



MIAMI BEACH

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: May 17, 2012

This shall serve as written notice that a meeting of the Finance and Citywide Projects Committee has been scheduled for May 17, 2012, at 3:00 P.M. in the City Manager's Large Conference Room.

The agenda is as follows:

OLD BUSINESS

- 1. Discussion regarding new recycling bins throughout the ROW on the beach** (*October 19, 2011 Commission Item R9J*) (10)

Fred Beckman – Public Works Director

- 2. Discussion regarding a renewal of the current management agreement between the City of Miami Beach and The Miami Beach Garden Conservancy for the management and operation of the Botanical Garden; as well as a proposal to increase the rental rates for use of the facility.**

Anna Parekh – Director of Real Estate Housing and Community Development

NEW BUSINESS

- 3. Discussion regarding the issuance of a Request for Proposals (RFP) for the management and operation of street markets in Miami Beach at various locations** (*April 11, 2012 Commission Item C4A*) (55)

Hilda Fernandez – Assistant City Manager

4. A discussion regarding approving a second amendment to the retail lease agreement by and between the City of Miami Beach, The Miami Beach Redevelopment Agency (RDA) and Penn 17, LLC (Lessee), involving the lease of ground floor retail space at the Pennsylvania Avenue Garage

Anna Parekh – Director of Real Estate Housing and Community Development

5. Discussion regarding a resolution authorizing the City Manager to solicit the services of a qualified firm(s) to audit the processes of certain regulatory departments or divisions *(May 9, 2012 Commission Item R7J) (58)*
6. Discussion regarding memorandum of understanding between the City, on behalf of the Police Department, and the Federal Bureau of Investigation, Miami Area Corruption Task Force *(May 9, 2012 Commission Item R7J) (59)*

Finance and Citywide Projects Committee Meetings for 2012:

June 21, 2012

July 26, 2012

September 20, 2012

November 29, 2012

December 20, 2012

JMG/PDW/rs/th

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BACKGROUND

On April 11, 2012, five (5) Code Compliance and two (2) Fire Department employees were arrested by the Federal Bureau of Investigations on charges including conspiracy to commit extortion. These arrests and alleged misconduct by a few city employees represent a huge betrayal not only of the public's trust – but of our entire organization. Their irresponsible actions have now cast a negative light on the vast majority of our employees, who are hard working, dedicated men and women committed to our mission of public service. They also paint an unfair picture of the hard work and efforts by the Mayor and City Commission to provide honest guidance and vision for this community. As reported to you in my Letter to Commission (LTC) #105-2012, dated April 24, 2012 (Attachment 1), these employees were immediately placed on leave without pay, and the process to terminate their employment was initiated.

The LTC also delineated the administration's actions subsequent to the arrests. More specifically, I proposed a five-point approach that is intended to support the City in our efforts to root out employee misconduct and corruption, and improve upon or create the necessary processes to prevent this from occurring again. One of the five actions has already been initiated; Commander Hernan Cardeno has been re-assigned from the Police Department to assist the Code Compliance Division by providing day-to-day oversight of the staff. In addition, a review of Code Compliance and Fire Inspection cases is also underway, being handled by our City's Internal Audit Division of the Office of Budget and Performance Improvement. Commissioner Weithorn met with me and staff to discuss potential approaches to this internal review, and we will continue to seek her suggestions and input as that process proceeds.

The other four proposed actions require Commission consideration and approval.

1. MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND THE FEDERAL BUREAU OF INVESTIGATION, MIAMI AREA CORRUPTION TASK FORCE

The Miami Division of the Federal Bureau of Investigation (FBI) has established the Miami Area Corruption Task Force (MACTF) for the purpose of maximizing inter-agency cooperation and formalizing relationships between the participating agencies, for purposes of coordinating policy guidelines, planning, training and public relations relative to public corruption. The mission of the MACTF is to identify significant Public Corruption investigations throughout the Southern District of Florida. The MACTF consists of a specialized group of investigators and prosecutors who are responsible for the identification, investigation, prosecution, and forfeiture of all assets involved in such cases. The MACTF also works to identify and develop new cases of corruption by both Public Officials and Law Enforcement Officers on the Federal, State, and Local levels of government. It is intended to enhance the effectiveness of Federal, State and local law enforcement resources through coordinated initiatives, using the most effective investigative and prosecution avenues to investigate, convict and incarcerate offenders.

Current MACTF members include the Federal Bureau of Investigation; City of Miami Police Department; United States Attorney's Office - Southern District of Florida; United States Department of Housing and Urban Development - Office of Inspector General; United States Department of Transportation - Office of Inspector General; Internal Revenue Service - Criminal Investigation Division; City of Hialeah Police Department; and the United States Environmental Protection Agency - Office of Inspector General. Participation in the MACTF allows the participating agencies to utilize the task force as a force multiplier.

In the course of discussions relating to the recent arrests, the Miami Beach Police Department (MBPD) and the FBI discussed the City's participation in the MACTF. Both the FBI and the City felt that this was a mutually beneficial partnership, as it establishes an ongoing relationship between these two law enforcement entities. The invitation for the MBPD to participate also demonstrates the FBI's confidence

and trust in our Police Department's leadership and investigative staff. The proposed Memorandum of Understanding (MOU) between the FBI and the City of Miami Beach on behalf of the MBPD (**ATTACHMENT 1**), would allow the City to assign a sworn police officer full time to the MACTF to work in conjunction with their personnel in investigating and prosecuting public corruption. Participation in the MACTF will benefit the City and the MBPD by providing access to the full benefit of the Task Force's investigatory support and capabilities to attack corruption now and in the future on Miami Beach. In addition to the assigned officer, other Police Department investigative personnel will also be deputized to have special training and clearance to work with MACTF.

