



MIAMIBEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

TO: Mayor Matti H. Bower and Members of the City Commission

FROM: City Manager Jorge M. Gonzalez

DATE: March 25, 2010

This shall serve as written notice that a meeting of the Finance and Citywide Projects Committee has been scheduled for March 25, 2010, at 3:30 P.M. in the City Manager's Large Conference Room.

The agenda is as follows:

OLD BUSINESS

1. **Discussion regarding the potential garage project and joint venture in the Collins Park Neighborhood.**

Jorge Gomez – Assistant City Manager
Referred December 10, 2008

2. **Status of a Land Easement Purchase Agreement with the Miami Beach Housing Authority for the Proposed West Avenue Bridge.**

Jorge Gomez – Assistant City Manager

NEW BUSINESS

3. **Discussion regarding the Federal Legislative Services Agreement**

Kevin Crowder – Economic Development Division Director

4. **Living Wage/Proposed Ordinance Amendment**

Jose Smith – City Attorney

5. **Discussion regarding requested Right-of-Way, entryway, and public safety improvements to Sunset Drive/North Bay Road at the entryway to Sunset Islands 3 & 4.**

Charles Carreno – CIP Director

6. **Discussion regarding Property Management Division cost savings recommendation**

Fred Beckmann – Public Works Director

- 7. Discussion regarding the management agreement to provide professional tennis management and operations services at the City's Flamingo Park and North Shore Park Tennis Centers.**

Kevin Smith – Parks & Recreation Director

- 8. Discussion regarding an amendment to a resolution regarding assignment of a police officer to the Police Athletic League (PAL)**

Robert Middaugh – Assistant City Manager

- 9. Discussion regarding Global Spectrum's Fiscal Year 2009 performance and potential adjustments/amendments to the existing management agreement**

Max Sklar – Tourism and Cultural Development Director

- 10. Discussion regarding the process for City of Miami Beach License Renewals, including notices provided to license holders**

Patricia Walker – Chief Financial Officer

- 11. Update on Ameresco Water Reclamation Plant project.**

Robert Middaugh – Assistant City Manager

Finance and Citywide Projects Committee Meetings for 2010:

April 29, 2010

May 18, 2010

May 20, 2010

June 3, 2010

June 24, 2010

July 29, 2010

September 30, 2010

October 26, 2010

November 15, 2010

December 16, 2010

JMG/PDW/rs/th

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Cc. Mayor and Members of the City Commission
Management Team

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Discussion Item

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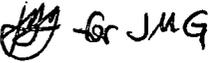


MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jorge M. Gonzalez, City Manager  or JMG

DATE: March 25, 2010

SUBJECT: **Status of a land easement purchase agreement with the Miami Beach Housing Authority for the proposed West Avenue Bridge.**

Background

In 1999, the City Commission approved the Municipal Mobility Plan (MMP). The West Avenue Bridge Project (the Project) was developed from the MMP Project #30, which envisioned corridor improvements to the intersection of Dade Boulevard at 17th Street/Bay Road to be combined with a connection between Dade Boulevard and West Avenue through the construction of a new bridge. The MMP suggested that, this crossing could serve to relieve congestion at nearby intersections. Given the passage of time, and recent experience with the 23rd Street bridge, before proceeding with the expense of design for the West Avenue Bridge, the Administration would like to determine that this project still enjoys Community and City Commission support.

The implementation of the project requires that the City acquire right-of-way, either via easement or fee, through a parcel presently owned by the Housing Authority of the City of Miami Beach (HACOMB). Current funding for the West Avenue Bridge consists primarily of federal funds, the use of which requires an environmental impact study (EIS) of the project. The estimated cost of the project including land acquisition and the EIS, is approximately \$6.5-7 million.

At the June 25, 2008 City Commission meeting, the City Commission agreed to refer item C4E "Discussion Regarding the Proposed West Avenue Bridge Project" to the Finance and Citywide Projects Committee (FCWPC) for further review. The FCWPC discussed the project at its meeting of July 10, 2008, and directed the Administration to try to negotiate the purchase of the land needed, as an easement, and offer \$2.5 million as payment.

Appraisal

As part of the preparation to negotiate the purchase of the easement, the Administration engaged Quinlivan Appraisal to estimate the market value for a partial acquisition via permanent easements of the subject property as of December 21, 2008. For the appraisal, the property was divided into three parcels; Parcels A, B, and C. The appraiser was requested to value permanent surface easements across Parcels A and B. Based on the inspection of the property and the investigation and analyses undertaken, the appraiser formed the opinion that, as of December 21, 2008, the property had market value of \$6,100,000 (full site fee simple), and of \$1,635,000 for a permanent easement for Parcels A and B.

For over two years, the City and the HACOMB have been negotiating the purchase of either all, or a portion, of the triangular property located on 17th Street. The City has offered to pay the appraised value of the easement, which is approximately \$1.635 million. An easement was chosen (rather than fee) because it allows the Floor Area Ratio (FAR) of the entire parcel to be utilized on that portion of the property that is not subject to the easement.

Potential Site Development

On November 10, 2008, the Administration prepared a preliminary site analysis to determine the impact of the proposed easement on the development rights of the property, and to determine if, the buildable area allowable pursuant to the Floor Area Ratio (FAR) of the full site could be constructed on the remaining parcel. This analysis was revised on January 6, 2009, and while this analysis is preliminary, it indicated that Parcel C could be developed with approximately 55,664 square feet, including the required parking. This would represent 94% of the property's total buildable area of 59,025 square feet (at an FAR of 1.5).

Subsequently, the Administration met with representatives of the HACOMB and their architect to further discuss the development options regarding Parcel C, in the event Parcels A and B were granted to the City through a permanent easement. A subsequent meeting was held to discuss the draft layouts prepared by the architect. This draft indicated that a five-story, 55,910 square foot project with 43 residential units could be constructed on parcel C, however, only 48 parking spaces could be provided within this scenario.

On March 27, 2009, the Administration attended a development workshop of the HACOMB Board to discuss their affordable housing projects, including the subject site. The Administration presented the background of the City's position on the proposal.

On April 23, 2009, the Administration received a letter from the HACOMB, stating that on April 14, 2009, the Board of Commissioners discussed the proposed easement and determined that the proposal was not in the best interest of the HACOMB. The Board further directed that the sale of the property be taken off the market, and that HACOMB staff prepare an affordable housing development for the property. At the June 25, 2009 Finance Committee meeting, Housing Authority staff informed the Committee that while the letter submitted to the City indicated that the HACOMB would proceed with development of the site, the HACOMB Board desired a written offer from the City. The Committee directed the Administration to submit a written offer for the easement in the amount of \$1.635 million. Said written offer was submitted to the HACOMB on June 30, 2009.

On September 8, 2009, the HACOMB Board met to consider the offer of June 30, for the purchase of the easement. The HACOMB Board voted to reject the offer and directed the Housing Authority Administration to continue with plans to develop the entire property, as described in the attached letter.

At the October 29, 2009 Finance Committee meeting, HACOMB stated that an architect had been hired to work on an affordable housing design for the entire property. HACOMB further stated that the HACOMB Board discussed the City's proposal and deemed the price to not be acceptable. General Counsel for the HACOMB stated that the Board rejected the offer but may still be willing to negotiate further. The Finance Committee recommended that the Administration investigate condemnation and that the HACOMB representatives encourage the HACOMB Board to make a counter offer.

On February 18, 2010, the City received a letter (attached) from the HACOMB, transmitting

their counter-offer to the City's offer to purchase the easement area for \$1.635 million. The HACOMB acceptance was conditioned on a number of items, including assignment rights, the additional provision of three consecutive annual appropriations of \$200,000 each to the HACOMB, expedited permitting, reimbursement of legal fees, contingency on completion of all regulatory approvals for the development of the balance of the property, a waiver of Payment In Lieu Of Taxes (PILOT) fees, and the waiver of all building permit and concurrency fees for the development of the balance of the property.

On February 23, 2010, the Administration sent the attached letter to the HACOMB, stating that the counter-offer could not be accepted, and that the City's offer remained unchanged from that of June 30, 2009. The Administration further reminded the HACOMB that the Finance and Citywide Projects Committee also directed the Administration and the City Attorney's Office to begin exploring an alternative option which would result in the condemnation of the area required to accommodate the proposed bridge, and that a discussion of this item would be placed on the March 25, 2010 Finance Committee agenda.

Conclusion

Direction from the Committee on whether to continue to pursue the bridge project is desired. Other options for acquiring the necessary portion of this property need to be considered if the City intends to construct the West Avenue Bridge.

JMG/JGG/kc

Attachments (2)

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THE HOUSING AUTHORITY
OF THE
CITY OF MIAMI BEACH



BOARD OF COMMISSIONERS

MILLI MEMBIELA
CHAIRPERSON

YAMILE JIMENEZ-SOTO
VICE CHAIRPERSON

LEONARD TURKEL
VICE CHAIRPERSON

200 ALTON ROAD
MIAMI BEACH, FL 33139-6742

TEL: 305-532-6401

FAX: 305-674-8001

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WWW.HACMB.ORG

MICHAEL BAND
COMMISSIONER

ADA LLERANDI
COMMISSIONER

MIGUELL DEL CAMPILLO
EXECUTIVE DIRECTOR

February 18, 2010

Via US Mail and E-mail transmission

Jorge M. Gonzalez,
City Manager
City of Miami Beach
1700 Convention Center Drive
Miami Beach, Florida

Re: 17th Street – Counter-offer from HACMB to the June 30, 2009 City offer to purchase easement

On June 30, 2009, the City of Miami Beach issued an offer to purchase a permanent easement through a portion of the Housing Authority of the City of Miami Beach's (HACMB) property, located at 1231-1251 17th Street, Miami Beach, Florida. The City's offer to purchase the easement area for the amount of \$1.635 million dollars, as generally depicted in the attached Exhibit 1, is accepted, with conditions. The HACMB Board of Commissioners, on February 17, 2010, voted to proceed with the following counter-offer:

- (1) As per discussions with the City Administration, the HACMB accepts the offer to purchase the above described easement interest over Parcels A and B for \$1.635 million.
- (2) Provided, however, the HACMB is to retain the Floor Area Ratio (FAR) for Parcels A and B to be used for development on Parcel C – at any time in the future. The HACMB's retention of the FAR from the easement portions (Parcels A & B) shall be unqualified and unrestricted for the use of Parcel C.
- (3) A development agreement shall be executed, simultaneously with the closing on the easement. The agreement shall specifically address the zoning and development requirements for the remaining parcel, Parcel C. This development agreement shall include, at a minimum, the terms and conditions relating to the relief of parking requirements for Parcel C.
- (4) The development agreement shall provide the HACMB with the ability to transfer and/or assign its rights under the development agreement, without limitation.

As the HACMB understands the City's offer, the terms listed above have already been considered and are implicitly a part of the June 30th, 2009 offer. For sake of clarity, the HACMB has specifically identified those conditions. As part of the HACMB's counter-offer, the HACMB is additionally seeking the following:

- (5) The City shall commit to providing the HACMB with three (3) consecutive annual appropriations of \$200,000, per year, as grants or other contributions, so that the HACMB can develop affordable/workforce housing on the balance of the property (Parcel C). The funding would total \$600,000, over the three (3) year period following closing.

(6) The development agreement shall commit the City to expediting the building permitting process, including all Building, Planning and Fire plan reviews, so that a building permit may issue within 18 months of DRB/Planning Board approval.

(9) The City shall reimburse the HACMB for all reasonable legal fees and expenses incurred by the HACMB in negotiating the purchase of the easement and development agreement.

(10) If prior to the closing the HACMB has an identified site plan and project, the transfer of the easement shall be contingent upon DRB/Planning Board approval for a development on the balance of the property (Parcel C). The HACMB understands that the City may not contract zone. As such, with the identified plan, the transfer of the easement shall be conditioned upon DRB/Planning approval of the HACMB's project on Parcel C. This section is a provisional, contingent, provision depending upon the timing of the closing.

(11) The development of Parcel C must be on a no "net" loss in the number, quality, or affordability of housing, workforce housing, and/or commercial units to be constructed. In prior discussions with the City, the HACMB brought its architect, Ari Sklar, to the meetings who advised that approximately 60 units could be built if the entire parcel is utilized. The HACMB would like to ensure that there is no "net loss" of this number of units by utilizing solely Parcel C.

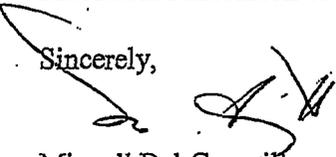
(12) The City is to waive all Payment in Lieu of Taxes (PILOT) fees due to the City for the Parcel C project, for a period of 15 years from the date a Certificate of Occupancy is issued by the City.

(13) The City shall waive any building permit and/or concurrency fees for development of Parcel C.

(14) Notwithstanding the above, or any other term or condition of this letter, the following offer shall not be binding upon the HACMB unless and until a contract for purchase and sale, and development agreement relating to the subject easement is approved by the HACMB Board of Commissioners.

Thank you for your consideration of the HACMB's counter-offer. We look forward to working with you to a successful conclusion of negotiations.

Sincerely,



Miguell Del Campillo,
Executive Director

Enclosure

c: Mayor & City Commission
Jose Smith, City Attorney
Raul Aguila, Deputy City Attorney
Tim Hemstreet, Assistant City Manager
Jorge Gomez, Assistant City Manager
HACMB Board of Commissioners
Eve A. Boutsis, HACMB General Counsel

***Term Sheet between the City of Miami Beach (City) and the Housing Authority of the City of Miami Beach (HACOMB), for the Purchase of an Irrevocable Perpetual Easement (to the City) for the Development, Construction, Operation and Maintenance of a West Avenue Connector Bridge.**

Site: That certain property owned by HACOMB, located at 1231-1251 17th Street, encompassing approximately 40,576.80 square feet and further described as follows:

Parcel A: The westernmost portion of the Site (4,622.15 square feet).

Parcel B: The center portion of the Site (9,001.65 square feet).

Parcel C: (see below)

Project: The City wishes to construct a bridge over Collins Canal, to connect the portion of West Avenue with a northernmost terminus at 17th Street, with that portion of West Avenue between Dade Boulevard and 20th Street.

The City shall purchase an Irrevocable Perpetual Easement over Parcels A and B to develop, construct, operate, and maintain the Project as a public right-of-way for vehicular and pedestrian traffic. The public right-of-way for the bridge is contemplated to occur through that portion of the Easement on Parcel B. City further agrees to maintain as "green space", the remainder of the Easement Area, contemplated to be on Parcel A.

Purchase Price: \$1,635,000.

Parcel C: HACOMB shall review the survey of the property and identify any issues related to the future development rights for which clarification is needed.

However, it is expressly understood by the parties that Parcel "C" is not a part of the Project.

*** ALL TERMS HEREIN CONTAINED ARE SUBJECT TO AND CONDITIONED UPON FINAL APPROVAL BY THE MAYOR AND CITY COMMISSION.**



MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miami-beachfl.gov

Jorge M. Gonzalez, City Manager
Tel: 305-673-7010, Fax: 305-673-7782

February 23, 2010

Miguell Del Campillo
Executive Director
Housing Authority of the City of Miami Beach
200 Alton Road
Miami Beach, FL 33139

Re: 17th Street Counter Offer to Purchase Easement

Dear Mr. Del Campillo:

I am in receipt of your February 18, 2010 letter, transmitting the Housing Authority of the City of Miami Beach's (HACMB) counter offer to the City's June 30, 2009 offer to purchase a permanent easement through a portion of the property located at 1231-1251 17th Street. The letter states that City's offer to purchase the easement in the amount of \$1.635 million is accepted, but that the HACMB Board of Commissioners voted to proceed with a counter offer of additional conditions.

Consistent with previous discussions between the City and the HACMB, a development agreement may be entered into between the parties, for the purpose of clarifying the retention of the site's full Floor Area Ratio (FAR), as well as how certain other zoning and development requirements (such as setbacks) may be addressed.

However, the counter offer includes conditions that cannot be accomplished with a development agreement, including adjustments to the parking requirements for affordable housing, which may only be accomplished with an ordinance, and the waiver of fees. The counter offer includes additional conditions that have not been previously discussed, and which tie the purchase of the easement to a requirement for the future expenditure of additional funds and the approval of other conditions that are beyond the scope of the purchase of an easement. Therefore, the HACMB's counter offer cannot be accepted, and the City's offer remains unchanged from that of June 30, 2009: the purchase of the easement area, as generally depicted in the attached survey, for the amount of \$1.635 million.

You may further recall that, in addition to directing the Administration to offer \$1.635 million for the easement, the Finance and Citywide Projects Committee also directed the Administration and the City Attorney's Office to begin exploring an alternative option which would result in the condemnation of the easement area. An update on this item will be placed on the agenda of the March 25, 2010 meeting of the Finance and Citywide Projects Committee, at which time the Committee will either be informed of the HACMB's acceptance of the City's offer, or presented with information on the next steps in the condemnation process.

I look forward to discussing the HACMB's re-consideration of the City's offer to purchase a permanent easement through a portion of the property located at 1231-1251 17th Street. City staff will be in contact in the near future to schedule a meeting between the parties. In the meantime, please do not hesitate to contact me if you have any questions or need assistance.

Sincerely,



Jorge M. Gonzalez
City Manager

c: Honorable Mayor and City Commissioners
HACMB Board of Directors
Jose Smith, City Attorney
Jorge Gomez, Assistant City Manager
Eve A. Boutsis, HACMB General Counsel

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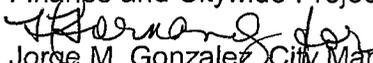


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COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: 
Jorge M. Gonzalez, City Manager

DATE: March 25, 2010

SUBJECT: **A DISCUSSION OF THE PROFESSIONAL SERVICES AGREEMENT FOR
FEDERAL LEGISLATIVE SERVICES.**

Background

On October 9, 1996, the Mayor and City Commission awarded a Legislative Services Agreement to Jordan, Burt, Berenson, and Johnson LLP (Consultant) for a term commencing on February 18, 1997 through February 19, 1999, in the amount of \$80,000, with a provision therein stating that the term could be extended by mutual agreement of the parties. The agreement was subsequently extended through February 18, 2001.

