

# MIAMI BEACH

## Finance and Citywide Projects Committee Meeting

City Hall, Commission Chambers, 3rd Floor, 1700 Convention Center Drive

May 18, 2018 - 12:00 PM

Commissioner Ricky Arriola, Chair  
Commissioner Mark Samuelian, Vice-Chair  
Commissioner Micky Steinberg, Member  
Commissioner John Elizabeth Aleman, Alternate

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### **OLD BUSINESS**

1. **DISCUSSION REGARDING G.O. BOND**  
January 17, 2018 - R9 J  
Sponsored by Commissioner Arriola  
Finance
2. **DISCUSSION REGARDING RECOMMENDATIONS OF THE BLUE RIBBON EMERGENCY RESPONSE COMMITTEE**  
February 14, 2018 - R9 J  
Sponsored by Vice-Mayor Steinberg  
Office of the City Manager
3. **UPDATE ON ENERGOV PERMITTING SYSTEM**  
April 26, 2017 - C7 M  
Information Technology
4. **DISCUSSION REGARDING AWATERLESS CAR WASH RFP AT GARAGES**  
October 18, 2017 - C4 E  
Parking
5. **DISCUSSION REGARDING LEVYING AVACANCY TAX ON EMPTY STOREFRONTS THROUGHOUT THE CITY OF MIAMI BEACH AS A WAY TO ENCOURAGE LANDLORDS TO KEEP THEIR RETAIL OR COMMERCIAL SPACE RENTED AND ACTIVE.**  
April 11, 2018 - C4 J  
Sponsored by Commissioner Arriola  
Tourism, Culture, Economic Development
6. **DISCUSSION TO EXPLORE DISCOUNTS FOR SHARED WORK SPACES IN ORDER TO ATTRACT ENTREPRENEURS AND SMALL BUSINESSES**  
April 11, 2018 - C4 H  
Sponsored by Commissioner Samuelian  
Tourism, Culture, Economic Development
7. **DISCUSSION REGARDING THE FEES CHARGED TO DEVELOPERS TO APPEAR BEFORE THE CITY'S LAND USE BOARDS**  
April 26, 2017 - C4 F  
Sponsored by Commissioner Alemán

Planning

8. **DISCUSSION TO REVIEW STATUS, ISSUES, AND PLANS RELATED TO THE INDIAN CREEK DRIVE FLOODING MITIGATION**  
March 7, 2018 - C4 F  
Sponsored by Commission Samuelian  
Public Works
9. **DISCUSSION REGARDING SIMPLIFYING THE SIDEWALK CAFÉ APPLICATION PROCESS FOR BUSINESSES IN NORTH BEACH AND WASHINGTON AVENUE**  
February 14, 2018 - C4 AE  
Sponsored by Commissioner Arriola  
Public Works
10. **DISCUSSION REGARDING SELECTION OF POTENTIAL FUTURE STORMS' DEBRIS MANAGEMENT SITES**  
  
Public Works
11. **DISCUSSION REGARDING THE REQUEST FOR QUALIFICATIONS (RFQ) NO. 2017-119-KB, SMART CITY STREET LIGHTING SYSTEM - DESIGN, BUILD, OPERATE, AND MAINTAIN AS REQUESTED AT THE APRIL 5, 2018 G.O. BOND WORKSHOP**  
April 11, 2018 - C4 AD  
Sponsored by Commissioner Góngora  
Public Works

**NEW BUSINESS**

12. **DISCUSSION REGARDING THE NORTH BEACH TOWN CENTER GARAGE**  
April 11, 2018 - R7A  
Office of the City Manager/Tourism, Culture, and Economic Development  
**Status: Deferred to the June 29, 2018 FCWPC meeting, per developer's request.**
13. **DISCUSSION REGARDING RESTROOM FACILITIES FOR THE COLLINS PARK ROTUNDA**  
April 11, 2018 - C4 C  
Tourism, Culture and Economic Development
14. **DISCUSSION REGARDING THE 2660 COLLINS AVENUE GARAGE PROJECT**  
April 11, 2018 - R7 A  
Parking
15. **DISCUSSION REGARDING A MID-YEAR CAPITAL BUDGET AMENDMENT TO FUND THE INSTALLATION OF A PERIMETER FENCE AT POLO PARK, ALONG 42<sup>ND</sup> STREET AND MERIDIAN AVENUE**  
April 25, 2018 - C4 B  
Sponsored by Commissioner Alemán  
Parks and Recreation
16. **DISCUSSION REGARDING A TERM EXTENSION OF SIX (6) MONTHS AT THE COMPLETION OF THE SCHEDULED CONSTRUCTION PROJECTS AT THE NORTH SHORE TENNIS CENTER FOR VAN DAALEN TENNIS, LLC. TO PROVIDE PROGRAMMING AT THE CITY'S NORTH SHORE TENNIS CENTER**  
April 11, 2018 - C4 F  
Sponsored by Commissioner Alemán  
Parks and Recreation
17. **DISCUSSION REGARDING THE CITY'S FY 2018/19 FEDERAL ALLOCATION FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) AND ITS USES**



April 11, 2018 - R9 M

Office of Housing and Community Services

18. **DISCUSSION REGARDING THE NEW FLORIDA LAW REQUIRING THE STATE BOARD OF ADMINISTRATION TO DIVEST SPECIFIED INVESTMENTS AND PROHIBITING INVESTMENTS WITH THE GOVERNMENT OF VENEZUELA, OR IN ANY COMPANY DOING BUSINESS WITH VENEZUELA IN VIOLATION OF FEDERAL LAW, AND POTENTIALLY AMENDING THE CITY'S INVESTMENT POLICIES AND PROCEDURES, AND THE MIAMI BEACH EMPLOYEE'S RETIREMENT PLAN, TO REQUIRE SIMILAR DIVESTMENT REQUIREMENTS AND INVESTMENT PROHIBITIONS**

April 11, 2018 - C4 I

Sponsored by Commissioner Rosen Gonzalez

Finance

## **DEFERRED ITEMS**

19. **DISCUSSION REGARDING CABLERUNNER AND ITS TECHNOLOGY**

February 14, 2018 - C4 V

Sponsored by Commissioner Alemán

Public Works

**Status: Deferred to the June 29, 2018 FCWPC meeting, pending analysis.**

20. **DISCUSSION REGARDING THE CONTINUED RENTAL OF THE WAREHOUSE CURRENTLY OCCUPIED BY THE SPECTRA TEAM DURING THE CONVENTION CENTER RENOVATION**

February 14, 2018 - C4 N

Emergency Management

**Status: Deferred to the June 29, 2018 FCWPC meeting, pending further research and discussions.**

21. **DISCUSSION REGARDING THE DUAL MEMBERSHIP MODIFICATION TO SUBSECTION 10 OF THE MIAMI BEACH TENNIS MANAGEMENT, LLC AGREEMENT**

March 7, 2018 - C4 C

Parks and Recreation

**Status: Deferred to the June 29, 2018 FCWPC meeting, to allow staff additional time to evaluate options pending further discussions.**

22. **DISCUSSION REGARDING MOVING FORWARD WITH AN ART INSTALLATION THAT CELEBRATES DIVERSITY IN OUR COMMUNITY, AS REQUESTED BY THE LGBTQ ADVISORY COMMITTEE**

April 11, 2018 - C4 X

Sponsored by Vice-Mayor Steinberg

Tourism, Culture, and Economic Development

**Status: Deferred to the June 29, 2018 FCWPC meeting, pending discussion at the NCAC.**

23. **DISCUSSION REGARDING MAURICE GIBB MEMORIAL PARK'S BUDGET AND DESIGN SCOPE**

February 14, 2018 - C4 AA

Sponsored by Commissioner Arriola

Capital Improvement Projects

**Status: Deferred to the June 29, 2018 FCWPC meeting, in order to work with the community to gain feedback and to come up with alternatives for the master plan.**

24. **DISCUSSION REGARDING THE 72ND STREET PARKING AND PARK COMPLEX**

January 17, 2018 - C4 D

Sponsored by Commissioner Alemán

Office of Capital Improvement Projects

**Status: Deferred to the June 29, 2018, pending completion of feasibility study.**

25. **DISCUSSION TO CONSIDER REVISING THE "SPECIAL EVENT REQUIREMENTS AND GUIDELINES", BY AMENDING THE FOLLOWING SECTIONS: "MINIMUM REQUIREMENTS,"**

**“EXTERNAL REVIEW PROCEDURE,” “BOOKING POLICY,” “USE OF PUBLIC PROPERTY,”  
“SPECIAL EVENT FEE SCHEDULE, AND “SPECIAL EVENT CLASS MATRIX”, HEREBY  
PERMITTING AND RESTRICTING FURTHER USES ON PUBLIC PROPERTY AND  
RECONCILING SPECIAL EVENT FEES TO MATCH RECENT INCREASES ASSOCIATED WITH  
OTHER PUBLIC RENTAL USES**

October 18, 2017 - C4 F

Tourism, Culture, and Economic Development

**Status: Deferred to the June 29, 2018 FCWPC meeting, pending meeting with industry.**

26. **DISCUSSION REGARDING THE COSTS RELATED TO HAVING MIAMI BEACH COMMIT TO ENSURING THAT ALL GOVERNMENT BUILDINGS WILL BE POWERED BY 100% RENEWABLE ELECTRICITY**

May 17, 2017 - R9 AB

Sponsored by Commissioner Rosen Gonzalez

Environment & Sustainability/Property Management

**Status: Deferred to the June 29, 2018 FCWPC meeting, pending direction from the Sustainability and Resiliency Committee.**

27. **DISCUSSION REGARDING THE TRACKING OF TOTAL SHORT TERM RENTAL VIOLATIONS IMPOSED AGAINST PROPERTY OWNERS**

October 31, 2017- C4 A

Sponsored by Commissioner Alemán

Finance/Code Compliance

**Status: Deferred to the June 29, 2018 FCWPC meeting, pending report.**

28. **DISCUSSION REGARDING THE FUTURE USE OF THE CORAL ROCK HOUSE, CONSISTING OF APPROXIMATELY 1,307 SQUARE FEET, LOCATED AT 1701 NORMANDY DRIVE**

April 11, 2018 - C4 A

Tourism, Culture and Economic Development

**Status: Deferred to the June 29, 2018 FCWPC meeting, per request of UNIDAD pending further discussions.**

## **ADDENDUM**

29. **DISCUSSION REGARDING THE CREATION OF A CITY OFFICE OF INSPECTOR GENERAL**

December 13, 2017 - C4 Q

Sponsored by Mayor Gelber and Co-sponsored by all City Commissioners

Office of the City Attorney

30. **DISCUSSION REGARDING THE RENEWAL OF THE CITY'S \$60 MILLION LINE OF CREDIT**

May 16, 2018 C4 C

Finance

31. **DISCUSSION REGARDING EQUIPMENT FINANCING LINE OF CREDIT**

May 16, 2018 - C4 D

Finance

32. **DISCUSSION REGARDING PARKING RATES FOR THE NEW MIAMI BEACH CONVENTION CENTER GARAGE (G11).**

May 16, 2018 - C4 F

Parking

33. **DISCUSSION REGARDING THE LISTING OF THE PENNSYLVANIA GARAGE RETAIL SPACE**

May 16, 2018 - C4 G

Sponsored by Commissioner Arriola

Tourism, Culture, and Economic Development

34. **DISCUSS THE RECOMMENDATIONS MADE BY DOVER KOHL PARTNERS ON THE RESTORATION, PLACEMENT, AND FUTURE USE OF THE NORTH BEACH LOG CABIN.**

May 16, 2018 - C4 AS

Tourism, Culture, Economic Development

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# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING G.O. BOND**

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**ANALYSIS:**

Discussion at Committee.

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Vice-Mayor Steinberg

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING RECOMMENDATIONS OF THE BLUE RIBBON  
EMERGENCY RESPONSE COMMITTEE**

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### **ANALYSIS:**

The Mayor's Blue Ribbon Emergency Response Committee was created on March 2, 2017 to provide recommendations to the Mayor and City Commission regarding proactive measures and response plans to address any emergencies in the City and to protect and enhance the Miami Beach brand. Committee members include Jerry Libbin from the Miami Beach Chamber of Commerce and William Talbert from the Greater Miami Convention & Visitors Bureau (GMCVB). Commissioner Micky Steinberg served as chair and the committee was staffed by Susy Torriente and Marcia Monserrat from the Office of the City Manager.

The committee met five times and discussed several topics, including: resort taxes, reserve policies, role of VCA, role of GMCVB, messaging, social media, branding and insurance.

The committee has had two discussions previously with Risk Management staff regarding additional insurance coverage options related to terrorism related disasters. Under the federal governments Terrorism Risk Insurance Program Reauthorization Act ("TRIPRA"), the triggers for coverage are two fold;

1. The "act of terrorism" must be certified by the Secretary of the Treasury, Secretary of Homeland Security and the Attorney General.
2. Certified acts must exceed insured losses in 2018 of \$160 million.

During the City's fiscal year 2017-2018 insurance renewals, a stand-alone terrorism policy was purchased which insures against terrorism acts irrespective of whether a loss is certified by the Secretary of the Treasury or the amount of insured losses. The current stand-alone terrorism policy has a deductible of \$10,000 and a coverage limit of \$100 million. The stand-alone policy is also endorsed to insure against active shooters scenarios and time element losses (interruption of business operations as a result of a covered loss) which would not otherwise be covered under the federal governments TRIPRA program.

The Committee has developed the following recommendations for Mayor and Commission consideration.

1. The Committee recommends that sufficient funds from the RDA be released into the resort tax reserve in order to fund the Commission policy of three-month goal. Currently the resort tax reserve has \$11,219,328, which is equal to two months and seven days. The amount necessary for the three-month goal is \$14,914,251 (one month equals \$4,971,417). The additional amount needed to meet the three-month goal is \$3,694,923.

2. The Committee recommends that the Mayor and Commission re-examine the allocation of the transit reserve funds.
3. The committee recommends that a referral be made to Finance and Citywide Projects Committee to examine what the triggers to use reserve tax dollars should be set and discuss what else can be done to maximize return of resort tax dollars.
4. The Committee supports the communications department's development of a citywide all-hazards communications plan, with support and coordination with Miami Dade County, City of Miami and GMVCB.
5. The Committee supports exploring additional film incentives in cooperation with GMCVB and the Greater Miami area partner cities. Furthermore, the Committee recommends that the Finance and Citywide Projects Committee (FCWPC) discuss in January priority to invest in film industry, in order to maximize the return of tax dollars; and come back in February to be updated on the NATPE conference held in January 2018.
6. The final committee recommendation is to monitor and meet one more time in six months to advise the Mayor and Commission.

**CONCLUSION:**

Thank you for the opportunity to bring these recommendations to the full Commission for discussion and decision.

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **UPDATE ON ENERGОВ PERMITTING SYSTEM**

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**ANALYSIS:**

Discussion at Committee.

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING A WATERLESS CAR WASH RFP AT GARAGES**

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### **HISTORY:**

### **ANALYSIS:**

Responses to the Waterless Car Wash Services RFP (Request for Proposal) are due on May 16, 2018. An award is anticipated at the June 6, 2018, City Commission meeting. Upon successful negotiations and execution of an agreement, the six month pilot is anticipated to launch later in the Summer. If acceptable, updates regarding progress of this initiative may be provided via LTC (Letter to Commission).

### **CONCLUSION:**



# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING LEVYING A VACANCY TAX ON EMPTY STOREFRONTS THROUGHOUT THE CITY OF MIAMI BEACH AS A WAY TO ENCOURAGE LANDLORDS TO KEEP THEIR RETAIL OR COMMERCIAL SPACE RENTED AND ACTIVE.**

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### **HISTORY:**

This item was referred to the Finance and Citywide Projects Committee at the April 11, 2018 City Commission meeting.

At the April 20, 2018 Finance and Citywide Projects Committee, the Committee discussed the issue of ground floor storefront vacancies throughout many of the major commercial corridors in Miami Beach. There was discussion on ways to create registries to track vacant properties along with possible incentives to help landlords lease out their properties.

The Committee asked that City Staff research potential ways to address ground floor storefront vacancies and to create a catalogue of number of vacancies among major corridors.

The following counts were concluded:

41st Street:	8 vacancies
Lincoln Road (100 block - 1100 block):	23 vacancies
Washington Avenue (5th-15th Street):	55 vacancies
Ocean Drive:	10 vacancies
North End (63rd to 70th Street):	21 vacancies

Attached is a full list of the addresses and corresponding photos for each of the five districts that were assessed.

### **ANALYSIS:**

City staff is currently reviewing and researching background information for each of the vacant storefronts. This includes cross-referencing each address with the City's BTR registry along with vetting each address through property appraiser and Sunbiz to determine ownership.

Once staff collects the necessary contact information for each vacancy, staff will begin to survey the owners to determine why their property has remained vacant, and to see if there are any mitigation efforts on the part of the City which may help to reduce vacancies. This information will allow City staff to properly address and

recommend a set of interventions for reducing ground floor storefront vacancies within the commercial corridors.

Additionally, State Statute does not provide legislative authority to impose ad valorem taxes on property owners with vacant storefronts. Therefore, we could not impose a vacancy tax on empty storefronts without the approval from State legislature.

The City could potentially create a vacancy registry and collect an annual fee that would offset the cost of the registry and any Staff time accounted for managing the platform. The City Administration is researching other fee structures and potential opportunities that would help mitigate storefront vacancies while maintaining the public streetscape adjacent to the property.

**CONCLUSION:**

City Administration is requesting that this item be further discussed once the research and subsequent outreach to property owners has been completed.

**ATTACHMENTS:**

Description		Type
<input type="checkbox"/>	41st Street Vacancies	Other
<input type="checkbox"/>	Lincoln Road 100-700 Vacancies	Other
<input type="checkbox"/>	Lincoln Road 800-1100 Vacancies	Other
<input type="checkbox"/>	North End 63-70 Vacancies	Other
<input type="checkbox"/>	Ocean Drive Vacancies	Other
<input type="checkbox"/>	Washington Avenue Vacancies	Other

## Vacant store fronts on 41st St

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439 41<sup>st</sup> St



## Vacant store fronts on 41st St

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827A 41<sup>st</sup> St



## Vacant store fronts on 41st St

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970 41<sup>st</sup> St



## Vacant store fronts on 41st St

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770 41<sup>st</sup> St





## Vacant store fronts on 41st St

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768 41<sup>st</sup> St



## Vacant store fronts on 41st St

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744 41<sup>st</sup> St





## Vacant store fronts on 41st St

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514 41<sup>st</sup> St



## Vacant store fronts on 41st St

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555 41<sup>st</sup> St



643 Lincoln Rd



657 Lincoln Rd



647 Lincoln Rd





737 Lincoln Rd



725 Lincoln Rd



719 Lincoln Rd.





726 Lincoln Rd



716 Lincoln Rd



616 Lincoln Rd



610 Lincoln Rd



530 Lincoln Rd.





430 Lincoln Rd.



330 Lincoln Rd





301 Lincoln Rd.





100 Lincoln Rd.

811 Lincoln Rd





943 Lincoln Rd



817 Lincoln Rd



947 Lincoln Rd.



1111 Lincoln Rd.





828 Lincoln Rd.



1112 Lincoln Rd.





826 Lincoln Rd.

North End – vacant Storefront

63<sup>rd</sup> Street to 70<sup>th</sup> street

1. 6548A Collins Avenue



2. 6606 Collins Avenue



3. 6610 Collins Avenue



4. 6644 Collins Avenue





The Following all belong to 6701 Collins Avenue. Business moved out due to electrical problems in the building. 6685 – 6695 Collins Avenue

5. 6685 Collins Avenue



6. 6685 Collins avenue Suite 2



7. 6687 Collins Avenue



8. 6689 Collins Avenue





9. 6691 Collins Avenue



10. 6693 Collins Avenue



11. 6695 Collins Avenue



12. 6790 Collins Avenue





13. 6804 Collins Avenue



The following are possible 8 commercial units. No individual address. All under 6899 Collins Avenue.















1300 Ocean DR



1220 Ocean DR



1200 Ocean DR



1052 Ocean DR





804 Ocean DR



640 Ocean Dr



626 Ocean DR



620 Ocean DR



524 Ocean DR



510 Ocean DR



South End – vacant Storefront

Washington Avenue Corridor – 5<sup>th</sup> Street to 15<sup>th</sup> Street

1. 506 Washington Avenue



2. 540 Washington Avenue





3. 542 Washington Avenue



4. 550 Washington Avenue



5. 555 Washington Avenue (3 Commercial Units)



6. 709 Washington Avenue



7. 711 Washington Avenue





8. 729 Washington Avenue (3 Commercial Units)



9. 739 Washington Avenue



749 Washington Avenue





10. 753 Washington Avenue



11. 710 Washington Avenue CU11



12. 828 Collins Avenue



13. 811 Washington Avenue





14. 835 Washington Avenue



15. 843 Washington Avenue



16. 855 Washington Avenue



17. 907 Washington Avenue





18. 915 Washington Avenue



19. 917 Washington Avenue



20. 921 Washington Avenue



21. 925 Washington Avenue





22. 827 Washington Avenue



23. 929 Washington Avenue



24. 931 Washington Avenue



25. 933 Washington Avenue





26. 935 Washington Avenue



27. 937 Washington Avenue



28. 939 Washington Avenue



29. 941 Washington Avenue





30. 943 Washington Avenue



31. 947 Washington Avenue



32. 955 Washington Avenue



33. 1203 Washington Avenue





34. 1235 Washington Avenue



35. 1248 Washington Avenue



36. 1234 Washington Avenue



37. 1210 Washington Avenue





38. 1200 Washington Avenue



39. 1311 Washington Avenue



40. 1319 Washington Avenue



41. 1321 Washington Avenue





42. 1331 Washington Avenue



43. 1370 Washington Avenue



44. 1405 Washington Avenue



45. 1409 Washington Avenue





46. 1413 Washington Avenue



47. 1415 Washington Avenue



48. 1423 Washington Avenue



49. 1425 Washington Avenue





50. 1427 Washington Avenue



51. 1436 Washington Avenue



52. 1456/1458 Washington Avenue



53. 1535 Washington Avenue





54. 1537 Washington Avenue



55. 1541 Washington Avenue



# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION TO EXPLORE DISCOUNTS FOR SHARED WORK SPACES IN ORDER TO ATTRACT ENTREPRENEURS AND SMALL BUSINESSES**

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### **HISTORY:**

This item was referred to the Finance and Citywide Projects Committee by at the April 11, 2018 City Commission Meeting and further discussed at the Finance and Citywide Projects Committee on April 20, 2018.

Recently, the City of Miami partnered with WeWork, a coworking company, for marketing and promotions for the discounts offered by WeWork within said locations to better support local business entities and entrepreneurs based and/or who have relocated to Miami. This partnership allows businesses to take part in a reduced monthly fee which encourages them to continue their business in Miami.

The City of Miami Beach is currently examining creative programming and partnerships to help nurture and grow our local economy and foster a culture of entrepreneurship. Currently, there are two WeWork centers in South Beach as well as Buro another type of coworking center in Sunset Harbor.

Recently, the Commission approved a Small Business Taskforce that will help address small business needs and identify new concepts for support the Miami Beach business community. This Taskforce is still pending final Commission appointees, and has not yet launched meetings.

### **ANALYSIS:**

City Staff has been in communication with WeWork to understand partnership opportunities with the City of Miami Beach and how we can utilize the WeWork services for support of our local small business community. WeWork is interested in offering a similar discount program at the two South Beach coworking spaces.

Concurrently, Staff is working with WeWork to help identify other potential areas in which to launch on Miami Beach, including North Beach and the 41st Street Corridor.

There are many different coworking spaces and models represented in the South Florida region. A majority of coworking spaces share the same financial model: monthly membership fees based upon usage of the space (dedicated desk, private office space, *drop-in and on-the-go*). However, there are industry specific models along with nonprofit coworking spaces that cater specifically to philanthropic and socially conscious entities. Below is a



brief summary of some of the coworking spaces in Miami Dade County and their unique offerings. Currently, only Buro and WeWork are represented in the City of Miami Beach.

**Nonprofit/Socially Focused:**

Center for Social Change  
Tedge Mindful  
EcoTech Visions

**Innovation and Technology:**

Cambridge Innovation Center (CIC)  
The Lab  
The Building

**Design, Art, Creative Makers:**

Moonlighter  
MADE at the Citadel  
Miami Ironside

**Traditional Business Development:**

Pipeline  
Buro  
WeWork

As the shared work space trend continues to evolve and grow, new business models are emerging throughout the Country. In New York City, a new coworking company named Spacious has recently started to explore how they can activate and use restaurants during daytime hours that are typically only open at night as office space. University libraries along with public libraries have also begun to explore building in coworking and maker spaces into their facilities that would allow residents and students to use them at a reduced or free rate.

**CONCLUSION:**

The Administration is seeking direction regarding providing marketing and promotions support for WeWork and other coworking entities.

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING THE FEES CHARGED TO DEVELOPERS TO  
APPEAR BEFORE THE CITY'S LAND USE BOARDS**

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**ANALYSIS:**

Discussion at Committee.

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION TO REVIEW STATUS, ISSUES, AND PLANS RELATED TO THE  
INDIAN CREEK DRIVE FLOODING MITIGATION**

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**ANALYSIS:**

Discussion at Committee.

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING SIMPLIFYING THE SIDEWALK CAFÉ APPLICATION  
PROCESS FOR BUSINESSES IN NORTH BEACH AND WASHINGTON AVENUE**

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**ANALYSIS:**

Discussion at Committee.



# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING SELECTION OF POTENTIAL FUTURE STORMS'  
DEBRIS MANAGEMENT SITES**

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**ANALYSIS:**

Discussion at Committee.

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING THE REQUEST FOR QUALIFICATIONS (RFQ) NO. 2017-119-KB, SMART CITY STREET LIGHTING SYSTEM - DESIGN, BUILD, OPERATE, AND MAINTAIN AS REQUESTED AT THE APRIL 5, 2018 G.O. BOND WORKSHOP**

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**ANALYSIS:**

Discussion at Committee.

# MIAMI BEACH

## **COMMITTEE MEMORANDUM**

**TO:** Finance and Citywide Projects Committee Members

**FROM:** Jimmy L. Morales, City Manager

**DATE:** May 18, 2018

**SUBJECT: DISCUSSION REGARDING THE NORTH BEACH TOWN CENTER GARAGE**

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### **HISTORY:**

On or about June 7, 2017, the City engaged Tom Blazejack, to prepare an appraisal, as required by Section 82-39 of the City Code, with respect to a proposal submitted by North Beach Town Center Development, LLC's ("Developer") for the City to convey two of its Parking Lots (P80 and P84) in North Beach, in exchange for the Developer's conveyance to the City of a public parking garage unit or structure, which would be constructed as part of the Developer's proposed mixed use project.

Between July, 2017 and December, 2017, the City and the Developer held various meetings to discuss the differences in valuation. As part of the appraisal discussions, the City and the Developer agreed that the results of the November, 2017 referendum regarding the proposed F.A.R. increase in the Town Center districts in North Beach could affect the valuation of the respective parcels. The decision to incorporate the F.A.R. referendum results as part of the appraisal analysis inured to the benefit of the Developer, as the Developer's properties benefited more from the FAR increase than the City's properties.

On December 21, 2017, Blazejack submitted its revised appraisal analysis, based on the increased F.A.R. associated with the November referendum approved by the voters. The analysis reflects, the higher overall value of the City's properties resulted in an **\$800,000** variance between the City properties and Developer properties.

Between December 21, 2017 and April 3, 2018, the City and the Developer had extensive negotiations regarding the Developer's concept plans for the Project, all of which assumed that Developer would have ownership of property the Developer currently does not own, namely the property located at 414 71st Street (the "Prima Pasta Site").

On April 3, 2018, the owner of Prima Pasta, through its counsel, submitted a letter to the Mayor and City Commission formally advising the City that it did not have any agreement with the Developer, and that Prima Pasta objects to its property being included as part of the project.

On Wednesday, April 4, 2018, after the April 11, 2018 City Commission Agenda was released, the Developer submitted an email to the Mayor and City Commission with respect to Agenda Item R7E, stating that he is "falling back to Plan B and excluding Prima Pasta from the project submittal" and that the Developer is "no longer communicating with" Prima Pasta.

On Friday, April 6, 2018, the Developer submitted a new "Plan B" concept and proposed revisions to the term sheet recommended by the Finance and Citywide Projects Committee (Finance Committee) on March 26, 2018.

In view of the Developer's April 6, 2018 submittal of a new proposed "Plan B" Project, the Administration recommended that any consideration of the term sheet set forth in Agenda Item R7E be deferred (his "Plan A," involving the Prima Pasta Site) to provide the Administration the appropriate time to (1) review the new proposal, both from a Planning Department perspective and from a business/economic development perspective, (2) negotiate any business and legal issues that may arise based on the new proposed plan and terms, and (3) make a recommendation to the Finance Committee with respect to this new proposal, which is materially different from what the Finance Committee previously reviewed. The developer subsequently withdrew his Plan A proposal.

Some of the threshold issues for review of a revised concept plan and term sheet for such a materially different project include:

- **Review the appraisal** and the prior appraisal methodology with the City's appraiser, to ensure that the City is not short-changing itself with respect to the valuations for the new proposed exchange of properties; and
- **Review with Planning Department to determine if there are F.A.R. implications** for the new project. In order to proceed with the City garage as a "main use garage," Planning would need to review the plan with the Building Department and the Fire Department, to determine if the new City garage is a completely separate building structure, with separate building systems, separate permit, and a separate C.O., as otherwise, there are significant F.A.R. implications; and
- **Review from a business and operational perspective**, including impacts on operating costs and **changes to the pro forma** previously presented to the Finance Committee; and
- **Review threshold development issues.** For instance, financing structure given that City property cannot be lien'd; and construction contract structure given that the development is now one structure instead of 2 separate contracts.
- **Review of Developer's latest term sheet and concept plan.** For instance, the proposed number of Developer-owned parking spaces and City-owned parking spaces. Additionally, **review issues concerning access**, cross-circulation and the like, particularly with respect to the proposed ground floor and second floor layout ; and
- **Review potential impacts to Prima Pasta's operations and adjacent properties.** For example, emergency egress, loading access, trash removal, dumpster location and grease traps locations for Prima Pasta would need to be evaluated.

### **ANALYSIS:**

Since the April 11, 2018 Commission meeting, the City and the Developer have had several conversations regarding the new site plan, conceptual approach for a new development structure, issues to be addressed in the corresponding term sheet, and potential impacts on the Prima Pasta operations, including potential life safety impacts, that may need to be addressed.

These conversations are on going. As of May 9, 2018, the Developer has stated that he is working on revised plans and corresponding termsheet for review with the Administration on Friday May 11, 2018.

### **CONCLUSION:**



The Administration will continue to have conversations with the Developer and will advise the Finance and Citywide Projects Committee of any progress.

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING RESTROOM FACILITIES FOR THE COLLINS PARK ROTUNDA**

### **HISTORY:**

In the January 11, 2017 Commission meeting, the issue of potential use and activation of the Rotunda in Collins Park was referred to the Neighborhood/Community Affairs Committee in order to discuss possible options for activating the space. On February 17, 2017, the Neighborhood/Community Affairs Committee recommended further exploration of three proposed options, which include activating the Rotunda as a café, public art installation, or climate change station. The Rotunda is the last standing piece of the prior Public Library of Miami Beach in Collins Park, designed in 1962 by Albert Vrana with a sand-cast concrete façade, named “The Story of Man”.

In preceding conversations, the Finance and Citywide Projects Committee initially discussed food and beverage concessions at Soundscape Park, Collins Park, and the Miami Beach Botanical Garden at the June 20, 2014 meeting and recommended pursuing food and beverage concessions through the pop-up concept or food trucks for both Soundscape Park and the Miami Beach Botanical Garden. The Finance and Citywide Projects Committee recommended waiting for a broader master plan for activating Collins Park before pursuing a concession operation at this location. This matter was further discussed and developed at the January 7, 2015, March 18, 2016, May 20, 2016, June 17, 2016, and December 16, 2016 Finance and Citywide Projects Committee meetings. At the January 11, 2017 Commission meeting, the Commission approved authorizing the Administration to negotiate with the Bass Museum to provide an outdoor café in conjunction with their indoor café. The Commission direction was to explore possible options for the use of the Rotunda.

On April 26, 2017 the City Commission discussed four options for potential uses for the Rotunda including a full-service food and beverage café, an art installation implemented by the Bass, a climate change station and an artist design performing arts venue. Based on estimates provided by Capital Improvement Projects the cost to convert the Rotunda into a full-service food and beverage café with commercial kitchen, restrooms, finishes, mechanical, electrical, fire alarm/suppression, means of egress/accessibility, etc. was \$929,000 (Attachment 1). Without the need for a full commercial kitchen, the cost to renovate the Rotunda would be less than the \$929,000 estimated for a full-service food and beverage cafe, but could possibly still require upgrades such as finishes, mechanical, electrical, fire alarm/suppression, means of egress/accessibility. The conversion of the Rotunda into an art installation by the Bass was estimated between \$600,000-\$800,000; the renovation into an artist designed performing arts venue was estimated at \$800,000; and no cost estimates were provided by the design firm of Sapient and Nitro to convert the Rotunda into a Climate Change Station

During the April 26, 2017 City Commission meeting, a motion was made to proceed with the Cultural Arts Council’s plan to convert the Rotunda into an artist designed performing arts space. Funding for this project was allocated on September 13, 2017 when the City Commission approved by Resolution 2017-29969 the use of

\$800,000 from the Cultural Arts Council Endowment to fund the transformation of the space.

The Art in Public Places Committee issued an invitational Call to Artists to internationally recognized professional artists with experience in architectural-scale projects which involve highly specialized transformation of existing structures and interior spaces. Based on the above estimates, it was stated in the Call to Artists, that the scope for the total allocated amount of \$800,000 from the Cultural Arts Council Endowment to convert the Rotunda into a functioning performing arts venue, included design, engineering, fabrication, installation, and all code and building requirements associated with the renovation including restrooms, accessibility and life safety systems, among any other necessary requirements.

After discussion and review of the artists' previously completed works, on December 18, 2017 three artists were recommended by the Art in Public Places Committee to develop site specific project proposals. The artists were as follows:

Daniel Arsham/Snarkitecture (Brooklyn)  
Frida Escobedo (Mexico City)  
Gia Webb (New York City)

On February 20, 2018, the three artists presented their site specific project proposals to the Art in Public Places Committee, members of the Cultural Arts Council, community representatives and staff, despite not meeting the requirement of providing a restroom solution that would meet accessibility requirements, as described in the solicitation. With the exception of the restrooms, other stated requirements were addressed, including design and budget line items to accommodate for accessibility and life safety system requirements for the Rotunda.

Following discussion of all three proposals, the Art in Public Places Committee made a motion and unanimously recommended the proposal presented by Mexico City based Frida Escobedo. On March 2, 2018, the Cultural Arts Council also made a unanimous motion to recommend Frida Escobedo's design. A second motion was made by the Cultural Arts Council directing staff to identify a solution for restroom facilities to serve the Rotunda. Recommendations included identifying funding for the construction of new restroom facilities as part of the City's capital budget process or request funding for purchase of pre-fabricated portable restrooms as part of the City's capital budget process. Any of the above solutions should be realized in collaboration with the recommended artist.

Frida Escobedo received a Master's in Art, Design and Public Domain from Harvard Graduate School of Design. She was selected to design the 2018 Serpentine Pavilion, London, and will be the youngest and second female following Zaha Hadid to receive the honor. Her work has been exhibited at the Museum of Modern Art, New York; MAXXI, Rome, Italy; Venice Biennale; Victoria and Albert Museum, London, among others.

## **ANALYSIS:**

The three proposing artists were able to design and budget life safety and accessibility requirements for the Rotunda; however, none of the three proposing artists were able to include an accessible restroom facility within the originally allocated budget of \$800,000. Upon further research conducted by each of the proposing artists, all of the proposing artists concluded that an accessible restroom facility should be located outside of the existing interior rotunda space, as the incorporation of an accessible, interior restroom would require a significant amount of square footage, greatly reducing capacity and performance space. Attachment 2 references a possible location, as presented by the recommended artist.

### **Cost of Accessible Restroom Facilities**

On May 2, 2018, Capital Improvement Projects staff provided a separate cost estimate for the construction of a restroom only. Based on the capacity of the Rotunda, staff determined a 200 square foot facility would meet requirements, equipped with 1 male, 1 female ADA restroom with service sink. A total estimate of \$173,200 (Attachment 3) was presented.

## Funding for Accessible Restroom Facilities

As recommended by the Cultural Arts Council, a motion was made to identify funding for the construction of accessible restroom facilities as part of the City's budget process or request funding for purchase of portable restrooms as part of the City's budget process, including potential funding from the Cultural Arts Council Endowment. Potential funding from the Cultural Arts Council Endowment was discussed at the April 5, 2018 meeting of the Cultural Arts Council. The available balance shows \$1,618,031 set aside in the Cultural Arts Council Fund (140) for the endowment. Of that amount, \$800,000 was appropriated in the FY18 capital budget for the Collins Park Rotunda artist designed performing arts venue. As detailed in the Cultural Arts Council Master Plan (Resolution No. 98-22760) and Cultural Affairs Strategic Plan (Resolution No. 2014-28732), the Cultural Arts Council can recommend use of funds for capital improvements at Miami Beach cultural facilities

On April 5, 2018, the Cultural Arts Council met and a motion was made by Laurence Moser, seconded by Britta Hanson and passed unanimously stating staff should continue to work with Capital Improvement Projects to further refine the cost estimate, scope of work, life safety, accessibility and code requirements for accessible restroom facilities and to return to the Cultural Arts Council with an update at the May 3, 2018 meeting.

In addition to custom built new restroom facilities, the Cultural Arts Council directed staff to explore alternative solutions to restrooms, including pre-fabricated and mobile units. Pre-fabricated environmentally sustainable units (Attachment 4), are placed permanently on site and range in cost from \$97,000-\$100,000 per restroom. Electrical, water and sewer connections would be required and are estimated an additional \$45,000, as per line item referenced in Attachment 2. Prefabricated, mobile units range in price from \$110,000-\$250,000, depending on design. Should a prefabricated mobile unit be recommended, a storage facility would need to be identified when the facility is not in use.

On April 10, 2018 staff conducted a site visit with Capital Improvement Projects staff to assess the cost estimate, scope of work and determine code requirements for a restroom facility. Following the site visit, Capital Improvement Projects staff recommended pursuing a consultant to provide a feasibility study, with phase one of the study assessing the possibility of using existing restroom facilities located within the Bass to service the Rotunda. This option is dependent upon the Bass restrooms meeting all applicable requirements for compliance, which includes an allowable distance between facilities. The Bass has stated they would provide the use of bathrooms for the opening of the Rotunda, or for a once or twice a year event. However, on an ongoing, permanent basis, the Bass's position is that the museum does not have the ability to responsibly protect the art during off hours.

Finally, a request has been submitted to the Finance Department to include the restrooms for the Rotunda as part of the Government Obligation Bond program.

Ideally, a solution for the restroom facilities should be identified prior to the submittal of the artists' design to Historic Preservation Board.

## **CONCLUSION:**

Administration seeks direction from the Finance and Citywide Projects Committee regarding funding for the restroom facilities for the Collins Park Rotunda.

## **ATTACHMENTS:**

Description	Type
<input type="checkbox"/> Attachment1	Memo
<input type="checkbox"/> Attachment 2	Memo
<input type="checkbox"/> Attachment 3	Memo





**Attachment 1****Cost Estimate of Collins Park Concession (Rotunda)**

(May 20, 2016)

**Collins Park Concessions****Construction Costs**

Item	Quantity	Unit	Unit Cost	Estimated Cost	Notes
Building Modifications	2000 SF	\$	150.00	\$ 300,000.00	Inclusive of MEP, finishes
Kitchen Equipment	1 LS	\$	30,000.00	\$ 30,000.00	Concession Cooking Equipment
Hood and Exhaust	1 LS	\$	7,500.00	\$ 7,500.00	Single hood with Ansul System
Grease Trap	1 LS	\$	7,500.00	\$ 7,500.00	
Trash Enclosure and Can Wash	100 SF	\$	140.00	\$ 14,000.00	
Water and Sewer Connection	1 LS	\$	45,000.00	\$ 45,000.00	
Fire Alarm	1 LS	\$	12,500.00	\$ 12,500.00	New System
Fire Sprinkler System	2000 SF	\$	40.00	\$ 80,000.00	New System
POS System	1 LS	\$	8,500.00	\$ 8,500.00	(2) Stations
New Bathrooms	1 LS	\$	30,000.00	\$ 30,000.00	Allowance
Seating Area	600 SF	\$	8.00	\$ 4,800.00	Outdoor, uncovered Seating
Furnishings	6 EA	\$	1,000.00	\$ 6,000.00	
Sitework	1 LS	\$	85,000.00	\$ 85,000.00	
Landscaping	1 LS	\$	15,000.00	\$ 15,000.00	

Project Sub-total	\$ 645,800.00
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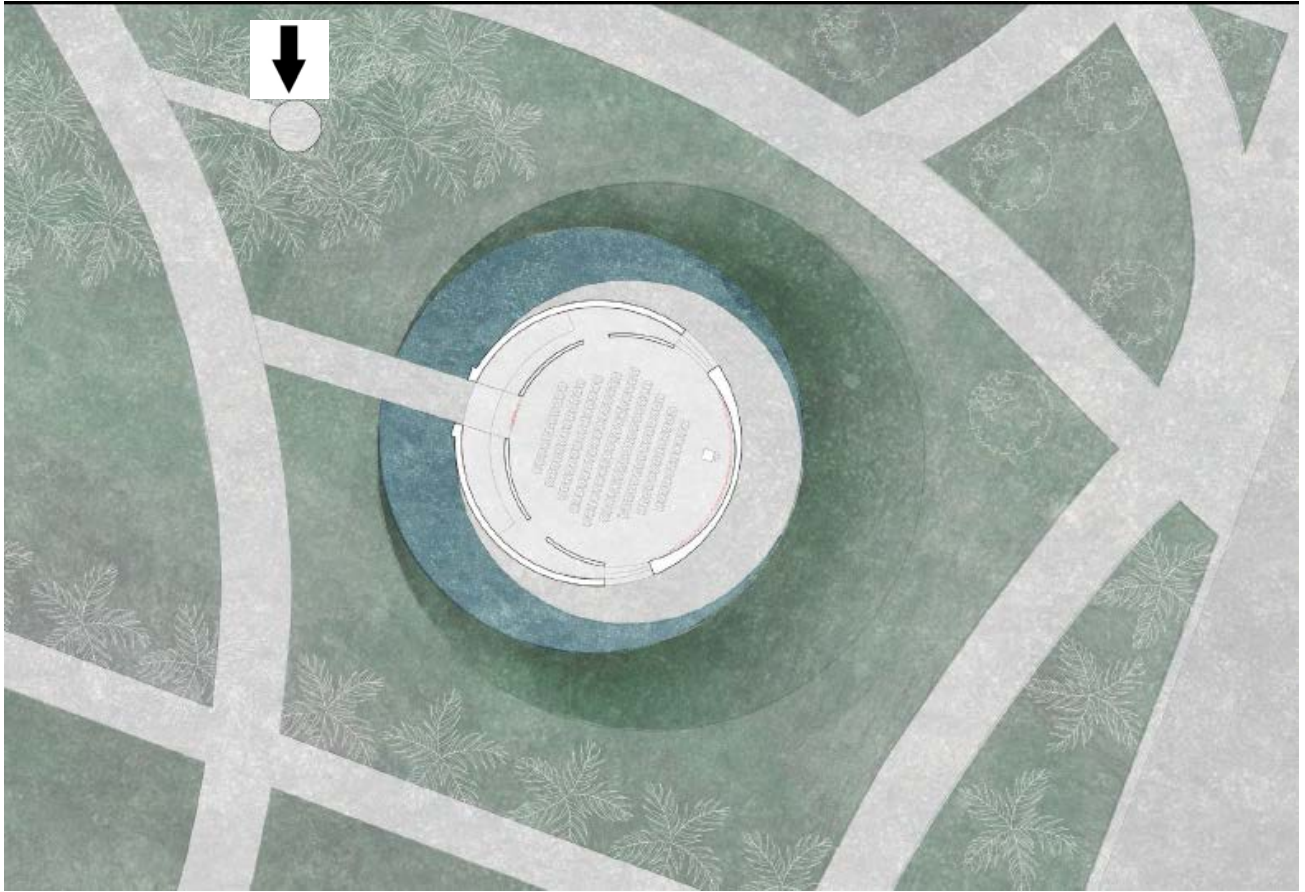
Item	Quantity	Unit	Unit Cost	Estimated Cost	Notes
Design Fees	9 %			\$ 58,200.00	
Construction Administration	4.5 %			\$ 29,100.00	
Surveying	1.5 %			\$ 9,700.00	
Testing and Inspections	2 %			\$ 13,000.00	
Building Permits	3 %			\$ 19,400.00	
Project Contingency	15 %			\$ 96,900.00	
CIP Project Fee	6.5 %			\$ 56,700.00	

Project Sub-total	\$ 283,000.00
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<b>Assumptions</b>	<b>\$ 928,800.00</b>
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Gut and refinish  
 Connect to existing utilities  
 No upgrades to utilities included  
 Minimal Landscaping assumes connection to existing irrigation  
 Building already has water and sewer connections  
 Kitchen equipment for Concession cooking

ATTACHMENT 2  
Possible Restroom Location



## Collins Park Performing Arts Venue Restroom Addition

### Construction Costs

Item	Quantity	Unit	Unit Cost	Estimated Cost	Notes
New Bathrooms (Detached)	200 SF		\$ 300.00	\$ 60,000.00	1 Male, 1 Female ADA restroom, DF, Service Sink
Water and Sewer Connection	1 LS		\$ 45,000.00	\$ 45,000.00	
Sitework	1 LS		\$ 5,000.00	\$ 5,000.00	Allowance
Landscaping	1 LS		\$ 2,000.00	\$ 2,000.00	Allowance

Sub-total	\$ 112,000.00
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### Project Soft Costs

Item	Quantity	Unit	Unit Cost	Estimated Cost	Notes
Design Fees	15 %			\$ 16,800.00	
Construction Administration	8 %			\$ 9,000.00	
Surveying	6 %			\$ 6,800.00	Boundary, Topographic and Tree survey
Testing and Inspections	3 %			\$ 3,400.00	
Building Permits	3 %			\$ 3,400.00	
Project Contingency	10 %			\$ 11,200.00	
CIP Project Fee	6.5 %			\$ 10,600.00	

Sub-total	\$ 61,200.00
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**Project Order of Magnitude Estimate** **\$ 173,200.00**

### Assumptions

Connect to existing utilities  
 No upgrades to utilities included  
 Restore Landscaping





# The Portland Loo

*A Unique Solution to a Universal Problem*

# QUOTE

**Date:** March 27, 2018  
**Invoice #:** [377]  
**Customer ID:** Miami Beach  
**Expires:** 4/26/2018

**To:** **Name:** Brandi Reddick **Ship to:** Zip Code 33140  
**City:** Miami Beach, FL

Salesperson	Shipping Method	Shipping Terms	Delivery Date	Payment Terms
Evan Madden	Truck	FOB Miami Beach	90 Days ARO	see attached

Item #	QTY	Description	Unit Price	Line Total
1	1	Portland Loo- Single occupant public toilet. 3166 SS posts and 316 SS panels, louvers, door & roof. 40W heat trace, interior and exterior LED lighting with photoeye and motion sensor control and occupancy counter. <b>AC power</b> option. (LH/RH door swing and LH/RH hand wash basin to be determined later) See attached drawings.	\$95,000.00	\$95,000.00
2	1	Portland Loo- Single occupant public toilet. 3166 SS posts and 316 SS panels, louvers, door & roof. 40W heat trace, interior and exterior LED lighting with photoeye and motion sensor control and occupancy counter. <b>Solar powered</b> only option with 3 panel solar, 2 batteries, and solar controller. (LH/RH door swing and LH/RH hand wash basin to be determined later) See attached drawings.	\$97,000.00	\$97,000.00
3	1	Portland Loo- Single occupant public toilet. 3166 SS posts and 316 SS panels, louvers, door & roof. 40W heat trace, interior and exterior LED lighting with photoeye and motion sensor control and occupancy counter. <b>Hybrid power</b> option with 3 panel solar, solar controller and 2 battery back up. (LH/RH door swing and LH/RH handwash basin to be determined later) See attached drawings.	\$97,600.00	\$97,600.00
4	1	Loo Template	incl	-
5	1	Foundation Mounting Hardware	incl	-
6	1	Hand Wash Basin	\$1,500.00	\$1,500.00
7	1	Baby Changing Table	\$1,470.00	\$1,470.00
8	1	Trash Can	\$100.00	\$100.00
9	1	Sharps Container	\$500.00	\$500.00
10	1	Aluminum Front Door Upgrade	\$1,800.00	\$1,800.00
11	1	Shipping & Handling	\$8,300.00	\$8,300.00

Total	See Above
-------	-----------

Make all checks payable to Madden Fabrication  
 Thank you for your business!