The term of the MOU is for the duration of the MACTF operations, and can be terminated at any time upon written mutual consent of the agencies involved. There is no additional cost associated with the City's participation in the MACTF beyond the City's continued funding of the full time sworn officer. The FBI covers costs associated with providing a car (including fuel), phone, training, and reimbursement of overtime. Additionally, the City will participate in the distribution of funds from any seizures.

We continue to provide the FBI hotline number (**305.944.9101**) as a means to report anonymous tips either about this investigation or any other, similar issue.

2. AGREEMENT BETWEEN THE MIAMI-DADE COUNTY OFFICE OF THE INSPECTOR GENERAL AND THE CITY, TO PROVIDE INDEPENDENT INVESTIGATIONS INTO CITY PRACTICES AND OPERATIONS IN ORDER TO PREVENT AND DETECT FRAUD, WASTE, FINANCIAL MISMANAGEMENT, EMPLOYEE MISCONDUCT OR OTHER ABUSES.

It is important that employees, residents and business owners alike report conduct that is not consistent with the integrity we expect of our public servants and, when doing so, those reporting such activities must feel confident that their call and concerns will be properly investigated. Likewise, it is beneficial for the City to have available an independent process to investigate any reported fraud or employee misconduct, such as concerns with the City's procurement and regulatory functions, especially as it relates to matters that may not rise to the level necessitating the FBI's involvement.

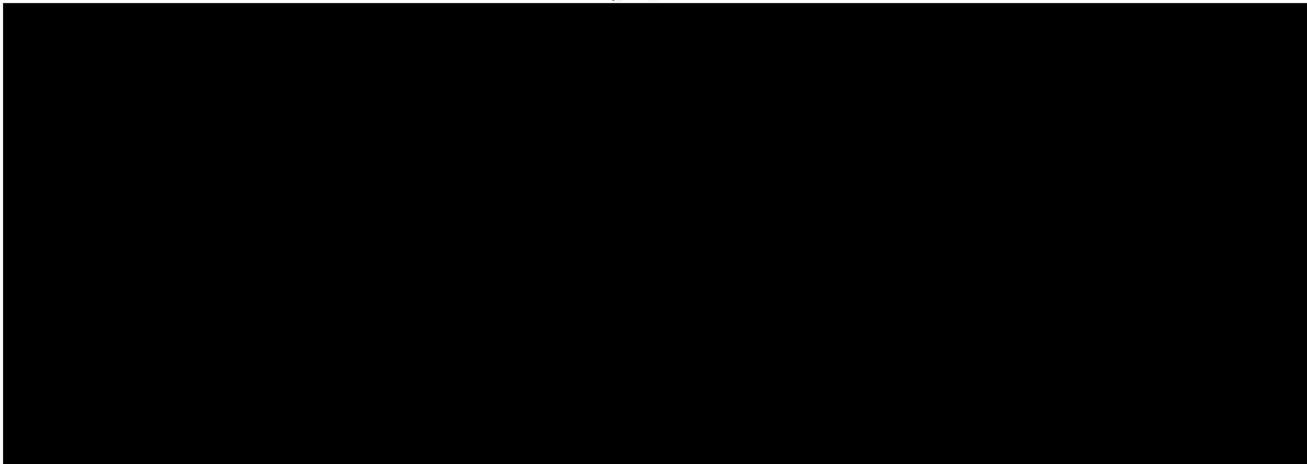
Shortly after the news of the arrests, the Mayor and I reached out to Miami-Dade County Inspector General Christopher R. Mazzella about the possibility of the Miami-Dade County Office of the Inspector General (MDCOIG) providing our City with their services to investigate and review allegations of waste, fraud, abuse, employee misconduct and mismanagement. The Mayor and I met with him and his staff on April 18, 2012, to discuss the possibility of a formal relationship between his office and our City. The Inspector General was receptive to such an engagement.

The MDCOIG was created in 1998 by the Miami-Dade County Commission, through County Ordinance, and has the authority to "review past, present and proposed County and Public Health Trust programs, accounts, records, contracts, and transactions. The MDCOIG investigates allegations of fraud, waste, abuse and misconduct amongst public officials and County employees, as well as contractors and vendors doing business with the County."

