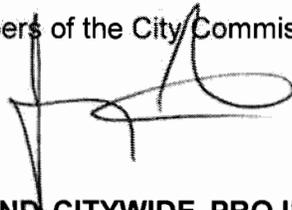




MIAMI BEACH

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

COMMISSION MEMORANDUM

TO: Mayor Matti H. Bower and Members of the City Commission
FROM: Jimmy L. Morales, City Manager 
DATE: April 17, 2013
SUBJECT: **REPORT OF THE FINANCE AND CITYWIDE PROJECTS COMMITTEE
MEETING ON MARCH 21, 2013**

The agenda is as follows:

OLD BUSINESS

1. Discussion regarding the Issuance of Request for Proposals (RFP) for Catering and Concession services for the Miami Beach Convention Center.

ACTION

The Committee will await the decision from the ITN.

Acting Assistant City Manager Max Sklar presented this item.

Acting Assistant City Manager Max Sklar stated The Invitation to Negotiate for Food and Beverage Services for the Miami Beach Convention Center was issued on February 5, 2013 and closed on March 12, 2013 with four proposals received. The Administration expects to have a recommendation per Interim City Manager Kathie G. Brooks that can be presented at the April 17, 2013 City Commission meeting and a negotiated contract ready for approval for the June 5, 2013 City Commission meeting. The Committee will await the decision from the ITN.

2. Discussion regarding the status of agreed upon audit procedures for towing companies.

ACTION

City staff will continue to finalize the agreed upon procedures with the anticipation to present them at the Finance and Citywide Projects Committee meeting to be held in May.

Chief Financial Officer Patricia Walker presented this item.

Chief Financial Officer Patricia Walker began by stating a series of meetings have taken place facilitated by Ralph Andrade with Parking Director Saul Frances, Internal Auditor James Sutter and representatives from both Towing

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Companies Tremont and Beach Towing to discuss the formulation of agreed-upon audit procedures to satisfy the Commission's request for verifying cost of operations incurred by the towing companies. The towing companies hired a Certified Public Accountant with experience in cost allocations to assist in developing a method to allocate costs. City staff from the Finance Department, Parking Department and Internal Audit Division met with the towing companies' owners, accountants and attorneys on February 4, 2013, February 27, 2013, March 14, 2013. These meetings began to focus on the type of financial records maintained by the companies, the separation of costs between public and private tows and cost allocations that could be substantiated and used for auditing the business' expenses. The city agreed with the preliminary cost allocation methodology proposed to allocate towing expenses. The majority of expenses would be allocated on statistical data based upon the number of public tows as compared to private tows as they relate to tows with the City of Miami Beach. The towing companies are in the process of extracting this statistical information from their financial records. This is a time consuming task due to the number of towing receipts. This information will be verified and tested during the course of the audit. The towing companies' accountant will continue preparing the cost allocation methods and present them back to the City staff for a meeting scheduled for April 22, 2013. City staff will continue to finalize the agreed upon procedures with the anticipation to present them at the Finance and Citywide Projects Committee meeting to be held in May.

NEW BUSINESS

3. Discussion regarding water conservation methods and implementation.

ACTION

Item Deferred.

4. Discussion regarding authorizing the City Manager to negotiate and enter into temporary licensing-use agreements with contractors requiring the use of City-owned property for the purpose of staging and/or storage of construction equipment in connection with City or privately funded construction projects.

ACTION

The Committee recommended the City should continue to allow the use of City-owned fee simple land for construction staging; the Administration will establish a policy and a fee structure to govern the process and will discuss getting a credit for additional scope of work for the staging of City projects.

Acting Assistant City Manager Max Sklar presented this item.