2550 NW 25th Pl. Portland, Oregon 97210 (503)226-3968

# THE PORTLAND LOO

# STRUCTURAL/ARCHITECTURAL DRAWINGS

# SHEET INDEX

# COVER SHEET

# FLOOR PLAN

## EXTERIOR ELEVATIONS FRONT & RIGHT SIDE

## EXTERIOR ELEVATIONS BACK & LEFT SIDE

## ROOF LAYOUT

## INTERIOR SECTION VIEWS

## INTERIOR SECTION VIEW

## COLUMN AND BEAM LAYOUT

# FRONT DOOR

## FOUNDATION & ANCHOR BOLT LOCATIONS

## STANDARD OPTIONS

## PLUMBING FLOOR

## PLUMBING DETAIL

**AO.0**

## A1.0

## A2.0

### A3.0

## A4.0

## A5.0

## A6.0

# S1.0

## S2.0

**S.O.**

## S4.0

**P1.0**

**P2.0**

## GENERAL NOTES

1. WEIGHT : 6,013 lbs
2. SQUARE FOOTAGE : 51.5
3. ALL STRUCTURAL STEEL TO BE FABRICATED AND ERECTED IN ACCORDANCE WITH AISC MANUAL 9th EDITION & A.W.S. ALL PANELS, LOUVERS, AND ROOF TO BE 304 STAINLESS STEEL,
4. STRUCTURAL TUBING ASTM 500 GR. B
5. ANCHOR BOLTS 1/2" X 5" TITENS
6. ALL WELDING TO BE DONE BY CERTIFIED WELDERS.
7. ALL EXPOSED BOLTS AND SCREWS TO BE TAMPER RESISTANT FOR HEX PIN BITS.
8. RIVET NUTS TO BE C.F.T. SERIES AND STAINLESS STEEL 302.
9. ALL MATERIALS TO BE SAND BLASTED AND POWDER COATED
10. ALL STRUCTURES TO BE FABRICATED OFF SITE SHALL BE DONE IN SHOPS OR FABRICATORS LICENSED OR APPROVED BY THE BUILDING AND ENGINEERING DIVISION OF THE CITY FOR WHICH IT IS INTENDED FOR

## DESIGN INFORMATION

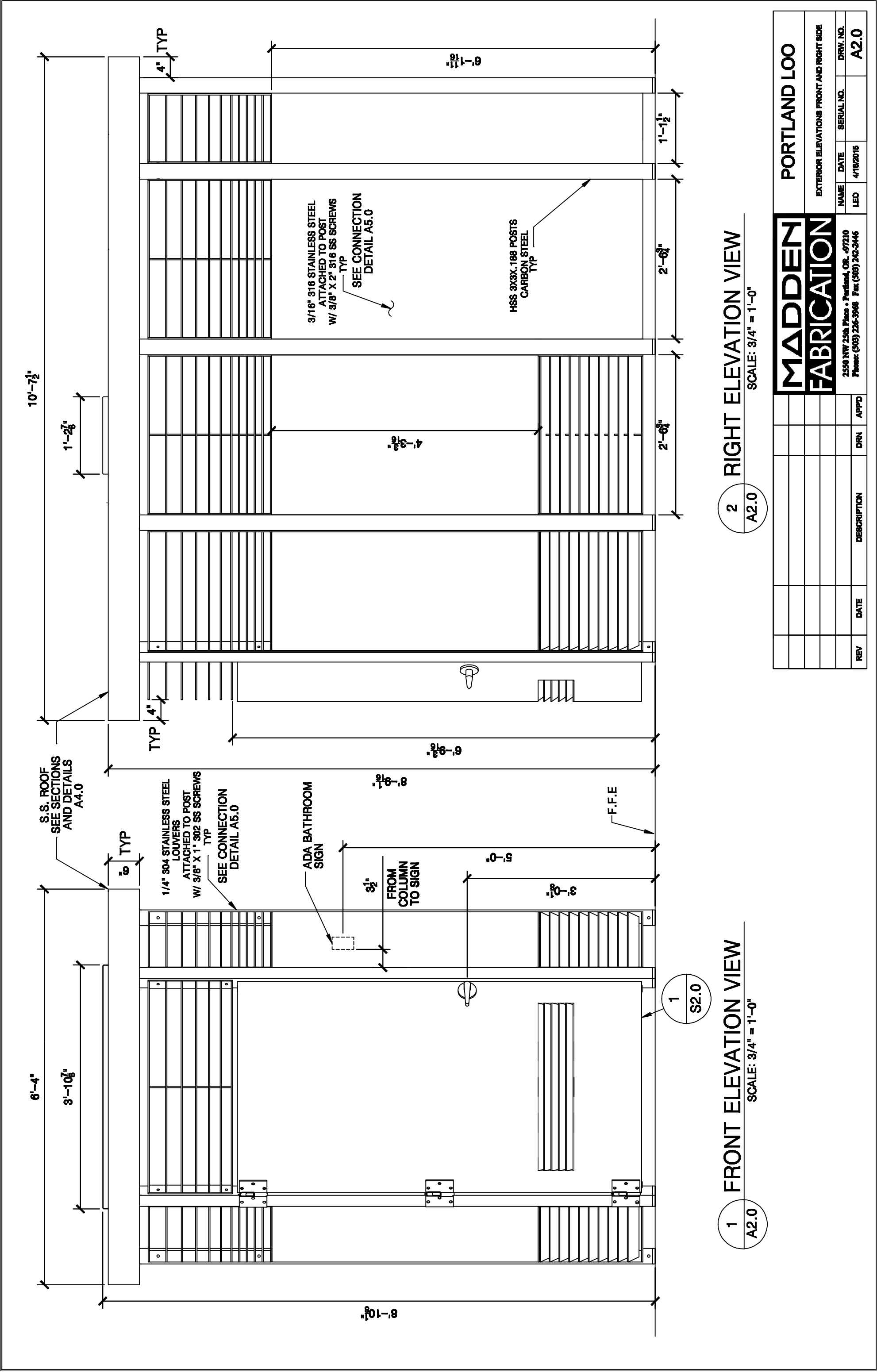
1. DESIGN IS BASED ON INTERNATIONAL BUILDING CODE IRC 2012 EDITION AND ASCE7-10
2. SNOW LOAD=25 PSF MAX
3. WIND DESIGN CRITERIA: 140 MPH (3-SECOND GUST) EXPOSURE C
4. SEISMIC DESIGN CRITERIA: SDS=1.0 MAXIMUM, R-6.5 (LIGHT FRAME SHEAR WALL), IMPORTANCE FACTOR=1
5. SEISMIC DESIGN CATEGORY: D
6. SITE CLASS D
7. CONTRACTOR TO VERIFY DESIGN PARAMETERS SHOWN WITH ACTUAL SITE CONDITIONS AND INSURE ACTUAL SITE PARAMETERS NOT EXCEED DESIGN

## SPECIAL INSPECTIONS

1. AN INDEPENDENT TESTING COMPANY OR SPECIAL INSPECTOR RETAINED BY THE OWNER AND APPROVED BY THE BUILDING OFFICIAL SHALL INSPECT THE FOLLOWING.
  - A. FOUNDATION REINFORCING STEEL PLACEMENT
  - B. VERIFY USE OF REQUIRED CONCRETE MIX DESIGN
  - C. CONCRETE PLACEMENT
  - D. ANCHOR BOLTS-TITENS  
(INSTALLED AFTER CONCRETE HAS HARDENED)

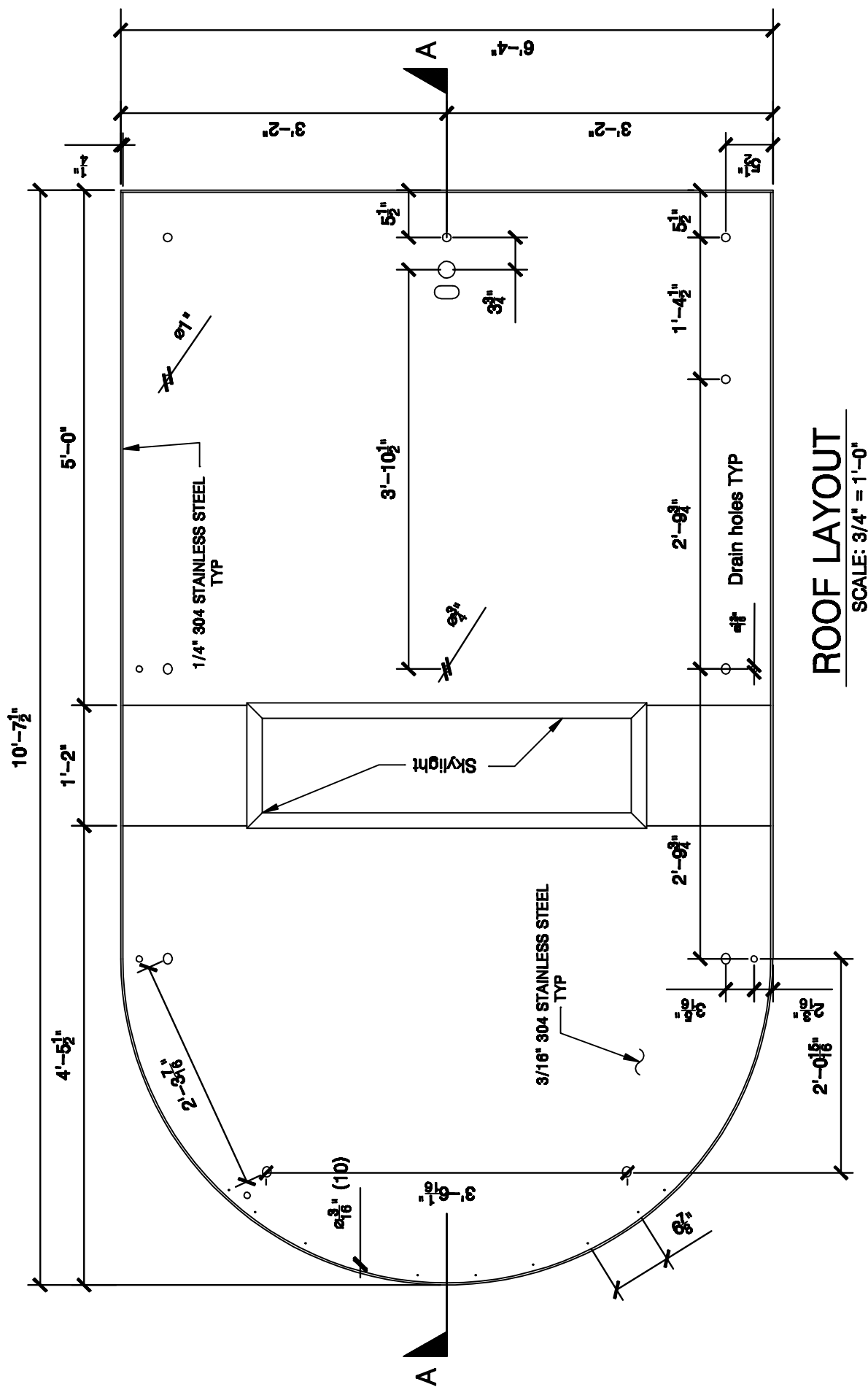
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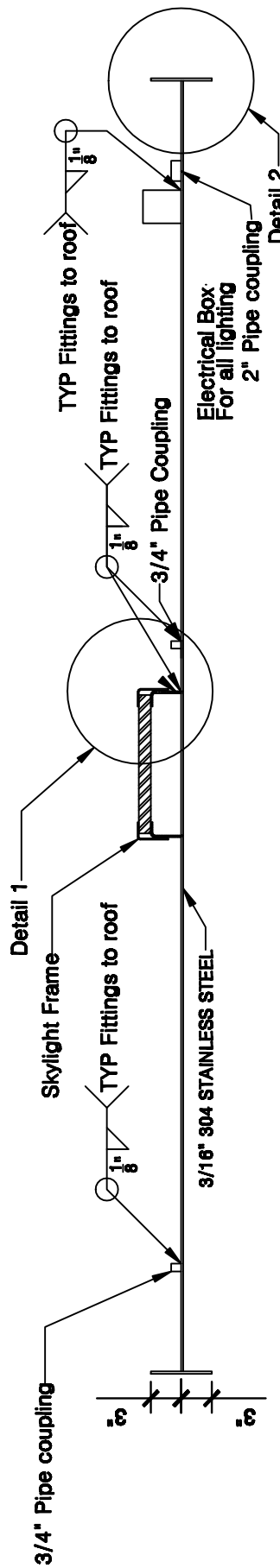






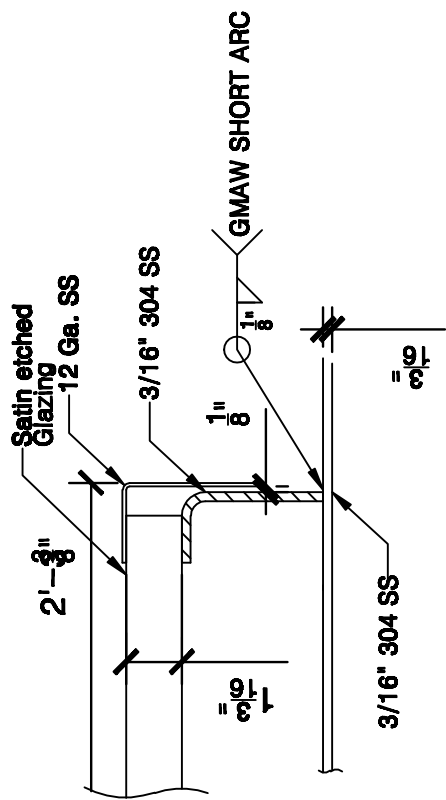
# ROOF LAYOUT

**SCALE: 3/4" = 1'-0"**



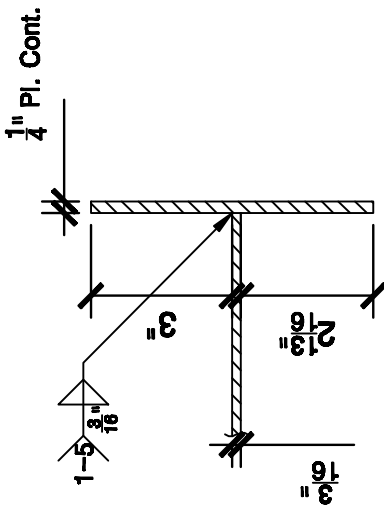
# SECTION A-A

**SCALE: 3/4" = 1'-0"**



# DETAIL 1

**SCALE: 3" = 1'-0"**

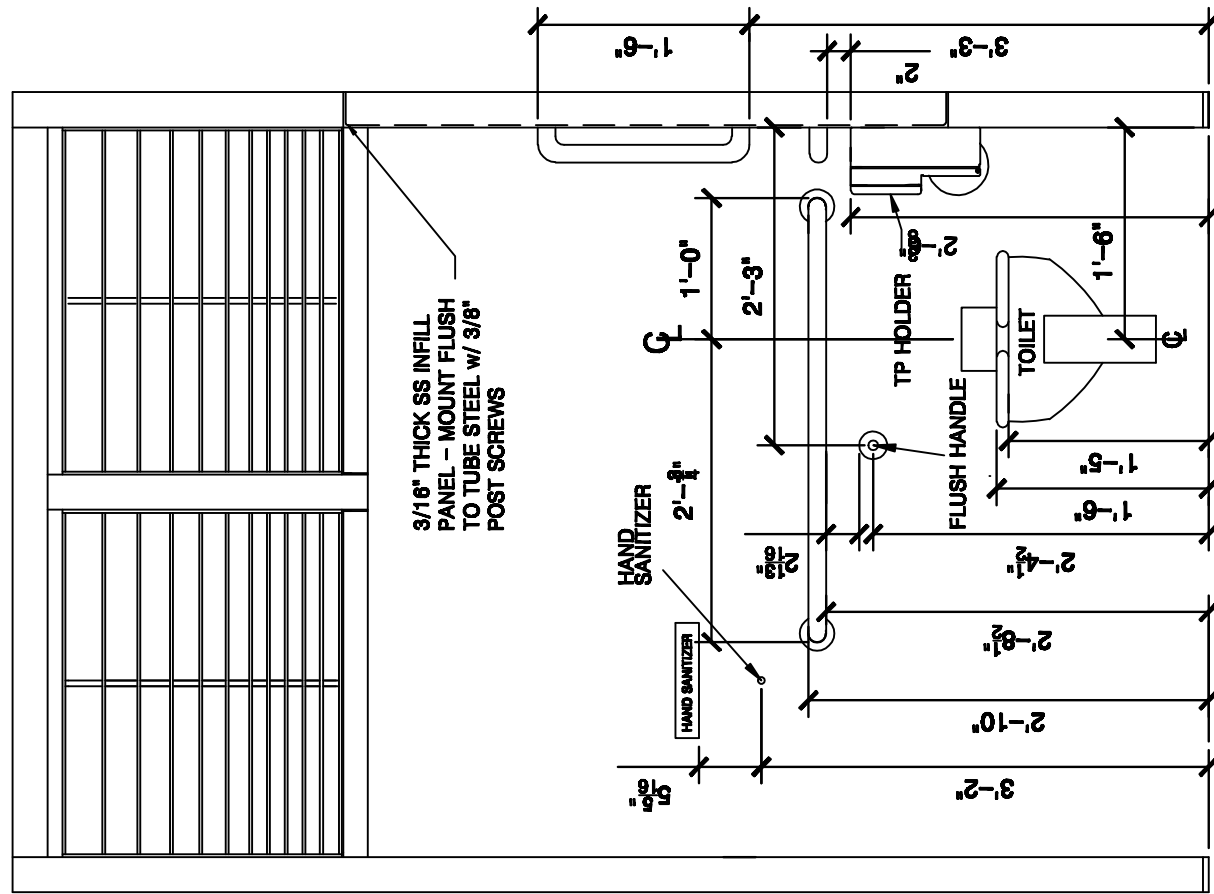


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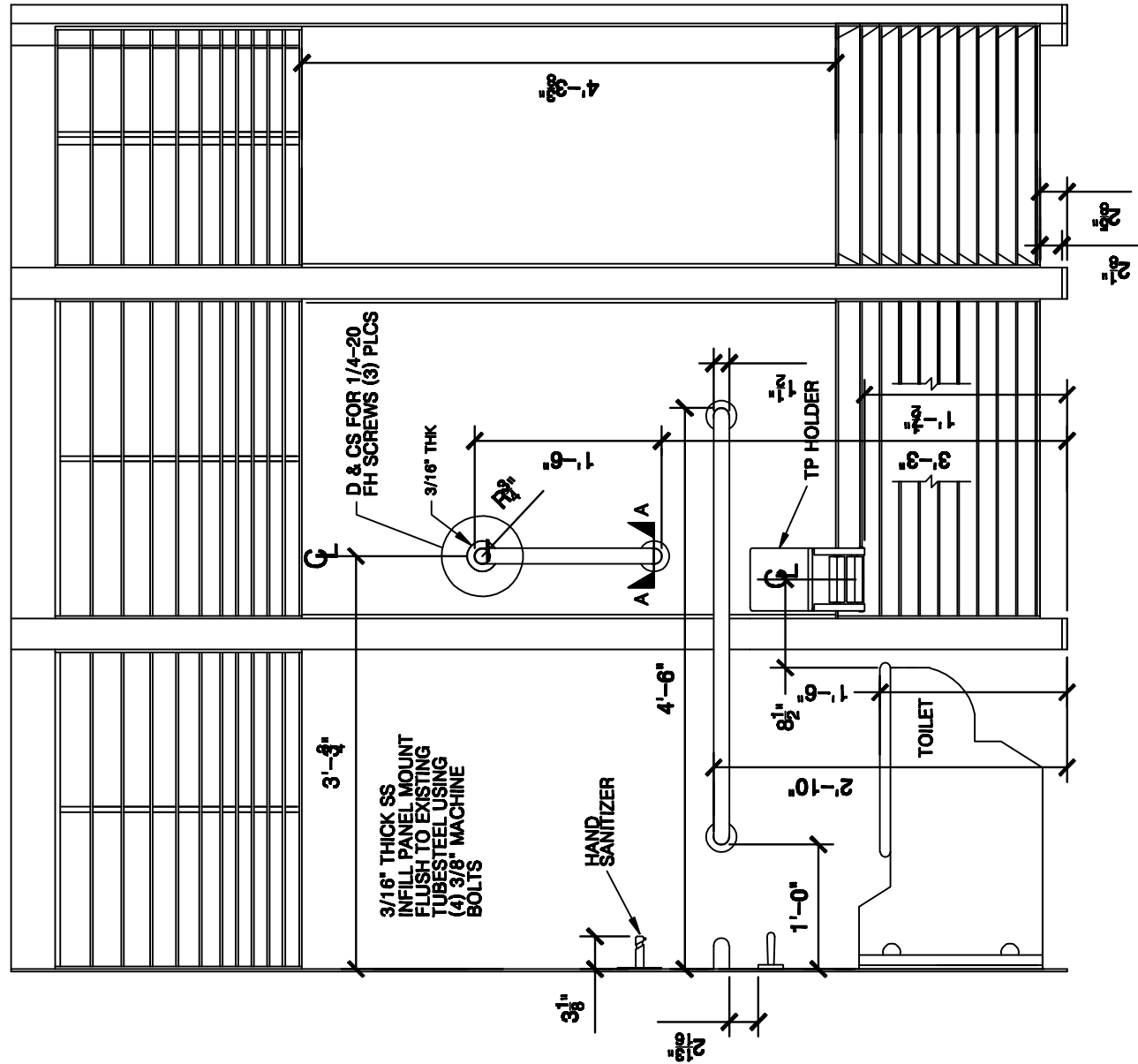
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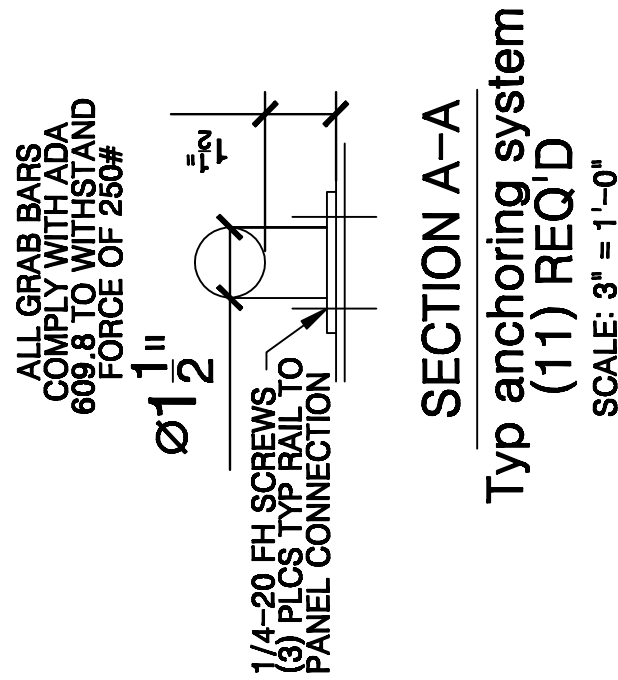
[illegible]



1	<b>WATER CLOSET RAILING</b>
A5.0	1 1/2" Dx. 120" wall ss Plate 3/16" ss (1) Assm REQ'D
	SCALE: 3/4" = 1'-0"



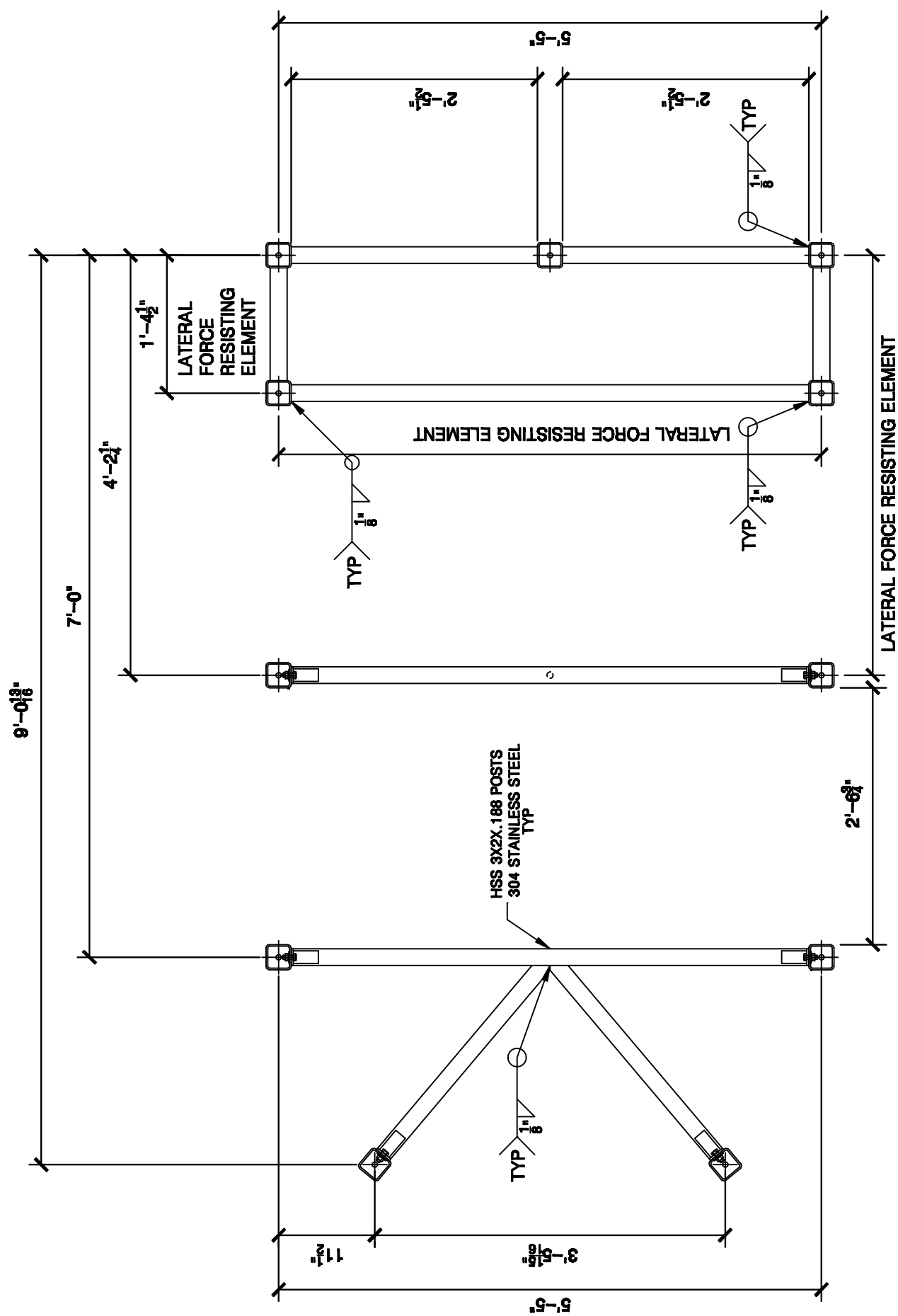
2 WATER CLOSET RAILING  
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Plate 3/16" ss  
(1) Assm REQ'D SCALE: 3/4" = 1'-0"



**SECTION A-A**  
**Typ anchoring system**  
**(11) REQ'D**  
**SCALE: 3" = 1'-0"**

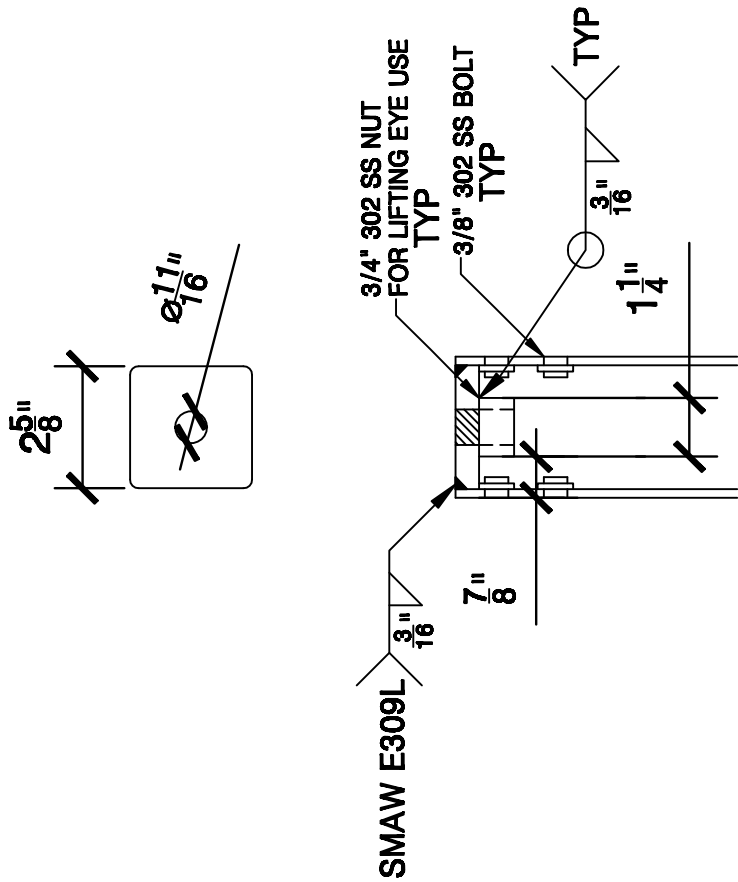
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# COLUMN AND BEAM LAYOUT

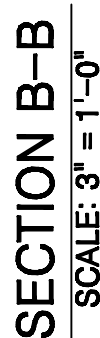
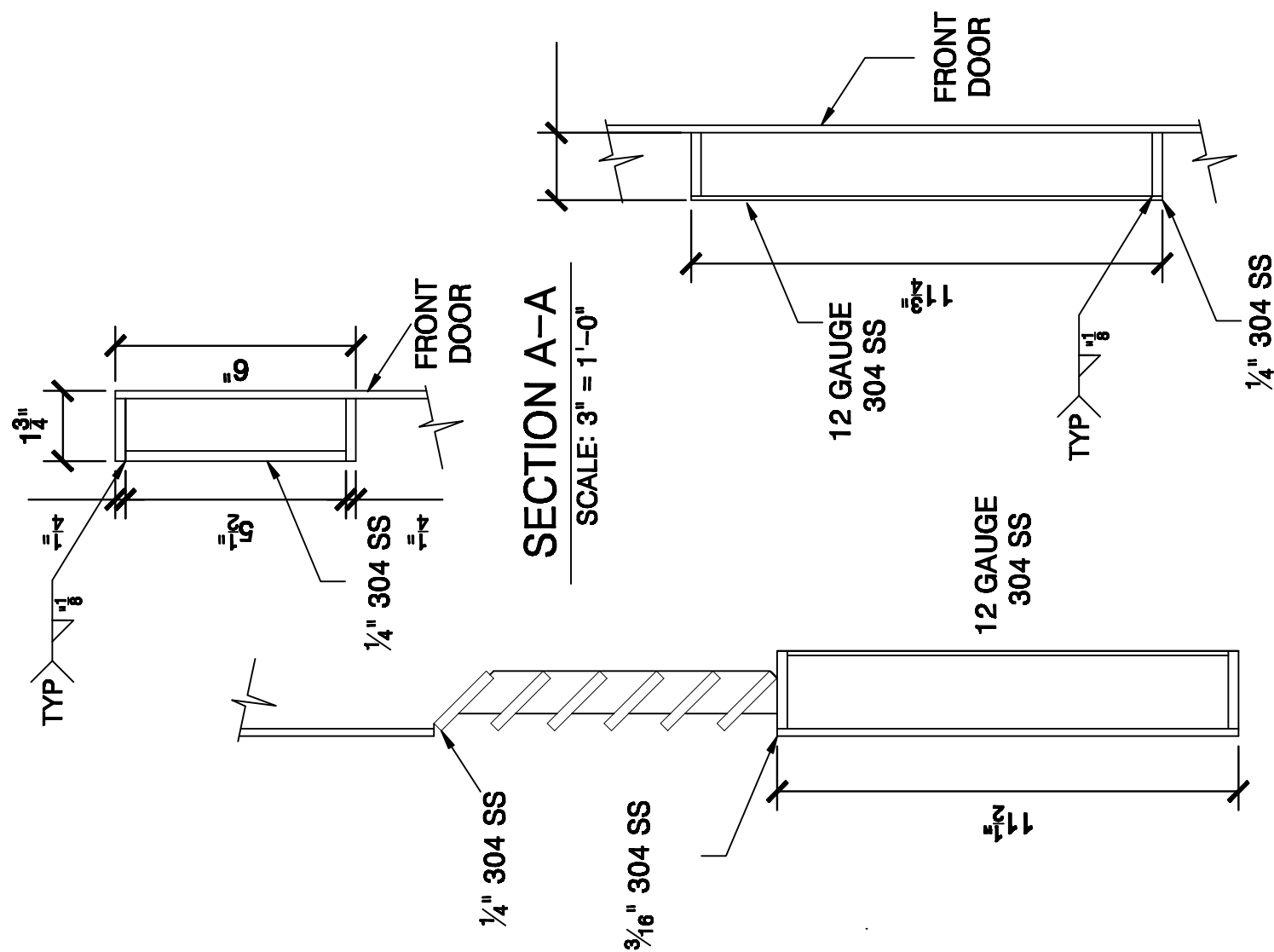
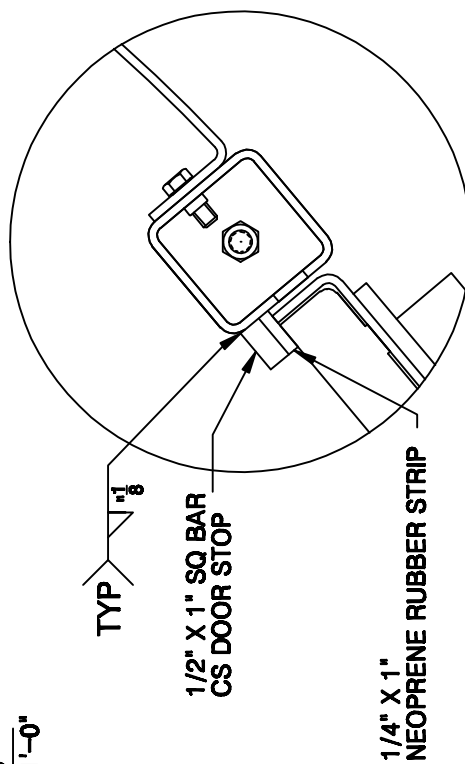
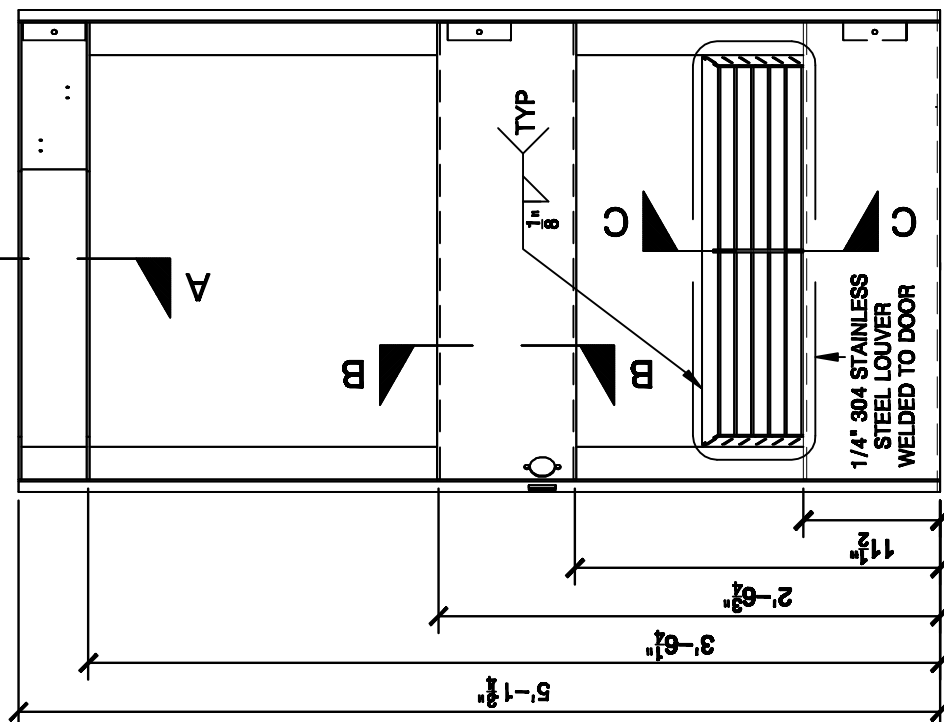
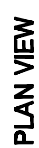
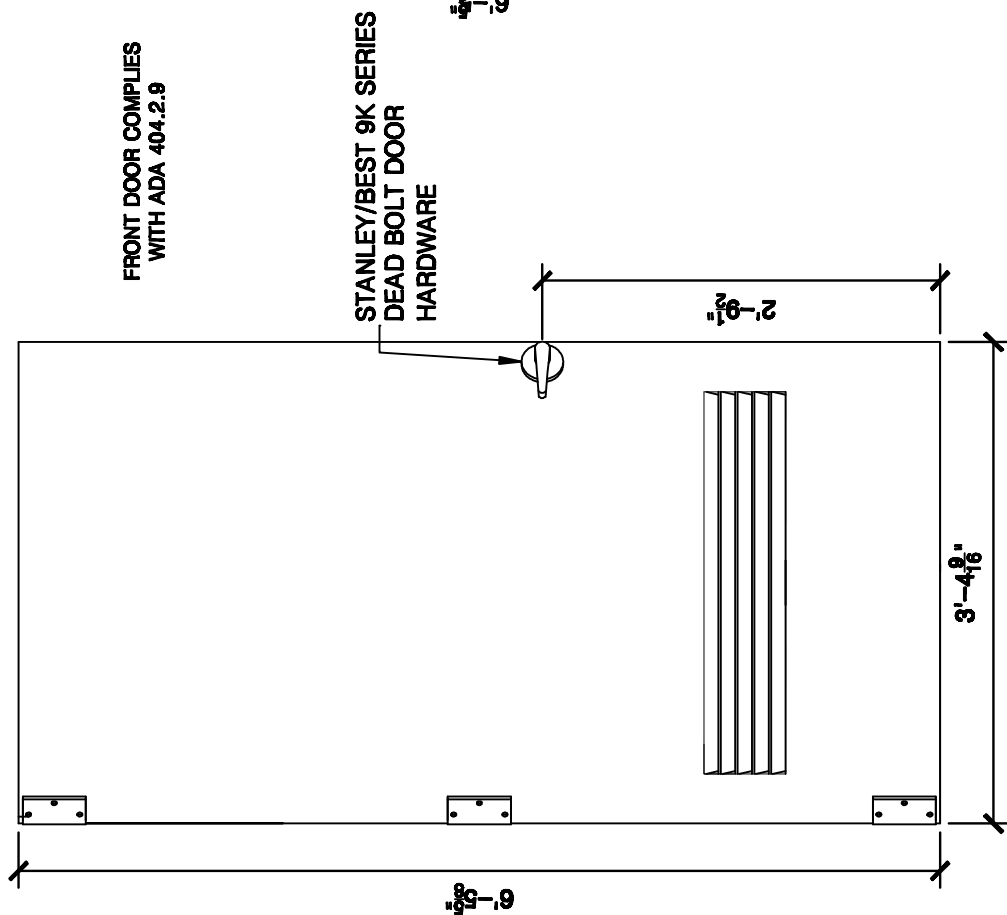
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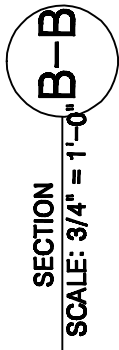


# COLUMN LIFTING CAP

1/2" 304 SS  
TAP FOR 3/4-10 Bolt  
(11) REQ'D  
SCALE: 3" = 1'-0"

[illegible]

[illegible]



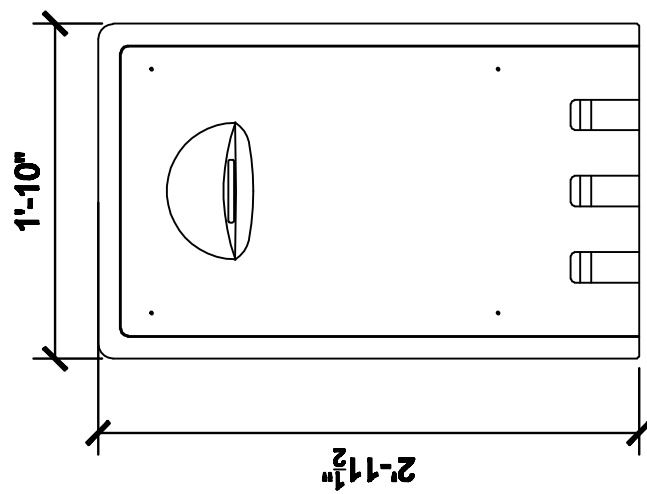
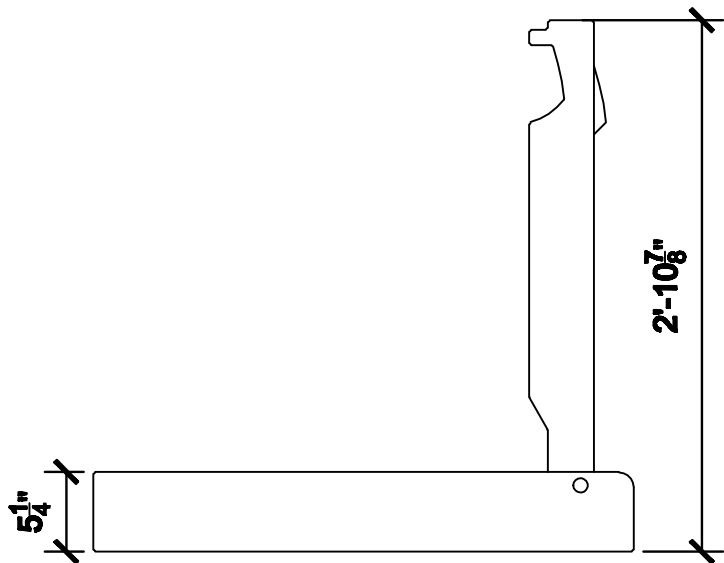
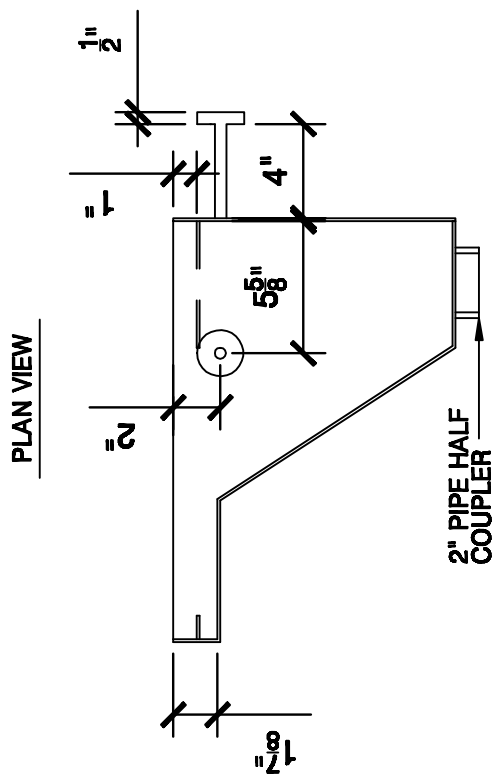
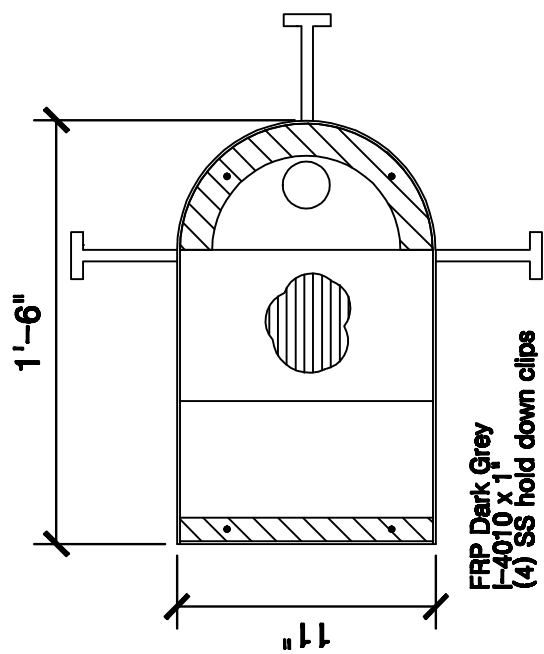
**Anchor bolt locations  
for stanchions  
1/2" Hole 5" deep  
be drilled after concrete  
has hardened**



**Standard hand wash drain location**  
SCALE: 3/4" = 1'-0"

<b>MADDEN FABRICATION</b>	<b>PORTLAND LOO</b>			
	<b>FOUNDATION &amp; ANCHOR BOLT LOCATION</b>			
<b>2550 NW 25th Place • Portland, OR. 97210</b> <b>Phone: (503) 226-3968 Fax: (503) 242-2446</b>	<b>NAME</b>	<b>DATE</b>	<b>SERIAL NO.</b>	<b>DRW. NO.</b>
	<b>LEO</b>	<b>4/18/2016</b>		<b>S3.0</b>

1. Provide all materials and perform all work according to the current edition of the Specifications of the Authority Having Jurisdiction.
2. All concrete shall be Structural Class 4000.
3. All reinforcing steel shall conform to ASTM A706 or A615 Grade 60.
4. Place bars 3 inches clear of the nearest face of concrete unless shown otherwise.
5. Concrete footing may be poured integrally with 4' sidewalk, providing a deep cut tool joint is located around perimeter of footing.
6. Stanchions section "A-A" / A1.0 to be fastened to the concrete using  $\frac{1}{2}$ "x5" titens. The Loos columns to be fastened the the stanchions.
7. Location of anchor bolts to be located and drilled using template provided before installation by Madden Fabrication.



**NOTE: TO BE MOUNTED  
ON INTERIOR INFILL  
PANEL**

**5** **WASH BASIN**  
**Sheet 12 GA S**  
**(1) Assembly I**

**6** **BABY CHANGING TABLE**  
**KOALA KB101-05**  
**(1) REQ'D**

[illegible]









- 1. Terms of Payment.** 30% at time of order, 50% at time of shipment and remaining 20% Net 30 after receipt by customer.
  - a. Deviation from Payment.** Payment Time is of the essence with respect to Buyer's payment of the purchase price, and timely payment shall not be delayed or excused for any reason. Payment agreement between Buyers and other parties, or failure by other parties to pay Buyer or perform any agreement with Buyer shall not result in delay of payment to Madden Fabrication. Madden Fabrication does not accept partial payments, any offsets, credit card merchant fees and/or retainage against the Purchase Order price. Should Buyer not act according to the terms of payment for any reason, the terms will be revoked and any remaining goods or services not yet delivered are subject to pre-payment terms whereby payment, in full is due 10 days prior to delivery. Any amounts not paid when due shall bear interest at the rate of 18 percent per annum or the highest lawful rate applicable, if such rate is less than 18 percent, from the date payment was due. The Madden Fabrication Warranty becomes null and void when payment is more than 5 business days past due.
  - b. Tax.** Unless otherwise indicated on the Madden Fabrication quote or purchase order, any sales, use, consumption, value added or other goods/services based tax imposed by a state, county/local or other agency with jurisdictional authority is excluded from this order. Buyer is responsible for remitting any taxes that are applicable.
  - c. Fees.** Madden Fabrication is not responsible for any fees and or expenses related to licensing, inspections and engineering as required by individual states or local governments.
- 2. Change Orders.** All change orders must be signed by the buyer. Prices stated herein are valid for 1 month from the purchase order date, or two weeks from the purchase order date if unsigned, at which time Madden Fabrication may adjust its price if cost factors warrant. Additionally, any modifications to Madden Fabrication Portland Loo quote to customer, prior to formal approval, may result in a price adjustment. Any modification, to Madden Fabrication Portland Loo quote to customer, after formal approval, requested or required by Buyer for any reason shall be performed by Madden Fabrication at Buyer's expense, as follows: (i) Buyer shall submit a written description of the modifications to Madden Fabrication (ii) within 14 days of receipt of Buyer's description, Madden Fabrication shall provide to Buyer a written price quote for the modifications requested; (iii) Buyer shall pay the Change Order Invoice to Madden Fabrication in accordance with payment terms.
- 3. Terms of Delivery.** Madden Fabrication will not be liable for any delay in the performance of orders or contracts, or in the delivery or shipment of goods, or for a damages suffered by the buyer by reason of such delay, when such delay is beyond Madden Fabrication control. All goods are shipped F.O.B. Portland, Oregon, which means that the risk of loss or damage to the goods and risk of delays in transit passes to the Buyer when the goods are duly delivered to the carrier at Portland, Oregon. Madden Fabrication has no control over arrival time of shipment, and shall not be responsible for delays in shipments once the goods leave Madden Fabrication plant.
  - a. Procedures for Handling Products.** Madden Fabrication suggested procedures for handling products are as follows:



- i. All Madden Fabrication materials, whether palletized or separated from a pallet, must be handled per the instructions detailed in the Portland Loo Installation Procedures submitted with respect to the specified model of Portland Loo restroom facility or component.
  - ii. All material received from, but not manufactured by Madden Fabrication must be handled per the specific handling instructions of the manufacturer of the material.
  - iii. Proper handling equipment its supply and operation are strictly the responsibility of the Buyer.
- 4. Description of Products and Warranty.** The Portland Loo and all its associated components shall be warranted against defects in materials and workmanship for a period for not less than one year from date of final acceptance.
- 5. Time of Shipment and Delivery.** Unless otherwise specified on the purchase order, Madden Fabrication may ship goods pursuant to an order at any time after the goods are completed and ready for shipment. Further, unless payment has been made in advance, if a carrier holding a Madden Fabrication shipment order by a Buyer is ready to deliver the goods to the buyer, the Buyer agrees to accept the goods at the carrier's earliest possible delivery date and time.
- 6. Store & Invoice.** If Buyer delays shipment, regardless of the reason for delay, Madden Fabrication is permitted to invoice and the Buyer accepts the obligation to pay Madden Fabrication under its agreed upon payment terms, using the date the order was ready for shipment as the invoice date. Once the order is invoiced, the materials shall become property of the agency/contractor. Further Madden Fabrication may at its sole discretion invoice the Buyer for a **minimum** of \$450 per month of on-site storage per Loo. Deliveries that are delayed by the Buyer may be canceled by Madden Fabrication and the goods returned to Madden Fabrication at its discretion. Any costs or difficulties arising from the Buyer's act in delaying receipt of Madden Fabrication's shipments are the complete responsibility of the Buyer. The Buyer agrees to pay for the complete shipment cost if Madden Fabrication elects to cause the goods to be returned to Madden Fabrication or delivered to another Buyer.
- 7. Cancellation.** Mutual acceptance of the purchase order indicates notice to Madden Fabrication to proceed with the provisions of design service required in completing its fabrication of Portland Loo per this purchase order agreement. Should Buyer cancel its purchase order prior to granting Notice to Proceed in production of the Portland Loo, Buyer shall pay the design fee stated in the purchase order as compensation for design services rendered. Madden Fabrication requires the Buyer to indicate approval of its supply offering by executing the signature page of the Purchase order agreement document and Notice to Proceed. Upon granting Madden Fabrication approval of this purchase order agreement and Notice to Proceed, Buyer accepts responsibility for all costs incurred by Madden Fabrication in producing the Portland Loo for Buyer.

**8. Special Orders.** All products sold by Madden Fabrication are custom to each particular job. Payments toward any product, once made are non-refundable.

**9. Contract Documents.** Together with the Purchase Order, the following constitute the “Contract Documents” and the entire contract between the parties, either written or oral: (i) Approved “final” Madden Fabrication purchase order agreement and (ii) Change Order form (if applicable).

**10. Attorney Fees.** If Buyer fails to pay any amount when due, and Madden Fabrication incurs any expenses in pursuant of collection, Buyer agrees to pay the reasonable attorney fees (whether or not litigation is commenced) and other costs of such collection.

- a. In any dispute involving the interpretation or enforcement of this agreement or involving issues related to bankruptcy (whether or not such issues related to the terms of this agreement), the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorney fees, paralegal fees, costs disbursements, and other expense incurred by the prevailing party in the dispute, including those arising before and at any trial, arbitration, bankruptcy, or other proceeding, and in any appeal or review thereof. In addition, the amount recoverable by the prevailing party shall include an amount estimated as the fees, costs, disbursement, and other expenses that will be reasonably incurred in collecting monetary judgment or award, or otherwise enforcing any order, judgment, award, or decree entered in the proceeding
- b. This agreement shall be interpreted and enforced according to the laws of the State of Oregon. The parties irrevocably submit and consent to the jurisdiction of the Multnomah County circuit courts of the State of Oregon and the Oregon Federal District Court, with respect to litigation regarding any dispute, claim or other matter related to this contract.

**11. Intellectual Property.** Madden Fabrication makes and sells the Portland Loo under license from the City of Portland, Oregon. Aside from implied licenses sufficient to install and maintain the Portland Loo purchased by the Buyer under this Agreement, the Buyer’s purchase of the Portland Loo shall not transfer any intellectual property rights pertaining to the Portland Loo, including but not limited to patent, trademark, and copyright rights in the design of the Portland Loo or in the name PORTLAND LOO. All such intellectual property rights shall remain owned by the City of Portland, subject to any licenses or assignments granted or executed by the City of Portland. The Buyer shall have no right to make copies of the Portland Loo, or to sublicense or otherwise commercially use any intellectual property associated with the Portland Loo.

**12. Controlling Provisions.** The terms and conditions of this Purchase Order shall supersede and control any provisions, terms and conditions contained on any confirmation order, Purchase Order, or other writing the Buyer may give or receive, and the rights of the parties shall be governed exclusively by the provisions, terms and conditions thereof.

**13. Binding Effect.** This Purchase Order agreement shall be effective and in force only when signed by Buyer and Madden Fabrication. Madden Fabrication must consent to any assignment of this Purchase Order agreement in writing. Subject to any restrictions upon assignment, this Purchase Order agreement shall be binding on and inure to the benefit of the heirs, legal representative, successors, and assigns of the parties.

**14. Notice.** All notices required by this Purchase Order shall be in writing addressed to the party to whom the notice is directed at the address of that party set forth in this Purchase Order agreement and shall be deemed to have been given for all purposes upon receipt when personally delivered; one day after being sent, when sent by recognized overnight courier service; three days after deposit in United States Mail, postage prepaid, registered or certified mail; or on the date transmitted and received by facsimile. Any party may designate a different mailing address or a different person for all future notices by notice given in accordance with this paragraph.

**15. Modification.** No modification of this Purchase Order agreement shall be valid unless it is in writing and is signed by all of the parties.

**16. Interpretation.** The paragraph headings are for the convenience of the reader only and are not intended to act as a limitation of the scope or meaning of the paragraphs themselves. This agreement shall not be construed against the drafting party.

**17. Severability.** The invalidity of any terms or provisions of the agreement shall not affect the validity of any other provisions.

**18. Waiver.** Waiver of any party of strict performance of any provisions of this Purchase Order agreement shall not be a waiver of or prejudice any party's right to require strict performance of the same provision in the future or any other provision.

**19. Counterparts.** This Purchase Order agreement may be executed in multiple counterparts, each of which shall constitute one agreement, even though all parties do not sign the same counterpart.

X \_\_\_\_\_

Buyer's Authorized Representative

X \_\_\_\_/ \_\_\_\_ / \_\_\_\_

Date

X \_\_\_\_\_

Portland Loo Representative

X \_\_\_\_/ \_\_\_\_ / \_\_\_\_

Date

# MIAMI BEACH

## **COMMITTEE MEMORANDUM**

**TO:** Finance and Citywide Projects Committee Members

**FROM:** Jimmy L. Morales, City Manager

**DATE:** May 18, 2018

**SUBJECT: DISCUSSION REGARDING THE 2660 COLLINS AVENUE GARAGE PROJECT**

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### **HISTORY:**

On April 11, 2018, the Mayor and Commission approved Resolution No. 2018-30277, adopting the fourth amendment to the capital budget for FY 2017/18, excluding Item No. 6 (Parking Garage at 2660 Collins Avenue) and referred the item to the Finance and Citywide Projects Committee for further discussion.

The following is a brief summary of the current status of 2660 Collins Avenue Garage Project (Item No. 6):

- “Desman” Design Management was engaged to provide design criteria professional services for the development of a mixed-use parking garage at the existing site of Municipal Parking Lot No. P55, located at 2660 Collins Avenue. The scope included feasibility study, concept design options, survey, preferred concept design, geotechnical engineering study report, environmental site assessment, financial analysis, design criteria package, bidding assistance, DCP (design criteria professional) design review and CA services, for a total of \$366,337.00.
- Desman has been paid a total of \$41,084.87

The consultant completed the following scope:

- Prepared an evaluation of zoning requirements.
- Developed some initial preliminary concepts.
- Held several meetings with CIP, Parking Dept. and Planning.
- Completed the site survey.

### **ANALYSIS:**

**Parking Demand:**

Municipal Parking Lot No. P55 is a metered parking lot located at 2660 Collins Avenue, the site of the subject garage project.

In 2015, the Walker Parking Demand Analysis referenced high utilization at the subject metered parking lot. Data collection was conducted on Thursday, November 20, 2014 and Saturday, November 22, 2014, at 12 Noon, 5:00pm and 10:00pm.

Walkers findings were that all but one data collection point had an occupancy rate of over 85%+ (depicted in "red" meaning users experience difficulty finding available parking). The one data collection point exception had an occupancy level ranging between 70% to 84%, depicted in yellow, one grade below red.

The initial recommendation to develop a garage on this site was based on these findings.

Subsequently, factors such as ride sharing (Uber/Lyft) have impacted parking utilization. A review of parking utilization (in hours) at Municipal Parking Lot P55 over the last three fiscal years reflect a decline in parking utilization. Please refer to the chart below:

P55	FY TOTAL			QTR 1 & QTR2		
	Total	Diff Prior Year	% Diff	Total	Diff Prior Year	% Diff
FY2016	215,368			113,638		
FY2017	160,894	-54,474	-25.29%	92,012	-21,626	-19.03%
FY2018				68,105	-23,907	-25.98%

It is important to note that parking utilization declined by 25% from FY 16 to FY 17 **and by a cumulative 45% in the first two quarters comparing FY 16 to FY18.**

For a broader view of declines in parking utilization system-wide, please refer to the attached parking utilization reports.

Funding:

In past years, the Parking Fund has generated sufficient surplus to allow transfers to the General Fund and Transportation, in addition to funding renewal and replacement needs in parking lots and garages, and funding new parking garages. Given recent declines in demand and the potential for further declines in the future, parking revenues and expenditures will need to be carefully managed going forward. A summary of the net annual surplus of the Parking Fund over time is set forth below:

<b>Parking 480 Fund Analysis</b>							
	FY12	FY13	FY14	FY15	FY16	FY17	FY18 (projected)
Operating Revenues	47,508,555	48,875,489	48,934,422	52,581,715	60,853,837	53,889,545	58,196,000
Operating Expenditures*	35,698,317	37,733,807	41,003,288	42,919,823	49,648,203	47,208,548	53,949,800
Net Annual Surplus	11,810,238	11,141,682	7,931,134	9,661,892	11,005,634	6,680,997	2,246,200
*Excludes depreciation of approximately \$7M per year							

## **CONCLUSION:**

The Administration is seeking direction regarding this matter.