To carry out this function, the MDCOIG is empowered with the ability to require the production of documents and records in the possession and control of the County, and has the power to issue subpoenas, where necessary. The MDCOIG can also require reports from any County official, County agency or instrumentalities regarding any matter in its jurisdiction; to report on and recommend to County government on whether a particular program, contract or transaction is financially sound, reasonable, necessary or operationally deficient; to conduct random audits; and to provide general oversight of department programs and large-scale construction projects. The MDCOIG has oversight of over 40 county departments, including Aviation, the Seaport, Transit, Housing, Community and Economic Development, Water and Sewer, Solid Waste, Public Works and the Public Health Trust (JMH). Since 2007, the MDCOIG has been serving as the Inspector General for the Miami-Dade

[[M1]]

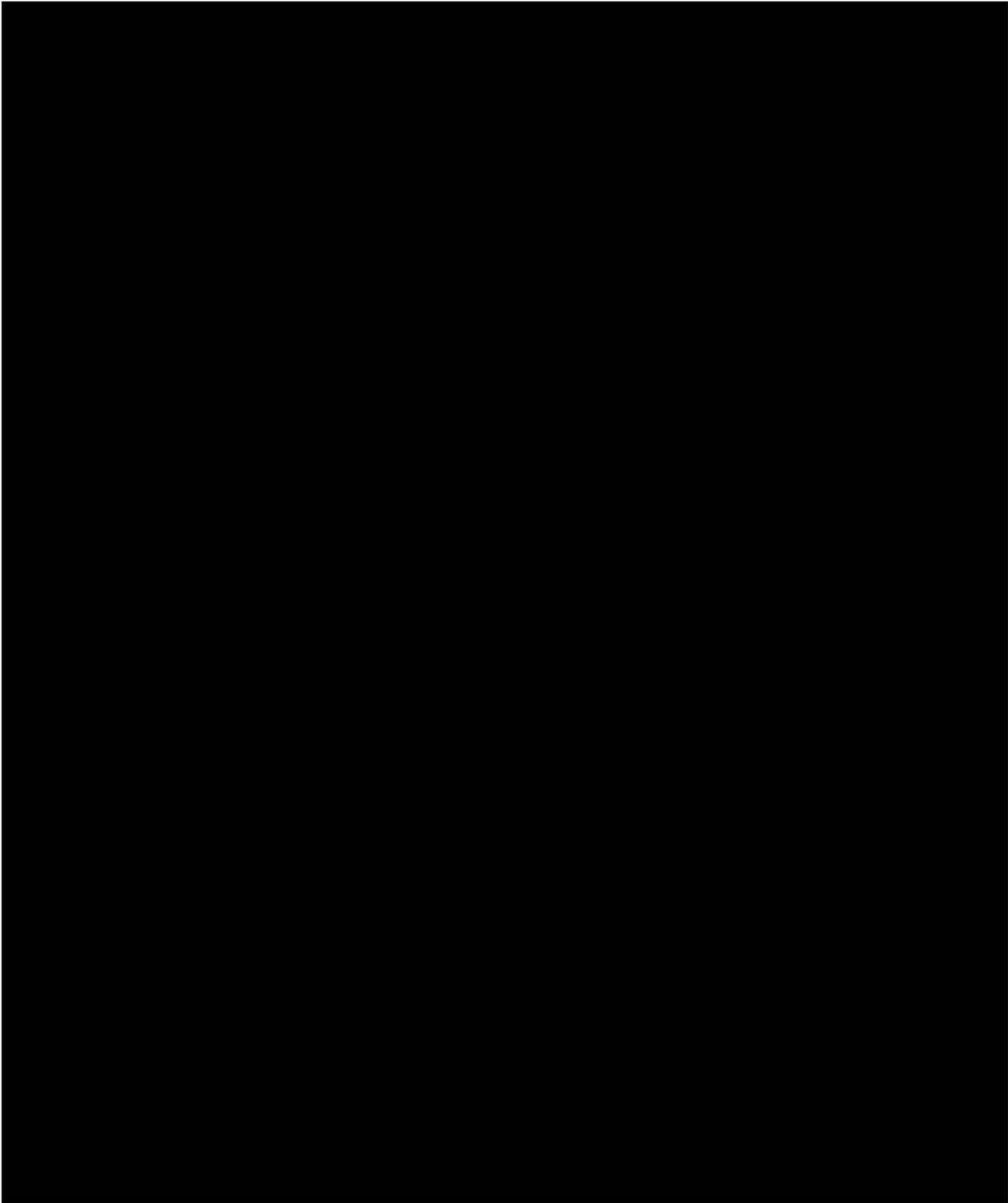
ATTACHMENT 1



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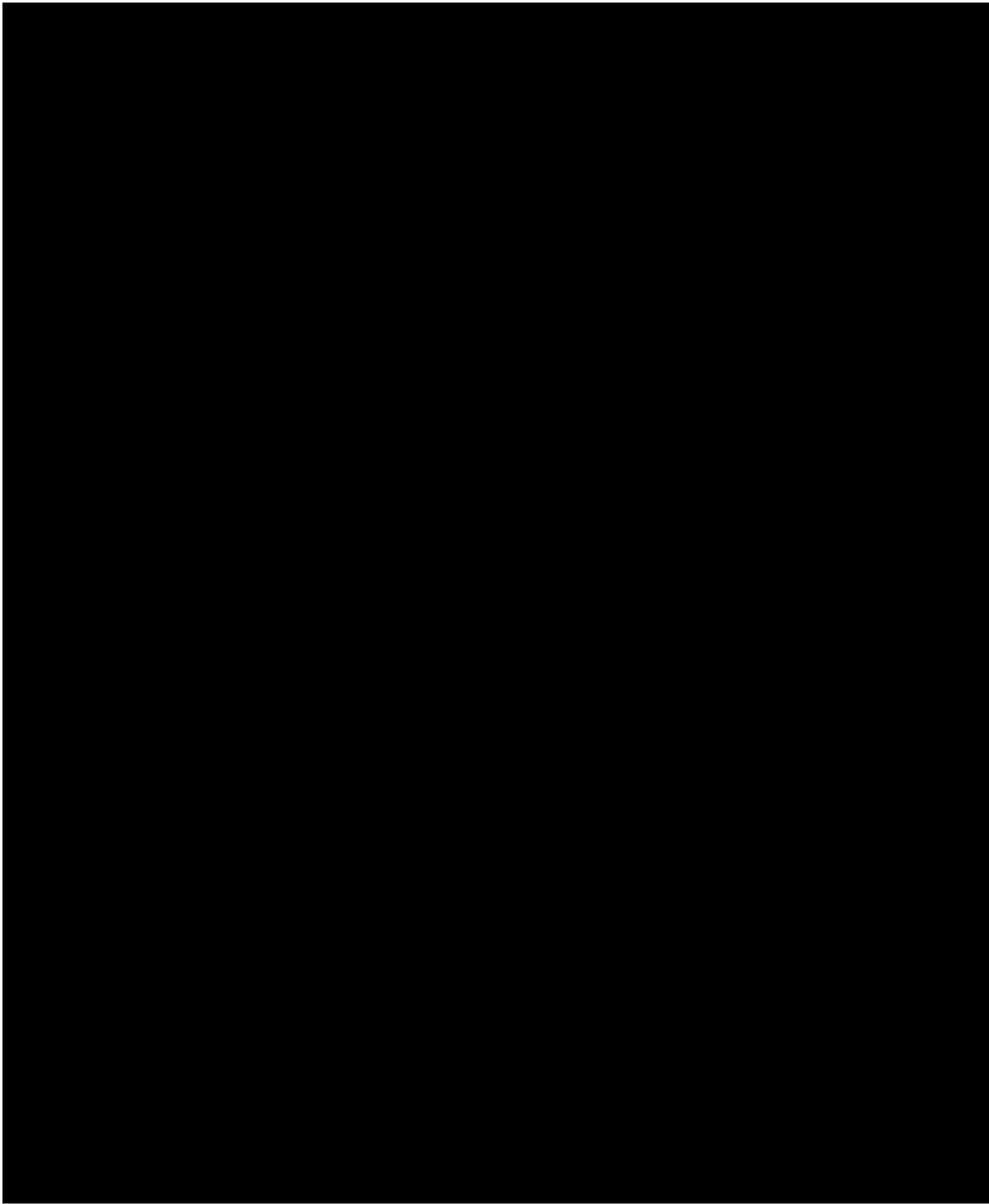


