



**MEETING MINUTES
CITY OF FORT LAUDERDALE
INFRASTRUCTURE TASK FORCE ADVISORY COMMITTEE
MONDAY, FEBRUARY 6, 2023 – 2:00 P.M. TO 5:00 P.M.**

CITY OF FORT LAUDERDALE

January-December 2023

Attendance

Marilyn Mammano, Chair	P	1	0
Peter Partington, Vice Chair	P	1	0
Gerald Angeli	P	1	0
Shane Grabski (arr. 2:16)	P	1	0
James LaBrie	P	1	0
Michael Lambrechts	P	1	0
Michael Marshall	P	1	0
Roosevelt Walters	P	1	0
Ralph Zeltman	P	1	0

As of this date, there are 9 appointed members to the Committee, which means 5 would constitute a quorum.

Staff

- Alan Dodd, Director of Public Works
- Chris Bennett, Assistant Director of Public Works
- Dr. Nancy Gassman, Assistant Director of Public Works -- Sustainability
- Vickie Beauvais, Senior Administrative Assistant
- Jamie Opperlee, Recording Secretary, Prototype, Inc.

Communication to the City Commission

Motion made by Vice Chair Partington that the ITF is in favor of proceeding with the currently proposed comprehensive agreement for the P3 for a new water plant at the Prospect Lake site. In making this resolution, the ITF took account of the following reasons:

The Infrastructure Task Force Advisory Committee (ITFAC) is in favor of proceeding with the current Comprehensive Agreement for the P3 for a new water treatment plant at the Prospect Lake site. In making this recommendation the ITFAC took into account the following reasons.

In November 2019 the ITFAC communicated to the City Commission that if they were to go the P3 route for the new WTP, then three things should be considered. (See Communication To the City Commission attached)

1. Keep control of the water
2. Keep control of the quality of the water
3. Keep control of the water rates.

In February 2022 the ITFAC communicated to the City Commission that we believed an RFP was the better route to go for the new WTP. In February 2022 the Commission voted to go the P3 route and began negotiating a Comprehensive Agreement with the Partner. In the next year the ITFAC worked with the City staff to review the comprehensive agreement with the original three recommendations in mind.

The Comprehensive Agreement which is the subject of tonight's meeting does the following:

1. Control of the water remains with the City. The Permit to draw water, the associated wells and pumps are all in control of the City. The City is responsible for providing the operator the amount of water we require at the quality currently specified.
2. The quality of the finished water is detailed in the appendices of the agreement. Testing of the finished product is supervised by the City and any deviation is penalized in the agreement. Continued failure to meet quality standards is a potential default.
3. The total cost of providing the finished water to the city is set out in the agreement and fixed for the thirty year period. In this way the city is in control of the impact the new WTP will have on rates. There may be other factors that impact the water rates, but the impact of the new WTP is fixed and accounted for in the rate structure.

Mr. Walters **seconded** the **motion**. In a roll call vote, the **motion** passed 8-1 (Mr. Zeltman dissenting).

1. Call to Order

i. Roll Call

Chair Mammano called the meeting to order at 2:02 p.m. Roll was called and it was noted a quorum was present.

ii. Approval of Agenda

Motion made by Mr. Walters, seconded by Mr. Angeli, to approve the Agenda. In a voice vote, the **motion** passed unanimously.

iii. Approval of Previous Meeting Minutes December 5, 2022

Motion made by Mr. Walters, seconded by Mr. Lambrechts, to accept the minutes with or without corrections for December 5. In a voice vote, the **motion** passed unanimously.

2. Old Business

i. New Water Plant Discussion

Chair Mammano recalled that the Committee has reviewed and discussed the proposed new water treatment plant for some time. She provided the members with a copy of the Committee's communication to the City Commission sent in November 2019, which addressed the possibility of a public-private partnership (P3). The communication encouraged the City to secure a consultant to advise them during this process, and recommended that the City retain ownership of the water, water quality, and rate structure.

Chair Mammano continued that a year ago, in February 2022, after vetting unsolicited proposals from four different entities, the Commission decided to move forward with a P3 in partnership with IDE/Ridgewood. The Committee reviewed the proposal and recommended against the P3 in favor of a request for proposal (RFP).

The Chair described the Committee's role from February 2022 to the present as engaging with Staff to seek information about the comprehensive agreement with the private entity. They have held two workshops with the City Commission at which the comprehensive agreement was discussed and questions were answered. She concluded that the Committee should determine their final recommendation to the Commission at today's meeting.