## **ATTACHMENTS:**



Description	Type
<div data-bbox="152 159 180 184">  </div> <div data-bbox="224 159 456 189">Feb YTD Parking Utilization</div>	Other
<div data-bbox="152 197 180 222">  </div> <div data-bbox="224 197 435 226">Parking Utilization Trend</div>	Other

# City of Miami Beach Parking Utilization Trend

## ATTENDED GARAGE HOURS

<u>Zone</u>	<u>#</u>	<u>Name</u>	<u>February FY</u> <u>2017 YTD</u>	<u>February FY</u> <u>2018 YTD</u>	<u>YTD Vaiance</u>	<u>YTD Variance</u> <u>%</u>
South	G1	7th Street	865,241	830,304	(34,938)	-4%
South	G2	12th Street	201,387	250,782	49,395	25%
South	G3	13th Street	616,408	632,239	15,831	3%
South	G4	16th Street (Anchor)	1,124,529	1,044,852	(79,677)	-7%
South	G5	17th Street	1,303,419	1,137,432	(165,987)	-13%
Middle	G6	42nd Street	228,720	224,108	(4,612)	-2%
South	G7	City Hall	117,908	87,908	(30,001)	-25%
South	G8	5th & Alton*	78,343	69,153	(9,190)	-12%
South	G9	Pennsylvania Avenue	245,816	205,627	(40,189)	-16%
South	G10	Sunset Harbor	283,857	255,660	(28,197)	-10%
<b>TOTAL GARAGES HOURS</b>			<b>5,065,629</b>	<b>4,738,065</b>	<b>(327,564)</b>	<b>-6%</b>

\*The 5th & Alton Garage provides free parking for the first 2 hours of occupancy

## ATTENDED LOT HOURS

<u>Zone</u>	<u>#</u>	<u>Name</u>	<u>February FY</u> <u>2017 YTD</u>	<u>February FY</u> <u>2018 YTD</u>	<u>YTD Vaiance</u>	<u>YTD Variance</u> <u>%</u>
South	P1	South Pointe	77,339	86,462	9,123	12%
South	P32	P-Lot*	-	-	-	0%
Middle	P71	46th & Collins	289,004	290,095	1,091	0%
<b>TOTAL LOT HOURS</b>			<b>366,343</b>	<b>376,557</b>	<b>10,214</b>	<b>3%</b>

\*The P-Lot closed following Art Basel 2015 do to the renovation of the Miami Beach Convention Center

<b>TOTAL ATTENDED PARKING HOURS</b>			<b>5,431,972</b>	<b>5,114,621</b>	<b>(317,350)</b>	<b>-6%</b>
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## METERED LOT HOURS (OFF-STREET)

	February FY	February FY		YTD Variance
<u>Zone</u>	<u>2017 YTD</u>	<u>2018 YTD</u>	<u>YTD Vaiance</u>	<u>%</u>
South	1,121,057	1,148,422	27,365	2%
Middle	435,982	435,396	(586)	0%
North	328,987	329,357	369	0%
<b>TOTAL OFF-STREET HOURS</b>	<b>1,886,026</b>	<b>1,913,175</b>	<b>27,149</b>	<b>1%</b>

## **METERED CURBSIDE HOURS (ON-STREET)**

<b><u>Zone</u></b>	<b><u>February FY 2017 YTD</u></b>	<b><u>February FY 2018 YTD</u></b>	<b><u>YTD Vaiance</u></b>	<b><u>YTD Variance %</u></b>
South	1,598,445	1,608,126	9,681	1%
Middle	313,157	311,956	(1,201)	0%
North	276,095	232,718	(43,377)	-16%
<b>TOTAL ON-STREET HOURS</b>	<b>2,187,697</b>	<b>2,152,800</b>	<b>(34,897)</b>	<b>-2%</b>

## **METERED GARAGE HOURS**

<b><u>Zone</u></b>	<b><u>#</u></b>	<b><u>Name</u></b>	<b><u>February FY 2017 YTD</u></b>	<b><u>February FY 2018 YTD</u></b>	<b><u>YTD Vaiance</u></b>	<b><u>YTD Variance %</u></b>
Middle	G6	42nd Street	714	959	245	34%
South	G7	City Hall	9,897	9,260	(636)	-6%
<b>TOTAL GARAGE HOURS</b>			<b>10,611</b>	<b>10,219</b>	<b>(392)</b>	<b>-4%</b>

<b>TOTAL METERED PARKING HOURS</b>	<b>4,084,334</b>	<b>4,076,194</b>	<b>(8,140)</b>	<b>0%</b>
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<b>TOTAL ATTENDED &amp; METERED HOURS</b>	<b>9,516,305</b>	<b>9,190,815</b>	<b>(325,490)</b>	<b>-3%</b>
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## City of Miami Beach Parking Utilization Trend

### ATTENDED GARAGE HOURS

Zone	#	Name	FY15 Hours	FY16 Hours	FY16-FY15 Diff	FY16-FY15 % Diff	FY17 Hours	FY17-FY15 Diff	FY17-FY15 % Diff
South	G1	7th Street	2,230,386	2,197,221	(33,165)	-1.49%	2,146,520	(83,866)	-3.76%
South	G2	12th Street	571,425	579,269	7,844	1.37%	605,073	33,648	5.89%
South	G3	13th Street	1,309,280	1,371,973	62,693	4.79%	1,393,899	84,619	6.46%
South	G4	16th Street (Anchor)	2,619,114	2,885,316	266,202	10.16%	2,827,810	208,696	7.97%
South	G5	17th Street	3,493,953	3,507,862	13,909	0.40%	2,990,887	(503,067)	-14.40%
Middle	G6	42nd Street	660,928	680,814	19,886	3.01%	568,281	(92,647)	-14.02%
South	G7	City Hall	314,877	386,259	71,383	22.67%	238,796	(76,081)	-24.16%
South	G8	5th & Alton*	195,997	227,998	32,001	16.33%	191,728	(4,269)	-2.18%
South	G9	Pennsylvania Avenue	641,428	642,162	734	0.11%	513,499	(127,929)	-19.94%
South	G10	Sunset Harbor	572,768	647,908	75,140	13.12%	614,254	41,486	7.24%
<b>TOTAL GARAGES HOURS</b>			<b>12,610,156</b>	<b>13,126,783</b>	<b>516,626</b>	<b>4.10%</b>	<b>12,090,746</b>	<b>(519,410)</b>	<b>-4.12%</b>

\*The 5th & Alton Garage provides free parking for the first 2 hours of occupancy

### ATTENDED LOT HOURS

Zone	#	Name	FY15 Hours	FY16 Hours	FY16-FY15 Diff	FY16-FY15 % Diff	FY17 Hours	FY17-FY15 Diff	FY17-FY15 % Diff
South	P1	South Pointe	252,342	239,083	(13,259)	-5.25%	202,369	(49,973)	-19.80%
South	P32	P-Lot*	1,009,624	316,288	(693,337)	-68.67%	-	(1,009,624)	-100.00%
Middle	P71	46th & Collins	658,684	764,219	105,535	16.02%	746,809	88,125	13.38%
<b>TOTAL LOT HOURS</b>			<b>1,920,650</b>	<b>1,319,590</b>	<b>(601,061)</b>	<b>-31.29%</b>	<b>949,178</b>	<b>(971,472)</b>	<b>-50.58%</b>

\*The P-Lot closed following Art Basel 2015 do to the renovation of the Miami Beach Convention Center

<b>TOTAL ATTENDED PARKING HOURS</b>			<b>14,530,807</b>	<b>14,446,372</b>	<b>(84,434)</b>	<b>-0.58%</b>	<b>13,039,924</b>	<b>(1,490,883)</b>	<b>-10.26%</b>
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### METERED LOT HOURS (OFF-STREET)

<u>Zone</u>	<u>FY15 Hours</u>	<u>FY16 Hours</u>	<u>FY16-FY15</u> <u>Diff</u>	<u>FY16-FY15</u> <u>% Diff</u>	<u>FY17 Hours</u>	<u>FY17-FY15</u> <u>Diff</u>	<u>FY17-FY15</u> <u>% Diff</u>
South	3,236,649	3,002,577	(234,072)	-7.23%	2,738,101	(498,548)	-15.40%
Middle	1,439,951	1,374,223	(65,728)	-4.56%	1,099,974	(339,976)	-23.61%
North	966,109	892,839	(73,269)	-7.58%	940,190	(25,919)	-2.68%
<b>TOTAL OFF-STREET HOURS</b>	<b>5,642,709</b>	<b>5,269,639</b>	<b>(373,069)</b>	<b>-6.61%</b>	<b>4,778,265</b>	<b>(864,443)</b>	<b>-15%</b>

### METERED CURBSIDE HOURS (ON-STREET)

<u>Zone</u>	<u>FY15 Hours</u>	<u>FY16 Hours</u>	<u>FY16-FY15</u> <u>Diff</u>	<u>FY16-FY15</u> <u>% Diff</u>	<u>FY17 Hours</u>	<u>FY17-FY15</u> <u>Diff</u>	<u>FY17-FY15</u> <u>% Diff</u>
South	6,825,848	4,415,619	(2,410,228)	-35.31%	4,007,832	(2,818,015)	-41.28%
Middle	974,365	828,759	(145,606)	-14.94%	774,076	(200,289)	-20.56%
North	838,240	778,461	(59,779)	-7.13%	747,032	(91,208)	-10.88%
<b>TOTAL ON-STREET HOURS</b>	<b>8,638,452</b>	<b>6,022,838</b>	<b>(2,615,614)</b>	<b>-30.28%</b>	<b>5,528,940</b>	<b>(3,109,512)</b>	<b>-36%</b>

### METERED GARAGE HOURS

Zone	#	Name	FY15 Hours	FY16 Hours	FY16-FY15 Diff	FY16-FY15 % Diff	FY17 Hours	FY17-FY15 Diff	FY17-FY15 % Diff
Middle	G6	42nd Street	2,667	1,705	(962)	-36.08%	1,751	(916)	-34.35%
South	G7	City Hall	17,640	30,090	12,450	70.58%	21,330	3,690	20.92%
<b>TOTAL GARAGE HOURS</b>			<b>20,307</b>	<b>31,795</b>	<b>11,488</b>	<b>56.57%</b>	<b>23,081</b>	<b>2773.79</b>	<b>14%</b>

<b>TOTAL METERED PARKING HOURS</b>			<b>14,301,467</b>	<b>11,324,272</b>	<b>(2,977,195)</b>	<b>-20.82%</b>	<b>10,330,286</b>	<b>(3,971,182)</b>	<b>-27.77%</b>
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<b>TOTAL ATTENDED &amp; METERED HOURS</b>			<b>28,832,274</b>	<b>25,770,645</b>	<b>(3,061,629)</b>	<b>-10.62%</b>	<b>23,370,210</b>	<b>(5,462,064)</b>	<b>-19%</b>
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# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING A MID-YEAR CAPITAL BUDGET AMENDMENT TO FUND THE INSTALLATION OF A PERIMETER FENCE AT POLO PARK, ALONG 42<sup>ND</sup> STREET AND MERIDIAN AVENUE**

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### **HISTORY:**

At the April 25, 2018 Presentation and Awards Commission Meeting, a discussion item regarding a mid-year capital budget amendment for the funding of the installation of a perimeter fence at polo park, along 42<sup>nd</sup> Street and Meridian Avenue, was referred to the Finance and Citywide Projects Committee ("FCWP").

### **ANALYSIS:**

Nautilus Middle School parents along with community members surrounding Polo Park have requested for a fence to be installed along the southern and eastern perimeters of the park (42<sup>nd</sup> Street and Meridian Avenue) in order to enhance safety within the school and park. This fence will assist in controlling access to and from the park during school hours.

Currently, there are no funds to execute this project and a mid-year capital budget amendment will be necessary. Based on the scope provided by the parents and the community members surrounding Polo Park, the cost for this work would be \$24,730, (this price includes both permitting and contingency).

### **CONCLUSION:**

Finance and Citywide Projects Committee to discuss a mid-year capital budget amendment for the funding of the installation of a perimeter fence at Polo Park, along 42<sup>nd</sup> Street and Meridian Avenue.



# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING A TERM EXTENSION OF SIX (6) MONTHS AT THE COMPLETION OF THE SCHEDULED CONSTRUCTION PROJECTS AT THE NORTH SHORE TENNIS CENTER FOR VAN DAALEN TENNIS, LLC. TO PROVIDE PROGRAMMING AT THE CITY'S NORTH SHORE TENNIS CENTER**

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### **HISTORY:**

At the April 11, 2018 Commission Meeting, a discussion regarding a term extension of 6-months for Van Daalen Tennis, LLC. to provide programming, following the completion of the scheduled construction projects at the Miami Beach Tennis Center (formerly known as North Shore Tennis Center), was referred to the Finance and Citywide Projects Committee ("FCWP").

### **ANALYSIS:**

The current one-year pilot agreement with the contractor, Van Daalen Tennis, LLC. for the management and operation of tennis programming and pro shop services at the Miami Beach Tennis Center is set to expire on July 31, 2018 (Exhibit A).

The City has met with Van Daalen Tennis, LLC. to discuss the renegotiation some of the terms in the current agreement (Exhibit B). The main highlights are outlined below:

#### **Modification to Section 2: The Center**

2.1 Language identifying "the Center" as the North Shore Tennis Center has been changed to the Miami Beach Tennis Center.

#### **Modification to Section 6.4: Public Benefits**

6.4.2 *Language added to include the following:* Additionally, in connection with the Parks and Recreation Department's summer sports specialty camp program, CONTRACTOR agrees to provide two instructors, who will provide tennis classes for the participants enrolled in the summer sports specialty camp for one week during the scheduled summer sports specialty camp, for a total of ten (10) hours, typically between the hours of 9:30 a.m. and 12:00 p.m., for the total fee of \$850.00. CONTRACTOR and City shall reach an agreement with respect to the dates, times and locations for the summer sports specialty camp.

#### **Modification to Section 7: Tennis Fees, Programs & Related Services to be Provided**

7.1 *Language added to include:* CONTRACTOR shall also comply with the City's established fees for hourly tennis court play, annual permits and other specialized play. CONTRACTOR will provide a club basket available for use on a first-come first-served basis for members and resident nonmembers, for a fee of \$10.00 per hour for members, and \$20.00 per hour plus court fees for resident nonmembers. Usage of the

club basket will be limited to no more than 2 players on a court. If a tennis user of a court, lesson, clinic, etc. play is affected with less than 30 minutes of play due to weather, the user will be entitled to a reimbursement/pay-out/raincheck. If play exceeds 30 minutes it's at the discretion of the CONTRACTOR to offer a reimbursement/pay-out/raincheck. Furthermore, Light Fees will only be charged to nonmembers. Those purchasing memberships will not be required to pay Light Fees.

*7.6 Computer software system language deleted and replaced with:* The CONTRACTOR shall utilize the City's current recreation software system (i.e. Rec Trac) for the purposes of tracking reservations, financials, memberships, concessions, merchandise, etc. The CONTRACTOR shall have Tennis Module rights to the Miami Beach Tennis Center computer software system. Additionally, phone and in-person reservations must be provided for by the CONTRACTOR all of which must be cross referenced to avoid overbookings, no-shows, and adherence to prioritization and utilization of courts for public usage by restricting lesson/clinic/programming courts during peak hours. All revenue collected at the Center must go through the City's secured systems.

#### **Modification to Subsection 14.2 City Special Events**

*Language deleted and replaced with:* Notwithstanding Subsection 14.1 above, and in the event that the City, at its sole discretion, deems that it would be in the best interest of the City, the City reserves the right to utilize the Center for City produced tennis related special events and/or other City sponsored special events productions such as local and international tennis tournaments. In such cases, the City will coordinate with the CONTRACTOR to cooperatively produce such events. CONTRACTOR agrees that the number of courts utilized shall be determined by the City and that events will be held during the Center's operating hours. CONTRACTOR shall retain any income related to the special event and/or production as it pertains to food and beverage concessions, stringing and merchandise sales. CONTRACTOR agrees that facility usage for events may include use of: locker rooms, activity rooms and office space, umpire chairs, umbrellas, coolers, scoreboards, net-sticks and the like. If negotiations between the City and the CONTRACTOR prove to be unsuccessful, the CONTRACTOR shall cease and desist operations during the term of, and in the area of, the special event and/or production.

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The discussion of the agreement extension and the proposed modifications to the agreement with Van Daalen Tennis, LLC. was heard at the May 2, 2018 Parks and Recreational Facilities Advisory Board meeting where the Board unanimously passed the following motion: The Parks and Recreational Facilities Advisory Board motions to favorably recommend a term extension of 6 months after the completion of the scheduled construction projects at the Miami Beach Tennis Center for Van Daalen Tennis, LLC. to include the amendments made to the agreement as discussed at our Board meeting (Exhibit C).

It is important to note that since Van Daalen Tennis, LLC. took over programming at the Miami Beach Tennis Center, both programming and merchandise revenues have seen a steady increase.

Customer satisfaction has played a big factor in the success of the revitalization of the Miami Beach Tennis Center due to the quality of programming offered, as well as the professionalism displayed by the Contractor and his team. It is anticipated that, at the completion of all pending construction projects, Van Daalen Tennis, LLC. will continue to provide and expand program offerings for residents and tourists at a new, world-class facility.

#### **CONCLUSION:**

Finance and Citywide Projects Committee to discuss a term extension of six (6) months after the completion of the scheduled construction projects at the Miami Beach Tennis Center for Van Daalen Tennis, LLC. to provide programming at the City's Miami Beach Tennis Center.

#### **ATTACHMENTS:**

**Description**

**Type**

▢	Exhibit A – Van Daalen Tennis, LLC. Pilot Agreement	Memo
▢	Exhibit B – Draft Amendment No. 1 to MMD Pilot Agreement	Memo
▢	Exhibit C – LTC 249-2018 Advisory Board Motions	Memo

**VAN DAALEN TENNIS, LLC.  
ONE (1) YEAR PILOT AGREEMENT  
TO PROVIDE PROGRAMMING AT THE  
CITY'S NORTH SHORE TENNIS  
CENTER**

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**ONE (1) YEAR PILOT AGREEMENT BETWEEN  
CITY OF MIAMI BEACH, FLORIDA AND VAN DAALEN TENNIS, LLC TO PROVIDE  
TENNIS PROGRAMMING AT THE CITY'S NORTH SHORE TENNIS CENTER**

**THIS AGREEMENT** made the \_\_\_\_ day of \_\_\_\_\_, 2017 ("Effective Date"), between the **CITY OF MIAMI BEACH**, a municipal corporation of the State of Florida (hereinafter called "City"), having its principal address at 1700 Convention Center Drive, Miami Beach, Florida, 33139, and **VAN DAALEN TENNIS, LLC.**, a Florida limited liability company, having its principal offices at 15051 Royal Oaks Lane, Apt. 1604, North Miami, Florida 33181 (hereinafter called "CONTRACTOR").

**SECTION 1. TERM.**

- 1.1 The term of this Agreement shall be for one year. The Agreement shall be deemed by the parties hereto to have commenced retroactively, as of August 1, 2017 (the "Commencement Date"), and shall terminate on July 31, 2018.
- 1.2 At the conclusion of the one (1) year term in subsection 1.1 above, the Agreement shall continue on a month to month basis (the "Holdover Term"), so as to enable the City to evaluate such factors including but not limited to, CONTRACTOR'S performance hereunder, customer satisfaction, program offerings, revenues generated and expenses incurred; all so that the City may determine, during this month to month Holdover Term, whether it wishes to continue CONTRACTOR'S services under this Agreement, or terminate the Agreement and explore such other options as the City, in its reasonable discretion, may elect. During the Holdover Term, the City, through its City Manager, shall have the option to terminate the Agreement, without cause and for convenience, upon thirty (30) days prior written notice to CONTRACTOR. The term and the Holdover Term may be collectively referred to as the "Term".

**SECTION 2. THE CENTER**

- 2.1 The City owns and operates that certain recreational facility commonly known as the North Shore Tennis Center, located at 501 72 Street, Miami Beach, Florida 33141 (the "Center").
- 2.2 City and CONTRACTOR Responsibilities. The City has employed the CONTRACTOR, and CONTRACTOR agrees, to manage and operate the tennis programs and the Pro Shop at the Center, pursuant to the terms and conditions set forth herein. The City shall continue to be responsible for the following duties at the Center: opening and closing the Center; staffing and operating the front desk; maintaining the reservation software system; maintaining the courts and overall facilities of the Center; collecting all revenues for the Center including, without limitation, all programming fees (including revenue from the Pro Shop), membership fees and court fees; providing court maintenance personnel; and providing facility maintenance personnel. The City will assist the public in scheduling tennis programs and instruction, with a significant assistance from the CONTRACTOR.

### **SECTION 3. USE(S).**

The CONTRACTOR is hereby authorized to conduct the following kind(s) of businesses and provide the following kind(s) of services within the Center, all at its sole cost and expense:

#### **3.1 Public Tennis Facility.**

CONTRACTOR agrees it will use the Center solely for the operation of a first-class tennis programming facility. This use shall include the management and operation (including staffing) of the tennis programs, including the courts, and the Pro Shop (including food and beverage service), but excluding the collection of revenue therefrom. CONTRACTOR'S services in connection with the uses set forth herein shall include those services proposed by CONTRACTOR, as attached and incorporated in Exhibit "A" hereto, and permitted Special Events (as defined in Section 17) related to such public tennis center activities; provided, however, that in the event of a conflict between Exhibit "A" and the terms of this Agreement, the terms of this Agreement shall take precedence. No other use, business, or services shall be conducted by CONTRACTOR at the Center without the prior written consent of the City Manager, or his designee.

CONTRACTOR agrees, acknowledges, covenants and represents to the City that the Center is for the use by the public; that such public use is a prime consideration; and must be balanced accordingly with the services to be provided by the CONTRACTOR, without restricting, or in any way limiting, the public access, nature, or ambiance of the Center. Accordingly, CONTRACTOR agrees, acknowledges, covenants and represents to City that the public's right to use the Center shall not be infringed upon by any activity of CONTRACTOR. This includes, without limitation, the monopolization of courts for lessons during identified "peak times".

CONTRACTOR hereby agrees, acknowledges, covenants, and represents to City that, during the Term of this Agreement, it shall continually provide high-quality, first-class affordable tennis services to the City's residents and visitors; to meet the demands of the City's hotel community for access to high quality, first-class tennis programming within Miami Beach; and to progressively upgrade tennis programming at the Center throughout such Term.

#### **3.2 Prohibited Activities.**

CONTRACTOR will conduct its operations so as to maintain a reasonably quiet and tranquil environment for the adjacent areas, and make no public disturbances.

CONTRACTOR shall not use the Center for any unlawful purpose and shall comply with all laws and permitting requirements now in force or hereafter adopted, applicable to the Center, and/ or uses and businesses conducted on the Center. CONTRACTOR agrees not to use the Center for, or to permit the operation of, any offensive, noisy or dangerous activity, nuisance or anything against public policy. There shall be no living quarters at the Center, nor shall anyone be permitted to live at the Center. Except as may result from acts of force majeure, CONTRACTOR agrees that it will not allow the Center to become unoccupied or vacant. CONTRACTOR will not permit the outside use of any musical instrument or noise-making device at the Center, which would be in violation of the City's Noise Ordinance, as same may be amended from time to time.

3.3 Hurricane Evacuation Plan.

CONTRACTOR agrees to comply with the City's Hurricane Evacuation Plan and will cooperate fully with the instructions given by the City's representative to initiate the plan immediately upon notice of the issuance of a Hurricane Warning by the Miami-Dade County Office of Emergency Management. CONTRACTOR shall, at a minimum, secure the Center and all related materials and assist with the removal and reinstalling of windscreens in accordance with the procedures included in the City's Recreation Division Hurricane Evacuation Plan, as included in Exhibit "B," attached hereto.

3.4 Personnel Background Checks, ID Badge Requirements.

CONTRACTOR shall comply with the requirements of Sections 1012.32 and 1012.465, Florida Statutes, requiring that only those employees who have successfully passed the background screening required by the referenced statutes, and who meet the standards established by the statutes, be allowed access to the Center and/or allowed to perform services under this Agreement. This requirement shall also extend to all CONTRACTOR representatives, agents, independent contractors, sub-contractors, or volunteers (such employees, representatives, agents, independent contractors, sub-contractors, or volunteers of CONTRACTOR shall be collectively referred to herein as "Personnel") performing duties under this Agreement.

The Personnel shall undergo the aforesaid background screening and a drug screening, (collectively referred to herein as "Background Check Process") prior to entering the Center to begin employment and/or deliver services. The Background Check Process will be conducted by the City of Miami Beach Human Resources Department. **The Personnel shall not be permitted to work at the Center until such time as the Background Check Process has been completed and the Personnel are cleared to perform duties under this Agreement.** If any Personnel is away from the job for a period of 45 or more days, the City will require a new Background Check Process.

The CITY and CONTRACTOR agree and acknowledge that the failure of CONTRACTOR to perform any of the duties described in Subsection 3.4 shall constitute a material breach of this Agreement, for which the City reserves the right to terminate immediately and without further liability to the City. CONTRACTOR agrees to indemnify and hold harmless the City, its officers and employees of any liability in the form of physical or mental injury, death or property damage resulting in CONTRACTOR's failure to comply with the requirements of this Subsection 3.4, or Sections 1012.32 and 1012.465, Florida Statutes.

CONTRACTOR agrees to require all of its Personnel to notify the CONTRACTOR and the City of any arrest(s) or conviction(s) of any offense within 24 hours of its occurrence. CONTRACTOR further agrees to immediately notify the City upon becoming aware that one of its Personnel, who was previously certified as completing the Background Check Process, is subsequently arrested or convicted of any disqualifying offense. **Failure by CONTRACTOR to notify the City of such arrest or conviction within 24 hours of being put on notice shall constitute a material breach of this Agreement entitling the City to terminate this Agreement immediately, without further liability to the City.**

3.5 Business Tax Receipts.

CONTRACTOR shall obtain, at its sole cost and expense, any and all business tax receipts required by law for the proposed uses contemplated in this Agreement.

Without limiting the generality of the foregoing, securing the requisite business tax receipts, in addition to completing the Background Check Process in accordance with Subsection 3.4 hereof, shall be required and obtained for **each** individual professional tennis instructor providing lessons and/or clinics at the Center.

## **SECTION 4. FEES AND REPORTS**

### **4.1 CONTRACTOR Payment**

The fees to participate in CONTRACTOR'S North Shore Tennis Programs are set forth in Attachment "A" hereto, which is incorporated herein by reference. In consideration of the Services to be provided, City shall pay CONTRACTOR a programming fee equal 70% of the total monthly gross programming revenues collected by the City and a management fee equal to 21% of the total monthly gross programming revenues collected by the City, with the City retaining the remainder of the total monthly gross programming revenues collected. Additionally, the City shall retain 100% of the membership fees and court fees collected.

The CONTRACTOR's annual programming fee and management fee shall not exceed \$500,000 during the term, or a pro-rata thereof, during any Holdover Term. The City shall provide payment to CONTRACTOR by the 15<sup>th</sup> of the Month.

By way of an example, assuming that the gross programming revenues for one month equal \$100,000, the CONTRACTOR'S programming fee and management fee would be calculated as follows:

CONTRACTOR receives a programming fee of 70% of the monthly gross programming revenues, in the amount of \$70,000;

CONTRACTOR will receive a management fee of 21% of the monthly gross programming revenues, in the amount of \$21,000; and

The City will receive the remaining \$9,000 of the total monthly gross programming revenues, plus 100% of all membership fees and court fees collected during the month.

As referred to herein, "gross programming revenues" shall mean all income received (less returns and refunds) by the City from clinics, tennis instruction, camps, tournaments, academy, hospitality packages, food and beverage sales and Pro Shop sales. The gross programming revenues shall not include income received by the City for annual membership fees or hourly court fees.

### **4.2 CONTRACTOR Reports**

The CONTRACTOR shall provide a monthly activity report/revenue report which shall be submitted to the City by the fifth day of the following month. The monthly reports shall include, but not be limited to, the following information:

- (A) a comprehensive break-down of all day play, clinics, tournaments and revenues generated in the prior month by category, and other performance measures as determined by the City Manager or his designee.



- (B) a work plan to adequately address Continuous Quality Improvement goals in the CONTRACTOR's management plan.
- (C) the City reserves the right to add or modify the items required in the monthly report, as the City Manager or his designee deems necessary, in its sole and reasonable discretion, in order to adequately monitor performance of the CONTRACTOR.

#### 4.3 Sales and Use Tax.

Payment of any required Florida State Sales and Use Tax shall be the responsibility of the City.

### **SECTION 5. EMPLOYEES AND INDEPENDENT CONTRACTORS.**

- 5.1 CONTRACTOR agrees that during the Term of this Agreement, Martin Van Daalen shall have active, ongoing direct participation in the day to day tennis programming operation of the Center. In the event that the CONTRACTOR, or otherwise ceases to participate in the day to day tennis programming operation of the Center pursuant to this Agreement, then the City, at its sole option, may terminate this Agreement for cause pursuant to Section 15. In the alternative, should the City not opt to terminate this Agreement as provided therein, the City shall have prior written approval as to any replacement of the Principal subsequently offered by the CONTRACTOR.

In connection with the performance of its responsibilities hereunder, CONTRACTOR may hire Personnel (as defined in Subsection 3.4 herein), who will be the Personnel of the CONTRACTOR and not of the City, and who will be subject to a background Check Process, as set forth in Subsection 3.4 herein, at the expense of the CONTRACTOR. CONTRACTOR shall provide an adequate number of Personnel and man-hours in order to perform the services required under this Agreement. CONTRACTOR shall select the number, function, compensation, including benefits (if any), and may, at its discretion and at any time, adjust or revise the terms and conditions relating to such Personnel, in order to ensure an adequate number of Personnel and man-hours.

- 5.1.2 The CONTRACTOR agrees that all personnel for the Center shall be certified Tennis Professionals by USPTA, USTA, USPTR or equivalent. The CONTRACTOR and personnel must demonstrate knowledge and experience in tennis instruction and related activities, as well as, knowledge of the legal requirements that are involved in this type of operation. There must be onsite tennis program management by the CONTRACTOR, at the Tennis Center during operating hours.
- 5.1.3 Independent/Sub-contractors/Third Party Professionals shall not be permitted at the Center. Independent/Sub-contractors/Third Party Professionals include, but are not limited to, a resident/nonresident:
- (A) Who teaches or gives tennis lessons for a fee independent of CONTRACTOR;
  - (B) Who teaches on a court with a ball basket and with more than three balls with one or more players independent of CONTRACTOR; and
  - (C) Who collects money for instruction and/or lesson independent of the City.
- 5.2 CONTRACTOR's Personnel shall wear clean appropriate apparel to include uniforms/name tags, such that Center patrons can easily identify CONTRACTOR and its Personnel. All

Personnel furnished to the City of Miami Beach must be uniformed. Each uniform shall display CONTRACTOR's name and logo, which logo shall be subject to approval by the City. Uniforms must be provided at the CONTRACTOR's expense, and may not be charged to an employee or deducted from an employees' paycheck, therefore reducing the hourly pay rate to less than the living wage rate required under the City's Living Wage Ordinance, as same may be amended from time to time.

All Personnel shall observe all the graces of personal grooming. The CONTRACTOR shall hire Personnel to work in its operation who are neat, clean, qualified and efficient and shall comport themselves in a professional and courteous manner and be in conformity with the City's Customer Service standards, as set forth in the attached Exhibit "C". If the City Manager or his designee deems it appropriate, the CONTRACTOR and its Personnel may be required to attend Customer Service training as conducted by the City. The CONTRACTOR and any Personnel hired by same shall comply with the pre-employment requirements and standards as established by the City of Miami Beach's Human Resources Department. If CONTRACTOR materially fails to comply with these provisions, the City may send notice of default. The CONTRACTOR shall have an experienced Tennis Programming manager overseeing the Center and related operations at all times the Center is open to the general public in the absence of the CONTRACTOR.

## **SECTION 6. HOURS OF OPERATION & COURTS USAGE.**

### **6.1 Center Hours**

The CONTRACTOR shall offer programming at the Centers from 7:30 A.M. to 9:30 P.M. every day of the year, with the exception of closures due to weather conditions or events of force majeure permitting, and certain holiday agreed upon by the CONTRACTOR and the City of which proper signage and notification to patrons must be adhered to.

### **6.2 Change of Hours**

Any change in the hours of operation shall be at the City's sole option and discretion, and any request by CONTRACTOR for an increase or decrease in same shall be subject to the prior written approval of the City Manager or his designee.

### **6.3 Court's Usage.**

6.3.1 The CONTRACTOR acknowledges and agrees to prioritize utilization of courts for public usage by restricting lesson/clinic/programming courts not to exceed five (5) clay courts and one (1) hard court at the Center during peak hours of play (7:30 AM to 11:00 AM and 4:00 PM to 7:00 PM ). Courts are not to be booked or reserved by the professional tennis instructors for lessons more than one (1) day in advance. The term lesson shall mean a unit of instruction on an individual or group basis for which payment is received as outlined in Exhibit "A".

6.3.2 Additional court usage for lessons, programs and clinics during non-peak hours shall be subject to the prior written approval of the City. At no time shall more than 50% of all courts be utilized for lessons, programs and clinics until 10 minutes after any non-peak hour and there are no tennis patrons waiting for a court, without the prior written approval of the City. CONTRACTOR must use due diligence when assigning courts for open play and lessons to include: (a) alternating courts where lessons are taught to avoid overplaying a court or battery of courts and (b) separating open play courts from lesson courts to avoid injury. CONTRACTOR can allow for court

reservations to be made on hour or half hour intervals as appropriate. Reservations for doubles play shall be for up to two (2) hours.

6.4 Public Benefits.

6.4.1 The CONTRACTOR agrees that the City's Parks and Recreation Department programs or co-sponsored programs will have use of two (2) courts at the Center, at no charge to the City, twice per week, for two (2) hours for each court, between the hours of 11:00 a.m. and 5:00 p.m., to be mutually agreed upon by the parties.

6.4.2 CONTRACTOR agrees to provide free instructional lessons to after-school and summer camp participants, to be mutually agreed upon by the parties. Use of courts pursuant to the immediately preceding sentence shall be deemed to be the utilization of courts for public usage.

6.4.3 The CONTRACTOR also agrees to provide fee waivers and/or fee reductions in pricing for programs (i.e. clinics, academies, lessons, camps, etc.) for those City of Miami Beach residents from low socio-economic backgrounds who qualify. The CONTRACTOR agrees to utilize the same criteria for determining eligibility for fee waivers or reductions as being used by the City of Miami Beach Parks and Recreation Department at the time of the request. Fee waivers do not apply to private lessons unless agreed upon by CONTRACTOR.

6.4.4 The CONTRACTOR shall also offer free and/or affordable programming for Miami Beach residents with disabilities (i.e. Wheelchair Tennis) and for Miami Beach Senior residents. The CONTRACTOR will make provisions for summer and specialty camps, which camp programs will include, without limitation, camp programs for people with disabilities and for Seniors based on the established Parks and Recreation Department format.

**SECTION 7. TENNIS FEES, PROGRAMS & RELATED SERVICES TO BE PROVIDED.**

7.1 The CONTRACTOR must comply with the fee schedule for the professional tennis instruction that offers the tennis patron a choice in instructor level and hourly fee commensurate with the instructor's level, as agreed upon and listed in Exhibit "A", (to be provided by the CONTRACTOR) attached hereto. Any change of this said fee and instructor levels shall be approved by the City prior to implementation of fees.

7.2 Fees for lessons and clinics to be offered must be prominently posted at the Center at those location(s) where such fees are normally paid. All fees and charges shall be competitive with those charged by comparable public tennis centers in Miami-Dade and Broward Counties. Initial fees for programs, clinics and lessons are set forth in Exhibit "A" (to be provided by CONTRACTOR) attached hereto.

7.3 **The fees to participate in CONTRACTOR'S tennis programs are set forth in Exhibit "A" hereto, which is incorporated herein by reference. Any changes to the approval fees shall require prior written approval of the City Manager, or his designee.**

7.4 The CONTRACTOR agrees to provide the programs set forth in Exhibit "A". An implementation schedule of said services shall be provided by the CONTRACTOR within thirty (30) days of the Commencement Date. Said schedule and any modifications, additions or deletions to the list are subject to the prior approval of the City.

- 7.5 The CONTRACTOR, subject to the prior written approval of the City, shall be authorized to provide courts, free of charge for the following: practice for professional tennis players and their coaches, during professional tennis demonstrations, promotional events, clinics and lessons being offered to the public at no charge.
- 7.6 The CITY shall utilize a computer software system (i.e. Tennis Director, RecWare, Active Network, etc.) for the purposes of tracking reservations, financials, memberships, etc. The City shall have administrator rights to the CONTRACTOR's computer software system for the purposes of conducting audits. Additionally, on-line reservations will be provided for by the CITY, as well as phone and in-person reservations, all of which must be managed and cross-referenced to avoid overbookings, no-shows, and adherence to prioritization and utilization of courts for public usage by restricting lesson/clinic/programming courts during peak hours.
- 7.7 Any print materials prepared by the CONTRACTOR for use of the Center shall require the written approval of the City Manager or his designee prior to printing. Materials must include the City designation/ logo and appropriate ADA (Americans with Disabilities Act) disclaimer. CONTRACTOR shall submit to the City (for review and approval prior to the initiation of contract activities), a communication plan addressing programming to be scheduled at the Center. All communications shall be directed to the appropriate City staff. City shall assist with marketing materials to include: banners, fliers, postcards and website information.
- 7.8 Management of the Pro-Shop. CONTRACTOR, at its own cost and expense, shall be responsible for purchasing and stocking the Pro-Shop with appropriate tennis products, including but not limited to snacks, strings, racquets, apparel, and beverages. Notwithstanding anything contained in this Section 7, or in the Agreement, CONTRACTOR's food and beverage service shall be subject to and shall not, under any event, conflict with, or otherwise violate, the City's exclusive vending contract with Coca-Cola Refreshments USA, Inc. d/b/a Florida Coca-Cola Bottling Company and Coca-Cola North America, a division of the Coca-Cola Company ("Coca-Cola Contract") and the City's exclusive vending contract with Bettoli Trading Corp. ("Bettoli Contract") (collectively referred to herein as "City Vending Contracts"); copies of which are attached hereto and made a part hereof as composite Exhibit D. All monthly income from the Pro-Shop shall be collected by the City and treated as part of the monthly gross programming revenues. The City will not be responsible for the purchasing, inventory, ordering, delivery or security of such products.

## **SECTION 8 ALTERATIONS, MAINTENANCE, REPAIRS & SECURITY**

- 8.1 Building and Facility Alterations.  
CONTRACTOR may not make alterations or additions to the Center. In the event of an emergency to prevent injury to persons or property, CONTRACTOR shall use reasonable efforts to secure the affected area and will immediately notify the City's Parks and Recreation Department to advise of said emergency. At that time the City will assess the situation, further secure the area in question, and determine means and method of repairs.
- CONTRACTOR shall not have the right to create or permit the creation of any lien attaching to City's interest in the Center as a result of any such alterations or additions.
- 8.2 Building and Facility Maintenance.  
The City further acknowledges that the CONTRACTOR shall not be required to improve,

repair, restore, refurbish, or otherwise incur any expense in improving or changing the condition of the Center, except for all costs in connection with the fulfillment of this Agreement including, without limitation, costs in connection with the maintenance of the programming equipment.

The City shall maintain all electrical, HVAC, plumbing and foundation and structural systems, roofs, exterior walls, and sports lighting at the Center at its sole cost, and in its sole discretion as to the means, manner and methods used for such maintenance.

The City will maintain the grass and landscaped areas in those portions surrounding the Center and within the Center, as well as the equipment in connection with the upkeep of the tennis courts to include:

- (A) Windscreens
- (B) Clay
- (C) Nets (includes hardware)
- (D) Lines (includes hardware)
- (E) Purchase of start-up Tennis Balls (in the amount not to exceed \$5,000 during the Term)
- (F) Algae and Weeds on courts
- (G) Restrooms (clean and stocked)
- (H) Pro Shop and facility cleanliness
- (I) Litter Control
- (J) Water coolers, ice, water and cups on the courts for patron use.

CONTRACTOR agrees to assist in helping to ensure the Center remains clean and tidy.

City shall have sole discretion as to the means, manner and methods utilized for the aforestated maintenance.

8.3 Courts and Related Facilities Maintenance Standards.

The City shall comply with minimum standards set forth for the underground watering systems, as set forth by the builder of the Center (Welch Tennis). The City shall conduct monthly maintenance inspections by a City approved outside independent certified tennis court builder/manufacture to ensure courts are up to industry standards.

8.4 Equipment.

The CONTRACTOR must purchase and maintain, at its own cost and expense, all materials, labor, and any and all equipment (the "programming equipment") required to operate the tennis programs at the Center. Such programming equipment shall include the following:

- (A) Ball Caddies
- (B) Tennis Balls (after City's start-up contribution of \$5,000 is met)
- (C) Racquets
- (D) String
- (E) Water Cooler
- (F) Stringing Machine
- (G) Ball Machine
- (H) Clothing Racks for Display

In the event any of the CONTRACTOR'S equipment or materials are lost, stolen, or damaged, they shall be replaced or repaired at the sole cost and expense of the



CONTRACTOR, in no more than five (5) days from date of loss, or if not possible, within such time frame, as promptly as reasonably possible, but in no event to exceed fifteen (15) days. The CONTRACTOR shall maintain, in accordance with the manufacturer's specifications and maintenance requirements, all equipment, whether City owned or owned by the CONTRACTOR, herein specified and purchased. All equipment shall be kept clean, fully functional and free of damage.

8.5 Orderly Operation.

The CONTRACTOR shall have a neat and orderly operation at all times and shall be solely responsible for tennis programming. There shall be no living quarters nor shall anyone be permitted to live within the Center.

8.6 No Dangerous Materials.

The CONTRACTOR agrees not to use or permit at the Center the storage and/or use of gasoline, fuel oils, diesel, illuminating oils, oil lamps, combustible powered electricity producing generators, turpentine, benzene, naphtha, propane, natural gas, or other similar substances, combustible materials, or explosives of any kind, or any substance or thing prohibited in the standard policies of fire insurance companies in the State of Florida. Any such substances or materials found within the Center shall be immediately removed.

Notwithstanding any contrary provisions of this Agreement, CONTRACTOR, after the Commencement Date, shall indemnify and hold City harmless from any loss, damage, cost, or expense of the City, including, without limitation, reasonable attorney's fees, incurred as a result of, arising from, or connected with the placement by CONTRACTOR, after the Commencement Date, but during the term of this Agreement, of any hazardous substance, or petroleum products on, under, in or upon the Center as those terms are defined by applicable Federal and State Statute, or any environmental rules and environmental regulations promulgated thereunder; provided, however, CONTRACTOR shall have no liability for any violation arising or damage incurred as a result of the willful misconduct or gross negligence of the City, its agents, servants or employees. The provisions of this Subsection shall survive the termination or earlier expiration of this Agreement.

8.7 Security.

The CITY shall be provide reasonable security measures that may be required in the City's discretion to protect the Center and any of the equipment, materials and facilities thereon.

8.8 Inspection.

The CONTRACTOR agrees that CONTRACTOR's operations at the Center, including all program equipment thereon may be inspected at any time during hours of operation by the City Manager or his designee, or by any other Municipal, County, State officer, or agency having responsibilities for inspections of such operations. The CONTRACTOR hereby waives all claims against the City for compensation for loss or damage sustained by reason of any interference (which interference, if by the City, must be reasonable) with the operations by any public agency or official in enforcing its or his duties or any laws or ordinances. Any such interference (which interference, if by the City, must be reasonable) shall not relieve the CONTRACTOR from any obligation hereunder.

**SECTION 9. INSURANCE.**

CONTRACTOR shall maintain, at its sole cost and expense, the following types of insurance coverage at all times throughout the Term of this Agreement.

- a. Comprehensive General Liability in the minimum amount of One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage. This policy must also contain coverage for Center operations, products and contractual liability.
- b. Workers Compensation Insurance as required under the Laws of the State of Florida.

The policies of insurance referred to above shall not be subject to cancellation or change except upon at least thirty (30) days prior written notice to the City, and then only subject to the prior written approval of the City Manager or his designee. Prior to the Commencement Date, CONTRACTOR shall provide City with a Certificate of Insurance for each such policy. ALL POLICIES SHALL NAME THE CITY OF MIAMI BEACH FLORIDA AS AN ADDITIONAL NAMED INSURED. All such policies shall be obtained from companies authorized to do business in the State of Florida with an A.M. Best Insurance Guide (latest edition) rating acceptable to the City's Risk Manager, and any replacement or substitute company shall also be subject to the prior written approval of the City's Risk Manager. Should CONTRACTOR fail to obtain, maintain or renew the policies of insurance referred to above, in the required amounts, the City may, at its sole discretion, obtain such insurance, and any sums expended by City in obtaining said insurance, shall be repaid by CONTRACTOR to City, plus ten percent (10%) of the amount of premiums paid to compensate City for its administrative costs. If CONTRACTOR fails to repay City's expenditures within fifteen (15) days of demand, the total sum owed shall accrue interest at the rate of twelve percent (12%) until paid, and such failure shall be deemed an event of default hereunder.

#### **SECTION 10. FINES AND PENALTIES.**

The City reserves the right to levy fines against the CONTRACTOR when the City determines that CONTRACTOR is not meeting the necessary work requirements. The following table below depicts areas where fines will be levied:

<b><i>Work Activity</i></b>	<b><i>Grace Period</i></b>
Quality of Operations	24 hours
Personnel Shortages	4 hours
Personnel Dress Code	8 hours
Equipment Deficiencies	72 hours
Supplies	8 hours
Program Management	24 hours
Communications	48 hours
Life Safety Maintenance	2 hours

Fines for failures to complete corrective action for any of the work activities listed above are as follows:

- \$100 after failing to complete corrective action after two (2) notifications
- \$200 after failing to complete corrective action after three (3) notifications
- \$500 after failing to complete corrective action after four (4) notifications

If additional time is required to complete corrective action, a written request must be submitted for approval to the City prior to the end of the grace period. The basis for the implementation of fines and penalties includes but is not limited to the following:

- a. Personnel Shortages – Failure to provide a staffing plan that meets the

maintenance coverage requirements of the service area, and/or failure to provide the necessary on-site personnel in accordance to the staffing plan.

- b. Personnel Dress Code – Failure of employees to meet uniform requirements, including wearing clean uniforms.
- c. Equipment Deficiencies – Inability to fully operate; in non-functional condition; in state of disrepair and or visibly damaged; lacking maintenance; and not generally maintained and in clean condition.
- d. Supplies – Failure to provide the supplies necessary for the proper execution of the program or maintenance service specified.
- e. Program Management - Failure to implement a comprehensive management program to respond to City and/ or stakeholder requests for services and maintenance issues covered by the Contract.
- f. Communications – Failure to submit an approved communications plan addressing routine, scheduled, and emergency maintenance and repair activities, and failure to provide timely notifications as previous prescribed.
- g. Safety Regulations – Failure to adhere to OSHA's most recently published Safety and Health Regulations and general Occupational Safety and Health Standards.

#### **SECTION 11. INDEMNITY.**

- 11.1 In consideration of a separate and specific consideration of \$10.00 and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, CONTRACTOR shall indemnify, hold harmless and defend the City, its agents, servants and employees from and against any claim, demand or cause of action of whatsoever kind or nature arising out of error, omission, or negligent act of CONTRACTOR, its subcontractor(s), agents, servants or employees in the performance of services under this Agreement unless such claim, demand or cause of action arises as a result of the City's gross negligence or willful misconduct.
- 11.2 In addition, in consideration of a separate and specific consideration of \$10.00 and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, CONTRACTOR shall indemnify, hold harmless and defend the City, its agents, servants and employees from and against any claim, demand or cause of action of whatever kind or nature arising out of any misconduct of CONTRACTOR not included in the paragraph in the subsection above and for which the City, its agents, servants or employees are alleged to be liable.
- 11.3 Subsections 11.1 and 11.2 shall survive the termination or expiration of this Agreement. Subsections 11.1 and 11.2 shall not apply, however, to any such liability, that arises as a result of the willful misconduct or gross negligence of the City, its agents, servants or employees.
- 11.4 Subrogation.  
The terms of insurance policies referred to in Section 9 shall preclude subrogation claims against CONTRACTOR, the City and their respective officers, employees and agents.

11.5 Force Majeure.

Neither party shall be obligated to perform hereunder and neither party shall be deemed to be in default if performance is prevented by:

- a. fire which renders at least thirty percent (30%) of the cumulative facilities unusable and which is not caused by negligence of CONTRACTOR;
- b. Earthquake; hurricane; flood; act of God; civil commotion occurring at the Center during or in connection with any event; or other matter or condition of like nature; or
- c. Any law, ordinance, rule, regulation or order of any public or military authority stemming from the existence of economic or energy controls, hostilities, or war.

The parties hereto acknowledge that CONTRACTOR'S obligations and benefits hereunder may be negatively affected by an event of Force Majeure. If an event of Force Majeure occurs during the term of this Agreement, then the City Manager or his designee, in his sole discretion, may extend the term of this Agreement for a reasonable period of time; provided, however, such extension shall take effect only if CONTRACTOR agrees to such extension.

11.6 Labor Dispute.

In the event of a labor dispute which results in a strike, picket or boycott affecting the Center or operation described in this Agreement, CONTRACTOR shall not thereby be deemed to be in default or to have breached any part of this Agreement, unless such dispute shall have been caused by illegal labor practices or violations by CONTRACTOR of applicable collective bargaining agreements and there has been a final determination of such fact which is not cured by CONTRACTOR within thirty (30) days.

11.7 Waiver of Loss from Hazards.

The CONTRACTOR hereby expressly waives all claims against the City for loss or damage sustained by the CONTRACTOR resulting from fire, water, natural disasters/acts of God (e.g. hurricane, tornado, etc.), civil commotion, riot, or any other Force Majeure contemplated in Subsection 14.5 and Labor Dispute in Subsection 14.6 above, and the CONTRACTOR hereby expressly waives all rights, claims, and demands against the City and forever releases and discharges the City from all demands, claims, actions and causes of action arising from any of the aforesaid causes.

**SECTION 12. DEFAULT AND TERMINATION.**

Subsections 12.1 through 12.2 shall constitute events of default under this Agreement. An event of default by CONTRACTOR shall entitle City to exercise any and all remedies described as City's remedies under this Agreement, including but not limited to those set forth in Subsection 12.3. An event of default by City shall entitle CONTRACTOR to exercise any and all remedies described as CONTRACTOR'S remedies under this Agreement, including but not limited to those set forth in Subsection 12.4.

12.1 Bankruptcy.

If either the City or CONTRACTOR shall be adjudged bankrupt or insolvent, or if any receiver or trustee of all or any part of the business property of either party shall be appointed, or if any receiver of all or any part of the business property shall be appointed

and shall not be discharged within sixty (60) days after appointment, or if either party shall make an assignment of its property for the benefit of creditors, or shall file a voluntary petition in bankruptcy, or insolvency, or shall apply for reorganization or arrangement with its creditors under the bankruptcy or insolvency laws now in force or hereinafter enacted, Federal, State, or otherwise, or if such petitions shall be filed against either party and shall not be dismissed within sixty (60) days after such filing, then the other party may immediately, or at any time thereafter, and without further demand or notice, terminate this Agreement without being prejudiced as to any remedies which may be available to it for breach of contract.

12.2 Default.

In the event that CONTRACTOR or the City fails to perform or observe any of the covenants, terms or provisions under this Agreement, and such failure continues thirty (30) days after written notice thereof from the other party hereto, such non-defaulting party may immediately or at any time thereafter, and without further demand or notice, terminate this Agreement without being prejudiced as to any remedies which may be available to it for breach of contract. In the event that a default (except with respect to a monetary default) is not reasonably susceptible to being cured within such period, the defaulting party shall not be considered in default if it shall, within such period, commence with due diligence and dispatch to cure such default and thereafter completes with dispatch and due diligence the curing of such default, but in no event shall such extended cure period exceed ninety (90) days from the date of written notice thereof. In the event a defaulting party cures any default pursuant to this subsection, it shall promptly provide the other party with written notice of same.

12.3 Remedies for CONTRACTOR'S Default.

If any of the events of default, as set forth in this Section, by CONTRACTOR shall occur, the City may, after notice (if required) and the expiration of cure periods, as provided above, at its sole option and discretion, institute such proceedings as in its opinion are necessary to cure such defaults and to compensate City for damages resulting from such defaults, including but not limited to the right to give to CONTRACTOR a notice of termination of this Agreement. If such notice is given, the term of this Agreement shall terminate upon the date specified in such notice from City to CONTRACTOR. On the date so specified, CONTRACTOR shall then quit and surrender the Center to City pursuant to the provisions of Subsection 12.5. Upon the termination of this Agreement, all rights and interest of CONTRACTOR in and to the Center and to this Agreement, and every part thereof, shall cease and terminate and City may, in addition to any other rights and remedies it may have, retain all sums paid to it by CONTRACTOR under this Agreement.. In addition to the rights set forth above, City shall have the rights to pursue any and all of the following:

- a. The right to injunction or other similar relief available to it under Florida law against CONTRACTOR; and/or
- b. The right to maintain any and all actions at law or suits in equity or other proper proceedings to obtain damages resulting from CONTRACTOR'S default.

12.4 Remedies for City's Default. If any of the events of default, as set forth in this Section, by the City shall occur, the CONTRACTOR may, after notice (if required) and the expiration of the cure periods, as provided above, at its sole option and discretion, terminate this Agreement upon written notice to the City and/or sue for damages. Said termination shall become effective upon receipt of a written notice of termination by the City, but in no event



shall CONTRACTOR specify a termination date that is less than sixty (60) days from the date of the written termination notice. On the date specified in the notice, CONTRACTOR shall quit and surrender the Center to the City pursuant to the provisions of Subsection 12.5.

**12.5 Surrender of Center.**

At the expiration of this Agreement, or earlier termination in accordance with the terms of this Agreement, CONTRACTOR shall surrender programming at the Center in the same condition as the Center was prior to the commencement of this Agreement, reasonable wear and tear, and City maintenance and repair obligations, excepted. CONTRACTOR shall remove all its equipment, fixtures, personal property, etc. upon five (5)-business days written notice from the City Manager, or his designee, unless a longer time period is agreed to by the City. The CONTRACTOR'S obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement. Continued occupancy of the Center after termination of the Agreement without the City's approval shall constitute trespass by the CONTRACTOR, and may be prosecuted as such. In addition, the CONTRACTOR shall pay to the City two hundred dollars (\$200) per day as liquidated damages for such breach of this Agreement.

**12.6 Termination for Convenience.**

During the Term of this Agreement, the City may terminate this Agreement at any time, at its convenience and without cause, upon providing the CONTRACTOR with sixty (60) days written notice. In the event of termination for convenience pursuant to this subsection, CONTRACTOR shall quit and surrender the Centers to City pursuant to the provisions of Subsection 12.5 hereof.

**SECTION 13. ASSIGNMENT.**

Except as otherwise provided in this Section, CONTRACTOR shall not assign; sublease; grant any concession or license; permit the use of by any other person other than CONTRACTOR; or otherwise transfer all or any portion of this Agreement and/or of the Center (all of the foregoing are herein after referred to collectively as "transfers"), without the prior written consent of the City, which consent shall not be unreasonably withheld.