Acting Assistant City Manager Max Sklar began by stating the City has no established policy regarding the use of City-owned fee simple land for construction staging and/or construction equipment storage. Currently, arrangements are made on a case-by-case basis, interdepartmentally, depending on the proposed use of the land. Because it is not feasible to govern the use of City-owned fee simple land by a conventional lease agreement or by

the existing mechanism and fee structure identified for use of right-of-ways, the Administration has developed a proposed License and Use Agreement for your consideration, and has also conducted an analysis of comparable market rates for the use of land for construction staging. Chairperson Deede Weithorn stated this poses two issues, should this be allowed for the City and then after that decision should it be allowed for others. Acting Assistant City Manager Sklar continued that in 2011, as the City anticipated escalating its right-of-way (ROW) infrastructure improvement projects, City contractors began to pursue available sites for staging and storage. The City did not have a process or fee structure in place to govern the use of City property for construction staging. Commissioner Jorge Exposito stated there needs to be clarification as to what is considered private versus City or a homeowner with limited space because the question becomes how does this function? Acting Assistant City Manager Sklar stated while there is no fee structure in place for construction staging on fee simple land, a mechanism and fee structure exists regarding obstruction of City right-of-way space during construction staging. Chairperson Weithorn stated its majority consensus that it should be limited to Public projects. Assistant City Manager Jorge Gomez said the ordinance was changed about a year ago regarding the swale in single family districts.

Mayor Matti Herrera Bower made a suggestion that workers should be shuttled from City parking garages to these sites which can increase parking revenue as well as reduce impact to the neighborhoods. Commissioner Exposito also added that the neighbors should be notified that construction is to take place.

The Committee recommends that the City should continue to allow the use of City-owned fee simple land for construction staging; the Administration will establish a policy and a fee structure to govern the process and to get a credit for additional scope of work for the staging of City projects.

5. Discussion regarding timely publication and distribution of agendas for the City's Boards and Committees, particularly the Committees of the City Commission and the City's Land Use Boards.

ACTION

The Committee recommended looking at the calendar to determine dates the agenda items would be due and if they are not received, they will not be included or discussed at the meeting.

Assistant City Manager Jorge Gomez presented this item.

Assistant City Manager Jorge Gomez began the discussion by stating the intention of this referral is an effort to ensure transparency, citizen participation, and proper preparation of those appointed to serve the community. Agendas for the three Commission Committees (Finance & Citywide Projects Committee, Land Use & Development Committee, and Neighborhood/Community Affairs Committee) are posted on the City Clerk's website by the Committee liaisons. There is no City Code requirement for these Commission Committees with regard to public notice. For the City's Land Use Boards (Planning Board, Board of Adjustment, Historic Preservation Board and Design Review Board), there is a City Code requirement for public notice of 30 days prior to the hearing, both in the newspaper and mailed to surrounding property owners. Commissioner Jorge

Exposito stated there needs to be a cut off day for publications to be turned in and if they are not received, they won't be included in the current agenda. Chairperson Deede Weithorn stated that most important thing is to get the entire publication out to the public. The Committee recommended looking at the calendar to determine dates the agenda items would be due and if they're not received, they will not be included or discussed at meeting.

6. Discussion regarding the possible World Out Games Miami Beach 2017 Funding.

ACTION

The Committee recommended the item going straight to Commission once the details have been worked out, because there is already a line item in the budget.

Acting Assistant City Manager Max Sklar presented this item.

Acting Assistant City Manager Max Sklar introduced Bruce Townsend and Ivan Coni from the World Out Games they in turn discussed the background of their organization. Mr. Ivan Coni began by stating the Miami Beach - Miami LGBT Sports & Cultural League, Inc is a Florida non-profit organization formed to bid on the World Outgames. They are a group of active community leaders involved in Human Rights, Culture or Sports throughout our LGTBQ community. The League was formed to insure that a competitive and organized bid be delivered to Gay Lesbian International Sports Association (GLISA) for the World Outgames 2017. There was an economic analysis breakdown of hotel revenue, meals and night life that would be brought to the City. The estimate is about 55,000 visitors during Memorial Day Weekend in 2017. Chairperson Deede Weithorn requested how much revenue and expenses the City receives during that weekend in which Acting Assistant City Manager Sklar stated it's about \$1.7 million in expenses and they are looking to sell out 150,000 rooms. Mr. Townsend stated they would need their first installment of \$60K by June 1. Chairperson Weithorn suggested they meet with staff to go over all of the information and if they are comfortable, it can go straight to Commission since it has been budgeted for.

Commissioner Michael Gongora made a motion that since this event has already been budgeted it can go straight to Commission once everything is worked out with staff. Seconded by Commissioner Jorge Exposito.

