the contractor doesn't try to innovate or do anything different, the contractor looks at your requirements and the developer fixed price proposal and once it's awarded, thereafter delivering the project. Right? So, they're very similar with the exception that the fixed price approach requires more front end work on the part of the City and it's advisor to develop the design requirements than the progressive model.

Chairperson Miller-Anderson: Let the record reflect Councilwoman Lanier is on the dais.

Mr. N. Grace: Much of the opportunities that we're looking at, to expedite, the overall delivery of your program, fall within this spectrum here. Right? From the, the construction management at risk, called CMAR, to some variant of the design-build process. And with design-build process, it's easier to make performance expectations to the contractor, you know, 'We need a supply that is, is this efficient and costs this much,' and so forth, 'Go figure it out.' Right? Whereas, the other earlier models are more prescriptive, right? So, so this is where we're looking to, to gain a lotta time and shrink, potentially, that delivery time. And, this is what we'll work through with Staff, in, in pretty much almost a half day workshop to kinda look at the, the nuances of each of these models and line them up to the capital program.

Once you get beyond design-build, that's where you're integrating and operating component in there, right? So, this design-build operate'.., the operate dimension, now once the contractor builds it, there may be, you know, 'have a commitment to run the facility for some period of time, could be months, could be years, to be demonstrate the functionality, perhaps, train Staff, et. cetera or, you, you know, this.., they could turnkey, the overall operation. I know that's not the City's objective and that's not the priority here, but, but this what this model represents, right?

Going a step further beyond that, essentially you have the P3 remodel where [stammer] another entity, the, the project entity, would bring together the financing, the engineering, the construction, the operations under one tent, you've entered into a long term, typically a long term arrangement that would minimally cover the duration of the financing and they would deliver the project. They would run it, they would maintain it and in twenty, thirty

years, they'd basically turn the keys over to the City. So, that's the far extreme of, of the project.

So, we've been looking really within this lens here, for opportunities. And, and the, the front end work that you have to do, the permitting, the facility, all of that is common to all of these options. Right? You, you can't start building something unless you have a facility plan and you have a clear vision for what you're gonna construct. So, so the initial work that we're, you know, getting set to embark upon now is really a necessary prerequisite, no matter the direction that you, you pursue. However, once everything is set and you're ready to start with construction, the design-build models and the CMAR approach allows for schedule compression beyond what's otherwise achievable through the conventional approach. So, so that's that.

So, with, with that said, what are the immediate term next, next steps? The, the critical parts, elements involve the, again, securing site plan approval. Right? Again, that's suggesting all the concurrency requirements and, and, and the program needs for the various facilities, as... Oops. As well as securing... And I think I made a little... [Pause]. I think I skipped to the very, very..., the, the very end. But, but the reality is that the, the next step involves securing the permit and securing the, the site plan approval. And, with, with those in place, that will open the path for the City to, to, to aggressively move forward with delivery of some of these elements of the, the, the project.

Let me see if there's... [Pause]. Okay. So, the, the other element that I, I mention here is, is..., again, we had a lot of discussion about, you know, which components of the program will be suitable. Again, it's still an open question but we've kinda narrowed it down. We know the treatment facility set the cost of the permitting that's required, will probably be the last thing ___ to get but yet, you have elements of the Public Works facilities, as well as the Utility Administration building that we think could be early out opportunities to get things going.

Chair Pro Tem Botel: Madam Chair?

Chairperson Miller-Anderson: Go ahead.

Chair Pro Tem Botel: Do, do you see any, and roadblocks in, in terms of getting the water use permits? Are there any real obstacles to that or is that's something that's sorta rubberstamped, sorta of a thing or?

Mr. N. Grace: It, it won't be rubberstamped but there won't be any obstacles. The, the, the main potential obstacle will be if the City was to request additional allocation from the surficial aquifer. The current rules essentially have established a cap on how much you're, you're allowed to be allocated from this..., the..., that aquifer. And you're not, under the current rules, allowed to withdraw more than the average usage between two thousand and one and two thousand and six. Right? So, you're, you're capped based on historic usage. If you want to exceed that cap, then it opens up extensive demonstration and modeling and calibrated groundwater models and things of that nature, that would just simply take a lot of time and probably, ultimately, not produce a fruitful outcome. If, if you, if you stay within your cap, right, then it's much more

straightforward and if your supplemental water supplies from the, the Floridan aquifer, right, again, that's available. There're, there are not too many roadblocks. So that's, so that's probably the most expedited path. Staying within your cap and getting an additional allocation from the Floridan aquifer.

Chair Pro Tem Botel: So, when you say long term water supply commitments, that what you mean, the Floridan aquifer?