If there is a change in control of CONTRACTOR, then any such change in control shall constitute a "transfer" for purposes of this Agreement and shall be approved by the City Commission prior to consummation of such change in control. "Change in control", for purposes hereof, shall mean a change of the ownership, directly or indirectly, of greater than 10% of the voting or ownership interest or right to profits in such CONTRACTOR, by means of one or more transfers, sales, mergers, consolidations, dissolutions or otherwise; provided that the foregoing shall not be deemed to include (i) any transfer to other owners of CONTRACTOR or to trusts the beneficiaries of which are any owner(s) of CONTRACTOR or member(s) of their immediate family; or (ii) a change in the ownership of CONTRACTOR through a registered public offering of shares in CONTRACTOR ((i) and (ii) above collectively are referred to herein as the "Transfer Exclusions"). Except for the Transfer Exclusions, any change of the ownership, directly or indirectly, of 10% or less of the voting or ownership interest or right to profits in such CONTRACTOR (a "Minor Change"), by means of one or more transfers, sales, mergers, consolidations, dissolutions or otherwise, shall be subject to the approval of the City Manager, or his designee.

CONTRACTOR shall notify the City of any proposed transfer, and shall notify the City Manager, or his designee, of any proposed Minor Change, prior to consummation of same and the City or the City Manager, as applicable, shall respond within thirty (30) days. In the event that any such transfer

or Minor Change is approved, the transferee shall agree to be bound by all the covenants of this Agreement required of the transferor hereunder. Any transfer or Minor Change made without complying with this Section shall be null, void, and of no effect and shall constitute an act of default under this Agreement. Notwithstanding any such consent, or any permitted transfer or Minor Change under any provision of this Section, unless expressly released by the City, CONTRACTOR shall remain jointly and severally liable (along with each approved transferee, who shall automatically become liable for all obligations of the transferor hereunder with respect to that portion of the Agreement so transferred), and the City shall be permitted to enforce the provisions of this Agreement directly against CONTRACTOR or any transferee of the CONTRACTOR without proceeding in any way against any other person.

#### **SECTION 14. SPECIAL EVENTS.**

14.1 CONTRACTOR'S proposed uses, as defined in Section 3 herein, contemplates the production, promotion or sponsorship by the CONTRACTOR of tennis related special events at the Center. For purpose of this subsection 14.1 only, CONTRACTOR'S "Special Event" shall mean any event in which CONTRACTOR shall dedicate, and close to the general public, 50% or more of the Center's tennis courts. In the event CONTRACTOR does produce, promote or sponsor a Special Event at the Center, other than those provided for in this Agreement; it shall abide by the City's Special Events Permit Requirements and Guidelines. For any use, other than those provided for in this Agreement, a Special Events Permit may be required, and if required, shall be obtained through the City's Office of Arts, Culture and Entertainment. The City Manager's, or his designee's, authorization must be obtained for any such Special Event. The City Administration shall evaluate requests for Special Events Permits on a case by case basis, in accordance with the City's Special Event Permit Requirements and Guidelines.

#### **14.2 City Special Events.**

Notwithstanding Subsection 14.1 above, and in the event that the City, at its sole discretion, deems that it would be in the best interest of the City, the City reserves the right to utilize the Center for City produced tennis related special events and/or other City-produced special events or productions. In such cases, the City will coordinate with the CONTRACTOR to cooperatively produce such events. The City shall make its best effort to negotiate with CONTRACTOR including utilization of off-site City-owned neighborhood tennis courts, but if unsuccessful the CONTRACTOR shall cease and desist operations during the term of, and in the area of the special event and/or production. If the CONTRACTOR is not required to close, or chooses to remain open without interference to the special event and/or production, CONTRACTOR agrees to cooperate with the City. If the CONTRACTOR is allowed to remain open during special events and/or productions, the CONTRACTOR may be allowed to have in operation its normal daily complement of equipment and staff. "Normal" shall be defined as equipment and staff, approved by the City, that the CONTRACTOR has available for the public on a normal day, 365 days per year. Such equipment or staff shall not be increased or altered during special events and/or productions without the prior written permission of the City Manager, or his designee. To the extent that the normal daily complement of equipment and staff is displaced by the special event and/or production, the CONTRACTOR may reallocate such displaced equipment and staff on a pro-rata basis within the Center not being utilized by the special event or production.

## **SECTION 15. NO IMPROPER USE.**

The CONTRACTOR will not use, nor suffer or permit any person to use in any manner whatsoever, the Center or any facilities herein for any improper, immoral or offensive purpose, or for any purpose in violation of any Federal, State, County, or Municipal ordinance, rule, order or regulation, or of any governmental rule or regulation now in effect or hereafter enacted or adopted. The CONTRACTOR will protect, indemnify, and forever save and keep harmless the City, its agents, employees and contractors from and against damage, penalty, fine, judgment, expense or charge suffered, imposed, assessed or incurred for any violation, or breach of any law, ordinance, rule, order or regulation occasioned by any act, neglect or omission of the CONTRACTOR, or any of its subcontractors, employees or agents. In the event of any violation by the CONTRACTOR or if the City or its authorized representative shall deem any conduct on the part of the CONTRACTOR to be objectionable or improper, CONTRACTOR shall be deemed to be in default of this Agreement should CONTRACTOR fail to correct any such violation, conduct, or practice to the satisfaction of the City within twenty-four (24) hours after receiving written notice of the nature and extent of such violation, conduct, or practice.

## **SECTION 16. NOTICES.**

All notices, consents, waivers, directions, requests or other instruments of communications provided for under this Agreement, shall be deemed properly given if, and only if, delivered personally or sent by registered or certified U.S. mail, postage pre-paid, as follows:

IF TO THE CITY:

Jimmy L. Morales  
City Manager  
City of Miami Beach  
1700 Convention Center Drive  
Miami Beach, Florida 33139

With copies to:

John Rebar, Director  
Parks and Recreation  
2100 Washington Avenue  
Miami Beach, Florida 33139

IF TO CONTRACTOR:

Mr. Martin Van Daalen,  
Van Daalen Tennis, LLC  
15051 Royal Oaks Lane, Apt 1604  
North Miami, Florida 33181

The CONTRACTOR and the City may change the above mailing address at any time upon giving the other party written notification. All notices under this Agreement must be in writing

## **SECTION 17. LAWS.**

### **17.1 Compliance.**

CONTRACTOR shall comply with all applicable City, County, State, and Federal ordinances, statutes, rules and regulations, including but not limited to all applicable environmental City, County, State, and Federal ordinances, statutes, rules and regulations.

17.2 Governing Law.

This Agreement shall be deemed to have been made and shall be construed and interpreted in accordance with the laws of the State of Florida. In case of any inconsistency between the terms of this Agreement, and any applicable general or special law, said general, special law shall prevail.

17.3 Equal Employment Opportunity.

Neither CONTRACTOR nor any affiliate of CONTRACTOR performing services hereunder, or pursuant hereto, will discriminate against any employee or applicant for employment because of race, creed, sex, color, national origin, sexual orientation, and disability, as defined in Title I of ADA.

17.4 No Discrimination.

In connection with the performance of its services, CONTRACTOR shall not exclude from participation in, deny the benefits of, or subject to discrimination anyone on the grounds of race, color, national origin, sex, age, disability, religion, income or family status.

Additionally, CONTRACTOR shall comply fully with the City of Miami Beach Human Rights Ordinance, codified in Chapter 62 of the City Code, as may be amended from time to time, prohibiting discrimination in employment, housing, public accommodations, and public services on account of actual or perceived race, color, national origin, religion, sex, intersexuality, gender identity, sexual orientation, marital and familial status, age, disability, ancestry, height, weight, domestic partner status, labor organization membership, familial situation, or political affiliation.

**SECTION 18. MISCELLANEOUS.**

18.1 No Partnership.

Nothing contained in this Agreement shall constitute or be construed to be or create a partnership or joint venture between the City and CONTRACTOR.

18.2 Modifications.

This Agreement cannot be changed or modified except by agreement in writing executed by all parties hereto. CONTRACTOR acknowledges that no modification to this Agreement shall be binding on the City unless approved by the Mayor and City Commission except where such authority has been expressly provided herein to the City Manager or his designee.

18.3 Complete Agreement.

This Agreement, together with all exhibits attached hereto, constitutes all the understandings and agreements of whatsoever nature or kind existing between the parties with respect to the matters as contemplated herein.

18.4 Headings.

The section, subsection and paragraph headings contained herein are for convenience of reference only and are not intended to define, limit, or describe the scope or intent of any provision of this Agreement.

18.5 Binding Effect.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their

respective successors and permitted assigns.

18.6 Clauses.

The illegality or invalidity of any term or any clause of this Agreement shall not affect the validity of the remainder of the Agreement, and the Agreement shall remain in full force and effect as if such illegal or invalid term or clause were not contained herein unless the elimination of such provision detrimentally reduces the consideration or benefits that either party is to receive under this Agreement or materially affects the continuing operation of this Agreement.

18.7 Severability.

If any provision of this Agreement or any portion of such provision or the application thereof to any person or circumstance shall be held to be invalid or unenforceable, or shall become a violation of any local, State, or Federal laws, then the same as so applied shall no longer be a part of this Agreement but the remainder of the Agreement shall not be affected thereby and this Agreement as so modified shall remain in full force and effect.

18.8 Right of Entry.

The City, at the direction of the City Manager, or his designee, shall at all times during hours of operation, have the right to enter into and upon any and all parts of the Center for the purposes of examining the same for any reason relating to the obligations of parties to this Agreement.

18.9 Not a Lease.

It is expressly understood and agreed that no part, parcel, building, facility, equipment or space is leased to the CONTRACTOR. CONTRACTOR is an independent contractor providing management services for the operation of the City's tennis programs and the Pro-Shop at the Center, and is not a lessee; and that the CONTRACTOR'S right to manage and operate the Center for the City shall continue only so long as this Agreement remains in effect.

18.10 Signage.

CONTRACTOR shall provide, at its sole cost and expense, any required signs for its operation on the Center. All advertising, signage and postings shall be approved by the City, and shall be in accordance with all applicable Municipal, County, State and Federal laws and regulations. Any signage posted by CONTRACTOR at the Center shall be subject to the prior written approval of the City as to size, shape and placement of same.

18.11 Conflict of Interest.

CONTRACTOR shall perform its services under this Agreement and conduct the professional tennis management and operations contemplated herein, in a manner so as to show no preference for other tennis operations/facilities owned, operated, managed, or otherwise controlled by CONTRACTOR with regard to its responsibilities pursuant to this Agreement.

18.12 Reasonableness.

Notwithstanding anything to the contrary in this Agreement, including but not limited to references to "sole option" or "sole discretion" or words of similar meaning, in each instance in which the approval or consent or other action of the City Commission or the City Manager or his designee is allowed or required in this Agreement, such approval, consent or other action shall not be unreasonably withheld, conditioned or delayed.



18.13 Procedure for Approvals and/or Consents.

In each instance in which the approval or consent of the City Manager or his designee is allowed or required in this Agreement, it is acknowledged that such authority has been expressly provided herein to the City Manager or his designee by the Mayor and City Commission of the City. In each instance in which the approval or consent of the City Manager or his designee is allowed or required in this Agreement, CONTRACTOR shall send to the City Manager a written request for approval or consent (the "Approval Request"). The City Manager or his designee shall have up to sixty (60) days from the date of Approval Request to provide written notice to CONTRACTOR approving of, consenting to or disapproving of the request. However, the City Manager or his designee's failure to consider such request within this time provided shall not be deemed a waiver, nor shall CONTRACTOR assume that the request is automatically approved and consented to. The Subsection shall not apply to approvals required herein by the Mayor and City Commission.

18.14 No Waiver.

No waiver of any covenant or condition of this Agreement by either party shall be deemed to imply or constitute a waiver in the future of the same covenant or condition or of any other covenant or condition of this Agreement.

18.15 No Third Party Beneficiary.

Nothing in this Agreement shall confer upon any person or entity, including, but not limited to subcontractors, other than the parties hereto and their respective successors and permitted assigns, any rights or remedies by reason of this Agreement.

**SECTION 19. LIMITATION OF LIABILITY.**

The City desires to enter into this Agreement placing the operation and management of the Center in the hands of a private management entity only if so doing the City can place a limit on its liability for any cause of action for breach of this Agreement, so that its liability for any such breach never exceeds the sum of \$100,000.00. CONTRACTOR hereby expresses its willingness to enter into this Agreement with a \$100,000.00 limitation on recovery for any action for breach of contract. Accordingly, and in consideration of the separate consideration of \$100,000.00, the receipt of which is hereby acknowledged, the City shall not be liable to CONTRACTOR for damages to CONTRACTOR in an amount in excess of \$100,000.00, for any action for breach of contract arising out of the performance or non-performance of any obligations imposed upon the City by this Agreement. Nothing contained in this paragraph or elsewhere in this Agreement is in any way intended to be a waiver of limitation placed upon the City's liability as set forth in Florida Statutes, Section 768.28.

**SECTION 20. VENUE.**

This Agreement shall be enforceable in Miami-Dade County, Florida, and if legal action is necessary by either party with respect to the enforcement of any and all the terms or conditions herein, exclusive venue for the enforcement of same shall lie in Miami-Dade County, Florida. **CITY AND CONTRACTOR HEREBY KNOWINGLY AND INTENTIONALLY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING THAT CITY AND CONTRACTOR MAY HEREIN AFTER INSTITUTE AGAINST EACH OTHER WITH RESPECT TO ANY MATTER ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE CENTER.**

## **SECTION 21. FLORIDA PUBLIC RECORDS LAW.**

- (A) Contractor shall comply with Florida Public Records law under Chapter 119, Florida Statutes, as may be amended from time to time.
- (B) The term "public records" shall have the meaning set forth in Section 119.011(12), which means all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business of the City.
- (C) Pursuant to Section 119.0701 of the Florida Statutes, if the Contractor meets the definition of "Contractor" as defined in Section 119.0701(1)(a), the Contractor shall:
  - (1) Keep and maintain public records required by the City to perform the service;
  - (2) Upon request from the City's custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes or as otherwise provided by law;
  - (3) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed, except as authorized by law, for the duration of the contract term and following completion of the Agreement if the Contractor does not transfer the records to the City;
  - (4) Upon completion of the Agreement, transfer, at no cost to the City, all public records in possession of the Contractor or keep and maintain public records required by the City to perform the service. If the Contractor transfers all public records to the City upon completion of the Agreement, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Agreement, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City's custodian of public records, in a format that is compatible with the information technology systems of the City.
- (C) REQUEST FOR RECORDS; NONCOMPLIANCE.
  - (1) A request to inspect or copy public records relating to the City's contract for services must be made directly to the City. If the City does not possess the requested records, the City shall immediately notify the Contractor of the request, and the Contractor must provide the records to the City or allow the records to be inspected or copied within a reasonable time.
  - (2) Contractor's failure to comply with the City's request for records shall constitute a breach of the Agreement, and the City, at its sole discretion, may: (1) unilaterally terminate the Agreement; (2) avail itself of the remedies set forth under the Agreement; and/or (3) avail itself of any available remedies at law or in equity.
  - (3) A Contractor who fails to provide the public records to the City within a reasonable time may be subject to penalties under s. 119.10.
- (D) CIVIL ACTION.
  - (1) If a civil action is filed against a Contractor to compel production of public records relating to the City's contract for services, the court shall assess and award against the Contractor the reasonable costs of enforcement, including reasonable attorney fees, if:
    - a. The court determines that the Contractor unlawfully refused to comply with the public records request within a reasonable time; and

- b. At least 8 business days before filing the action, the plaintiff provided written notice of the public records request, including a statement that the Contractor has not complied with the request, to the City and to the Contractor.
  - (2) A notice complies with subparagraph (1)(b) if it is sent to the City's custodian of public records and to the Contractor at the Contractor's address listed on its contract with the City or to the Contractor's registered agent. Such notices must be sent by common carrier delivery service or by registered, Global Express Guaranteed, or certified mail, with postage or shipping paid by the sender and with evidence of delivery, which may be in an electronic format.
  - (3) A Contractor who complies with a public records request within 8 business days after the notice is sent is not liable for the reasonable costs of enforcement.
- (E) **IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT:**
- CITY OF MIAMI BEACH  
ATTENTION: CITY CLERK  
1700 CONVENTION CENTER DRIVE  
MIAMI BEACH, FLORIDA 33139  
E-MAIL: [RAFAELGRANADO@MIAMIBEACHFL.GOV](mailto:RAFAELGRANADO@MIAMIBEACHFL.GOV)  
PHONE: 305-673-7411**

**SECTION 22. PROHIBITIONS REGARDING SALE OR USE OF EXPANDED POLYSTYRENE FOOD SERVICE ARTICLES.**

Expanded polystyrene, a petroleum byproduct commonly known as Styrofoam, is neither readily recyclable nor biodegradable and takes hundreds to thousands of years to degrade. Expanded polystyrene is a common pollutant, which fragments into smaller, non-biodegradable pieces that are harmful to marine life, other wildlife, and the environment. The City's goals are to reduce the use of expanded polystyrene and encourage the use of reusable, recyclable, or compostable alternatives.

*Expanded polystyrene* means blown polystyrene and expanded and extruded foams that are thermoplastic petrochemical materials utilizing a styrene monomer and processed by any number of techniques including, but not limited to, fusion of polymer spheres (expandable bead foam), injection molding, foam molding, and extrusion-blown molding (extruded foam polystyrene).

*Expanded polystyrene food service articles* means plates, bowls, cups, containers, lids, trays, coolers, ice chests, and all similar articles that consist of expanded polystyrene.

CONTRACTOR agrees not to sell, use, provide food in, or offer the use of expanded polystyrene food service articles at the Center. A violation of this section shall be deemed a default under the terms of this Agreement. This subsection shall not apply to expanded polystyrene food service articles used for prepackaged food that have been filled and sealed prior to receipt by the CONTRACTOR.



IN WITNESS WHEREOF, the parties hereto have caused their names to be signed and their seals to be affixed, all as of the day and year first above written, indicating their agreement.

**CITY OF MIAMI BEACH**  
a municipal corporation of the  
State of Florida

By: \_\_\_\_\_

Print Name: Philip Levine

Print Title: Mayor

Date: \_\_\_\_\_

ATTEST:

7/8/30/17  
Rafael E. Granado, City Clerk

STATE OF FLORIDA )  
COUNTY OF \_\_\_\_\_ ) SS:



APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

Jose A. Sans  
City Attorney

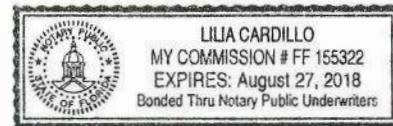
8/18/17  
Date

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by Philip Levine, as Mayor of the City of Miami Beach, a municipal corporation of the State of Florida, who ☒ is personally known to me or ☐ who has produced a valid driver's license as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 30 day of August, 2017.

[Signature]  
Notary Public, State of Florida

My Commission Expires:



VAN DAALEN TENNIS, LLC.  
a Florida limited liability company

By: 

Print Name: Martin van DAALEN.

Print Title: Director of Programming

Date: 08/22/17

ATTEST:

By: 

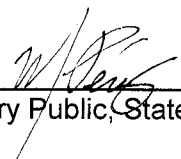
PAUL DEMONTE ATHLETIC MANAGER

Name and Title

STATE OF FLORIDA            )  
  SS:  
COUNTY OF Miami Dade )

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by M VAN DAALEN, as Dir. of Program of VAN DAALEN TENNIS, LLC., a Florida limited liability company, who     is personally known to me or who ✓ has produced a valid V534-563-56-0260 driver's license as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 22<sup>nd</sup> day of August, 2017.

  
\_\_\_\_\_  
Notary Public, State of Florida

My Commission Expires:

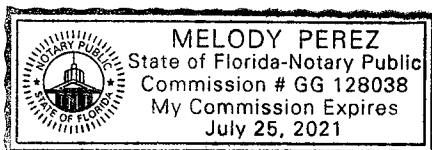




Exhibit "A" to

VAN DAALEN TENNIS, LLC.  
ONE (1) YEAR PILOT AGREEMENT TO PROVIDE  
PROGRAMMING AT THE CITY'S NORTH SHORE  
TENNIS CENTER

## Instructional Fees

Private Lessons (1-2 students, to be determined by Director, \$20 court fee included)

\$85.00 (per hr)	-	Director of tennis
\$80.00 (per hr)	-	Head Professional
\$75.00 (per hr)	-	Academy instructor
\$65.00 (per hr)	-	Assistant instructor
\$60.00 (per hr)	-	Recreational instructor

Adult Programs (up to 6 students per court)

\$25.00 (1.5 hr clinic)	-	Advanced group
\$25.00 (1.5 hr clinic)	-	Beginner group

Junior programs

\$70.00 (2.5 hr clinic)	-	Academy after school program (4:30 – 7)
\$150.00 (monthly)	-	Academy tournament coaching fee
\$40 (1.5 hr clinic)	-	Academy after school program (5:30 – 7)
\$20 (per hr)	-	Recreational group

Junior Camps


\$400 (week, full day)	-	recreational
\$200 (week, half day)	-	recreational
\$700 (week, tourn)	-	Tournament players

Cooperate Clinics (3-4 students, 1.5 hrs)

\$160 (per group)	-	Elite training
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Exhibit "B" to

VAN DAALEN TENNIS, LLC.  
ONE (1) YEAR PILOT AGREEMENT TO PROVIDE  
PROGRAMMING AT THE CITY'S NORTH SHORE  
TENNIS CENTER

 PARKS & RECREATION DEPARTMENT RECREATION DIVISION	<b>DATE ISSUED:</b> 11/28/2007	<b>Page:</b> 1 <b>Of:</b> 3	<b>SECTION:</b>
	<b>SUBJECT:</b> EMPLOYEE'S HURRICANE PROCEDURES		

**POLICY:** The Parks and Recreation Department requires the following procedures in case of a hurricane watch or a hurricane

**PROCEDURES:**

**I. HURRICANE WATCH PROCEDURES**

**A. All Staff**

1. If a Hurricane Watch is issued while you are on duty, stay at your facility and call your immediate supervisor for instruction.
2. All employees must make sure that the Department and the immediate supervisor have at least two (2) telephone numbers where the employee can be reached.
3. If you are not on duty, and a Hurricane Watch is issued, call your immediate supervisor for instructions.
4. You may be called to your facility to follow hurricane procedures and may be assigned to assist anywhere help is needed.

**B. All Supervisors**

1. All supervisors are to report to Division office at 21<sup>st</sup> Street Recreation.
2. Each supervisor will instruct their staff at each facility to carry out safety procedures.

**C. All Tennis Center Managers**

1. All Tennis Center Managers are to report to your Tennis Center.
2. Notify your immediate supervisor that you are on duty.
3. Follow safety procedures.

**D. All Pool Managers**


1. All Pool Managers are to report to your pools.
2. Notify your immediate supervisors that you are on duty.
3. Follow safety procedures.

*All personnel are not to leave their site until permission is given by your supervisor.*

**II. PROCEDURE TO SECURE FACILITIES**

**A. Tennis Centers**

1. Tennis Personnel must report to work immediately, if off duty.
2. Clip wires and take down windscreens. Roll up tightly by sections and store all nets.
3. Remove all maintenance equipment i.e. brooms, rakes, etc. and store in a safe place.
4. Tie down benches to posts.
5. Store all trash cans in locker rooms.
6. Remove all seats i.e. bleachers, chairs, etc. and store as instructed.
7. Secure all loose objects, computers, and all miscellaneous items in the pro-shop.
8. Turn off all power at the main panel box.

 PARKS & RECREATION DEPARTMENT RECREATION DIVISION	<b>DATE ISSUED:</b> 11/28/2007	<b>Page:</b> 2 <b>Of:</b> 3	<b>SECTION:</b>
	<b>SUBJECT:</b> EMPLOYEE'S HURRICANE PROCEDURES		

*Do not leave the facility until fully secured.*

**B. Playgrounds and Youth Centers**

1. Remove everything on the first floor that can be damaged by water.
2. Remove all objects away from window.
3. Turn off power at the main panel switch.
4. Bring in all trashcans and store in a safe place.
5. Tie all benches and swings securely.
6. Be sure that all sports equipment is stored in a safe place.
7. Cover and unplug all electrical equipment with plastic (i.e. computers, printers, copy machine, TV's, etc.)

*Do not leave the facility until fully secured.*

**C. Swimming Pools**

1. Take down all canvas on deck; sun shelters, umbrellas, etc., roll up and store in safe place.
2. Clear the decks and store all movable items in the deck storage room.
3. Lower the water in the pool about two (2) feet (youth center lower three (3) feet).
4. Stack things off the floor that can be damaged by water.
5. Lock all windows and doors.
6. Shut off electricity to pumps, chlorinator, etc.
7. Turn off power at main switch.

**III. POST HURRICANE PROCEDURES**

**A. All Staff**

1. All staff is to call City Hall Employee Hotline (604-City) and their immediate supervisor (if possible) as soon as possible, and wait for further instructions.
2. All staff will be assigned work locations to begin cleanup of all storm damage so that normal services to the public can be resumed as soon as possible.
3. All staff must report to work when notified by their supervisor unless unforeseen circumstances prohibit otherwise.


**B. All Supervisors**

1. All Supervisors are to report to City Hall (I don't know about this one...we usually report to our sites) as soon as possible.
2. Coordinate the damage assessment and clean up procedures.
3. Immediately upon reporting back to work a damage report must be turned in to the Recreation Assistant Director.
4. Assign staff to each facility.

**C. All Tennis Center Managers**

1. All Tennis Center Managers are to report to their Tennis Centers as soon as possible.
2. Prepare a written damage report of their facility.
3. Assign staff to cleanup procedures.



 PARKS & RECREATION DEPARTMENT RECREATION DIVISION	DATE ISSUED: 11/28/2007	Page: 3 Of: 3	SECTION:
	SUBJECT: EMPLOYEE'S HURRICANE PROCEDURES		

D. All Pool Managers

1. All Pool Managers are to reports to their Pool as soon as possible.
2. Prepare a written damage report of their facility.
3. Assign staff to cleanup procedure.

Exhibit "C" to

VAN DAALEN TENNIS, LLC.  
ONE (1) YEAR PILOT AGREEMENT TO PROVIDE  
PROGRAMMING AT THE CITY'S NORTH SHORE  
TENNIS CENTER



# MIAMI BEACH SERVICE EXCELLENCE

"Serving our public with dignity and respect, our customers have a right to expect..."

## TELEPHONE



- Telephone will be covered at all customer-contact points during normal business hours answering within the third ring.
- Phone messages received will be responded to (if requested) in a timely manner, two business days, even if just to acknowledge receipt. An estimate of time to resolve the problem will be given if applicable.
- Calls coming from external sources will be answered with a consistent greeting such as "Good morning, City of Miami Beach, John Smith, may I help you?"
- Employee will take responsibility for providing a solution and/or options to the customer's request.
- Request permission from the caller before transferring a call. Provide the caller with the name and number of the person being transferred to, and stay on the line to announce the caller to the person receiving the transfer. If the transfer cannot be accomplished (busy, no answer or the person is unavailable), the employee will reconnect with the caller and ask if they want to leave a message.
- Voice mail messages will include employee's full name, working hours, and an optional phone number for customers to call. When employee is away from the office for an extended period of time, the voice mail message will communicate such absence and offer an option for the caller.
- Thank the customer for calling and ask if further assistance is needed prior to concluding the call.

## WRITTEN CORRESPONDENCE



- Correspondence start with a greeting.
- Email signatures will include the name, title, department, division, and contact number.
- Activate the E-mail Out-of-Office Assistant when away from the office for an extended period of time.
- Acknowledge E-mails and faxes that require a response within two business days.
- Respond to letters within 10 business days.
- Correct spelling and grammar will be used, including accurate name and address.
- Provide complete, accurate, and precise information regarding their inquiries.
- Fax cover sheets will be legible and include name, telephone number, and the name and fax number of the receiver.

## PERSONAL CONTACT



- Respond to customers in a courteous manner. The customer is not always right, but always deserves to be treated with respect.
- Provide accurate and understandable solutions/options to customer requests or direct the customer to the appropriate person who may have knowledge in the subject matter.
- Average or maximum wait time without an appointment should be no longer than 30 minutes or scheduled for a mutually convenient time.
- Counter will be staffed during business hours.
- Employees will dress in attire that is professional, tasteful, appropriate and consistent with individual departmental policies.

## MONITORING OUR PROGRESS



- Our customer service team will oversee all customer service standards.
- If we do not meet our standards, we will implement an action plan to improve our service.
- We will listen and do all we can to resolve issues.
- For questions and/or concerns, call 305.604.CITY (2489).

We are committed to providing excellent public service and safety to all who live, work and play in our vibrant, tropical, historic community.



Exhibit "D" to

VAN DAALEN TENNIS, LLC.  
ONE (1) YEAR PILOT AGREEMENT TO PROVIDE  
PROGRAMMING AT THE CITY'S NORTH SHORE  
TENNIS CENTER

**AMENDMENT NO. 1  
TO CONCESSION AGREEMENT BY AND BETWEEN CITY OF MIAMI  
BEACH, FLORIDA AND BETTOLI TRADING CORP. FOR OPERATION  
OF SNACK MACHINE CONCESSIONS AT VARIOUS LOCATIONS ON  
CITY OF MIAMI BEACH PROPERTIES PURSUANT TO REQUEST FOR  
PROPOSALS #44-10/11**

**THIS AMENDMENT NO. 1**, (Amendment) to the Concession Agreement (Agreement) for operation of snack machines by Bettoli Trading Corp. dated, May 3, 2012, by and between the City of Miami Beach, Florida, a municipal corporation organized and existing under the laws of the State of Florida, having its principal place of business at 1700 Convention Center Drive, Miami Beach, Florida 33139 (City), and Bettoli Trading Corp. a Florida corporation, with offices at 6095 NW 167 street, Suite D, Miami, Florida 33015 (Concessionaire), is entered into retroactively as of the 1<sup>st</sup> day of November, 2016 (Effective Date).

**RECITALS**

**WHEREAS**, the City and Concessionaire are parties to an Agreement, dated May 3, 2012, for the operation of snack machine concessions at various locations on City of Miami Beach properties; and

**WHEREAS**, the Concession Agreement has an initial term of five (5) years, commencing on May 1, 2012 and ending on April 30, 2017, which may be extended, at the City's sole discretion, for five (5) additional periods of one (1) year each; and

**WHEREAS**, on June 8, 2016, the Neighborhoods/Community Affairs Committee (NCAC) recommended in favor of implementing the Miami-Dade County Public Schools (MDCPS) standards in all snack vending machines; and

**WHEREAS**, at the October 19, 2016 City Commission meeting, the Mayor and City Commission directed the Administration to implement the MDCPS standards for one hundred percent (100%) of the snack selections in the vending machines located in parks and youth centers; to implement the MDCPS standards for fifty percent (50%) of the snack selections in the vending machines located in other City structures, such as garages and office buildings; and to revisit the item again in 6 months; and

**WHEREAS**, on October 19, 2016 the Mayor and City Commission adopted Resolution 2016-29609 approving Amendment No. 1 to Concession Agreement, modifying the scope of the Concession Agreement to require the implementation of the MDCPS healthy snacks standards as approved by the Mayor and City Commission, and reducing the annual Minimum Guaranty payment which Concessionaire pays under the Concession Agreement from \$12,731 to \$11,000 annually; and

**WHEREAS**, City Manager, as referenced in the Agreement shall include City Manger's designee, as may be designated, in writing, by the City Manager from time to time.



**NOW THEREFORE**, in consideration of the mutual promises and conditions contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and Concessionaire hereby agree to amend the Agreement as follows:

1. ABOVE RECITALS.

The above recitals are true and correct and are incorporated as part of this Amendment.

2. MODIFICATIONS.

The Agreement is hereby modified (deleted items ~~struck through~~ and inserted items underlined) as follows:

- (a) Exhibit 2.0 to the Agreement is deleted in its entirety and replaced with the attached Exhibit 2.0.
- (b) Exhibit 3.2.5.1 to the Agreement is deleted in its entirety and replaced with the attached Exhibit 3.2.5.1.
- (c) Exhibit 3.2.1.6.2 to the Agreement is hereby added to the Agreement.
- (d) Subsection 3.2.1.6.2 of the Agreement is hereby deleted in its entirety and replaced as follows:

3.2.1.6.2 Miami-Dade County Public Schools Standards.

From time to time, with 30 days notice, the City Manager, in the City Manager's sole discretion, may require that all or a portion of the products sold from any of the vending machines described in the amended Exhibit 2.0 meet the Miami-Dade County Public Schools (MDCPS) Wellness Policy Standards (MDCPS Standards), attached hereto as Exhibit 3.2.1.6.2. A current list of the City approved products meeting the MDCPS Standards is attached hereto as Exhibit 3.2.5.1. Any change to the approved product list, including any change in the nutritional information, shall require the prior written approval of the City Manager. The City Manager reserves the right to reasonably decline any particular snack or food option, at any time; and upon the Concessionaire receiving written notice, Concessionaire must remove declined food or food item within five (5) days from any or all food and snack vending machines, as directed by the City Manager.

- (e) Subsection 4.2 of the Agreement is hereby modified to read as follows:

4.2 Minimum Guarantee (MG).

In consideration of the City executing this Agreement and granting the rights provided in this Agreement, commencing May 1, 2012, and thereafter on May 1st of each year during the Term of this Agreement, the Concessionaire shall pay to the City a Minimum Guaranteed (MG) Annual Concession Fee of Twelve Thousand Dollars (\$12,000), plus applicable Sales and Use Taxes (as provided in Section 4.6 herein); said MG shall be subject to the annual increases in Subsections 4.2.1. and 4.2.2 below. Effective November 1, 2016, the MG shall be reduced to Eleven Thousand Dollars (\$11,000), plus applicable Sales and Use Taxes (Amended MG). The past due annual MG payment for the current Contract Year, due May 1, 2016, shall be prorated for the portion of the Contract Year covering May 1, 2016 to October 31, 2016. Correspondingly, the Amended MG payment shall be prorated for the portion of the Contract Year covering from November 1, 2016 to April 30, 2017. The Amended MG payment shall continue to be due May 1st of each Contract Year during the Term and subject to the annual increases in Subsection 4.2.1.

- (f) Subsection 4.2.2 of the Agreement is hereby deleted in its entirety

(g) Subsection 4.2.3 of the Agreement is hereby deleted in its entirety

3. RATIFICATION.

Except as amended herein, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect. In the event there is a conflict between the provisions of this Amendment and the Agreement, the provisions of this Amendment shall govern.

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be executed by their appropriate officials, as of the date first entered above.

FOR CITY:

CITY OF MIAMI BEACH, FLORIDA

ATTEST:

By: [Signature]  
Rafael E. Granado, City Clerk

[Signature]  
Philip Levine, Mayor

June 6, 2017  
Date

FOR CONCESSIONAIRE:

BETTOLI TRADING CORP.

ATTEST:

By: [Signature]  
Secretary

[Signature]  
President

Valerio Bettoli  
Print Name

Maurizio Bettoli  
Print Name

04/26/17  
Date



APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

[Signature] 4/25/17  
City Attorney Date

# EXHIBIT 2.0

Machines	Number of approved Snack Machines	Number of Approved Ice Cream Machines	Number of Approved Combo Machines	% MDCPS Approved Healthy Snacks by location
17th St. garage Snack	1	1	0	50%
City Hall Parking Garage	1	0	0	50%
City Hall lobby	1	1	0	50%
City Hall 3rd floor	1	0	0	50%
13th street Garage	1	0	0	50%
Miami Beach Police Roll Call	2	1	0	50%
Miami Beach Police Lobby	1	0	0	50%
South Shore Comm. Ctr.	1	0	0	50%
North Shore YC Snack	2	1	0	100%
North Shore Tennis Snack	1	0	0	50%
Scott Rakow YC 3080	2	1	0	100%
Scott Rakow YC 3136	1	0	0	100%
Flamingo Park Snack	1	1	0	50%

\* Please note, % MDCPS approved Healthy Snacks apply to Snack Machines not Ice Cream Machines

### EXHIBIT 3.2.5.1

#### Approved Healthy food items and prices

Brand	Item	Price	MDCPS
Popchips	Sea Salt	\$1.75	*
Popchips	Barbecue	\$1.75	*
Popchips	Sea Salt & Vinegar	\$1.75	*
Popchips	Sour Cream and Onion	\$1.75	*
Popchips	Cheddar & Sour Cream	\$1.75	*
Popcorner	White Cheddar	\$1.25	*
'Non GMO coming soon \$1-50	Kettle	\$1.25	*
'Non GMO coming soon \$1-50	Sweet Spicy Chili	\$1.25	*
'Non GMO coming soon \$1-50	Jalapeno	\$1.25	*
'Non GMO coming soon \$1-50	Sea Salt	\$1.25	*
Indiana Popcorn	Kettlecorn	\$1.25	*
Snyder's Pretzel	Old Tyme	\$1.00	*
Kar's Nuts	Mango Pineapple mix	\$1.25	*
Rice Krispies	Whole Grain Treat	\$1.50	*
Cheez it	Whole Grain Cheddar	\$1.00	*
Gold Fish	Whole Grain Cheddar	\$1.00	*
General mills	Cocoa Puff Bar	\$1.25	*
Nature's Valley	Oat & Honey	\$1.25	*
Nature's Valley	Trail mix chewy	\$1.25	*
Frito Lay's	Reduced Fat Doritos Nacho	\$1.00	*
Frito Lay's	Old Tyme	\$1.00	*
Frito Lay's	Reduced Fat Doritos Sweet Spicy Chili	\$1.00	*
Frito Lay's	Reduced Fat Cheetos Puff	\$1.00	*
Frito Lay's	Reduced Fat Cheetos Hot Puff	\$1.00	*
Frito Lay's	Baked Cheetos	\$1.00	*
Frito Lay's	Baked Cheetos Hot	\$1.00	*
Frito Lay's	Baked lays Sour Cream & Onion	\$1.00	*
Frito Lay's	Baked Lays BBQ	\$1.00	*
Frito Lay's	Baked Ruffles Cheddar Sour Cream	\$1.00	*
Frito Lay's	Fantastix Chili	\$1.00	*
Frito Lay's	Fantastix Hot	\$1.00	*

\* Please note only the items above meet the MDCPS standard

#### Other Food Item Prices

Chips and Crackers	\$0.80	
Candy/Chocolate Pastries	\$1.00	
Milk 8oz	\$1.00	
Milk 16oz	\$2.25	
Ice Cream	\$1.25	
Ice Cream Large	\$1.75	
Refrigerated Food Items Small	\$1.50	
Refrigerated Food Items Large	\$3.50	

NEW  
EXHIBIT 3.2.1.6.2

Miami-Dade County Public Schools Wellness Policy Standards

OPERATIONS 8510/page 8, 9, and 10 of 10

**Rule on Food and Beverages Sold on Campus and in Vending Machines District-Wide**

The District is committed to providing an environment in which all students and staff can make healthy food choices for lifelong health. As such, the following Rule on Food and Beverages Sold on Campus and in Vending Machines District-Wide will be implemented for all sites, for all food sales beginning one (1) hour before the start of the school day and up until one (1) hour after dismissal of the final class of the day. This rule shall be applicable to all food and beverages sold in vending machines twenty-four (24) hours a day.

**A. Beverages**

All beverages must be non-carbonated and have no added caffeine.

1. Elementary School
  - a. Plain water.
  - b. Up to eight (8) ounce servings of milk and 100% juice.
    - 1) Fat-free or low-fat regular and flavored milk and nutritionally equivalent (per USDA) milk alternatives with up to 150 calories/eight (8) ounces.
    - 2) 100% juice with no added sweeteners, up to 120 calories/eight (8) ounces, and with at least ten percent (10%) of the recommended daily value of three (3) or more vitamins and minerals.
2. Middle School

Same as elementary school, except juice and milk may be sold in twelve (12) ounce servings.
3. High School
  - a. Plain water.
  - b. No- or low-calorie beverages with up to ten (10) calories/eight (8) ounces.
  - c. Up to twelve (12) ounce servings of milk, 100% juice and certain other drinks.
    - 1) Fat-free or low-fat regular and flavored milk and nutritionally equivalent (per USDA) milk alternatives with up to 150 calories/eight (8) ounces.
    - 2) 100% juice with no added sweeteners, up to 120 calories/eight (8) ounces, and with at least ten percent (10%) of the recommended daily value of three (3) or more vitamins and minerals.



- 3) Other drinks with no more than forty (40) calories/eight (8) ounces.

OPERATIONS 8510/page 8, 9, and 10 of 10

- d. At least twenty-five percent (25%) of non-milk beverages must be water and no more than twenty-five percent (25%) of beverages may be no- or low-calories options.

B. Food and Snacks

All food and snacks sold in school must meet the following:

1. No more than thirty-five percent (35%) of total calories from fat.
2. No more than ten percent (10%) of total calories from saturated fat.
3. No more than thirty-five percent (35%) added sugar by weight.
4. No added trans fat.
5. Be a “whole grain-rich” product;
6. Be a fruit, vegetable, dairy, protein food; or
7. Be a combination food that contains at least  $\frac{1}{4}$  cup of fruit and/or vegetable.

\*Appendix A has been edited for formatting purposes and the end of the Appendix A after Section B.7. was intentionally removed as it is not applicable

Execution Version

*The Coca-Cola Company*COCA-COLA PLAZA  
ATLANTA, GEORGIA

March 16, 2017

City of Miami Beach  
 Attention: Ms. Gisela Torres  
 1700 Convention Center Drive, Fourth Floor  
 Miami Beach, Florida 33139

Re: Sale of the Assets of Coca-Cola Refreshments USA, Inc. to Coca-Cola Beverages Florida, LLC

Dear Ms. Torres:

Reference is hereby made to that certain agreement (the "Agreement"), dated March 14, 2012, by and among the City of Miami Beach, Florida (the "City"), Coca-Cola Refreshments USA, Inc. d/b/a Florida Coca-Cola Bottling Company ("CCR") and The Coca-Cola Company, acting by and through Coca-Cola North America, attached hereto as Exhibit A.

As you know from our prior communications, CCR has transferred certain of its assets to Coca-Cola Beverages Florida, LLC ("CCBF"). In connection with such transfer, CCR formally requests the City's consent to: (i) assign all of CCR's right, title and interest in and to the Agreement to CCBF, including those rights noted in the Agreement as non-assignable by CCR, as of February 25, 2017 (the "Assignment Effective Date") and (ii) CCBF's assumption of all of CCR's obligations and liabilities under the Agreement from and after the Assignment Effective Date (collectively, the "Assignment"). CCBF hereby accepts the Assignment and further assumes and agrees to perform all of the duties and obligations of the Bottler under the Agreement, subject to the Agreement's terms, from and after the Assignment Effective Date.

By consenting to the Assignment, the City acknowledges and agrees that the Agreement shall remain in full force and effect after completion of the Assignment and that there is no default or breach by any party under the Agreement in connection with, or as a result of, the Assignment, and the City agrees to release CCR from all liabilities and obligations under the Agreement arising after the completion of the Assignment.

From and after the Assignment Effective Date, all references to the Bottler or "CCR" under the Agreement shall be construed to refer to CCBF. The address for notices to Sponsor, as set forth in Section 10 of Attachment A to the Agreement shall be as follows:

Coca-Cola Beverages Florida, LLC  
 10117 Princess Palm Avenue, Suite 400  
 Tampa, Florida 33610  
 Attention: Thomas Benford, Executive Vice President  
 thenford@cocacolaflorida.com

Classified - Confidential

B

With a copy to:  
Deborah Pond, Vice President and General Counsel  
dpond@cocacolaflorida.com  
at the address above

We would greatly appreciate that you indicate your consent by countersigning in the space below.

*[Signature page follows]*

Classified - Confidential

8

Sincerely,

**THE COCA-COLA COMPANY, ACTING BY AND  
THROUGH COCA-COLA NORTH AMERICA**

By: J.A.M. Douglas, Jr.  
Name: J.A.M. Douglas, Jr.  
Title: President, Coca-Cola North America  
Date: March 16, 2017

**COCA-COLA REFRESHMENTS USA, INC. D/B/A  
FLORIDA COCA-COLA BOTTLING COMPANY**

By: J.A.M. Douglas, Jr.  
Name: J.A.M. Douglas, Jr.  
Title: President, Coca-Cola North America  
Date: March 16, 2017

**COCA-COLA BEVERAGES FLORIDA, LLC**

By: Deborah Pond  
Name: DEBORAH POND  
Title: VICE PRESIDENT & GENERAL COUNSEL  
Date: 3.17.17

**ACCEPTED, ACKNOWLEDGED AND AGREED**

**CITY OF MIAMI BEACH, FLORIDA**

By: [Signature]  
Name:  
Title:  
Date: 3/28/17

**ATTEST:**

78/3/28/17  
Rafael E. Granado, City Clerk

**APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION**

24 Apr 17 3-23-17  
City Attorney RAY Date



Signature Page to City of Miami Beach Consent Letter

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March 14, 2012

Mayor Matti Herrera Bower  
Mayor of City of Miami Beach  
1700 Convention Center Drive  
Miami Beach, FL 33138

Dear Mayor:

This letter confirms the agreement made by and among the City of Miami Beach, Florida ("City"), Coca-Cola Refreshments USA, Inc. d/b/a Florida Coca-Cola Bottling Company ("Bottler") and Coca-Cola North America, a division of The Coca-Cola Company ("Company", and collectively with Bottler, "Sponsor"), which sets forth certain exclusive rights granted to Bottler by City, as set forth in the Term Sheet and Exhibits attached thereto, all of which are attached hereto as Attachment A.

1. Term Sheet and Definitive Agreement

The Term Sheet and Exhibits attached thereto are hereby incorporated herein in their entirety. This letter and the Term Sheet, together with any other attachments referenced in either, will constitute a legally binding agreement (the "Agreement") when this letter is signed by all parties in the spaces provided below. All capitalized terms not defined in this letter shall have the meanings assigned to them in the Term Sheet. This letter shall prevail in the event of any conflict between the provisions of this letter and the Term Sheet.

2. Advertising Rights

(a) City agrees that Bottler's advertising shall be positioned at all times in such a manner that the advertising message is in no way obscured (electronically or otherwise) and is clearly visible to the general public. The Products shall be prominently listed on any menu boards located at the Facilities and all Equipment (as such term is defined herein) dispensing Products shall be prominently identified with the appropriate trademarks/logos.

(b) City further agrees that all Products will be dispensed in Sponsor's Equipment and that no other trademarked, equipment, coolers or containers will be permitted.

3. Product Rights

(a) City shall purchase or shall cause its Concessionaires to purchase, all Products, (and cups, lids and carbon dioxide, if applicable) directly from Bottler.

(b) City hereby grants to Bottler the exclusive Beverage rights at the Facilities, except as may be otherwise provided for in this Agreement and Exhibits.

(c) If City contracts a concessionaire, City will cause concessionaire to purchase from Bottler all requirements for Beverages (and cups, lids and carbon dioxide, if applicable). Such purchases will be made at prices and on terms set forth in Bottler's existing agreement with concessionaire, if any. If no agreement exists between concessionaire and Bottler, such purchases will be made at prices and on terms set forth in this Agreement. City acknowledges that there will be no duplication of allowances, funding or benefits (including pricing) to City or concessionaire if concessionaire has an existing agreement with Bottler.



#### 4. Equipment and Service

(a) Bottler Equipment and Service: During the Term, Bottler will loan to City, pursuant to the terms of Bottler's equipment placement agreements, at no cost, that Beverage vending equipment reasonably required and as mutually agreed upon to dispense Products at the Facilities ("Bottler Equipment"). In addition, Bottler will provide at no charge regular mechanical repair reasonably needed for Bottler Equipment, as further outlined in Exhibit 7 to the Term Sheet. Prior to Bottler's installation of Bottler's Equipment at a particular Facility, the City shall provide Bottler with written confirmation that it has conducted an inspection of the electrical service at such Facility and that, based on such inspection, the City finds that the electrical service at the Facility is proper and adequate for installation of Bottler's Equipment. Notwithstanding the preceding, if at any time following Bottler's installation of Bottler's Equipment at a Facility, Bottler's Equipment is damaged as the direct result of defective electrical service at the Facility, then the City will reimburse Bottler for the cost of repair or replacement, as the case may be, of Bottler's Equipment, pursuant to the filing of a claim with the City's self-insurance fund. Notwithstanding the preceding, the City shall not be responsible nor liable to Bottler under this subsection for any damages to Bottler's Equipment which is not caused as a direct result of defective electrical service at a Facility (including, without limitation, any damage to Bottler's Equipment which is caused due to the negligence or misconduct of Bottler's employees, contractors, and/or agents, or from any other cause or act other than faulty electrical service).

(b) Fountain Equipment and Service: During the Term, Company will loan to City, pursuant to the terms of Company's equipment placement agreement, at no cost, that Fountain Beverage dispensing equipment reasonably required and as mutually agreed upon to dispense a quality fountain Beverages at the Facilities ("Fountain Equipment")(collectively, Bottler Equipment and Fountain Equipment are called "Equipment"). No ice makers or water filters will be provided. All Fountain Equipment provided by Company will at all times remain the property of Company and is subject Company's equipment agreement, but no lease payment will be charged. To the extent that Fountain Equipment loaned from Company under this Agreement is located at Facilities that are owned, controlled or managed by a concessionaire of City or other persons not party to this Agreement, City will include provisions in its agreements with such concessionaires that recognize that the Fountain Equipment is owned by Company and that obligates the concessionaires to honor the terms and conditions such equipment agreement.

Company (or Bottler) will provide at no charge regular mechanical repair reasonably needed for Fountain Equipment. Any removal, remodel, relocation or reinstallation of dispensing equipment, flavor changes, summerize/winterize, line changes, or service necessitated by damage or adjustments to the equipment resulting from misuse, abuse, failure to follow operating instructions, service by unauthorized personnel, unnecessary calls (equipment was not plugged in, CO<sub>2</sub> or fountain syrup container was empty), or calls that are not the result of mechanical failure (collectively "Special Service Calls"), are not considered regular service and will not be provided free of charge. Charges for Special Service Calls will be charged at Company's (or Bottler's) then current rate and will be invoiced on a semi-annual basis. Charges will include labor, travel time, parts, and administrative costs.

#### 5. Competitive Products Prohibited.

(a) City agrees that it will not knowingly permit any Competitive Products to be sold, distributed, served, sampled, marketed, advertised, or promoted in any manner at the Facilities, or in association with City, the Facilities or the City trademarks, during the Term, except as outlined in this Agreement.

(b) City agrees that City will not grant any rights, or enter into any contractual or other relationship, whereby City, the Facilities, and/or the City trademarks will be, or have the potential to be, associated in any manner, with any Competitive Products, except as outlined in this Agreement and the Term Sheet.

(c) ~~If City learns of any Competitive Products being marketed, advertised, or promoted in any manner which implies an association with City, Facilities or City trademarks (hereinafter referred to as "Ambush Marketing"), City will promptly notify Bottler in writing of the Ambush Marketing; and also will promptly use its efforts, and cooperate in good faith with Bottler, to prevent or stop such Ambush Marketing in order to protect the exclusive associational rights granted to Bottler under this Agreement.~~

(d) Special Promotional Events Exception. See Exhibit 8.

(e) The City will provide Bottler with no less than thirty (30) calendar days prior written notice of each event which it intends to designate as a Special Promotional Event.

(f) The private, personal consumption of Competitive Products by athletes, coaching staff, musicians, actors, comedians, or other entertainment personalities appearing and performing at the Facility is allowed and will not be considered a Special Promotional Event. City shall use efforts to ensure such consumption is limited to private areas and may not be permitted in any area of the Facility to which the public or any member of the print or electronic media has legal access.

(g) Product availability at Facilities for private events. A private event at a Facility shall mean the use of a Facility, either through the rental of the Facility or through the issuance of a City-approved Special Event Permit, by a person(s) or business entity (ies) (i.e. such as a corporation) which is not open or accessible to the general public either free or via a purchased ticket. For example purposes only, private events may include, but not be limited, to the following: weddings, bar mitzvah/bat mitzvah and corporate events. Product availability and exclusivity at private events shall be handled as follows: Only Products will be sold, distributed, sampled or otherwise served at Facilities at any time. Notwithstanding the foregoing, Competitive Products may be distributed at no cost by the user of the Facility for private events, provided that Products will continue to be the only Products sold, distributed, sampled, or otherwise served by Facilities concession operations.

(h) Product availability at Facilities as it relates to charitable events (including, events produced by not-for-profit entities with valid tax exemption from the IRS) at Facilities or at City-Permitted Special Events (e.g., Relay for Life, Aids Walk, American Cancer Society), shall be handled as follows: Only Products will be sold, distributed, sampled or otherwise served at Facilities at any time. Notwithstanding the foregoing, Competitive Products may be distributed at no cost by the charitable organization using the Facility provided that Products will continue to be the only Products sold, distributed, sampled, or otherwise served by Facilities concession operations and that Bottler had opportunity to supply Products for the charitable event and declined.

6. Consideration.

(a) Pricing. Pricing (including price increases) will be implemented as outlined in the Term Sheet.

(b) Credit Card Readers and Funding. Bottler and City will mutually agree to install credit card readers in select Beverage dispensers, which are identified as high traffic locations. Bottler will pay for the credit card readers in an aggregate amount of not to exceed Ten Thousand Dollars (\$10,000). This funding will be earned over the Term of the Agreement. City shall have no responsibility to fund any overage for payment of the credit card readers should they exceed Ten Thousand Dollars (\$10,000). Bottler shall be responsible for all maintenance and repair of the credit card readers. Upon termination or expiration of the Agreement, City shall return all credit card readers to Bottler.

7. Trademarks; Approvals.

(a) City acknowledges that The Coca-Cola Company is the owner of all right and title in the trademarks "Coca-Cola", "Diet Coke", "Sprite", "DASANI", "Minute Maid", "POWERADE", "Fanta" "~~vitamin~~water" "Full Throttle", "NOS" and other trademarks of The Coca-Cola Company, and it acquires no rights whatsoever in these trademarks

by virtue of this Agreement. City agrees to submit all proposed uses of The Coca-Cola Company marks to Sponsor for approval prior to use, but such approval shall not be unreasonably withheld.

(b) Bottler acknowledges that City is the owner of all right and title in the service mark "MiamiBeach" and that Bottler acquires no rights whatsoever in the service mark by virtue of this Agreement. Bottler shall have the right to use the City's service mark during the Term in connection with its marketing activities at the Facilities. Bottler agrees to submit all proposed uses of City's service marks to City for approval prior to use, but such approval shall not be unreasonably withheld.

#### 8. Termination

(a) Notwithstanding the other provisions of this Agreement, if any federal, state or local law, rule, regulation or order prohibits, restricts or in any manner interferes with the sale or advertising of Beverages at any time during the Term of this Agreement, and the City fails to cure such breach within thirty (30) days following written notice of same from Bottler then, at its option, Bottler may terminate this Agreement and City shall (i) return any Equipment, and (ii) pay to Bottler the unearned portion of pre-paid Sponsorship Fees for the Agreement Year in which the termination occurs (pro-rated through the date of termination), if any, as well as any other upfront funding deemed earned over the Term, if any, prorated through the date of termination.

