

MINUTES OF THE CHARTER REVIEW COMMISSION OF THE CITY OF FORT PIERCE, FLORIDA, HELD IN THE SECOND FLOOR CONFERENCE ROOM, 100 NORTH U.S. #1, FORT PIERCE, FLORIDA, AT 4:00 P.M. ON TUESDAY, **JANUARY 23, 2018.**

1. **CALL TO ORDER**

Chairman Bryan called the meeting to order at 4:00 p.m.

2. **ROLL CALL**

Present: Gloria Johnson; Eddie Becht; Darrell Drummond; Ben Bryan, Jr.; Harold Smyth; Bob Burdge

Absent: Frank Fee, III

Staff Present: James Messer, City Attorney
John Tompeck, Director of Utilities
Linda Cox, City Clerk

Mr. Fee arrived at 4:25 p.m.

Mr. Burdge left the meeting at 5:00 p.m.

3. **MINUTES**

- a. Approval of minutes from the November 14, 2017 meeting.

Approval of the minutes was postponed until next meeting.

4. **OLD BUSINESS**

- a. Information gathered in response to requests of November meeting - City Attorney's Office

Everyone has received a lot of information.

5. **NEW BUSINESS**

- a. Discussion and decision on recommendations to be included in the final report to the City Commission in accordance with Section 11 of Resolution 17-R17.

Chairman Bryan indicated that Mr. Messer prepared suggested issues for consideration. They are not intended to be all inclusive or limited to just the items. Chairman Bryan distributed the listed items which are as follows:

1. Whether the City of Fort Pierce should be directly involved in hiring and/or terminating an Executive Director of the FPUA.
2. Whether the definition of "Gross Revenue" for purposes of the 6% transfer should include all revenue without exceptions, including the PCA.
3. Whether the City and FPUA should meet annually in a mandatory Joint Planning Session to set mandatory Capital Improvements' budgets and Strategic Goals.
4. Whether there should be an automatic increase in any utility rate using a formula based on a State or National data collection entity.
5. Whether 50% of audited funds should be transferred from the unrestricted cash reserves of the FPUA to the City in order to enhance the City's capital improvement budget.

6. Whether the Charter should be revised to include additional criteria for the appointment or removal of the FPUA Board Members.

Chairman Bryan indicated that he will be very flexible with these items; the items are intended to be a starting point.

Mr. Becht indicated that at the last meeting, the Board discussed number 3.

Motion was made by Eddie Becht, seconded by Darrell Drummond to send item #3 less the second mandatory to the City Commission as part of the package, as follows, "The City and FPUA should meet annually in a mandatory Joint Planning Session to set Capital Improvements' budgets and Strategic Goals."

AYE: Ben Bryan, Jr., Darrell Drummond, Eddie Becht, Gloria Johnson
Passed

Mr. Tompeck explained that FPUA already has the ability to adjust rates utilizing the Public Service Commission indices as suggested in item #4 without city approval so a recommendation is not necessary on Item #4. Item #4 was deemed moot.

Next, item #1, whether the City of Fort Pierce should be directly involved in hiring and/or terminating an Executive Director of the FPUA was discussed.

Motion was made by Darrell Drummond, seconded by Frank Fee, III made a motion that the hiring and/or firing of the Executive Director should remain with the Utilities Authority.

AYE: Ben Bryan, Jr., Darrell Drummond, Frank Fee, III
NAY: Eddie Becht, Gloria Johnson
Passed

As to Item #2, whether the definition of "Gross Revenue" for purposes of the 6% transfer should include all revenue without exceptions, including the PCA. Motion made by Becht, seconded by Johnson to advance item #3. Discussion ensued regarding the history of the PCA levels, whether it is actually a revenue or not and how it can be used to manipulate the base rate. Discussion continued regarding developing a formula to establish a percentage cap of PCA in relation to the base rate, to determine when the base rate must increase or decrease accordingly. FPUA pays the employees at the Energy Center through their payroll so the question as to whether the reimbursement from FMPA to the FPUA would also be considered revenue upon which the 6% would be imposed.

Mr. Becht withdrew his motion.

