



COMMITTEE MEMORANDUM

TO: Mayor David Dermer and Members of the City Commission

FROM: City Manager Jorge M. Gonzalez

DATE: September 6, 2006

SUBJECT: **REPORT OF THE FINANCE AND CITYWIDE PROJECTS COMMITTEE MEETING OF AUGUST 17, 2006.**

OLD BUSINESS

- 1. A discussion regarding Domestic Partner Benefits Coverage Termination – Miami Beach Fraternal Order of Police Health Trust/Fire Fighters Insurance Trust.**

ACTION

Chief of Staff Ramiro Inguanzo presented the item. Mr. Inguanzo explained that as of January 2006, coverage for domestic partners was terminated for the Fraternal Order of Police (FOP) and Fire Department employees. He stated that 17 employees from the FOP and 2 employees from the Fire Department lost coverage. Mr. Inguanzo added that as of the termination of coverage, the administration has not heard from these employees as to whether or not this termination of coverage has impacted them.

Mr. Inguanzo stated that during discussions with both Trusts regarding the issue of domestic partners, the Administration reached the conclusion that the Trust needs to procure a Private Letter Ruling from the IRS. Mr. Inguanzo clarified that Private Letters Rulings are very specific to an individual organization and what might not be applicable for one organization might be applicable to another having had significantly different circumstances.

Chairman Saul Gross questioned Ms. Kathleen Phillips, Esq. from Phillips, Richard, Rind P.A., representing the FOP, as to why the Trust had not asked for a Private Letter Ruling from the IRS. She stated that after looking at two organizations that have similar circumstances as the City, she did not feel that the IRS would issue a private letter ruling in the City's

favor. Ms. Phillips further explained that the process is very lengthy and could take an average of 3 to 12 months to obtain and required about 20 hours of legal work.

Chairman Saul Gross asked whether the City had explored other options to solve this issue. Mr. Inguanzo stated he had engaged in negotiations with the City's insurance provider, and that they had agreed to provide coverage to these employees and their domestic partners as part of the City's policy with the condition that they would be grouped separately. Mr. Inguanzo further explained that this new group would start at an initial rate for the first year, and for subsequent years the rate would vary based on annualized claim experience.

Commissioner Mattie Bower made a motion to have the City Attorney along with the Trust try to obtain a Private Letter Ruling from the IRS. She also stated that she would like the City to offer domestic partners insurance as part of contract negotiations as mentioned by Chief of Staff Ramiro Inguanzo. Motion was second by Chairman Saul Gross, motion passed unanimously.

NEW BUSINESS

- 2. Recommendations from the report entitled Revitalizing North Beach Oceanfront Parks through Place Making & discussion regarding Altos Del Mar Sculpture Park.**

ACTION

Assistant City Manager, Tim Hemstreet presented and summarized the item. He stated that the issue at hand was whether or not to consolidate the projects and proceed with a master plan or should the projects be treated individually.

Chairman Saul Gross, asked whether the City could move forward with the smaller projects while concentrating on a Master Planning scheme.

Victor Diaz, Esq. Chairman of the Miami Beach Planning Board, emphasized the importance of the master plan for the project. He pointed out the unique opportunity the City has to create a world-class project given the collection of oceanfront public space that the City has at its disposal. He further stated that only a unified vision would make the revitalization of North Oceanfront Parks happen.

Altos Del Mar resident Peter Saile, an art collector and businessman, approached the City in the spring of 2005 to propose a public sculpture garden for the designated Altos del Mar Park. Mr. Saile's concept, developed with his colleague Gerrit Schulz-Bennewitz, a Hamburg-based

art consultant, recommends rotating exhibits of world-renown outdoor sculptures from the early 19th-Century to the present, along with appropriate education and entertainment programming. The concept received support from both the Historic Preservation Board and the Art in Public Places Board. It also received very strong support at the community planning workshops held by the Planning Department in North Beach on December 1 & 3, 2005 and on March 22, 2006.

Upon completion of Mr. Saile's presentation, Chairman Saul Gross stated, that although he understands the efforts Mr. Saile and his organization have devoted to the project, he would like to give an opportunity to others in the community to come up with a proposal for the space. Chairman Saul Gross stated that he wanted the process to be as equitable as possible. Upon much discussion the Committee agreed that an RFQ selection process may not be necessary, but instead recommended "letters of interest".