Mr. N. Grace: Correct.

Chair Pro Tem Botel: Okay.

Mr. N. Grace: Correct. And, and you..., one of the things you have to demonstrate to, to the satisfaction of the South Florida Water Management District, is what your long term forecasted needs are. The only permit, based on the anticipated needs over a twenty year horizon. Right? So, you know, and who knows what's gonna happen in thirty, forty years? You, you design and you layout the plan to provide some flexibility so you have somewhere to go, you know, twenty, thirty years from now. But, you're only gonna get a permit for what you can demonstrate that you need within the next twenty years. So, sometimes there's some back and forth. Like, for instance, if the, the District thinks that the City may not be..., may not have adequate incentives to, to promote efficient water use, you know, conservation programs, leak detection programs, things of that nature, they may want to permit a lower per capita demand or see a commitment, you know, to implement programs that would ultimately bring your per capita demand down. And your per capita demand is hovering around one ninety gallons per person, per day. The District likes to see that much lower generally. Right? And, once you go to membranes, if you translate that to raw water per capita, you're gonna be up over two hundred. They're not gonna like that. Right? They're gonna want to see it under two hundred. So that's something we're gonna have to work through and they, they probably have permit stipulations that they put in place, mandating certain actions. But, it won't be a precondition to them giving you, you the, the allocation. They'll give you the allocation with strings attached.

Chair Pro Tem Botel: So... May I?

Chairperson Miller-Anderson: Mhmm.

Chair Pro Tem Botel: So, for example, any new construction in the City, the new condominiums or whatever that are going up on the Island, we need to require them to have low flush toilets and...

] **Mr. N. Grace:** Correct.

Chair Pro Tem Botel: ...some water saving devices?

Mr. N. Grace: Exactly. Exactly. And, and, you know, you know, to [inaudible] it can have toilet fixture retrofit programs in place, you can have...

Chair Pro Tem Botel: Okay.

Mr. N. Grace: ...you know, science fairs or festivals that you, you distribute information and best practices. There're, there are any of a number of kinda goal based conservation initiatives that, that, that, that have proven to be effective. Right? Over time with sustained effort.

The other component is water loss. Right? Every time you have a canal crossing of a water main, just imagine, if you're [stammer]..., develop a leak in that pipe, you really have no way of ever knowing that leak exists. Right? So, when you look at the, the actual billed consumption, and now the City with a benefit of new meters, you're gonna get a, a more accurate read on what people are really consuming, you know what's leaving at the plant, you can look at the difference between the two and see is that difference consistent with what you'd expect. To the expect., to the extent that's too large, then you know the water is going someplace that you're not accounting for. Right? Whether that's authorized use that's not metered, right, or unauthorized use or leakage, right, you want to go after leakage. Right? As well as authorized uses that's not being accounted for, for two reasons. You don't want to have to build a brand new membrane plant and construct a number of million dollar wells to just have that water leak into the ground. Right? You know, you..., to the extent that you can get a handle on leakage, right, it reduces the long term capacity for the need. So that's an important thing that I think deserves some attention.

The other component, if you have maybe grandfathered uses that, you know, are not metered, and that happens. You know, it happens all the time. That's a potential revenue source that you want to be able to capture. Right? So, one other thing is..., these are the ancillary kind of spill off initiatives that, that will emerge ultimately. You may be required, and, I would say it's in the City's best interest to do it, whether it's required or not, to take an aggressive look at your water use balance and determine how that needs to inform the timing of when you, you provide capacity and expand.

Chairperson Miller-Anderson: [Inaudible].

Mr. N. Grace: Any other questions?

Board Member Lanier: Madam Chair?

Chairperson Miller-Anderson: Go ahead.

Board Member Lanier: I wanted to ask if there was a..., some conversation or some at least variations of the P's..., the P3 that's presented here? Like, say for instance, the design-build finance maintained but the City operates or maybe some other financing and other efficiencies. You know, quick project delivery?

Mr. N. Grace: Yeah. There, there, there certainly, again, what I presented they were kinda the main buckets. Right? But there are a number of other variance and hybrids that, that could, could ultimately be considered, depending on the specific needs of the City. From a financing standpoint, right, you know, it's, it's hard to conceive that a private entity can raise capital cheaper than the City. Right? I mean, one conference call that we had with the DEP officials, you know, they're offering SRF loans at essentially zero percent interest, with a potential for ten percent loan forgiveness. Right? And that's

