

## **CHARTER REVIEW COMMISSION DRAFT FINAL REPORT**

The City Commission adopted Resolution 17-R17 on August 7, 2017 establishing the Charter Review Commission, hereinafter called the “CRC”. That resolution set the scope of their review to the following Charter provisions of Article XII, Fort Pierce Utilities Authority:

- 1) Section 169, relating to the relationship between the Authority and the City;
- 2) Section 176, relating to the enumeration of specific powers and duties, including but not limited to service territory; and
- 3) Section 178, relating to the percentage of revenue paid to the City and/or methodology for calculating amount paid to the City.

The Charter Review Commission held its organizational meeting on September 27, 2017. At that meeting, they developed an extensive list of information they deemed important to their future discussions.

They met again on October 18, 2017 where they reviewed the information that was received and discussed potential revisions and recommendations that could be made to the City Commission.

As required by Resolution 17-R17, the CRC held their initial Public Input Meeting on October 24, 2017.

At their meeting on November 14, 2017, the CRC met with FPUA’s Auditor, Jim Hartley, CPA, to discuss the unrestricted assets reported in the audit as well as cash liquidity and reserve requirements. The City Attorney provided a memorandum summarizing issues discussed by the CRC at prior meetings including: Distribution of Gross Revenues, FPUA Membership and Management, and Strategic Plan and Business Purpose. Additional information was requested.

At their meeting on January 23, 2018, the CRC considered the following suggested issues for discussion:

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.

Following a lengthy discussion and based upon the information previously gathered, the CRC voted to submit the following issues to the City Commission as their final report:

- a) The City and FPUA should meet annually in a mandatory Joint Planning Session to set Capital Improvements' budgets and Strategic Goals.
- b) The City Commission and FPUA should work together to establish a formal dispute resolution process that would be far simpler and more efficient and expedient than the statutory process.
- c) The City Commission should adopt a policy that would ensure that one person would be a District 1 resident, one person would be a resident of District 2 and the remaining two seats would be filled by city residents without regard to district of residence. In order to accomplish this, the Charter Review Commission suggested the following appointment process: one resident of District 1 should be appointed to the FPUA Board by the Commissioners of District 1 by mutual agreement; in the event they do not agree on the appointee, each District 1 Commissioner would make a nomination and the Mayor would select one of the two nominees as the FPUA Board 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 City Commission as a whole would appoint the FPUA Board Members. Nominations should be received using a revised application form that would contain more background information on the candidates and the candidates should acknowledge their willingness to attend a training session.

In order to comply with the requirements of Resolution 17-R17, the CRC reports that the proposed recommendations will not require amendments to the charter, will not have budgetary impacts and will not have an impact on existing city laws.