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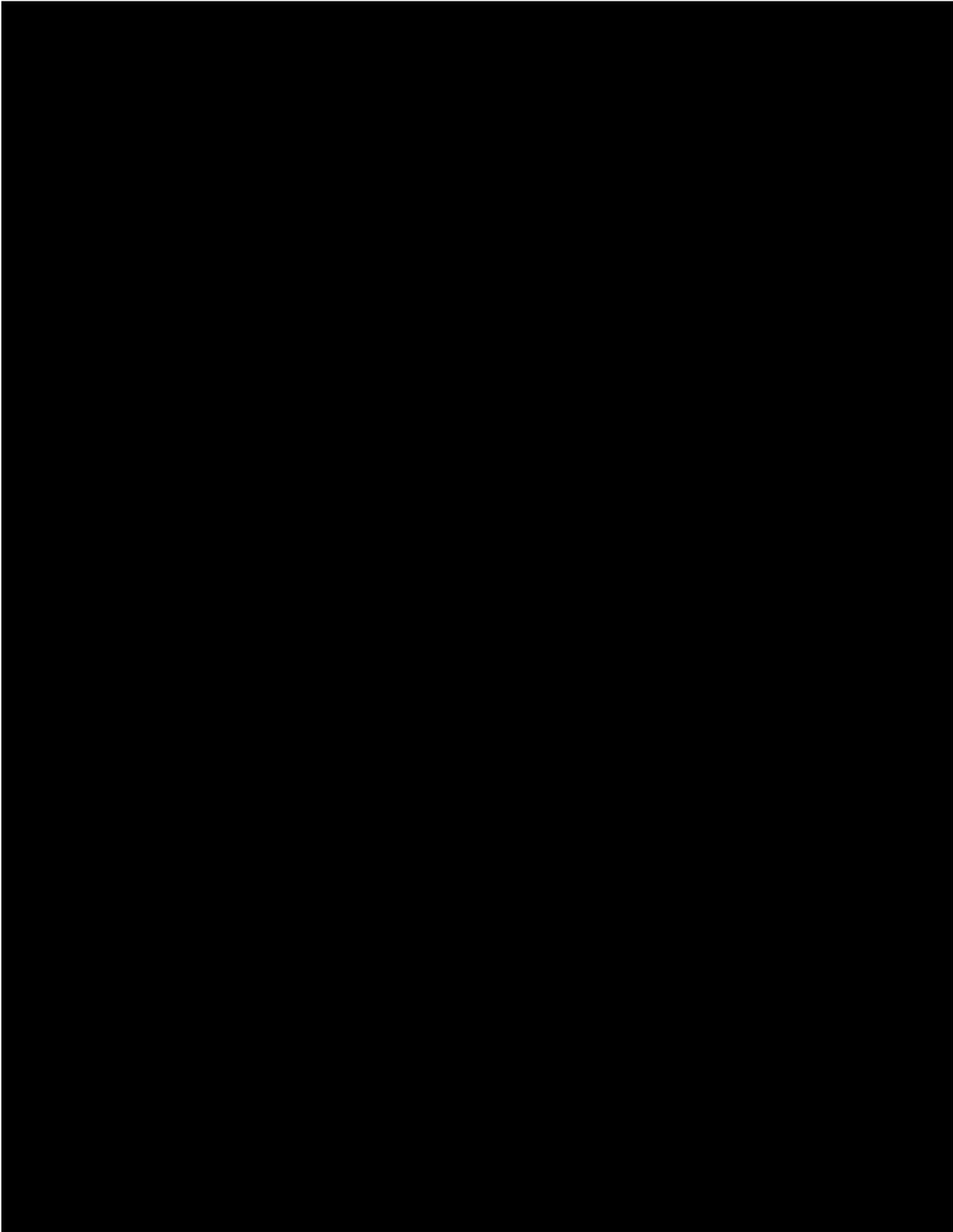
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