7. Discussion of Performance and Operational Audit by Crowe Horwarth.

ACTION

The Committee recommended scheduling a special meeting to review the report beginning two hours before one of the next two scheduled finance meetings.

Chief Financial Officer Patricia Walker presented this item.

Crowe Horwarth Partner John Weeber began the discussion with a brief summary of the operational and performance audit. He stated that the City of

Miami Beach, Florida (the City), engaged Crowe Horwath LLP (Crowe) to conduct an independent performance and operational audit over several key city processes to determine the efficiency and effectiveness of the City's:

- Key internal controls;
- Department/division processes (including uses of technology); and
- Department/division operations and structure.

The scope includes, but is not limited to, reviewing organizational structure and culture, internal controls, processes and operations of the:

- Code Compliance Division;
- Fire Inspection process;
- Parking Enforcement Division;
- Fire Prevention Division;
- Public Works Department (permitting processes only);
- Planning Department (permitting process, concurrency fees, impact fees and other related areas); and
- Special Master Process.

He stated Crowe's objective was to perform a performance audit over the several key city processes.

- Identify the processes that have deficiencies and that present significant risks to the City. Provide rankings based on process complexity and risk to enable prioritization.
- For processes that have been prioritized (are within scope), gather information and document the current state of processes using a standard format that uses process maps (diagrams) and narrative descriptions.
- For each prioritized process, identify and document control deficiencies and potential improvement opportunities. Perform verification steps to ensure current processes and control deficiencies are properly understood and documented.
- Identify best practices, where available, and review applicability to the City.
- Perform analysis of alternative process improvement approaches and create recommendations based on the analysis. Document recommendations and perform review steps to ensure there is common agreement that the recommendation adequately addresses the deficiency.

There was also an IT Audit Specialist utilized to look at Permits Plus since it is a big part of the controls that were being assessed.

Crowe Howarth Engagement Manager Mark Maraccini gave a brief synopsis of the fieldwork performed in the various departments, the gaps identified, the recommendations made and the management responses received.

City of Miami Beach resident Henry Stolar stated he feels the report does not get to the root of the changes that need to be made. The result of this process does not appear to educate him regarding the quality control points throughout the City and he hopes the special meeting addresses the root of the issues at hand.

Chairperson Weithorn stated it is a matter of proper controls not being in place if any deficiencies are found and it is a problem everywhere if we are not in compliance.

City of Miami Beach resident Paul Janas asked if a report could be provided at the special meeting on the new software and when it would be in place. Chairperson Weithorn concurred with this request and asked that someone from IT be there to explain.

The Committee recommended scheduling a special meeting to review the report beginning two hours before one of the next two scheduled finance meetings.

8. Discussion regarding the bike lanes at Central Bayshore.

ACTION

The Committee failed to pass the motion to implement either proposals for Prairie Avenue and Royal Palm Avenue as recommended.

Interim City Manager Kathie G. Brooks presented this item.

Interim City Manager Kathie G. Brooks began by stating that on July 9, 2012, the Administration presented the aforementioned revisions to the Finance and Citywide Projects Committee (FCWPC) regarding additional capital budget request to include additional infrastructure needs for stormwater, roadway milling, resurfacing and valley gutter improvements. There were eleven requests and this was one of the few items not incorporated. As a result, on July 18, 2012, the Mayor and City Commission approved the amendment to the BODR as approved by the FCWPC. On March 13, 2013, the Commission approved the construction contact Amendment in the amount of \$3,723,986 as a result of the design change, but directed that the HOA request the bicycle lanes be reviewed by FCWPC. Since then, they have met with the design group consultants of these projects to consider the removal of bicycle lanes on Prairie Avenue and the implementation of a "Bicycle Boulevard" on Royal Palm Avenue. They also discussed the possibility of re-introducing the narrowing of Prairie Avenue by removal of the bicycle lanes.

