

**Central Wastewater Region Large User Advisory Board Meeting  
Wednesday August 3 – 1:30 P.M.  
Fiveash Water Treatment Plant Training Room, Fort Lauderdale**

**Voting Members Present:**

Talal Abi-Karam, City of Fort Lauderdale / Assistant Public Works Director-Utilities  
Miguel Arroyo, City of Fort Lauderdale / Water & Wastewater Treatment Manager  
Rhonda Montoya Hasan, City of Fort Lauderdale / Assistant City Attorney III  
Rick Johnson, City of Fort Lauderdale / Distribution and Collection Systems Manager  
Hank Breitenkam, City of Oakland Park / Assistant Public Works Director  
David Archacki, City of Wilton Manors, Public Services Director

**In Attendance:**

Bob Mays, City of Wilton Manors, Finance Director  
Chris Lips, City of Oakland Park  
Tim O'Neil, CDM Smith, Inc.  
Steve Curmode, City of Fort Lauderdale / Wastewater Treatment Acting Facilities Manager  
Susan LeSage, City of Fort Lauderdale / Business Manager  
Steve Hillberg (Standing in for Jorge Holguin), City of Fort Lauderdale / Project Manager II  
Alicia Sheffield, City of Fort Lauderdale / Accountant II  
Larry Teich, City of Fort Lauderdale / Environmental Resources Supervisor  
Erin Saey, City of Fort Lauderdale / Administrative Assistant I

**Welcome – Talal Abi-Karam**

Mr. Abi-Karam welcomed everyone and called the meeting to order to 1:45 p.m. Mr. Abi-Karam welcomed new member Chris Lips, representing the City of Oakland Park.

**Introduction of Advisory Board Members and Guests**

All attendees introduced themselves.

**Approval of April 20, 2016 Meeting Minutes**

Rick Johnson made a motion to approve the meeting minutes from April 20, 2016. Hank Breitenkam seconded. Mr. Mays added that he was the voting member for the City of Wilton Manors because Mr. Archacki was not present. Mr. Abi-Karam asked that the April 20, 2016 minutes be amended accordingly. The amended minutes of meeting for the April 20 meeting were approved. Vote was unanimous.

**Presentation by Larry Teich, City of Fort Lauderdale Environmental Resources Supervisor, regarding the Industrial Pretreatment Program letter**

Mr. Teich explained that a letter regarding the Industrial Pretreatment Program, was mailed on July 15<sup>th</sup>, 2016 to the Large Users and thanked the Large Users who had already responded to the letter. The letter indicated that the regulatory agency (FDEP) requires the City to update the list of potential industrial users on an annual basis. Mr. Teich explained that once a year, the City of Fort Lauderdale solicits a letter from the Large Users asking if new industries have entered their jurisdiction and what contribution they may have to our wastewater system. Mr. Teich explained that a response is needed from the Large Users indicating what new industries, if any, are within their City's limits, which will be evaluated by Environmental Inspectors, as part of the Large User agreement. Also, a response is needed if there are no new industries within the jurisdiction of the Large Users.

Mr. Abi-Karam thanked Mr. Teich and asked if there was a deadline for the response. It was confirmed the deadline for the Large Users to respond to the City is September 30, 2016.