On February 9, 2000, the Mayor and City Commission approved Resolution No. 2000-23793, authorizing the issuance of a Request for Proposals (RFP) for Federal Legislation Services. The City received two responses to the RFP, Jordan Burt and Alcalde & Fay. An evaluation committee interviewed the two respondents, and recommended that the City negotiate an agreement with Alcalde & Fay as the top-ranked firm. On November 29, 2000, the Mayor and City Commission heard and considered testimony from the two firms, and directed the Administration to negotiate a new agreement with Jordan Burt.

On December 20, 2000, the Mayor and City Commission approved Resolution No. 2000-24219, authorizing the Mayor and City Clerk to execute a professional services agreement with the firm of Jordan Burt (now, the MWW Group), to provide governmental representation and consulting services in Washington D.C., in the amount of \$90,000, inclusive of expenses. The Professional Services Agreement was executed for an initial term of two (2) years, with two (2) additional one (1) year options to renew. On February 25, 2004, the Mayor and City Commission approved the renewal of the second of the two (2), one-year options.

On November 25, 2004, the Finance Committee met to discuss the federal legislative services agreement, and whether or not a Request for Proposals (RFP) should be issued. The Committee expressed satisfaction with the Consultants' performance representing the City. The Committee further felt that these services were like legal services where the City contracts with the firm it feels will best represent its interests. The Committee recommended that the Administration negotiate a new agreement with the consultants, for presentation to the City Commission on January 12, 2005.

On January 12, 2005, the Mayor and City Commission approved Resolution No. 2005-25794, approving a new agreement with the Consultant. The current agreement (Exhibit A) expires on September 30, 2010, and includes the following terms:

- Three (3) year base term;
- Two (2), one-year options to renew.
- \$100,000 per year beginning the first full year of the agreement (Oct 2005-Sep 2006), with a CPI escalator each year, beginning with the second full year of the agreement, and including the option years.
 - *Note: the contract amount for the current fiscal year is \$102,800.*

On October 31, 2007, the Jordan Burt notified the City that a decision had been made to separate the Government Relations practice from the law firm practice of Jordan Burt, which was a structural change consistent with recent changes in federal legislation, and on February 1, 2008, the Government Relations Practice joined the MWW Group. On February 13, 2008, the Mayor and City Commission approved Resolution No. 2008-26757, approving the assignment of the current agreement to the MWW Group.

Historically, the Mayor and City Commission have in some cases chosen to approve a waiver of competitive bidding and a new agreement with the city's existing firm, and on other occasions the Mayor and City Commission have issued a RFQ for state and/or federal legislative services. On those occasions in which an RFQ was issued, the Mayor and City Commission ultimately awarded the contract to the existing firm, for both state and federal legislative services.

Conclusion

The Consultant's performance has been excellent, and the Administration is supportive of a new contract with the MWW Group, if that is the direction of the Committee. A summary of the Consultant's representation of Miami Beach is attached as Exhibit B. The Administration recommends that the Finance and Citywide Projects Committee discuss the City's federal legislative services contract, including whether a new agreement be negotiated with the Consultant, or if a Request for Qualifications (RFQ) should be issued.

JMG/HF/kc

Attachments

Exhibit A – Current Legislative Services Agreement

Exhibit B – Memo re: MWW Group Representation of the City of Miami Beach

CITY OF MIAMI BEACH
GOVERNMENTAL SERVICES AGREEMENT

THIS AGREEMENT made and entered into this 20th day of February, 2005, between the **CITY OF MIAMI BEACH**, hereinafter called the **CITY**, a municipal corporation of the state of Florida, and the firm of **JORDEN, BURT, ~~BERENSON AND~~ ~~JOHNSON~~**, LLP., hereinafter called the **CONSULTANT**. RH

WITNESSETH:

In consideration of the promises and mutual covenants hereinafter contained, the parties hereto agree:

1. OBLIGATIONS OF THE CONSULTANT

- A.** The CONSULTANT will confer with the Mayor and the City Commission: the City Attorney; the City Manager, and other such City personnel as the City Manager may designate at the times and places mutually agreed to by the City Manager and the CONSULTANT on all organizational planning and program activity which have a bearing on the ability of the CITY make the best use of Federal programs.
- B.** The CONSULTANT will maintain liaison with the CITY'S Congressional

delegation and will assist the delegation in any matter which the CITY determines to be in its best interest.

- C.** The CONSULTANT will counsel with the CITY regarding appearances by City personnel before Congressional Committees and Federal administrative agencies and will assist the City and its personnel in negotiations with administrative agencies concerning City projects requiring Federal assistance and cooperation.
- D.** The CONSULTANT will assist the CITY in the review of executive proposals, legislation under consideration, proposed and adopted administrative rules and regulations and other developments for the purpose of advising the CITY of those items mutually agreed upon that may have a significant bearing on the CITY policies or programs.
- E.** The CONSULTANT will communicate and coordinate with other lobbyists representing interests which are consistent with those of the CITY in obtaining the goals and objectives of the CITY.
- F.** The CONSULTANT will assist in contacting Federal agencies on the CITY'S behalf on a mutually agreed upon basis when City funding applications are under consideration by such agencies.

- G.** Identify and notify the City in advance of opportunities such as grant opportunities and funding availability for transportation, community and economic development, environmental matters, beach renourishment, infrastructure improvement, hurricane recovery efforts, housing and urban development, homeless programs, intermodal programs, and any other areas of interest to the City.
- H.** Establish and maintain working relationships with the executive and legislative branches of the federal government that will enhance the City's position with respect to financial assistance applications, regulatory procedures, legislation, budget authorizations and appropriations, and other areas of interest to the City.
- I.** Consult with the City regarding any proposed formula changes in the Community Development Block Grant or other major federal programs to determine their impact on the City, and take the necessary steps as mutually agreed upon to bring changes in the best interest of the City.
- J.** Upon request of the City, assist the City in any matter related to the Executive Branch of the State of Florida.
- K.** Represent the City at Washington, D.C. area conferences or meetings as

requested.

- L. Conduct a semi-annual briefing to the City to provide the latest information on issues of interest to the City, and submit an annual report of accomplishments concerning the Consultant's responsibilities.

2. OBLIGATIONS OF THE CITY MIAMI BEACH

- A. The basic agreement for the initial period between February 20, 2005 through September 30, 2005, will be for **\$7,500** per month. Payments will be in advance in equal monthly installments of **\$7,500** payable immediately upon execution of this agreement. Year one shall be the first full year of the Agreement, or the period commencing on October 1, 2005 and ending on September 30, 2006, will be for the base of \$100,000 per year. Year two and year three of the agreement will be for the base of \$100,000 per year plus any adjustment each year based on the Consumer Price Index.

- C. The CITY will supply the CONSULTANT with the names of persons other than the Mayor and City Commission, the City Manager and the City Attorney who are authorized to request services from the CONSULTANT and the person(s) to which the CONSULTANT should respond regarding specific

issues.

3. TERM OF AGREEMENT

This Agreement shall take effect on the **19th** day of **February, 2005**, and shall terminate on the **30th** day of **September, 2008**, subject to the provisions of paragraph 4. The Agreement may be extended two times for one year each at the sole discretion of the City.

4. TERMINATION OF AGREEMENT

The CITY retains the right to terminate this Agreement at any time prior to the completion of the WORK without penalty to the CITY. In that event, notice of this termination shall be in writing to the CONSULTANT who shall be paid for all WORK performed prior to the date of the receipt of the notice of termination prorated as of such date. In no case, however, will the CITY pay the CONSULTANT an amount in excess of the total sum provided by this Agreement. It is hereby understood by and between the CITY and the CONSULTANT that any payment made in accordance with this Section to the CONSULTANT shall be made only if said CONSULTANT is not in default under the terms of this Agreement, in which event (default) the CITY shall, in no way, be obligated and shall not pay to the CONSULTANT any sum whatsoever.

5. AWARD OF AGREEMENT

The CONSULTANT warrants that it has not employed or retained any company or persons to solicit or secure this Agreement and that it has not offered to pay, any person or company any fee, commission, percentage, brokerage fee, or gifts of any kind contingent or resulting from the award of making this Agreement.

The CONSULTANT is aware of the conflict of interest laws in the City of Miami Beach, Dade County, Florida (Dade County Code, Section 2-11.1) and the Florida Statutes, and agrees that they will fully comply in all respects with the terms of said laws.

6. CONSTRUCTION OF AGREEMENT

The parties hereto agree that this Agreement shall be construed and enforced according to the laws, statutes, and case laws of the State of Florida.

7. AUDIT RIGHTS

The CITY reserves the right to audit the records of the CONSULTANT at any time during the performance of this Agreement and for a period of one year after final payment is made under this Agreement.

8. INDEMNIFICATION

The CONSULTANT shall defend, indemnify and save the CITY harmless from and against any and all claims, liabilities, losses, and causes of action which may arise out of the CONSULTANT'S activities under this Agreement, including all other acts or omissions to act on the part of the CONSULTANT or any of them, including any person action for or on his or their behalf.

9. CONFLICT OF INTEREST

The CONSULTANT covenants that no person under its employ who presently exercises any functions or responsibilities in connection with this Agreement has any conflicting personal financial interest, direct or indirect, in this Agreement. The CONSULTANT further covenants that, in the performance of this Agreement, no person having such conflicting interest shall be employed. Any such interests on the part of the CONSULTANT or its employees, must be disclosed, in writing, to the CITY. The CONSULTANT, in performance of this Agreement, shall be subject to any more restrictive law and/or guidelines regarding conflict of interest promulgated

by federal, state or local governments.

10. INDEPENDENT CONTRACTOR

It is agreed that the CONSULTANT and its employees and agents shall be deemed to be an independent contractor, and not an agent or employee of the CITY, and shall not attain any rights or benefits under the Civil Service or Pension Ordinance of the CITY, or any rights generally afforded classified or unclassified employees; further, he/she shall not be deemed entitled to Florida Worker's Compensation benefits as an employee of the CITY.

11. LIMITATION OF LIABILITY

The CITY desires to enter into this Agreement only if in so doing the CITY can place a limit on CITY'S liability for any cause of action for money damages due to an alleged breach by the CITY of this Agreement, so that its liability for any such breach never exceeds the sum of **\$100,000**. CONSULTANT hereby expresses its willingness to enter into this Agreement with CONSULTANT'S recovery from THE CITY for any damage action for breach of contract to be limited to a maximum amount of **\$100,000** which amount shall be reduced by the amount for the funding actually paid by the CITY to CONSULTANT pursuant to this Agreement, for any

action or claim for breach of contract arising out of the performance or nonperformance of any obligations imposed upon the CITY by this Agreement.

Nothing contained in this subparagraph or elsewhere in this Agreement is in any way intended to be a waiver of the limitation placed upon the CITY'S liability as set forth in , Section 768.28 Florida Statutes.

Any litigation which arises out of this Agreement shall take place in the Court of Appropriate Jurisdiction in Dade County, Florida.

IN WITNESSETH WHEREOF, the parties hereto have caused these presents to be executed by the respective officials thereunto duly authorized this day and year first written above.

ATTEST:

Robert Parcher
Robert Parcher, City Clerk

THE CITY OF MIAMI BEACH, FLORIDA
David Dermer
David Dermer, Mayor

[If incorporated sign below]

JORDEN, BURT, BERENSON, & JOHNSON, LLP.

ATTEST:

Ryan W. Hawk
(Secretary)

By: Marilyn Thompson
Marilyn Thompson

(Corporate Seal)

29th day of March, 2005

District of Columbia : SS

Subscribed and Sworn to before me, in my presence,
this 29th day of March, 2005

Mary Anne Caporaletti
Notary Public, D.C.
My commission expires 1/31/08

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

W. J. [Signature] 1-4-05
City Attorney Date

Mary Anne Caporaletti
Notary Public, District of Columbia
My Commission Expires 1-31-2008

March 12, 2010

MEMORANDUM

**TO: THE HONORABLE MATTI BOWER, MAYOR
MEMBERS OF THE MIAMI BEACH CITY COMMISSION**

**FROM: MARILYN BERRY THOMPSON, EXECUTIVE VICE PRESIDENT AND GENERAL MANAGER
F. MARION TURNER, SENIOR VICE PRESIDENT**

**SUBJECT: MWW GROUP REPRESENTATION OF THE CITY OF MIAMI BEACH
FEDERAL INITIATIVES AND ACCOMPLISHMENTS FY1998-FY2010**

We are pleased and proud to share with you a report highlighting the City's federal relations accomplishments during the FY1998-FY2010 contract period. We are very proud to have played a partnership role with the Miami Beach City Commission, professional City staff and your congressional delegation in successfully advocating for the needs of the City of Miami Beach. The attached report provides you with a brief outline of these accomplishments, organized by both direct federal appropriations (funding) achieved for the City and other legislative or regulatory accomplishments.

While our services include a broad array of activities, ranging from federal agency and grant support services to legislative advocacy, this document focuses primarily on one component of those services, i.e., securing Miami-Beach-Area specific appropriations and policy changes. The report highlights over **\$70 million** in successful initiatives secured by the City during this 13 year time-period.

We take pride in having assisted the City in establishing and developing a well-organized, focused and prioritized annual federal relations agenda, planning and implementation process. This process has been heralded by many within the Florida Congressional Delegation for its focus, organization and thoroughness. It has been a tool which has enabled Miami Beach to advance its issues and priorities in a focused manner, thereby allowing your Congressional Delegation to easily focus upon your top priorities. This is increasingly helpful to them, as more and more there are competing interests for Members of Congress' time and attention.

We believe that we have established a solid, documentable track record for the City through a broad range of targeted Miami-Beach-related federal spending bill and authorization legislation, as well as through our federal agency, grant and information service.

We have thoroughly enjoyed our tenure as the City's Federal Representative and sincerely hope to continue doing so well into the future.

FEDERAL APPROPRIATIONS SUMMARY

American Recovery & Reinvestment Act (Stimulus)		\$5,570,173
Henedon Bridge Repairs	Highways & Bridges	\$375,000
Sunset 1 Bridge	Highways & Bridges	\$386,000
Sunset 2 Bridge	Highways & Bridges	\$300,000
Indian Creek Drive	Highways & Bridges	\$365,000
Dickens Avenue	Highways & Bridges	\$702,921
Homeless Prevention	HUD	\$715,418
Community Development Block Grant	HUD	\$467,896
Transit Projects	Federal Transit Administration	\$945,461
Energy Efficiency & Cons. Block Grant	Energy	\$839,000
Byrne Justice Assistance Grant	Justice	\$473,477
FY2010		\$500,000
Miami Beach After School Program	Omnibus (Justice)	\$500,000
FY2009		\$4,319,551
Emergency Operations Center	DHS	\$1,000,000
CDBG Neigh. Stabilization Program	HERA	\$2,549,551
Atlantic Greenway Corridor	Omnibus (TTHUD)	\$570,000
Miami Beach After School Program	Omnibus (Justice)	\$200,000
FY2008		\$2,263,250
West Avenue Bridge	TEA-LU Technical Corrections	\$620,000
Atlantic Corridor Greenway	TTHUD	\$500,000
City Center Housing Initiative	TTHUD	\$525,000
Miami Beach After School Program	Justice	\$618,250
FY2007 Omnibus (No Earmarks)		\$0
FY2006		\$4,975,000
Miami Beach Erosion Control Project	Energy & Water	\$1,725,000
Miami Beach After School Program	Justice	\$50,000
Atlantic Corridor Greenway	SAFTEA-LU	\$2,400,000
West Avenue Bridge	SAFTEA-LU	\$800,000
FY2005		\$2,150,000
Stormwater Infrastructure	VA/HUD	\$750,000
Intermodal Facility	Transportation	\$1,400,000

FY2004			\$1,900,000
	Beach Renourishment (Dade)	Energy & Water	\$1,000,000
	FTAA Security Reimbursement	Supplemental	\$900,000
FY2003			\$6,652,000
	Colony Theater	Interior	\$837,000
	Intermodal Facility (Mt. Sinai)	Transportation	\$2,030,000
	Intermodal Facility	Transportation	\$1,485,000
	Miami Beach Erosion Control Project	Energy & Water	\$2,300,000
FY2002			\$14,970,987
	Intermodal Facility	Transportation	\$2,970,987
	Beach Renourishment (Dade)	Energy & Water	\$12,000,000
FY2001			\$615,000
	North Beach Recreational Corridor	VA/HUD	\$215,000
	Electrowave	Transportation	\$400,000
FY2000			\$6,129,000
	North Beach Recreational Corridor	VA/HUD	\$129,000
	North Shore Open Space Park	VA/HUD	\$250,000
	Beach Renourishment (Dade)	Energy & Water	\$5,000,000
	Electrowave	Transportation	\$750,000
FY1999			\$10,300,000
	Electrowave	TEA 21	\$1,500,000
	Bridge/Seawall Repair	TEA 21	\$1,350,000
	Electrowave	Transportation	\$1,750,000
	Beach Renourishment (Dade)	Energy & Water	\$5,700,000
FY1998			\$9,700,000
	Beach Renourishment (Dade)	Energy & Water	\$9,400,000
	Hurricane Andrew Reimbursement	FEMA	\$300,000
TOTAL FISCAL YEARS 1998-2010			\$70,044,961
Less Beach Renourishment Direct to CMB			\$34,500,000

LEGISLATIVE AND REGULATORY SUCCESSES

FOREIGN SAND SOURCE FOR BEACH RENOURISHMENT

MWW Group worked for almost ten years to assist the City in gaining permission for the Army Corps of Engineers to seek sand from foreign sources for Beach Renourishment activities. This advocacy culminated with the completion by the U.S. Army Corps of Engineers (ACOE) of the *Dade County, Florida Beach Erosion Control and Hurricane Protection Project Letter Report*. This study, which took the Corps from 2001-2007 to complete, definitively determined that no economic or environmental domestic source of sand remains available for renourishment of the Dade County Project beaches. As a result, the ACOE has begun the process of locating and testing compatible sand from foreign sources for future renourishment activities on Miami Beach.