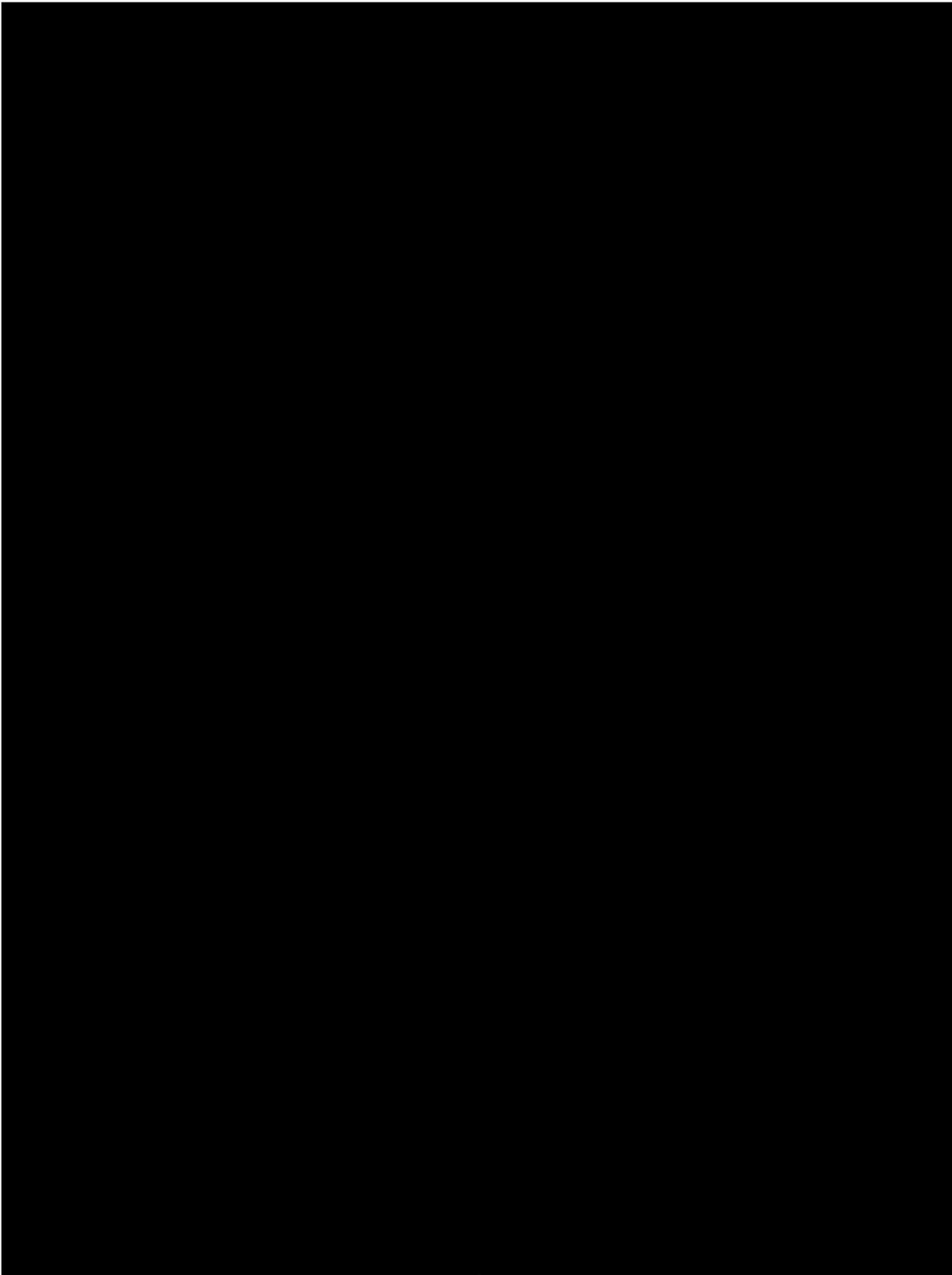
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