### **Update on the G.T. Lohmeyer Wastewater Treatment Plant – Steve Curmode**

#### **Construction Project Updates**

- Task Order (TO) 6, P11710 with Camp Dresser McKee Smith (CDM Smith) was approved at July 10, 2012 Commission Meeting to study and design upgrades to the switch gear and electrical feeds at Florida Power & Light (FPL) service point 1 (generator building). The advertisement of this project closed on June 30<sup>th</sup>, 2016. The City received three bids. The lowest responsive, responsible bidder was determined to be Florida Design Contractors Inc. at \$3,153,000. It is anticipated that the Commission Agenda Memo (CAM) for the contractor award will be approved at the September 7<sup>th</sup> Commission meeting.
- Task Order 23, P11773 with CDM Smith (CDM) to design replacement of four sections of Pre-stressed Concrete Cylinder Pipe (PCCP) was approved by City Commission on January 8, 2013. The documents are 100% complete with a cost estimate of \$13M. The original funded amount was \$3.5M. Cost estimate by a secondary consultant was consistent with the original cost estimate provided by CDM. This project is an Environmental and Sustainability Management System (ESMS) (ISO 14001) target project. Since the entire funding (\$13M) is currently not available, engineering staff modified the drawings and specifications to separate out the construction of the first phase (there are three phases) of this project. The final construction documents are with the City's Procurement Division in preparation for bidding. The tentative date for the first phase bidding of this project is mid-August 2016.
- Florida Department of Protection (FDEP) has issued GTL's Operating Permit as of May 4<sup>th</sup>, 2016. Additionally, the Capacity Analysis report and Renewal and Replacement report have been updated and provided to FDEP.
- The Grit Chamber Rehab, P11876 has been completed. However, the conduit and wiring is very old and damaged. The conduit is planned to be added to the electrical upgrades project, which is in process with Engineering. At the last meeting, Mr. Curmode had mentioned that it was going to be sent out to bid, which was a communication error.
- Project P12107 bid specs are being created by Public Works Engineering staff. This project will replace sludge truck scales in the dewatering building. Estimated cost of this project is \$188,000. Plans are being finalized to include H-20 grating in the areas of the approach and exit ramps. Which were not included in the original design. The gratings are from the original, installed in 1984 so they are in sad shape and must be done. This project is anticipated to be advertised in August 2016 for bid.
- The City is upgrading the Generator at GTL and the Diesel Pumps at Fiveash for compliance with RICE/NESHAP standards. This work will install Catalytic converters on all the Diesel engines mentioned. This is an EPA and FPL initiative. Total cost is \$371,175.00. GTL cost is covered in budget issues below. Work to commence in August/September 2016

- Project P12171 - The Butler Building at the Deep Well Injection Well Field is in a state of disrepair due to its age and the environment. Engineering is evaluating the costs of repairing and upgrading the building. The scope of work is being defined according to the estimates that were received and once it is completed the process with procurement will begin. It has been estimated that new roof panels, additional structural for the new roof, paint for interior structural members, existing main doors repair and remodeling of the existing restroom will be needed.
- A two year painting contract has been approved, with an annual expenditure cost of \$23,500 totaling \$47,000 over two years. Work to commence August 15, 2016. This is primarily for exterior painting around the GTL Wastewater Plant, possibly for interior work as well if extra funds are available.
- Main Air Compressor A at the Cryogenic Plant is nearing bid. Budgeted cost of project is \$200,000. Bid specs have been submitted and work to be performed in the next fiscal year.

### **Capacity Issues**

- Annual average flows for the last twelve months are currently at 41.06 MGD. Daily flows have stayed relatively consistent in the 38 MGD daily average flow range.

### **Operational Issues**

- Chief Operator position was filled by Cesar Alza. However Mr. Alza has had to move back to the Water Division as the Plant Manager is no longer with the City. Mr. Alza is acting as the Interim Water Facility Manager. Applications have been received and evaluations begun on April 15, 2016. Evaluations are continuing.
- Justin Dacey, Regional Operator 2 has accepted a position outside the City and his last day is August 6<sup>th</sup>, 2016.
- GTL plant staffing has been negatively affected by the local job competition. Of the Operator II applications received and vetted, all but one withdrew their application, and one did not show or return calls. Applications are continuing to be accepted.
- Operator I shortages are soon to be resolved, background checks currently underway on both remaining openings. One is finished, and will be starting on August 4<sup>th</sup>, 2016 and the other is currently in background check process.
- Currently the staffing is short:
  - 1 of 2 Chief Operators
  - 4 of 7 Operator IIs
    - Have 1 A level current
    - Have 2 B level current
- A permanent Plant Manager.
  - Current Acting Plant Manager (Steve Curmode) to come to completion of DROP and retire on 10/31/16
  - Currently advertising and interviewing for the plant manager

Mr. Abi-Karam mentioned that the City recently interviewed a gentleman who looks very promising and will move forward aggressively to extend a job offer to him. However, the applicant indicated that he has two other job offers. Mr. Abi-Karam added that this is a tough market and hope that this gentleman will come through.

- There was a leak of Hydrogen Peroxide at the injection point, 300 feet west of the plant. Through the re-evaluation of that process, staff has changed the Hydrogen Peroxide to be fed to the head of the plant and has been re-established at the injection well within the plant fenceline. As a result of the valve failure, the subsequent investigation, and the decision to move forward with the injection of a safer chemical substitute at the Re-pump stations, the Hydrogen Peroxide lines leaving the plant to inject into the force mains entering the plant have been abandoned.

### **Budgetary Issues**

- Stormwater improvement project P12106 was initiated in December 2014 as an ESMS (ISO 14001) target program. It will re-establish a conveyance system for GTL stormwater which was disrupted during the construction of the 17<sup>th</sup> Street Causeway. Design of this project is by Craven Thompson and Associates which received an approved Task Order on June 16, 2015. Total estimated cost of the project is \$596,673. Thirty percent design is completed with three options deemed viable. Currently, staff is determining a fuel sump discharge point at the Deep Well injection site. The Deep Well injection site is being brought under the aegis of ISO14001, to be part of the GTL fenceline.
- A Comprehensive Utility Strategic Master Plan is currently being completed by Reiss Engineering and the report is expected in late August 2016.
- AMAC at the plant is expected to be bid at approximately \$200,000 at the start of the next fiscal year.