ALTERNATIVE SAND TEST BEACH PROJECT

Early on in our contract, MWW Group was successful in inserting statutory language in the Water Resources Development Act of 1999, which designated the City of Miami Beach as an eligible site for an innovative erosion control demonstration project. This project later became the *Alternative Sand Test Beach Project*, where the Army Corps implemented a number of strategies designed to retard the growth of erosion “hotspots” along Miami Beach. Strategies included breakwater structures, reef balls, and current work to backpass sand from the Lummus Park section back to the more northern sections of Miami Beach.

EDI GRANT EXTENSION

For two consecutive years, MWW Group was successful in securing special legislation protecting the city’s \$1 million Economic Development Initiative (EDI) grant for the Miami Beach Northern Economic Development Initiative. This special legislation secured by the Florida Congressional Members preserved funding secured for Miami Beach, thereby enabling the City to retain both a \$1 million grant and a \$4 million HUD Section 108 loan guarantee project to support his area.

TRADEMARK PROTECTION

MWW Group was successful in inserting provisions into tax legislation that protected historic City properties from trademark infringement lawsuits. This legislative remedy came as a result of a lawsuit related to the Tiffany Hotel.

SECTION 8 HOUSING ALLOCATIONS

MWW Group assisted the Miami Beach Housing Authority in mounting a successful appeal to the City’s Section 8 Housing allocation, resulting in an increase of approximately \$900,000.

FEMA ELIGIBILITY



MWW Group was successful in defeating an attempt by the Senate to prohibit FEMA from funding repair and replacement of trees and other natural features on publicly owned land and beaches.

OTHER FEDERAL FUNDING ACHIEVEMENTS

- Participated in coalition to create the *Energy Efficiency and Conservation Block Grant*; funded at \$2.4 billion in ARRA Stimulus legislation
- Worked with other local government advocacy groups to preserve the *Community Development Block Grant (CDBG)* during Bush Administration efforts to zero out the program
- Participated in multi-year advocacy campaign to preserve the *Local Law Enforcement Block Grant*

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MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

To: Finance and Citywide Projects Committee Members

From: Jose Smith, City Attorney

Date: March 25, 2010

Subject: **AMENDMENT TO THE CITY'S LIVING WAGE ORDINANCE**

Following a discussion of the City's Living Wage Ordinance (Ordinance) at the February 18, 2010, Committee Meeting, the City Attorney's Office was directed to prepare an amendment to the Ordinance reflecting the Committee's recommendations from its 2/18/10 meeting to:

1. increase the hourly living wage rate to \$11.28 an hour, with health benefits, and \$12.92 an hour, without health benefits¹;
2. "phase in" the new rates over a period of three (3) City fiscal years, commencing with FY 2010-2011;
3. amend the indexing provision to require that the determination to annually index the living wage rate (or not) be considered by the City Commission during its review of the City's annual operating budget; that the determination to index (or not) be made by resolution of the Commission; that no annual increase (if approved) shall exceed three percent (3%); and that no annual increase shall exceed the corresponding annual compensation increase (if any) provided to the City's Unclassified employees.

Attached is a draft of the proposed Ordinance. In addition to the aforesaid amendments, the City Attorney's Office has reviewed the entire (existing) Living Wage Ordinance and has made additional changes—both as to "cleaning up" and clarifying certain existing provisions, as well as providing more detailed and stronger language (in particular, with regard to the complaint procedures).

Finally, the City Attorney is seeking additional clarification and further direction from the Committee regarding inclusion of additional language in the proposed Ordinance (which is currently not incorporated into the attached draft), so that the option to provide health benefits is given to the Covered Employee rather than (as currently written) to the Covered Employer.

¹ The proposed wage increase reflects the recommended alternative 4A, increasing the living wage from \$8.56 an hour, with health benefits, or \$9.81 an hour, without health benefits, to \$11.28 an hour, with health benefits, and \$12.92 an hour, without health benefits. The new wage increase will be phased in over a three (3) year period, with fifty (50) percent of the increase in year one (FY 2010-11), totaling \$668,231, of which \$273,976 is from the General Fund and the balance of \$394,255 is from Enterprise Fund; and twenty-five (25) percent of the increase for year two (FY 2011-12) and three (FY 2012-13), or \$334,116, of which \$136,987 is from the General Fund, and the balance of \$197,129 is from the Enterprise Fund. The total three year incremental cost of alternative 4A is \$1,336,463, split \$547,950 in the General Fund, and \$788,513 in the Enterprise Fund, does not consider any ripple costs as a result of payroll compression and all costs include FICA at 6.20% and MICA at 1.45%.

ORDINANCE NO. _____

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 2 OF THE CITY CODE, ENTITLED, "ADMINISTRATION;" BY AMENDING ARTICLE VI THEREOF ENTITLED, "PROCUREMENT", BY AMENDING DIVISION 6 ENTITLED "LIVING WAGE REQUIREMENTS FOR SERVICE CONTRACTS AND CITY EMPLOYEES", SECTIONS 2-407 THROUGH 2-410 THEREIN; AND PROVIDING FURTHER FOR CODIFICATION, SEVERABILITY, AND AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA:

SECTION 1.

That Chapter 2, Article VI, Division 6, Sections 2-407 through 2-410, of the Code of the City of Miami Beach, Florida, is hereby amended as follows:

DIVISION 6. LIVING WAGE REQUIREMENTS FOR SERVICE CONTRACTS AND CITY EMPLOYEES

Sec. 2-407. Definitions.

City means the government of Miami Beach or any authorized agents, any board, agency, commission, department, or other entity thereof, or any successor thereto.

Covered employee means anyone employed by the city or any service contractor, as further defined in this division, either full or part time, as an employee, with or without benefits or ~~as an independent contractor.~~

Covered employer means the city and any and all service contractors, ~~whether contracting directly or indirectly with the city,~~ and subcontractors of a service contractor.

Health benefits shall, at a minimum, mean health insurance coverage which consists of wellness and preventive care, including maternity, and that meets the requirements of a "standard health benefit plan" as defined in Subsection 627.6699(12)(b)(4), Florida Statutes, as may be amended from time to time.

Service contractor is any individual, ~~business entity,~~ corporation (whether for profit or not for profit), partnership, limited liability company, joint venture, or ~~similar other business entity~~ who is conducting business in Miami Beach, ~~or Miami Dade County,~~ and who is either meets one of the two following criteria:

(1) ~~The service contractor is:~~

a.1. Paid in whole or part from one or more of the city's general fund, capital project finds, special revenue funds, or any other funds, ~~either directly or indirectly,~~ whether by competitive bid process, informal bids,

requests for proposals, some form of solicitation, negotiation, or agreement, or any other decision to enter into a contract; or
~~b.2. Engaged in the business of, or part of, a contract to provide, or a subcontract to provide, or similarly situated to provide, services, either directly or indirectly for the benefit of the city. However, this does not apply to contracts related primarily to the sale of products or goods.~~

Covered services are the type of services purchased by the city that are subject to the requirements of this division which include the following:

(1) City service contracts. Contracts involving the city's expenditure of over \$100,000.00 per year and which include the following types of services:

- a. Food preparation and/or distribution;
- b. Security services;
- c. Routine maintenance services such as custodial, cleaning, ~~computers~~, refuse removal, repair, refinishing, and recycling;
- d. Clerical or other non-supervisory office work, whether temporary or permanent;
- e. Transportation and parking services;
- f. Printing and reproduction services;
- g. Landscaping, lawn, and or agricultural services; and
- h. Park and public ~~place~~property maintenance.

(2) Should any services included in subsection 1(a) – (h) that are being performed by city employees at the time this division is enacted be solicited in the future by the city to be performed by a service contractor, such services shall be covered services subject to this division.

Sec. 2-408. Living wage.

(a) *Living wage paid.*

(1) *Service contractors.* ~~All~~Any service contractors, ~~as defined by this division,~~ entering into a covered services contract with the city shall pay to all its employees who provide services covered by this division, a living wage of no less than ~~\$8.56~~11.28 an hour with health benefits, or a living wage of not less than ~~\$9.84~~12.92 an hour without health benefits, ~~as described in this section.~~

(2) *Phase-in City employees.* Effective October 1, 2010, the living wage in subsection (a) will be implemented on a ~~For city employees under the city pay plan, the city will begin to pay a living wage consistent with the goals and terms of this division on phase-in basis beginning in the 2001 — 2002~~2010-2011 city budget year, increasing on an annual basis incrementally so that the living wage

is fully implemented for ~~city covered~~ employees in the ~~2003—2004~~2012-2013 city budget year¹ ~~as may be adjusted pursuant to subsection (c) below. Thereafter, the living wage to be paid by the city to its employees shall not be subject to the annual indexing using the Consumer Price Index for all Urban Consumers (CPI-U) required under subsection (c) below and instead shall be subject to negotiations within the collective bargaining structure.~~

(b) *Health benefits; eligibility period.* For a covered employer or the city to comply with the living wage ~~provision~~requirements of this division by choosing to pay the lower wage scale available when a covered employer also provides health benefits, such health benefits shall consist of payment of at least \$~~4.25~~1.64 per hour toward the provision of a health benefits plan for covered employees and their dependents.

If the health benefits plan of ~~the~~ covered employer ~~or the city~~ requires an initial period of employment for a new employee to be eligible for health benefits (eligibility period) the living wage ~~provision~~requirements of this division shall be deemed to ~~have been~~ complied with during the eligibility period, ~~provided the covered employer or the city commences to pay at the applicable living wage rate without health benefits of not less than \$9.81 an hour, effective as of the date of hire of the covered employee.~~

Upon completion of the eligibility period, and provided the new employee will be provided health benefits, a covered employer may commence to pay the ~~\$8.56 an hour wage scale~~applicable living wage rate with health benefits.

Proof of the provision of health benefits must be submitted to the ~~awarding authority~~city's procurement director to qualify for the wage rate for employees with health benefits.

(c) *Indexing.* The living wage rate and health care benefits rate willmay, by resolution of the city commission be ~~automatically indexed each year~~annually for inflation using the Miami PMSA Consumer Price Index for all Urban Consumers (CPI-U) Miami/Ft. Lauderdale, issued by the U.S. Department of Labor's Bureau of Labor Statistics. ~~unless the city commission. Notwithstanding the preceding, no annual index shall exceed three percent (3%); nor shall an annual increase exceed the corresponding annual compensation increase (if any) provided to unrepresented (i.e. unclassified) city employees. The city commission may also, by resolution, determine not to index the living wage rate in any particular year, if it determines it would not be fiscally sound to implement samethe CPI-U (in a particular year). The determination to index (or not index) the living wage rate shall be considered annually during the city commission's review and approval of the city's annual operating budget.~~

(d) *Certification required before payment.* Any and all contracts for covered services shallmay be voidable, and no funds may be released, unless prior to entering any agreement with the city for a covered services contract, the ~~employers~~service contractor

¹ Using the proposed three (3) year phase-in, commencing with city fiscal year 2010-11 (October 1, 2010), the living wage rate will be \$[TRISH]/hr. with health benefits, and \$[TRISH]/hr without benefits; commencing with city fiscal year 2011-12 (October 1, 2011), the living wage rate will be \$[TRISH]/hr with health benefits, and \$[TRISH] without benefits; and commencing with city fiscal year 2012-13 (October 1, 2012), the living wage rate will be \$11.28/hr with health benefits, and \$12.92/hr without benefits.

certifies to the city that it will pay each of its covered employees no less than the living wage described in section 2-408(a). A copy of this certificate must be made available to the public upon request. The certificate, at a minimum, must include the following:

(1) The name, address, and phone number of the covered employer, a local contact person, and the specific project for which the covered services contract is sought;

(2) The amount of the covered services contract, a brief description of the project or service provided, and the city department the contract will serve;

~~(3) A brief description of the project or service provided;~~

~~(4)~~ A statement of the wage levels for all employees; and

~~(5)~~ A commitment to pay all covered employees at the living wage, as defined by section 2-408(a), and including, without limitation, any annual indexes thereto (as provided in section 2-408(c)).

(e) *Observation of other laws.* Every covered employee shall be paid not less than biweekly, and without subsequent deduction or rebate on any account (except as such payroll deductions as are directed or permitted by law or by a collective bargaining agreement). The covered employer shall pay covered employees wage rates in accordance with federal and all other applicable laws such as overtime and similar wage laws.

(f) *Posting.* A copy of the most current living wage rate shall be kept posted by the covered employer at the site of the work in a prominent place where it can easily be seen and read by the covered employees, and shall also be supplied to thean employee within a reasonable time after a request to do so. Posting requirements will not be required where the covered employer prints the following statements on the front of the covered employee's first paycheck and every six (6) months thereafter: "You are required by City of Miami Beach law to be paid at least \$8.56 dollars **[NOTE: Covered employer to insert applicable living wage rate]**an hour. If you are not paid this hourly rate, contact your employer, an attorney, or the City of Miami Beach." All notices will be printed in English, Spanish, and Creole.

(g) *Collective bargaining.* Nothing in this division shall be read to require or authorize any covered employer to reduce wages set by a collective bargaining agreement or areas required under any prevailing wage law.

Sec. 2-409. Implementation.

(a) *Procurement specifications.* The living wage shall be required in the procurement specifications for all ~~city service contracts~~ for covered services contracts on which bids or proposals shall ~~be~~are solicited on or after the effective date of this division. The procurement specifications for ~~applicable covered services contracts~~ shall include a requirement that service contractors and their subcontractors agree to produce all documents and records relating to payroll and compliance with this division upon request from the city. All covered service contracts awarded subsequent to the date when this division becomes effective, shall be subject to the requirements of this division.

~~(b) Information distributed.~~ All requests for bids or requests for proposals procurement specifications for city covered services contracts of \$100,000.00 or more shall include appropriate information about the requirements of this division.

~~(c)~~ *Maintenance of payroll records.* Each covered employer shall maintain payrolls for all covered employees and basic records relating thereto, and shall preserve them for a period of three (3) years or the term of the covered services contract, whichever is greater. The records shall contain:

- (1) The name and address of each covered employee;
- (2) The job title and classification;
- (3) The number of hours worked each day;
- (4) The gross wages earned and deductions made;
- (5) Annual wages paid;
- (6) A copy of the social security returns and evidence of payment thereof;
- (7) A record of fringe benefit payments including contributions to approved plans; and
- (8) Any other data or information this division should require from time to time.

~~(d) Reporting payroll.~~ Every six (6) months, the covered employer shall file with the city's procurement director a complete payroll showing the covered employer's payroll records for each covered employee working on the covered services contract(s) ~~for covered services~~ for one payroll period. Upon request from the city, the covered employer shall produce ~~for inspection and copying~~ its payroll records for any or all of its covered employees for any period covered by the covered services contract. The city may examine, inspect, and/or copy such payroll records as needed to ensure compliance with the requirement of this division.

Sec. 2-410. Compliance and enforcement.

(a) *Service contractor to cooperate.* The service contractor shall permit the city ~~employees, agents, or representatives~~ to observe work being performed at, in, or on the project or matter for which the ~~service contractor has a~~ covered services contract was issued. The city ~~representatives~~ may examine the books and records of the service contractor relating to the employment and payroll to determine if the service contractor is in compliance with the provisions of this division.

(b) *Complaint procedures and sanctions.*

- (1) An covered employee who believes that this division applies ~~or applied~~ to him or her and that ~~at the service contractor~~ covered employer, or ~~the city~~, is ~~or was~~ not complying with the requirements of this division, has a right to file ~~a~~ an administrative complaint with the ~~procurement director of the city's procurement director.~~ Complaints by employees of alleged violations shall be made in writing

within one (1) year after the alleged violation occurred. No complaint shall be within the jurisdiction of the city under the administrative complaint procedures in this division if the complaint is filed more than 180 days after the alleged discriminatory practice occurred.

(2) The complaint shall be signed by the person making the complaint (hereinafter, the "complainant"); shall be sworn to or affirmed; and shall, at a minimum, state the full name and address of the complainant; the full name and address of the covered employer against whom the complaint is being made (hereinafter, the "respondent"); the facts upon which the complaint is based; and such other information as may be required by the city. The complaint may be filed by personal delivery, ordinary mail, or certified mail, addressed to the city's procurement director—may be made at any time and shall be investigated within 30 days by the city. Written and oral statements by an employee shall be treated as confidential and shall not be disclosed without the written consent of the employee to the extent allowed by the Florida Statutes.

(2) Any individual or entity may also file a complaint with the procurement director of the city on behalf of an employee for investigation by the city.

(3) It shall be the responsibility of ~~t~~The city's procurement director shall, within forty-five (45) working days after the filing of a verified written complaint, serve on the covered employer named in the complaint (the "respondent"), by certified mail or personal delivery, a copy of the complaint and a notice advising the respondent of its procedural rights and obligations under this division. Within forty-five (45) working days after a copy of the complaint has been served upon the respondent by the procurement director, the respondent may file an answer thereto. If an answer is filed, the answer shall be in writing and contain, at a minimum, a separate and specific response to each and every particular of the complaint, or a denial of any knowledge or information thereof, sufficient to form a belief. Any allegation of the complaint which is not denied shall be deemed admitted. If an answer is filed, the procurement director shall cause a copy of the answer to be served on the complainant. If the respondent elects not to answer the complaint, then the matter shall proceed on the evidence in support of the complaint.

(4) Whenever a verified written complaint is filed pursuant to this division, the procurement director shall make a prompt investigation of ~~to investigate~~ all allegations of violations in connection therewith and forward to the city manager a written summary of the investigation, ~~of this division within 30 days.~~ If, at any time, ~~the city,~~ upon conclusion of the investigation the city manager determines that a violation of this division has occurred, ~~it~~the city shall, within ~~ten~~sixty (60) working days of a finding of noncompliance, issue a notice of corrective action, ~~in writing,~~ ~~ofto~~ the respondent, employer specifying all areas of noncompliance and deadlines for resolutions of the identified violations. A copy of the city manager's notice of corrective action shall be sent to the complainant and the respondent by certified mail, return receipt requested, or by hand delivery.

(5) If a ~~service contractor~~respondent fails to comply with any or all of the resolutions for the identified violations within the deadlines provided in the notice issued, the city manager ~~or the city manager's designee~~ may issue an order, in

writing, to the ~~service contractor~~respondent, by certified mail or hand delivery, notifying the ~~service contractor~~respondent to appear at an administrative hearing before the ~~city manager or the city manager's designee~~ one of the city's sitting special masters, to be held at a time to be fixed in such order, ~~which date shall be not less than five days after service thereof.~~ A copy of the order shall also be sent to the complainant by certified mail or hand delivery.