(b) City represents and warrants that it has full right and authority to enter into this Agreement and to grant and convey to Bottler the rights set forth herein. In the event of expiration or revocation of such authority, and if the City fails to cure such breach within thirty (30) days following revocation of full right and authority, then at its option, Bottler may terminate this Agreement, and City shall (i) return any Equipment; and (ii) pay to Bottler the unearned portion of pre-paid Sponsorship Fees for the Agreement Year in which the termination occurs (pro-rated through the date of termination), if any, as well as any other upfront funding deemed earned over the Term, if any, pro-rated through the date of termination.

(c) If Bottler breaches any of its material obligations under this Agreement, and fails to cure such breach within thirty (30) days following written notice of same from the City, then City may terminate this Agreement and Bottler shall remove all Equipment from the Facilities, and the City shall be entitled to retain the earned portion of any pre-paid Sponsorship Fees for the Agreement Year in which the termination occurs (pro-rated through the date of termination), if any; other upfront funding deemed earned over the Term, if any, prorated through the date of termination; and any fees or payments due for the Agreement year in which the termination occurs, such as commission fees, if any.

(d) Notwithstanding the above, nothing in this section shall operate to restrict any other remedies that either party may have against the other in the event of a material breach by a defaulting party.

#### 9. Insurance

The Bottler acknowledges that the City is self-insured, as provided in **Attachment B** to this Agreement.

Bottler shall, at its sole cost and expense, obtain, provide and maintain, during the Term, the following types and amounts of insurance, which shall be maintained with insurers licensed to sell insurance in the State of Florida and have a B+ VI or higher rating in the latest edition of AM Best's Insurance Guide:

- 1) Commercial General Liability. A policy including, but not limited to, commercial general liability, including bodily injury, personal injury, property damage, in the amount of \$1,000,000 per occurrence. Coverage shall be provided on an occurrence basis.

~~2) Workers' Compensation per the statutory limits of the State of Florida and Employer's Liability Insurance.~~

3) Automobile Liability - \$1,000,000 combined single limit for all owned/non-owned/hired automobiles.

Said policies of insurance shall be primary for Sponsor/Bottler's negligence only to and contributing with any other insurance maintained by Bottler or City, and all shall name City of Miami Beach, Florida as an additional insured on the commercial general liability and automobile liability policies. Sponsor shall provide thirty (30) days written notice to City prior to policy cancellation.

Bottler shall file and maintain certificates of the above insurance policies with the City's Risk Management Department showing said policies to be in full force and effect at all times during the Term.

10. Notices

Any notice or other communication under this Agreement must be in writing and must be sent by registered mail or by an overnight courier service (such as Federal Express) that provides a confirming receipt. A copy of the notice must be sent by fax when the notice is sent by mail or courier. Notice is considered duly given when it is properly addressed and deposited (postage prepaid) in the mail or delivered to the courier. Unless otherwise designated by the parties, notice must be sent to the following addresses:

(A) **Notice to Sponsor.**

Coca-Cola Refreshments USA, Inc. d/b/a Florida Coca-Cola Bottling Company  
3350 Pembroke Road  
Hollywood, Florida 33021  
Attention: V.P. Market Unit, South Florida  
Fax: 954-986-3173  
Ticket Addressee: V.P. Market Unit, South Florida  
Fax: 954-986-3173

With a copy to: Coca-Cola Refreshments USA, Inc.  
2500 Windy Ridge Pkwy  
Atlanta, Georgia 30339  
Attention: General Counsel

(B) **Notice to City.**

City of Miami Beach  
1700 Convention Center Drive  
Miami Beach, Florida 33138  
Attention: Hilda Fernandez  
Fax: 305-673-7782

11. Governing Law

This Agreement and any dispute arising out of or relating to this Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without reference to its conflict of law rules.

12. Compliance with Law

Each of the parties hereto agrees that it will, in its performance of its obligations hereunder, fully comply with all applicable laws, regulations and ordinances of all relevant authorities and shall obtain all licenses, registrations or other approvals required in order to fully perform its obligations hereunder.

13. Retention of Rights

No party shall obtain, by this Agreement, any right, title or interest in the trademarks of the other, nor shall this Agreement give any party the right to use, refer to, or incorporate in marketing or other materials the name, logos, trademarks, service marks or copyrights of the other, except as may be expressly provided and authorized herein.

14. Jury Waiver

EACH PARTY, TO THE EXTENT PERMITTED BY LAW, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT AND THE TRANSACTIONS IT CONTEMPLATES. THIS WAIVER APPLIES TO ANY ACTION OR LEGAL PROCEEDING, WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE.

15. Entire Agreement

This Agreement and its exhibits contains the entire agreement between the parties with respect to the subject matter hereof. This Agreement may not be assigned without the prior written consent of all parties; provided, however, that Bottler may assign this Agreement in connection with its reorganization or the sale of all or substantially all of its assets. All amendments to or waivers of this Agreement must be in writing signed by all the parties.

The Coca-Cola Company, acting by and through  
its Coca-Cola North America Division

By: Susanne Geldart

Print Name: Susanne Geldart

Title: Sr. VP, Southeast Region Sales  
3/26/12

City of Miami Beach

By: Matti H. Bower

Print Name: Matti H. Bower

Title: Mayor  
3/16/12

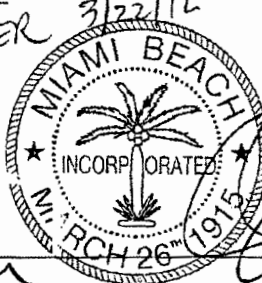
Coca-Cola Refreshments USA, Inc. d/b/a Florida  
Coca-Cola Bottling Company

By: Sally Forsyth

Print Name: SALLY FORSYTH

Title: REGION CONTROLLER  
3/22/12

APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION



[Signature]  
City Attorney

3-15-12  
Date

Robert Parker

ATTEST



Attachment A

TERM SHEET

**EXCLUSIVE NON-ALCOHOLIC BEVERAGE AGREEMENT**

**CITY OF MIAMI BEACH AND COCA-COLA REFRESHMENTS USA, INC.  
and COCA-COLA NORTH AMERICA, A DIVISION OF THE COCA-COLA  
COMPANY**

<b>1. DEFINITIONS:</b>	<p><u>Bottler:</u> Coca-Cola Refreshments USA, Inc. d/b/a Florida Coca-Cola Bottling Company</p> <p><u>Company:</u> Coca-Cola North America, a division of The Coca-Cola Company</p> <p><u>Sponsor:</u> Collectively, "Bottler" and "Company"</p> <p><u>City:</u> City of Miami Beach</p> <p><u>Agreement:</u> Exclusive Non-Alcoholic Beverage Agreement</p> <p><u>Facilities:</u> Includes the following Miami Beach property, including any land, building, structures and/or other facilities thereon: Miami Beach Golf Club; the Normandy Shores Golf Club; The Fillmore Miami Beach at the Jackie Gleason Theater (upon the expiration of the current management agreement); the Miami Beach Convention Center; all currently existing City of Miami Beach owned parks and recreational facilities; all currently existing City of Miami Beach owned public parking garages which are either directly operated by the City, through its Parking System, or by a third party who, pursuant to a management or concession agreement with the City, is contractually authorized to operate and manage such garage on behalf of the City; all currently existing public beachfront concessions which are either directly operated by the City or by a third party who, pursuant to a concession or management agreement with the City, is contractually authorized to operate and manage such concession on behalf of the City; and any additional future Facilities or expansion of existing or future Facilities, including but not limited to, the concession facilities at 21<sup>st</sup> and 46<sup>th</sup> street and at South Pointe Park and the Miami Beach Convention Center facility expansion, except as may be otherwise be excluded in the Agreement.</p> <p><u>Beverage:</u> all non-alcoholic beverages of any kind including but</p>
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	<p>not limited to coffee products; tea products; concentrated energy drinks, including those in small servings; protein-enhanced dairy beverages; frozen drinks (e.g. ICEE) and smoothies made from concentrate; and the pre-mix and/or post-mix syrups used to prepare fountain Beverages. "Beverage" or "Beverages" shall not include dairy products except as noted above (e.g. milk, yogurt, ice cream), water drawn from the public water supply, or unbranded juice squeezed fresh at the Facilities.</p> <p><u>Products:</u> Beverage products purchased directly from Bottler, or with written Bottler approval from, or Bottler's authorized distributor, or sold through vending machines owned and stocked exclusively by Bottler.</p> <p><u>Competitive Products:</u> Beverages which are not Products.</p>
<b>2. AGREEMENT TERM:</b>	The Term shall begin January 1, 2012 and will continue until December 31, 2021 (the "Term"). When used in this Term Sheet, the term "Agreement Year" means each consecutive twelve-month period during the Term, beginning with the first day of the Term.
<b>3. EFFECTIVE DATE:</b>	January 1, 2012
<b>4. EXPIRATION DATE:</b>	December 31, 2021 as to all Facilities
<b>5. SPONSORSHIP FEE:</b>	<p>\$3,725,000 for the Term of the Agreement.</p> <ul style="list-style-type: none"> <li>• First installment of \$800,000 (includes sponsorship fee for Agreement Year One and signing bonus) will be paid within sixty (60) days of execution of the Agreement by all parties. The portion pertaining to the signing bonus (\$475,000) will be deemed earned over the Term and the portion pertaining to the sponsorship fee for the Agreement Year One (\$325,000) shall be deemed earned evenly on a monthly basis during the first Agreement Year.</li> <li>• \$325,000 due each Agreement Year thereafter during the Term of the Agreement, due upon the anniversary date of the Agreement and will be deemed earned over the Agreement Year. (Subject to purchase of a minimum of 22,500 cases of bottles/cans per year.)</li> </ul>
<b>6. COMMISSIONS:</b>	Commissions to be paid quarterly in arrears by Bottler to City based upon cash collected less taxes and as per the Commission Rate Structure according to Bottler's sales records. (Exhibit 1)
<b>7. COMMUNITY: SUPPORT/</b>	Bottler will provide City with a total of \$17,500 in cash for the

<b>COMPLIMENTARY PRODUCT:</b>	<p>purchase of equipment or other products (mutually agreed upon)</p> <p>Bottler shall provide City, upon City's request, with up to 450 standard physical cases of complimentary Product (12 ounce CSD cans and/or DASANI 12 ounce bottles) per Agreement year for a Product bank to be used by the City. If City does not request complimentary Product by the end of each year, any remaining complimentary Product shall be retained by Bottler with no further obligation to Account. Bottler will provide complimentary Product donation report upon Account's request.</p>
<b>8. ADVERTISING &amp; SPONSORSHIP:</b>	<p>Bottler has the exclusive right to advertise Products (i) at the Facilities and (ii) in connection with the Facilities. No permanent or temporary advertising, signage or trademark visibility for Competitive Products are permitted anywhere at the Facilities, except as permitted pursuant to the Agreement. Advertising rights are further delineated in <b>Exhibit 2</b>. Bottler has the exclusive right to advertise the Products as the "Official" or "Exclusive" soft drink, sports drink, dairy-based protein drink, water, tea, energy drink, and/or juice or juice drink, etc. of the Facilities, of the City of Miami Beach and of South Beach. Bottler will be the exclusive advertiser of Products associated with the Facilities.</p>
<b>9. PRODUCT RIGHTS:</b>	<p>Bottler has the exclusive right to sell or distribute Products at the Facilities. No Competitive Products may be sold, dispensed, sampled or served anywhere at the Facilities, or on the City's public rights-of-ways, except as may otherwise be provided for in this Agreement.</p>
<b>10. EXCEPTIONS:</b>	<p>Except for those Facilities specifically enumerated in Section 1., "Facilities" shall NOT include any City of Miami Beach property (including any City-owned land, buildings, structures, and/or other facilities thereon) which—as of the Effective Date—is used, occupied, controlled, and/or managed and operated by a third party (or parties) pursuant to any of the following agreements between the City and such third party(ies): (i) lease agreement; (ii) concession agreement; (iii) operation and management agreement; (iv) development agreement; (v) easement agreement; (vi) license and/or use agreement; (vii) revocable permit; and/or (viii) any other written instrument between the City and such third party(ies) which establishes a contractual right on behalf of such third party(ies) for the use and/or occupancy of City property. This shall include, but not be limited to, any City property occupied by a tenant through a lease or rental agreement (including, without limitation, leases or rental agreements for office,</p>

retail, and/or commercial uses(s) in City-owned buildings); any City property managed and operated, and/or otherwise used, by a third party(ies) pursuant to a management agreement or concession agreement; private upland owner beachfront concessions which are issued a permit by the City (and which are neither operated directly by the City, nor by a third party on behalf of and pursuant to a contract with the City); sidewalk cafes which are issued a permit to operated pursuant to the City's Sidewalk Café Ordinance, as may be amended from time to time; "public-private" projects developed and constructed pursuant to a Development Agreement (pursuant to the requirements of the Florida Local Government Development Agreement Act under Chapter 163, Florida Statutes); any hotel or retail development related to the expansion of the Miami Beach Convention Center that is not managed as part of the Convention Center operations (e.g. adjacent commercial retail, hotel, etc.); public bus shelter advertising managed by a third party under contract with the City; and advertising permitted pursuant to the City's current agreement for the public bike-share concession. Notwithstanding the preceding, the City will: i) make reasonable good faith efforts to meet with the bike-share concessionaire and negotiate an amendment to the existing bike-share concession agreement, which must also be subject to agreement by the bike-share concessionaire, to prohibit the bike-share concessionaire from advertising Competitive Products; ii) if City renews the bike-share concession agreement with the bike-share concessionaire, then, as a condition to such renewal, the City Manager will recommend that such renewal be conditioned that such renewal include a term prohibiting the bike-share concessionaire from advertising Competitive Products; and iii) no advertising of Competitive Products shall be permitted on bike-share station kiosks during the Term should the City, after the Effective Date, approve advertising for placement on bike-share kiosks. Should the City enter into any new bike-share agreements during the Term, no advertising of Competitive Products shall be permitted on the bicycles used for that bike-share agreement(s).

Further, for the following locations which are under a pre-existing concession and/or use agreement (i.e. in effect prior to the Effective Date of the Agreement) with a Competitive Products supplier, those Facilities will come under this Agreement after such Competitive Products agreement is terminated or expires, or until such time as the concession or use agreement with the City for those Facilities is terminated, expires or is subject to any renewal provisions. The current

list of such facilities, and their expiration dates, are as follows:

- 1) 21<sup>st</sup> Street/46<sup>th</sup> Street Beachfront Concession/Tim Wilcox, Inc. – 11/30/2012
- 2) South Pointe Park Concession/Blissberry – 11/30/2012
- 3) Normandy Isle Pool Concession Stand/E. Gomez – 11/09/2011

City agrees that it will not knowingly permit any Competitive Products to be sold, distributed, served, sampled, marketed, advertised or promoted at the Facilities, or in association with City, except, and as further explained, in Exhibit 8:

- Third party exhibitor set ups at Facilities or during City-Permitted Special Events in accordance with the City's Special Event Permit Guidelines, as same may be amended from time to time.
- Charitable events at Facilities or at City-Permitted Special Events where Competitive Product are donated to the charitable event;
- Availability at City-Permitted Special Events only within Special Event Permit Area (as such term is defined in the City's Special Event Permit Guidelines, as same may be amended from time to time).
- Up to four (4) sponsorship events at the Miami Beach Golf Club, and up to four (4) sponsorship events at the Normandy Shores Golf Club each Agreement year;
- up to three (3) sponsorship events at the Miami Beach Convention Center each Agreement Year (the number limitation for the sponsorship events at the Miami Beach Convention Center is subject to a review after three (3) Agreement Years);
- a mutually agreed upon number of sponsorship events at the Fillmore Miami Beach at the Jackie Gleason Theater (upon expiration of the existing management agreement); and
- up to four (4) City-issued Special Event Permits for a "City Approved Major Sponsorship Public Event", each Agreement Year, which includes an event sponsored by a manufacturer, distributor, or marketer of Competitive Products under a master sponsorship agreement with the owner or operator of the sponsorship event; an event conducted on a national or regional multi-market basis; and/or an event where a competitor is the presenting, title or other primary sponsor of the event. The number limitation for City-Issued Special Events is subject to a review after three (3) Agreement Years.



	<p>Whenever possible, City will make reasonable good faith efforts to encourage third party users of the Golf Courses and Convention Center, and Special Event organizers, to use Bottler's Products for their non-alcoholic beverage needs. Since third party organizers who apply for Special Event Permits will be permitted to sell only Bottler's Products, City will amend City's Special Events Permit Application and City will provide Sponsor contact information through the City's Special Events Permit Application process.</p>
<b>11. MARKETING PROGRAM:</b>	<p>Bottler agrees to provide Account with annual in-kind marketing support fund with an approximate retail value of Two Hundred Thousand Five Hundred Dollars (\$200,500) as further delineated in <b>Exhibit 3</b>.</p>
<b>12. RECYCLING PARTNER:</b>	<p>Bottler shall be designated the official "Recycling Partner" of Account. In consideration of this designation, Bottler shall provide, at their cost, the services/products delineated in <b>Exhibit 4</b>, with a minimum total value of \$15,000, and up to \$25,000 over the entire Term</p>
<b>13. VENDING PROGRAM/OTHER EQUIPMENT</b>	<p>City agrees that Bottler shall place a minimum of sixty-five (65) Product vending machines in mutually agreed upon locations at the Facilities, and Bottler will loan to City at no cost, Beverage dispensing equipment as reasonably required and as mutually agreed upon to dispense Products at the Facilities, and in accordance with <b>Exhibit 5</b>.</p>
<b>14. CITY SUPPORT:</b>	<p>In consideration of the partnership, City grants to Bottler: Twenty-six (26) rounds of golf each Agreement Year (max of eight during peak season; no more than twelve at Miami Beach Golf Course; benefit does not roll over); a minimum of four (4) free tickets to at least six (6) ticketed events at Facilities each Agreement Year, subject to availability (e.g. Art Basel Miami Beach, Auto Show, South Beach Comedy Festival at the Fillmore, etc.). Additional tickets will be provided as available. Benefit does not roll over.</p>
<b>15. PRICING:</b>	<p><b>Bottle/Can Pricing:</b> City is entitled to purchase bottle/can Products from Bottler in accordance with the price schedule set forth in <b>Exhibit 6</b>; prices shall remain in effect until July 31, 2012. Thereafter, such prices will be subject to an annual increase of no more than four percent (4%) over the previous Agreement Year's price.</p> <p><b>Fountain Products or Georgia Coffee Pricing:</b> Bottler will sell fountain Products to City at the National Account prices, as</p>

	<p>announced by the Bottler in January of each year. Georgia Coffee pricing shall be provided quarterly based on commodity markets.</p> <p>Purchasing: All Product shall be purchased directly from Bottler, except for those Products that Bottler identifies can be purchased from an authorized Coca-Cola distributor.</p>
<b>16. TERMINATION:</b>	<p>If City breaches any of its material obligations set forth in this Agreement, and fails to cure such breach within thirty (30) days following written notice of same from Bottler, then, Bottler may terminate this Agreement, and City shall (i) return any Equipment, and (ii) pay to Bottler the unearned portion of any pre-paid Sponsorship Fees for the Agreement Year in which the termination occurs (pro-rated through the date of termination).</p> <p>If Bottler breaches any of its material obligations set forth in this Agreement, and fails to cure such breach within thirty (30) days following written notice of same from City, then, City may terminate this Agreement, and Bottler shall (i) remove any Equipment, and (ii) pay to City the earned portion of any pre-paid Sponsorship Fees or other fees or payments due for the Agreement year in which the termination occurs (pro-rated through the date of termination).</p> <p>City shall not be in default in the event of any claim filed in relation to City's restriction on Competitive Product sampling; provided, however, the Bottler shall have the following remedies: 1) ability to renegotiate financial terms, as appropriate, within a specified time (e.g. 90 days); or, 2) failing to negotiate terms acceptable to both parties within specified time, Bottler may terminate the Agreement, and City shall (i) return any Equipment, and (ii) pay to Bottler the unearned portion of any pre-paid Sponsorship Fees for the Agreement Year in which the termination occurs (pro-rated through the date of termination). Nothing in this section shall operate to restrict either party's other remedies in the event of a material breach by the other.</p>
<b>17. MAINTENANCE &amp; SERVICE:</b>	<p>Bottler agrees to provide reasonable service and maintenance for the equipment during the Term. City shall allow Bottler to enter its premises for the purpose of inspection or performance of such maintenance and repair, or necessary replacement or return of the equipment. Bottler and City will establish a mutually agreed upon refund bank and customer service program, as delineated in <b>Exhibit 7</b>.</p>
<b>18. REPORTS/AUDITING:</b>	<p>Bottler will provide an annual business review report within 90</p>

	days following each Agreement Year during the Term; Commission reports will be provided monthly. The format of such reports shall be mutually agreed upon. City has the right to audit/inspect account statements with reasonable prior notice to Bottler and during normal business hours. If City requests an audit, City agrees to pay for such audit. Account records must be retained for a minimum of two (2) Agreement Years after the payment of the annual Sponsorship Fee is paid, in addition to the current Agreement Year of the Term, and for two (2) Agreement Years following expiration or termination of the Agreement.
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**COMMISSIONS**

**Workplace Facilities (City Hall, Police Station, and other City Facilities):**

<u>Product</u>	<u>Vend Price</u>	<u>Commission Rate</u>
20 oz. PET carbonated/NESTEA®	\$1.25	30%
20 oz. PET Minute Maid®	\$1.25	30%
20 oz. PET DASANI®	\$1.25	30%
300 ml PET DASANI®	\$0.75	30%
20 oz. PET POWERADE®	\$1.50	30%
20 oz. PET vitaminwater®	\$1.75	15%
16 oz. cans Energy Beverages	\$2.00	30%
16.5 oz. PET FUZE ®	\$2.00	15%
15.2 oz. PET Minute Maid® Juices to Go	\$1.50	15%

**All other public locations (such as South Beach):**

<u>Product</u>	<u>Vend Price</u>	<u>Commission Rate</u>
20 oz. PET carbonated/NESTEA®	\$1.50	30%
20 oz. PET Minute Maid®	\$1.50	30%
20 oz. PET DASANI®	\$1.50	30%
300 ml PET DASANI®	\$1.00	30%
20 oz. PET POWERADE®	\$1.75	30%
20 oz. PET vitaminwater®	\$2.00	15%
16 oz. cans Energy Beverages	\$2.25	30%
16.5 oz. PET FUZE®	\$2.25	15%
15.2 oz. PET Minute Maid® Juices to Go	\$1.75	15%

In Agreement Years Four and Seven, the Vend Prices will increase by twenty-five cents for each Product listed above. For example, in Agreement Year Four, 300ml. DASANI will increase to \$1.00 Vend Price and then in Agreement Year Seven, 300ml. DASANI will increase an additional twenty-five cents to \$1.25. The Commission Rates will not change during the Term of this Agreement. There are two vend rates (one for workplace and one for public locations) that will be outlined in the final formal agreement between the parties, but note that commission rates will remain the same.

Commissions are paid based upon cash collected after deducting taxes, deposits, recycling fees, other handling fees, communication charges and credit and debit card fees, if any. Commissions shall not be payable on any sales from vending machines not filled or serviced exclusively by Bottler. Bottler may adjust the vend prices and/or commission rates as necessary to reflect changes in its costs, including cost of goods, upon prior written notice and approval by City. Commissions will be paid each month following the month in which they are earned, with an accounting of all sales and monies in a form reasonably satisfactory to the City, and shall become immediate property of City.

ADVERTISING RIGHTS

(Except as otherwise noted, the following rights may not be transferred or assigned by Bottler)

1. Recognition of Bottler as the "Official Non-Alcoholic Beverage Sponsor" of City. Official status will include Official Status Recognition for City across all non-alcoholic beverage categories i.e. "Coca-Cola Official Soft Drink of Miami Beach" and Official Status Recognition for South Beach across all non alcoholic beverage categories (i.e. "POWERADE Official Sports Drink for South Beach")
2. Official Sponsor Status (for Products) of all City-produced citywide Special Events, whether now existing or as may exist in the future (i.e. including, without limitation, and for example purposes only Sleepless Nights); Bottler to have highest sponsorship level and benefits available other than presenting or title sponsorship. In addition, Bottler will be recognized as the "Title Sponsor" of City's "Fire on the 4<sup>th</sup> Annual Independence Day Celebration" each Agreement Year during the Term.
3. Recognition of Bottler as the "Official Recycling Partner" for the City of Miami Beach & South Beach
4. Joint Bottler/City Logo placement on City and City-related websites (e.g. Miami Beach Convention Center, Miami Beach Golf Club, Normandy Shores Golf Club, Miami Beach Culture web site (MBCulture.com); and any other City websites, whether now existing or as may exist in the future, to such extent as permitted by any federal or state regulations on .gov domains. City will use reasonable commercial efforts to include joint Bottler/City Logo on all printed convention and tourism materials, as appropriate and available.
5. Waiver of any Special Event Permit and/or Permit Application Fees for Bottler's use of certain Account Facilities for up to two (2) mutually agreed upon events per Agreement Year, based on availability. For purposes of the Special Event Permit and/or Permit Application Fee waiver, these Facilities shall include public beachfront areas and Parks and Recreation facilities where Special Events are permitted. All other fees and costs of production, including but not limited to, taxes, security, sanitation, etc., shall be the responsibility of Bottler. Right may not be transferred or assigned.
6. Waiver of any rental or use fees for Bottler's use of certain City Facilities for up to (two) 2 mutually agreed upon events per Agreement Year, based on availability. For purposes of the rental or use fee waiver, these Facilities shall include the use of meeting room space or ballroom space at the Miami Beach Convention Center. All other fees and costs of production, including but not limited to taxes, security, audio/visual, decoration, etc., shall be the responsibility of the Bottler. Right may not be transferred or assigned.
7. Unlimited, royalty-free Product sampling at City produced and/or sponsored events; Royalty-free Product sampling permits per Agreement Year, as follows: 48 permits each Agreement Year, but permits will be limited to not more than six (6) permits in any one month period. Right may not be transferred or assigned. If Sponsor does not use all 48 permits by the end of each Agreement Year, any remaining permits will not roll-over to the following Agreement Year, but will be forfeited.
8. Mutual agreement on the development and use of a joint logo between Bottler and Account.
9. Right to use mutually agreed upon joint logo on any point-of-sale, marketing materials, and/or signage that may be mutually agreed upon.
10. Royalty-free advertisement in City's magazine (i.e. MB Magazine); minimum of a quarter page each issue; larger ad size as may be available. Right may be transferred or assigned.
11. Royalty-free prominent advertisement in any Special Promotional Event programs or collaterals produced for City-produced citywide Special Promotional Events (i.e. including, without limitation, July 4<sup>th</sup> and Sleepless Nights). City shall use best efforts to provide a full page ad.



12. The right to brand City's public beach concession-area(s) with approved Bottler and City joint branding graphics (e.g. concession stands, storage shed, umbrellas, etc.), subject to proposed branding meeting all necessary administrative and regulatory approvals. Implementation of any approved branding shall be at the Bottler's expense. All trademark usage must be pre-approved prior to usage. The erection of any other signage other than vending machine display shall be subject to approval by the City.
13. One Royalty-free joint City/Bottler message PSA advertising panel at the 5<sup>th</sup> and Alton bus shelter; production/installation costs paid by Bottler. Minimum of full use of one PSA ad panel for the entire term of the Agreement.
14. Minimum of one (1) Royalty-free advertising panel at the 5<sup>th</sup> and Alton bus shelter, on a space availability (remnant) basis; production/installation costs paid by Bottler. Right may be transferred or assigned.
15. Minimum of one (1) one-month Royalty-free electronic joint City/Bottler message PSA run on Atlantic Broadband and Welcome Channel; Additional months based on ongoing availability;
16. Minimum of one (1) unlimited run on MBTV of City/Bottler message PSA;
17. Royalty-free POF ticket ad based on space availability; production costs paid by Bottler. Right may be transferred or assigned.

The parties agree to perform such additional marketing activities, as the parties may mutually agree upon to drive traffic to the Facilities and to increase Product sales.

MARKETING PROGRAM

Bottler shall provide City for approval with the proposed annual marketing plan for promotion of the partnership no later than ninety (90) days prior to the beginning of each Agreement Year, except for the first Agreement Year when the marketing plan shall be provided to the City within ninety (90) days after execution of Agreement. The annual value of the marketing plan shall be no less than \$200,500, as determined in good faith by Bottler and based on generally accepted marketing values. Some examples of activation may include the following; however, actual marketing programs will depend on availability of these programs.

- Inclusion of the City in the My Coke Rewards program, or other customer reward program offered by Bottler, through an annual promotional program (e.g. sweepstakes); estimated value \$100,000, or equivalent value. Activation based on availability
- Truck-back promotions program - value: \$24,000/year based on availability
- Box Topper program or other similar high-visibility promotional program; value: \$25,000/year
- Neck Ringer program: a Neck Ringer program shall be available with a minimum distribution of neck ringers
- Touring Program: Bottler will bring the Open Happiness Tour, or such other promotional touring program offered by Bottler, to the City based on availability.
- Bottler to develop and implement at least five (5) strategic marketing partnerships with the Account and the Bottler's other sponsorship partners during the Term of the Agreement. Such strategic marketing partnerships may include, but are not limited to, cross promotion, product, tickets, etc., with other brands or products currently under a sponsorship or other promotional/marketing agreement with the Bottler.
- LeBron James Event/celebrity event; value: \$45,000 based on availability, or equivalent value

City acknowledges the intent of the Bottler to develop a joint marketing logo incorporating the Bottler's mark and the City's mark. Bottler shall obtain approval from the City, in writing, of the joint logo for use in promotion of the Agreement, including, but not limited to, its use in all commercial, marketing, media advertisements, web sites and promotional products.

A party's use of the other party's marks in promotions, on products and signage, shall be first approved by the other party in writing, and all uses of a party's marks shall be acknowledged as that party's intellectual property and include appropriate trademark notices.

The parties agree to perform those additional marketing activities, as the parties may mutually agree upon to drive traffic to the Facilities and to increase Product sales. City agrees to provide Bottler with reasonable marketing assets inventory (e.g., to be used with a My Coke Rewards national consumer sweepstakes, or other such similar sweepstakes) for mutually agreed upon promotions each year during the Term to promote Bottler Products and City.

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**Exhibit 4 to Term Sheet**

**RECYCLING PARTNERSHIP**

Bottler shall be designated the official "Recycling Partner" of City.

Bottler shall provide, at its cost, the following services/products (value of \$15,000-\$25,000):

- Assess, consult and offer a Recycling Program Plan for bottle/can recycling initiatives
- Propose messaging strategy for the City's bottle/can recycling initiatives (within 90 days after execution of Agreement)
- Provide Temporary recycling bins for special events (minimum of 30) to City at Bottler's cost;
- Provide Recycling bins for placement in Facilities or agreed upon public areas (minimum of 15) to City at Bottler's cost; design subject to review and approval of City;
- Place reverse vending machines (crushers) in vending banks in the Facilities; minimum of five (5) crushers placed during the first five Agreement Years of the Term, at Bottler's cost.
- Use of Recycling Educational Vehicle (REV,) or other Education Recycling material, at City events; scheduled at least one time every 18 months during the Term.

VENDING PROGRAM

Bottler shall place, at their cost, all vending machines in agreed upon locations pursuant to the following:

- 1) Bottler shall provide to City within 90 days after execution of Agreement the proposed equipment plan for the Agreement Term; to include the machine allocation plan by type (e.g. interactive vending machines, glass front etc.) and location; equipment replacement schedule; and vend front replacement and schedule for existing vending machines that need the vend front replaced. All equipment shall be UL energy star rated.
- 2) Bottler shall install vending machines within 180 days after the proposed equipment plan has been approved by all parties. Both parties agree that the installation of vending machines shall be completed within 180 days after the proposed equipment plan has been approved by all parties. Agreement execution. The already approved beach thematic vend fronts will be used unless other mutually agreed upon vend fronts have been selected and approved, and if beach thematic vend fronts are available. The vend fronts shall include advertising panels for use by the City, as approved by Bottler, provided that the vending machines are equipped with advertising panel(s). Bottler shall pay all costs for the production and installation of the City vend front advertising panels. A minimum of two (2) and a maximum of four (4) City vend panel ads shall be produced/installed each Agreement Year.
- 3) Bottler shall provide within 90 days after execution of Agreement the proposed credit card reader installation plan and schedule. All credit card reader installation shall be completed within Agreement Year One.
- 4) City shall provide all electrical power necessary to operate the vending machines, and City shall pay up to \$200 for the cost of any electrical modifications or connections necessary to accommodate any new vending machine placement, upon mutual agreement of the proposed location for the placement of the vending machine.
- 5) All vending machines remain the property of the Bottler.
- 6) Bottler shall provide a product list to the City to be included in the vending program. Any changes to the Product list shall be provided to the Account prior to Product placement in a vending machine. Bottler shall work with the City's Parks and Recreation Department to identify the appropriate vending products for inclusion in vending machines located in any City park. The City's Park and Recreation Department shall provide approval, in writing, of the Products to be sold in the vending machines placed in City parks.
- 7) Bottler shall maintain vending machines reasonably well-stocked with Products.

**Exhibit 6 to Term Sheet**

**INITIAL PRICE SCHEDULE\***

<b><u>Package</u></b>	<b><u>Price per case</u></b>
20 oz. CSD	\$17.85
12 oz. CSD	\$9.46
15.2 oz. MMJTG	\$23.36
12 oz. DASANI®	\$8.88
1 liter CSD	\$16.29
20 oz. DASANI®	\$10.82
20 oz. vitaminwater®	\$27.00
8 oz. CSD	\$16.00
20 oz. NESTEA®/ Minute Maid® Refreshment	\$17.85
20 oz. POWERADE®	\$19.00
16 oz. Monster®	\$34.00
2 liter CSD	\$12.35
16.9 Honest Tea®	\$12.60
500 ml Gold Peak®	\$13.99
8 oz. aluminum bottle	\$16.48

<b><u>Post-Mix</u></b>	<b><u>Price per gallon</u></b>
5 gallon BIB CSD and NCB	\$12.24
2.5 gallon BIB CSD and NCB	\$12.78
5 gallon BIB Unsweet NESTEA®	\$11.82
2.5 gallon BIB Unsweet NESTEA®	\$12.40
5 gallon BIB Premium NCB	\$12.75
2.5 gallon BIB Premium NCB	\$13.30
5 gallon BIB Frozen Dispensed	\$13.88
2.5 gallon BIB Frozen Dispensed	\$14.26

<b><u>Cups</u></b>	
24 ounce	\$52.89 per 1,200

<b><u>Lids</u></b>	
24 ounce	\$34.55 per 2,000

<b><u>CO2</u></b>	
20 lb. cylinder	\$25.00 per cylinder (plus \$75.00 deposit)

\*All prices are per standard physical case and exclusive of taxes, deposits, handling fees, and recycling fees.

**Georgia 64 Oz Brew: Price per Case and package size:** (Prices effective for the period: 1/1/2012-3/31/2012) (All coffee is priced FOB to Distributor, prices do not include any distributor markup.)

<b>Product</b>	<b>Package (Frac)</b>	<b>Small Filters</b>	<b>Large Filters</b>
Dark Roast	100, 2.75 oz	\$110.38	\$110.38
Light Roast	128, 2.25 oz	\$117.87	\$117.87
Decaf	75, 2.00 oz	\$67.95	\$67.95
Organic	75, 2.75 oz	\$110.10	\$110.10



MAINTENANCE & SERVICE

During the Term, Bottler will loan to Account, pursuant to the terms of Bottler's equipment placement agreements, at no cost, that Beverage equipment reasonably required and as mutually agreed upon to dispense Beverages at the Facilities.

Bottler agrees that all equipment shall be new or in "like new" condition and that it shall operate and manage the equipment, services and facilities offered in a first-class manner. Bottler shall provide City with the Maintenance Plan and Schedule for all Bottler equipment within 90 days of execution of Agreement, to include the Bottler's plan and schedule for servicing the City.

Bottler shall provide throughout the Term of this Agreement, at Bottler's expense, all repairs, replacements and technical services necessary to maintain and preserve the Bottler's equipment in a decent, safe, healthy and sanitary condition satisfactory to City and in compliance with applicable laws.

Bottler warrants that it shall correct all mechanical problems with vending machines no later than four (4) business days after notice and no later than twenty-four (24) hours after notice for all other dispensing equipment.

Acts of vandalism to Bottler's equipment will be reported to Bottler immediately and addressed within four (4) business days. If the vending machine is repairable, the vending machine will be repaired within four (4) business days. If the vending machine is not repairable, vending machine will be condemned and swapped within seven (7) business days.

Bottler is the only party allowed to make repairs on Bottler-owned equipment.

All vending machines shall display a "service hotline" sticker to expedite calls. A toll free ("1-800") number shall be provided and a 24-four hour per day, seven days a week continuously operating telephone answering service shall be provided.

A reimbursement fund in the amount adequate to handle all necessary refunds between service calls shall be made available to City at designated location(s) mutually agreed upon by City and Bottler. Each person requesting a refund shall complete a form which shall be maintained by the City and provided to the Bottler as required. The reimbursement fund shall be checked by the Bottler no less than once a month and replenished as needed. Information on refunds shall be provided on each machine.

## Exhibit 8

The term "Special Promotional Events" ("Event") shall mean and is limited to the following: concerts; theatrical or comedic performances; conventions; trade shows; religious events; athletic events; or other special events occurring at a Facility that meet the following requirements: (i) they are sponsored by a manufacturer, distributor, or marketer of Competitive Products under a master sponsorship agreement with the owner or operator of the subject Event (including, without limitation, a concert or theatrical production company, or a trade show or convention production company, but NOT including in any instance the City or its affiliates or agents); (ii) they are conducted on a national or regional multi-market basis; (iii) they are NCAA collegiate championship athletic events; and, (iv) the event sponsorship agreement referred to in subsection (i) above requires on-site temporary signage for Competitive Products.

The term "Special Promotional Events Exceptions" shall refer to those exceptions granted under the Agreement, for each Agreement year, to permit the following fifteen (15) Special Promotional Events at the following Facilities: (i) four (4) events at the Miami Beach Golf Club; (ii) four (4) events at the Normandy Shores Golf Club (The Miami Beach Golf Club and Normandy Shores Golf Club may also be referred to collectively herein as "Golf Courses"); (iii) three (3) events at the Miami Beach Convention Center ("Convention Center"); and (iv) four (4) City Approved major Sponsorship Public Special Events (as defined below); provided, however, that the number limitation for City Approved Major Sponsorship Public Special Events shall be revisited and reviewed by the parties, in good faith, at the conclusion of the third Agreement Year.

- a. **Golf Courses and Convention Center/Special Promotional Events Exception.** In any Agreement Year, temporary signage (such as, but not limited to, banners) for Competitive Products may be displayed at each of the Golf Courses during up to four (4) Special Promotional Events, and during up to three (3) Special Promotional Events at the Convention Center ; PROVIDED, HOWEVER, that: (i) Sponsor's Beverage availability, marketing, advertising, promotional, and other rights under this Agreement will not otherwise be affected during any such Event; (ii) Competitive Products may be distributed at no cost, but no Competitive Products will be sold or otherwise made available during the Event(except as permitted in this exception); (iii) no blockage of any signage or other trademark/service mark display Sponsor may have at the Facility will occur during the Event, except for incidental blockage due to the construction and/or placement of a person, stage or other structure necessary to and actually used during the Event; or, in the case of NCAA championship events , religious events or political conventions where no advertising is allowed and all advertisers are treated equal with all signage covered in the seated area of the Facility; (iv) all temporary signage for Competitive Products will be promptly removed from the Facility upon the conclusion of the Event; and (v) at no time will the Competitive Products make any statements, or use any temporary signage, that uses the trademarks/service marks of the City of Miami Beach, South Beach, Golf Courses or the Convention Center, nor in any way associate these Competitive Products with the City of Miami Beach, "South Beach," the Golf Courses, or the Convention Center. The Special Promotional Events at the Golf Clubs and the Convention Center must occur over a period of no more than twenty-four (24) hours. The twenty-four hours does not include set up or tear down time required, or NCAA Championship events or political conventions which may exceed the aforestated time limitation. The Convention Center may use the three one day

(one day = twenty-four hours) in the aggregate in each Agreement Year during the Term. Aggregate, as used in this paragraph, shall mean the total of twenty-four hours multiplied by the total number of Special Promotional Events permitted, as provided for herein. For example purposes only, the Miami Beach Convention Center are provided three Special Promotional Event Exceptions per Agreement Year. As such, the three Special Promotional Events may occur in the Miami Beach Convention Center for a total of 72 hours in an Agreement year (24 hours x 3 events = 72 hours/year).

- b. City Approved Major Sponsorship Public Special Events/Special Promotional Events Exception. In any Agreement Year, temporary signage (such as, but not limited to, banners) for Competitive Products may be displayed during up to four (4) Special Promotional Events for City Approved Major Sponsorship Public Special Events. The term "City Approved Major Sponsorship Public Special Event" shall refer to a City-approved public event (i.e. where public access is allowed either via no cost or via pre-purchased ticket) held on City property, and permitted pursuant to the City's approved Special Event Permit process, as same may be amended from time to time during the Term of this Agreement (for example purposes only, this may include, but not be limited to events such as Super Bowl Pepsi Jam and Red Bull Illume); and may also include an event sponsored by a manufacturer, distributor or marketer of Competitive Products pursuant to a sponsorship agreement with the owner, operator or promoter of the event; an event conducted on a national or regional multi-market basis; and/or an event where a Competitive Product is the naming, presenting, title, brought to you by, or other primary sponsor of the Event. Temporary signage for Competitive Products at City Approved Major Sponsorship Public Events may be displayed as an Event "naming sponsor", Event "presented by" sponsor, Event "brought to you by" sponsor, or as a sponsor represented as a "Gold" or "Platinum" (or such other equivalent) sponsor of the Event; PROVIDED, HOWEVER, that: (i) Sponsor's Beverage availability, marketing, advertising, promotional, and other rights under this Agreement will not otherwise be affected during any such Event; (ii) no blockage of any signage or other trademark/service mark display Sponsor may have at the Facility will occur during the Event, except for incidental blockage due to the construction and/or placement of a person, stage or other structure necessary to and actually used during the Event; or, in the case of NCAA championship events, religious events or political conventions where no advertising is allowed and all advertisers are treated equal with all signage covered in the seated area of the Facility; and (iii) all temporary signage for Competitive Products will be promptly removed from the Facility upon the conclusion of the Event. At no time will the Competitive Products make any statements or use any temporary signage that uses the trademarks/service marks of the City of Miami Beach, "South Beach," or the Facilities, or in any way associate these Competitive Products with the City of Miami Beach Facilities. Notwithstanding the above, Competitive Products may be distributed, sampled or made available during a City Approved Major Sponsorship Public Special Event for which there is a Special Promotional Events Exception. Such distribution, sampling or availability shall occur ONLY within the approved site plan for the event. However, should concession service (sales) for any non-alcoholic beverage other than Products be required or necessary for the event, and there are no existing concessions at the location of the City Approved Major Sponsorship Public Special Event for which there is a Special Promotional Events Exception, the City Manager shall submit a letter to Sponsor requesting that Sponsor grant a waiver to permit such sale at the Event; outlining the details of the exception and the business reasons for the request and such request shall require Sponsor's prior written approval. Sponsor reserves the right to not approve the limited waiver for this purpose. Sponsor will notify the City Manager of whether the request for waiver will be approved within twenty (20) business days of Sponsor receiving the City Manager's letter. -

The Special Promotional Event Exception for a City Approved Major Sponsorship Public Special Event must occur over a period of no more than seventy-two (72) hours. The seventy-two hours does not include set up or tear down time required, or NCAA Championship events or political conventions which may exceed the aforesaid time limitation. The seventy-two hours may be used in the aggregate in each Agreement Year during the Term. Aggregate, as used in this paragraph, shall mean the total of seventy-two hours multiplied by the total number of Special Promotional Events Exceptions, as provided for herein. As such, the four Special Promotional Events may occur on public property for a total of 288 hours in an Agreement year (72 hours x 4 events = 288 hours/year).

- c. Other permitted Exceptions. Exhibitors at Conventions or trade shows, or third party exhibitor set ups at Facilities shall have the right to serve Competitive Products within their booth provided that same is limited to the duration of the corresponding event and, provided further, that the Competitive Products are not marketed, advertised or promoted in association with the City of Miami Beach and/or the Facilities, and their respective trademarks. For example purposes only, a Cadillac booth at the Auto Show in the Convention Center would be allowed to give away bottled water with the Cadillac Logo. Notwithstanding, Sponsor's Products would continue to be the only Products allowed to be sold, distributed or sampled at the Facility's concession operations.
- d. Competitive Beverages may also be permitted to be distributed, at no cost, at third party events that are not affiliated with the City, but where the City has permitted the event through the issuance of a City of Miami Beach Special Events Permit, subject to the City's notification to Sponsor prior to the event; and, provided further, that the third party event operator is not a manufacturer, distributor or seller of a Competitive Product; that the Competitive Products are not marketed, advertised or promoted in association with the City of Miami Beach or the Facilities, and their respective trademarks; that no Competitive Products will be sold during such event; and that the distribution of the Competitive Product is limited to Special Event Permit Area (as such term is defined in the City's Special Event Permit Guidelines, as same may be amended from time to time through the Term of this Agreement). For example purposes only, a third party event contemplated under this paragraph might include, but not be limited to, a walkathon or marathon where one of the event sponsors might request to be permitted to distribute free bottled water to the event participants. Notwithstanding the above, Sponsor shall have first right of refusal to provide donated Beverages through a sponsorship agreement to the non-profit events, permitted by the City through the issuance of a City of Miami Beach Special Events Permit, known as the White Party, Winter Party and Miami Beach Pride (based on the level of non-alcoholic Beverages provided for the White Party, Winter Party and Miami Beach Pride events in 2012.) for the sale of these Beverages by these three (3) events as part of their annual charity fundraisers. If Sponsor elects to participate, Sponsor will notify the organizer six (6) months prior to start date of White Party, Winter Party and Miami Beach Pride events. If at any time during the Term the Sponsor cannot or does not provide donated non-alcoholic Beverages through a sponsorship agreement to these three (3) non-profit events for this purpose, these three (3) events shall be permitted to secure Competitive Products for use and sale consistent with the use and sale of non-alcoholic Beverages in the 2012 White Party, Winter Party and Miami Beach Pride events.

Per Section 9 of Term Sheet, No Competitive Products may be sold, dispensed, sampled or served anywhere at the Facilities, or on the City's public rights-of-ways, unless otherwise expressly spelled out in the Agreement.



**AMENDMENT NO. 1 TO THE VAN DAALEN, LLC ONE (1) YEAR PILOT  
AGREEMENT TO PROVIDE PROGRAMMING AT THE  
CITY'S MIAMI BEACH TENNIS CENTER**

This Amendment No. 1 ("Amendment") to the Agreement, dated \_\_\_\_\_, by and between the City of Miami Beach, Florida, a municipal corporation organized and existing under the laws of the State of Florida, having its principal place of business at 1700 Convention Center Drive, Miami Beach, Florida 33139 (the "City"), and Van Daalen Tennis, LLC, a Florida limited liability company, having its principal place of business at 15051 Royal Oaks Lane, Apt. 1604, North Miami, Florida 33181 ("CONTRACTOR"), is entered into this \_\_\_\_ day of \_\_\_\_\_, 2018.

**RECITALS**

**WHEREAS**, on July 26, 2017, the Mayor and City Commission adopted Resolution Number 2017-29936, accepting the written recommendation of the City Manager and waiving, by 5/7<sup>th</sup> vote, the competitive bidding requirement, finding such waiver to be in the best interest of the City; and approving, in substantial form, a one (1) year pilot agreement between the City and Van Daalen Tennis, LLC for programming at the City's Miami Beach Tennis Center; and

**WHEREAS**, on August 22, 2017, the City and CONTRACTOR executed the Van Daalen Tennis, LLC. One (1) Year Pilot Agreement to Provide Programming at the City's Miami Beach Tennis Center (the "Agreement"); and

**WHEREAS**, on XXXXXX, the Mayor and City Commission adopted Resolution No. XXX-XXX, approving Amendment No. 1 to the Agreement, said Amendment, in material part, providing for the addition of language related to summer sports specialty camp, dual memberships, lighting fees, club baskets, rainchecks, requirements for tennis software, and utilization of courts for City produced tennis related special events and/or other City sponsored special events such as local and international tennis tournaments to be added to the scope of the Agreement more particularly set forth herein.

**NOW THEREFORE**, in consideration of the mutual promises and conditions contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and Consultant hereby agree to amend the Agreement as follows:

**1. ABOVE RECITALS.**

The above recitals are true and correct and are incorporated as part of this Amendment.

**2. MODIFICATIONS.**

The Agreement is hereby amended (deleted items ~~struck through~~ and inserted items underlined) as follows:

(a) Subsection 2.1 of the Agreement is hereby amended to read as follows

The City owns and operates that certain recreational facility commonly known as the ~~North Shore Tennis Center~~, located at 501 72<sup>nd</sup> Street, Miami Beach, Florida 33141 (the "Center").



The City owns and operates that certain recreational facility commonly known as the Miami Beach Tennis Center, located at 501 72<sup>nd</sup> Street, Miami Beach, Florida 33141 (the "Center").

(b) Subsection 6.4.2 of the Agreement is hereby amended to read as follows:

CONTRACTOR agrees to provide free instructional lessons to after-school and summer camp participants, to be mutually agreed upon by the parties. Use of courts pursuant to the immediately preceding sentence shall be deemed to be the utilization of courts for public usage. Additionally, in connection with the Parks and Recreation Department's summer sports specialty camp program, CONTRACTOR agrees to provide two instructors, who will provide tennis classes for the participants enrolled in the summer sports specialty camp for one week during the scheduled summer sports specialty camp, for a total of ten (10) hours, typically between the hours of 9:30 am and 12:00 pm, for the total fee of \$850.00. CONTRACTOR and City shall reach an agreement with respect to the dates, times and locations for the summer sports specialty camp.

(c) Subsection 7.1 of the Agreement is hereby amended to read as follows:

The CONTRACTOR must comply with the fee schedule for professional tennis instruction that offers the tennis patron a choice in instructor level and hourly fee commensurate with the instructor's level, as agreed upon and listed in Exhibit "A" (to be provided by the CONTRACTOR) attached hereto. Any change of this said fee and instructor levels shall be approved by the City prior to implementation of fees.

CONTRACTOR shall also comply with the City's established fees for hourly tennis court play, annual permits and other specialized play. CONTRACTOR will provide a club basket available for use on a first come first serve basis for members and resident nonmembers. Club Basket will be for a fee of \$10.00 per hour for members, and \$20.00 per hour plus court fees for resident nonmembers. Usage of the club basket will be limited to no more than 2 players on a court.

If a tennis user of a court, lesson, clinic, etc. play is affected with less than 30 minutes of play due to weather, the user will be entitled to a reimbursements/pay-out/raincheck. If play exceeds 30 minutes it's at the discretion of the CONTRACTOR to offer a reimbursements/pay-out/raincheck. Furthermore, Light Fees will only be charged to non-members. Those purchasing memberships will not be required to pay light fees.

(d) Subsection 7.6 of the Agreement is hereby deleted in its entirety and replaced with the following:

The CONTRACTOR shall utilize the City's current recreation software system (i.e. Rec Trac) for the purposes of tracking reservations, financials, memberships, concessions, merchandise, etc. The CONTRACTOR shall have Tennis Module rights to the Miami Beach Tennis Center computer software system. Additionally, phone and in-person reservations must be provided for by the CONTRACTOR all of which must be cross referenced to avoid overbookings, no-shows, and adherence to prioritization and utilization

of courts for public usage by restricting lesson/clinic/programming courts during peak hours. All revenue collected at the Center must go through the City's secured systems.

- (e) Subsection 14.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

Notwithstanding Subsection 14.1 above, and in the event that the City, at its sole discretion, deems that it would be in the best interest of the City, the City reserves the right to utilize the Center for City produced tennis related special events and/or other City sponsored special events productions such as local and international tennis tournaments. In such cases, the City will coordinate with the CONTRACTOR to cooperatively produce such events. CONTRACTOR agrees that the number of courts utilized shall be determined by the City and that events will be held during the Center's operating hours. CONTRACTOR shall retain any income related to the special event and/or production as it pertains to food and beverage concessions, stringing and merchandise sales. CONTRACTOR agrees that facility usage for events may include use of: locker rooms, activity rooms and office space, umpire chairs, umbrellas, coolers, scoreboards, net-sticks and the like. If negotiations between the City and the CONTRACTOR prove to be unsuccessful, the CONTRACTOR shall cease and desist operations during the term of, and in the area of the special event and/or production.

#### **14 RATIFICATION.**

Except as amended herein, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect. In the event there is a conflict between the provisions of this Amendment and the Agreement, the provisions of this Amendment shall govern.

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be executed by their appropriate officials, as of the date first entered above.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.**

**FOR CITY:**

**CITY OF MIAMI BEACH, FLORIDA**

**ATTEST:**

By:

\_\_\_\_\_  
**Rafael E. Granado, City Clerk**

\_\_\_\_\_  
**Dan Gelber, Mayor**

\_\_\_\_\_  
Date

**FOR CONTRACTOR:**

**Van Daalen Tennis, LLC**

**ATTEST:**

By:

\_\_\_\_\_  
**Director of Programming**

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Martin Van Daalen

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

# MIAMI BEACH

OFFICE OF THE CITY MANAGER

NO. LTC #

**249-2018**

## LETTER TO COMMISSION

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: May 3, 2018

SUBJECT: **PARKS & RECREATIONAL FACILITIES ADVISORY BOARD MOTIONS**

The purpose of this Letter to Commission (LTC) is to inform the Mayor and Commission of the five motions passed by the Parks and Recreational Facilities Advisory Board at its meeting on May 2, 2018:

### **MOTION 1:**

The Parks and Recreational Facilities Advisory Board motions to favorably recommend a term extension of six months at the completion of the scheduled construction projects at the Miami Beach Tennis Center for Van Daalen Tennis, LLC. to include the amendments made to the agreement as discussed at our Board meeting.

Motion Made by: Jonathan Fryd

Motion Seconded by: David Berger

Motion Passes: 11-0 (Motion Passes)

Members In Favor: Wil Martinez, Dana Turken, Sean Smith, Eliane Soffer Siegel, Robert Gonzalez, David Berger, Carolina Jones, Jonathan Fryd, Stephanie Rosen, Lori Nieder and Paul Stein

### **MOTION 2:**

The Parks and Recreational Facilities Advisory Board motions to approve both plans presented by the Capital Improvements Projects office regarding the design of the restroom and café project for the Miami Beach Tennis Center, but have a preference for the option labeled SKA-04-A attached to this motion.