Chairman Saul Gross inquired as to Mr. Saile's organization's ability to raise funds and gather supporters for this project. Mr. Saile felt very comfortable with his ability to meet these demands. He stated that he needed something concrete from the City so that he can provide information to his supporters and show them exactly what the scope of the project is.

Resident Loreyne Alicea as well as Daniel Veitia from North Beach Development Center expressed their enthusiasm and support for this project.

A lengthy discussion took place amongst the attendees and all were in agreement as to Altos Del Mar Park having some type of public art component. The Beatles Mandala project, was presented by Kevin Arrow to the AIPP Committee and EDAW and was approved by the City Commission on January 14, 2004 via Resolution No. 2004-25454.

Chairman Saul Gross asked the City Manager Jorge Gonzalez what the budget was for the combined park projects. Mr. Gonzalez stated the current budget is about \$4.5 million. Discussion now turned into funding for the project.

The committee agreed that it was premature to address the funding issue. The Committee directed the staff to proceed with the master planning process and follow a "letters of interest" process for the selection of a public art exhibit, or similar permanent exhibit in Altos Del Mar Park.

Discussion regarding proposed process for receiving proposals for the future use and operation of the Jackie Gleason Theater of the Performing Arts.

ACTION

City Manager, Jorge Gonzalez presented the item. Mr. Gonzalez explained that the proposed process is to receive proposals for the future operation of the Jackie Gleason Theater of The Performing Arts. This was designed not to interfere with negotiations that have taken place since September 1, 2005 but instead this process was designed to solicit proposals from AEG Live and Live Nation as possible alternatives for the future use and operation of the Jackie Gleason Theater. City Manager Jorge Gonzalez explained that Cirque du Soleil (CDS) has almost completed the proposed development agreement.

Mr. Gonzalez explained that the respective parties can request an economic development exemption from public records disclosure, pursuant to Section 288.075, Florida Statutes, making disclosure of documents pertinent to the parties/ proposals may also be restricted (by virtue of the statutory exemption). To date, both CDS and Live Nation have requested this exemption be invoked. AEG Live has inquired about and proposed a confidentiality agreement between the City and AEG which the City cannot enter into. Mr. Gonzalez further explained that AEG has been made fully aware of the options available to them.

Chairman Saul Gross asked until when does the protection remain in effect. Mr. Gonzalez stated that statute would no longer apply once the records or other documents sought to be exempt are made public.

Mr. Gonzalez also explained that the City Commission should impose a "Voluntary Modified Cone of Silence" which would have proposers acknowledge and agree that any communications, whether verbal or written, between the respective proposer(s) and the City, from the date of issuance of these Guidelines, until such time as the City Manager has made his written recommendation to the City Commission, or , in the alternative, a designated City Commission Committee, shall be limited to communications with the City Manger, City Attorney, and their designated staff.

After much discussion the Committee felt that it was appropriate to incorporate a voluntary "modified cone of silence" for the Commission. The Committee felt this will foster fairness in the process. They agreed that their voluntary "modified cone of silence" will begin on September 6, 2006 and last until October 18, 2006, when the Commission will hear the recommendations for the selected firm from the City Manager.

A timeline was also proposed and discussed among the City Manager and the Commission Members. The following timeline and guidelines were approved:

Jackie Gleason Theater (TOPA) – Guidelines for Submittal of Proposals from AEG Live and Live Nation

Proposals submitted by AEG Live and Live Nation (also referred to individually as the “proposer”, or collectively as the “proposers”) shall be sent to the City Manager.

Initial Term Sheet proposals are due to the City Manager by 5:00 PM on Thursday, August 31, 2006.

It is anticipated that subsequent meetings will occur between designated City staff and the representatives of AEG Live and Live Nation to discuss the contents of the initial term sheet proposals. These meetings are intended to be negotiating sessions that will lead up to a final term sheet proposal to the City.

Final term sheet proposals are due to the City Manager by 5:00 PM on Friday, September 29, 2006.

Consideration & Decision will take place during the Commission Meeting to be held October 18, 2006.

See attached Committee Memorandum providing guidelines for submittal of proposals.

