

**CITY OF RIVIERA BEACH
PALM BEACH COUNTY, FLORIDA
UTILITY SPECIAL DISTRICT BOARD MEETING MINUTES
MUNICIPAL COMPLEX COUNCIL CHAMBERS
WEDNESDAY, JUNE 5, 2013, AT 5:00 P.M.**

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

CHAIR PRO TEM PARDO: Do we have any additions or deletions, substitutions to the agenda?

BOARD MEMBER T. DAVIS: No, ma'am.

CHAIR PRO TEM PARDO: Thank you. Um, do we have a motion to accept the agenda?

BOARD MEMBER T. DAVIS: So moved.

BOARD MEMBER J. DAVIS: Second.

CHAIR PRO TEM PARDO: Properly moved and second. Madam Clerk?

DEPUTY CITY CLERK ANTHONY: Board Member T. Davis?

BOARD MEMBER T. DAVIS: Yes.

DEPUTY CITY CLERK ANTHONY: Board Member J. Davis?

BOARD MEMBER J. DAVIS: Yes.

DEPUTY CITY CLERK ANTHONY: Chair Pro Tem Dawn Pardo?

CHAIR PRO TEM PARDO: Yes.

DEPUTY CITY CLERK ANTHONY: Chairperson Thomas?

CHAIRPERSON THOMAS: Yes.

CHAIR PRO TEM PARDO: All right. Please let the record reflect that, uh, Chairperson Thomas is now with us, and he will take over the meeting.

CHAIRPERSON THOMAS: Okay. On, uh, consent, 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 councilperson 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. Is there a motion for consent?

BOARD MEMBER J. DAVIS: Mr. Chair?

CHAIRPERSON THOMAS: Yes, ma'am.

BOARD MEMBER J. DAVIS: I'd like to pull Item 6.

CHAIRPERSON THOMAS: Okay. Item 6. Is there a motion with Item 6 being pulled?

CHAIR PRO TEM PARDO: So moved.

BOARD MEMBER T. DAVIS: Second.

BOARD MEMBER J. DAVIS: Second.

CHAIRPERSON THOMAS: It's properly moved and second. Any questions, concerns, unreadiness? Hearing none, Madam Clerk.

DEPUTY CITY CLERK ANTHONY: Board Member J. Davis?

BOARD MEMBER J. DAVIS: Yes.

DEPUTY CITY CLERK ANTHONY: Board Member T. Davis?

BOARD MEMBER T. DAVIS: Yes.

DEPUTY CITY CLERK ANTHONY: Pro Tem Pardo?

CHAIR PRO TEM PARDO: Yes.

DEPUTY CITY CLERK ANTHONY: Chair Thomas?

CHAIRPERSON THOMAS: Yes.

DEPUTY CITY CLERK ANTHONY: Unanimous vote.

CHAIRPERSON THOMAS: Item 6.

DEPUTY CITY CLERK ANTHONY: Resolution number 15-13UD, a Resolution of the Board of Directors of the City of Riviera Beach, Utilities Special District, Palm Beach County, Florida, authorizing the District to solicit a request for qualification for professional engineering services for the water treatment, waste water distribution, and waste water systems, authorizing the Finance Director to make payment of approximately \$200,000 a year for three years from various Utilities Special District account line items and make payments for same, and providing an effective date.

CHAIR PRO TEM PARDO: So moved.

BOARD MEMBER T. DAVIS: Second.

CHAIRPERSON THOMAS: It's been properly moved and second. Councilwoman Davis?

BOARD MEMBER J. DAVIS: Yes, sir. Thank you. Um, Mr. Aurigemma, um, in reading the background summary, um, we approved three-year contracts for two --

EXECUTIVE DIRECTOR AURIGEMMA: Yes.

BOARD MEMBER J. DAVIS: -- engineers?

EXECUTIVE DIRECTOR AURIGEMMA: Yes. Yes, ma'am.

BOARD MEMBER J. DAVIS: Um, with four one-year annual renewals. And we've already renewed one?