(46) The hearing proceedings shall be informal, ~~but~~and shall afford the ~~service contractor~~respondent the right to testify in ~~his/her~~ the service contractor's own defense, present witnesses, be represented by counsel, submit relevant evidence, cross examine witnesses, and object to evidence.

(57) The proceedings shall be recorded and minutes kept by the city. Any ~~service contractor~~respondent requiring verbatim minutes for judicial review may arrange for the services of a court reporter at the expense of the ~~service contractor~~respondent.

(68) ~~Within ten days of~~Upon the close of the hearing, the ~~city manager or the special master~~city manager's designee, shall render a decision in writing determining whether or not the ~~service contractor~~respondent is in compliance, or whether other action should be taken, or whether the matter should be continued, as the case may be, and stating the reasons and findings of fact.

(79) The ~~city manager or the city manager's designee~~ shall file findings with the ~~city clerk,~~ and shall send a true and correct copy of ~~his~~the order by certified mail, return receipt requested, or by hand delivery, to the ~~business address as the service contractor shall designate in writing~~respondent and complainant.

(810) The ~~city manager's or special master's~~designee's findings shall constitute the final administrative action of the city for purposes of judicial review under state law. An aggrieved party, including the city administration, may appeal a final administrative order of a special master to the circuit court, in accordance with Section 30-77 hereof.

(911) If a ~~service contractor~~respondent fails to seek timely appellate review of an order of the ~~city manager or the special master~~city manager's designee, or to comply timely with such order, the city may pursue the enforcement of sanctions set forth in section 2-410(c).

(c) *Private right of action against ~~service contractor~~covered employer.* Any covered employee of or ~~former covered employee of a service contractor~~ may, instead of, ~~but not in addition to,~~ utilizing the city administrative complaint procedures set forth in section 2-410(b)~~this division, but not in addition to such procedure,~~ bring an action to enforce the provisions of this division by filing suit against the covered employer in any court of competent jurisdiction ~~to enforce the provisions of this division and may be awarded back pay, benefits, attorney's fees, and costs.~~ The applicable statute of limitations for such a claim will be two (2) years, as provided in F.S. §Section 95.11(4)(c), Florida Statutes, as same may be amended from time to time, for an action for payment of wages. ~~The court may also impose sanctions on the service contractor, including those persons or entities aiding or abetting the service contractor, to include wage restitution to the affected covered employee and damages payable to the covered employee in the~~

~~sum of up to \$500.00 for each week each service contractor is found to have violated this division.~~

(d) *Sanctions against service contractors.* For violations of this division, the city shall sanction a service contractor by requiring the service contractor to pay wage restitution at the ~~employers~~contractor's expense for ~~each the~~ affected covered employee and may ~~also access the following~~take the following actions:

(1) The city may impose damages, ~~in the sum up to an amount not to exceed of \$500.00 for each week for each~~that the covered employee was found to have not been paid in accordance with this division; and/or

~~(2)~~(1) The city may suspend ~~or terminate~~ payment under the covered services contract and/or terminate the contract with the service contractor; and/or

(3) The city may declare the ~~employers~~service contractor ineligible for future service contracts for up to three (3) years or until all ~~penalties and~~ restitution ~~have~~has been paid in full to the covered employee and all penalties (if any) paid to the city, whichever is longer. ~~In addition, all employers shall be ineligible under this section where principal officers of the employer were principal officers of an employer who violated this division.~~

(e) *Public record of sanctions.* All such sanctions recommended or imposed shall be a matter of public record.

(f) *Sanctions for aiding and abetting.* The sanctions in section 2-410~~(ed)~~ shall also apply to any party or parties aiding and abetting in any violation of this division.

(g) *Retaliation and discrimination barred.* A covered employer shall not discharge, reduce the compensation of, or otherwise discriminate against any covered employee for making a complaint to the city, ~~or otherwise asserting his or her rights under this division, participating in any of its proceedings or using any civil remedies to enforce his or her rights under this division.~~ Allegations of retaliation or discrimination, if found true, ~~in a proceeding under paragraph (b) or by a court of competent jurisdiction under paragraph (e),~~ shall result in an order of restitution and reinstatement of a discharged covered employee with back pay to the date of the filing of the complaint with the city ~~violation of such other relief as deemed appropriate.~~

(h) *Enforcement powers.* If necessary for the enforcement of this division, the city commission may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of disobedience of the subpoena, the city attorney may apply to a court of competent jurisdiction for an order requiring the attendance and testimony of witnesses and production of books, papers, records, and documents. Said court, in the case of the refusal to obey such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, ~~(as the case may be),~~ is relevant or necessary for such hearings, investigations, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents, and any violation of the court's order may be punishable by the court as contempt thereof.

(i) *Remedies herein nonexclusive.* No remedy set forth in this division is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the rights under this division in a court of law. This division shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination; provided, however, that if a complainant has previously initiated, or initiates, a civil action in a court of competent jurisdiction alleging a violation of this division, or other matter, with respect to the same grievance which is the subject of an administrative complaint pursuant to this division, then the administrative complaint shall not be (or shall no longer be, as the case may be) within the jurisdiction of the city under the administrative complaint procedures established herein.

SECTION 2. SEVERABILITY

If any section, sentence, clause or phrase of this ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this ordinance.

SECTION 3. CODIFICATION.

It is the intention of the Mayor and City Commission of the City of Miami Beach, and it is hereby ordained that the provisions of this ordinance shall become and be made a part of the Code of the City of Miami Beach, Florida. The sections of this ordinance may be renumbered or relettered to accomplish such intention, and the word "ordinance" may be changed to "section", "article," or other appropriate word.

SECTION 4. EFFECTIVE DATE

This Ordinance shall take effect ten days following adoption.

PASSED and ADOPTED this ____ day of _____, 2010.

ATTEST:

MAYOR

CITY CLERK

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City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jorge M. Gonzalez, City Manager *JMG for JMG*

DATE: March 25, 2010

SUBJECT: SUNSET ISLANDS 3 & 4 (BP-8D)

This Memo is to advise the Finance and Citywide Projects Committee of recent requests from the Sunset Islands 3 and 4 Homeowner's Association to increase capital funding for proposed entry way improvements.

Background

Prior to the year 2000, the previous Administration supported the issuance of approximately \$92 million General Obligation Bond issuance. The projects were identified through a series of community meetings and were ultimately included in the bond issuance. The planning phase for the Bayshore neighborhood was initiated in July 2001. Due to the neighborhood's size and certain distinct sub-neighborhood areas, the planning consultant recommended improvements for each sub-neighborhood. The Bayshore neighborhood was sub-divided into five smaller individual areas / projects as follows:

- Bid Package 8A Central Bayshore
- Bid Package 8B Lower North Bay Road
- Bid Package 8C Lake Pancoast
- Bid Package 8D Sunset Islands 3 and 4
- Bid Package 8E Sunset Islands 1 and 2

The Basis of Design Report (BODR) identified the following funding source allocations for construction improvements in the Sunset Islands 3 and 4 sub-neighborhood:

Table 1
Sunset Islands 3 and 4
Construction Funding as Identified in the BODR

Funding Source	Anticipated Scope	Construction Funding
General Obligation	Above ground streetscape improvements such as landscaping, monument signage, street lighting, sidewalks, etc.	\$12,484
Water / Sewer	Water / sewer utility replacement and associated restoration	\$765,525
Storm Water	Storm water collection, treatment and disposal facilities and associated restoration	\$171,054
		\$949,063

The above construction budget outlined the improvements that were to be implemented in Sunset Islands 3 & 4. The planning consultant was tasked to achieve consensus in the neighborhood and to limit construction expenditures to the above noted budget.

The planning phase, which commenced in July 2001, included three (3) Community Design Workshops which were held in December 2001, February 2002 and June 2002. The Project's Basis of Design Report was presented to the G.O. Bond Oversight Committee in April 2003 and the BODR was approved at the April 9, 2003 City Commission meeting.

The Basis of Design Report identified the following improvements within the Sunset Islands 3 and 4 neighborhood:

- water main replacement
- spot storm water improvements
- milling and resurfacing of the roadways

No specific General Obligation Bond streetscape improvements were included in the BODR due to the construction funding allocations realized during the development of the General Obligation Bond issuance.

After the Basis of Design Report

The Sunset Islands 3 and 4 neighborhood desires to have its overhead utilities undergrounded as part of the capital improvement project. The HOA has been working towards this goal for years and has recently obtained certain assurances from the utility companies to attain their goal with the assistance of the Office of Capital Improvement Projects. The design phase of the project has been on hold since 2005 pending the undergrounding of the overhead utilities on the islands. The HOA recently advised that the City should move forward with the design efforts so that the improvements can be realized.

The Administration through its City-wide Reforestation Program has already expended \$7,700 to install thirty-five (35) Royal Palms throughout the Sunset Islands 3 and 4 neighborhood. This was done in an effort to increase vegetation in the neighborhood as well as due to the previous inequity that the neighborhood received during the year 2000 General Obligation Bond development. Subsequent to the approval of the BODR, the scope of the project was expanded to include additional stormwater improvements. During the fiscal year 2005/2006 capital budget process, a total of \$2,372,887 was provided to this neighborhood improvement project.

Table 2
Sunset Islands 3 and 4
Capital Construction Budget Summary

Funding Source	Previously Identified Funding in BODR (April 2003)	Current Capital Budget Construction Funding (FY 10 / 11)	Increase / Decrease
General Obligation	\$12,484	\$0	(\$12,484)
Water / Sewer	\$765,525	\$1,902,524	\$1,136,999
Storm Water	\$171,054	\$2,326,441	\$2,155,387
	\$949,063	\$4,228,965	\$3,292,386

The forthcoming capital budget cycle will request a total construction funding of \$4,228,965 for the neighborhood improvement project; an increase of \$3,292,386 over the amount previously identified for construction funding in the April 2003 Basis of Design Report. This request does not include the additional \$400,000 requested for the entry improvements in the vicinity of North Bay Road and West 20th Street.

Entryway Improvements

Related to the ROW project, the Sunset Islands 3 & 4 HOA had previously approached the Office of the Mayor and City Commission regarding additional repairs and enhancements to the islands' entryway and guardhouse. The HOA was instructed to work with Parks and Recreation Department staff to develop a preliminary plan to construct the requested improvements. The improvements would address undergrounding of the few overhead lines in the vicinity of North Bay Road and West 20th Street, landscape improvements to enhance the area approaching the islands' entrance and to improve the appearance of the Mark's Cleaners site, address public safety and security issues raised by the Miami Beach Police Department and address deferred maintenance of the city-owned Sunset Islands 3 & 4 guardhouse.

The HOA and Parks and Recreation did develop a proposed design for the project. The CIP Office received the preliminary plan, met with other City staff, the Miami Beach Police Department and members of the HOA to review the proposed improvements for public safety/security and constructability issues. The proposal received minor modifications and

CIP staff developed a preliminary project budget. The revised plan and proposed budget are attached to this memorandum (Attachments A and B).

The CIP Office presented the proposed project to the CIP Oversight Committee (CIPOC) at their November 9, 2009 meeting. Several members of the HOA and Sunset Islands 3 & 4 residents attended and testified in favor of the project. During the discussion it was noted by several speakers that similar improvements have previously been provided by the City for other island neighborhoods: Star Island, La Gorce Island and Sunset Islands 1 & 2 in particular. It was also noted that the requested improvements are not actually within the limits of the Sunset Islands 3 & 4 neighborhood and that this particular area is not scheduled to receive any improvements as part of any of the thirteen (13) city-wide Neighborhood Right-of-Way Improvements projects. The CIPOC gave the item extensive discussion and recommended approving the project without the guardhouse and security improvements (meeting minutes of the discussion item attached as Attachment C).

At the December 7, 2009 CIPOC meeting, staff submitted a memorandum detailing who has operation & maintenance responsibility for each of the guardhouses in Miami Beach, as well as how the operation and maintenance of each is financed (Attachment D).

Recommendation

The Administration is supportive of the entryway improvements and recommends that the improvements be identified as a future capital project and that it be reviewed via the forthcoming Capital Budget process.

Attachments

JMG\JGG\COO 

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Sunset Islands 3 & 4
List of Requested Improvements
November 5, 2009

Entryway Enhancements Project: Sunset Drive from Island 4 bridge to 20th Street. Installation of paver entryway, sidewalks, guard house kiosk, lighting, landscape and irrigation. Trees are not included in the scope of this project. All trees are to be provided as part of the Parks Department's Reforestation Project.

<u>Items:</u>	<u>UOM</u>	<u>\$/UOM</u>	<u>Quantity</u>	<u>Total</u>	<u>Basis</u>
Hardscape:					
Pavers installation:					
- 8" lime rock base	SY	20.38	556	\$ 11,331	JOC-3210
- 6" concrete slab	SF	5.18	5,000	\$ 25,900	JOC-3213
- concrete pavers	SF	5.45	5,000	\$ 27,250	JOC-3214
Sidewalk - 4" concrete	SF	3.56	1,950	\$ 6,942	JOC-3213
Curb and gutter - 24" F-curb	LF	14.57	1,000	\$ 14,570	JOC-3216
Asphalt - mill/resurface and base reconstruction	SY	29.17	1,200	\$ 35,004	JOC-3212
Landscape:					
Sod - St. Augustine	SF	0.45	1,000	\$ 450	JOC-3292
Plants - shrubs, 5 gal	EA	20.00	267	\$ 5,340	Allowance
Plants - groundcovers , 3 gal	EA	13.00	597	\$ 7,761	Allowance
Trees - palms and canopy	EA	0.00	53	\$ -	Reforestation
Irrigation	LS	1.00	7,000	\$ 7,000	Allowance
Roadway/decorative lighting - 8 poles/fixtures	EA	10,000	8	\$ 80,000	Allowance
Signage - neighborhood entry/monument sign	LS	6,000	1	\$ 6,000	Allowance
Miscellaneous Improvements to Clear Sight Lines:					
FPL - undergrounding service line to Guardhouse and Alton Road Traffic Signal	LF	90.00	305	\$ 27,450	Allowance
AT&T - undergrounding parallel to Mark's Cleaners	LF	60.00	225	\$ 13,500	Allowance
NOTE: AT&T undergrounding does not include costs for anticipated DERM contaminated site requirements.					
Subtotal				\$ 268,498	

Guardhouse/Security Improvements Project:

Improvements to existing Guard House:					
-roof, painting, decorative awnings	LS	15,000	1	\$ 15,000	Allowance
Attendant Kiosk	LS	25,000	1	\$ 25,000	Allowance
Bar code reader for resident entry gates	LS	10,000	1	\$ 10,000	Allowance
Bridge wall barriers - fan type	LS	6,000	1	\$ 6,000	Allowance
Conduit for CCTV system	LF	10	350	\$ 3,500	Allowance
Fence at ground level of SW corner of bridge	LF	80	40	\$ 3,200	Allowance
Subtotal				\$ 62,700	

Total for Proposed Improvements	\$ 331,198
Estimating contingency (10%)	\$ 33,120
CIP/PWD Project Development Costs (10%)	\$ 36,432
Total Including Soft Costs and Contingency	\$ 400,750

December 7, 2009

MEETING MINUTES November 9, 2009 Capital Improvement Projects Oversight Committee Meeting

Page 3 of 4

STAFF ACTION: Execute a photometric study of the Flamingo neighborhood in order to install the most effective lighting scheme.

Additionally, Mr. Kendle mentioned that the HOA desired the width of the sidewalks be continuously five-feet across, to meet ADA requirements. He also asked that an arborist do a pre-evaluation of the trees on Meridian Avenue and do any pre-emptive pruning that would be necessary to protect the trees from the construction.

STAFF ACTION: Have the City Arborist evaluate the trees on Meridian Avenue prior to construction and root prune as necessary so they are not adversely affected by construction.

MOTION: Recommend to the City Commission the reallocation of funds from un-used citywide pump station landscaping project to the Flamingo Neighborhood ROW.

MOVED: S. Kilroy 2nd: R, Kendle

PASSED: Unanimous

5. Discussion Items

a. Status Report: Star Island Neighborhood Project – Follow-up

6:12 p.m.

As requested by CIPOC in October, City Staff presented the cost comparison of regular asphalt paving vs. brick or concrete pavers in the roadway. However, the Star Island HOA dropped the request for pavers.

b. Sunset Islands III & IV Improvement Request

Terry Bienstock, President of the Sunset Islands III & IV, gave a presentation on the current conditions of the entrance to the neighborhood at the intersection of North Bay Road and Alton Road, just north of 20th Street, the request from the HOA for enhancements to the entrance, and the history of the request and funding.

The CIP Office priced the requested items and the CIPOC is asked to make a decision on how to proceed, if funding should be allocated. If money can be identified, it will move to the Finance and Citywide Projects Committee.

Mayor Bower noted that very little funding was allocated through GO Bond funding for front entrance improvements.

Rick Kendle stated that it is a bad precedent to have the City pay for the guard house. As with other neighborhoods in the City, he suggested seeking a special taxing district for the guard house and not to include it in the funding for the improvements.

STAFF ACTION: Research the history of the Sunset III & IV guardhouse and how best to pay for the renovation.

Stacy Kilroy opined that this intersection is heavily traveled and not just by residents of Sunset Islands III & IV. She suggested moving the project forward; perhaps pulling out the 15% for security improvements while the issue is researched.

MOTION: Recommend to the City Commission to move this project forward and to follow the appropriate steps through the Finance and Citywide Projects Committee to get the proper funding allocated.

MOVED: S. Kilroy 2nd: E. Camargo

PASSED: Unanimous



MIAMI BEACH

CAPITAL IMPROVEMENT PROJECTS OFFICE

MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the CIP Oversight Committee

FROM: Charles O. Carreño, P.E.