3. Discussion regarding update/proposed early Voting Initiative

ACTION

Assistant City Manager, Hilda Fernandez presented the item. She stated that the purpose of this Letter to Commission is to inform the Committee on the status of the Vote Miami Beach program, including additional initiatives that have been or are being proposed to coincide with this upcoming election season.

Background

Looking to increase our residents’ participation in the electoral process, the VOTE MIAMI BEACH (VMB) Program was created by Commissioner Richard L. Steinberg and Mayor David Dermer in April 2004. The mission of the VMB Program is to create and stimulate awareness among Miami Beach residents about voting. Since its inception, the program has focused on ways to support its main goal: increasing voter registrations. In addition to frequent voter registration drives during citywide events and partnering with local school on voter education, a key component of VMB provides registered Miami Beach voters with a 10 percent discount at local

restaurants and merchants throughout Miami Beach by simply presenting a valid voter's registration card indicating Miami Beach residency. More than 100 businesses have partnered with the City in this discount program, placing a sticker on their window to indicate their participation.

The program has been very successful in its efforts to register Miami Beach voters. The Miami-Dade County Department of Elections (Elections Department) reports that the City of Miami Beach now has a record 41,309 registered voters. While we continue to publicize the program via newspaper ads, our MB Magazine, MBTV-77 and other local media, low voter turnout during the last election has prompted a review of the program to determine if a new approach would be beneficial, including, for example, a focus on increasing voter turnout. In order to address this issue, new initiatives have been developed to focus on early voting as well as absentee voting, while complimenting our existing discount program.

New Initiatives

Once again the City of Miami Beach will have 2 early voting sites for a total of 14 days for the Primary Election and additional early voting days for the General Election. As an added incentive to generate interest in early voting, VMB participating business are being asked to consider providing an additional discount for anyone that votes early during the early voting period. About two-dozen businesses have agreed to provide the early voting incentive, which is an additional five percent discount (or total of 15% during the early voting period). The City's Parks and Recreation Department will also provide free admission to an open general session at the Scott Rakow Youth Center ice rink for any registered voter who takes advantage of the early voting. The additional discount will be good for the two weeks of early voting. The Elections Department has agreed to distribute the Early Voting discount card we will produce at the early voting sites.

In addition, in an effort to further promote early voting, including absentee voting, the city staff has been asked to research the cost to mail each Miami Beach registered voter a mailer that would include information on early voting, as well as facilitate a request for an absentee ballot. This mailer will be designed in-house and will contain the personal information of each Miami Beach registered voter, requiring them to simply sign their name and mail back to the Elections Department in order to receive their absentee ballot. The mailer is designed as a 2-color, tri-fold, 8 ½ x 11 mailer that will include information on early voting (sites, times, dates, discount, etc.) as well as a pre-filled out and postage paid absentee ballot request.

The estimated costs associated with this mailing are as follows:

	42,000 pieces
Voter List (CD)	\$38.12
Printing (2-color)	\$2,868.00
Fulfillment	\$1,950.00
Postage to mail to registered voters (\$0.16 per piece bulk rate)	\$6,400.00
Return Reply Postage (for registered voters to mail absentee ballot request to Elections Department)*	\$1,611.09
USPS Permit Fee for return reply postage	\$160.00
USPS Processing Fee for return reply postage (based on over 1,000 expected pieces using the pre-paid postage)	\$500.00
Total (Estimated)	\$13,527.21

*The return reply postage cost assumes a 10% absentee ballot request return rate based on the absentee ballot requests by City of Miami Beach registered voters in the last two general elections. Each piece would cost \$0.39 to return.

Due to deadlines associated with the elections process, this mailer must be printed and mailed out to registered voters by September in order for them to have enough time to mail in their absentee ballot requests, receive the absentee ballot and vote.

We have been able to absorb, to date, the minimal costs that have historically been associated with the traditional VMB program. However, we wanted to provide you information on the scope and costs associated with this new VMB initiative, especially as it departs from the previous focus of the program.

Committee members discussed the item at length. Most of the Commissioners in attendance agreed with the efforts to increase voter turn out for the City. Chairman Saul Gross did not feel comfortable with the City's involvement in the election process. The directive from the Committee present was to inform the remainder of the Commissioners individually and move ahead with the absentee ballot mailers if the remaining Commissioners were in agreement.