Motion Made by: Jonathan Fryd

Motion Seconded by: Sean Smith

Motion Passes: 11-0 (Motion Passes)

Members In Favor: Wil Martinez, Dana Turken, Sean Smith, Eliane Soffer Siegel, Robert Gonzalez, David Berger, Carolina Jones, Jonathan Fryd, Stephanie Rosen, Lori Nieder and Paul Stein

### **MOTION 3:**

The Parks and Recreational Facilities Advisory Board strongly supports and realizes the value of building an aquatic center located in proximity to other sports activities to allow for synergy and that such site could be the 72<sup>nd</sup> Street Lot, Flamingo Park or the Scott Rakow Youth Center and further motions, that money be set aside in the GO Bond and for that money to be portable to accommodate a location once identified.

Motion Made by: Jonathan Fryd

Motion Seconded by: David Berger

Motion Passes: 11-0 (Motion Passes)

Members In Favor: Wil Martinez, Dana Turken, Sean Smith, Eliane Soffer Siegel, Robert Gonzalez, David Berger, Carolina Jones, Jonathan Fryd, Stephanie Rosen, Lori Nieder and Paul Stein

**MOTION 4:**

The Parks and Recreational Facilities Advisory Board motions that staff complete a rendering with cost estimates of placing the aquatic center and associated parking garage at the Scott Rakow Youth Center and Flamingo Park.

Motion Made by: Wil Martinez

Motion Seconded by: Stephanie Rosen

Motion Passes: 11-0 (Motion Passes)

Members In Favor: Wil Martinez, Dana Turken, Sean Smith, Eliane Soffer Siegel, Robert Gonzalez, David Berger, Carolina Jones, Jonathan Fryd, Stephanie Rosen, Lori Nieder and Paul Stein

**MOTION 5:**

The Parks and Recreational Facilities Advisory Board motions to explore the feasibility of the baseball field options for North Shore Park as discussed at the Board meeting and attached to this motion and to ask the Transportation Department to evaluate where potential pick-ups and drop-offs can be accommodated given the design in addition to exploring a pedestrian bridge from the 72<sup>nd</sup> street lot across Harding Avenue.

Motion Made by: Sean Smith

Motion Seconded by: Dana Turken

Motion Passes: 9-0 (Motion Passes)

Members In Favor: Wil Martinez, Dana Turken, Sean Smith, Robert Gonzalez, David Berger, Carolina Jones, Stephanie Rosen, Lori Nieder and Paul Stein

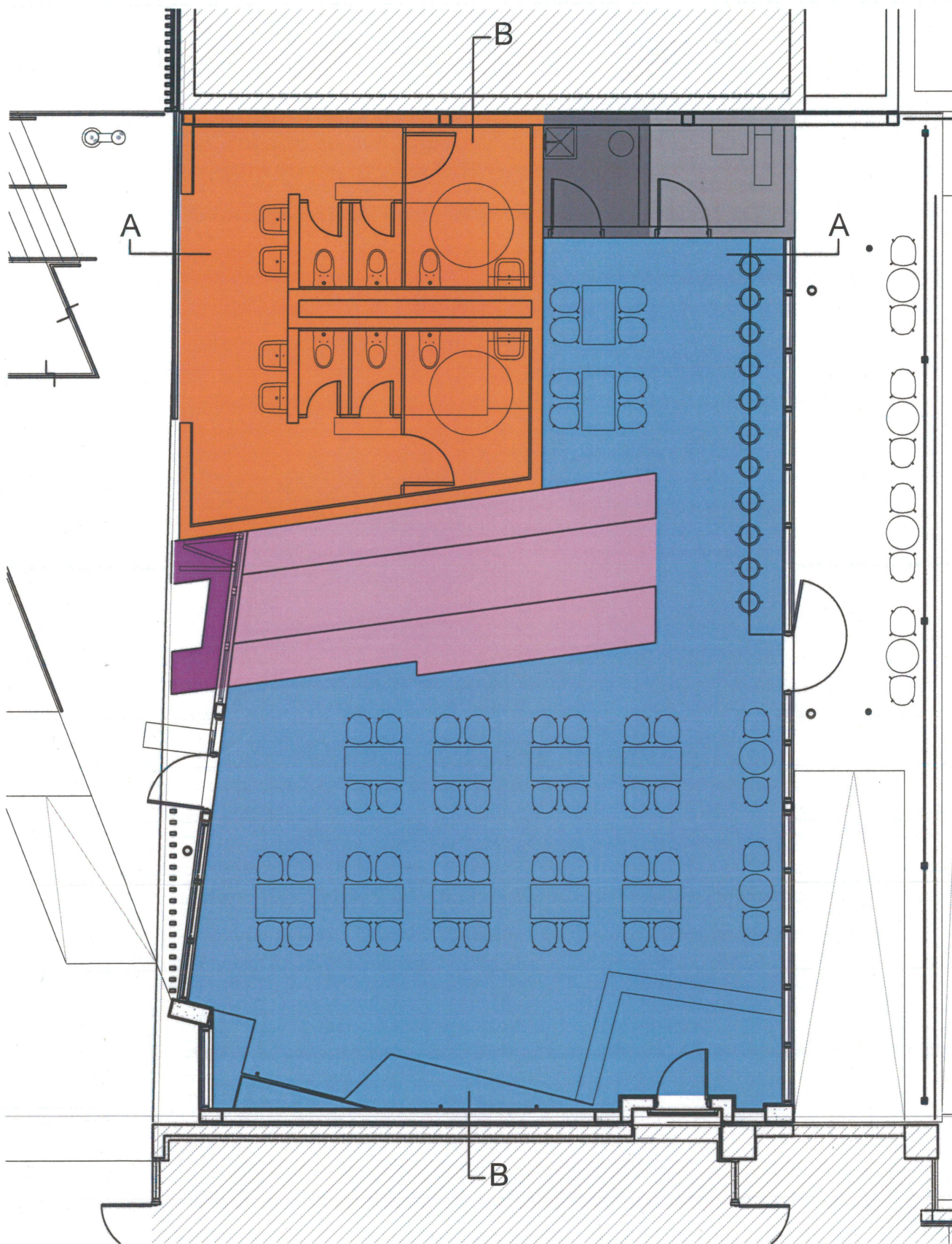
Members Absent: Jonathan Fryd and Eliane Soffer Siegel

Attachment

JLM/EC/JR/CQ







SKA-04-A  
2018 0502

■ BATHROOMS

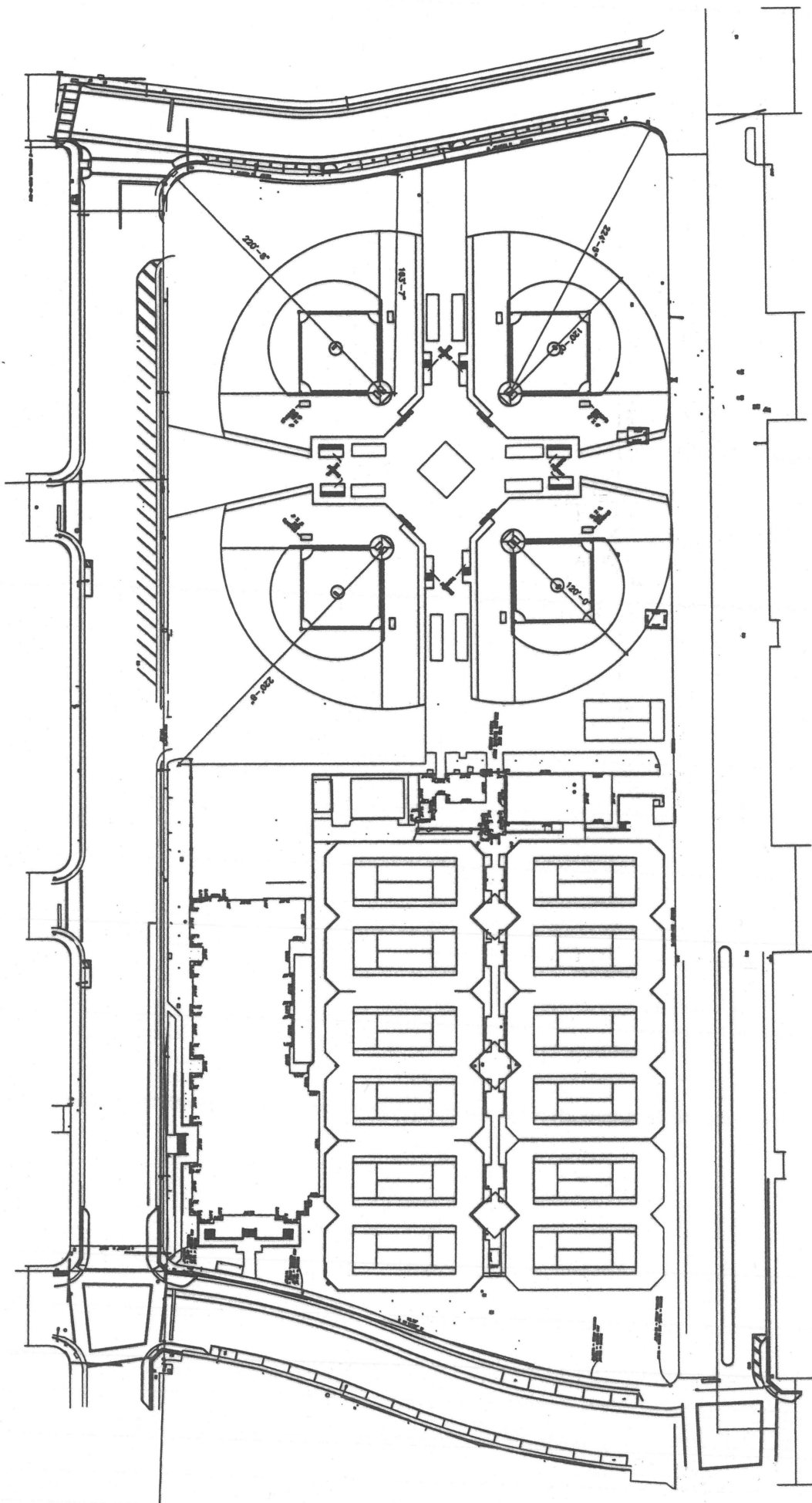
■ KITCHEN

■ JANITOR

■ CAFE

■ OUTDOOR  
SERVING

■ ELECTRICAL



# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING THE CITY'S FY 2018/19 FEDERAL ALLOCATION FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) AND ITS USES**

### **HISTORY:**

The City is an entitlement community designated by the U.S. Department of Housing and Urban Development (HUD) and as determined by the decennial census information on population growth lag, age of housing stock, and poverty. As an entitlement community, the City receives an annual allocation under HUD funding through the Community Development Block Grant (CDBG) and HOME Investments Partnership (HOME) programs. HUD requires entitlement jurisdictions to submit a Five-Year *Consolidated Plan*, which establishes the strategic framework upon which the City utilizes its funds. The *Consolidated Plan* is augmented and refined by the City's annual submission of a One-Year *Action Plan*, which delineates the specific projects and activities funded by each year's HUD allocation.

The annual allocations have fluctuated from year to year and have been reduced by more than two-thirds since their peak. The chart below identifies the amount and year of the City's peak allocation for each program as well as the current award and projected amounts for FY 18/19:

	Highest Award Received	FY 2017/18	FY 2018/19
<b>CDBG</b>	\$2,994,000 (1995)	\$ 828,433	\$920,070
<b>HOME</b>	\$ 1,846,000 (1992)	\$ 459,308	\$ 638,107

Please note that the number of City staff available to administer these compliance-heavy programs has been reduced over time (including the elimination of one full-time position last budget cycle) resulting in only one staff person per program.

### **ANALYSIS:**

#### **CDBG Program**

The CDBG program supports programming that benefits low-income persons through direct public services and capital improvements. The program has the following expenditure limitations:

- Administration Cap: 20% of award
- Public Services Cap: 15% of award (Please note that public services are inclusive of all direct services benefiting low-income persons that does not include capital projects. i.e. groceries for the elderly, youth services, rent assistance, homeless services, etc.)



The City currently funds a variety of Public Services including:

- Elder services and referral (UNIDAD of Miami Beach)
- Grocery delivery for elderly and rent/utility assistance (Housing and Community Services)
- After school youth programming (Boys and Girls Club of Miami – Flamingo Park)

Within the last three years, the City had awarded CDBG funds to several non-profit community providers who subsequently declined the awards because they deemed the documentation and compliance requirements too onerous. The providers included:

- Little Havana Activities and Nutrition Center
- Jewish Community Services of South Florida
- Food for All
- Empowering Youth

It should be noted that the City undertook an overhaul of its Sub-Recipient Guidelines in 2013 through 2015 in response to an audit by HUD's Office of the Inspector General and internal reviews. Many of the audit's findings were as a result of the City failing to obtain required documentation of service and expenditure from its Sub-Recipients. To ensure compliance, the City revised its Sub-Recipients contracts, reporting forms, and compliance guidelines. In addition, it sponsors an annual compliance workshop and schedules one-on-one meetings with Sub-Recipients to review contracts and documentation requirements.

For the past two years, the City has prioritized CDBG capital funds to address significant needs in its residential portfolio acquired from Miami Beach Community Development Corporation (MBCDC). The City is currently rehabilitating the Lottie Apartments (including roof replacement, lead abatement, new floors, ADA accessibility, and building envelope). The City has projected expending \$1,423,687 for the current phase of rehabilitation.

The City has also begun to rehabilitate bathrooms at the Neptune Apartments as they were completed by MBCDC without shower pans resulting in severe water damage throughout the building. The Neptune Apartments rehabilitation is estimated at \$2,066,826 and includes extensive work including: roof replacement; termite treatment; building envelope and facade restoration; replacement of HVAC; electrical work; and floor replacement; among others. The City's funding gap remains at \$710,300 for Phase 1 of this project.

## **HOME Program**

The HOME program supports the creation and retention of affordable housing to benefit low-income persons. The program has the following expenditure limitations:

- Administration Cap – 10% of award
- Community Housing Development Organization (CHDO) Cap – 15% of award

CHDO's are affordable housing development organizations that request certification from the City annually to become eligible to receive HOME funds for qualified affordable housing projects that serve households earning up to 80 percent of Area Median Income (AMI).

Unlike CDBG, the HOME program requires the City to provide a 25 percent non-federal match. The City utilizes its State Housing Initiatives Program (SHIP) allocation, its salary match from the General Fund (as HOME does not generate sufficient funds to fully fund its administration requirements) and a running carryover from the City's Redevelopment Agency (RDA) acquisition of three affordable housing properties in 2007 (the Allen Apartments, Barclay Plaza Apartments and London House Apartments). The current match carryover is \$ 2,529,800.

Up until 2013, the City awarded its HOME funds exclusively to Miami Beach Community Development Corporation (MBCDC). However, a litany of compliance violations led the City to withhold CHDO status and federal funding to the agency since 2013. MBCDC applied for CHDO designation in March 2018 but has been

unable to provide requested financial documentation to complete the application review and has several outstanding audit findings that undermine the agency's capacity to undertake any further projects. In fact, Miami-Dade County issued MBCDC a notice of default and foreclosure proceedings on April 27, 2018 for compliance issues at the Crespi Park Apartments.

For the past two years, the City has been prioritizing the use of HOME funds to address the significant capital needs at its residential properties acquired from MBCDC including the Lottie Apartments and Madeleine Village Apartments. Please note that the City did not access General Fund or other City monies to acquire or rehabilitate any its residential properties. HUD funds have been solely used to fund the acquisition and necessary rehabilitation of these properties.

#### **Awarding HUD Funds**

The City's *Consolidated Plan* provides a variety of ways for the City to award its HUD funds including:

- The City may issue a simplified or limited application with grantee follow-up;
- The City may survey qualified organizations via a direct solicitation;
- The City may respond to unsolicited applications after review of eligibility; or
- The City may review the performance of existing sub-recipients before renewing their ongoing programmatic participation.

For the past two years, given the delay in HUD issuing awards and the need to submit the *Annual Plan* in August while complying with all noticing requirements, the City has awarded its Public Services funds to existing providers with the capacity and willingness to provide ongoing services in compliance with HUD regulations while ensuring the maximum number of people served. As noted previously, some of the previously funded agencies declined HUD funds because of the high documentation and compliance standards for use of federal funds.

The City has prioritized its capital funds for the rehabilitation of its residential housing properties to ensure meeting HUD's decent, safe and sanitary housing standard. The City, which acquired its residential properties without General Fund monies, operates the properties solely from rental income which funds all staffing, operational and maintenance expenses. The City also established its security deposits fund account and operating reserves from rental income collected.

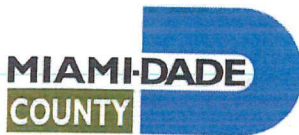
#### **CONCLUSION:**

The Administration is seeking direction and encourages discussion on this item.

#### **ATTACHMENTS:**

Description	Type
❑ MiamiDade County Correspondence re MBCDC	Other
❑ Residential Capital Needs Table	Other





Public Housing and Community Development

701 NW 1st Court • 16th Floor  
Miami, Florida 33136-3914  
T 786-469-4100 F 786-469-4199

miamidade.gov

Sent Via Certified Mail No. 7011 3500 0003 1992 9598

April 27, 2018

Cissy Proctor, Executive Director  
Florida Department of Economic Opportunity  
107 E Madison St.  
Tallahassee, FL 32399

Re: MBCDC: Crespi Park Apartments Inc.  
7900-7920 Crespi Boulevard and 1011-1023 79<sup>th</sup> Street  
Miami Beach, FL 33139  
Documentary Stamp Surtax loan in the amount of \$250,000  
Total Units: 16 / 100% Set aside Units

Dear Ms. Proctor:

This letter serves as formal notification that MBCDC: Crespi Park Apartments, Inc. (the "Borrower") has been issued the attached Notice of Default by Miami-Dade County (the "County") of the Loan Agreement dated January 28, 2002, between the Borrower and Miami-Dade County (the "Loan Agreement"); the Promissory Note dated January 30, 2018 given by the Borrower to the County (the "Note"); the Mortgage and Security Agreement and Collateral Assignment of Leases, Rents, and the Contract Rights given by the Borrower to the County on January 28, 2002 (the "Mortgage"); the FY 2000 and FY 2001 Documentary Stamp Surtax (Surtax) Affordable Housing Contracts between the Borrower and Miami-Dade County, attested on March 1, 2000 and August 2, 2001 (respectively) in the total amount of up to \$250,000 (the "Surtax Contract"), executed simultaneously with the Rental Regulatory Agreement dated January 28, 2002, collectively referred to herein as the "Loan Documents".

At this point, it is apparent that the Borrower will be unable to cure the violations. The County has no choice but to declare a default under the mortgage with the whole indebtedness under the Promissory Note evidencing the County Loan immediately due and payable and/or proceed with foreclosure proceedings on the note and an action for specific performance on the Rental Regulatory Agreement.

Should you have any questions, please contact, Clarence Brown, Division Director, at (786) 469-2258.

Sincerely,

Michael Liu  
Director

Enclosures

- c: Helen M. Albert, Acting Inspector General, USHUD  
Jose Laureano, Special Agent, OIG Local Miami Office, USHUD  
Ana Chavis, CPD Director, USHUD  
Bob Cook, Regional Faith-Based Liaison, USHUD  
Maria Ruiz, Director, HCD, City of Miami Beach  
Maurice Kemp, Deputy Mayor  
Richard Graham, CFO, PHCD  
Clarence D. Brown, Division Director, PHCD  
Jacqueline Dana, Manager, PHCD

Received 5/2/18



**Public Housing and Community Development**

701 NW 1st Court • 16th Floor  
Miami, Florida 33136-3914  
T 786-469-4100 F 786-469-4199

[miamidade.gov](http://miamidade.gov)

*Sent Via Certified Mail No.: 7011 3500 0003 1992 9581*

April 27, 2018

Beatriz Cuenca-Barbeiro, Executive Director  
Miami Beach Community Development Corporation  
945 Pennsylvania Avenue, 2nd Floor  
Miami Beach, FL 33139

Re: MBCDC: Crespi Park Apartments Inc.  
7900-7920 Crespi Boulevard and 1011-1023 79<sup>th</sup> Street  
Miami Beach, FL 33139  
Documentary Stamp Surtax loan in the amount of \$250,000  
Total Units: 16 / 100% Set aside Units

Dear Mrs. Cuenca-Barbeiro:

As a follow up to our meeting held on April 18, 2018, this letter serves as Notice of Default by Miami-Dade County (the "County") to MBCDC: Crespi Park Apartments, Inc. (the "Borrower") of the Loan Agreement dated January 28, 2002, between the Borrower and Miami-Dade County (the "Loan Agreement"); the Promissory Note dated January 30, 2018 given by the Borrower to the County (the "Note"); the Mortgage and Security Agreement and Collateral Assignment of Leases, Rents, and Contract Rights given by the Borrower to the County on January 28, 2002 (the "Mortgage"); the FY 2000 and FY 2001 Documentary Stamp Surtax (Surtax) Affordable Housing Contracts between the Borrower and Miami-Dade County, attested on March 1, 2000 and August 2, 2001 (respectively) in the total amount of up to \$250,000 (the "Surtax Contract"), executed simultaneously with the Rental Regulatory Agreement dated January 28, 2002, collectively referred to herein as the "Loan Documents".

As of April 19, 2018, the Borrower is in default with the Rental Regulatory Agreement (the "RRA") executed on January 28, 2002 and recorded at O.R. Book 524939, specifically with regard to those Sections cited below:

**RRA Section I(a). Page 2 - Leasing and Occupancy, Eligible Tenants at or below 65%**

**Source Document: Tenant Income Certifications (TIC) Forms, Lease Agreements, and Audited Financials**

1. Income calculations were tabulated incorrectly at re-certification.
2. Rent amount reported on the TIC did not match amount specified in the lease agreement.

**RRA Section II. Page 3 – Rent Increase**

**Source Document: Vacancy Report (Move In & Move Outs)**

1. Failed to obtain prior approval to change rents from at or below 65% area median income (AMI) to market rate rents. It is important to note, the Borrower failed to seek prior written approval from PHCD to change rents from at or below 65% AMI to market rate.
2. On July 21, 2017, MBCDC issued the attached notice to Tenants advising they "will not be renewing their lease at the end of the lease term". Additionally, tenants were advised to "move by the end of the lease term or sooner but no later than the last day of their lease."



3. As a result;
  - o 8 tenants moved out, of which;
    - 7 were eligible tenant households displaced and forced to vacate their unit.
    - As of April 12, these 7 units remained vacant leaving the property at 50% occupancy rate.
    - 1 tenant household was over the income limit;
  - o 8 eligible tenant households occupying units were asked to vacate.

**RRA Section VII. Page 5 - Financial Reports - Maintenance Reserve for Replacements**  
**Source Document: Audited Annual Operating Financial Statement**

1. Failed to deposit the required amount, per unit, per year on a consistent basis.
  - a) Required deposit of \$200 per unit x 16 units = \$3,200 monthly.
  - b) Required total deposit of \$38,400 annually.
2. Unauthorized and ineligible use of maintenance reserve for replacement funds. Specifically, funds were withdrawn from the reserve accounts without written authorization and were not withdrawn for the purpose of replacement of structural elements and/or mechanical equipment.
3. Unable to determine Current Balance for the account.

As a result, the Borrower is in default of the Rental Regulatory Agreement (RRA). Such violations to the RRA have resulted in egregious actions by the Borrower where it is impossible for the violations to be cured at Crespi Park Apartments Inc. Therefore, to protect the County's interest, the County has no choice but to declare a default under the mortgage with the whole indebtedness under the Promissory Note evidencing the County Loan immediately due and payable and/or proceed with foreclosure proceedings on the note and an action for specific performance on the Rental Regulatory Agreement.

The Borrower has thirty (30) days to cure the Event of Default listed above. If the Borrower fails to cure the Default conditions within the thirty (30) day period, the Lender shall foreclose upon the mortgage, and otherwise enforce and protect its interest for the Note, and seek any and all remedies to the Lender at law or equity.

Should you have any questions, please contact, Clarence Brown, Division Director, at (786) 469-2258.

Sincerely,



Michael Liu  
Director

Enclosures

- c: Maurice Kemp, Deputy Mayor  
Shannon D. Summerset-Williams, CAO  
Richard Graham, CFO, PHCD  
Clarence D. Brown, Division Director, PHCD  
Jacqueline Dana, Manager, PHCD

**Miami Beach Community Development Corporation (MBCDC)**

**945 Pennsylvania Ave., 2<sup>nd</sup> floor**

**Miami Beach, FL 33139**

7/21/2017

Lidia Felipe

Apt 6

1023-79<sup>th</sup> street

Miami Beach, 33141

Dear Crespi Apartment Tenant:

This letter is to advise you that Miami Beach Community Development Corporation (MBCDC) will not be renewing your lease at the end of the lease term 02/1/2018. We will need you to move by the end of the lease term or sooner but no later than the last day of your lease.

MBCDC will be converting these units to market rate rentals in the next 6-12 months. The rents for the 1-bedrooms will be approximately \$1,300 and the 2-bedrooms will be \$1,900.

We would like to meet with you to discuss options available to you. The options are:

1. You will need to advise the Section 8 office of your desire to move. We will provide you with a notice of mutual termination of the lease. Section 8 will need to issue you a Voucher to see out another apartment for your family.
2. We can offer you one of our available units at another property, if you qualify. You must accept the offer within 10 days of your appointment and move by the end of your lease or sooner.

We have scheduled an appointment for you to come into our office to discuss the options on Friday July 31, 2017 at 3:00 pm. If this day and time is not convenient for you, please call 305-538-0090 to reschedule.

Sincerely,

MBCDC Property Management

Affordable Housing Property	Scope of Work	Estimated Cost	Funds Currently Committed	Funding Gap
London House (Completed)	The Design/Build Scope of Services included designing, permitting, construction, and the construction management associated with the rehabilitation and restoration of the historic London House apartment buildings. The project included work on the exterior architectural features, structural shell, site construction, concrete, masonry, rough and finish carpentry, thermal and moisture protection, doors & windows, interior finishes, equipment, elevator, plumbing, mechanical, and electrical.	\$3,167,750	Project Completed	0
Lottie Apartments – Phase I (In progress)	The project entails work on the structural shell of the building, repair of exterior hollow or spalling stucco and façade cracks, roof replacement, clean and seal crawling space, site construction, concrete, masonry, rough and finish carpentry, thermal and moisture protection, doors & windows, termite tenting, stairwell, interior finishes, equipment, plumbing, exterior and interior paint, drywall repairs, bathroom and kitchen renovations, landscaping, and the installation of new mail boxes. Rehabilitation of units 101, 102, 106 and 107.	\$1,179,458	\$1,179,458	0
Lottie Apartments – Phase II	Rehabilitation of remaining 5 units.	\$460,000	0	\$460,000
Neptune Apartments– Phase I	Termite treatment; common area floor replacement; renovation of interior apartments to include bathroom renovations; replacement of kitchen cabinets, fixtures and appliances; interior flooring repairs and insulation; painting and landscape of common areas. Please note that additional work may be needed once walls are impacted.	\$597,978	\$419,600 Pending commission approval: +\$178,378	0
Neptune Apartments– Phase II	Roof replacement; building envelope and façade repair and restoration; exterior paint; replacement of a/c units; drywall repair and paint; painting and landscape of common areas; electrical work; irrigation and landscaping; and installation of a perimeter fence. Please note that additional work may be needed once walls are impacted.	\$1,588,262	0	\$1,588,262
Madeleine Village Apartments– Phase I (Building)	Roof repair or replacement; mold remediation; repair of interior sidewalks; seawall repair and the adjacent landscaping area; removal of the existing wood dock in the back of the building; addition of a new laundry room and repair of the existing laundry room; kitchen cabinets, appliances, fixtures and plumbing renovations; bathrooms renovations; replacement of a/c units; replacement of exterior door; addition of drip caps at main doors locations; exterior and interior paint; building landscaping and new irrigation system; waterproofing of existing planters; electrical work and exterior lighting; and installation of a perimeter fence.	\$873,741	\$873,741 – Phase I \$371,900 – Phase II  Pending commission approval: (-\$178,378.09)	\$0
Madeleine Village Apartments– Phase II (Seawall)	Seawall repair and the adjacent landscaping area.	\$371,900		\$0



# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING THE NEW FLORIDA LAW REQUIRING THE STATE BOARD OF ADMINISTRATION TO DIVEST SPECIFIED INVESTMENTS AND PROHIBITING INVESTMENTS WITH THE GOVERNMENT OF VENEZUELA, OR IN ANY COMPANY DOING BUSINESS WITH VENEZUELA IN VIOLATION OF FEDERAL LAW, AND POTENTIALLY AMENDING THE CITY'S INVESTMENT POLICIES AND PROCEDURES, AND THE MIAMI BEACH EMPLOYEE'S RETIREMENT PLAN, TO REQUIRE SIMILAR DIVESTMENT REQUIREMENTS AND INVESTMENT PROHIBITIONS**

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**ANALYSIS:**

Discussion at Committee.

**ATTACHMENTS:**

Description	Type
☐ Commission Referral C4I	Memo

# MIAMI BEACH

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission  
FROM: Raul J. Aguila, City Attorney  
DATE: April 11, 2018

SUBJECT: REFERRAL TO THE FINANCE AND CITYWIDE PROJECTS COMMITTEE TO DISCUSS NEW FLORIDA LAW REQUIRING THE STATE BOARD OF ADMINISTRATION TO DIVEST SPECIFIED INVESTMENTS AND PROHIBITING INVESTMENTS WITH THE GOVERNMENT OF VENEZUELA, OR IN ANY COMPANY DOING BUSINESS WITH VENEZUELA IN VIOLATION OF FEDERAL LAW, AND POTENTIALLY AMENDING THE CITY'S INVESTMENT POLICIES AND PROCEDURES, AND THE MIAMI BEACH EMPLOYEE'S RETIREMENT PLAN, TO REQUIRE SIMILAR DIVESTMENT REQUIREMENTS AND INVESTMENT PROHIBITIONS.

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### **RECOMMENDATION**

Pursuant to the request of Commissioner Kristen Rosen Gonzalez, the above-referenced Referral is submitted for consideration by the Mayor and City Commission at the April 11, 2018 City Commission meeting.

### **Legislative Tracking**

Office of the City Attorney

### **Sponsor**

Commissioner Kristen Rosen Gonzalez

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Raul J. Aguila, City Attorney

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING THE CREATION OF A CITY OFFICE OF INSPECTOR GENERAL**

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### ATTACHMENTS:

Description		Type
<input type="checkbox"/>	Committee Memo	Memo
<input type="checkbox"/>	Draft Ordinance	Ordinance
<input type="checkbox"/>	Referral Memo	Memo
<input type="checkbox"/>	Exhibit A	Other
<input type="checkbox"/>	Exhibit B	Other

# MIAMI BEACH

OFFICE OF THE CITY ATTORNEY

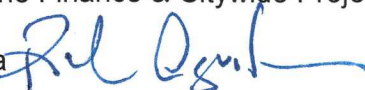
RAUL J. AGUILA, CITY ATTORNEY

## COMMISSION MEMORANDUM

**To:** Commissioner Ricky Arriola, Chair  
Members of the Finance & Citywide Projects Committee

**Date:** May 18, 2018

**From:** Raul J. Aguilá  
City Attorney



**Subject:** AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 2 OF THE CODE OF THE CITY OF MIAMI BEACH, ENTITLED "ADMINISTRATION," BY AMENDING ARTICLE IV, ENTITLED "OFFICERS AND EMPLOYEES," BY CREATING DIVISION 5, ENTITLED "OFFICE OF INSPECTOR GENERAL," TO CREATE THE CITY OF MIAMI BEACH OFFICE OF INSPECTOR GENERAL; ESTABLISH THE MINIMUM QUALIFICATIONS, APPOINTMENT, AND TERM OF OFFICE; ESTABLISH AN AD HOC INSPECTOR GENERAL SELECTION COMMITTEE; PROVIDE FOR A CONTRACT OF EMPLOYMENT; DEFINE THE FUNCTIONS, AUTHORITY, AND POWERS OF THE OFFICE; PROVIDE FOR PHYSICAL FACILITIES AND STAFFING; ESTABLISH A PROCEDURE FOR ISSUANCE OF REPORTS AND RECOMMENDATIONS; PROVIDE FOR AN ANNUAL BUDGET; REQUIRE ANNUAL REPORTING; PROVIDE FOR REMOVAL OF THE INSPECTOR GENERAL; PROVIDE FOR THE AMENDMENT OR REPEALER OF THIS ORDINANCE; AND PROVIDE FOR ABOLITION OF THE OFFICE; AND PROVIDING FOR REPEALER, CODIFICATION, SEVERABILITY, AND AN EFFECTIVE DATE.

On December 13, 2017, the Mayor and City Commission referred a discussion to the Finance and Citywide Projects Committee (the "Committee"), regarding the creation of a City of Miami Beach Office of Inspector General.

Pursuant to the Committee's direction at its meeting on January 19, 2018, attached for the Committee's review is a draft Ordinance creating the Office of Inspector General, as well as a corresponding draft ballot question and proposed City Charter amendment (See Composite Exhibit "A"). The first date on which the City Commission may adopt a Resolution calling for a special election on November 6, 2018, to submit a proposed City Charter amendment to the City's voters, is July 9, 2018. If the proposed Charter amendment is approved by the City's voters on November 6, 2018, the attached Ordinance will be presented to the City Commission for its approval.

For reference purposes, the original Commission Memorandum referring this discussion to the Committee, is attached hereto as Composite Exhibit "B".

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 2 OF THE CODE OF THE CITY OF MIAMI BEACH, ENTITLED "ADMINISTRATION," BY AMENDING ARTICLE IV, ENTITLED "OFFICERS AND EMPLOYEES," BY CREATING DIVISION 5, ENTITLED "OFFICE OF INSPECTOR GENERAL," TO CREATE THE CITY OF MIAMI BEACH OFFICE OF INSPECTOR GENERAL; ESTABLISH THE MINIMUM QUALIFICATIONS, APPOINTMENT, AND TERM OF OFFICE; ESTABLISH AN AD HOC INSPECTOR GENERAL SELECTION COMMITTEE; PROVIDE FOR A CONTRACT OF EMPLOYMENT; DEFINE THE FUNCTIONS, AUTHORITY, AND POWERS OF THE OFFICE; PROVIDE FOR PHYSICAL FACILITIES AND STAFFING; ESTABLISH A PROCEDURE FOR ISSUANCE OF REPORTS AND RECOMMENDATIONS; PROVIDE FOR AN ANNUAL BUDGET; REQUIRE ANNUAL REPORTING; PROVIDE FOR REMOVAL OF THE INSPECTOR GENERAL; PROVIDE FOR THE AMENDMENT OR REPEALER OF THIS ORDINANCE; AND PROVIDE FOR ABOLITION OF THE OFFICE; AND PROVIDING FOR REPEALER, CODIFICATION, SEVERABILITY, AND AN EFFECTIVE DATE.**

**WHEREAS**, the City of Miami Beach (the "City") is committed to high standards of ethics, transparency, and accountability; and

**WHEREAS**, Section (A)(18) of the Citizens' Bill of Rights declares that "[t]he public's confidence and trust in City of Miami Beach operations and government must meet the most demanding ethical standards and demonstrate the highest level of achievement in its adherence to ethics laws. City of Miami Beach officials and employees are agents of the people and hold their positions for the benefit of the public—as public servants, they are to observe in their official acts a high standard of conduct and to discharge faithfully the duties of their office regardless of personal considerations and interests, recognizing that promoting the public interest and maintaining the respect of the people in their government must be of foremost concern. In upholding the values of accountability and responsibility, all city officials and employees shall abide by applicable codes of ethical conduct, and be subject to all penalties provided for in such regulations"; and

**WHEREAS**, City Charter Section 2.03 authorizes the City Commission to "investigate the official acts and conduct of any City official, and by similar investigations may secure information upon any matter"; and

**WHEREAS**, on November 6, 2018, the City's voters approved an amendment to the City Charter, creating Article IX, which creates the City of Miami Beach Office of Inspector General; provides the Office of Inspector General with the power to subpoena witnesses, administer oaths, and require production of records, in order to conduct its investigations; and provides that the Inspector General's appointment, term, functions, authority, and powers shall be further established by ordinance; and

**Composite Exhibit "A"**



**WHEREAS**, the purpose of the Office of Inspector General is to detect, investigate, and prevent fraud, waste, mismanagement, misconduct, and abuse of power in the City of Miami Beach; and

**WHEREAS**, in light of the policies stated above, the Mayor and City Commission now desire to implement the provisions of the newly created Article IX of the City Charter, entitled "Office of Inspector General," by adopting the City Code amendments set forth herein.

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

**SECTION 1.** That Division 5, entitled "Office of Inspector General," of Article IV, entitled "Officers and Employees," of Chapter 2, entitled "Administration," of the Miami Beach City Code, is hereby created to state as follows:

**CHAPTER 2  
ADMINISTRATION**

\* \* \*

**Article IV. Officers and Employees**

\* \* \*

**Division 5. Office of Inspector General**

\* \* \*

**Sec. 2-276. Office of Inspector General.**

(a) *Created and established.* The City of Miami Beach Office of Inspector General is hereby created. For purposes of this section, the Office of Inspector General shall be referred to as the *Office*. The Inspector General shall head the Office. The organization and administration of the Office shall be sufficiently independent to assure that no interference or influence external to the Office adversely affects the independence and objectivity of the Inspector General.

(b) *Minimum qualifications, appointment, and term of office.*

(1) *Minimum qualifications.* The Inspector General shall be a person who:

(a) has at least ten (10) years of cumulative experience in any one, or in any combination of, the following professions or fields:

(i) federal, state, or local law enforcement officer;

(ii) federal or state court judge;

(iii) federal, state, or local government attorney; and/or

(iv) progressive supervisory experience in an investigative public agency similar to an inspector general's office;

- (b) has managed and completed complex investigations involving allegations of fraud, theft, deception, and conspiracy;
- (c) has demonstrated the ability to work with local, state, and federal law enforcement agencies and the judiciary;
- (d) has a four-year degree from an accredited institution of higher learning;
- (e) has not been employed by the City (in any capacity other than as the City's Inspector General, or as a member of the Inspector General's staff) during the two (2) year period immediately prior to appointment;
- (f) has not been found guilty of or entered a plea of nolo contendere to any felony, or any misdemeanor involving a breach of public trust; and
- (g) has not been subject to any finding of a violation, or any other enforcement action, by the Miami-Dade County Commission on Ethics and Public Trust, or the Florida Commission on Ethics.

(2) *Appointment.* The Inspector General shall be appointed by the Ad Hoc Inspector General Selection Committee (hereinafter referred to as the *Selection Committee*). Before any appointment by the Selection Committee shall become effective, the appointment must be approved, at the next regularly scheduled City Commission meeting after the appointment, by a majority vote of the City Commission. In the event that the appointment is not approved by the City Commission, the appointment shall become null and void, and the Selection Committee shall make a new appointment, which shall likewise be submitted for approval by the City Commission. The Selection Committee shall be composed of seven (7) members selected as follows:

- (a) The State Attorney in and for the Eleventh Judicial Circuit of Florida;
- (b) The Miami-Dade County Inspector General;
- (c) The Chairperson of the Miami-Dade Commission on Ethics and Public Trust;
- (d) The City Attorney;
- (e) The Chairperson of the City's Audit Committee;
- (f) An attorney, licensed to practice in the State of Florida, with at least five (5) years of experience representing a local government in Miami-Dade County, who shall be appointed by the City Commission; and
- (g) One (1) member to be appointed by the City Commission as a citizen at-large, who shall be a resident of Miami Beach.

The members of the Selection Committee shall elect a chairperson who shall serve as chairperson until the Selection Committee's appointment of the Inspector General is approved by the City Commission. The Selection Committee shall select the

Inspector General from a list of qualified candidates submitted by the City Manager's designee, who shall be the City's Human Resources Director.

- (3) Term. The Inspector General shall be appointed for a term of four (4) years. In case of a vacancy in the position of Inspector General, the City Commission may appoint the deputy inspector general, assistant inspector general, or other Office management personnel as Interim Inspector General until such time as a successor Inspector General is appointed, in the manner described in subsection (b)(2) above. Any successor appointment made by the Selection Committee as provided in subsection (b)(2) shall be for a full four-year term.

At least 30 days prior to the expiration of each term, the City Commission may, by majority vote, re-appoint the Inspector General to another term. In the event that the City Commission fails to reappoint the Inspector General, the City Commission shall reconvene the Selection Committee to appoint an Inspector General, in the manner described in subsection (b)(2). Nothing herein shall be construed to prevent the incumbent Inspector General from submitting his or her name as a candidate to be considered for selection and appointment.

- (4) Staffing of Selection Committee. The City Manager's designee, who shall be the Human Resources Director, shall provide staffing to the Selection Committee; shall advertise, as necessary, the acceptance of resumes for the position of Inspector General; and shall provide the Selection Committee with a list of qualified candidates. The Human Resources Director shall also be responsible for ensuring that background screening investigations are conducted on any candidate selected for interview by the Selection Committee. The results of the background screening investigations shall be provided to the Selection Committee prior to the interview of candidates.

- (c) Contract. The City Attorney shall negotiate a contract of employment with the Inspector General, except that before any contract shall become effective, the contract must be approved by a majority vote of the City Commission.

- (d) Functions, authority, and powers.

- (1) The Office shall have the authority to make investigations of City affairs and the power to review past, present, and proposed City programs, accounts, records, contracts, and transactions.
- (2) The Inspector General shall be authorized to conduct any reviews, audits, inspections, investigations, or analyses relating to departments, offices, boards, activities, programs, and agencies of the City.
- (3) The Office shall have the power to require reports from the City Commission, City Manager, City departments, City agencies, boards, and committees, and City officers and employees, regarding any matter within the jurisdiction of the Inspector General.
- (4) The Office shall, subject to the provisions in subsections (d)(4)(a) and (d)(4)(b) below, have the power to subpoena witnesses, administer oaths, and require the production of records. In the case of a refusal to obey a subpoena issued to any person, the

Inspector General may make application to any circuit court of this state which shall have jurisdiction to order the witness to appear before the Inspector General and to produce evidence if so ordered, or to give testimony related to the matter in question.

- (a) Prior to issuing a subpoena, the Inspector General shall notify the State Attorney and the U.S. Attorney for the Southern District of Florida. The Inspector General shall not interfere with any ongoing criminal investigation of the State Attorney and/or the U.S. Attorney for the Southern District of Florida, where the State Attorney and/or the U.S. Attorney for the Southern District of Florida has explicitly notified the Inspector General in writing that the Inspector General's investigation is interfering with an ongoing criminal investigation.
- (b) The subpoena power set forth in this subsection (d)(4) shall not extend to subpoenas to law enforcement officers in connection with investigations of complaints against them.
- (5) The Office shall have the power to report and/or recommend to the City Commission and City Manager whether a particular project, program, contract, or transaction is, or was, necessary and, if deemed necessary, whether the method used for implementing the project or program is, or was, efficient both financially and operationally. Any review of a proposed project or program shall be performed in such a manner as to assist the City Commission and City Manager in determining whether the project or program is the most feasible or efficient solution to a particular need or problem. Monitoring of an existing project or program may include reporting whether the project is on time, within budget, and in conformity with plans, specifications, and applicable law.
- (6) The Office shall have the power to analyze the need for, and the reasonableness of, proposed change orders.
- (7) The Inspector General may, on a random basis, perform audits, inspections, and reviews of all City contracts.
- (8) The Inspector General is empowered to conduct investigations that may result in referrals to law enforcement agencies and/or criminal investigations. Where the Inspector General detects corruption or fraud, the Inspector General shall notify the appropriate law enforcement agencies. Subsequent to notifying the appropriate law enforcement agency, the Inspector General may assist the law enforcement agency in concluding the investigation. When the Inspector General detects a violation of any of the ordinances within the jurisdiction of the Miami-Dade County Commission on Ethics and Public Trust (hereinafter referred to as the *Ethics Commission*), the Inspector General may file a complaint with the Ethics Commission or may refer the matter to the Ethics Commission's Advocate.
- (9) As applicable to the City's procurement of goods and services, the Inspector General shall have the power to audit, investigate, monitor, oversee, inspect, and review the operations, activities, performance, and procurement process (including, but not limited to, project design, establishment of bid specifications, bid submittals, contract performance, and other activities) of a bidder or contractor and its officers, agents, employees, and lobbyists, and/or any such related activities of City staff and elected

officials, in order to ensure compliance with contract specifications and to detect corruption and fraud.

- (10) The Inspector General may review, audit, or investigate any expenditure of City funds.
  - (11) The Inspector General may investigate any matter involving an allegation of employee or officer misconduct.
  - (12) The Inspector General shall be notified in writing prior to any meeting of a selection committee where any matter relating to the procurement of goods or services by the City is to be discussed. The notice required by this subsection (d)(12) shall be given to the Inspector General as soon as possible after a meeting has been scheduled, but in no event later than twenty-four (24) hours prior to the scheduled meeting. The Inspector General may, at the Inspector General's discretion, attend all duly noticed City meetings relating to the procurement of goods or services as provided herein, and, in addition to the exercise of all powers conferred by this section, may pose questions and raise concerns consistent with the functions, authority, and powers of the Inspector General. An audio tape recorder shall be utilized to record all selection committee meetings.
  - (13) The Inspector General shall have the power to review and investigate any citizen's complaints regarding City projects, programs, contracts, transactions, officers, or employees.
  - (14) The Inspector General may exercise any of the powers contained in this section upon the Inspector General's own initiative.
  - (15) The Inspector General shall have the authority, subject to budgetary allocation by the City Commission, to retain and coordinate the services of Independent Private Sector Inspectors General (IPSIG) or other professional services, as required when, in the Inspector General's discretion, he or she concludes that such services are needed to perform the duties and functions enumerated in subsection (d) herein. Any such retention and/or procurement of services shall be coordinated through the City's Procurement Department.
- (e) Physical facilities and staff.
- (1) The City Manager shall provide the Office with appropriately located office space and sufficient physical facilities together with necessary office supplies, equipment and furnishings to enable the Office to perform its functions.
  - (2) The Inspector General shall have, subject to budgetary allocation by the City Commission, the power to appoint, employ, and remove such assistants, employees, and personnel, and establish personnel procedures as deemed necessary for the efficient and effective administration of the activities of the Office.
- (f) Procedure for finalization of reports and recommendations which make findings as to the person or entity being reviewed or inspected. Notwithstanding any other provision of this section, whenever the Inspector General concludes a report or recommendation which contains findings as to the person or entity being reported on, or who is the subject of the



recommendation, the Inspector General shall provide the affected person or entity a copy of the report or recommendation, and such person or entity shall have ten (10) working days to submit a written explanation or rebuttal of the findings before the report or recommendation is finalized, and such timely submitted written explanation or rebuttal shall be attached to the finalized report or recommendation. The requirements of this subsection (f) shall not apply when the Inspector General, in conjunction with the State Attorney and/or U.S. Attorney, determines that supplying the affected person or entity with such report will jeopardize a pending criminal investigation.

- (g) *Budget.* The Inspector General's budget is subject to annual approval of the City Commission. Within sixty (60) days of appointment, the Inspector General shall submit a proposed annual budget to the City Commission covering the remainder of the City's fiscal year in which the Inspector General is appointed. In each subsequent City fiscal year, the Inspector General shall submit a proposed budget to the City Commission in accordance with the City's regular budget process. Each proposed budget shall include a reasonable estimate of operating and capital expenditures of the Office of Inspector General. The City Commission shall provide sufficient funds, as determined by the City Commission, for the Inspector General to carry out his or her duties in an efficient manner.
- (h) *Reporting.* The Inspector General shall annually prepare and submit to the City Commission a written report concerning the work and activities of the Office including, but not limited to, statistical information regarding the disposition of closed investigations, audits, and other reviews.
- (i) *Removal.* The Inspector General may be removed from office upon the affirmative vote of five-sevenths (5/7) of the members of the City Commission.
- (j) *Amendment or repealer.* Any amendment to this section which, whether through amendment, exemption, repeal, or otherwise, reduces the powers and duties of the Office of Inspector General, or creates less stringent standards or regulations, shall require the affirmative vote of five-sevenths (5/7) of the members of the City Commission.
- (k) *Abolition of the Office.* Notwithstanding the provisions of subsection (j), the Office is created pursuant to Article IX of the City Charter and, therefore, the Office may only be abolished upon approval by a majority vote of the City's voters voting in a Citywide referendum.

## **SECTION 2. REPEALER.**

All ordinances or parts of ordinances in conflict herewith are hereby repealed.

## **SECTION 3. 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 4. 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 re-lettered to accomplish such intention, and the word "ordinance" may be changed to "section," "article," or other appropriate word.

#### **SECTION 5. EFFECTIVE DATE.**

This Ordinance shall take effect on \_\_\_\_\_.

**PASSED** and **ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

#### **ATTEST:**

\_\_\_\_\_  
Rafael E. Granado  
City Clerk

\_\_\_\_\_  
Dan Gelber  
Mayor

(Sponsored by Mayor Dan Gelber, and Co-Sponsored by the City Commission)

Underline denotes additions

~~Strike-through~~ denotes deletions

F:\ATTO\KALN\ORDINANCES\Office of Inspector General.docx

# MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, [www.miamibeachfl.gov](http://www.miamibeachfl.gov)

## COMMISSION MEMORANDUM

TO: Members of the City Commission  
Jimmy L. Morales, City Manager

cc: Raul J. Aguila, City Attorney  
Rafael E. Granado, City Clerk

FROM: Mayor Dan Gelber 

DATE: December 13, 2017

SUBJECT: **Creation of City of Miami Beach Office of Inspector General**

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Pursuant to this memorandum, I have placed the above-referenced item on the December 13, 2017 City Commission meeting agenda, as a referral to the Finance and Citywide Projects Committee (the "Committee"). Upon my request, the City Manager and City Attorney have met with the Miami-Dade County ("County") Inspector General and the General Counsel to the Inspector General, for the sole purpose of gathering information to discuss what would be required to create a City of Miami Beach ("City") Office of Inspector General ("OIG"), which would be independent of the County OIG, but similar in powers and duties. The proposed City Inspector General would serve the City as an autonomous watchdog, providing ethical oversight and identifying waste and abuse.

I envision a two-step process to create a City OIG. First, I propose that the City, through the City Manager and City Attorney, contact Mayor Carlos Gimenez and the County Attorney to enter into discussions for a potential interlocal agreement between the City and the County, to be funded by the City, for the limited purpose of auditing a City department or a specified large-scale City project (as may be determined by the City Commission). This, of course, would be contingent upon County Commission approval. The City's interest in entering into this agreement would be to learn more about the role and operations of the County OIG, and to determine how a City OIG (if created) would ultimately function. The County Commission's input as to whether or not to enter into the interlocal agreement would be critical, as I do not wish to limit nor hinder the County OIG's ability to fulfill its primary responsibilities to the County.

Second, and more importantly, I intend to propose an amendment to the City Charter, for placement on the ballot in November 2018, in order to create an independent City OIG, with similar powers and duties as the County OIG. A summary of the framework of the County OIG is set forth in Section I of this memorandum.

The purpose of this initial referral to the Committee is to garner public input. However, given the great importance of this proposal, I invite all members of the City Commission to co-sponsor this discussion.



## **I. Miami-Dade County Inspector General**

The Miami-Dade County Office of Inspector General was created by the Board of County Commissioners on December 16, 1997. The County Inspector General Ordinance establishes the minimum qualifications, appointment procedure (including the composition and powers of the Ad Hoc Inspector General Selection Committee), and term of appointment, as well as the functions, authority, and powers of the OIG. See Miami-Dade County Code Section 2-1076 (attached hereto as Exhibit "A").

The County OIG has the authority to conduct investigations; require reports from County elected officials and administrators; subpoena witnesses and require the production of records; make reports and recommendations to the Board of County Commissioners regarding County projects, programs, contracts and transactions; conduct reviews, audits, investigations, or analyses of County operations and County contracts<sup>1</sup>; notify relevant law enforcement agencies of potential corruption or fraud; investigate citizen complaints; and perform any other functions or duties described in the County Inspector General Ordinance.

A two-thirds (2/3) vote of the members of the Board of County Commissioners is required to remove the County Inspector General from office, or to abolish the County OIG entirely.

Whenever the County OIG concludes a report or recommendation which contains findings as to a person or entity being reported on, or who is the subject of the recommendation, the OIG is required to provide the affected person or entity with a copy of the report or recommendation, and the affected person or entity shall have 10 working days to submit a written explanation or rebuttal of the findings before the report or recommendation is finalized. Any such timely submitted written explanation or rebuttal shall be attached to the finalized report or recommendation. (These requirements do not apply when the OIG, in conjunction with the State Attorney, determines that supplying the affected person or entity with such report would jeopardize a pending criminal investigation.)

Finally, the Inspector General is required to submit an annual report to the County Mayor and Board of County Commissioners regarding the work and activities of the OIG including, but not limited to, statistics regarding the disposition of closed investigations, audits, and other reviews. See, e.g., 2016 Annual Report, Miami-Dade County Office of the Inspector General, attached hereto as Exhibit "B".

## **II. Creation of a City of Miami Beach Office of Inspector General**

### **A. Phase One: Interlocal Agreement with Miami-Dade County**

Because an amendment to the City Charter is necessary (as further detailed below) to grant the City OIG the same powers as the County OIG, I am proposing, as a possible first step, that the City enter into discussions with Mayor Carlos Gimenez and the County Attorney regarding a potential interlocal agreement with the County OIG for limited inspector general services. Any such agreement would be contingent on County Commission approval, including as to whether

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<sup>1</sup> The County Inspector General Ordinance authorizes the Inspector General to, "on a random basis, perform audits, inspections and reviews of all County contracts." County Code Section 2-1076(d)(6). Subject to the exceptions in the Ordinance, "[t]he cost of random audits, inspections and reviews shall . . . be incorporated into the contract price of all contracts and shall be one quarter (¼) of one (1) percent of the contract price (hereinafter 'IG contract fee')."



the County OIG's current resources would allow it to perform these services, while maintaining its current level of service to the County. The scope of the interlocal agreement would be restricted to auditing a specific City department or a specified large-scale City project, as may be determined by the City Commission. I hereby request that the City Manager assist in identifying a City department or large-scale City project to be audited. The interlocal agreement will allow the City to immediately begin receiving the public benefits associated with an inspector general, until the City OIG is created. Given that these services will impose a cost, the City Administration and City Commission will need to identify a funding source.