DATE: December 2, 2009

SUBJECT: Guardhouse Inventory - City of Miami Beach

The purpose of this memorandum is to respond to the Capital Improvement Projects Oversight Committee request to identify how the operation and maintenance of guardhouses in the City of Miami Beach are financed and by whom. The following is in response to the CIPOC's request:

Location	Operation & Maintenance Responsibility	Resident Financing Mechanism
Stillwater	County	Special Taxing District
Biscayne Point Island	County	Special Taxing District
Normandy Shores	City	Dependant Taxing District
Allison Island	County	Special Taxing District
La Gorce Island	Private	Resident Assessment
Sunset Islands 1 and 2	--	--
Sunset Islands 3 and 4	--	--
Star Island	County	Special Taxing District
Palm and Hibiscus Islands	County	Special Taxing District

The Sunset Islands 3 and 4 Homeowner's Association (HOA) has indicated that the residents pay an assessment for the guard service and that the HOA is responsible for the capital and maintenance expenses for the cameras and security equipment. Please note that the City Manager's Office did commit a one-time \$15,000 contribution to the Sunset Islands 1 and 2 Homeowner's Association for their guardhouse renovation project in 2007.

At this time, the operation and maintenance responsibility for the Sunset Islands 1, 2, 3 and 4 guardhouses are not known and require further investigation. The City's Property Management and Asset Management Divisions do not identify these structures as City owned properties. Review of the County's property records also does not suggest City ownership. Therefore, staff will continue to research in an effort to clarify ownership responsibility and upon retrieving the ownership information, an update to this inventory will be provided.

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City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jorge M. Gonzalez, City Manager *JMG For JMG*

DATE: March 25, 2010

SUBJECT: **PROPERTY MANAGEMENT DIVISION SUPERVISOR SUPPLEMENTAL PAY**

This purpose of this memorandum to the Finance and Citywide Projects Committee is to provide an overview on supplemental pay regulations and recent practices, with respect to those regulations, in the City's Property Management Division. It is offered in response to a December 9, 2009, Commission meeting agenda referral regarding cost savings associated with eliminating supervisory supplemental pay. Attachment 1 provides information on supplemental pay categories, as defined in the Agreement between the City and the Government Supervisors Association of Florida (GSFA), OPEIU, Local 100, for the October 1, 2006 to September 30, 2009 Period.

BACKGROUND

Property Management Division

The Property Management Division (PMD) of the City's Public Works Department (PWD) is responsible for the operation, maintenance, and repair of over 240 municipal buildings and properties, 39 bridges, 12 fountains, three swimming pools, two miles of boardwalk, nearly three miles of beachwalk, playground equipment and street furniture. The Property Management Division is responsible for space planning for relocation and renovation of City departments and provides roof surveys, asbestos surveys, and the development of specifications, cost estimates, and contracts necessary for the repair/replacement of all operational equipment, roofs and building systems. Effective with the start of Fiscal Year 2009-2010, the Property Management Division has continued to manage Capital Renewal and Replacement (CR&R) projects valued at under \$25,000, and the Capital Improvement Projects (CIP) Office has assumed the management of CR&R projects valued at \$25,000 and greater. A capital projects coordinator and construction manager were transferred from the PMD to the CIP Office to oversee the design and construction of the latter.

Supervisory Staff and Roles

The PMD has five field supervisors, of which four are in charge of the Electrical, Maintenance (Carpenters), Air Conditioning, Plumbing and Painting Sections. A sixth service supervisor oversees Lincoln Road Mall Maintenance (from Washington Ave. to Lenox Ave.), as well as the building services technicians assigned to City Hall, Police Station, Scott Rakow Youth Center and North Shore Park and Youth Center.

Property Management Contract Coordinator

The position involves responsible administrative, sub-professional, and technical work. Essential duties include: coordinating the administration of PMD maintenance contracts; acting as liaison between the PMD and private contractors, consultants, the general public and other City Departments; overseeing the work order Maintenance Management System, including

interaction with maintenance supervisors, and preparing various work order management and status reports; coordination and maintenance of the VFA Building Assessment System, addressing the facility condition index of City buildings; serving as Disability Access Committee liaison; and supporting management on Active Strategy measures tracking and reporting.

STAFFING ISSUES AND SUPPLEMENTAL PAY

The original property management contract coordinator was terminated by the former PMD director, effective April 4, 2008. In the interim, maintenance contract oversight duties were assigned to a PMD planning technician, through mid-September, 2008, at which time the planning technician had to take Family Medical Leave (FML) until January, 2009. At this point, the PMD director temporarily assigned a portion of the duties of the contract coordinator position to administrative staff and the maintenance supervisors due to a hiring freeze at the time. The director officially left the City's employ effective April 30, 2009, and the assistant director was appointed to direct the PMD in an interim director capacity.

Out-of-Class Pay

With the reassignment of the contracts coordinator duties, the former PMD director made the independent determination that the extended vacancy of the contracts coordinator position justified the assignment of out of class pay to eight individuals in the PMD, including two administrative aides II (accounts payable & HR-payroll) and the six maintenance supervisors. In the case of the supervisors, the transfer of the portion of the contract management duties was specific to inspection of maintenance contract work by outside contractors during normal working hours, as well as the taking of after-hours calls associated with outside contractor work. The director then issued an internal memorandum, dated September 19, 2008, authorizing the out of class work pay for the eight employees. Although the planning technician returned to work in January 2009, the out-of-class pay for the eight employees was continued. The planning technician took a second FML leave in mid-June of 2009, but effective September 30, 2009, that position was terminated as part of the Fiscal Year 2009-2010 budget, and the employee transferred to the Planning Department. Management has the discretion to implement and terminate out of class pay as it deems necessary.

Stand-by Pay

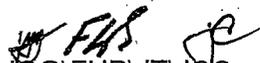
Similarly, the former PMD director determined that the six maintenance supervisors were entitled to stand-by compensation and issued internal memoranda, dated October 15, 2008, to each of the supervisors informing them that they were being placed on stand-by pay status and would be compensated for two hours straight time for each day in that status. It should be noted that "Section 8.19 – License(s) Maintenance" of the GSAF Agreement stipulates that "*As one of the conditions and responsibilities related to the receipt of this supplement, the employee must make every reasonable effort to be available without additional compensation for telephone calls while off duty*". This section applies to the three licensed supervisory positions – Air Conditioning, Electrical and Plumbing. In addition to the Stand-by Pay, the three supervisors also receive a supplement of three hundred dollars (\$300) bi-weekly for using their license as a qualifier, should the need arise to pull a permit. As with the out-of-class pay category, management has the discretion to implement and terminate stand-by pay status as needed.

After-hours emergency maintenance related calls are generally received by the assistant director or director of the PMD and are not related to contract maintenance work. Based on this, as well as on the limited number of after-hours calls typically received, on November 3, 2009, the PMD interim director exercised management discretion and issued an e-mail to the maintenance supervisors advising them that, effective midnight November 8, 2009, the temporary Stand-by Pay status would end. The GSAF Local 100 proceeded to contact the Human Resources (HR) Dept. and responded that "*this action may have deterred any conclusion to our current negotiations with the City of Miami Beach until a proper resolution is*

reached and the cities (sic) future actions are determined". On the advice of HR, that directive was rescinded pending conclusion of the union negotiations. Since September, 2008, through December 31, 2009, supervisory out of class pay has totaled \$16,830.25, while stand-by pay has totaled \$173,611.03, for a combined total of \$190,441.28.

CONCLUSION

Following the recent conclusion of negotiations for the GSAF Agreement, the PWD proceeded to exercise its discretion in limiting the implementation of out-of-class and stand-by pay to a strictly as-needed basis. Consequently, in letters dated January 29, 2010, to the six PMD supervisors, the PWD Director notified the supervisors that, effective February 12, 2010, the stand-by pay that they had been receiving since September 19, 2008, would be stopped.


JMG\JGG\FHB\JT\JCC

ATTACHMENT 1

SUPPLEMENTAL PAY CATEGORIES

Article 7. of the Agreement between the City and the Government Supervisors Association of Florida, OPEIU, Local 100, for the October 1, 2006 to September 30, 2009 Period, defines various supplemental pay categories as follows:

Section 7.7. Call Back Pay – An employee who is scheduled or called in to work outside of his/her normal hours of work will be guaranteed four (4) hours of work or (4) hours of pay. It is understood that call-in pay shall not overlap with an employee's regularly scheduled shift.

Section 7.8.a. Stand-By Pay. Employees expressly assigned to stand by status shall receive two (2) hours of straight time as a Standby bonus for each day of that assignment. Employees will not be paid both the Standby bonus and Call Back pay for the same day (i.e., if called in while on Standby status the employee will be paid only the Call Back pay). The Standby bonus is not considered hours worked for determining overtime. Stand by shall be adssigned in the City's sole discretion. Employees assigned to stand by must respond to any call within ten (10) minutes and must be available to report to the work site within thirty (30) minutes (or some other reasonable period of time as determined based iupon the circumstances). Failure to meet these requirments (as may be modified in the city;s sole discretion), or other requirments related to standby assignments that may be determined necessary by the City, shall result in forfeiture of the Standby bonus, and possible disciplinary action, based on the circumstances of each case.

Section 7.8.b. Stand By-Pay. Employees in the Property Management Division and Fleet Management Division not expressly assigned to standby status who are contacted via telephone outside of their normal hours of work will receive two (2) hours of straight time as a Standby bonus; provided, however, the employee will not be paid both standby bonus and Call Back pay for the same day (i.e., if called in as a result of a telephone conversation, the employee will be paid only the Call Back pay). Any such telephone conversation must be initiated by the Property Management director or the Fleet Management director or their designee.

Section 8.12 Rate of Pay When Working Out of Classification. An employee may be required to temporarily work out of his/her classification when directed by Management. Temporarily is defined as an employee who is clearly and definitely performing the principal duties in a higher pay classification for more than two (2) hours per day, and they shall not exceed 580 hours in a 12-month period, and shall be paid as follows, except at the sole discretion of the Human Resources director, he/she may waive the 580 hour cap if in his/her judgment, it will best serve the needs of the City service:

- a) If he/she is temporarily working in a lower classification, he/she shall receive his/her hourly rate in his/her regular classification. Employees will not be assigned to lower classification work as punishment or to demean the employee.
- b) If he/she is temporarily working for two (2) or more consecutive hours in a higher paying classification, he/she shall be paid an hourly rate of one dollar (\$1.00) per hour to be added to the employee's straight-time rate of pay.

Employees being trained with on-site supervisory assistance in a bona-fide training program for a higher paying classification will be paid their current rate in their regular classification during such training time.

Section 8.19. License(s) Maintenance. Three (3) positions in Property Management (Air Conditioning Supervisor, Electrician Supervisor, and Plumbing Supervisor) and one (1) position in Public Works (Electrician supervisor) will receive a supplement of three hundred dollar (\$300) biweekly for using their license as a qualifier. The supplement will start when the employee's license is approved by the Licensing Board. The supplement will continue until either party requests a change of status to remove the qualifier or if the license expires. The City will fill out the appropriate forms in a timely fashion and send a copy of the completed form to GSAF.

As one of the conditions and responsibilities related to the receipt of this supplement, the employee must make every reasonable effort to be available without additional compensation for telephone calls while off duty.

Only for the four (4) employees who use their license as a qualifier, if a telephone call is at least 8 minutes in duration, the employee will be paid for 15 minutes. This calculation shall also apply to additional 15 minute segments. Example # 1: The telephone call lasts 7 minutes; no payment is required. Example # 2: The telephone call lasts 8 minutes; the employee is paid for 15 minutes. Example # 3: The telephone call lasts 20 minutes; the employee is paid for 15 minutes. Example # 4: The telephone call lasts 23 minutes; the employee is paid for 30 minutes.

The Supplement is not part of base salary. Therefore, the supplement can go above the maximum of the pay range. The supplement is pensionable. The supplement will be reviewed on an annual basis to determine if the supplement should be increased according to market conditions.

In the event that the City determines that any additional lincensee(s) may be used as a primary qualifier under terms that are acceptable to the City, and the City decides to use any additional lincensee, then the employee / licensee will be paid the qualification payment under the terms set forth above.

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MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jorge M. Gonzalez, City Manager

DATE: March 22, 2010

SUBJECT: **DISCUSSION REGARDING AN AMENDMENT TO A RESOLUTION REGARDING ASSIGNMENT OF A POLICE OFFICER TO THE POLICE ATHLETIC LEAGUE (PAL).**

A discussion on the utilization of a full time police officer to serve as the Executive Director for the Police Athletic League (PAL) was referred to the Finance and Citywide Projects Committee by the full City Commission.

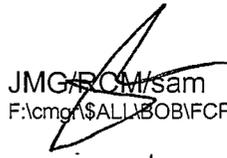
An economic issue exists that, given our fiscal environment, makes a reassessment of the relationship which has existed between the City and the PAL by virtue of Resolutions passed by the City Commission in 1966 and 1983 timely. In each of these Resolutions the City Commission at that time directed that a full time police officer be appointed to serve as the Executive Director for the PAL.

As the Finance and Citywide Projects Committee is fully aware, the fiscal climate in which the City is operating is extraordinarily difficult and is not likely to change to be dramatically more positive in the near future. As a result of this economic climate, the City has in the last several years looked closely at every position and every function which is undertaken by the City to appropriately assess its priority and its continued need. In the past few years the City has reduced its budget by approximately 50 million dollars and reduced the workforce by approximately 250 persons. To date, the police officer assigned to serve as Executive Director of the PAL has not received such scrutiny.

In the current situation, the cost of providing a full time police officer to serve as Executive Director for the PAL is approximately \$175,000, inclusive of wages and benefits. This assignment, aside from the expense, takes a full time police officer out of active police service at a time when police resources are sorely stressed to address their basic underlying mission and function, which is the provision of public safety. As police officers are neither hired nor trained to provide the function that is required of the Executive Director of PAL, to continue that relationship and assignment is problematic not only from the fiscal point of view but also in the appropriate utilization of personnel resources.

In order to alter the current relationship with the PAL, a Resolution will need to be approved by the full City Commission.

To continue to support the PAL and the mission of providing positive relationship between children and the community and the Police Department, it is suggested that some other manner or mechanism be developed to provide a linkage to the Police Department. This linkage might be in the form of a liaison function or some other connection which does not involve or require the assignment of a full time police officer.

 JMG/RCW/sam

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MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Finance and Citywide Projects Committee
FROM: 
Jorge M. Gonzalez, City Manager
DATE: March 25, 2010
SUBJECT: **Discussion regarding Global Spectrum's Fiscal Year 2009 performance and potential adjustments/amendments to the existing management agreement.**

BACKGROUND

On September 10, 2008, the City Commission approved Resolution No. 2008-26888 which approved an agreement between the City and Global Spectrum, L.P. for the Management of the Miami Beach Convention Center, Colony Theater, and Byron Carlyle Theater. The Agreement was for an initial three (3) year term commencing on October 1, 2008, and ending on September 30, 2011, with two (2) one-year renewal options, exercisable with ninety (90) days prior written notice, at the sole and absolute discretion of the City.

Pursuant to the Agreement, Global Spectrum guaranteed a Net Performance Improvement, which is defined as the "Required Improvement" on the Fiscal Year (FY) 08/09 budgeted net deficit of \$1,492,134 (which includes both the FY08/09 budgeted net operating deficit and includes Executive Salaries and Benefits). The Required Improvement over the net deficit of \$1,492,134 for each Contract Year is as follows:

- FY 08/09 = \$ 500,000 (or a resulting net deficit of \$992,134)
- FY 09/10 = \$1,000,000 (or a resulting net deficit of \$492,134)
- FY 10/11 = \$1,500,000 (or a resulting net profit of \$7,866)

In the first year of the initial Term, to the extent the actual improvement achieved in the Fiscal Year is less than the Required Improvement, as set forth above, the City will draw against the \$500,000 Letter of Credit (LOC) provided by Global for any difference between the Required Improvement and the actual improvement. The contract also allows Global to bank or apply any excess improvement from year one to any shortfall of their required improvement in year two (up to the value of their Incentive Pay). A copy of the relevant section of the Global Agreement regarding Required Improvements is attached for your reference. As noted, the Line of Credit provides a venue for the City to collect if there are subsequent shortfalls on their Required Improvements.

FISCAL YEAR 2008/2009 – OPERATIONAL HIGHLIGHTS

As you know, Global Spectrum officially assumed management responsibility for the Miami Beach Convention Center (MBCC), Colony Theatre and Byron Carlyle Theater on October 1, 2008. Global originally successfully transitioned 63 of the 77 full-time employees (81%).

The transition of management was seamless and without any interruption to services. In fact, International BoatBuilders' Exhibition and Conference (IBEX), the first event in the building following the transition, sent Global Spectrum a letter commending them on their efforts and its contribution toward a successful show. Global dealt with a significant power failure in Hall C during IBEX and successfully provided temporary power for the show.

The MBCC operated at 61% occupancy for fiscal year 2008/2009. This includes more than 659,970 people in attendance at 109 events. The MBCC experienced very few cancellations as a result of the economic downturn. However, several events reduced the amount of square footage being rented, which resulted in a reduction in rental revenue. Additionally, service revenue (food and beverage, electric, A/V, etc) was lower than anticipated. Simultaneously, Global Spectrum has been able to achieve significant savings in insurance, energy management and "Green" initiatives, trash hauling, and event labor. They have also been able to generate additional revenue in ATM fee and sponsorship/advertising agreements. These measures have helped to offset the aforementioned revenue decreases.

The "Green" Initiatives implemented by Global Spectrum included "Step Up" program logos placed on light switches and computers reminding employees to reduce energy when not in use; programming of major mechanical control functions for energy reduction; single stream recycling program; and the purchasing of green janitorial cleaning supplies, toilet tissue, paper towels and hand soap. They worked closely with Centerplate to ensure that they are utilizing recyclable products in regards to utensils, disposable plates and paper products. This effort has already yielded significant results; over 10 tons of recyclable materials were diverted from landfills since October 2008. In December, January and February, Global reduced electrical consumption by 32%, 23%, and 15% in each month respectively when compared to consumption for the same month in the prior year. Global projects a savings of approximately \$250,000 in electricity consumption through the end of the current fiscal year.

Global Spectrum, in partnership with Messe Schweiz (MCH), developed new collateral material, which outlines the business industry and related selling points strictly devoted to the European market. MCH also launched additional web pages within their website that includes sales brochures and additional information regarding the MBCC and the destination. This effort has resulted in four (4) new leads generated by MCH.