EXECUTIVE DIRECTOR AURIGEMMA: Yes, ma'am

BOARD MEMBER J. DAVIS: Okay. 'Cause the three years was from 10 --

EXECUTIVE DIRECTOR AURIGEMMA: Right.

BOARD MEMBER J. DAVIS: -- 2 -- 2010 to '13.

EXECUTIVE DIRECTOR AURIGEMMA: Yes. April, 2010 to April, 2013 was the --

BOARD MEMBER J. DAVIS: Okay. So we've renewed one of them.

EXECUTIVE DIRECTOR AURIGEMMA: Yes.

BOARD MEMBER J. DAVIS: Um, why only one?

EXECUTIVE DIRECTOR AURIGEMMA: Um, I -- I chose not to renew the other one. Uh, the other contract, uh, the engineer provided excellent service to us with respect to the consumptive use permit --

BOARD MEMBER J. DAVIS: Uh-huh.

EXECUTIVE DIRECTOR AURIGEMMA: -- and a few other tasks, but he has been, um, essentially absent since then.

BOARD MEMBER J. DAVIS: Okay.

EXECUTIVE DIRECTOR AURIGEMMA: And so I've chosen to, uh, just re-advertise and go out for another engineer.

BOARD MEMBER J. DAVIS: Okay. So, um, in reading further, you're saying that you need to be able to have an engineer available at any given time, or that you can alternate.

EXECUTIVE DIRECTOR AURIGEMMA: Yeah, pretty much alternate, but also I'm -- I'm looking --

BOARD MEMBER J. DAVIS: And I'm -- let me finish my question.

EXECUTIVE DIRECTOR AURIGEMMA: Oh.

BOARD MEMBER J. DAVIS: So why is that, though, that you need two?

EXECUTIVE DIRECTOR AURIGEMMA: Well, again, we -- we have our current engineer that -- that is on one side of -- of the Utility area --

BOARD MEMBER J. DAVIS: Uh-huh.

EXECUTIVE DIRECTOR AURIGEMMA: -- which is more water distribution and waste water collection, and we're looking for someone that can help us out with the water treatment side. They can still do some of the other stuff, but we're looking for really to help us out with our master plan and implement that.

BOARD MEMBER J. DAVIS: So you're looking for somebody who specializes more in that -- in that --

EXECUTIVE DIRECTOR AURIGEMMA: More towards the water treatment side.

BOARD MEMBER J. DAVIS: And the other firm does not have that expertise?

EXECUTIVE DIRECTOR AURIGEMMA: No. No, ma'am.

BOARD MEMBER J. DAVIS: Okay. All right. Thank you.

CHAIRPERSON THOMAS: Um, are there any other questions?

BOARD MEMBER T. DAVIS: No.

CHAIRPERSON THOMAS: Um, Mr. Aurigemma, why would you only just -- why would you select one and decide to go out for the other? Why wouldn't you just go out total? Why -- why are we retaining one and not the other?

EXECUTIVE DIRECTOR AURIGEMMA: Well, I -- I have an option of four one-year renewals and the -- the contract that we renewed, the engineer was doing fine and they had a number of projects in -- in the works. The other engineering firm kind of dropped out, and so it's time for a change.

CHAIRPERSON THOMAS: Would you explain -- would you explain that a little deeper, please? What do you mean, they kinda dropped out?

EXECUTIVE DIRECTOR AURIGEMMA: They -- they're just not local. They're not around.

CHAIRPERSON THOMAS: So you gave them work and they didn't complete it or --

EXECUTIVE DIRECTOR AURIGEMMA: No, no, they -- they've -- they've done their work. They've completed it, but they just haven't been, uh, around to really -- uh, uh, again, part of it is, uh, the presence of the consulting firm. We need them here, or at least to show up on a regular basis. And then we also have a -- a change of scope for the work. They -- they were very good for the consumptive use permit and that type of work, but now our -- our -- our master plan has changed us, or changed our direction towards water treatment and -- and that particular area, and we really need that expertise.

CHAIRPERSON THOMAS: Okay. And what -- and what is the -- what is the name of the engineering firm that you're not -- you don't want to be able to do work here anymore?

EXECUTIVE DIRECTOR AURIGEMMA: Um, Barnes, Ferland and Associates.