just to start. That's just one call. Alright? The private sector isn't gonna be able to, to match that. Right? No. They may provide [stammer] the convenience of just going to one entity, and they write one check and they do it all and you just agree to purchase water at a certain price. Right? But, ultimately, with all that's being equal, that price is, is difficult for that price to compete with your price. You know? So, so, so the financing piece, it works in some cases, it makes sense but that's part of what needs to be looked at as part of our comprehensive funding strategy, because it's not readily evident that, that, you know, unless the City has the inability to raise capital. But ultimately, you're gonna pay for their, their, their funding anyway. Right? So, so the financing piece is one. The design-build maintain.., I was involved in, in one such project a number of years ago for Detroit. It was a large two hundred plus million dollar facility and, you know, that was one of those fixed price design-build projects. Right? Where, you know, [stammer] the proposals had to produce almost competed documents and agree to a fixed price and... Yeah. And that, that entity wants to ensure that, you know, the, the contractors won't take shortcuts that the City would then have to pay for through expanded maintenance and so forth. So they, they structured it as a design-build maintain where the contractor was required to maintain the facility for a five year period.

If you go the CMAR or the progressive approach, it, it somewhat mutes the, the, the need, you know, to, to consider that kind of approach because inherently, it's a collaborative process and you get much closer to getting to what you want through those processes. But, again, it's well worth looking into. There, there, there are many models, we've initiated the process with the City. I'm looking at those models and I think as we get closer to, to, to, to working with the City to procure those kinds of teams, that, that's when I think we'll, we'll bring a, a sharper focus and just what serves the City's best interest.

Board Member Lanier: Yes. I like the idea of having an advisor or someone to help figure out which way, or which hybrid, that...

Mr. N. Grace: Correct.

Board Member Lanier: ...we would use. Yes. Thank you.

Chairperson Miller-Anderson: Do we have any public comment cards for this?

District Clerk Anthony: No, Madam Chair.

Chairperson Miller-Anderson: Alright. Any other questions from the Board? [Pause]. The, since you mentioned about the lift station, who would be speaking on that part?

Interim Director of Utilities Jacobs: Mr. Jackson is here.

Chairperson Miller-Anderson: Thank you so much.

Mr. N. Grace: Thank you.

Chairperson Miller-Anderson: For your presentation. I just wanted to.., you know, we had had a lotta complaints about the smell of... What lift station is that? What number is that? Right here by Wells?

City Manager Evans: Lift Station 20.

Chairperson Miller-Anderson: 20?

Unk.: One eight.

City Manager Evans: One eight.

Chairperson Miller-Anderson: One eight?

[Inaudible comment]

Chairperson Miller-Anderson: So, could you just kinda give us a little update publicly about that one?

Chief Water/Sewer Mechanic Jackson: Yes. My name is Joseph Jackson, Chief Water/Sewer Maintenance Mechanic for the Utility District.

Well, we had a couple issues, one being a door'.., doors that we just installed, got installed maybe a couple months ago that cut down the smell. And also, it was a odor control unit that was leaking around some of the fittings that we had to tighten up. So, it smells a lot better over there now. And also, we do have.., I think I have a couple re'.., requisitions in for odor control that we have to.., it's another [stammer] odor control, something to, like, absorb H2S gases and, and kinda hold smells and odors down. We have that in the procurement process right now. One other thing I did was, I was able to kinda set the pumps where they don't pump down as much 'cause.., with the, with the well, the well emptying too low, it creates gases when the water goes and then it stirs up all the time. So, I had the well kinda maintained at a level instead of emptying and filling, emptying and filling, so it'll kinda cut down H2S gas that's being created.

Chairperson Miller-Anderson: Okay. Well, it definitely improved so whatever we're doing now is definitely working, so I appreciate you all gettin'.., looking into that.

Chair Pro Tem Botel: Don't go away. May I?

Chairperson Miller-Anderson: Go ahead.

Chair Pro Tem Botel: How about Lift Station 10? Are we doing okay over there now?

Chief Water/Sewer Mechanic Jackson: Yes, ma'am.

Chair Pro Tem Botel: Okay. Good.

Chief Water/Sewer Mechanic Jackson: We're ding great with it. Actually, I'm doing a [stammer].., try and buy [stammer].., I'm looking to upsize the pumps, 'cause we got a lotta stuff coming over there. And I noticed that some of the pumps are running a

little bit longer than usual. And, a lot because people are opening up man'.., somebody.., when I t rains, flows pick up drastically. So, somebody's opening up manholes to clear parking lost or do whatever they're doing. So...

Chair Pro Tem Botel: Oh.

Chief Water/Sewer Mechanic Jackson: ...to kinda combat that until we find out where it's coming from, have to upgrade the pumps so we can keep up with whatever comes but there's no problems right now.

Chair Pro Tem Botel: Good. Thank you.

