

**DIRECTION:** Come back to the May 22, 2020 FERC meeting with an update.

## **NEW BUSINESS**

### **8. PROPOSED ORDINANCE TO GOVERN CITY'S APPROVAL OF MASS TRANSIT FIXED GUIDEWAY PROJECTS**

October 16, 2019 – R5 Q

Sponsored by Mayor Gelber

Office of the City Attorney

#### **ACTION**

**DIRECTION:** Item withdrawn by sponsor.

### **9. DISCUSSION REGARDING A FINANCIAL PLAN FOR THE WATER AND SEWER SYSTEM MASTER PLAN**

January 15, 2020 – C4 A

Public Works

#### **ACTION**

Roy Coley, Public Works Director, presented the item. He explained that recently the Public Works Department supported by our consultant Hazen and Sawyer has developed a water and wastewater system master plan. That plan included a complete mapping of our system, developing hydraulic models of our water and wastewater and an assessment of the condition of our system components. That assessment was developed both by using age techniques and visual inspection. They have ultimately delivered a 25-year master plan to us. More importantly the consultant helped us to develop a 5-year plan of critical components that must be addressed. The reason they are calling them critical components is that they are components due to their age or actual condition and are at a higher likelihood of failure. He went through the presentation about the 5-year plan and talked about the sewer critical needs and water system critical needs. He explained that from their professional opinions the needs are not want to do's, they are must do's. If we don't do these items, we will have a higher risk of catastrophic failures such as Fort Lauderdale is experiencing. He explained they are asking the Committee to authorize the unallocated portion of our water and sewer bond money from 2017 towards these efforts. There is roughly \$24 million that has not been allocated for anything else. We already had a substantial amount of money set aside for these needs because as we have been developing this plan with Hazen and Sawyer we have been setting aside money. Staff is asking to allocate the rest of the money towards this plan and authorize them to reach out to the rate consultants to help determine what the current rate structure will support in financial capacity to raise additional funds because we are still going to be about \$61 million short, if the Committee authorizes everything been asked for today. We will have enough money to proceed until about 2021 if the Committee authorizes everything being asked for today, we will have to raise money going into 2022 to be on track. He pointed out that the dollar amount presented was developed during planning phases, none of this work has been designed yet and certainly don't have bids for it, he asked the Committee to view these numbers as planning level estimates that are likely to be higher or lower depending on the conditions they find.

Commissioner Samuelian said they heard this at the Land Use and Sustainability Committee and gave a favorable recommendation. Some of it is just absolutely must do work. He asked if we have ever done anything like this before.

Roy Coley said he is not aware of it, but in the last 5 years that he has been with the City we have spent about \$50 million on water and sewer needs as we have been working on our neighborhood improvement projects. The plan was at that time was that we would do the improvements as we went neighborhood to neighborhood and a big portion of this is that we have to attack this whether we go into the neighborhoods or not.



Commissioner Samuelian said we have to do this, and we are doing a little bit of catch up from previous decades. He is supportive of staff's recommendation, his only request is that if and when we move forward a little bit around timing, as the next version comes he would like to know about specific start dates, our best estimates of end dates, and then some periodic reporting maybe to this Committee or Land Use quarterly and after a few rounds give an update by LTC. He thinks we need to get on with this and we need to move as expeditiously as possible.

Commissioner Richardson mentioned that he noticed several items on the list are for 2020. He asked if those are included in the current 2020 budget.

Roy Coley said they are either funded in this year or partially funded. The Commission also approved 1 or 2 months ago an odor control system as part of the wastewater system. So many of them are funded in this year's budget.

John Woodruff, Chief Financial Officer, said he would meet with Roy Coley and go through the items in detail and determine which ones we have funding for and which ones are eligible for the bonds funds and then prepare a budget amendment if there was a need to, to move some money around to match the latest schedule. In 2017, we went out with a big water and sewer bond for about \$80 million, there is an unspent amount there. They can go through that and make sure we can utilize those funds. They will double check everything and be able to go back to Commission if needed.

Roy Coley reiterated that staff is looking for the Committee's favorable recommendation to the Commission as a whole to authorize the use of the uncommitted bond funds towards this critical plan, roughly \$24 million.

Commissioner Richardson said he is okay with it but would like John Woodruff to go through the projects and when this goes back to the Commission, they would like to know that the projects that are going to utilize that money are authorized.

John Woodruff said that would be the first step, to make sure all of our bond documents, whatever we committed to in there is consistent with that. They are usually written broad enough so he is pretty optimistic about that. Second, there are some water and sewer projects that we would try to time with the stormwater underground projects as well. What this does is in theory if that project prioritization takes a little longer, we are going to prioritize this first. If we need to commit more funds toward the stormwater related projects, we may have to speed up a rate increase a little faster than we otherwise would.

Roy Coley said Hazen and Sawyer was also our engineer for that water and sewer bond, they provided the engineers report for the 2017 bond, they also built this plan, so if there are any questions on that we would reach out to them and ask them to opine on that appropriateness because they are already familiar with both requirements. He also mentioned that 100% of this is playing catch up, we have been spending the last few years chasing what we thought were emergency conditions that were nonstop. All of these are probably things that should have been addressed over the last decade.

Staff will try to bring this to the March Commission meeting, if not the April Commission meeting.

Commissioner Samuelian confirmed that it sounds like they have consensus on the \$24 million, we will investigate the rate for the remaining gap. He reiterated that on the next iteration he would like start dates, end dates, some periodic reporting.

**MOTION:** Commissioner Samuelian moved the item as recommended by the Administration. Commissioner Richardson seconded. All in favor.

**DIRECTION:** Come back quarterly to the FERC meetings with updates.

## 10. **DISCUSSION ON REVISIONS TO THE EVENT SPONSORSHIP GUIDELINES**

September 11, 2019 – C4 A  
Tourism and Culture