CHAIRPERSON THOMAS: And the other two?

EXECUTIVE DIRECTOR AURIGEMMA: The other firm that we -- we kept the contract with?

CHAIRPERSON THOMAS: Yes.

EXECUTIVE DIRECTOR AURIGEMMA: Uh, that's Chen Moore and Associates.

CHAIRPERSON THOMAS: And where is Chen located?

EXECUTIVE DIRECTOR AURIGEMMA: Uh, they're -- they have an office in West Palm Beach.

CHAIRPERSON THOMAS: And where were they located when we gave them the contract?

EXECUTIVE DIRECTOR AURIGEMMA: They were located in West Palm Beach.

CHAIRPERSON THOMAS: That's a little different than what I remember. Um, I'm really not comfortable with, uh -- with keeping one without the other. If you're gonna go out for bid, then I think that you should go out to bid for the entire thing. I don't think that you should just -- and that's just my personal opinion. I don't think, if we all accepted them at one time, that we keep one and not keep the other, due to whatever reasons there are. You're not -- you're not saying anything except for they're not -- they're not local. I believe Chen is really out of Fort Lauderdale, as well, so I don't believe that they're -- they're very local, either.

EXECUTIVE DIRECTOR AURIGEMMA: Well, uh, Chen Moore and Associates, their corporate headquarters is in Fort Lauderdale. That is correct. They do have a -- an office in West Palm Beach. And they do have staff in that office, yes, sir.

CHAIRPERSON THOMAS: Yeah. I'm -- I'm -- I'm uncomfortable with that, and -- and it's just me, of course. But I'm -- I'm uncomfortable with that. I don't think that we should do it that way. We're gonna renew them both, let's renew them both. If we're gonna go out for bid, then let's go out for bid. But I -- I'm just not comfortable with that. That's -- that's all for me. Anybody else have any questions or concerns?

CHAIR PRO TEM PARDO: Um, I'll just make a comment, sir.

CHAIRPERSON THOMAS: Uh-huh.

CHAIR PRO TEM PARDO: You know, if they're not around, then you know, obviously, they probably have additional work elsewhere, or they're just not interested here. You know, we do have a lot of projects, and if they're going to participate in, you know, moving the Utility District forward, they need to be part of it. They need to know what's going on, and if they don't have an interest, why should we reach out to them and extend the contract? So I'm going --

CHAIRPERSON THOMAS: Well --

CHAIR PRO TEM PARDO: -- with staff on this one.

CHAIRPERSON THOMAS: Yeah, that's -- that's -- that's fine. I understand.

CHAIR PRO TEM PARDO: Okay.

CHAIRPERSON THOMAS: Mr. Aurigemma, were they invited back to be a part, or you just decided you didn't -- you no longer wanted to use them?

EXECUTIVE DIRECTOR AURIGEMMA: Well, Barnes, Ferland and Associates has their -- their main office is in Orlando, Florida.

CHAIRPERSON THOMAS: I'm aware.

EXECUTIVE DIRECTOR AURIGEMMA: And, uh, I -- again, there -- there just wasn't real work for them to do. The -- the type of work that we needed for them to do.

CHAIRPERSON THOMAS: The question is, did you invite them? Because I have a Board Member who's thinking that maybe they didn't want the work, or they're not trying to be involved.

EXECUTIVE DIRECTOR AURIGEMMA: No, I did not specifically invite them, no, sir.

CHAIRPERSON THOMAS: Exactly. And -- and that's what needs -- that's what needs to be said here. Um, I'm just uncomfortable with the way that we're going about about doing this. You know? You can't just arbitrarily say, Okay, listen, we originally said that we're gonna have work for these firms, but this particular firm, for whatever reason, maybe you didn't give them the work, maybe you didn't give them any additional work, um, I just think that that's -- that's where it is. And maybe I'm the only one with it, but I

need that to be stated on the record, that I think that this is the wrong way to do it. If we're gonna go out for bid, go out for bid. If you're gonna renew the services of a contract that was done by all -- both of those engineering firms, then all both of them need to take part in it. That's all for me. That's the last I'll say about it.