Since the transition, Global has also made a number of other changes/improvements. The following list provides a highlight of those change/improvements:

- Developed and introduced fourteen (14) new Standard Operating Procedures to ensure safety regulations and facility control standards are met.
- Set up a series of quarterly meetings with the users of the facility, as well as the service providers of the building, to open the lines of communication among all interested parties.
- Created an enhanced Miami Beach Convention Center website, www.MiamiBeachConvention.com, designed specifically for show organizers, exhibitors, and our attendees.
- Created a monthly newsletter distributed throughout the local and regional business community.
- Developed an event organizer marketing guide. This guide educates potential clients about grassroots marketing, cross promotions, public relations, sponsorships, and the MBCC in-house advertising agency. Collaboration with event clients to promote events and the MBCC, including front page article regarding the Miami International Boat Show in the SunPost, live morning show opportunities for the Miami Tattoo Show on ABC10, cross promotions for the Original Miami Beach Antique Show with the American Airlines Arena, and mentions in TradeShow Week magazine.
- Quarterly senior citizens dances: Global Spectrum teamed up with Miami Beach Parks and Recreation to host the first event in December with over 300 attendees. A total of four senior events were hosted in the fiscal year.
- Established a relationship with Front Row Marketing to develop sponsorship revenue for the MBCC. For FY/2009, the Miami Beach Convention Center has numerous strong leads and realized \$80,024.67 in sponsorship revenues.
- A major enhancement as it relates to marketing within the Miami Beach Convention Center is our plasma screen project. This project entailed installing 17 plasma screens near high traffic areas throughout the Convention Center. These screens have allowed us to provide our event organizers and attendees' with valuable information regarding the schedule and location of

- seminars and/or exhibits, information regarding local eateries and areas of entertainment and will soon show the status of flight information from the Miami International Airport.
- Hosted a bridal showcase/open house on January 17, 2009. Invited area bridal industry vendors, potential customers and hired a photographer to take pictures of the ballroom in a wedding setting, which has been used in the newly developed social/catering brochure.
 - Substantial direct marketing campaign targeting area corporations, charity organizations, third party meeting planners.
 - Detailed field verification inspections have been performed on all mechanical and electrical systems/components in the facility. All preventive maintenance is being routinely scheduled.
 - All funded fiscal year 2008-09 capital projects are in progress.

These activities resulted in the following Net Operating Income:

	Oct – Sept BUDGET	Oct - Sept ACTUAL	Variance
Total Revenue	\$19,044,604	\$16,866,474	(\$2,178,130)
Total Expenses	\$20,536,738	\$18,012,816	\$2,523,922
Net Operating Income/(Loss)	(\$1,492,134)	(\$1,146,342)	(\$345,792)

** Please note: Net Operating Income does not include transition costs or non-operating (City) revenues or expenses that are part of the MBCC Enterprise Fund.*

Global Spectrum improved the Net Operating Loss for the facility by \$345,792. However, as part of the year-end close-out, there were several adjustments regarding interest income, transition expenses, and other miscellaneous financial items, which materialized throughout the 2008/09 fiscal year and were presented for discussion. These adjustments net out to a further adjustment to the “Actual” Net Operating Income/Loss of \$27,009.66. As such, Global’s improvement is adjusted to \$372,801.66, prior to any further, negotiated credits (as explained below).

Interest Income

The year-end closeout reflected a revenue shortfall for interest earnings. There are two components to the interest shortfall as compared to the budget that Global Spectrum discussed with the City. The first compares FY2008’s budgeted Interest Income figure of \$113,000 and the actual interest earned of \$56,549 for that fiscal year. This is a shortfall in FY2008 of \$56,451, or close to half of what was budgeted. In addition, the FY 2009 budget for interest income was increased from \$113,000 to \$132,250. Global Spectrum requested a credit of roughly \$75,701, which is the difference between FY2008 actual interest earned (\$56,549) and what was budgeted for FY2009 (\$132,250). However, during their due diligence period prior to contract commencement, Global Spectrum was provided an opportunity to review the Center’s FY 08/09 budget. As such, the City believes Global Spectrum had an opportunity during contract negotiations to test all assumptions, including projected interest earnings. For this reason, the City Administration does not recommend authorizing a credit for this component of the interest shortfall.

The second component of the interest shortfall was due to the transfer of the Center’s bank accounts to SunTrust. Under the umbrella of the City of Miami Beach, there are certain restrictions for investment opportunities within each account that were not present previously when the accounts were with CitiBank. Looking at the actual interest earned last year and the actual interest earned this year, there is an additional shortfall of \$50,301.20 that can be attributed to this issue. The City Administration agrees that the change in banks from CitiBank to SunTrust was unforeseen and beyond the control of Global Spectrum. Therefore, the City Administration recommends issuing a credit to Global Spectrum for this component of the interest shortfall.

In summary, the adopted FY 08/09 Convention Center budget included Interest Income projected at \$132,250. In comparing the actual interest earned in FY2008 and the actual interest earned in FY2009, the variance is \$50,301.20.

Issuing a credit for the variance would adjust the initial budget Global Spectrum is to improve upon from an operating loss of \$1,492,134 to an operating loss of \$1,542,435. The adjusted Required Improvement for Year One would be an improvement to a loss of \$1,042,435, for Year Two an improvement to a loss of \$542,435, and for Year Three an improvement to a loss of \$42,435. ***It is important to note that Global Spectrum's obligations as to the Required Improvement (Year one- \$500,000; Year two - \$1 million; Year three - \$1.5 million) are not impacted or changed.***

Transition

Global Spectrum submitted a request for the City to absorb within the MBCC Operating Account expenses associated with the transition of management from SMG to Global Spectrum. The City Administration did not approve this request and, therefore, Global Spectrum will absorb these expenses. The attached transition schedule details \$237,620.35 of transition related expenses that have been paid from the MBCC Operating Account. The MBCC Finance Department will now invoice Global Spectrum for \$237,620.35 and list this as a pending Account Receivable.

Plasma Televisions

On August 9, 2009, the City and Global Spectrum executed a Letter Agreement (see attached) whereby Global Spectrum advanced funds for the purchase of plasma televisions for the MBCC to generate sponsorship/advertising revenue. The advance totaled \$199,635.06 for seventeen (17) plasma televisions, media players, mounting equipment hardware, digital signal software and installation. Global Spectrum was to be repaid for the advanced funds from the net revenue derived from advertising sales on the televisions over three (3) years, up to \$99,817.53 annually. All advertising revenue in excess of the \$99,817.53 in a single fiscal year would be considered operating revenue of the MBCC.

The City now owns this equipment, so these items will be added to the asset inventory list for the MBCC. Additionally, in FY2010 the MBCC's repayment of the advance funding for the televisions and associated equipment will be listed as an Account Payable from the MBCC Operating Account to Global Spectrum.

Prior Year Adjustments And Miscellaneous Items

In April of 2009, the City authorized a rent credit to the National Marine Manufacturers Association (Boat Show) totaling \$236,040 for rent overpayment from 2002 – 2005, contract years that pre-date the current Agreement with Global Spectrum. The rent credit is to be issued in five equal installments of \$47,208 from 2009 – 2013. The first installment was issued in 2009 and was recorded as a reduction to the Rent Revenue on the Income Statement. The 2010 installment is listed on the attached Balance Sheet under Current Liabilities, and the final three installments are also listed on the Balance Sheet under Long Term Liabilities. The FY 2009 Net Operating Budget Improvement should also be adjusted for the Boat Show Rent Credit, as these credits should have been posted prior to FY09-13.

Additionally, the FY 2009 Income Statement shows Prior Year (FY 2008) Expenses and Revenue that were realized in FY 2009. The FY 2009 Net Operating Budget Improvement should also be adjusted to reflect these Prior Year Expenses and Revenues.

You can find a detailed summary of all FY 2009 Adjustments in Exhibit A.

Messe Schweiz (M.S.) Guarantee

The Management Agreement also has a requirement for M.S., in partnership with Global Spectrum, within the initial term and subject to the existing booking policies and commercial viability, book the following:

1. Use best efforts to book and actualize, one (1) M.S. owned show or event during the initial term of the Agreement.
2. Use best efforts to book and actualize during the initial term of the Agreement, which can occur after the initial Term, one (1) (non-M.S. owned) international show or event.

Global Spectrum provides a Corporate Guarantee, on behalf of M.S., in the amount of \$275,000 for the City to draw upon if, notwithstanding M.S. "best efforts," as provided for in the Management Agreement, M.S. fails to book and actualize shows or events. The Management Agreement structures the M.S. Guarantee as follows:

1. If M.S. does not book and actualize one M.S. produced/owned show or event by the end of the second Contract Year then \$125,000 is due to the City.
2. If the M.S. produced/owned show or event, which is required to be booked and actualized by the end of the second Contract Year, is not booked and actualized by the end of the second Contract Year or by the end of the third Contract Year an additional \$125,000 is due to the City.
3. If M.S. does not book during the initial Term one non-M.S. produced/owned international show or event, an additional \$25,000 is due to the City. This show or event may be actualized at any time up to 24 months following the end of the Term provided that, during such period, the Corporate Guarantee provided by Global to secure this obligation remains in effect, unaffected by the termination or expiration of this Agreement.

Global Spectrum recently notified the City Administration that despite best efforts from M.S. and Global Spectrum, due to the state of the global economy, they have not yet been able to book an M.S. owned/produced show or non-M.S. show. The execution of the Management Agreement coincided with the worldwide recession, which contributed to their inability to book the show. Therefore, Global Spectrum has requested the deadline, which requires them to book and actualize an M.S. owned/produced show by the end of the second contract year (September 30, 2010) be pushed back to the end of the third contract year (September 30, 2011). Essentially, this would require Global and M.S. to book and produce the M.S. owned/produced show by the end of the initial contact term. If they do not achieve this, the penalty would be \$250,000 paid to the City at the end of the initial term. The requirement for the non-M.S. show would not change.

This requirement was included in the Management Agreement in an effort to have M.S. produce another show at the Miami Beach Convention Center that could grow and develop into an annual event similar to Art Basel Miami Beach, not to collect on the financial penalty. It is anticipated that this type of recurring show would have a greater long-term economic impact to the Convention Center and the City than any financial penalty the City would collect. It is with that goal in mind that the City Administration recommends the aforementioned amendment to the Management Agreement.

MANAGEMENT AGREEMENT AMENDMENT

Based on the aforementioned, the Administration recommends amending the Section 8.4 (b) (3), entitled Letter of Credit as follows:

3) Letter of Credit. Global shall provide an irrevocable Letter of Credit, in such form as shall reasonably be approved by the City Manager, in the amount of \$500,000 (the Letter of Credit or LOC), to secure the "Net Performance Improvement," as defined below.

- A. "Net Performance Improvement" is defined as the Required Improvement on the Fiscal Year (FY) 08/09 budgeted net deficit of ~~\$1,542,435~~ \$1,492,134, which includes both the FY08/09 budgeted net operating deficit and includes Executive Salaries and Benefits.

- B. Required Improvement over the net deficit of ~~\$1,492,134~~ \$1,542,435 for each Contract Year is as follows:
- (i) FY 08/09 = \$ 500,000 (i.e., achieve Net Operating Loss of ~~\$992,134~~ \$1,042,435 or better)
 - (ii) FY 09/10 = \$1,000,000 (i.e., achieve Net Operating Loss of ~~\$492,134~~ \$542,435 or better)
 - (iii) FY 10/11 = \$1,500,000 (i.e., achieve a Net Operating ~~Profit~~ Loss of ~~\$7,866~~ \$42,435 or better)

The requirement for Global Spectrum to make a \$500,000, \$1,000,000 and \$1,500,000 improvement over the net deficit does not change. The adjustment is only to the starting net deficit amount.

Based on the aforementioned, the Administration also recommends amending the Section 8.4 (b) (2), entitled Messe Schweiz (M.S.) Guarantee as follows:

2) Messe Schweiz (M.S.) Guarantee. Global shall provide a Corporate Guarantee, on behalf of M.S., in such form as shall reasonably be approved by the City Manager, in the amount of \$275,000 (M.S. Guarantee), for the City to draw upon if , notwithstanding M.S. "best efforts," as provided for in Sections 10.2(c)(3)(e)(1) and (2), M.S. fails to book and actualize shows or events (as defined in Section 10.2(c)(3) hereof), as follows:

- A. ~~\$125,000~~ \$250,000 due to the City in event M.S. does not book and actualize one M.S. produced/owned show or event by the end of the ~~second~~ third Contract Year;
- B. ~~An additional \$125,000 if (i) the MS produced/owned show or event that is required to be booked and actualized by the end of the second Contract Year (as described in the preceding paragraph) is not so booked and actualized by the end of the second Contract Year, AND (ii) MS does not book and actualize one M.S. produced/owned show or event by the end of the third Contract Year.~~ For the sake of clarity, the parties acknowledge that if MS books and actualizes one MS produced/owned show or event by the end of the second Contract Year, M.S. shall have no further obligation to book and actualize any MS produced/owned show or event during the Term, and Global shall not be subject to any penalty under Section 8.4(b)(2)(A) or (B) if M.S. fails to book and actualize any additional MS produced/owned show or event during the Term.
- C. \$25,000 in event M.S. does not book during the initial Term one non-M.S. produced/owned international show or event; this show or event may be actualized at any time up to 24 months following the end of the Term provided that, during such period, the Corporate Guarantee provided by Global to secure this obligation remains in effect, unaffected by the termination or expiration of this Agreement;

FINAL ADJUSTED IMPROVEMENTS

The proposed amendment adjusts the starting Net deficit (from which Global must improve) by \$50,301.20, from \$1,492,134 to \$1,542,435. Global Spectrum ended the year with \$1,146,342 in net operating loss, adjusted by \$27,009.66 (or a total of \$1,119,332.34). The difference between Global's final, adjusted net operating loss (\$1,119,332.34) and the adjusted contracted loss (\$1,542,435.20) is \$423,102.86. The required improvement is \$500,000. Therefore, Global Spectrum is required to pay the City \$76,897.14, less any bad debt reserved for and subsequently collected (either as a payment or as a deduction from their Line of Credit).

ADMINISTRATION RECOMMENDATION

The Administration recommends that the Mayor and Commission approve an Amendment to the Management Agreement between the City and Global Spectrum to reflect mutually agreed-upon adjustments, as described.

JMG\HMF\MAS

The Miami Beach Convention Center

EXHIBIT A

Results of Operations

FY 2009

Summary		
Loss per Statement, September 30, 2009		(1,146,342.00)
<i>Add Back:</i>	Prior Year Expenses	115,225.59
<i>Deduct:</i>	Prior Year Revenues	<u>(135,423.93)</u>
	Prior Year Net Adjustment:	(20,198.34)
<i>Add Back:</i>	1st Installment of NMMA Refund (In Event Rent Revenue)	47,208.00
	Net Adjustment to 2009 Operating Results:	<u>27,009.66</u>
	Adjusted 2009 Operating Results:	(1,119,332.34)
Original 2009 Contracted Net Income/(Loss):		(1,492,134.00)
	<i>Interest Income Credit:</i>	<u>(50,301.20)</u>
	Adjusted Contracted Net Income/(Loss):	<u>(1,542,435.20)</u>
	Final 2009 Operating Budget Improvement:	423,102.86
	2009 Improvement Guarantee:	<u>500,000.00</u>
	Improvement Shortfall:	<u>(76,897.14)</u>
	(Due from Global Spectrum to CMB)	
Payment to CMB		
	Bad Debt Allowance (will be paid as of outstanding balance at April 1):	76,220.72
	Remaining Operating Shortfall to be paid :	676.42
		<u>76,897.14</u>

The Miami Beach Convention Center

Prior Year Expenses
FY 2009

Prior Year Adjustments		
Ending Balance 2008 - Due From CMB		5,639.92
Ending Balance 2008 - Due From Freeman		9,394.77
Invoices for 2008 Recorded in 2009		
McCloskey #27440	1,455.00	
SMG #041038	144.00	
SMG #041039	228.00	
Brinks #2133800007	323.47	
Niffisk #10000845	245.25	
Niffisk #11436962	189.00	
PR Press #45348	238.00	
		<u>2,822.72</u>
Items listed as DITs, not deposited		
DIT	89.10	
DIT	37.00	
DIT	5.00	
DIT	20.00	
		<u>151.10</u>
Prior Year Corrections		
MPoint - Settled	7,274.00	
IADB - Settled	3,016.04	
Smartsourc - Prev Paid	5,800.00	
Telecom Comm - Shoe Market	875.00	
Momentum Dance Co.	274.01	
Legal Fees - Over Accrued	(350.00)	
Electric Comm - Home Show	54.00	
Collection Agency Fee - 08	50.00	
Brinks #2190720007	5.20	
Dots IQ - Write Off	1,046.63	
Fillmore Billing - Sept 08	(2,751.76)	
		<u>15,293.12</u>
New World September 08 Billing - Allowance		37,762.31
Add 2008 Accounts to A/R Allowance		
Almur Advertising	456.75	
Spine Arthroplasty	971.31	
Dramarama	1,471.00	
Fillmore	2,249.42	
Florida Dance Assoc.	982.88	
IBEX	200.00	
Maritz	209.00	
Memphis Cook CC	1,065.29	
Miami Center Cosmetic Implant	552.00	
Momentum Dance Co.	2,772.77	
New World Symphony	15,319.67	
Smartsourc	3,686.00	
Trafik	3,686.87	
Unity Entertainment	300.00	
Remove 2008 Accounts from A/R Allowance		
Kruse International	(11,519.05)	
Barion G	(10,339.50)	
Edison Electric	(200.00)	
HBO	(200.00)	
Spectrum A/V	(3,547.00)	
Starpower	(3,325.80)	
iBots	(100.00)	
Mnx Dance Co.	(660.00)	
Miami Dnde Chiefs Assoc	119.00	
World Net Media	(327.40)	
		<u>3,823.21</u>
2008 Accrued Payroll		
Benefits Withheld	(1,817.41)	
401k	28,257.11	
401k	10,443.87	
		<u>36,883.57</u>
Balance of 2008 A/R, not actual		
CLIO	0.01	
Flashpoint	4,609.00	
Maximum Dance Co.	(120.00)	
Maximum Dance Co.	(420.00)	
Maximum Dance Co.	(120.00)	
Miami Dnde College	(234.00)	
NRL East LLC	(1,232.25)	
Segnfredo	(920.48)	
Miami Beach Shoe Market	0.01	
SMG	0.04	
Spectrum A/V	886.76	
World Literacy Crusade	0.80	
Centerplate	276.00	
Centerplate	728.98	
		<u>3,454.87</u>
Total Adjustment		<u><u>115,225.59</u></u>