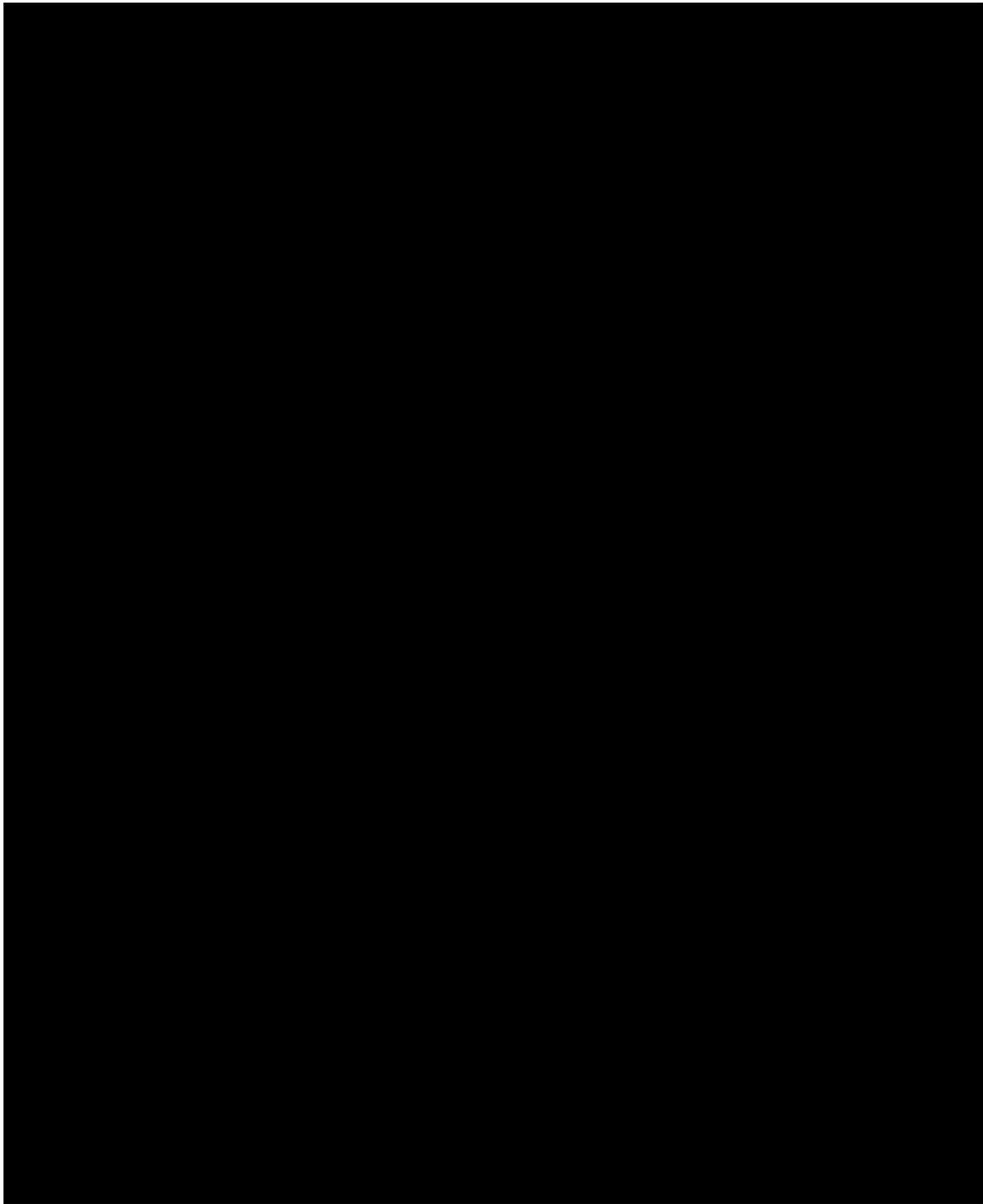
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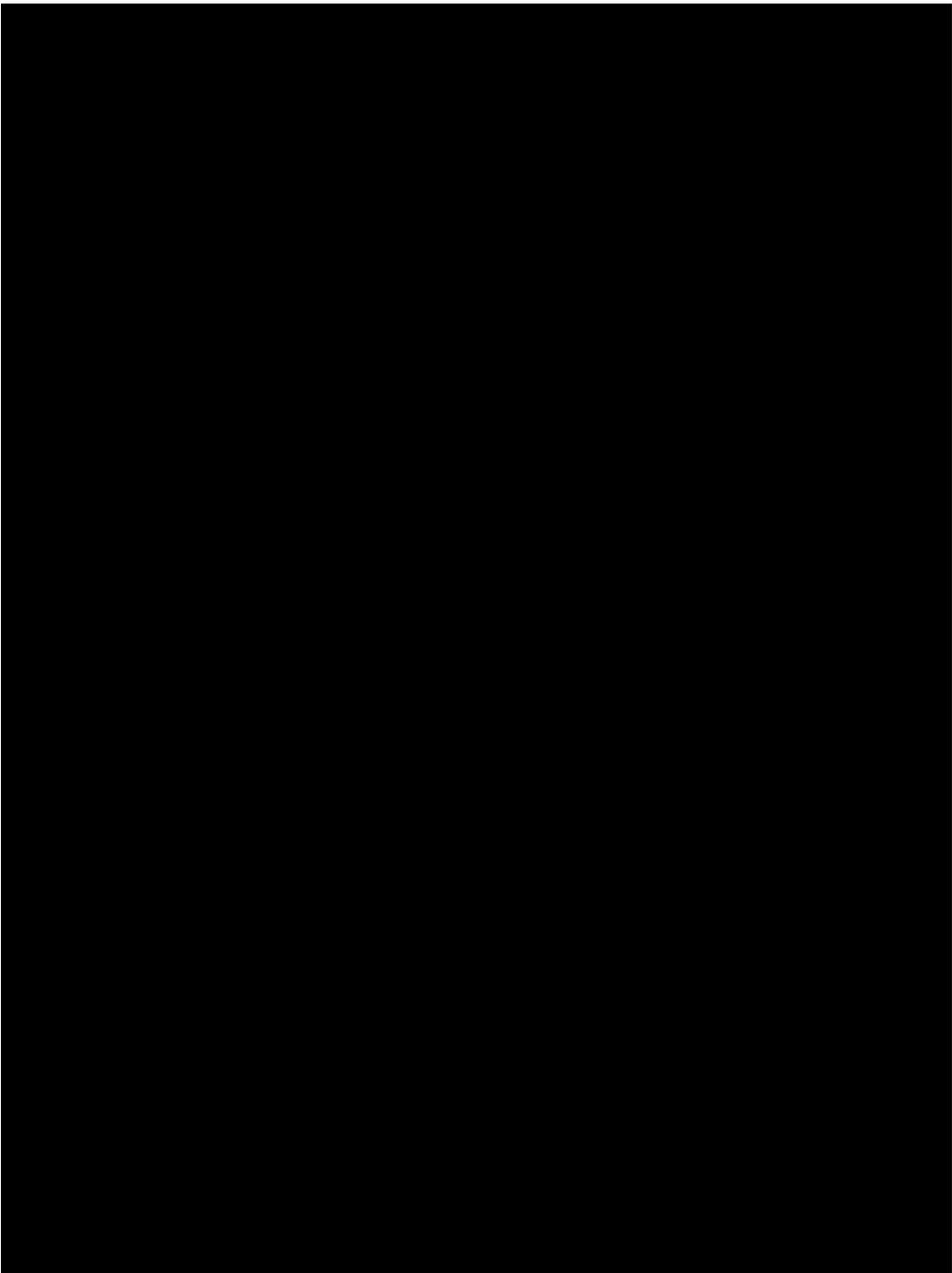