BOARD MEMBER J. DAVIS: Mr. Chair?

CHAIRPERSON THOMAS: Miss Davis?

BOARD MEMBER J. DAVIS: If I -- I do remember we did approve both of the contracts at the same time, but each contract was approved for three years with four additional one-year --

EXECUTIVE DIRECTOR AURIGEMMA: Yes, ma'am.

BOARD MEMBER J. DAVIS: -- uh, extensions. So it's a contract. If we choose to extend one, we have the authority to deny the other one? I mean, you know, that --

EXECUTIVE DIRECTOR AURIGEMMA: I'm -- I believe we can.

BOARD MEMBER J. DAVIS: We have that authority.

EXECUTIVE DIRECTOR AURIGEMMA: You can ask our District Attorney on that.

BOARD MEMBER J. DAVIS: Our, you mean, City Attorney?

EXECUTIVE DIRECTOR AURIGEMMA: Well --

BOARD MEMBER J. DAVIS: Oh, District Attorney. Okay. We have the authority to, um, go forward with one and deny the other, it -- and not go with the other one if we -- we choose to.

CITY ATTORNEY RYAN: That's correct.

BOARD MEMBER J. DAVIS: Okay. Thank you.

CHAIRPERSON THOMAS: Well, you know, I understand that. My issue is the one minority company that you had, you're just choosing not to utilize anymore. That's an issue for me. That -- that really is an issue for me. It may not be for anybody else, but it's an issue for me. That's fine. I said, we don't have to debate it any longer. That's where I stand on it. So if there are no other questions, Madam Clerk?

DEPUTY CITY CLERK ANTHONY: Let the record reflect that Board Member Guyton is present. Board Member T. Davis?

BOARD MEMBER T. DAVIS: No.

DEPUTY CITY CLERK ANTHONY: Board Member J. Davis?

BOARD MEMBER J. DAVIS: Yes.

DEPUTY CITY CLERK ANTHONY: Pro Tem Pardo?

CHAIR PRO TEM PARDO: Yes.

DEPUTY CITY CLERK ANTHONY: Board Member Guyton?

BOARD MEMBER GUYTON: Yes.

DEPUTY CITY CLERK ANTHONY: Chair Thomas?

CHAIRPERSON THOMAS: No.

DEPUTY CITY CLERK ANTHONY: That motion is approved with Board Member Davis, J -- T. Davis and Chairperson Thomas dissenting.

CHAIRPERSON THOMAS: Okay. Item Number -- I believe we're going now. Item Number 8.

DEPUTY CITY CLERK ANTHONY: Resolution Number 1713UD, a resolution of the Board of Directors of the City of Riviera Beach, Utilities Special District, Palm Beach County, Florida, adopting a City of Riviera Beach Utilities Special District policy for utility services and providing an effective date.

BOARD MEMBER J. DAVIS: So moved.

CHAIR PRO TEM PARDO: Second.

CHAIRPERSON THOMAS: It's been properly moved and second. Any questions from the Board? Hearing none --

BOARD MEMBER GUYTON: Um, Mr. Chair?

CHAIRPERSON THOMAS: Mr. Guyton.

BOARD MEMBER GUYTON: Mr. Sherman, I just have, um, a quick couple of questions for clarification purposes. Um, there is a charge in this policy, and I assume it's -- it's been in existence prior to this policy called the "base readiness charge."

FINANCE DIRECTOR SHERMAN: Correct.

BOARD MEMBER GUYTON: And it indicates that the customer would be charged -- let me back up. It said -- it does not include usage for any amount of water. So if there's no usage, this is a basic charge?

FINANCE DIRECTOR SHERMAN: Correct. It -- it's really -- it's sort of like a capacity charge that we have to be prepared to service that property whether there's usage today or not, but we have to be ready to service it tomorrow, so everyone gets the -- the

base readiness charge that has a meter, that can get -- you know, get water on demand as soon as they're ready to do that. Because again, the District has to be prepared to service that account.

BOARD MEMBER GUYTON: Understand that.

FINANCE DIRECTOR SHERMAN: Okay.