The Miami Beach Convention Center

Prior Year Revenues

FY 2009

Prior Year Adjustments		
Ending Balance 2008, plus pmt - A/R Centerplate		107,553.65
Ending Balance 2008, plus pmt - A/R Smartsource		4,193.78
Ending Balance 2008, plus pmt - A/R Priority Networks		2,061.63
Ending Balance 2008, plus pmt - A/R Edlen		273.00
Ending Balance 2008, plus pmt - A/R Tri City		192.53
Items Recorded in 2009 for 2008		
Daktronics Refund	450.00	
Segafreddo Billing	1,136.12	
Ticketmaster Rebate	<u>3.60</u>	
		1,589.72
Ending Balances 2008		
Benefits	669.97	
Accrued Other	2,181.39	
Deferred Tickets	362.61	
Event Liability	<u>8,868.27</u>	
		12,082.24
Accrued Expenses - Reversed		
Waste Management	(1,060.00)	
Antique Show	(1,350.00)	
City of Miami beach	(292.50)	
Women In Charge	(300.00)	
Women In Charge	(65.00)	
Trafik Trade	(660.00)	
Tetra Pak	(210.00)	
Accrued Expenses - Not Incurred		
Marsh (WC Insurance)	10,223.00	
SMG (Promoter Liability Ins)	100.00	
SMG (Promoter Liability Ins)	100.00	
SMG (Promoter Liability Ins)	432.00	
SMG (Promoter Liability Ins)	100.00	
SMG (Promoter Liability Ins)	117.60	
SMG (Promoter Liability Ins)	144.00	
SMG (Promoter Liability Ins)	<u>110.40</u>	
		7,389.50
2008 Sales Tax Discount - Not Recorded		
August	55.67	
September	32.19	
Sales Tax Adjustments	<u>0.02</u>	
		87.88
Total Adjustment		<u><u>135,423.93</u></u>

**Miami Beach Convention Center
BALANCE SHEET**

September 30, 2009

ASSETS

CURRENT ASSETS		
Cash - MBCC Operating	\$211,500	
Cash - MBCC Escrow	1,689,996	
Cash - MBCC Box Office	70,436	
Cash - Theater Box Office	138,396	
Cash - Theater Escrow	24,100	
Cash - Petty Cash	300	
Cash - Box Office Change Funds	760	
Accounts Receivable	513,919	
A/R - Third Party Vendors	474,183	
A/R - GMB	33,520	
A/R - GMB Funding	229,538	
A/R - GMB Theaters	12,897	
A/R - Miscellaneous	2,604	
Allowance for Bad Debt	(184,717)	
Prepaid Expenses	314,240	
Due From Ticketmaster	17,988	
TOTAL CURRENT ASSETS		3,549,660
FIXED ASSETS		
TOTAL ASSETS		<u>3,549,660</u>

LIABILITIES AND EQUITY

CURRENT LIABILITIES		
Accounts Payable	208,990	
Due to Ticketmaster	121	
Due to NMMA	47,208	
Accrued Expenses	189,775	
Accrued Payroll	113,376	
Accrued Benefits Payable	11,767	
State Checks	26,150	
Sales & Use Tax Payable	42,112	
Advance Deposits - MBCC	1,872,871	
Advance Deposits - Theater Escrow	33,371	
Event Liabilities	34,544	
Advertising / Sponsorships	59,397	
City Funding	31,484	
TOTAL CURRENT LIABILITIES		2,671,166
LONG TERM LIABILITIES	141,624	
TOTAL LONG TERM LIABILITIES		<u>141,624</u>
TOTAL LIABILITIES		2,812,790
EQUITY		
Retained Earnings - Prior	330,594	
City Funding	1,552,817	
Retained Earnings - Current	(1,140,341)	
TOTAL EQUITY		736,870
TOTAL LIABILITIES AND EQUITY		<u>3,549,660</u>

Miami Beach Convention Center
MBCC- GROSS INCOME STATEMENT
For the Twelve Periods Ended September 30, 2009

	September 2009			October 2008 - September 2009		
	Actual	Budget	Budget Var	Actual	Budget	Budget Var
GROSS OPERATING REVENUE						
RENTAL REVENUE	\$277,528	\$488,020	(\$211,094)	\$4,287,897	\$4,799,372	(\$511,475)
TOTAL RENTAL REVENUE	277,528	488,020	(211,094)	4,287,897	4,799,372	(511,475)
SERVICE REVENUE						
MARKETING SERVICES	0	0	0	9,694	0	9,694
GUEST SERVICES	27,920	52,244	(24,324)	743,713	722,484	21,229
TICKET OFFICE	9,331	8,992	339	107,393	143,003	(35,670)
OPERATIONS LABOR	0	23,688	(23,688)	1,268	579,900	(578,632)
STAGEHAND LABOR	39,393	0	39,393	1,169,389	119,331	1,050,058
CLEANING BILLED	5,786	500	5,286	81,149	99,990	(18,841)
EQUIPMENT RENTAL	12,200	0	12,200	94,396	0	94,396
ELECTRIC BILLED	231,217	202,767	28,450	3,644,067	3,780,157	(136,090)
TELECOMM BILLED	60,060	88,829	(28,769)	784,090	1,018,643	(234,553)
UTILITIES BILLED	3,250	3,200	60	25,436	22,660	2,776
INSURANCE BILLED	685	1,600	(915)	12,728	5,386	7,342
DAMAGES BILLED	2,620	1,360	1,270	13,141	27,510	(14,369)
OTHER SERVICES BILLED	1,777	10,400	(8,623)	53,090	82,261	(9,201)
TOTAL SERVICE REVENUE	394,239	393,570	669	6,728,554	6,681,475	147,079
ANCILLARY REVENUE						
CATERING REVENUE	200,999	190,588	4,411	3,053,427	3,704,877	(651,450)
CONCESSIONS REVENUE	89,078	114,059	(24,981)	2,156,950	3,418,255	(1,262,305)
AV THIRD PARTY REVENUE	17,888	18,360	1,338	331,914	232,176	99,739
TOTAL ANCILLARY REVENUE	307,765	326,907	(19,232)	5,542,291	7,356,307	(1,814,016)
TOTAL GROSS OPERATING REVENUE	978,530	1,208,187	(229,657)	16,558,742	18,737,154	(2,178,412)
OTHER REVENUE						
ADVERTISING & SPONSORSHIP	10,150	11,265	(1,115)	80,025	135,200	(55,175)
CANCELLATION FEES	41,826	0	41,826	49,326	0	49,326
INTEREST AND DIVIDENDS	520	11,019	(10,499)	6,248	182,250	(176,002)
TICKETMASTER REBATE	(713)	0	(713)	5,892	0	5,892
MISC REVENUE	4,869	3,335	1,334	31,018	40,000	(8,982)
PRIOR YEAR REVENUE	135,424	0	135,424	135,424	0	135,424
TOTAL OTHER REVENUE	191,875	25,619	166,256	307,732	307,450	282
TOTAL GROSS REVENUE	1,171,405	1,234,806	(63,401)	16,866,474	19,044,604	(2,178,130)
SERVICE EXPENSE						
GUEST SERVICES EXPENSE	27,882	34,969	7,087	707,585	831,753	(124,168)
TICKET OFFICE EXPENSE	5,076	8,971	3,895	74,285	84,285	(10,000)
OPERATIONS LABOR EXPENSE	5,513	92,345	86,832	245,472	1,130,840	(885,368)
STAGEHAND LABOR EXPENSE	37,807	0	(37,807)	1,051,138	101,430	(949,708)
CLEANING EXPENSE	5,957	30,042	24,085	282,068	370,358	(88,290)
ELECTRIC EXPENSE	165,513	141,937	(23,576)	2,915,322	2,648,332	(267,000)
TELECOMM EXPENSE	39,820	57,737	17,917	537,831	683,247	(145,416)
INSURANCE EXPENSE	(93)	1,440	1,533	8,721	3,990	(4,731)
DAMAGES EXPENSE	0	0	0	0	20,797	20,797
OTHER SERVICES EXPENSE	10,484	0	(10,484)	59,993	22,578	(37,415)
TOTAL SERVICE EXPENSE	317,758	365,441	47,683	5,882,725	5,655,408	(227,317)
ANCILLARY EXPENSE						
CATERING COSTS	151,533	146,458	(5,075)	2,289,843	2,760,334	(470,491)
CONCESSIONS COSTS	65,876	84,974	19,098	1,598,919	2,547,350	(948,431)
AV THIRD PARTY COSTS	13,553	13,080	(473)	277,371	185,740	(91,631)
TOTAL ANCILLARY EXPENSES	230,962	244,512	13,550	4,166,133	5,493,424	(1,327,291)
TOTAL EVENT EXPENSES	548,720	609,953	61,233	10,048,858	11,148,832	(1,100,000)
TOTAL NET EVENT INCOME	430,808	599,234	(168,426)	6,520,884	7,588,322	(1,067,438)
TOTAL NET EVENT AND OTHER INCOME	822,883	824,853	(2,170)	8,837,818	7,895,772	(942,046)

Miami Beach Convention Center
MBCC- GROSS INCOME STATEMENT
For the Twelve Periods Ended September 30, 2009

	September 2009			October 2008 - September 2009		
	Actual	Budget	Budget Var	Actual	Budget	Budget Var
EXPENSES						
PERSONNEL EXPENSES						
SALARIES	\$284,011	\$287,288	\$3,275	\$3,089,811	\$3,474,657	\$375,046
PART TIME	66,736	1,915	(64,821)	515,453	24,888	(490,570)
EMPLOYEE BENEFITS	41,042	72,187	31,145	510,820	874,244	363,824
PAYROLL TAXES	25,483	23,848	(1,647)	380,842	307,357	(73,476)
TEMPORARY LABOR	721	0	(721)	242,210	0	(242,210)
CONTRACTED LABOR	4,431	0	(4,431)	51,362	0	(51,362)
STAGEHAND LABOR	19,727	0	(19,727)	958,615	0	(958,615)
ALLOCATION TO EVENTS	(50,100)	(28,494)	21,606	(1,000,507)	(370,388)	1,518,109
TOTAL PERSONNEL EXPENSES	372,081	336,540	(35,521)	3,070,201	4,310,758	440,557
OPERATING EXPENSES						
ADVERTISING	12	5,750	5,738	14,505	89,000	54,495
AUTOMOBILE SERVICES	0	650	650	0	7,800	7,800
BAD DEBT EXPENSE	75,124	2,004	(73,040)	70,223	25,000	(51,223)
BUILDING SUPPLIES	(3,833)	19,276	22,909	222,299	231,354	9,055
COMPUTER SERVICES	1,370	0	(1,370)	3,034	0	(3,034)
CONSULTING & PROFESSIONAL FEES	1,873	0	(1,873)	15,504	0	(15,504)
CONTRACTED SERVICES	(5,583)	6,041	11,834	72,498	72,514	18
DATA PROCESSING	6,027	5,893	(134)	62,695	70,765	8,070
DUES & SUBSCRIPTIONS	512	589	77	4,990	7,025	2,035
EQUIPMENT AND SUPPLY RENTAL	(2,088)	3,984	6,052	24,157	47,581	23,404
EQUIPMENT MAINTENANCE AGREEMENT	26,102	33,088	3,996	261,241	367,172	135,931
GOOD & WELFARE	2,915	0	(2,915)	4,782	0	(4,782)
INSURANCE	17,194	21,639	4,445	206,193	317,118	110,925
INTERNET	720	0	(720)	959	0	(959)
LICENSES AND PERMITS	233	125	(108)	890	1,600	810
MEETINGS AND CONFERENCES	9,505	2,412	(7,093)	24,818	29,000	4,384
OFFICE SUPPLIES AND POSTAGE	1,079	3,318	2,239	22,800	39,823	17,223
PRINTING	391	2,817	2,426	24,635	33,621	9,186
PROMOTIONS	0	0	0	434	0	(434)
RECRUITMENT AND RELOCATION	0	125	125	440	1,600	1,060
REPAIRS AND MAINTENANCE	49,177	13,408	(35,771)	190,298	160,837	(29,461)
TELEPHONE	5,986	2,675	(3,221)	50,082	32,080	(18,012)
TOOLS/EQUIPMENT	165	0	(165)	1,238	0	(1,238)
TRAINING	120	418	298	2,732	5,000	2,268
TRASH HAULING	14,171	18,945	4,774	174,625	227,333	52,708
TRAVEL AND ENTERTAINMENT	3,111	4,146	1,035	23,765	49,750	25,985
UNIFORMS	2,586	1,088	(1,502)	18,573	13,012	(5,561)
UTILITIES	153,024	184,934	11,910	1,977,378	1,983,575	6,197
UTILITIES ALLOCATIONS	(23,861)	0	23,861	(384,475)	0	384,475
BILL BACKS	(26,754)	0	26,754	(210,840)	0	210,840
PRIOR YEAR EXP	50,779	0	(50,779)	115,228	0	(115,228)
TOTAL OPERATING EXPENSES	363,350	313,381	(49,969)	3,021,305	3,822,540	801,235
TOTAL EXPENSES	735,420	649,931	(85,489)	6,891,506	8,133,298	1,241,792
OPERATING INCOME/(LOSS)	(112,737)	(25,078)	(87,659)	(53,890)	(237,626)	183,636
CITY - CENTRAL SERVICES	289	2,887	2,598	8,348	34,848	28,300
CITY - FLEET MANAGEMENT	423	650	227	8,106	7,800	(306)
CITY - INSURANCE	70,109	70,942	833	841,307	851,307	10,000
CITY - COMPUTERS	17,404	16,673	(731)	208,043	200,077	(8,766)
CITY - ELECTRICAL	(57,155)	13,398	70,553	23,522	160,776	137,254
CITY - PHONE	(395)	0	395	4,326	0	(4,326)
TOTAL CITY BILL	30,875	104,550	73,675	1,092,452	1,264,808	102,156
OPERATING INCOME (LOSS)	(143,112)	(129,628)	(13,784)	(1,146,342)	(1,492,134)	345,792
TRANSITION COSTS	(239,443)	0	239,443	0	0	0
NET INCOME (LOSS)	96,031	(129,628)	225,659	(1,146,342)	(1,492,134)	345,792
STATISTICS						
NUMBER OF EVENTS	12	10	2	109	68	41
NUMBER OF EVENT DAYS	48	0	48	447	0	447
ATTENDANCE	43,402	80,000	(16,508)	859,971	759,600	(98,629)
NET SQ FOOTAGE	387,584	0	387,584	4,352,947	10,503,750	(8,150,803)

The Miami Beach Convention Center

Interest Revenue

FY's 2008, 2009

FY2008														
Month	MBCC						Theaters						Total	
	Operating	Avg	Escrow	Avg	Box Off.	Avg	Operating	Avg	Escrow	Avg	Box Off.	Avg		
October-07	1,470.83	3.89%	7,618.41	3.89%	0.00	0.00%	0.00	0.00%	11.26	0.35%	47.80	0.35%	9,148.30	
November-07	1,261.35	3.65%	6,226.01	3.66%	0.00	0.00%	0.00	0.00%	13.02	0.35%	68.61	0.35%	7,568.99	
December-07	3,627.97	3.46%	6,505.32	3.47%	0.00	0.00%	374.15	3.47%	13.11	0.35%	98.49	0.35%	10,619.04	
January-08	2,849.15	3.05%	5,885.45	3.05%	0.00	0.00%	444.24	3.05%	10.64	0.35%	74.33	0.35%	9,263.81	
February-08	894.10	2.10%	3,376.68	2.10%	0.00	0.00%	445.25	2.10%	6.93	0.35%	42.35	0.35%	4,765.31	
March-08	1,014.44	1.66%	2,838.93	1.66%	0.00	0.00%	533.00	1.66%	5.20	0.35%	14.43	0.35%	4,406.00	
April-08	771.20	1.07%	1,782.65	1.07%	0.00	0.00%	386.95	1.07%	2.92	0.35%	4.96	0.35%	2,948.68	
May-08	689.32	0.72%	1,095.60	0.72%	0.00	0.00%	283.35	0.72%	3.01	0.35%	12.78	0.35%	2,084.06	
June-08	176.23	0.68%	1,021.88	0.68%	0.00	0.00%	286.89	0.68%	10.09	1.00%	29.94	1.00%	1,525.03	
July-08	265.37	0.73%	1,071.21	0.73%	0.00	0.00%	159.32	0.73%	16.93	1.00%	66.27	1.00%	1,579.10	
August-08	149.31	0.70%	1,075.16	0.70%	0.00	0.00%	0.00	0.00%	20.32	1.00%	62.93	1.00%	1,307.72	
September-08	100.54	0.66%	1,169.09	0.66%	0.00	0.00%	0.00	0.00%	19.83	1.00%	43.48	1.00%	1,332.94	
	13,269.81		39,666.39		0.00		2,913.15		133.26		566.37		56,548.98	
													Budget	113,000.00
													Variance	(56,451.02)