#### B. Phase Two: City Charter Amendment

Second, and more importantly, I intend to sponsor, and I would like the City Commission to unanimously co-sponsor, a ballot question and corresponding City Charter amendment to create an independent City OIG. The Charter amendment will, at a minimum, define the powers and duties of the inspector general; the procedure to appoint the inspector general; the inspector general's term of office; and the procedure to remove the inspector general.

A City Charter amendment is necessary to grant the City OIG the same or similar powers and duties as the County OIG. For instance, as a legal matter, a City Charter amendment is required to confer upon the OIG the authority to subpoena witnesses and to order the production of records. The subpoena power is critical to the OIG's ability to complete thorough investigations and to identify fraud, waste, and abuse.

The question of how a public official or body may be delegated the power to subpoena witnesses or order the production of witnesses was addressed by the Third District Court of Appeal in the 1991 case of *Barry v. Garcia*. In *Barry*, two City of Miami police officers challenged the authority of the City of Miami Ad Hoc Independent Review Panel ("Panel") to issue subpoenas and to compel the attendance of witnesses. The City Resolution creating the Panel purported to grant the Panel subpoena powers, in conjunction with its responsibility to "investigat[e] and review[] community relations between police officers and the residents in the Overtown area."

The District Court recognized that, "[w]hen a municipal charter or special act grants the use of subpoena power and prescribes, if any, its manner of delegation, the specific delegation authorized is the only means available by the governing authority to the exclusion of any general grant of power or authority." *Barry v. Garcia*, 573 So. 2d 932, 936 (Fla. 3d DCA 1991). Like the Miami Beach City Charter, the Miami City Charter only delegated the authority to issue subpoenas to the City Commission. No other reference was made in the Miami City Charter to the delegation of subpoena powers to any other City board, committee, or agency (other than City Commission committees and the Civil Service Board). Accordingly, the District Court held that, "[i]f the city opts to change the manner in which subpoena power is to be exercised, including the power to delegate same to a citizen board . . . , then such change must be accomplished in accordance with the provisions of the Charter and the Municipal Home Rule Powers Act; i.e., by a referendum of the electors of the city." *Id.* at 938.

Miami Beach City Charter Section 2.03, which grants the City Commission certain investigatory powers (including the authority to require the attendance of witnesses and the production of records), is the sole expression in the City Charter relating to the delegation of subpoena powers. Accordingly, and pursuant to the ruling in *Barry v. Garcia*, the City may only grant subpoena powers to the City OIG by amending the City Charter.



### **III. Proposed Schedule**

Assuming the County Commission agrees to provide the City with limited inspector general services during the interim, and once an interlocal agreement with the County has been finalized, I intend to ask the City Commission to join me in directing the City Attorney to draft a ballot question and Charter amendment to create a City OIG.

Concurrent with the drafting of the proposed Charter amendment, a regular funding source would need to be identified, during the City's annual budget process, to staff the City OIG. The OIG would be housed within the City, and would include an inspector general, as well as supervisors and support staff who report directly to the inspector general. The City OIG may include oversight by the County OIG.

I propose to submit the subject Charter amendment to the City's voters in the Fall of 2018, on the same ballot as the special election to approve the issuance of general obligation ("G.O.") bonds. I can think of no better way to oversee the estimated \$500 million in capital projects proposed to be funded by the G.O. bonds, than to create a City OIG with the necessary powers and resources to do so.

Sec. 2-1076. - Office of the Inspector General.

- (a) *Created and established.* There is hereby created and established the Office of Miami-Dade County Inspector General. The Inspector General shall head the Office. The organization and administration of the Office of the Inspector General shall be sufficiently independent to assure that no interference or influence external to the Office adversely affects the independence and objectivity of the Inspector General.
  - (b) *Minimum Qualifications, Appointment and Term of Office.*
    - (1) *Minimum qualifications.* The Inspector General shall be a person who:
      - (a) Has at least ten (10) years of experience in any one, or combination of, the following fields:
        - (i) as a Federal, State or local Law Enforcement Officer;
        - (ii) as a Federal or State court judge;
        - (iii) as a Federal, State or local government attorney;
        - (iv) progressive supervisory experience in an investigative public agency similar to an inspector general's office;
      - (b) Has managed and completed complex investigations involving allegations of fraud, theft, deception and conspiracy;
      - (c) Has demonstrated the ability to work with local, state and federal law enforcement agencies and the judiciary; and
      - (d) Has a four-year degree from an accredited institution of higher learning.
    - (2) *Appointment.* The Inspector General shall be appointed by the Ad Hoc Inspector General Selection Committee ("Selection Committee"), except that before any appointment shall become effective, the appointment must be approved by a majority of the whole number of members of the Board of County Commissioners at the next regularly scheduled County Commission meeting after the appointment. In the event that the appointment is disapproved by the County Commission, the appointment shall become null and void, and the Selection Committee shall make a new appointment, which shall likewise be submitted for approval by the County Commission. The Selection Committee shall be composed of five members selected as follows:
      - (a) The State Attorney of the Eleventh Judicial Circuit for Miami-Dade County;
      - (b) The Public Defender of the Eleventh Judicial Circuit for Miami-Dade County;
      - (c) The Chairperson of the Miami-Dade Commission on Ethics and Public Trust;
      - (d) The President of the Miami-Dade Police Chief's Association; and
      - (e) The Special Agent in charge of the Miami Field Office of the Florida Department of Law Enforcement.
- The members of the Selection Committee shall elect a chairperson who shall serve as chairperson until the Inspector General is appointed. The Selection Committee shall select the Inspector General from a list of qualified candidates submitted by the Miami-Dade County Employee Relations Department.
- (3) *Term.* The Inspector General shall be appointed for a term of four (4) years. In case of a vacancy in the position of Inspector General, the Chairperson of the Board of County Commissioners may appoint the deputy inspector general, assistant inspector general, or other Inspector General's office management personnel as interim Inspector General until such time as a successor Inspector General is appointed in the same manner as described in subsection (b)(2) above. The Commission may by majority vote of members present disapprove of the

interim appointment made by the Chairperson at the next regularly scheduled County Commission meeting after the appointment. In the event such appointment shall be disapproved by the County Commission, the appointment shall become null and void and, prior to the next regularly scheduled Commission meeting, the Chairperson shall make a new appointment which shall likewise be subject to disapproval as provided in this subsection (3). Any successor appointment made by the Selection Committee as provided in subsection (b)(2) shall be for the full four-year term.

Upon expiration of the term, the Board of County Commissioners may by majority vote of members present reappoint the Inspector General to another term. In lieu of reappointment, the Board of County Commissioners may reconvene the Selection Committee to appoint the new Inspector General in the same manner as described in subsection (b)(2). The incumbent Inspector General may submit his or her name as a candidate to be considered for selection and appointment.

- (4) *Staffing of Selection Committee* The Miami-Dade County Employee Relations Department shall provide staffing to the Selection Committee and as necessary will advertise the acceptance of resumes for the position of Inspector General and shall provide the Selection Committee with a list of qualified candidates. The County Employee Relations Department shall also be responsible for ensuring that background checks are conducted on the slate of candidates selected for interview by the Selection Committee. The County Employee Relations Department may refer the background checks to another agency or department. The results of the background checks shall be provided to the Selection Committee prior to the interview of candidates.
- (c) *Contract.* The Director of the Employee Relations Department shall, in consultation with the County Attorney, negotiate a contract of employment with the Inspector General, except that before any contract shall become effective, the contract must be approved by a majority of Commissioners present at a regularly scheduled Commission meeting.
- (d) *Functions, authority and powers.*
  - (1) The Office shall have the authority to make investigations of county affairs and the power to review past, present and proposed County and Public Health Trust programs, accounts, records, contracts and transactions.
  - (2) The Office shall have the power to require reports from the Mayor, County Commissioners, Manager, County agencies and instrumentalities. County officers and employees and the Public Health Trust and its officers and employees regarding any matter within the jurisdiction of the Inspector General.
  - (3) The Office shall have the power to subpoena witnesses, administer oaths and require the production of records. In the case of a refusal to obey a subpoena issued to any person, the Inspector General may make application to any circuit court of this State which shall have jurisdiction to order the witness to appear before the Inspector General and to produce evidence if so ordered, or to give testimony touching on the matter in question. Prior to issuing a subpoena, the Inspector General shall notify the State Attorney and the U.S. Attorney for the Southern District of Florida. The Inspector General shall not interfere with any ongoing criminal investigation of the State Attorney or the U.S. Attorney for the Southern District of Florida where the State Attorney or the U.S. Attorney for the Southern District of Florida has explicitly notified the Inspector General in writing that the Inspector General's investigation is interfering with an ongoing criminal investigation;
  - (4) The Office shall have the power to report and/or recommend to the Board of County Commissioners whether a particular project, program, contract or transaction is or was necessary and, if deemed necessary, whether the method used for implementing the project or program is or was efficient both financially and operationally. Any review of a proposed project or program shall be performed in such a manner as to assist the Board of County Commissioners in determining whether the project or program is the most feasible solution to a

particular need or problem. Monitoring of an existing project or program may include reporting whether the project is on time, within budget and in conformity with plans, specifications and applicable law;

- (5) The Office shall have the power to analyze the need for, and the reasonableness of, proposed change orders. The Inspector General shall also be authorized to conduct any reviews audits, inspections, investigations or analyses relating to departments, offices, boards, activities, programs and agencies of the County and the Public Health Trust;
- (6) The Inspector General may, on a random basis, perform audits, inspections and reviews of all County contracts. The cost of random audits, inspections and reviews shall, except as provided in (a)—(o) in this subsection (6) be incorporated into the contract price of all contracts and shall be one quarter ( $\frac{1}{4}$ ) of one (1) percent of the contract price (hereinafter "IG contract fee"). The IG contract fee shall not apply to the following contracts:
  - (a) IPSIG contracts;
  - (b) Contracts for legal services;
  - (c) Contracts for financial advisory services;
  - (d) Auditing contracts;
  - (e) Facility rentals and lease agreements;
  - (f) Concessions and other rental agreements;
  - (g) Insurance contracts;
  - (h) Revenue-generating contracts;
  - (i) Contracts where an IPSIG is assigned at the time the contract is approved by the Commission;
  - (j) Professional service agreements under one thousand dollars (\$1,000.00);
  - (k) Management agreements;
  - (l) Small purchase orders as defined in Administrative Order 3-2;
  - (m) Federal, state and local government-funded grants;
  - (n) Interlocal agreements; and
  - (o) Grant Agreements granting not-for-profit organizations Building Better Communities General Obligation Bond Program funds.

Notwithstanding the foregoing, the Commission may by resolution specifically authorize the inclusion of the IG contract fee in any contract. Nothing contained in this Subsection (c)(6) shall in any way limit the powers of the Inspector General provided for in this Section to perform audits, inspections, reviews and investigations on all county contracts including, but not limited to, those contracts specifically exempted from the IG contract fee.

- (7) Where the Inspector General detects corruption or fraud, he or she shall notify the appropriate law enforcement agencies. Subsequent to notifying the appropriate law enforcement agency, the Inspector General may assist the law enforcement agency in concluding the investigation. When the Inspector General detects a violation of one (1) of the ordinances within the jurisdiction of the Ethics Commission, he or she may file a complaint with the Ethics Commission or refer the matter to the Advocate;
- (8) The Inspector General shall have the power to audit, investigate, monitor, oversee, inspect and review the operations, activities and performance and procurement process including, but not limited to, project design, establishment of bid specifications, bid submittals, activities of the contractor, its officers, agents and employees, lobbyists, County staff and elected officials in order to ensure compliance with contract specifications and detect corruption and fraud.

- (9) The Inspector General shall have the power to review and investigate any citizen's complaints regarding County or Public Health Trust projects, programs, contracts or transactions.
  - (10) The Inspector General may exercise any of the powers contained in Section 2-1076 upon his or her own initiative.
  - (11) The Inspector General shall be notified in writing prior to any meeting of a selection or negotiation committee where any matter relating to the procurement of goods or services by the County is to be discussed. The notice required by this subsection (11) shall be given to the Inspector General as soon as possible after a meeting has been scheduled, but in no event later than twenty-four (24) hours prior to the scheduled meeting. The Inspector General may, at his or her discretion, attend all duly noticed County meetings relating to the procurement of goods or services as provided herein, and, in addition to the exercise of all powers conferred by Section 2-1076, may pose questions and raise concerns consistent with the functions, authority and powers of the Inspector General. An audio tape recorder shall be utilized to record all selection and negotiation committee meetings.
  - (12) The Inspector General shall have the authority to retain and coordinate the services of Independent Private Sector Inspectors General (IPSIG) or other professional services, as required, when in the Inspector General's discretion he or she concludes that such services are needed to perform the duties and functions enumerated in subsection (d) herein.
- (e) *Physical facilities and staff.*
- 1. The County shall provide the Office of the Inspector General with appropriately located office space and sufficient physical facilities together with necessary office supplies, equipment and furnishings to enable the Office to perform its functions.
  - 2. The Inspector General shall have, subject to budgetary allocation by the Board of County Commissioners, the power to appoint, employ, and remove such assistants, employees and personnel and establish personnel procedures as deemed necessary for the efficient and effective administration of the activities of the Office.
- (f) *Procedure for finalization of reports and recommendations which make findings as to the person or entity being reviewed or inspected.* Notwithstanding any other provision of this Code, whenever the Inspector General concludes a report or recommendation which contains findings as to the person or entity being reported on or who is the subject of the recommendation, the Inspector General shall provide the affected person or entity a copy of the report or recommendation and such person or entity shall have 10 working days to submit a written explanation or rebuttal of the findings before the report or recommendation is finalized, and such timely submitted written explanation or rebuttal shall be attached to the finalized report or recommendation. The requirements of this subsection (f) shall not apply when the Inspector General, in conjunction with the State Attorney, determines that supplying the affected person or entity with such report will jeopardize a pending criminal investigation.
- (g) *Reporting.* The Inspector General shall annually prepare and submit to the Mayor and Board of County Commissioners a written report concerning the work and activities of the Office including, but not limited to, statistical information regarding the disposition of closed investigations, audits and other reviews.
- (h) *Removal.* The Inspector General may be removed from office upon the affirmative vote of two-thirds ( 2/3 ) of the whole number of members of the Board of County Commissioners.
- (i) *Abolition of the Office.* The Office of Inspector General shall only be abolished upon the affirmative vote of two-thirds ( 2/3 ) of the whole number of members of the Board of County Commissioners.
- (j) *Retention of current Inspector General.* Notwithstanding any provision to the contrary, the incumbent Inspector General, Christopher R. Mazzella, shall serve a four-year term of office commencing on December 20, 2005, as provided in the Memorandum of Understanding approved by Resolution No. R-1394-05, and shall not be subject to the appointment process provided for in Section 2-1076(b)(2).



(Ord. No. 97-215, § 1, 12-16-97; Ord. No. 99-63, § 1, 6-8-99; Ord. No. 99-149, § 1, 10-19-99;  
Ord. No. 00-105, § 1, 7-25-00; Ord. No. 01-114, § 1, 7-10-01; Ord. No. 05-51, § 1, 3-1-05; Ord.  
No. 06-88, § 2, 6-6-06; Ord. No. 07-165, § 1, 11-6-07)

# Miami-Dade County Office of the Inspector General



## Annual Report 2016

# Message from the Inspector General



*"It is critical for our stakeholders to know that we understand the responsibility we have been given and we are committed to providing thorough, accurate reports that provide substantive recommendations to improve processes."*

I am pleased to present the Fiscal Year 2016 Annual Report covering the activities of the Office of the Inspector General for the period of October 1, 2015 through September 30, 2016. This Report is provided as a summary of our activities and achievements as we work to fulfill our mission to detect and prevent fraud, waste and abuse in Miami-Dade County.

This Report, in addition to detailing our FY 2016 investigations, reviews, audits and contract oversight activities, also demonstrates our commitment to maintaining the highest possible standards of professionalism and quality of work. In FY 2016 we went through both Reaccreditation by the Florida Commission for Law Enforcement Accreditation and a four day Peer Review by the Association of Inspectors General. We received high praise from both. I report this not because I want to pat ourselves on the back, but because it is critical for our stakeholders to know that we understand the responsibility we have been given and we are committed to providing thorough, accurate reports that provide substantive recommendations to improve processes.

The Reaccreditation and the Peer Review were on-site, in-depth examinations of our work. A number of areas of distinction were noted, including "the depth of knowledge within the staff." It was the unanimous opinion of both the Reaccreditation Team and the Peer Review Team that we are in compliance with all of our standards.

Finally, please take note that we have moved from Flagler Street to the Overtown Transit Village South Tower. Our new work space was designed to optimize efficiency and the holistic approach we apply to our cases. Auditors and Investigators are now co-located to maximize collaboration on critical cases. I would like to thank the Internal Services Department for its professionalism during the planning and execution of our move to the Overtown Transit Village.

We look forward to another year of service.

Sincerely,

Mary T. Cagle

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# ABOUT THIS REPORT

This year's Annual Report details how the Miami-Dade Office of the Inspector General (OIG) benefits the public, supports transparency in local government, and provides savings and efficiency to taxpayers. This Report provides examples of the work that the OIG performs. Perhaps most importantly, the Annual Report explains how the OIG provides County employees, vendors and contractors that work with the County, and the public—with a voice to report wrongdoing.

This Annual Report was produced in accordance with Section 2-1076 (g) of the Code of Miami-Dade County, Office of the Inspector General. This section states that the Inspector General shall annually prepare and submit to the Mayor and Board of County Commissioners a written report concerning the work and activities of the OIG including, but not limited to, statistical information regarding the disposition of closed investigations, audits, and other reviews.

## OIG MISSION, VISION AND VALUES

Today, the mission of the OIG is more important than ever before. The County has continued to grow and for FY 2015-2016 had an annual budget of \$6.79 billion and over 26,185 employees. The OIG's goal is to ensure accountability and transparency in government operations and to add value through audits, investigations and contract oversight. By continually looking to find ways to prevent fraud, waste and abuse, the OIG will continue to deliver savings to the taxpayers.

The OIG recognizes the value of a strong, diverse and optimized workforce and continues its commitment to professionalism by supporting its workforce with training and development. This ensures that the highest quality talent is developed to reach long term success in meeting the OIG mission.

<b>Mission</b>	<b>Mission Statement</b> To detect, investigate and prevent fraud, waste, mismanagement, misconduct, and abuse of power through independent oversight of County affairs, and seek appropriate remedies to recover public monies.
<b>Vision</b>	<b>Vision Statement</b> To be recognized as the premier agency in holding Miami-Dade County government accountable, ensuring it continues to provide excellence every day.
<b>Values</b>	<b>OIG Values</b> <b>INTEGRITY</b> We govern ourselves honestly and ethically <b>IMPARTIALITY</b> We conduct our work objectively and independently <b>PROFESSIONALISM</b> We maintain a staff of diverse and highly skilled professionals <b>ACCOUNTABILITY</b> We take responsibility for providing thorough and fair findings and recommendations



# MILESTONES

During the past year, in addition to a focus on investigations, audits and contract oversight, the OIG enhanced internal processes by expanding resources to enable staff to do its work and submitted to independent reviews to ensure the Office is in full compliance with OIG standards. To further enhance internal efficiency and productivity, the OIG moved its main office to the Overtown Transit Village South Tower. The change in location and environment has been extremely beneficial. The new office has enhanced the ability of the OIG to take a holistic approach to its work because both the audit and investigative staff now work side-by-side. Additionally, the OIG went through a reaccreditation process performed by the Commission for Florida Law Enforcement Accreditation and a peer review by the Association of Inspectors General. The next three sections provide additional information on these processes.

## MOVING TO THE OVERTOWN TRANSIT VILLAGE SOUTH TOWER

In order to improve upon operational excellence, the OIG has undergone a major relocation of its office. OIG headquarters is now located on the 22<sup>nd</sup> Floor of the Overtown Transit Village (OTV) South Tower. The new office space was strategically designed to seamlessly and efficiently blend all OIG units, improving work flow and communications. Modern desks that allow employees to sit or stand, open workstations, and collaborative work areas facilitate a healthy work environment that fosters creativity and teamwork.



The OIG's move from its original location in a privately-owned building to a County-owned building ultimately saves the County money. Careful consideration was taken in selecting the new office location to ensure the OIG's independence. The OTV was a viable option, as it is conveniently located near the Stephen P. Clark Center. The OTV Towers house many agencies, some non-County, which are open to the public and maintain a constant flow of people. This feature affords more discretion to potential whistleblowers and complainants. The new facility is now located at: Overtown Transit Village South, 601 N.W. 1st Court, 22<sup>nd</sup> Floor, Miami, Florida, 33136.

## OIG PASSES PEER REVIEW BY ASSOCIATION OF INSPECTORS GENERAL

The Miami-Dade County Office of the Inspector General was peer reviewed this year by the Association of Inspectors General (AIG). It was the unanimous opinion of the Peer Review Team that the Miami-Dade OIG's Investigations, Audit, and Contract Oversight Units met all relevant AIG Quality Standards for Offices of Inspectors General.

Practice of Internal Auditing (Red Book), or the United States Government Accountability Office, Government Auditing Standards (Yellow Book). The Miami-Dade County OIG adheres to the latter, and performs its audit work in accordance with the Yellow Book.

The Peer Review Program is a key component of the AIG's mission to



(left to right) James Mazer (Supervisory Special Agent); Stephen Pollock (OIG Audit Mgr.); Kim Widup (Retired ASAC, USDA OIG); Felix Jimenez (Deputy IG); Mary Cagle (IG); Robert Joyce (Investigative Mgr., Port Authority NY & NJ); Levin White (Special Agent, Office of the State IG VA); and Charles Mansen (Sr. Auditor, Div. of IG, Palm Beach County Clerk & Comptroller)

The AIG is a non-profit, membership organization for agencies and professionals in the inspectors general community. The mission of the AIG is to promote excellence in the inspectors general community by establishing and encouraging adherence to quality standards for each of the specific professional disciplines, and for OIGs as a whole.

The standards for Audit include adherence to either the Institute of Internal Auditors, International Standards for the Professional

assist OIGs throughout the nation. Inviting external reviewers to evaluate and assess its operations provides assurance that the Miami-Dade County OIG is following established policies and procedures, and that internal control systems are suitably designed and operating effectively. The Peer Review Team consisted of four assessors and the review took place from September 26, 2016 through September 29, 2016. The scope of the review covered the OIG's work from September 2013 through September 2016.

## MIAMI-DADE COUNTY



(left to right) Lori Mizell (CFA Executive Director); Mary Cagle (Inspector General); James Mazer (Supervisory Special Agent)

Accreditation is the certification by an independent reviewing authority that an Office of Inspector General has met specific requirements and prescribed standards. The accreditation process focuses primarily on the work activities of the Investigations Unit of the office. An accreditation program has long been recognized as a means of maintaining the highest standards of professionalism.

In the State of Florida, the Commission for Florida Law Enforcement Accreditation (CFA) is the designated accrediting body for law enforcement agencies and for Offices of Inspectors General. Accreditation involves a thorough examination of an office's policies and procedures, investigations,

## OIG REACCREDITATION



(left to right) Felix Jimenez (Deputy Inspector General), Supervisory Special Agent, and Deryl Loar (CFA Chair)

reports and work product, records, supervision, personnel and training practices. Once achieved, accreditation remains in effect for three years.

The Miami-Dade County OIG was initially accredited in July 2010, and was reaccredited in June 2013. In April 2016, a team selected by the CFA conducted an on-site assessment of the Miami-Dade County OIG, which included interviewing most of the OIG investigative staff. The Miami-Dade County OIG was found to be in compliance, meeting or exceeding all mandatory CFA standards, and in June 2016 the Miami-Dade County OIG received its third reaccreditation by the CFA.

## SOUTH FLORIDA COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY AWARD

One of the key components to the work of the Miami-Dade OIG is its holistic approach to allegations of fraud, waste and abuse. Offices of Inspectors General are generally made up of investigators, auditors and lawyers. In many cases, all three disciplines are critical to determining culpability and calculating losses.

On August 4, 2016, OIG Supervisory Special Agent James Mazer, Audit Supervisor Mark Teitelbaum and Assistant Legal Counsel Marie Perikles received the South Florida Council of the Inspectors General on Integrity and Efficiency award for *State/Local IG Investigation of the Year*. This award was conferred in recognition of the exceptional effort and exemplary collaboration between members of the OIG's investigative, audit and legal disciplines on a multi-year investigation that uncovered an internal fraud scheme within Miami-Dade County.

The investigation began from a complaint involving the supervisor of the Miami-Dade County Alarm Unit. The OIG received information from a confidential source that the supervisor owned his own security company and purchased alarm equipment with County funds. He then installed the equipment in his private customers' buildings instead of in County buildings.

Supervisory Special Agent James Mazer, Audit Supervisor Mark Teitelbaum and Assistant Legal Counsel Marie Perikles put together a coordinated, comprehensive investigation involving multiple witness interviews, search warrants, surveillances, bank analyses, a review of vendor records and a forensic audit.

The investigation substantiated the allegations and, as a result, the County alarm unit supervisor was criminally prosecuted and sentenced.



(left to right) Wilfredo Ferrer (U.S. Atty. for the Southern District of FL), Mark Teitelbaum (Audit Supervisor), Marie Perikles (Asst. Legal Counsel), James Mazer (Supervisory Special Agent), Mary Cagle (Inspector General), and Brian Martens (ASAC, U.S. Dpt. of Health & Human Svcs. OIG)

# INSPECTORS GENERAL HISTORIC MILESTONES

In December 1777, Congress created the Inspector General of the Army during the American Revolutionary War. The first effective U.S. Army IG was recruited by Benjamin Franklin.



On October 12, 1978, President Jimmy Carter signed the IG Act into law and established twelve Federal Offices of Inspectors General.



Governor Lawton Chiles championed the IG concept in Florida, which led to the creation of the Florida Inspector General Act in 1994.



The Miami-Dade Board of County Commissioners unanimously passed the ordinance creating the County Inspector General on December 16, 1997.

In December 1777, an Act of Congress established the first Inspector General of the Army during the American Revolutionary War. The main duty of the Inspector General of the Army was to report all abuses, neglect, and deficiencies to the Commander in Chief.

Two centuries later, on October 12, 1978, the Inspector General Act was passed by the U.S. Congress and established twelve Federal Offices of Inspector General. President Jimmy Carter signed the IG Act into law and described the new statutory IGs as perhaps the most important new

tools in the fight against fraud. The President charged the IGs to always remember that their ultimate responsibility was not to any individual but rather to the public interest. December 13, 2016 marked the 239th anniversary of U.S. Inspectors General.

## INSPECTORS GENERAL IN FLORIDA

Governor Lawton Chiles championed the IG concept in Florida, which led to the creation of the Florida Inspector General Act in 1994. Miami-Dade County recognized the need for its own Inspector General back in the 1990's, when South Florida residents were rocked by a series of news headlines featuring politicians and various local governments mired in widespread scandals involving corruption and fraud. The Miami-Dade Board of County Commissioners listened to its citizens' call for clean local government and took the prodigious steps to become one of the first local governments in Florida to propose a County Inspector General ordinance. It was codified in Section 2-1076 of the Code of Miami-Dade County, after the Board of County Commissioners unanimously passed the ordinance. Additional amendments have since been passed to expand OIG authority to include oversight of County contracting, selection and negotiation processes; specifying procedures for how the OIG issues its findings and recommendations; establishing future IG selection procedures; and clarifying the OIG's investigative authority over County affairs and its ability to conduct criminal investigations.

The enabling ordinance of the Miami-Dade County OIG is nationally recognized as a model ordinance to follow in establishing other state and local Inspectors General. The Office has helped numerous jurisdictions seek ways to emulate its statutory and organizational best practices to ensure integrity and transparency in government.

## PAYING TRIBUTE TO JOHN GLENN 1921-2016

The Miami-Dade County OIG pays special tribute to U.S. Senator John Glenn for his chairmanship on the Governmental Affairs Committee where he zealously worked to ensure government efficiency. Senator Glenn initiated a requirement for independent Inspectors General in 12 federal departments and agencies. As a main sponsor of the IG Act of 1978, he ensured independence for inspectors general. Senator Glenn passed away on December 8, 2016 at age 95. He was the first American to orbit the earth in 1962, and then in 1998 became the oldest person in space at age 77. Senator Glenn will be remembered not only for his bravery, thoughtful consideration for others, integrity and optimism, but also for his contribution to the Inspectors General community.



# ORGANIZATION OF THE OIG



With Inspector General Mary Cagle (center) at the head, the executive team includes a Deputy Inspector General, an Assistant IG for Audit (currently vacant), and the General Counsel.

Deputy Inspector General Felix Jimenez (right) is charged with leading the Investigations Unit and directing fact-finding activities to ferret out and detect waste, fraud and abuse. The Deputy IG coordinates with criminal prosecutors to shepherd OIG cases to a successful legal resolution.

The Assistant Inspector General for Audit is charged with leading the Audit Unit and designing the OIG's annual Strategic Work Plan with an emphasis on the prevention of fraud, waste and abuse throughout County programs.

General Counsel Patra Liu (left) heads the Legal Unit, which includes the Contract Oversight function. The Legal Unit provides the Audit and Investigation Units with the fundamental guidance necessary to effectively pursue legal action to prevent, remedy, and rectify loss and damage caused by those committing fraud, waste and abuse in County affairs. The Contract Oversight Specialists monitor procurement and construction activities to ensure compliance with contract specifications.

All three units work together to advance the mission of the Office.

## Independent Oversight of County Affairs

6,793,932,000

FY 15-16  
County Budget

5,102,922,813

Dollar Value of  
County Contracts

2,644,650

Population of  
Miami-Dade County

26,185

Number of County  
Employees

11,695

Registered  
County Vendors

1,225

Active County  
Contracts for Goods  
and Services

25

County  
Departments

13

County Commission  
Districts



# THE OIG BUDGET

The Miami-Dade County Office of the Inspector General receives its funding from three distinct sources. This includes the IG Contract Fee assessed on County contracts, direct payments collected through Memorandums of Understanding (MOUs) entered into with various County departments where the OIG has committed substantial resources, and General Funds allocated through the County's budget process. During Fiscal Year 2015-2016, the availability of carryover (higher than expected returns on IG proprietary fees and unspent accumulated savings) helped offset the OIG's need for General Fund dollars.

The adjacent chart shows the OIG's financial summary and comes directly from the County's Fiscal Year 2015-2016 Adopted Budget.

## FINANCIAL SUMMARY

(dollars in thousands)	Actual FY 12-13	Actual FY 13-14	Budget FY 14-15	Adopted FY 15-16
<b>Revenue Summary</b>				
General Fund Countywide	1,612	1,969	1,931	1,510
Interest Earnings	2	2	0	0
Miscellaneous Revenues	11	13	0	0
Carryover	249	437	217	938
Departmental Oversight (MOUs)	721	759	850	860
Fees and Charges	2,520	2,848	2,550	2,725
Total Revenues	5,115	6,028	5,548	6,033
<b>Operating Expenditures</b>				
<b>Summary</b>				
Salary	3,593	3,274	3,989	4,367
Fringe Benefits	656	733	1,015	1,122
Court Costs	1	0	2	2
Contractual Services	18	2	6	6
Other Operating	387	348	482	482
Charges for County Services	23	17	36	36
Capital	0	8	18	18
Total Operating Expenditures	4,678	4,382	5,548	6,033
<b>Non-Operating Expenditures</b>				
<b>Summary</b>				
Transfers	0	0	0	0
Distribution of Funds In Trust	0	0	0	0
Debt Service	0	0	0	0
Depreciation, Amortizations and Depletion	0	0	0	0
Reserve	0	0	0	0
Total Non-Operating Expenditures	0	0	0	0

# REPORTING FRAUD

In accordance with its mission to detect, investigate and prevent fraud, waste, mismanagement, misconduct, and abuse of power through independent oversight of County affairs, the OIG provides an avenue for the public to give voice to their concerns to ensure that the County operates with honesty and integrity.

Tips from citizens, employees, vendors, contractors, and subcontractors have resulted in many of the criminal cases, audits, and reviews featured in both past and present annual reports. An integral part of receiving these tips is the ability to keep a person's identity confidential, pursuant to applicable laws and ordinances.



## THE EMPLOYEE PROTECTION ORDINANCE

The County provides protection for individuals who come forward and report fraud, waste, and abuse in government. In many cases, pursuant to the Employee Protection Ordinance (EPO) and the State of Florida Whistleblower's Act, a complainant's identity remains confidential even after the case is closed.

### HOW SHOULD AN EMPLOYEE REPORT?

Employees can now report to the OIG in a variety of ways and still be protected: through the website ([www.miamidadeig.org](http://www.miamidadeig.org)), the Hotline (305) 579-2593, email or in person to OIG staff, or by written and signed correspondence. For more information about the EPO, please visit the Employee Protection Ordinance link on the website.

WHEN AN EMPLOYEE REPORTS INFORMATION REGARDING MISCONDUCT TO THE APPROPRIATE ENTITY, WHAT PROTECTIONS ARE PROVIDED?

**CONFIDENTIALITY:** The most important protection provided to the employee under the ordinance (based on state law) is that information can be reported confidentially—the reporter's identity will not be revealed during or subsequent to the investigation. The only exception is in the event criminal charges are filed; then the decision regarding confidentiality will be at the discretion of the State Attorney's Office or a judge.

**PROTECTION FROM RETALIATION:** In the event the identity of the complainant is known or discovered, and the complainant believes it has resulted in retaliation because of the disclosure of the misconduct, then the employee may file for protection with the Mayor's Designee (the Director of Human Resources) through the grievance process. If unsatisfied, a complaint may be filed with the Commission on Ethics and Public Trust, an independent body, to investigate the retaliation complaint.

## PROCESSING

When the OIG receives a complaint, it is logged and reviewed. If a determination is made that further review is warranted, then it becomes a case and is assigned to an analyst, investigator, auditor, contract oversight specialist, or combination thereof.

Some complaints result in a preliminary inquiry that resolves the issue and the complainant is notified of the result. Some complaints are referred to County departments when the complaint involves personnel matters or other administrative issues. The OIG also receives complaints that are not within our jurisdiction that are referred to other governmental agencies that can directly address the concerns. When the OIG refers a complaint, typically the complainant's contact information is included (unless the OIG was asked not to disclose the identity of the complainant) so that the department or agency can make contact if more information is needed.



## ACTIVITY AND DISPOSITION

The OIG received 352 complaints in FY 2015-2016. Of those, 101 were received through our Hotline, 80 by mail or fax, 155 were made using our website's on-line complaint form, and 16 were received from individuals who came to the office and met with an investigator.

The majority of the complaints received, 61%, were referred to appropriate County departments or other governmental agencies that could directly address the complaints. It was determined that 23% of the complaints warranted no further action for various reasons, such as a lack of sufficient detail. However, 15% of the complaints received led to the initiation of an audit, inquiry or investigation. The remaining 1% are still under review or are pending additional information or resources.

An active inquiry, case or review is confidential by statute. When the case is closed, the identity of the complainant remains confidential in many situations. Specifically, this applies if the complaint concerned possible violations of any federal, state, local law or regulation that presented a substantial and specific danger to the public's health, safety or welfare; an act of gross mismanagement; gross waste of public funds; malfeasance; misfeasance or gross neglect of duty.

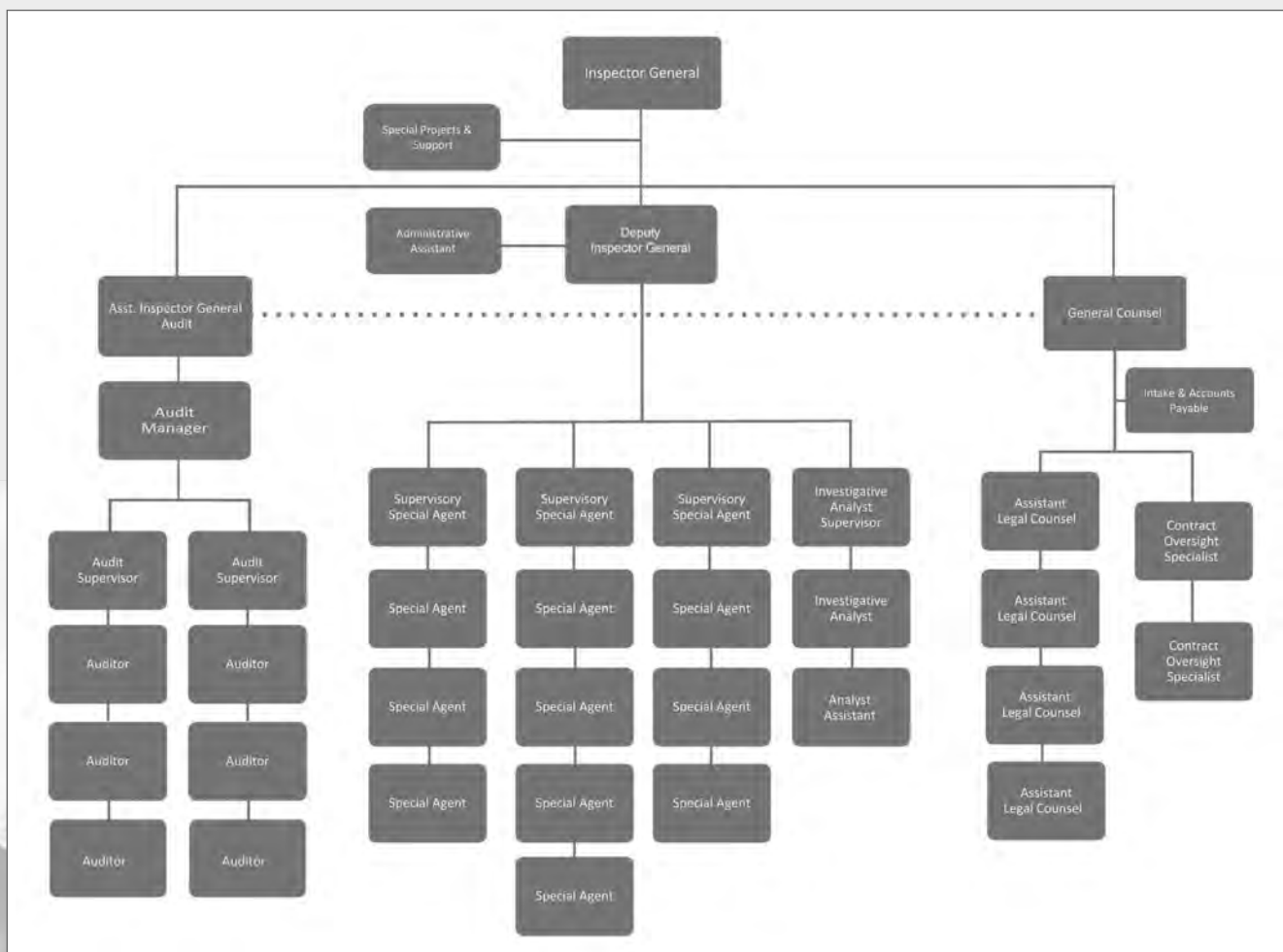


# HOLISTIC BUSINESS MODEL

The Miami-Dade County OIG has adopted a holistic business model. Resources and expertise needed to investigate allegations of fraud, waste and abuse include both investigative skill and financial expertise. Often knowledge of procurement and contracting is also essential. When working their cases, Special Agents, Contract Oversight Specialists, Auditors, Attorneys and Analysts engage with staff from other OIG units to take advantage of their diverse areas of expertise. Taking the holistic approach to problem-solving has ignited a spirit of teamwork between staff, and resulted in multifunctional efforts between units.

Much of the OIG's workload involves the examination of selected programs, projects, contracts, transactions, entities, and individuals. These examinations may be in the form of audits, investigations, or contract oversight. The OIG's mission is to detect, investigate and prevent fraud, waste, mismanagement, misconduct and abuse of power, and our methods to accomplish these results differ among the OIG's units.

On an annual basis, the IG reviews the OIG's organizational chart to ensure productivity and maximize efficiency. The following chart depicts the current organization and chain of command of the Miami-Dade County OIG:



# INVESTIGATIONS UNIT HIGHLIGHTS AND SUMMARIES

The Investigations Unit conducts criminal and administrative investigations of fraud, waste, abuse and misconduct related to County programs, operations and employees. Embedded in the Investigations Unit are investigative analysts who provide intelligence and analytical support to all investigations. OIG investigative analysts are dedicated to maintaining relationships with the intelligence community and other organizations, such as the Financial Institution Security Association and the Florida Department of Law Enforcement. In addition, the analysts also assist in the appointment process of the various County advisory boards by conducting Florida criminal history background checks on advisory board nominees. In 2016, 155 criminal history background checks were conducted. The analysts also manage the OIG Hotline that allows the public, stakeholders and others to report suspected fraud, waste and abuse.

The Investigations Unit coordinates with the Miami-Dade State Attorney's Office and other law enforcement authorities to leverage resources and fraud-fighting efforts. The Investigations Unit works together with the Audit Unit, Legal Unit and Contract Oversight Specialists as part of the OIG's commitment to conducting professional, objective, and independent oversight of County affairs. The Unit will soon be implementing an automated case management system as part of a state-of-the-art tools and technology effort to assist investigators. Investigative efforts often lead to criminal cases, administrative reports with recommended actions, and monetary recoveries.

As the lead agency in conducting outreach related to the County's Employee Protection Ordinance, OIG investigators are the main point of contact for County employees, residents, vendors and others wishing to make a complaint. All complainants are treated courteously and investigators are trained to ensure the confidentiality of the information provided, maintain the confidentiality of the complainant's identity, and provide information on how to deal with retaliation.

This section demonstrates the diversity and quality of the Investigations Unit's work over the past twelve months. During this time period, numerous investigations were completed pertaining to grand theft, organized scheme to defraud, violations of the County's Wage and Benefits Ordinance, fraudulent use of personal identification, and other crimes. Some of these cases are highlighted in this Report. Also provided is an update on the prosecutions and sentencings that occurred in 2015-2016, but related to prior years' arrests. The Investigations Unit also conducted a review of the mandatory structural building inspections for the Dade County Courthouse. A synopsis of that review is provided in this section.





# INVESTIGATIONS UNIT — ARRESTS



## FORMER CLERK'S OFFICE EMPLOYEE ARRESTED FOR STEALING CREDIT CARD INFORMATION

In January 2016, the OIG was contacted by the Miami-Dade County Clerk of Courts who alleged that one of its employees was misusing customers credit card information.

The OIG investigation determined that the recently hired employee, a Court Records Specialist 1 assigned to the County Parking Violations Bureau, used his position at the Clerk's Office to obtain credit card information from citizens paying their parking fines over the telephone. The employee then fraudulently used the credit cards to make personal purchases, primarily during work hours and using his work computer. OIG Special Agents obtained an arrest

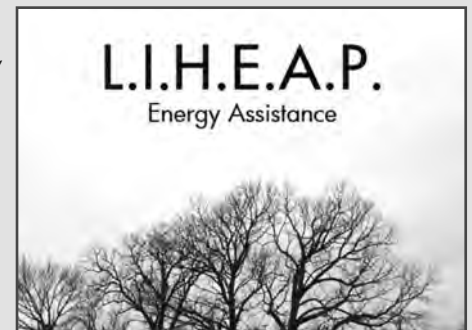


warrant and the Court Records Specialist pled guilty to charges of Grand Theft and Petit Theft. He was sentenced to two years of probation, and ordered to pay restitution and costs of investigation.

## COUNTY EMPLOYEES ARRESTED FOR MISAPPROPRIATING ENERGY FUNDS INTENDED FOR THE NEEDY

Working jointly with the Miami-Dade State Attorney's Office and the U.S. Department of Health and Human Services OIG, a criminal investigation was initiated after the OIG received an anonymous complaint. The allegations involved two Miami-Dade Community Action and Human Services Department (CAHSD) employees who were circumventing the application process of the Low Income Home Energy Assistance Program (LIHEAP) to personally obtain monies intended to assist low-income individuals with paying their energy bills. LIHEAP is a federally-funded program administered locally by the County via the CAHSD. The two employees were LIHEAP eligibility coordinators whose job was to determine if applicants met the income threshold necessary to receive these financial benefits. They were able to circumvent the oversight safeguards and receive money to which they were not entitled.

Between June 2010 and September 2012, one employee's FPL account was credited \$4,100 in LIHEAP funding. Records indicate that between 2010 and 2014, the second employee, a supervisor who approved LIHEAP funding applications, received \$6,211 from the LIHEAP program. The supervisor's daughter was also charged in the scheme when it was found that over \$9,000 in LIHEAP funds had been credited to her household.



The two employees were arrested and subsequently pled guilty to multiple felonies including Official Misconduct, Organized Scheme to Defraud, Grand Theft, and Fraudulent Use of Personal Identification.

Additionally, the supervisor's daughter pled guilty to Perjury in an Unofficial Capacity, a first degree misdemeanor. All three defendants agreed to pay restitution to the County and investigative costs to the OIG as part of their plea agreements. During the investigation, both employees resigned from County employment.

# INVESTIGATIONS UNIT — ARRESTS

## COUNTY EMPLOYEE ARRESTED FOR FALSIFYING PROFESSIONAL EDUCATION AND EXPERIENCE ON RESUME

A confidential complaint made to the OIG, and a joint investigation with the Florida Department of Health, led to the arrest of a Health Services Specialist with the Community Action and Human Services Department for Improper Use of a Nursing Title without a license or certificate, and Misrepresentation of Association with an Educational Institution, both first degree misdemeanors. The employee, through a systematic ongoing course of conduct, knowingly listed fictitious professional experience and a bogus college degree on more than one resume with the intent to fraudulently enhance her chances of obtaining promotions within the County. In her resumes, the employee listed a fictitious Master's Degree from the University of Phoenix and boasted of false work experience as a Registered Nurse and a Licensed Practical Nurse in area hospitals. She also displayed a false RN license in her work cubicle. The employee resigned from the County and entered into a pre-trial intervention program.



airport permittee underpaid the Miami-Dade Aviation Department (MDAD) the required opportunity fees and submitted suspect documentation during an audit. The OIG initiated an investigation that resulted in the arrest of the company's owner.

The OIG, working in conjunction with the Miami-Dade State Attorney's Office, determined that the owner of Aviation Main Services, Inc. (AMSI) intentionally underpaid the County \$376,809 in opportunity fees owed in connection with its business at MIA. The owner was charged with the first degree felonies of Organized Scheme to Defraud and Grand Theft.

AMSI leased space at MIA since 1992 and held the required MDAD permits to conduct commercial activities on the premises. Specifically, AMSI was authorized to provide ground support services (typically ramp services for cargo aircraft at the airport) for which it paid MDAD a 7% opportunity fee. AMSI was also authorized to provide line maintenance services (aircraft line inspections, taxiing planes for maintenance service, and checking and adding fluids) for which it paid MDAD a 3% opportunity fee. Opportunity fees are based on the gross revenues received for providing the specified type of service.

Investigators found that AMSI intentionally misclassified revenues received from ground support services as line maintenance services—in order to pay a lesser amount in opportunity fees. Through the examination of financial documents, the investigation found that AMSI maintained two sets of accounting records—one sent to its clients and the other to MDAD Finance. AMSI sent the correct invoices to its clients receiving ground support services and sent the altered invoices to MDAD Finance depicting the ground support services as line maintenance services. The losses from October 2009 through December 2015 totaled \$376,809. AMSI's owner pled guilty in criminal court and made full restitution to MDAD.

## AIRCRAFT SERVICES COMPANY DEFRAUDED MIAMI INTERNATIONAL AIRPORT (MIA)

Based on a referral from the County Audit and Management Services Department, who found that an



# INVESTIGATIONS UNIT — REVIEWS

## REVIEW INTO THE COURTHOUSE'S HISTORY OF STRUCTURAL BUILDING INSPECTIONS

At the request of the BCC, the OIG conducted a review of the mandatory structural building inspections for the Dade County Courthouse located at 73 West Flagler Street. The Courthouse, built in 1928, was found by the City of Miami to be in violation of Chapter 8-5 of the Code of Miami-Dade County—namely for failure to obtain the required 40/50 year recertification. This recertification requirement was enacted in 1975 and requires that certain buildings that are 40 years or older undergo structural inspections to recertify that the building is safe for continued occupancy. Subsequent recertification is required at 10-year intervals and the requirement for electrical inspections was added in 1992. The City's notice referenced an open violation from the onset of the recertification requirement in 1975. The notice states in part: "This 40/50 year recertification case remains open and in non-compliance." This would suggest that the Courthouse never underwent the initial 40-year recertification inspection, or any of the 10-year recertification intervals, as required.

The OIG's review into the history of the Courthouse and whether the required inspections were performed concluded that in all likelihood the structural inspection satisfying the requirements of the 40/50 year recertification requirement was actually conducted in 1976. The OIG based its conclusion on the parties involved at the time (the County's consultant who authored the structural investigation report was the same person who championed the new building code requirement and authored its guidelines). Also, the OIG found references to that report in a subsequent report about the structure of the Courthouse, and the OIG found correspondence between the County and the City acknowledging that the County was working on it. Unfortunately, the actual 1976 report could not be located and the City of Miami's records did not reflect County compliance—thus the "open" violation.

The review found an inspection commissioned by the County in 1987—labeled in various correspondences as the "40 Year Certification Survey." The OIG believes, based on its timing, the inspection was a follow-up intended to satisfy the 10-year recertification requirement of the new law. While the work was performed, including some repairs, documentation of these efforts was not recorded by the City, therefore the violation remained "open" in its records. The OIG

found no evidence that further inspections were conducted in accordance with the subsequent 10-year requirement.

The OIG review into this mystery also led to examination of the processes used by the Property Appraiser's Office (PAO) to notify municipal building officials about the age of structures located in their cities. The OIG learned that the "year built" date for the Courthouse, as reflected in the PAO's electronic files, was zero. Working with the PAO, the OIG traced this glitch back to an interface error that occurred in approximately 1980 when the PAO was undergoing a computer database conversion. This glitch affected the Courthouse and several other properties. The lack of a "year built" date meant that the Courthouse property would not have been on the list that the City periodically receives from the PAO of all the properties over 40 years old. In essence, the Courthouse, because of the "zero" date, fell off both County and City radar until 2014, when the judiciary and other stakeholders began to question the future viability of the Courthouse for judicial operations in light of its deteriorating condition and physical constraints.

At the end of the OIG examination, it was assessed that not only had the historic Dade County Courthouse fallen off the 40/50 year recertification radar, but so had several other County-owned properties that were over 40 years old and did not have the required inspections. The OIG advocated for less reliance by the County on municipal notifications, and

recommended that the County institute a centralized approach to ensuring that all County properties, across all departments and within all municipalities, are timely inspected. The OIG also recommended that the PAO conduct an in-depth examination of all of its property files for any other occurrences of the "zero year built" glitch. The PAO responded that it found 155 more properties and corrected their year built dates. To ensure that these errors do not reoccur, the PAO created a weekly report to identify these discrepancies.



## FORMER MIAMI-DADE FIRE RESCUE CODE ENFORCEMENT OFFICER SENTENCED FOR UNLAWFUL COMPENSATION

A former Miami-Dade Fire Rescue Code Enforcement Officer was charged with multiple felony counts for defrauding taxpayers of fire code violation penalty fees owed to the County while enriching himself through his private consulting business. He pled guilty to the felony crime of Unlawful Compensation in May 2016 and was sentenced to one year of house arrest followed by two years of probation. He must also pay restitution, cost of investigation, and forfeit his pension.

## CONCLUSION OF JOINT INVESTIGATION OF THE INTERNAL SERVICES DEPARTMENT'S (ISD) PARKING OPERATIONS UNIT

The OIG's joint investigation with the Miami-Dade Police Department, of missing funds from the Parking Operations Unit, resulted in the arrest and conviction of a Parking Operations Unit employee for the theft of over \$4,000. Investigators seized parking receipts and \$1,300 in cash from the employee's home. In July 2016, the employee was sentenced to two years of probation, ordered to pay restitution and forfeit his accrued leave. The case also resulted in other Parking Operations Unit employees being administratively sanctioned for various employment violations. ISD has overhauled the Unit from top to bottom, implementing important internal controls that decreased risk to ensure that this crime of opportunity does not happen again.

## PUBLIC HEALTH TRUST CONTRACTOR SENTENCED FOR FORGERY

In July 2016, an OIG investigation concluded with the President of CT Mechanical Co. pleading guilty to charges stemming from his submission of a forged Schedule of Intent Affidavit to the Jackson Health System's

Procurement Department. The document contained the forged signature of the President of a Community Small Business Enterprise firm. The fraudulent Schedule of Intent Affidavit



was submitted in order for CT Mechanical to be awarded a contract for the replacement of an air handler unit at Jackson Memorial Hospital. CT Mechanical was paid \$484,817 for the job. The President of CT Mechanical was sentenced to one year of probation and the Court entered an order prohibiting the President and CT Mechanical from contracting or otherwise doing business with the Public Health Trust, JHS, and the County for five years.

## ELECTRICAL SUBCONTRACTOR VIOLATED THE COUNTY'S RESPONSIBLE WAGE ORDINANCE AND SUBMITTED FALSE DOCUMENTS

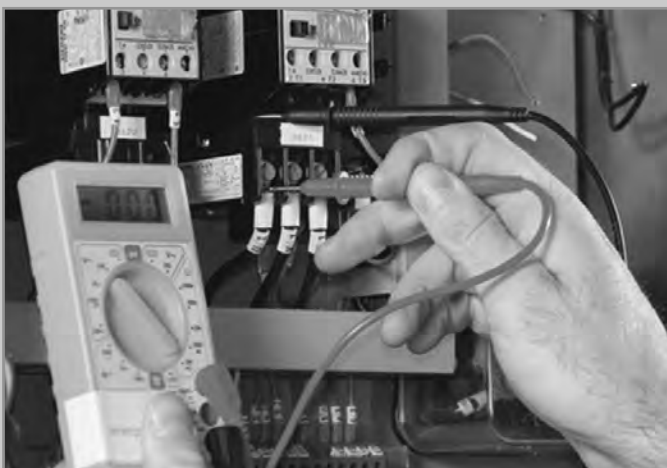
While working as a subcontractor on a Miami-Dade Aviation Department (MDAD) project, Greenlight Electric Systems, Inc. was underpaying its electrical employees in violation of the County's Responsible Wage and Benefits Ordinance.

This joint investigation stemmed from a referral from the MDAD Minority Affairs Division, which is responsible for overseeing and enforcing the County's Responsible Wage Ordinance for companies doing business with the County at Miami International Airport. A Greenlight employee contacted Minority Affairs claiming that Greenlight was underpaying its employees. In response to a request from Minority Affairs, Greenlight provided copies

of cancelled checks and employee affidavits as proof that it had paid its workers the correct wages pursuant to the Ordinance. When Minority Affairs suspected that the checks were never received by the workers and also contained forged endorsements, the OIG was contacted.