Chair Mammano noted that the proposed comprehensive agreement will meet the Committee's recommendations to retain control of the water, water quality, and the rate structure.

Mr. LaBrie asked if the Committee's November 2019 communication to the City Commission had had any influence on the Commission's decision. He added that there should have been a parallel exploration of an RFP while the Commission evaluated the P3. Mr. Angeli agreed, pointing out that time also played a role in the deliberations regarding the P3.

Mr. Grabski arrived at 2:16 p.m.

Mr. Zeltman noted that the Committee had encouraged the City Commission to consider proceeding with the RFP, as the P3 proposers could have participated in that process, resulting in more competitive bids. Mr. Walters advised that in addition to the \$2 million increase in costs that would accompany an RFP, the RFP process would add roughly two years to the project's time frame, which had been a factor in the Commission's decision in favor of the P3.

Vice Chair Partington commented that he was largely convinced to support the P3 by the input of Hazen and Sawyer representative Patrick Davis, who is a resident of Fort Lauderdale and would be directly affected as a consumer by how the City chooses to proceed. He felt Mr. Davis had been trustworthy and believable, as had Dr. Bill Becker, also representing Hazen and Sawyer.

Vice Chair Partington continued that there is a chance the City could save money by proceeding with an RFP; however, this would take longer and would introduce a higher level of risk for the City. He tended to favor the P3 approach, although he noted there are aspects of the P3 comprehensive agreement that were concerning. These included the private entity's provision of only 25% of capital funding, as well as a clause that allows the private partner to sell out their interest in the plant upon its second anniversary. Vice Chair Partington concluded that while he was in favor of the P3, he did not feel an RFP would have been the wrong approach.

Chair Mammano recalled that Staff has addressed the clause allowing the private operator to sell their share of the plant. This action would require permission from the City. The equity partner may move on only if they can identify another equity partner, capitalized at \$100 million. The City cannot reasonably refuse to allow the equity partner to exit the agreement.

Mr. Zeltman agreed that some of the details of the comprehensive agreement were concerning, including the fact that operation of the new plant would be controlled by the private entity. The quality, equipment, and treatment processes would be controlled to maximize profits for the investors involved in the project. He concluded that the City would fund 75% of the project, with the private entity providing the remaining 25%; however, in other parts of the country, these percentages were reversed, with the private partner providing a significant majority of the funding.

Mr. Zeltman recalled that the Mayor has stated many times that the existing Fiveash Water Treatment Plant is not in sufficiently good condition to continue serving the City. He asserted that he has visited the Fiveash facility and was impressed with its condition. Chair Mammano commented that when she had visited the plant, she had not found its equipment to be in good condition.

Mr. Zeltman concluded that taking these concerns and conditions into account, he would not vote in favor of recommending a P3.

Mr. Walters stated that he would not recommend any decision that resulted in additional delay in constructing a new water treatment plant. He continued that should the City proceed with an RFP, he was not convinced they would set aside sufficient funds to deal with any emergencies that might arise, and expressed concern that an emergency affecting the Fiveash plant could have severe consequences, as there are not enough

facilities elsewhere to make up for the loss if that plant went offline. For this reason, he was in favor of the P3.

Mr. Walters added that while he shared the concern that the private entity's 25% contribution toward a new plant was less than it should be, this amount has already been agreed to by the City in the comprehensive agreement.

Chair Mammano observed that the City has retained outside counsel with expertise in water treatment plants, who agreed that the language on the comprehensive agreement's "escape clauses" was standard for these types of agreements.

Mr. Grabski pointed out that previous City consultants Reiss and Carollo had reached the same conclusions regarding the replacement of the Fiveash plant. He added that while other parties had called the validity of a pilot study conducted by Reiss into question, City Staff confirmed that there were no concerns with the results of that study. For this reason, he tended to agree with the recommendations of City Staff and the City's consultants. He felt the RFP process would introduce too many risks for the City in addition to the greater time frame.

Mr. Lambrechts stated that he has toured the Fiveash plant and was relatively impressed with its condition and upkeep in light of its age; however, he acknowledged that a facility built in the 1950s was likely due for replacement. He also expressed concern for Fiveash's resiliency, pointing out that there is no plan for the plant in the event of a flood.

Mr. Lambrechts continued that the decision between a P3 and an RFP has become more difficult due to the increases reflected in recent cost estimates. He felt these costs could be even greater if the project's time frame is extended, which would likely occur under an RFP. He also believed the City's consultants to be qualified and respected in their field. He concluded that he was in favor of the P3 by a very small margin due to costs and time.