Atkins Consultant Rafiq Alqasem made a presentation to the board that first began with keeping the bicycle lanes on Prairie Avenue and adding lanes to Royal Palm Avenue. The issues involved are usually safety items from crash history at that location and there appears to be low traffic at this location. As a part of phase one of the bicycle plan, it was determined that this road was safe for bicycle riding and they concluded this is a safe area. Atkins Consultant Anthony Garcia added that if the bike lanes were removed, the current project would be delayed and there would have to be justification on removing the current bike lanes. They also looked at the Bike Boulevard and there is not a need for widening in the almost one mile connection. It is not as visible, but it forms a larger route. The Bicycle Boulevard simply means a normal residential street is given signage and intersection crossings with a speed limit that calms the traffic. Mr. Alqasem stated this can be implemented by doing a traffic study that justifies this change with 2/3 of the residents approving it. A design must be considered where traffic is diverted from royal Palm from 28th Street to 40th Street and onto side streets to give priority to a bicycle facility. Another option being

done in Minneapolis is a share the road concept where cyclist and cars both share the lane.

CIP Director Fernando Vasquez stated if you narrow Prairie Avenue, you would have to also include the valley gutter. Commissioner Jorge Exposito stated that he is concerned that narrowing the lane without having the center lane makes it seem like a speedway. Mr. Alqasem added to implement these revisions would require approval by 2/3 vote of all residents within the Central Bayshore Neighborhood and/or majority approval by the City Commission. City of Miami Beach resident Gary Hunt stated the he thought the purpose behind this project was that the streets would look like Meridian Avenue with the streets being narrowed, canopies and slower driving. Commissioner Exposito stated he would like to at least explore the Royal Palm idea and made a motion to take back to the Commission the options that have been presented for Prairie Avenue with a request to look at the alternate of a Bicycle Boulevard on Royal Palm Avenue. Chairperson Deede Weithorn did not second the motion and it failed to pass, to implement either proposal for Prairie Avenue and Royal Palm Avenue as recommended.

9. **Discussion regarding the issuance of a request for qualifications for a third franchise Solid Waste contractor for residential and Commercial Solid Waste collections and disposal.**

ACTION

The Committee recommended bringing the item back to Finance with the RFQ so that the City is prepared when the franchise contractor sale is finalized.

Public Works Assistant Director Jay Fink presented this item.

Public Works Assistant Director Jay Fink began the discussion item by stating the City currently has three (3) contracts for solid waste/recycling collection and disposal with: Waste Management of Dade County, Waste Services, Inc., and Choice Environmental Services of Miami. At the May 9, 2012 Commission Meeting, Resolution No. 2012-27904 was adopted as amended. A motion was made "to accept exercising the renewal/extension option for one-year only until September 2015, in consideration that the firms will provide \$390,000 per year starting immediately, plus \$25,000 dedicated for environmental programs (ECOMB) through the life of this extension, in addition to what is already being contributed." At the July 13, 2011 Commission Meeting, the City Administration requested approval to issue a Request For Qualifications (RFQ) for a fourth solid waste franchise contractor to provide residential and commercial solid waste collection and disposal services. This request was made after one of the then existing four (4) solid waste franchise contractors, General Hauling Services, Inc., was acquired by Waste Services, Inc., leaving the City with three (3) solid waste franchise contractors. The City has been informed that Waste Services, Inc. has acquired Choice Environmental Services. Should the City Commission authorize the issuance of a Request for Qualifications (RFQ) for a third solid waste franchise contractor to provide commercial waste collection and disposal services, all aforementioned provisions will be included with a term expiring on August 31, 2015 to coincide with the term of the three (3) existing franchise waste haulers. Sanitation Director Alberto Zamora stated the process should be

completed by June. The Committee recommended bringing the item back to Finance with the RFQ so that the City is prepared when the sale is finalized.

EMERGENCY ITEM

10. Discussion regarding the waiver of square footage fee and Lummus Park user fees for Gay Pride 2013.

ACTION

The Committee recommended the waiver be passed.

Acting Assistant City Manager Max Sklar presented this item.

Acting Assistant City Manager Max Sklar presented the item and stated that last year there was about \$8,500 waived during Gay Pride 2012 making this item budget neutral. Commissioner Michael Gongora made the motion to move the waiver as it was done last year. Commissioner Jorge Exposito seconded the motion, motion passed.

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