FY2009														
Month	MBCC						Theaters						Total	
	Operating	Avg	Escrow	Avg	Box Off.	Avg	Operating	Avg	Escrow	Avg	Box Off.	Avg		
October-08	60.73	0.70%	1,221.55	0.75%	0.00	0.00%	0.00	0.00%	14.09	1.00%	6.19	1.00%	1,302.56	
November-08	0.00	0.00%	411.56	0.21%	0.00	0.00%	0.00	0.00%	4.65	0.25%	0.00	0.00%	416.21	
December-08	0.00	0.00%	249.00	0.16%	0.00	0.00%	0.00	0.00%	8.21	0.16%	0.00	0.00%	257.21	
January-09	0.00	0.00%	523.80	0.36%	0.00	0.00%	0.00	0.00%	27.85	0.37%	0.00	0.00%	551.65	
February-09	0.00	0.00%	464.28	0.40%	0.00	0.00%	0.00	0.00%	28.34	0.40%	0.00	0.00%	492.62	
March-09	0.00	0.00%	443.58	0.40%	0.00	0.00%	0.00	0.00%	26.65	0.40%	0.00	0.00%	470.23	
April-09	0.00	0.00%	358.08	0.40%	0.00	0.00%	0.00	0.00%	23.22	0.40%	0.00	0.00%	381.30	
May-09	0.00	0.00%	340.33	0.40%	0.00	0.00%	0.00	0.00%	20.35	0.40%	0.00	0.00%	360.68	
June-09	0.00	0.00%	426.15	0.40%	0.00	0.00%	0.00	0.00%	15.69	0.40%	0.00	0.00%	441.84	
July-09	0.00	0.00%	524.81	0.40%	0.00	0.00%	0.00	0.00%	8.47	0.40%	0.00	0.00%	533.28	
August-09	0.00	0.00%	512.94	0.40%	0.00	0.00%	0.00	0.00%	7.49	0.40%	0.00	0.00%	520.43	
September-09	0.00	0.00%	513.49	0.40%	0.00	0.00%	0.00	0.00%	6.28	0.40%	0.00	0.00%	519.77	
	60.73		5,989.57		0.00		0.00		191.29		6.19		6,247.78	
													Budget	132,250.00
													Variance	(126,002.22)

Potential Annual Budget Adjustment		
Interest Earned FY08		56,548.98
Interest Earned FY09		6,247.78
Short-fall		50,301.20

The Miami Beach Convention Center

Transition - Corporate Travel/Relocations

September 30, 2009

Employee Last	Employee First	Location	Airfare	Lodging	Meals	Car	Parking	Taxis	Travel Misc	Other	Moving	Rent/Fees	Relocate Misc	Total
Corporate/In-House Employees														
Adkinson	Larry	West Palm, FL	-	-	-	-	-	-	85.41	-	-	-	-	85.41
Anderson	Dave	West Palm, FL	-	734.44	124.41	-	102.50	-	786.12	-	-	-	-	1,747.47
Cammarota	Nicole	Philadelphia, PA	777.00	441.07	30.41	-	94.50	29.00	-	-	-	-	-	1,371.98
Church	Stacey	South Bend, IN	641.50	168.37	6.25	-	24.00	38.50	-	-	-	-	-	878.62
Coles	Julius	Philadelphia, PA	576.00	724.28	154.26	246.86	34.00	24.50	33.17	-	-	-	-	1,793.07
Condon	Pat	St. Petersburg, FL	6,275.98	16,318.36	2,432.31	-	1,871.00	1,093.90	-	-	-	-	-	27,991.55
Cook	Marquazes	West Palm, FL	-	-	-	-	25.00	-	84.83	-	-	-	-	109.83
Dean	Tracy	(St. Louis)	-	-	-	-	-	-	-	-	-	-	-	-
Dye	Denese	Cincinnati, OH	680.00	339.00	31.11	-	28.00	45.00	24.55	-	-	-	-	1,147.66
Elezko	Lauren	Philadelphia, PA	561.00	226.00	-	-	-	-	-	-	-	-	-	787.00
Higsons	Doug	Norfolk, VA	1,708.50	1,764.01	676.06	798.13	162.50	-	3.00	-	-	-	-	5,112.20
Hubert	Octavia	Philadelphia, PA	307.01	-	5.93	-	80.00	-	-	-	-	-	-	392.94
Jackson	Carolyn	Des Moines, IA	593.40	556.15	25.95	-	44.00	58.50	-	-	-	-	-	1,278.00
Jordan	Susan	Philadelphia, PA	5,843.74	4,830.28	1,167.26	195.03	459.35	582.00	37.00	-	-	-	-	13,114.66
Jurcan	Melissa	Phoenix, AZ	617.00	365.04	7.40	-	60.00	25.00	-	-	-	-	-	1,074.44
Kowalski	Mike	Philadelphia, PA	952.00	705.40	576.74	-	100.00	-	667.74	-	-	-	-	3,001.88
Miller	Lane	Philadelphia, PA	2,368.00	1,879.36	397.05	494.50	190.00	222.00	112.44	-	-	-	-	5,663.35
Mitchell	Brett	Overland Park, KS	10,786.80	6,377.09	3,524.47	2,177.34	847.50	-	134.00	-	-	-	-	23,847.20
Mobley	Tom	Bluffton, SC	2,024.00	10,552.44	3,690.01	63.47	290.00	949.00	289.13	-	-	-	-	17,858.05
Page	John	Philadelphia, PA	4,561.50	1,230.50	179.58	-	91.00	-	-	-	-	-	-	6,062.58
Ratner	Brian	Philadelphia, PA	561.00	672.35	57.22	364.45	216.00	-	8.50	-	-	-	-	1,879.52
Schwartz	Bob	Philadelphia, PA	498.20	438.22	307.11	-	60.00	-	-	-	-	-	-	1,303.53
Strafaci	Barry	Tampa, FL	895.00	910.55	269.01	659.20	137.25	-	(9.86)	-	-	-	-	2,861.15
Wajda	Ken	Philadelphia, PA	1,147.20	344.16	127.12	119.98	90.00	80.00	5.95	-	-	-	-	1,914.41
			42,374.83	49,577.07	13,789.66	5,118.96	5,006.60	3,147.40	2,261.98	-	-	-	-	121,276.50
Operation/Equipment Analysis														
Beery	Leah	Des Moines, IA	630.50	1,259.14	128.37	-	-	90.00	-	-	-	-	-	2,108.01
Klein	Robert	Philadelphia, PA	385.00	764.50	-	-	-	-	-	-	-	-	-	1,149.50
Matthews	Clive	London, ON	2,600.57	2,093.17	412.24	185.13	2.00	248.02	76.35	-	-	-	-	5,617.47
Middleton	George	Overland Park, KS	1,449.00	1,535.98	255.60	-	90.00	128.00	131.23	-	-	-	-	3,589.81
Turrell	Gary	London, ON	984.50	875.48	292.20	-	-	38.00	-	-	-	-	-	2,190.18
			6,049.57	6,528.27	1,088.41	185.13	92.00	504.02	207.58	-	-	-	-	14,654.97
MBCO Employees														
Balsam	Bob	Cincinnati, OH	3,033.57	3,053.29	174.71	780.12	17.00	120.00	-	-	-	19,400.00	100.44	26,679.13
Blainey	Isabelle	Clearwater, FL	3,000.20	2,319.95	616.24	351.56	494.21	239.00	436.80	5.74	5,010.85	5,550.00	1,097.80	19,122.35
Otto	Larry	Philadelphia, PA	1,064.50	4,965.70	1,400.56	-	-	226.00	-	-	-	12,410.00	767.85	20,834.61
Rugg	Jeff	South Bend, IN	1,649.50	1,451.35	132.77	-	21.00	338.00	-	-	4,828.82	-	-	8,421.44
Sisco	Dean	Lewiston, ME	1,690.14	3,564.25	277.12	696.08	175.00	186.00	210.90	139.50	405.15	5,250.00	154.58	12,748.72
Watson	Joyce	Houston, TX	30.00	915.30	543.30	-	-	131.70	-	-	8,722.33	3,540.00	-	13,882.63
			10,467.91	16,269.84	3,144.70	1,827.76	707.21	1,240.70	647.70	145.24	18,967.15	46,150.00	2,120.67	101,688.88
Adjustments														
			-	-	-	-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-	-	-	-
			58,892.31	72,375.18	18,022.77	7,131.85	5,805.81	4,892.12	3,117.26	145.24	18,967.15	46,150.00	2,120.67	237,620.35
			23%	30%	8%	3%	2%	2%	1%	0%	8%	19%	1%	100%



GLOBAL SPECTRUM
Managing Facilities Worldwide

6000 College Blvd
Overland Park, KS 66211
www.global-spectrum.com

August 3, 2009

City of Miami Beach
1700 Convention Center Drive
Miami Beach, FL 33139

Ladies and Gentlemen:

This correspondence is intended to serve as a Letter of Agreement Between the City of Miami Beach and Global Spectrum, L.P. ("Global Spectrum") by which Global Spectrum agrees to advance funds for the purchase of plasma televisions to be installed in the Miami Beach Convention Center.

The advanced amount will be \$199,635.06 for seventeen (17) commercial grade plasma televisions, media players, mounting hardware, digital signage software and installation.

Global Spectrum will recover its advance by taking the first dollars of net proceeds (gross proceeds less commissions) from the sale of the advertising inventory on the televisions in each fiscal year under the management agreement between the City of Miami Beach and Global Spectrum until the advance is paid back to Global Spectrum in full, provided that the maximum amount to be recovered by Global Spectrum in any fiscal year shall be \$99,817.53 (subject to increase in 2011 as set forth below). Any revenues from the television advertising inventory in excess of \$99,817.53 in a single fiscal year shall be considered operating revenue of the Miami Beach Convention Center for that year. Once Global Spectrum recovers the entire amount of \$199,635.06, then all net proceeds subsequently generated from advertising sold on the televisions will be considered operating revenue. If during fiscal year 2010 Global Spectrum is unable to obtain through sponsorship revenue the initial \$99,817.53 the remaining balance will be carried over and added to \$99,817.53 cap in 2011 so that the 2011 cap shall be adjusted upward by the amount of such shortfall.

The advertising on the systems will be sold by Front Row Marketing at a contracted rate of 15%.

In order to help achieve convention center sales goals, Global Spectrum reserves the right to defer repayment to Global Spectrum of any, or all, of this obligation into a subsequent fiscal year, in its sole discretion. In that case, any amounts deferred shall be considered operating revenue of the Miami Beach Convention Center. If the entire advance is not repaid to Global Spectrum by the end of its management term, Global Spectrum shall be entitled to receive a "buyout" of any portion of the advance that has not been repaid. This "buyout" shall be payable by the City to Global within 30 days of the contract expiration or termination, and shall be paid to Global Spectrum without setoff or deduction.

If these terms and conditions are acceptable, please sign where indicated below. Thank you for the opportunity to enhance the sales potential in the convention center.

Sincerely,

Agreed:

Brett C. Mitchell
Regional Vice President
Global Spectrum

City of Miami Beach

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MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

FINANCE & CITYWIDE PROJECTS COMMITTEE MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: 03/25/2010

SUBJECT: Fiscal Year 2010 Business Tax Receipt Renewal Process

The City Commission, in its March 10, 2010 meeting, referred this item for discussion at the Finance and Citywide Projects Committee. Below, for your review, is a summary of the annual Business Tax Receipt (BTR) renewal process.

Business Tax Receipts are annually issued in accordance with Florida Statutes Chapter 205. Chapter 205 states that BTRs are due and payable on or before September 30 of each year, and expire on September 30 of the succeeding year.

Listed below for your review is Florida Statutes Chapter 205.053 (1):

Chapter 205.053 Business tax receipts; dates due and delinquent; penalties.--

(1) All business tax receipts shall be sold by the appropriate tax collector beginning July 1 of each year, are due and payable on or before September 30 of each year, and expire on September 30 of the succeeding year. If September 30 falls on a weekend or holiday, the tax is due and payable on or before the first working day following September 30. Provisions for partial receipts may be made in the resolution or ordinance authorizing such receipts. Receipts that are not renewed when due and payable are delinquent and subject to a delinquency penalty of 10 percent for the month of October, plus an additional 5 percent penalty for each subsequent month of delinquency until paid. However, the total delinquency penalty may not exceed 25 percent of the business tax for the delinquent establishment.

BTRs are locally governed by Article V, Section 102 of the Code of the City of Miami Beach which specifically states that BTR renewals are due prior to October 1, ... "However, if the taxee does not receive a renewal notification, the taxee is responsible to renew the business tax prior to October 1 to avoid delinquent charges."

While Florida Statutes do not require renewal notices be sent out, the City, as a courtesy, has provided businesses with an individualized renewal notice on an annual basis. Currently the City sends out 8.5" by 11" BTR courtesy renewal notice generally in July or August prior to the expiration date of September 30th for BTRs. The notice is sent out with a self-addressed return envelope to assist the customer with mailing back their payment.

Renewal notices are mailed to the mailing address on file from the entities' original BTR application or an updated mailing address furnished to the City by the entity in writing. Renewal notices may be paid on-line at the City's web site, mailed to our lock-box in the self-addressed enclosed envelope included with each renewal notice mailing, mailed to the City's Finance Department, or paid at the cashier's window located in the first floor of City Hall.

Once payment for the renewal has been received, City staff review the accounts of each customer to determine if they are current on all obligations to the City in accordance with Article V, Section 102-374 of the City Code. Then if the customer is current, the City mails out the actual BTR document to the customer. If the customer is delinquent on City obligations and payment for a BTR renewal has been received, pursuant to Article V, Section 102-374 of the City Code, the City withholds the BTR document and sends a letter to the customer stating the amount due and that the delinquencies must be resolved before receiving their BTR. This has proven to be a valuable tool in assisting the City with collections of delinquent utility bills, resort tax obligations, special assessments, liens, and other payments due to the City.

The City has traditionally given customers the month of October as a grace period to pay their renewals. This is done as a courtesy to customers. In November, the Finance Department sends a list of un-renewed BTRs to the Code Compliance Division for action.

The Administration is contemplating various methods of streamlining and cutting the costs associated with the renewal process and still providing a reminder to the public. Some of the options include:

- Mailing out post card type renewal notices to save with the costs of paper, postage and envelopes; and be able to send an additional reminder notice;
- Emailing renewal notices;
- Posting an announcement in the newspaper.

Currently the City expends on an annual basis approximately \$14,000 in postage, watermarked paper and envelopes for BTRs. It is estimated that a half page advertisement in the Thursday section of a periodical, such as the Neighbors Section of the Miami Herald, would cost \$500. The same half page advertisement in the Sunday section of a periodical, such as the Neighbors Section of the Miami Herald, would cost \$600. It is estimated that savings in postage, paper and envelopes in the approximate amount of \$3,000 would be gained if the City sent out postcard type renewal notices.

To date, for FY 2010, the City has collected BTR revenues in the amount of \$3.28 million. This is approximately 89 percent of the \$3.69 million anticipated for FY 2010. Of the FY 2010 renewal notices the City began sending out in early July of 2009, 11% remain unpaid. The business entities that have not renewed their BTR have been provided to the City's Code Compliance Division for action.

JMG/PDW/GE/mm

A handwritten signature in black ink, appearing to be 'JMG', written over the typed initials 'JMG/PDW/GE/mm'.

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MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jorge M. Gonzalez, City Manager

DATE: March 22, 2010

SUBJECT: **UPDATE AND DISCUSSION REGARDING THE AMERESCO WATER RECLAMATION PLANT PROJECT.**

The City's Energy Conservation Program has previously been reviewed and discussed in detail by the Finance and Citywide Projects Committee and the full City Commission. The last action taken by the full City Commission on this matter was to approve a six (6) project list of energy conservation measures which were deemed to be feasible to proceed into construction with an estimated construction value of approximately 14.7 million dollars. Annual energy savings associated with these construction projects were valued at approximately 1.2 million dollars per year with an estimated pay back time (discounting financing costs) of 11.5 years.

At the same time the City Commission approved the project list, there was direction that a seventh project regarding a water reclamation plant continue to be pursued to identify a more refined economic model associated with the project. The project in general would have redirected sanitary sewer flow to a water reclamation plant potentially to be located on the grounds of the Miami Beach Golf course to extract water suitable for irrigation purposes and then return the residual material to the sanitary sewer system.

As work on the energy conservation project progressed, it became apparent that in the financial market confronting the City, it made a great deal more sense to join the six (6) projects together with the seventh project (water reclamation plant) and do one (1) financing rather than do two (2) separate and smaller financing packages. As such, the first six (6) projects were delayed to allow more work to be done on the water reclamation project.

In order to assist the Finance and Citywide Projects Committee and the City Commission with a decision on how to proceed with the water reclamation plant, the financial model has been more finely tuned to the point where its size, appropriate cost and operating parameters is better known, as well as potential permitting issues associated with the project.

The water reclamation plant is estimated to cost approximately 8.5 million dollars and would generate gross savings of 1.2 million dollars per year, offset by approximately 660 million dollars of operating expense. The net savings available to the City to repay the project costs is approximately \$575,000 per year. The pay back time for the water reclamation plant is

approximately 14.9 years, which would change the pay back time from the original six (6) energy conservation project list from 11.5 years to 12.2 years (excluding financing costs).

From the research done it appears that the water reclamation plant will need to be permitted first by DERM and also the DEP for different aspects associated with the project. Permitting through both of the agencies and the several different levels of review which will be required may approach a one (1) year time period.

Given the potential permitting time associated with the water reclamation plant, it is recommended to the Finance and Citywide Projects Committee that the Administration be directed to proceed with the original six (6) energy conservation projects immediately so as not to delay their implementation. The Finance and Citywide Projects Committee should also provide guidance to the City Administration on whether or not the water reclamation plant project should be continued to be pursued or stopped at this juncture.

Based on the research, the water reclamation plant has been designed with a plant capacity intended to serve only the irrigation needs of the Miami Beach Golf course, as well as the Par 3. Initially, it was possible that the plant could have been sized to include adjacent residential areas with lower cost irrigation water as a potential revenue source to support the project. Given the permitting requirements and the capital costs associated with the provision of water to residential customers, this project element was deemed not to be a feasible alternative in designing the water reclamation plant. The projected plant costs of approximately 8.5 million dollars are inclusive of plant capacity sufficient to allow for an expansion if at some point in the future serving adjacent residential areas becomes feasible.

The water reclamation plant is a very green project and one which is believed can be operated without impact to the adjacent communities. Obviously, community outreach and involvement and further due diligence associated with the design and operation will be needed and pursued if the project is to continue. Given permitting issues, it does not appear to be the right time to pursue this project and a deferral to some future time is recommended.

At this point in time, the City Administration needs guidance on whether the original six (6) energy conservation projects should be pursued immediately and if there is interest in continuing to do work on the water reclamation plant as a potential future project, knowing that it may occur in as much as a year.

JMG/RCM/sam

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