Mr. Walters asked if Mr. Lambrechts' decision would be different if the equipment in the Fiveash plant was in better condition. Mr. Lambrechts replied that he would probably feel differently if that were the case, stating that the primary factors for him were the age and structural integrity of the existing facility. He added that the Staff responsible for operating the Fiveash plant had indicated they were willing to continue maintenance and upgrades of that facility for the next five years while the new plant is constructed.

Mr. Marshall stated that he was not entirely comfortable with the terms of the P3 and was not certain it provided the best deal for the City. While he was "OK" with the P3, he still had a number of lingering concerns regarding whether or not the City would get the result it wants from this process, including concerns about the condition of the pipes in the City's water distribution system.

Chair Mammano asked how much money the City has invested in replacing pipes over the last five years, as well as how much would be in the next five-year Capital Improvement Program (CIP) and how long it would take to replace the entire system. Assistant Director of Public Works Chris Bennett replied that over the last five years, the City has spent approximately \$34.5 million, with another \$54 million requested for additional water distribution projects in the CIP from fiscal years (FY) 2023 through 2027.

Mr. Walters asked if the improvements planned for the distribution system over the next few years would complete the City's work on this system, or if more work would remain in the future. Mr. Bennett replied that there are roughly 15 planned neighborhood projects, which would not complete the work throughout the City. He pointed out, however, that the majority of the City's water pipes are not 50 or more years old: the City is addressing its high-risk areas with the oldest pipes. There are no plans at present to address areas that have been less problematic at this time.

Chair Mammano noted that a consultant has been retained to work with the City on its second Consent Order, which addresses its water distribution system. Mr. Bennett confirmed that there are three years remaining in this program. Chair Mammano asked if the consultant has helped the City determine a comprehensive view of what is needed for this system. Mr. Bennett explained that the consultant is developing an asset management plan for the City, which will require numerous reports addressing policies and procedures. They are also performing risk assessment. The consultant will not prepare a Master Plan that prioritizes work throughout the City, although it is possible that this type of plan may be recommended in the future.

Mr. Bennett continued that the Consent Order related to the water distribution system focused primarily on a supply line that was drilled through, along with the difficulty of locating the valves necessary to shut down water mains during emergencies such as that accident. The valve exercising program is a result of the Consent Order, along with other water main projects; however, the water Consent Order focuses on process, procedure, and asset management.

Mr. Zeltman observed that one of his concerns was the replacement of aging vitrified clay infrastructure, such as gravity mains, which are now failing or allowing the intrusion of groundwater and sand. This remains an ongoing concern. Mr. Bennett advised that the City has an infiltration and inflow (I&I) program which prioritizes basins for assessment of their condition and determines whether parts must be replaced.

Mr. LaBrie reiterated that when he first joined the Committee, he was not comfortable with the concept of a P3 for a basic City utility such as water, as he had felt there were too many unknowns. He reviewed the timeline of the process that led the Commission to proceed with developing a comprehensive agreement for a P3 with IDE/Ridgewood, concluding that the City is not going to go back at this point and undertake an RFP.

Mr. LaBrie continued that while he has not toured Fiveash, the information he has heard convinced him that it is in need of replacement. He also came to the conclusion that the new water treatment plant would need to be constructed at the Prospect Wellfield, as there is not sufficient space on the Fiveash property.

Mr. LaBrie continued that he was not happy with IDE/Ridgewood's failure to include a margin of error or contingency in their original unsolicited proposal, stating that this information was built into the other unsolicited proposals. Even with these concerns in mind, however, he did not see another way to proceed at this point, as there is a need to move forward with a new plant in as timely a manner as possible, and the cost of the risk associated with failure to build a new plant was significant. He concluded that he was in favor of moving forward with the P3.

Mr. Angeli commented that the process has gone past the point at which the City might have been able to revisit its decision to proceed with a P3. He concluded that he did not take issue with the P3, but noted that the resulting plant should be of very high quality for the costs involved.

Mr. Angeli also addressed the use of chloramine, which was discussed at the February 2, 2023 special Committee meeting. He stated that the question of its potential use at the new plant has not been answered, and observed that this substance cannot be used in some facilities. Mr. Zeltman clarified that chloramine is "chlorine plus ammonia," adding that this combination of chemicals extends disinfection life throughout the pipe.