Chief Water/Sewer Mechanic Jackson: No, ma'am.

Chairperson Miller-Anderson: Alright. Thank you so much. Any other questions or comments from the Board? [Pause]. Alright. That ends Item No. 1. Thank you all so much again.

COMMENTS FROM THE PUBLIC – NON-AGENDA ITEM SPEAKERS (Three Minute Limitation)

Chairperson Miller-Anderson: Do we have any public comment cards in general?

District Clerk Anthony: No, Madam Chair?

Chairperson Miller-Anderson: Alright.

DISCUSSION BY EXECUTIVE DIRECTOR OF THE UTILITY SPECIAL DISTRICT OR THE CITY MANAGER

Chairperson Miller-Anderson: Discussion by Executive Director of the Utility Special District or the City Manager.

Interim Director of Utilities Jacobs: I don't have any additional comments other than, excuse me, to thank the Utility Special District Staff. They are really a, a unique group of people who work extra hard and they work behind the scenes and they really aren't noticed because they're not, like, the face of the City, they're not out in the open but I've worked with them over the last few months and they work really hard to do good work. Especially considering.., I mean, they're the ones that do what they're told to do, they were never the leaders so, considering that, I think they've done exemplary with regards to how they've managed to hold the Utility Special District together.

Chairperson Miller-Anderson: Thank you. Thank you so much.

City Manager Evans: And, and, Madam Chair, I also want to echo the same remarks from Ms. Jacobs. The, the Staff has done some exceptional work to be able to bring some of the projects that have been neglected for a certain amount of time to fruition so we can be able to correct it with the support of the Board. So, we've got an excellent group of folks over there that are committed to moving this, this District forward and excited about the future possibilities of, of what's ahead of us. Staff will continue to work

through pinch points of this and really narrow down a timeline as to when we can see ourselves moving forward with going ahead and securing the appropriate funding to move forward with the ultimate design and construction of a new water treatment plant.

Two Items that you will hear later on this evening that are applicable to our debt management and our investment policies will basically set the tone and, and provide us the policies necessary so we can go ahead and go out to market and to see what the bond markets will provide for us as it relates to this.

So, we are taking the steps to address this longstanding issue and bring the Board some additional information as to how we move the needle. Obviously, we've been advocating for this project, the total overhaul of our Utility District systems in Tallahassee and in Washington and we will continue to do so. And, as more information becomes available, certainly, we will apprise the Board of those things because we don't wanna find ourselves in a situation as our peer agency, the City of Fort Lauderdale, as they're trying to make some drastic steps to address some of the contamination issues that they had as it relates to wastewater getting into their potable water supply. So, we're, we're taking the steps because we don't want to be that case study that other agencies look at. We want to be the ones that are proactive in addressing some of the concerns and improving the quality of water. So, once some of our clarifiers and some of our systems get online, you will be seeing an improvement of the water product we provide, but ultimately, as we move forward to a, a new water treatment process.

Chairperson Miller-Anderson: Alright. Thank you. You wanted to respond to that?

Chair Pro Tem Botel: Just very briefly. Tomorrow night at my town hall meeting, will this be the presentation? [Pause]. Great. Thank you.

Chairperson Miller-Anderson: Alright.

STATEMENTS BY THE DISTRICT BOARD

Chairperson Miller-Anderson: Statements by the District Board. Starting with Mr. Lawson.

Board Member Lawson: No, Madam Chair.

Chairperson Miller-Anderson: Alright. Ms. Lanier?

Board Member Lanier: I appreciate the update today of the Water Utility District, especially Ms. Jacobs, you guys have done excellent work in keeping us informed about how this whole process is laying out. And I understand that it's, that it's in projects..., it's in different chunks as we move forward, but I appreciate the fact that you guys are very thorough and very comprehensive with the information that you present to us. I really appreciate that.

Thank you.

Chairperson Miller-Anderson: Mr. McCoy.

Board Member McCoy: Nothing.

Chairperson Miller-Anderson: Dr. Botel?

Chair Pro Tem Botel: Likewise.

Chairperson Miller-Anderson: Alright. And, nothing from me other than thank you all. I concur with Ms. Lanier down there.

ADJOURNMENT

Chairperson Miller-Anderson: With that being said, we stand adjourned.

[Gavel]

[End of video/audio]

City Employees, Public Speakers and Others

Brown and Caldwell Nigel Grace

Mr. N. Grace

Chief Water/Sewer Maintenance Mechanic Joseph Jackson

Chief Water/Sewer Maintenance Jackson

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**SHIRLEY D. LANIER
COUNCILPERSON**

**DOUGLAS A. LAWSON
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DATE APPROVED: MARCH 18, 2020