BOARD MEMBER GUYTON: That question was leading to another one.

FINANCE DIRECTOR SHERMAN: Okay.

BOARD MEMBER GUYTON: My -- my -- my core question is, if there is usage, are they, um, also charged the BRC in addition to the usage?

FINANCE DIRECTOR SHERMAN: Yes, yes.

BOARD MEMBER GUYTON: And why is that?

FINANCE DIRECTOR SHERMAN: Well, again --

BOARD MEMBER GUYTON: I -- I mean -- but wait, let -- let me back up. I -- I understand that they have to be ready to be used.

FINANCE DIRECTOR SHERMAN: Uh-huh.

BOARD MEMBER GUYTON: But my question is, it's being used, so why are they being charged a usage and a ready for usage?

FINANCE DIRECTOR SHERMAN: Because really, what -- what the readiness charge does, it really covers all of your capital costs, and then what the -- what the usage fee pays for is the fact that they have, you know, prepared the water for delivery, they've sanitized it, they've cleaned it, and actually done the delivery. So the usage is paying for the -- the water itself, where the base readiness charge is covering, really, all the capital costs, the piping, and you know, the treatment plant and everything else to be ready to make that delivery.

BOARD MEMBER GUYTON: Okay. I -- I kinda have a problem with that, but I need to move on with -- because it seem like we're double dipping with our customers if -- if we're being -- that probably, in my opinion, should be part of the usage charge. We have these separate charges that seem to be like they're being double billed, and I have a problem with that. But I'm not going to belabor that point.

Um, the -- the other thing that -- that I had a question about was now you're requiring -- oh, not you, but the policy is recommending that we require proof of ownership of the location. Uh, let me tell you my concern about that, and I did read your memo that you sent out --

FINANCE DIRECTOR SHERMAN: Okay.

BOARD MEMBER GUYTON: -- regarding Broward, and they have some same concerns, but apparently you think they've been resolved. In our city we have a lot of single parent, um, mothers, some parents, and we have a lot of absentee land, uh, landlords.

FINANCE DIRECTOR SHERMAN: Uh-huh.

BOARD MEMBER GUYTON: And my concern is, should the landlord not be cooperative with the tenant, and they don't have that water usage waiting on the owner, because as I understand it, we will only deal with whoever is listed as the owner under this policy. Is that correct?

FINANCE DIRECTOR SHERMAN: Now. Now, now with what we're recommending tonight.

BOARD MEMBER GUYTON: Okay. Clarify that for me.

FINANCE DIRECTOR SHERMAN: Yeah. Based on tonight you can -- we can keep the tenant, okay, um, but the -- the owner is still on the account. The owner will get notification if there's a delinquency. Uh, and what it does is, it prevents us from having to go out and turn it off every time a tenant leaves and then turn it back on. Because we're -- when that -- when a tenant leaves, we still charge that base readiness.

BOARD MEMBER GUYTON: Okay.

FINANCE DIRECTOR SHERMAN: It just --

BOARD MEMBER GUYTON: I think you --

FINANCE DIRECTOR SHERMAN: -- converts over --

BOARD MEMBER GUYTON: -- answered my question.

FINANCE DIRECTOR SHERMAN: -- to the owner.

BOARD MEMBER GUYTON: My understanding of it was that you only deal with the -- the owner.

FINANCE DIRECTOR SHERMAN: No, we've -- we fixed that. That was the issue from the last meeting. We fixed that.

BOARD MEMBER GUYTON: Oh, you fixed that. Okay. Good, good. Okay. Um, Mr. Chair, I have just one more question here.

CHAIRPERSON THOMAS: Okay.

BOARD MEMBER GUYTON: On the, um, commodity charge, is this in addition to the

usage? It says the charge incurred for each meter, 1,000. That seemed like a usage charge.

FINANCE DIRECTOR SHERMAN: That -- it is. It's the same thing. It's the same thing.

BOARD MEMBER GUYTON: Okay.

FINANCE DIRECTOR SHERMAN: And if that's confusing, I apologize, but, yeah, the -- the commodity is the water itself. The usage charge that we have is inclusive of the commodity.