Chair Mammano pointed out that the new plant will use chlorine as a disinfectant in any case, as this is required by the Florida Department of Environmental Protection (DEP). The question is whether or not ammonia will be added to the water as well. Public Works Director Alan Dodd explained that permitting for the new plant will need to consider what types of chemicals are introduced into the water and how they will change or degrade as they move through the pipes in order to meet standards at the tap level.

Vice Chair Partington noted that the comprehensive agreement discusses the preparation of an optimal corrosion control plan, and asked what entity is responsible for providing and updating that plan. Mr. Dodd replied that the private entity will commission the study for this plan; however, the City has the right to review and approve the consultant selected to do this work. Once the study is completed, the consultant will make recommendations on how to modify the plant's design, with input from Staff. The City will monitor this situation and make adjustments based on water testing protocols. This is the same as current procedures at the Peele-Dixie Water Treatment Plant, where chemicals are introduced into the water in order to meet regulatory requirements. Vice Chair Partington commented that there have been no issues with water that comes from the Peele-Dixie plant.

Mr. Walters asked if the City or the operator would be responsible for ensuring the quality of water from the new plant. Mr. Dodd replied that this would be the responsibility of both parties: the project company must deliver water that meets certain standards and requirements, while the City must ensure that the water produced by that company meets those standards. City employees at City labs will test the water and work with the City employees at the new plant to verify water quality standards. If the water does not meet quality standards, the operator must address this at their cost, and deductions will be made against their profit. Egregious violations of quality standards could result in termination of the agreement.

Chair Mammano stated that she did not feel the Committee should make a recommendation on the acceptance of the comprehensive agreement: instead, she felt they should emphasize the conditions they recommended in 2019, which would ensure the City retains control over the water, water quality, and water rate structure. The comprehensive agreement meets these recommendations. She asked if the Committee should restate its 2019 communication and confirm that the proposed agreement will meet those qualifications.

Chair Mammano continued that she had drafted a statement reviewing the history of the Committee's communications to the Commission relating to the possibility of a P3 to construct a new water treatment plant, as well as their later communication instead recommending an RFP. The draft document also acknowledged that control of water, water quality, and water rate structure remained with the City, as well as the potential penalties that could occur if the private entity does not meet all necessary standards.

The Committee discussed the Chair's draft document, with Vice Chair Partington pointing out that the document does not make a clear recommendation. He cautioned that failing to make any recommendation could mean the Committee has not met the responsibility given it by the Commission. Mr. Walters advised that the document could simply state that the Committee members indicated they were 8-1 in favor of proceeding with the P3.

Vice Chair Partington requested Mr. Dodd's opinion on the P3 and comprehensive agreement, including the private entity's option to walk away from the agreement after only two years. Mr. Dodd replied that there are warranties in place for the performance of the plant, and pointed out that any issues are likely to have been identified within the first two years of operations.

Chair Mammano recommended that if the Committee members still have concerns regarding the P3 decision, they reach out to their individual City Commissioners regarding the areas of the comprehensive agreement with which they are not fully comfortable.

Vice Chair Partington asked if the Committee should vote before or after they have heard public comment. Chair Mammano stated that public comment is slated for the

end of the meeting rather than prior to a vote. Mr. Walters advised that not hearing public input before a vote is taken would negate the import of any comments.

At this time Chair Mammano opened public comment, noting that speakers are limited to three minutes each.

Boyd Corbin, member of the public, asserted that the proposed project does not meet the City's needs, as Fiveash's equipment will continue to be used. He did not believe the proposed new plant would be worth \$485 million, and felt it could instead be built on the existing Fiveash site. He continued that the City's need for water will continue to increase due to pending development, although its permit limits the amount of source water it can access per day. He was in favor of an ozone generation system rather than the proposed nanofiltration system.

Mr. Walters recommended that Mr. Corbin share his concerns with the P3 agreement with the City Commission, as they are not related to the Committee's responsibility as an advisory body. Mr. Corbin stated that the Committee should recommend against approval of the comprehensive agreement, asserting that it is built on false premises.

Victoria Olson, member of the public, explained that she is a resident of Oakland Park and has been asked by some of her City Commissioners to attend the Committee's meetings, as Oakland Park receives water from Fort Lauderdale. She added that she is also an AFL/CIO delegate and has been asked to attend in that capacity as well.

Ms. Olson stated that the Fiveash plant needs to be replaced. She also addressed the input provided by Bob Bowcock at the February 2, 2023 special Committee meeting, noting that Mr. Bowcock is an expert in his field and has consulted in several states on water plant and water quality issues. She concluded that Mr. Bowcock's recommendation regarding the continued use of existing distribution pipes was very important for all municipalities that depend on Fort Lauderdale for their water. She recommended that Fort Lauderdale's Mayor reach out to elected officials in these other municipalities to ensure there is a joint effort toward replacement of pipes.