Mr. Abi-Karam added that in addition to the Comprehensive Utility Strategic Master Plan, there will be a robust R&R. One of the main projects that were studied in terms of GTL is the LOX plant. In addition, City staff visited and inspected a VPSA LOX plant in Camden, New Jersey. A report of the visit was compiled along with staff observation about the feasibility of the VPSA technology at the GTL Plant. Mr. Abi-Karam stated that Reiss Engineering will look at options, conventional LOX, as well as VPSA technology. Once the official Comprehensive Utilities Strategic Master Plan is received, staff will be pushing forward with the project since it has been on the books for quite a while and is a critical necessity at this time.

Mr. Mays asked if there was any hope on the personnel front. Mr. Abi-Karam answered that based on what was discussed at the last meeting; the City has taken an aggressive measure of mailing out 12,000 flyers to all the certified licensed plant operators in the State of Florida. A list of names and addresses were received from the State Licensing Board. There were some responses that were reviewed for the water operators and are hoping to have the operator positions filled. The wastewater operators' responses were slimmer. Mr. Abi-Karam stated that with the Plant Manager, staff is hopeful. He also added that during a recent strategic workshop conducted by an outside facilitator, it was indicated that the plant operator shortage is universal in the State of Florida and many municipalities are looking for plant operators. Because operators are aware of the demand, they are looking at municipalities that have a pension

program and a robust benefits package. Mr. Abi-Karam mentioned that he would like to reach out to the high school students during "career day" to mention the water and wastewater operator positions as an option for those students that are not interested in college programs. AWWA has made an effort to reach students that do not wish to go to the college route. Also vocational schools will also be solicited. There is discussion about going to the prison system to solicit inmates for plant operators and trainees positions. In addition to difficulty with "recruitment", "retention" is an issue and operators are critical to the functioning of a 24/7 operation. Mr. Abi-Karam reiterated that the City is being very aggressive in the recruitment, mailing 12,000 flyers for a cost of \$7,000 to solicit operators. Mr. Abi-Karam added that he attended the AWWA conference in June 2016 to recruit operators by mentioning the amenities that the City of Fort Lauderdale has to offer.

Mr. Curmode added that one of his Operator I just passed his B License and filled out a job application for the Operator II position. A concern is that other operators do not have their time in that is required to obtain the B License.

Ms. Hasan asked what happens when the positions stay vacant long term. Mr. Abi-Karam answered that the City will have to deal with it. The worry is that once Operators are hired, they are going to leave for positions with better salaries / benefits.

Mr. Abi-Karam asked if there were any more questions.

Mr. Breitenkam asked about the frequency of the Large User meeting. Mr. Abi-Karam answered the meetings are held quarterly.

#### **Rate Calculations – Susan LeSage**

Included in the packet given to the members was a Computation of Rates to be charged. Ms. LeSage asked everyone to look at the FY2016 estimate. At the beginning of the year, a rate of \$1.85 per thousand gallons was proposed; however, a rate of \$1.80 was voted on and approved, which is what the City has been billing. It is estimated that at end of year, the cost per thousand gallons will be \$1.76 and should result in a rebate. Ms. LeSage believes that the cost will not come in any higher than the estimate. The variables in the calculation are the flows at the bottom of the spreadsheet. Three months have been estimated to complete FY2016 and the result is higher than what the actuals have come in the last three years.

In FY2017, the proposed budget is \$17.6 million which is approximately \$500,000 greater than the proposed budget for FY2016. The majority of the \$500,000 difference is for capital needs which include four (4) vehicles needing to be replaced. The vehicles come to approximately \$530,000. The second cost that is driving up the rate is the R&R funding requirement this year, which went up by approximately \$600,000.

For the estimated flows, Ms. LeSage took the average of three years of actual flows from years 2013, 2014, and 2015. The total Regional charges divided by the estimated flows totaled \$1.96 per thousand gallons.

Mr. Mays thanked Ms. LeSage for the information, and stated that the R&R has been increasing steadily over time. Mr. Mays asked if someone could address what the outlook is for the next few years, what is being looked as far as increases, and if there is anything in particular that is driving the increase this year.