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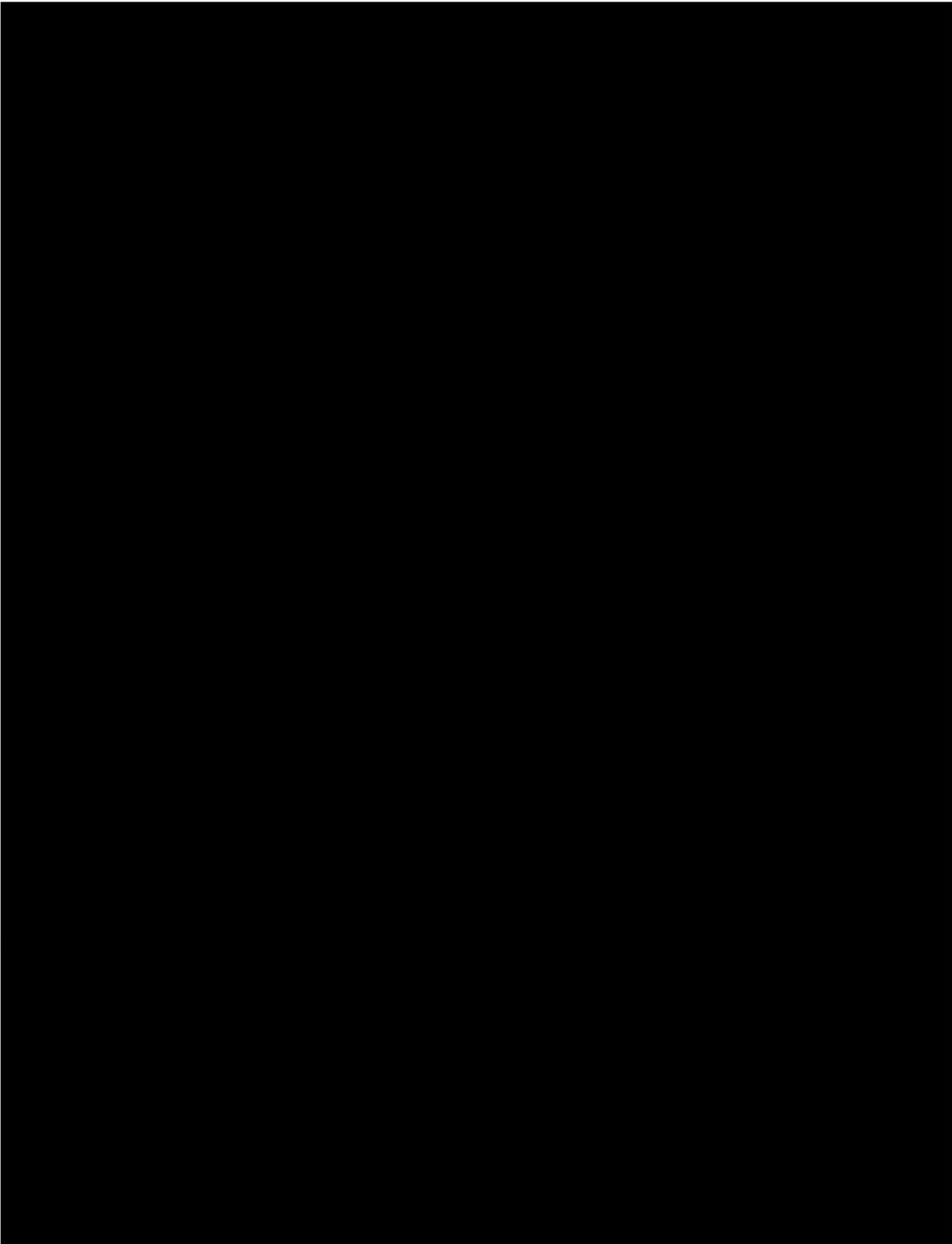
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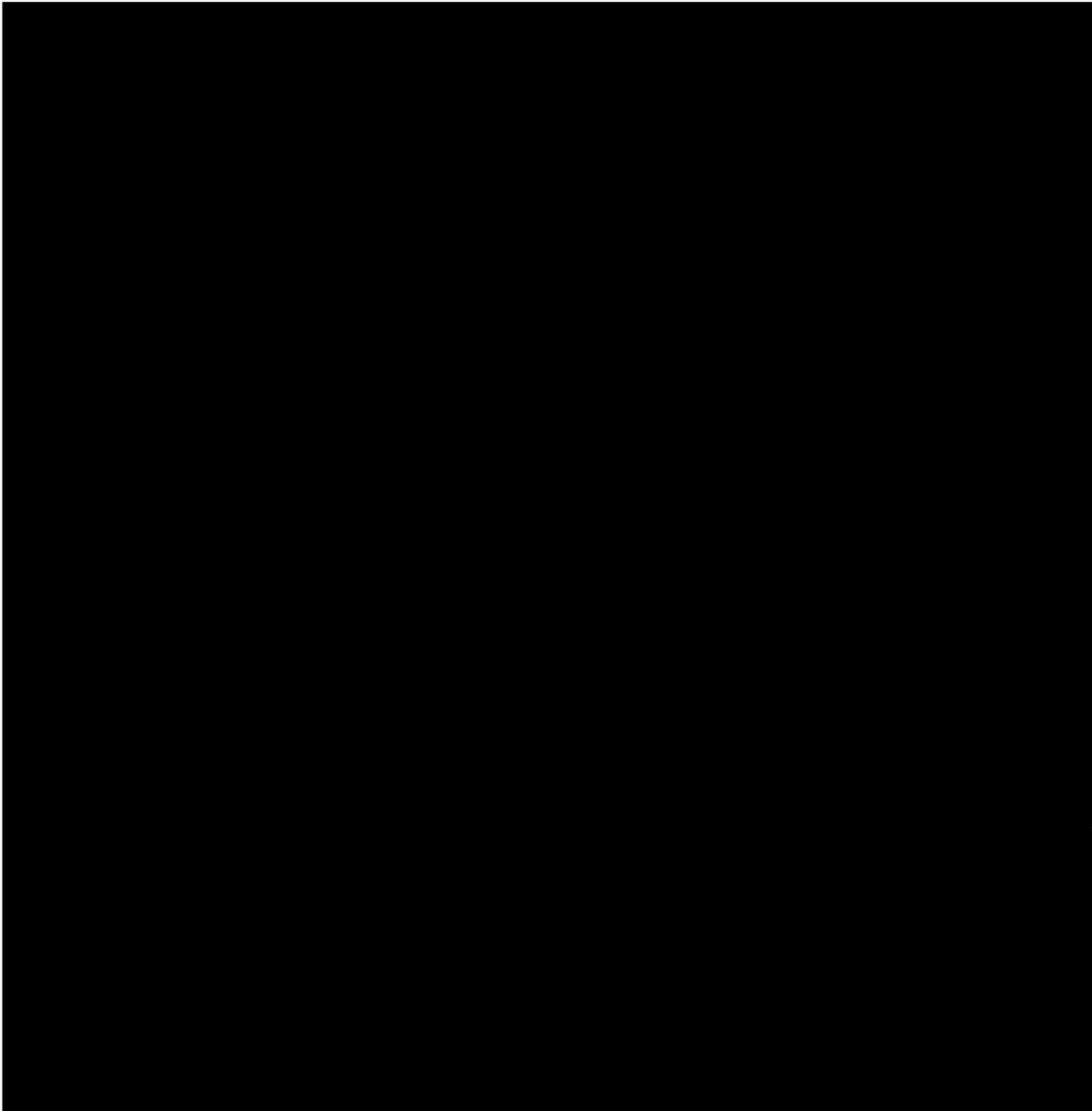




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Special Agent in Charge
Federal Bureau of Investigation
Miami, Florida

Date

Commissioner Director
Florida Dept. of Law Enforcement
Tallahassee, Florida

Date

Special Agent in Charge
U.S. Environmental Protection
Agency - OIG
Atlanta, Georgia

Date

United States Attorney
U.S. Attorney's Office - SDFL
Miami, Florida

Date

Special Agent in Charge
U.S. Dept. of Housing and Urban
Development - OIG
Miami, Florida

Date

Special Agent in Charge
Internal Revenue Service - CID
Miami, Florida

Date