With no other individuals wishing to speak at this time, Chair Mammano closed public comment.

Motion made by Vice Chair Partington that the ITF is in favor of proceeding with the currently proposed contract for the P3 agreement for a new water plant at the Prospect Wellfield. In making this resolution, the ITF took account of the following reasons [reflected in the Chair's memo].

Mr. Dodd advised that the City has never used the word "contract" in this context, instead using the term "comprehensive agreement." It was also recommended that the term "Prospect Lake site" be substituted for "Prospect Wellfield." Vice Chair Partington accepted these two **amendments** to his **motion**.

It was clarified that Chair Mammano's draft document would be included in the meeting minutes with no changes.

Mr. Walters **seconded** the **motion**. In a roll call vote, the **motion** passed 8-1 (Mr. Zeltman dissenting).

It was also noted that only one member of the Committee may speak at the upcoming City Commission meeting in order to prevent violation of the Sunshine Law, although multiple members may attend if they wish.

3. Public Works Update

i. December Water and Wastewater Break Report

Mr. Dodd reported that the City has received notification that the state of Florida will award them \$23,978,740 in grant funds for the Progresso and Dorsey Riverbend neighborhood stormwater projects. Chair Mammano noted that the City is also requesting \$1.5 million to further address I&I.

ii. Financial Report

This Item was not discussed.

4. General Discussion and Comments

i. Committee Members

Vice Chair Partington observed that the City has received 4.5 in. of rain in a relatively short time period, and requested that the next meeting include a report on the George T. Lohmeyer Regional Wastewater Treatment Plant's ability to address this situation.

Mr. Dodd advised that there were no problems with this rainfall aside from specific locations that experienced significant flooding. The only location to which Public Works had to respond with emergency vehicles was a portion of A1A in which there was a clog. There was no overflow.

Mr. Zeltman asked if the Peele-Dixie plant has more than one deep injection well on-site. Mr. Dodd replied that he did not know this offhand, and would reach out to Peele-Dixie personnel to find the answer.

Chair Mammano noted that the February 8, 2023 City Commission meeting also includes an Agenda Item to discuss whether or not Fort Lauderdale should ask the state to increase its permit for the Lohmeyer plant. At present, Broward County allows for the

processing of up to 43 MGD, while the state allows the processing of up to 50 MGD. She pointed out that the Committee has not discussed this issue.

Mr. Bennett stated that the City has employed a consultant to assist them in preliminary conversations of this issue with the County. He clarified that the County permit allows the processing of up to 48 MGD and the state permit allows 56.6 MGD. These amounts are based on the calculations of three- and twelve-month averages. The plant's physical capacity exceeds the permitted capacity.

Mr. Bennett continued that over the next five years, the City's \$104 million CIP for I&I and other efforts are expected to improve the plant's efficiency and operations, including the amount of time emergency outflow of treated effluent must be used. With these factors in mind, the City hopes they will be allowed to use a smaller factor safety for calculations, which would provide additional capacity.

Vice Chair Partington commented that this issue is not an Action Item for February 8, but was recently raised at a Conference Agenda meeting. There is currently no discussion of raising the permitted rate of 48 MGD. He continued that the City is approaching its permitted maximum of 48 MGD due to current and proposed development, and may request administrative relief from Broward County in the future.

Mr. Dodd further clarified that a similar February 8 Agenda Item addresses the award of contracts for the lining of pipes, which will help to reduce I&I and flows going into the Lohmeyer plant.

Chair Mammano stated that the current wastewater permit capacity effectively acts as a control on development within the City. If it is raised, there is likely to be significantly more development. She asserted that she has been asked why this would be considered, and pointed out that the Committee has previously discussed the possibility of a moratorium on development, ultimately recommending against such action. She concluded that she felt the Committee should discuss the permit capacity in the context of the prior discussion of a moratorium, and requested that this issue be placed on the next agenda.

ii. Public Comments

None.

5. Adjournment – NEXT SCHEDULED MEETING DATE: Monday, March 6, 2023

There being no further business to come before the Committee at this time, the meeting was adjourned at 4:00 p.m.

Infrastructure Task Force Advisory Committee

February 6, 2023

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

[Minutes prepared by K. McGuire, Prototype, Inc.]