Mr. Arroyo responded that the entire R&R was revamped from the perspective that the City went project by project evaluating if it could be moved because the rate increase would be much higher and would be in the negative in the budget. Every project was analyzed so the peaks could be shaved on the cost trying to even up the annual expenditures, so that the annual money that will be put in does not go \$1.95, \$1.82, \$2.20 and the City achieved that. What is driving the price is the combination of the additional work that is needed on the site, meaning that estimates were coming in higher than expected. Another reason is that once the work was started, additional areas needed to be replaced were identified. An additional reason is that the time and value of money, the base is much larger ten to fifteen years later, which also comes into the equation. Mr. Arroyo asked Mr. Mays if his questions were answered.

Mr. Mays stated that Mr. Arroyo addressed his concerns by trying to smooth out the expenditures from one year to the next.

Mr. Abi-Karam added the way the market is moving and the prices of commodity is another reason for the increase. From the recession in 2008 and moving forward, there is a lot more upward trend in the market driven by the commercial construction, as well as infrastructure construction. Although there has been an increase in the price year over year of basic commodities, such as rebars and concrete, there has not been a significant percentage. Mr. Abi-Karam stated majority of the increase was because of the labor market - the labor component of the construction has gone up tremendously. After the recession, a lot of construction workers left, leaving a shortage within the construction companies. The bids for the projects that are coming in are typically more than what was estimated. Until the overall situation of the labor in this area settle down, the City will continue to see an increase.

Mr. Mays asked if the vehicles are part of the City's Fleet Plan. Ms. LeSage confirmed they are in the Fleet Plan, and this was the year to replace them.

Mr. Breitenkam asked what the outlook for the biosolids disposal, how is it done now, what does it look like going down the road.

Mr. Abi-Karam stated that there was a preliminary discussion at the last meeting that was held, and an update was given. The county was not taking anything but was looking for another location. Mr. Abi-Karam believed that all the mayors, political bodies and members of the Commission were notified. The status of the initiative is unknown but can be researched. However, if Broward County closed its doors, it will become more expensive by the nature of the problem. The important concern is, "Do we have a location, rather than how much more is it going to cost". The alternate locations and the solutions are not known. There was a large effort from the political aspect to go back to the County and discuss that this is a drastic change and what can be done about it. This issue needs to be looked at politically, as well as from the commercial cost.

Mr. Breitenkam asked if the rates include the retirement contribution to the rates. Ms. LeSage confirmed that the rate includes the full cost of the employees.

Mr. Mays asked if the LOX plant is that part of the Replacement plan. Mr. Abi-Karam confirmed yes. Mr. Abi-Karam added that the LOX plant plan has been inactive for a while and the initial concept was to build or rehabilitate the existing plant, similar to what the City of Hollywood did. In the meantime, in the last seven to ten years, the VPSA technology has flourished and many of the consultants are recommending VPSA. The LOX was looked at from all aspects; however a decision was not made. Staff is trying to stay with the original budgeted cost. Mr. Abi-Karam

also added that there was a discussion about the possibility of a way to construct the project as an ESCO project, but there is a financial aspect to that proposition being tied into the Large Users. The City is looking at various options to have a new plant with the existing funds. The LOX plant budget is under \$5M and has been in need for replacement, and from a maintenance perspective, a considerable amount of money is being spent on a regular basis every two years. Mr. Abi-Karam added that from the investment and maintenance cost, it is becoming a bad proposition to pump monies into an obsolete structure.

Mr. Mays wanted to confirm that this was an anticipated expenditure. Mr. Abi-Karam confirmed that this project has been in the budget for over five years.

Mr. Arroyo added that the expectation of the electrical usage is significant.

Mr. Abi-Karam stated that with the Masterplan Study, the City is trying to get this project into execution to get a contract going.

Mr. Abi-Karam asked if there were any more questions about the financial presentation given by Ms. LeSage.

No questions were asked.

Mr. Abi-Karam asked the board to vote on the new proposed rate.

Mr. Mays stated he would like to move for the rate to be \$1.88 per thousand gallons. Mr. Arroyo seconded the motion.

Mr. Abi-Karam introduced a motion of changing the rate for the coming year to \$1.88 per thousand gallons.

Unanimous vote, none opposed. Rate of \$1.88 per thousand gallons passed.

### **Old/New Business**

No new business.

### **Next Meeting**

The next meeting is scheduled for Wednesday, January 11, 2017 at 1:30 p.m. and will be hosted in the City of Wilton Manors, at Wilton Manors City Hall.

### **Adjournment**

Mr. Abi-Karam made a motion to adjourn the meeting. Unanimous vote to adjourn the meeting at 2:30 p.m.