Mr. Fee made a motion to advance Item #2 excluding the PCA, "the definition of 'Gross Revenue' for purposes of the 6% transfer should include all revenue without exceptions"; seconded by Mr. Drummond. Chairman Bryan clarified that years ago the City and the FPUA agreed to go with "gross income" so there was no longer an argument as to what is included. Because there are still outstanding questions as to what makes up gross income, Chairman Bryan suggested that this item be put to the side to allow those with the knowledge work out the definition of gross income.

Mr. Fee withdrew his motion.

Mr. Becht made a motion to recommend to the City Commission that they enter into mandatory arbitration between the parties to define gross revenue; seconded by Ms. Johnson.

Mr. Becht withdrew the motion.

Motion was made by Eddie Becht, seconded by Frank Fee, III to recommend that the City Commission and FPUA work together to establish a formal dispute resolution process that would be far simpler and more efficient and expedient than the statutory process,

AYE: Ben Bryan, Jr., Darrell Drummond, Eddie Becht, Frank Fee, III, Gloria Johnson
Passed

Motion was made by Ben Bryan, Jr., seconded by Eddie Becht to adopt a policy that would allow one member who is a resident of District 1 to be appointed to the FPUA Board by the Commissioners of District 1 by mutual agreement; in the event they did not agree on an appointment, each District 1 Commissioner would make a recommendation and the Mayor would select one of the two nominees as the FPUA Member. The next year, the Commissioners of District 2 would do the same thing for a resident of District 2. For the remaining two appointments, the Board as a whole would select the FPUA Members. For clarification, Ms. Cox stated that one person would be from District 1, one person from District 2 and the remaining two seats would be filled by city residents without regard to district of residence. In summary, Seat 1 is held by District 1 resident; Seat 2 is held by District 2 resident; Seats 3 and 4 are city residents and Seat 5 is the Mayor.

AYE: Ben Bryan, Jr., Darrell Drummond, Eddie Becht, Frank Fee, III, Gloria Johnson
Passed

As to #5, whether 50% of audited funds should be transferred from the unrestricted cash reserves of the FPUA to the City in order to enhance the City's capital improvement budget, Mr. Becht made a motion to hire a consultant to be shared jointly with the FPUA to develop a formula fair to both the City and FPUA for the definition of unrestricted cash reserves and the transfer in an orderly fashion of a percentage of the unrestricted cash reserves. Motion died for lack of a second.

Ms. Johnson asked for a Profit and Loss by fund or department. Unrestricted funds are not broken down by fund.

As to #6, whether the Charter should be revised to include additional criteria for the appointment or removal of the FPUA Board Members. Discussion included qualifications of board members, having a better application to provide more background and qualifications and how members are selected. Chairman Bryan passed the gavel to Vice Chairman Drummond.

Vice Chairman Drummond returned the gavel to Chairman Bryan.

The Charter Review Commission asked that the City develop a revised application form to include greater qualifications. Mr. Becht suggested making a training session mandatory for all new board members. Mr. Tompeck confirmed that every new board member goes through training; they have never had an issue with getting new board members to attend. It was suggested that a statement acknowledging required FPUA training be included on the application. Mr. Smyth expressed his disappointment in #1 not being advanced, stating that FPUA should be run like a corporation.

6. PUBLIC COMMENTS (3 minutes per person)

There were no public comments.

7. SET NEXT MEETING DATE

- a. Schedule public input meeting on Final Report prior to submission to the City Commission as required by Section 8 of Resolution 17-R17.

Mr. Messer suggested that the next meeting date should be the mandatory 2nd meeting where this board seeks public comment on the final report. Once that is accomplished, this Board business is complete and the final report would be presented to the City Commission. If necessary, any member could to raise any additional issues to be addressed at the public meeting and a follow up meeting could be held on that issue(s) for inclusion in a final report.

The mandatory meeting for public comment will be held on Thursday, February 15 at 6:00 p.m. in Commission Chambers.

8. ADJOURNMENT

Meeting adjourned at 5:58 p.m.

ATTEST:

CITY CLERK

CHAIR