BOARD MEMBER GUYTON: Okay. So do we charge them a usage charge, a commodity charge?

FINANCE DIRECTOR SHERMAN: No.

BOARD MEMBER GUYTON: Okay.

FINANCE DIRECTOR SHERMAN: No, just the usage charge.

BOARD MEMBER GUYTON: Okay. That's all I have, Mr. Chair.

CHAIRPERSON THOMAS: Okay. Are there any other questions? Hearing none, Madam Clerk?

DEPUTY CITY CLERK ANTHONY: Board Member J. Davis?

BOARD MEMBER J. DAVIS: Yes.

DEPUTY CITY CLERK ANTHONY: Board Member Guyton?

BOARD MEMBER GUYTON: Yes.

DEPUTY CITY CLERK ANTHONY: Board Member T. Davis?

BOARD MEMBER T. DAVIS: Yes.

DEPUTY CITY CLERK ANTHONY: Pro Tem Pardo?

CHAIR PRO TEM PARDO: Yes.

DEPUTY CITY CLERK ANTHONY: Chair Thomas.

CHAIRPERSON THOMAS: Yes.

DEPUTY CITY CLERK ANTHONY: Unanimous vote.

FINANCE DIRECTOR SHERMAN: Thank you.

CHAIRPERSON THOMAS: Discussion by the, uh, Executive Director?

EXECUTIVE DIRECTOR AURIGEMMA: Uh, none at this time. Thank you.

CHAIRPERSON THOMAS: Okay. Anything from Legal? I didn't have any public comment cards, but -- yeah, there are no public comment cards. Okay. Um, anything from the Board? Uh, Mr. Davis?

BOARD MEMBER T. DAVIS: No.

CHAIRPERSON THOMAS: Miss Pardo?

CHAIR PRO TEM PARDO: No.

CHAIRPERSON THOMAS: Uh, Mr. Guyton?

BOARD MEMBER GUYTON: Nothing.

CHAIRPERSON THOMAS: Miss Davis?

BOARD MEMBER J. DAVIS: Nope.

CHAIRPERSON THOMAS: Anything from City Manager?

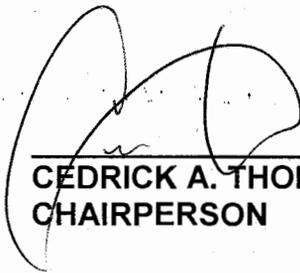
CITY MANAGER JONES: No, sir.

CHAIRPERSON THOMAS: Okay. Entertain a motion for adjournment.

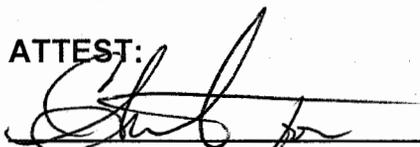
BOARD MEMBER GUYTON: So moved.

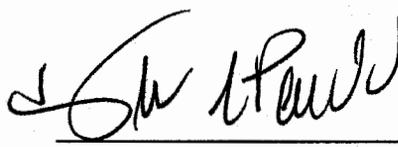
(CONCLUSION OF MEETING)

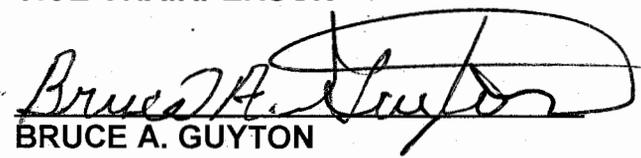
APPROVED:


CEDRICK A. THOMAS
CHAIRPERSON

ATTEST:


CARRIE E. WARD
MASTER MUNICIPAL CLERK
CITY CLERK


DAWN S. PARDO
VICE CHAIRPERSON


BRUCE A. GUYTON
BOARD MEMBER


JUDY L. DAVIS
BOARD MEMBER


TERENCE D. DAVIS
BOARD MEMBER

MOTIONED BY: D. PARDO

SECONDED BY: T. DAVIS

B. GUYTON AYE

J. DAVIS AYE

C. THOMAS AYE

D. PARDO AYE

T. DAVIS AYE

DATE APPROVED: 09/04/2013