The OIG investigation revealed that the checks were drawn on a closed bank account and confirmed that the endorsements were forgeries. In addition, the bank processing markings were found to be bogus, as were the employee affidavits. A review of Greenlight's certified payrolls, which were required to be submitted to the County, revealed workers' wages were falsely inflated to comply with the Ordinance. The joint investigation determined that Greenlight had underpaid its employees on the MDAD project by a total of \$149,000.

During the course of the investigation, the OIG determined that Greenlight was a subcontractor on nine other County projects. The projects included work at PortMiami; Parks, Recreation and Open Spaces; Internal Services; Corrections and Rehabilitation;



and Jackson Memorial Hospital. A review of the certified payrolls for these projects was conducted by the County's Small Business Development Division, which determined that Greenlight owed its workers additional back wages totaling \$153,000. Greenlight's owner was charged by the Miami-Dade State Attorney's Office with Organized Fraud and Forgery. A Greenlight payroll clerk was also charged with notary fraud. Both pled guilty and were placed on probation. Greenlight and its owner were also barred from doing further work for the County. The company has paid back wages owed to its employees on both the MDAD project and the other County projects identified by Small Business Development.

## **SUPERVISOR CAUGHT STEALING FUEL FROM PARKS, RECREATION AND OPEN SPACES**

The OIG and the Miami-Dade Police Department's (MDPD) Public Corruption Unit investigated a supervisor with the Parks, Recreation and Open Spaces Department (PROS) for stealing diesel fuel. The employee used various fuel cards designated for PROS equipment to fill a large tank in the bed of his County pickup truck. Once the tank was full, he sold the diesel fuel to a local resident for \$2 a gallon. The scheme took place over a four-month period and resulted in losses in excess of \$6,700.

Both the employee and resident who purchased the fuel were arrested. The employee was charged with Unlawful Compensation and Grand Theft and sentenced to one year of house arrest and four years of probation. The resident who purchased the fuel was charged with Grand Theft and sentenced to one year of probation.

As part of their pleas, both defendants were required to pay court costs, restitution to PROS for the stolen fuel, and costs of investigation to MDPD and the OIG.

As a result of the code enforcement violations observed during the execution of a search warrant at the resident's home, he was issued a total of 13 County code citations.



## INSURANCE AGENT SETTLES CRIMINAL CHARGES OF FLEECING THE MIAMI-DADE AVIATION DEPARTMENT

In February 2016, Sabal Insurance Group, Inc. and its owner entered into a settlement agreement with the State of Florida to resolve criminal Grand Theft charges filed against both the corporation and its owner in January 2015. Those charges stemmed from a scheme to defraud the Miami-Dade Aviation Department (MDAD) and its vendor, Quality Aircraft Services, Inc. (QAS) over the price they paid for insurance premiums. The owner was arrested following a joint investigation by the Miami-Dade County OIG; the Florida Department of Financial Services, Division of Insurance Fraud; and the Miami-Dade State Attorney's Office.



The settlement agreement required the defendants to pay back \$183,808 to MDAD, make a \$100,000 donation to the Denise Moon Trust Fund (a charitable organization that provides relief and support to crime victims), pay \$20,000 costs of investigation, and accept a three-year debarment from contracting with Miami-Dade County. Sabal agreed to institute a corporate compliance monitoring program at its own expense that will randomly monitor the accuracy of charged insurance premiums on a bi-annual basis. Sabal also agreed to require all of its employees to complete yearly ethics training for three years. Monitoring reports and proof of trainings will be forwarded to the Miami-Dade State Attorney's Office to ensure compliance.

## FORMER CLERK'S OFFICE EMPLOYEE PLED GUILTY TO STEALING CASH

A former cashier at the Miami-Dade County Clerk's Office pled guilty to Grand Theft and was sentenced to three years of probation, and must pay restitution to the County and cost of investigation to the OIG. A confidential tip to the OIG by a coworker led to the joint investigation with the Miami-Dade State Attorney's Office. The 25-year employee had been assigned to the Marriage License Bureau at the Coral Gables District Court as a Lead Worker. The joint investigation found multiple incidents of theft during the seven-month period from December 2013 through June 2014. The employee voided cash transactions of customers and charged their voided wedding ceremony fees to the credit cards of other unsuspecting customers. Through this manipulation of transactions in the clerk's computer system, she was able to pocket the cash.



We are grateful to the employee who reported the misconduct. The employee's courageous act of reporting allowed the OIG to stop the on-going theft of County money. The OIG also appreciates the cooperation and assistance of Clerk of Courts Harvey Ruvin and his staff during the investigation.

## TRIO SENTENCED FOR FRAUDULENTLY DESIGNATING CHILDREN AS "AT-RISK" IN REFERRALS TO SECURE EARLY DAYCARE AND CHILDCARE SPOTS

The last defendant and ringleader of a trio, criminally charged in February 2015, was sentenced in January 2016 as the result of an investigation by the OIG and the Miami-Dade State Attorney's Office. The defendant entered a guilty plea and was sentenced to two years of house arrest followed by ten years of probation on charges of Organized Scheme to Defraud



and Uttering Forged Instruments. The scheme involved defrauding funds slated for children's daycare and pre-school services intended to assist needy children in Miami-Dade County.

The first two defendants, a husband and wife team, pled guilty in November 2015 and agreed to cooperate with prosecutors on this case. The wife was sentenced to two years of house arrest followed by five years of probation on a charge of Organized Scheme to Defraud. Her husband was sentenced to one year of probation on a

charge of Petit Theft. The investigation found that the pair recruited low-income mothers and promised, for a fee, to expedite their applications for the Florida School Readiness Program that offers financial assistance to families for early education and childcare.

The Program is administered locally by the Early Learning Coalition of Miami-Dade/Monroe. Until July 2013, the Miami-Dade County Community Action & Human Services Department (CAHSD) contracted with the Early Learning Coalition to determine eligibility, process referrals, and provide payments to daycare centers. The Program provides immediate assistance to kids determined to be "at-risk" by the Florida Department of Children and Families (DCF) or by a Community-Based Care Lead Agency contracted by DCF, such as Our Kids, in Miami-Dade County. The Children's Home Society (CHS) provides similar services as a subcontractor to Our Kids.

The last defendant, who was the ringleader, was employed by CHS and was the key access point for the scheme. She submitted false and fraudulent applications to CAHSD's Child Development Services Division. The referral forms she submitted fraudulently designated the children as "at-risk" and eligible to receive immediate placement ahead of legitimate families already on a waiting list for the Program. The investigation found that the trio charged parents from \$100 to \$500 in cash per child, per referral.

None of the parents were aware that the applications fraudulently designated their children as "at risk" kids. The trio was ordered to pay restitution, totaling over \$162,000, to the Florida Office of Early Learning.



## PROSECUTIONS AND SENTENCINGS



## AUDITS AND REPORTS



The OIG Audit Unit supports the overall mission of the OIG by conducting independent, objective analysis and evaluation of programs, operations and finances, and by issuing public reports proposing targeted recommendations to enhance the delivery and quality of public services. The Audit Unit focuses on the efficiency, effectiveness, and financial integrity of programs and processes. As indicators of their professional competence, OIG Auditors maintain one or more of various certifications, including: Certified Public Accountant, Certified Internal Auditor, Certified Fraud Examiner, Certified Inspector General Auditor, Certified Risk Management Assurance Auditor, Certified Construction Auditor and Certified Financial Services Auditor.

The Audit Unit derives its jurisdictional authority from Section 2-1076 of the Code of Miami-Dade County that empowers the OIG to investigate County affairs; audit, inspect and review past, present and proposed County programs, accounts, records, contracts, and transactions; conduct reviews and audits of County departments, offices, agencies, and boards; and require reports from County officials and employees, including the Mayor, regarding any matter within the jurisdiction of the Inspector General. The OIG may also perform random audits, inspections, and reviews of County contracts.

The Audit Unit is guided by its Strategic Work Plan. This Plan aligns the Audit Unit's role with the OIG's Mission and Vision. It will help determine the nature of the Audit Unit's work and the allocation of Audit Unit resources to those objectives. The Strategic Work Plan is a guiding document, subject to change, and does not rule out introduction of new priorities or projects during the year that were not previously listed. The Plan includes a number of audit work proposals that may be initiated when resources are available to perform the work.

The OIG Audit Unit reached an important milestone in its existence when, in September 2016, it successfully passed its Peer Review. The successful Peer Review is a stamp of approval of Audit Unit policies, procedures, and practices given by an independent peer group of reviewers. The reviewers were provided by the Association of Inspectors General. They assessed the totality of the Audit Unit's operations and work product for the past three years for compliance with Generally Accepted Government Auditing Standards (commonly referred to as GAGAS or the "Yellow Book"). They issued an opinion that the Audit Unit met all GAGAS standards for the period under review.

# AUDITS AND REPORTS

## PUBLIC WORKS AND WASTE MANAGEMENT'S APPLICATION OF INTERNAL CHARGES TO PTP NEIGHBORHOOD IMPROVEMENT FUNDS

The People's Transportation Plan (PTP) is funded by a "One-half Cent Charter County Sales Surtax" approved by voters in 2002. Funds collected are to be used for transportation and transportation-related County projects and programs. This includes free Metromover service; free public transportation for individuals over age 65; Metrorail extension; traffic signalization upgrades; highway/roadway and neighborhood improvements; and various municipal projects. The Citizens' Independent Transportation Trust (CITT) oversees the PTP and the use of surtax funds. The former Public Works and Waste Management Department (PWWM) administered PTP funds for highway/roadway and neighborhood improvements, and related projects.

In January 2004, the BCC approved Resolution R-87-04, authorizing a \$167 million PTP allocation for "Neighborhood Improvements" that included over \$91 million for non-site-specific categories, commonly referred to as "Commission District PTP Yearly Allocations." These funds were available for a variety of projects, including enhancement of roadways, intersections, signals and signage, sidewalks, bikeways, drainage, landscape and bus stops. Over its 10-year program term, \$9.14 million was allocated annually to the 13 Commission Districts, with each District receiving an individual allocation based on population and roadway lane miles. These Commission District PTP Yearly Allocations, averaging \$703,000, ranged from \$288,000 (District 5) to \$1,205,000 (District 8).

The OIG's audit covered PTP-funded projects that included the County's internal charges, such as staff time and applicable overhead, to PWWM's PTP projects from 2009 to 2015. These internal charges included staff professional services such as in-house design, engineering, inspections and project management. Internal charges also included an administrative overhead component, in the form of a multiplier, that encompassed employee fringe benefits, retirement contributions, paid leave (annual, sick and holiday leave), and an allocation of indirect management and departmental operating costs.

The OIG's audit resulted in one observation, three findings, and eight recommendations. The OIG observed that PWWM's Balance Report was flawed in its presentation of PTP-related in-house project costs, leading to its misinterpretation, especially by those unfamiliar with its intent and composition. In addition, the audit determined that PWWM directly charged \$5 million to PTP funds related to employee compensated leave that was also indirectly charged to PTP funds by way of a direct-labor hour multiplier applied to each hour worked by PWWM employees on PTP-funded projects. PWWM's application of these costs also affected its other revenue sources, such as the Roadway Improvement Fund, Stormwater Utility Fund, General Obligation Bond Fund, and others. In total, PWWM improperly charged \$14.96 million of employee compensated leave costs (PTP—\$5.27 million, all others—\$9.69 million) against its various revenue sources.

OIG auditors also observed that PWWM was not closing its design projects concurrently with its closure of the corresponding construction projects. As a result, these design projects were susceptible to



the accumulation of what would be misapplied labor charges. The audit revealed that PWWM had over 600 design projects open for labor charging. As a result of the audit, PWWM reduced it to 29 open design projects.

OIG auditors noted that many PWWM employees were not timely in submitting their timesheets. Even when the timesheets were submitted, a number of PWWM supervisors were not timely in approving the timesheets. The prompt submission and approval of employee timesheets is critical to PWWM's accurate and complete capture of its internal project-related labor charges and ability to recapture these expenses against its capital funding sources.

# AUDITS AND REPORTS

The audit report included eight recommendations that PWWM implemented, addressed, or accepted. PWWM management took immediate action on most of the findings during the audit as issues were identified and brought to their attention. Although PWWM has already taken action, OIG auditors are still in contact with agency representatives regarding certain follow-up steps not yet completed. A consultant is helping develop an updated indirect cost recovery model. In addition, the agency is formalizing, by way of written policies and procedures, how it will charge its capital funding sources with future direct and indirect in-house project costs. Estimated completion of these tasks will be in the Spring of 2017 and OIG auditors will monitor progress until PWWM has satisfactorily addressed all recommendations.

## AUDIT OF MDAD PERMIT APPLICATION, EXTENSION AND RENEWAL PROCESSES (PHASE 1)

As part of the OIG's on-going oversight activities at the Miami-Dade Aviation Department (MDAD), the OIG initiated an audit of MDAD's permit processes. Permits—a revenue generating activity—are issued by MDAD to companies doing business on airport properties. These companies—permit holders or “permittees”—must satisfy certain requirements for the opportunity to do business at the airport. These requirements include submitting an application, paying an application fee and a security deposit, and satisfying certain insurance requirements. Most importantly, the companies must remit to MDAD a percentage of the gross revenues that the company earned from its business dealings at the airport. The last requirement, the opportunity fee, varies depending on the type of services that the permittee provides, but is generally seven percent of the permittee's gross revenues. The opportunity fee, on a permittee-by-permittee basis, has been the subject of many County investigations and audits.

The OIG initiated the audit to take a top-to-bottom look at how MDAD manages the entire permit process. This process begins with the permit application, moves through a risk management verification of insurance requirements, and results in the issuance of a permit that may be renewed or extended. This process

primarily resides within MDAD's Real Estate Management & Development Division (MDAD Properties) and is the process reviewed in Phase 1 of the audit.

MDAD Properties, in addition to processing all new permit applications, currently administers over 140 active permits, each requiring the processing of annual permit extensions or bi-annual permit renewals. Whether it is a permit application, a permit extension, or a permit renewal, MDAD Properties must perform a number of manual steps and handle large amounts of documents. Essentially, the permit application, extension and renewal process is a continuous, year-round and repetitive activity.

The audit did not reveal any material weaknesses in the permit application, extension, and renewal process that rise to the level of an audit finding. While auditors encountered some non-compliance issues, there were either reasonable explanations provided or the issues were quickly resolved by MDAD staff during the course of the audit. Some areas were observed that could benefit from enhanced processes, greater attention to detail and clarification of terms; however, none of these conditions compromised MDAD's permit operations. The report contained audit observations and corresponding recommendations. The OIG made ten recommendations to enhance and improve MDAD's administration of the permitting process. MDAD provided a response accepting all ten of the recommendations.

With its final audit report, the OIG requested that MDAD provide written updates on the implementation of the recommendations. In 2017, OIG auditors will conduct a follow-up review to evaluate MDAD's implementation of the OIG's recommendations. Among the issues to be reviewed will be:







# AUDIT UNIT

- MDAD's updated *Rates, Fees, and Charges Schedule FY 2017-18*;
- A newly created website to process permit applications, extensions, and renewals;
- MDAD's phase-out of indefinite month-to-month permit agreements to be replaced by annual permit agreements;
- The results of MDAD's issuance of its *Tenant/Vendor Letter*;
- MDAD's new *Fueling Services Permit Application and Fueling Permit Agreement*; and
- MDAD's new policies and procedures regarding insurance coverage requirements, issuance of insurance waivers, and revised permit agreement insurance requirements terms and conditions.

## UPCOMING PHASES:

While concluding this audit's Phase 1, the OIG initiated Phase 2, which entails a review of MDAD's Finance Division's activities related to its recordkeeping of permittee monthly revenue reports and annual certified statements to determine whether the Finance Division maintains records documenting that permittees are timely submitting these required reports.

In addition, Phase 2 will compare the client names shown on a permittee's monthly revenue reports submitted to MDAD Finance to client names submitted to MDAD Properties at the time of the application, extension, or renewal of permits.

Lastly, Phase 2 will check that a permittee's annual certified statement reflects the same revenue amounts shown on the totality of its twelve monthly revenue reports.

Not unlike the contract oversight activities of other state and local OIGs, the Miami-Dade County OIG's Contract Oversight function aims to promote integrity and accountability of the public entity's procurement process. A distinction, however, of its Contract Oversight function is the emphasis on the real-time, contemporaneous monitoring of procurement activities, including the negotiation of contracts and contractor performance as the events unfold. The Board of County Commissioners, in its creation of the OIG and enactment of its statutory powers, specifically authorized these responsibilities and duties. Section 2-1076 of the Code of Miami-Dade County expressly provides that the OIG:

- Review and recommend whether a particular program, contract, or transaction is necessary, and assist the BCC in determining whether the project or program is the most feasible solution to a particular need.
- Monitor, oversee and inspect procurement processes to include the establishment of project design and bid specifications, bid submittals, and activities of the contractor.
- Attend procurement selection and negotiations meetings and pose questions and concerns consistent with the functions, authority, and powers of the Inspector General.

- Monitor existing projects or programs and report whether they are on time, within budget, and in conformity with plans, specifications, and applicable law.
- Analyze the need for, and reasonableness of, proposed change orders.
- Determine compliance with contract specifications.

Contract oversight activities may begin from conceptual design, continue through procurement, and carry through to the ribbon-cutting of a newly constructed facility. Activities may involve the assessment or need of the project, market research and other forms of due diligence; bidding and contractor selection; contract negotiations; and ultimately performance. Considering the magnitude and complexity of many County projects, especially those contained in a multi-year capital improvements program, an oversight assignment may span multiple years.

When performing contract oversight activities, the OIG strives to promote accountability and transparency in the decision-making process, and provide County staff with independent observations and comments relative to the propriety and soundness of proposed actions. The OIG often questions and challenges assumptions, and makes suggestions and recommendations, where appropriate, to improve the process. The OIG will raise "red-flags" when it has concerns or spots

problems or issues that require management's attention. Depending on the oversight assignment, comments may be provided verbally or via written memoranda. The following are some of the contracts and projects monitored by the OIG during 2016.

## **PHILIP AND PATRICIA FROST MUSEUM OF SCIENCE**

In February 2016, following news reports of the Museum's inability to satisfy its capital fundraising goals and secure adequate financing to complete construction, the OIG became aware of the County's proposed financial plan to rescue the Museum. Due to the County's prior contribution of \$165 million and the proposed rescue plan of an additional \$45 million, the contract oversight specialists undertook an independent due diligence review to provide a level of assurance that the finances supporting the proposed financial rescue plan were feasible. In April 2016, the OIG issued its review of the proposed \$45 million grant to the Museum of Science, Inc. for the completion of the Patricia and Philip Frost Museum of Science.

The review involved directly examining the Museum's fundraising pledge and donation documents to verify the amounts reported in various projections. The OIG also directly contacted the financial institution (Northern Trust Bank) that had agreed to lend the Museum \$40 million towards construction completion costs, contingent on the County's rescue plan. The OIG verified that the collateral tendered by the Museum to secure its loan was not collateralizing other funds needed by the Museum to complete construction. While the review determined that the identified funds were not being duplicated, the OIG raised concerns

with certain operating forecasts once the Museum opened – especially because the County's \$45 million commitment would be in lieu of future operating support. A memorandum was issued containing five recommendations regarding the remaining construction activities, future financial reporting, and reporting on revenues and key operational expenses. During the commission meeting to approve the \$45 million rescue plan, the BCC adopted all five of the OIG recommendations.

## **CONVERSION TO COMPRESSED NATURAL GAS – MASTER DEVELOPMENT AGREEMENTS FOR FUELING THE COUNTY'S BUSES AND HEAVY FLEET**

In June 2014, the County issued two Requests for Proposals (RFPs) for Master Developers to renovate existing fuel facilities, provide the natural gas, and acquire (on behalf of the County) new CNG buses or other heavy-duty vehicles. One RFP was for the Transportation and Public Works Department (formerly Transit) and the other RFP was for the remainder of the County's heavy vehicle fleet (e.g., Waste Management, Water and Sewer and Internal Services departments). Since the beginning, contract oversight specialists have been monitoring the selection processes for both the Transit and Countywide Master Developers. Contract oversight specialists have monitored these two procurements since their inception and, in 2016, attended numerous negotiation meetings relating to the Transit CNG Agreement. The OIG will continue to monitor the remainder of the procurement processes through 2017 towards completion.



## BUILDING BETTER COMMUNITIES GENERAL OBLIGATION BOND—ECONOMIC DEVELOPMENT FUND, PROJECTS 124 & 320

In July 2016, the first two—of several yet to come—Economic Development Fund grant agreements were presented to the BCC for approval. These finalized grant agreements were the result of a process over several years to identify capital projects throughout the County (Project 124) and within Targeted Urban Areas (Project 320) that would spur economic development and create new jobs. The approved projects were given fund allocations and the County administration was tasked with negotiating final proposed agreements for BCC approval. OIG contract oversight specialists have been monitoring negotiations with all parties (eleven potential grantees receiving allocations from Project 124 and six parties from Project 320). The OIG has been actively monitoring the negotiations, providing input, and asking questions to clarify certain agreement metrics and criteria. OIG observations and suggestions are geared toward securing an enforceable agreement that protects the County's interests and the taxpayers' capital investment.

In July 2016, in commenting on the first two proposed agreements, the OIG issued a memorandum to the BCC containing four recommendations. The recommendations addressed what paperwork the grantee would have to submit in order to receive its grant reimbursement (i.e., demonstrating that it had actually expended the funds for which it was seeking reimbursement). Another recommendation concerned the certification of new jobs when the jobs are created by a business other than the party receiving the grant (such as a tenant business on the grantee's property).

The BCC adopted the four OIG recommendations, and the Administration has begun incorporating them into all future agreements. The OIG continues to monitor all negotiations for the remaining allocations and, where appropriate, will issue additional memoranda containing further recommendations.

## JOINT COUNTY AND CITY OF HIALEAH REVERSE OSMOSIS WATER TREATMENT PLANT

The County and the City of Hialeah became partners in 2007 in constructing and operating a reverse osmosis water treatment plant (RO Plant). The RO Plant is located in Hialeah and will provide water to both the County and the City's water utilities. Under the terms of a Joint Participation Agreement (JPA), the City is responsible for the design, construction, operation and maintenance of the RO Plant, even though the County will pay half of the costs. In 2010, the City entered into a contract with Inima USA Construction for Phase 1 that included the facility's design, construction, and the operation, to produce 10 million gallons of finished drinking water per day (MGD). The total project cost was estimated at \$160 million at the completion of Phase 3—when the plant would have a capacity of 17.5 MGD. Construction began in September 2011 and the project became significantly delayed. In August 2013, WASD requested OIG assistance to provide independent monitoring of this project.

In the past three years, the OIG has been actively monitoring discussions and negotiations concerning the application of delay damages, proposed change orders, proposed settlements of contractor claims, as well as proposed amendments to the JPA between the County and City. The OIG has been vocal in the need to make sure that the contractor "certifies" its claims as a safeguard measure. In July 2016, Amendment Two to the Service Contract was approved by the Hialeah City Council. At the end of 2016, the amendment was awaiting approval from the County. At present, the RO Plant is producing 7.5



MGD, but still has not achieved Phase 1 Acceptance, which is considerably overdue. In addition, the OIG has recommended a number of revisions to the JPA to address updated conditions. These are expected to be formalized during 2017 with an amendment to the JPA. The OIG is committed to monitoring this project through completion.

## **WATER & SEWER DEPARTMENT'S \$13.5 BILLION, 15-YEAR COUNTYWIDE CAPITAL IMPROVEMENT PROGRAM**

OIG contract oversight specialists actively monitor this program's four major areas of work:

1. The federal environmental consent decree;
2. Pump station improvements;
3. Ocean outfall legislation; and
4. Improvements to the wastewater and water treatment transmission and distribution systems.

During the past year, the OIG's oversight activities have focused on monitoring compliance with federal judicially-mandated deadlines, and the timely completion of specific projects as required by the consent decree. The contract oversight specialist assigned to the program is also involved in reviewing the various task authorizations issued among the various consultants. Randomly selected reviews have led the OIG to question some proposed task authorizations as being outside the scope of the consultant's contract; as duplicative of other tasks being commissioned, either through other consultants or being performed in-house; or as not properly planned or not adequately supported by labor resource estimates. The OIG's comments and observations

have been well-received by WASD management and adjustments have been made, as appropriate.

## **JACKSON HEALTH SYSTEM'S \$830 MILLION MIRACLE-BUILDING BOND PROGRAM**

Miami-Dade County voters approved the issuance of \$830 million in general obligation bonds in November 2013 for the modernization and expansion of the Jackson Health System (JHS). These funds are committed toward JHS' 10-year capital modernization and expansion—a program totaling \$1.3 billion. Within this program, contract oversight specialists have actively monitored the procurement processes and subsequent contract negotiations, totaling over \$106 million, for the owner's representative, five architects, and five construction managers. The OIG's comments and recommendations during negotiations have resulted in over \$1.5 million in cost avoidance. In addition, due to OIG comments and suggestions, JHS heightened its awareness of the County's requirements for lobbyist registration and made adjustments furthering compliance in this area. The OIG will continue to actively monitor the Miracle-Building Bond Program through its completion.





# OIG PERFORMANCE, ACCOUNTABILITY, SAVINGS AND EFFICIENCY

## IDENTIFIED FINANCIAL IMPACTS

In FY 2015-2016, OIG investigations, audits, inspections and other reviews identified over \$15 million in questioned costs, and over \$480,000 in damages and losses due to theft, fraud and abuse. As a result of these cases, and others that began in earlier years, OIG cases have given rise to over \$300,000 in savings and funds being put to better use, and have brought about over \$1.3 million in recoveries, repayments, and court-imposed restitution.

## ARRESTS MADE THIS FISCAL YEAR

OIG investigations resulted in nine arrests and charges of Grand Theft against one company during Fiscal Year 2015-2016.

## CRIMINAL CHARGES FILED

Arrests in Fiscal Year 2015-2016 resulted in criminal charges being filed that include Organized Scheme to Defraud, Grand Theft, Petit Theft, Forgery, Uttering a Forged Instrument, and Unlawful Compensation.

## THIS YEAR'S PUBLICATIONS

The OIG issued twelve public reports and twelve advisory memoranda during the fiscal year. The reports include audit reports and administrative investigative reports. The advisory memoranda typically involve notices of investigations resulting in arrest and the dispositions of those criminal cases.



# APPENDIX: CODE OF MIAMI-DADE COUNTY

## Sec. 2-1076 OFFICE OF THE INSPECTOR GENERAL

**(a) Created and established.** There is hereby created and established the Office of Miami-Dade County Inspector General. The Inspector General shall head the Office. The organization and administration of the Office of the Inspector General shall be sufficiently independent to assure that no interference or influence external to the Office adversely affects the independence and objectivity of the Inspector General.

### **(b) Minimum Qualifications, Appointment and Term of Office.**

(1) Minimum qualifications. The Inspector General shall be a person who:

(a) Has at least ten (10) years of experience in any one, or combination of, the following fields:

- (i) as a Federal, State or local Law Enforcement Officer;
- (ii) as a Federal or State court judge;
- (iii) as a Federal, State or local government attorney;
- (iv) progressive supervisory experience in an investigative public agency similar to an inspector general's office;

(b) Has managed and completed complex investigations involving allegations of fraud, theft, deception and conspiracy;

(c) Has demonstrated the ability to work with local, state and federal law enforcement agencies and the judiciary; and

(d) Has a four-year degree from an accredited institution of higher learning.

(2) Appointment. The Inspector General shall be appointed by the Ad Hoc Inspector General Selection Committee ("Selection Committee"), except that before any appointment shall become effective, the appointment must be approved by a majority of the whole number of members of the Board of County Commissioners at the next regularly scheduled County Commission meeting after the appointment. In the event that the appointment is disapproved by the County Commission, the appointment shall become null and void, and the Selection Committee shall make a new appointment, which shall likewise be submitted for approval by the County Commission. The Selection Committee shall be composed of five members selected as follows:

(a) The State Attorney of the 11th Judicial Circuit for Miami-Dade County;

(b) The Public Defender of the 11th Judicial Circuit for Miami-Dade County;

(c) The Chairperson of the Miami-Dade Commission on Ethics and Public Trust;

(d) The President of the Miami-Dade Police Chief's Association; and

(e) The Special Agent In Charge of the Miami Field Office of the Florida Department of Law Enforcement.

The members of the Selection Committee shall elect a chairperson who shall serve as chairperson until the Inspector General is appointed. The Selection Committee shall select the Inspector General from a list of qualified candidates submitted by the Miami-Dade County Employee Relations Department.

(3) Term. The Inspector General shall be appointed for a term of four years. In case of a vacancy in the position of Inspector General, the Chairperson of the Board of County Commissioners may appoint the deputy inspector general, assistant inspector general, or other Inspector General's office management personnel as interim Inspector General until such time as a successor Inspector General is appointed in the same manner as described in subsection (b)(2) above. The Commission may by majority vote of members present disapprove of the interim appointment made by the Chairperson at the next regularly scheduled County Commission meeting after the appointment. In the event such appointment shall be disapproved by the County Commission, the appointment shall become null and void and, prior to the next regularly scheduled Commission meeting, the Chairperson shall make a new appointment which shall likewise be subject to disapproval as provided in this subsection (3). Any successor appointment made by the Selection Committee as provided in subsection (b)(2) shall be for the full four-year term.

Upon expiration of the term, the Board of County Commissioners may by majority vote of members present reappoint the Inspector General to another term. In lieu of reappointment, the Board of County Commissioners may reconvene the Selection Committee to appoint the new Inspector General in the same manner as described in subsection (b)(2). The incumbent Inspector General may submit his or her name as a candidate to be considered for selection and appointment.

(4) Staffing of Selection Committee. The Miami-Dade County Employee Relations Department shall provide staffing to the Selection Committee and as necessary will advertise the acceptance of resumes for the position

of Inspector General and shall provide the Selection Committee with a list of qualified candidates. The County Employee Relations Department shall also be responsible for ensuring that background checks are conducted on the slate of candidates selected for interview by the Selection Committee. The County Employee Relations Department may refer the background checks to another agency or department. The results of the background checks shall be provided to the Selection Committee prior to the interview of candidates.

**(c) Contract.** The Director of the Employee Relations Department shall, in consultation with the County Attorney, negotiate a contract of employment with the Inspector General, except that before any contract shall become effective, the contract must be approved by a majority of Commissioners present at a regularly scheduled Commission meeting.

**(d) Functions, Authority and Powers.**

(1) The Office shall have the authority to make investigations of County affairs and the power to review past, present and proposed County and Public Health Trust programs, accounts, records, contracts and transactions.

(2) The Office shall have the power to require reports from the Mayor, County Commissioners, Manager, County agencies and instrumentalities, County officers and employees and the Public Health Trust and its officers and employees regarding any matter within the jurisdiction of the Inspector General.

(3) The Office shall have the power to subpoena witnesses, administer oaths and require the production of records. In the case of a refusal to obey a subpoena issued to any person, the Inspector General may make application to any circuit court of this State which shall have jurisdiction to order the witness to appear before the Inspector General and to produce evidence if so ordered, or to give testimony touching on the matter in question. Prior to issuing a subpoena, the Inspector General shall notify the State Attorney and the U.S. Attorney for the Southern District of Florida. The Inspector General shall not interfere with any ongoing criminal investigation of the State Attorney or the U.S. Attorney for the Southern District of Florida where the State Attorney or the U.S. Attorney for the Southern District of Florida has explicitly notified the Inspector General in writing that the Inspector General's investigation is interfering with an ongoing criminal investigation.

(4) The Office shall have the power to report and/or recommend to the Board of County Commissioners whether a particular project, program, contract or transaction is or was necessary and, if deemed necessary, whether the method used for implementing the project or program is or was efficient both financially and operationally. Any review of a proposed project or program shall be performed in such a manner as to assist

the Board of County Commissioners in determining whether the project or program is the most feasible solution to a particular need or problem. Monitoring of an existing project or program may include reporting whether the project is on time, within budget and in conformity with plans, specifications and applicable law.

(5) The Office shall have the power to analyze the need for, and the reasonableness of, proposed change orders. The Inspector General shall also be authorized to conduct any reviews, audits, inspections, investigations or analyses relating to departments, offices, boards, activities, programs and agencies of the County and the Public Health Trust.

(6) The Inspector General may, on a random basis, perform audits, inspections and reviews of all County contracts. The cost of random audits, inspections and reviews shall, except as provided in (a)-(n) in this subsection (6), be incorporated into the contract price of all contracts and shall be one quarter (1/4) of one (1) percent of the contract price (hereinafter "IG contract fee"). The IG contract fee shall not apply to the following contracts:

- (a) IPSIG contracts;
- (b) Contracts for legal services;
- (c) Contracts for financial advisory services;
- (d) Auditing contracts;
- (e) Facility rentals and lease agreements;
- (f) Concessions and other rental agreements;
- (g) Insurance contracts;
- (h) Revenue-generating contracts;
- (i) Contracts where an IPSIG is assigned at the time the contract is approved by the Commission;
- (j) Professional service agreements under one thousand dollars;
- (k) Management agreements;
- (l) Small purchase orders as defined in Administrative Order 3-2;
- (m) Federal, state and local government-funded grants; and
- (n) Interlocal agreements;
- (o) Grant Agreements granting not-for-profit organizations Building Better Communities General Obligation Bond Program funds.

Notwithstanding the foregoing, the Commission may by resolution specifically authorize the inclusion of the IG contract fee in any contract. Nothing contained in this subsection (c)(6) shall in any way limit the powers of the Inspector General provided for in this section to perform audits, inspections, reviews and investigations on all County contracts including, but not limited to, those contracts specifically exempted from the IG contract fee.

(7) Where the Inspector General detects corruption or fraud, he or she shall notify the appropriate law enforcement agencies. Subsequent to notifying the appropriate law enforcement agency, the Inspector General may assist the law enforcement agency in

concluding the investigation. When the Inspector General detects a violation of one (1) of the ordinances within the jurisdiction of the Ethics Commission, he or she may file a complaint with the Ethics Commission or refer the matter to the Advocate.

(8) The Inspector General shall have the power to audit, investigate, monitor, oversee, inspect and review the operations, activities and performance and procurement process including, but not limited to, project design, establishment of bid specifications, bid submittals, activities of the contractor, its officers, agents and employees, lobbyists, County staff and elected officials in order to ensure compliance with contract specifications and detect corruption and fraud.

(9) The Inspector General shall have the power to review and investigate any citizen's complaints regarding County or Public Health Trust projects, programs, contracts or transactions.

(10) The Inspector General may exercise any of the powers contained in Section 2-1076 upon his or her own initiative.

(11) The Inspector General shall be notified in writing prior to any meeting of a selection or negotiation committee where any matter relating to the procurement of goods or services by the County is to be discussed. The notice required by this subsection (11) shall be given to the Inspector General as soon as possible after a meeting has been scheduled, but in no event later than twenty-four (24) hours prior to the scheduled meeting. The Inspector General may, at his or her discretion, attend all duly noticed County meetings relating to the procurement of goods or services as provided herein, and, in addition to the exercise of all powers conferred by Section 2-1076, may pose questions and raise concerns consistent with the functions, authority and powers of the Inspector General. An audio tape recorder shall be utilized to record all selection and negotiation committee meetings.

(12) The Inspector General shall have the authority to retain and coordinate the services of Independent Private Sector Inspectors General (IPSIG) or other professional services, as required, when in the Inspector General's discretion he or she concludes that such services are needed to perform the duties and functions enumerated in subsection (d) herein.

#### **(e) Physical facilities and staff.**

(1) The County shall provide the Office of the Inspector General with appropriately located office space and sufficient physical facilities together with necessary office supplies, equipment and furnishings to enable the Office to perform its functions.

(2) The Inspector General shall have, subject to budgetary allocation by the Board of County Commissioners, the

power to appoint, employ, and remove such assistants, employees and personnel and establish personnel procedures as deemed necessary for the efficient and effective administration of the activities of the Office.

**(f) Procedure for finalization of reports and recommendations which make findings as to the person or entity being reviewed or inspected.** Notwithstanding any other provisions of this Code, whenever the Inspector General concludes a report or recommendation which contains findings as to the person or entity being reported on or who is the subject of the recommendation, the Inspector General shall provide the affected person or entity a copy of the report or recommendation and such person or entity shall have 10 working days to submit a written explanation or rebuttal of the findings before the report or recommendation is finalized, and such timely submitted written explanation or rebuttal shall be attached to the finalized report or recommendation. The requirements of this subsection (f) shall not apply when the Inspector General, in conjunction with the State Attorney, determines that supplying the affected person or entity with such report will jeopardize a pending criminal investigation.

**(g) Reporting.** The Inspector General shall annually prepare and submit to the Mayor and Board of County Commissioners a written report concerning the work and activities of the Office including, but not limited to, statistical information regarding the disposition of closed investigations, audits and other reviews.

**(h) Removal.** The Inspector General may be removed from Office upon the affirmative vote of two-thirds (2/3) of the whole number of members of the Board of County Commissioners.

**(i) Abolition of the Office.** The Office of the Inspector General shall only be abolished upon the affirmative vote of two-thirds (2/3) of the whole number of members of the Board of County Commissioners.

**(j) Retention of the current Inspector General.** Notwithstanding any provision to the contrary, the incumbent Inspector General, Christopher R. Mazzella<sup>(1)</sup>, shall serve a four year term of office commencing on December 20, 2009, as provided in the Memorandum of Understanding approved by Resolution No. R-1394-05, and shall not be subject to the appointment process provided for in Section 2-1076(b) (2).

<sup>(1)</sup> Mr. Chris Mazzella, the County's first Inspector General and the incumbent when this subsection was enacted, retired in April 2013. Mary Cagle, the current Inspector General, was appointed in February 2014.

**(Ord. No. 97-215, § 1, 12-16-97; Ord. No. 99-63, § 1, 6-8-99; Ord. No. 99-149, § 1, 10-19-99; Ord. No. 00-105, § 1, 7-25-00; Ord. No. 01-114, § 1, 7-10-01; Ord. No. 05-51, § 1, 3-1-05; Ord. No. 06-88, § 2, 6-6-06, Ord. No. 07-165; § 1, 11-6-07)**



Contract Oversight at Water and Sewer Department



CFA Reaccreditation



Unveiling of Metrorail Trains



OIG Presentation to Mayor's Interns



# Gallery



Before and After  
Move to Overtown Transit Village

Call Our Hotline to Report Fraud:  
(305) 579-2593

or

Report Fraud On-Line at:  
[www.miamidadeig.org](http://www.miamidadeig.org)



Miami-Dade County  
Office of the Inspector General  
601 N.W. 1<sup>st</sup> Court  
South Tower, 22<sup>nd</sup> Floor  
Miami, Florida 33136  
Phone: (305) 375-1946  
Fax: (305) 579-2656

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING THE RENEWAL OF THE CITY'S \$60 MILLION LINE OF CREDIT**

---

### **HISTORY:**

The City's current Line of Credit ("LOC") was executed on May 30, 2014 to provide the City with liquidity to continue to award contracts for new water, sewer, stormwater, and general fund projects. On that date, the City and Wells Fargo Bank entered into a loan through two revolving lines of credit in an aggregate principal amount not to exceed \$60 million outstanding at any time. The loan agreement allowed for tax-exempt draws up to \$59 million and taxable draws up to \$1 million.

This loan had a maturity date of May 30, 2016, and on May 12, 2016, the maturity date was extended for 60 days until July 29, 2016. The term was extended for an additional two year period effective July 30, 2016, with a new maturity date of July 30, 2018. To date, the City has not drawn on this line of credit.

### **ANALYSIS:**

Due to the continued need for liquidity to award contracts for new water, sewer, stormwater and general fund (General Obligation Bond) projects, the City would like to extend the LOC for an additional two year period. The City may also utilize the LOC for borrowings for short-term capital and equipment needs in the future.

The City has the legal authority to obtain a line of credit pursuant to the Constitution of the State of Florida, Chapter 166, Part II, Florida Statutes, as amended, Chapter 159, Part VII, Florida Statutes, as amended, and the Charter of the City (collectively, the "Act"), to borrow money to finance capital projects.

The LOC will be secured by a covenant to budget and appropriate non-ad valorem revenues. The annual fees for unused credit will remain the same as the prior agreement. The formula for draws on the LOC will adjust from the original agreement due to the recent change in the corporate tax rate. Below is a schedule summarizing the terms of the amended agreement compared to the prior agreement.

	Amended Agreement	Prior Agreement	
Credit Amount	\$60,000,000	\$60,000,000	
Term	24 Months	24 Months	
Upfront Fee	\$0	\$0	
Annual Fee for Unused Credit	25 bps (\$150,000)	25 bps (\$150,000)	
Annual Interest on Draws:			
Tax-Exempt (up to \$59 million)	80% x (1M LIBOR + 0.55%)	70% x (1M LIBOR + 0.50%)	
Taxable (up to \$1 million)	1M LIBOR + 0.75%	1M LIBOR + 0.75%	
			Difference
Total cost w/o borrowing			
Annual Cost	\$150,000	\$150,000	\$0
Total cost w/ \$60M borrowing:*			
Indicative Interest Rate (Variable)	1.94%	1.66%	0.28%
Tax-Exempt (annual cost)	\$1,145,780	\$981,908	\$163,873
Taxable (annual cost)	\$26,275	\$26,275	\$0

\* Based on 1 month ICE LIBOR rate of 1.8775% as of 5/10/18.

The City utilizes the line of credit to meet its financial commitment needs and be in compliance with state law while spending its existing bonds proceeds and to provide capacity to award new projects in advance of longer term financing.

In recommending the renewal of this line of credit versus other financing options, the City's CFO worked in conjunction with the City's Financial Advisor, who concurred on this type of financing and on the competitiveness of the rates. This line of credit offers attractive legal terms and a low cost of the ability to encumber and access funds.

### **CONCLUSION:**

The Administration requests the recommendation of the Finance Committee that the Mayor and City Commission of the City of Miami Beach, Florida, authorize the extension of the term of the loan in an aggregate principal amount not to exceed \$60,000,000 outstanding at any time from Wells Fargo Bank, National Association; adopt a resolution in a form to come authorizing the execution and delivery of amended and restated loan agreement and promissory notes in connection with such extended loan; authorizing other actions in connection with the extended loan and the financing program; and providing for an effective date.

# MIAMI BEACH

## **COMMITTEE MEMORANDUM**

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING EQUIPMENT FINANCING LINE OF CREDIT**

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### **HISTORY:**

The City previously had a \$37.5 million equipment lease line of credit with SunTrust which provided short term financing for the City's equipment needs such as fleet vehicles. Under the prior line of credit, which was in place from 2008 – 2015, the City made draws in an amount required for equipment under the capital budget. When drawn, the amount would be amortized at a fixed interest rate based on a formula and was amortized as level principal and interest payments for a period of up to 10 years. The City made 21 draws under this line totaling \$37.4 million, \$4.2 million of which remains outstanding as of 4/30/18. The outstanding amounts mature in 2019 – 2025. The City is requesting approval to issue a request for proposal (RFP) for a similar equipment line of credit ("equipment LOC") for future equipment financing needs.

### **ANALYSIS:**

The City regularly has equipment capital needs that it wishes to finance over a multi-year period. An equipment LOC provides a cost-effective and efficient financing mechanism for smaller, short-term loans. The draws convert to a fixed rate loan based on a formula which reflects market conditions at the time of the draw. An equipment LOC in an amount not-to-exceed \$15 million over the next 2 – 3 years should provide sufficient funding for equipment needs during this period.

The City has the legal authority to obtain a line of credit pursuant to the Constitution of the State of Florida, Chapter 166, Part II, Florida Statutes, as amended, Chapter 159, Part VII, Florida Statutes, as amended, and the Charter of the City (collectively, the "Act"), to borrow money to finance capital projects.

The equipment LOC will be secured by a covenant to budget and appropriate non-ad valorem revenues. In recommending the use of an equipment LOC versus other financing options, the City's CFO worked in conjunction with the City's Financial Advisor, RBC Capital Markets ("Financial Advisor"), who concurred on the appropriateness and cost-effectiveness of this type of financing. An equipment line of credit provides efficient access to funds for small and shorter-term financings to the extent that the equipment cannot be paid for with cash on hand.

Pursuant to the City's Professional Services Agreement with the City's Financial Advisor dated April 24, 2017, the Financial Advisor will conduct, on behalf of the City, the RFP process with banks and other lending institutions for the Equipment LOC. Exhibit A, Scope of Work, of the Professional Services Agreement provides that the services shall include, but not be limited to: Item D. Assist the City in the development and implementation of various financing strategies, including research and evaluation of the structuring, timing and procurement of financial instruments to implement a specific strategy.



**CONCLUSION:**

The Administration requests the recommendation of the Finance Committee that the Mayor and City Commission of the City of Miami Beach, Florida, to authorize the issuance of an RFP through the City's Financial Advisor, on behalf of the City, for an equipment LOC in an amount not to exceed \$15 million. The Administration will provide the results of the RFP and a resolution in a form to come authorizing the execution and delivery of an equipment LOC; authorizing other actions in connection with the financing program; and providing for an effective date.

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING PARKING RATES FOR THE NEW MIAMI BEACH CONVENTION CENTER GARAGE (G11).**

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### **HISTORY:**

Municipal Parking Lot No. P32 (Preferred Parking Lot), located on Convention Center Drive and 18th Street, for many years served as staging, marshalling, and public parking during event days. As we know, this parking facility will transition to a public park upon completion of the Miami Beach Convention Center (MBCC) project.

Replacement parking for the Preferred Parking Lot is a garage incorporated as part of the Miami Beach Convention Center building Municipal Parking Garage No. G11, which is currently under construction. The garage will be operational concomitantly with the MBCC building.

### **ANALYSIS:**

As a new municipal parking garage, the parking fee schedule for this new facility is established by ordinance and approved by the Mayor and City Commission. The proposed parking fee schedule is as follows:

#### Convention Center Garage:

##### Transient rates:

0-1 hour	2.00
1-2 hours	4.00
2-3 hours	6.00
3-4 hours	8.00
4-5 hours	9.00
5-6 hours	10.00
6-7 hours	11.00
7-8 hours	12.00
8-15 hours	15.00
15-24 hours	20.00

Lost ticket charge: Parkers who cannot produce a parking entry ticket will be charged the maximum daily rate of \$20.00.

Monthly parking: \$100.00 per month, per permit, plus applicable sales tax. (\$70.00 per month for residents)

Event flat rate: \$20.00 per vehicle.

These hourly rates are consistent with other city owned garages in the area. The only notable exception is the event flat rate of \$20 compared to \$15 at other city owned garages. This is recommended in order to establish a premium for the most convenient self-parking (attached to the MBCC structure) as compared to other garages in the close proximity.

A survey of Convention Centers in the Florida including the James L. Knight Center, the Fort Lauderdale Convention Center, the Palm Beach Convention Center, the Orange County Convention Center and the Tampa Convention Center, have a self park flat rate of up to \$15 per vehicle.

### **VALET PARKING USER FEES**

We anticipate demand for valet parking services for a variety of events including conventions, consumer shows, and a variety of food & beverage events at the facility's ballrooms. In the menu of parking options, valet parking is the highest level of service and user fees should be at premium which is commensurate with this level of service. However, as a new convention center with markedly improved facilities and services, we anticipate an uptick in valet parking demand. Each event may have different characteristics and modes of travel by attendees. Event attendees may use a variety of modes of transportation to the facility, including charter bus, ride share, black car service, self-park, and of course, valet parking. We anticipate high end events such as galas and related ballroom events to have high valet parking utilization.

The Convention Centers referenced above were also surveyed regarding their valet parking rates. While the center's do not offer valet services, the events booked at these venues provide valet parking with a valet parking user fee ranging from \$15 to \$20 per vehicle. A notable exception is the James L. Knight Center where valet parking is provided by the Hyatt Regency Miami valet parking service at the hotel guest rate of \$50 per vehicle.

Therefore, the Administration recommends commencing with a valet parking user fee of \$25.00 per vehicle to be established in the Valet Parking Concession Agreement (to be approved by Resolution upon the Manager's recommendation) and with the potential for future increase subject to the Manager's approval.

### **CONCLUSION:**

The Administration is seeking guidance regarding this matter.

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSSION REGARDING THE LISTING OF THE PENNSYLVANIA GARAGE  
RETAIL SPACE**

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**ANALYSIS:**

Discussion at Committee.

**ATTACHMENTS:**

Description	Type
□ LTC 225-2018 Listing Broker for Pennsylvania Garage Retail Space	Memo

# MIAMI BEACH

**City of Miami Beach**, 1700 Convention Center Drive, Miami Beach, Florida 33139, [www.miamibeachfl.gov](http://www.miamibeachfl.gov)

OFFICE OF THE CITY MANAGER

**225-2018**


## LETTER TO COMMISSION

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: April 25, 2018

SUBJECT: **LISTING BROKER FOR PENNSYLVANIA GARAGE RETAIL SPACE**



The purpose of this Letter to Commission (LTC) is to update the Mayor and City Commission regarding the leasing efforts for the retail space located on the ground floor of the Pennsylvania Garage located at 1661 Pennsylvania Avenue.

### **BACKGROUND**

The Pennsylvania Garage building consists of 572 municipal parking spaces and approximately 7,700 square feet of ground floor retail space. In September 2011, the City executed a new lease agreement for the retail space with Penn 17, LLC ("Penn 17") for a period of ten (10) years. The City was represented by Koniver Stern Group who was paid a leasing commission of approximately \$303,000 in conjunction with this transaction. Penn 17 failed to make the required payments and the City terminated the lease in March 2015. Penn 17 vacated the space in July 2015.

Since that time, the City has utilized the vacant space for various purposes such as EnerGov training, temporary offices for Code Compliance and Housing & Community Services and as a temporary location for the Miami Beach Chamber of Commerce Visitor's Welcome Center.

Since Penn 17 had defaulted early in its tenancy, and did not fulfill its obligation to pay the required rent to the City over the entire ten (10) year term of the lease, Koniver Stern agreed to re-lease the space at no charge to the City. In this regard, Koniver Stern began marketing the space in March 2017. Over the past thirteen (13) months, Koniver Stern has received very little interest in the space and has not provided any serious leasing prospects for the City's consideration.

At this time, I am considering listing the space with CBRE, Inc, with whom the City recently executed a Professional Services Agreement ("PSA") for Real Estate Brokerage Services. CBRE is a full service real estate company with international reach. Even though the City will be obligated to pay a leasing commission to CBRE, estimated between \$98,000 and \$147,000 (based on the terms of the PSA), I feel this is necessary to try to identify a tenant(s) for the space and begin collecting rent as soon as possible as the monthly rental revenue is estimated at approximately \$40,000 - \$45,000.

JLM/KGB/ES/MMM

F:\RHCD\\$\ALL\ECON\\$\ALL\ASSET\Pennsylvania Ave Garage Leases\Space for Lease\Penn 17 Retail Space - LTC (04-25-18).docx

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee Members

FROM: Jimmy L. Morales, City Manager

DATE: May 18, 2018

SUBJECT: **DISCUSS THE RECOMMENDATIONS MADE BY DOVER KOHL PARTNERS ON THE RESTORATION, PLACEMENT, AND FUTURE USE OF THE NORTH BEACH LOG CABIN.**

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### **HISTORY:**

Administration is seeking direction regarding the Dover Kohl and Partners (DKP) recommendations for the future use of the Log Cabin.

### **BACKGROUND**

- This item was approved at the May 16, 2018 City Commission meeting on the consent agenda as a referral to the Finance and Citywide Projects Committee.

- At the December 13, 2017 City Commission meeting the Commission approved a resolution to retain Dover, Kohl & Partners (DKP), the urban design team behind the North Beach Master Plan, to create a conceptual design and development plan for the "West Lots." These City-owned properties consist of eight blocks of vacant land on the west side of Collins Avenue across the street from North Beach Oceanside Park. As part of this agreement, DKP was asked to analyze and assess the restoration, placement, and future use of the Log Cabin which was originally located on one of the vacant "West Lots."

A feasibility study was conducted by Douglas Wood Associates in 2017, which determined that approximately fifty percent (50%) of the existing structure could be salvaged and a replacement structure could be constructed using salvaged and new materials for between \$750,000 and \$1 million dependent upon the level of restoration and preservation.

The City Commission approved a resolution at the January 17, 2018 Commission meeting directing City Staff to create a crowdfunding campaign, pursue state and national grants, and allocate funding through capital improvement requests via the budget process in order to finance the restoration of the log cabin.

Grant funding agencies require that a project scope and budget be included in all applications to be considered competitive for award. The Administration will need to include key components of the project, including cost estimates, location and use of the Log Cabin in its grant applications. The Administration intends to apply for several upcoming grants, including the State of Florida Historic Preservation Grant Program which has a deadline of June 1, 2018. A full list of possible grants to support the renovation and restoration is attached as Exhibit B.

Additionally, the Administration has reviewed the various crowdfunding platforms available for this type of project and has recommended In Your Own Back Yard as the organization most suitable to meet the City's needs. The Administration is working with Legal and In Your Own Back Yard staff on the terms of an



agreement to provide a crowdfunding platform to the City for the option that is selected for the Log Cabin structure. The Administration will present its recommendation regarding the crowdfunding platform and campaign to the Commission in the form of a Resolution at a future meeting

In order to seek capital improvement funding through the annual capital budget development process and/or GO Bond funding for the restoration of the Log Cabin the administration needs to determine the location and future use of the structure so that a project budget can be created and adopted.

### **ANALYSIS:**

DKP studied various site locations for the possible home of the Log Cabin and determined that the best location was within the North Beach Oceanside Park. DKP considered multiple locations in the Town Center district and the West Lots for placing the Log Cabin. They determined that the park provides a beautiful natural setting that also has a strong need for a multi-purpose structure. Additionally, locating the log cabin in the park will preserve the legacy of the log cabin in North Beach, in very close proximity to the original location.

The firm has outlined three different uses for the Log Cabin which are outlined below. A more detailed description along with site specific photos are provided in the attached document (Exhibit A).

- **Option 1:** The structure could be repurposed to accommodate a **cafe, equipment rental or education center**. The restored Log Cabin would become a landmark structure along the park trail.
- **Option 2:** The Log Cabin could act as a **community hub providing drinks and snacks** along with seating **and information** regarding park activities, events, and services.
- **Option 3:** The Log Cabin could act as a **meeting space** for groups, clubs and to host events.

Among the three options, Dover, Kohl & Partners has recommended Option 2 as the best solution, as it is a central location and provides versatility for serving as an information hub and concession stand. This location also is physically the closest to the Log Cabin's original location, across from Collins Avenue.

DKP has also assessed various levels of treatment for the Log Cabin: preservation, preservation & restoration, restoration, and reconstruction. Full descriptions and cost estimates for each are attached to this memo. A brief description follows:

- Preservation – focuses on the reassembling and repair of existing historic materials and retention of a property's form. The structure would also host new uses
- Preservation and Restoration – major elements such as the stone chimney and façade timbers are preserved in addition to new elements added.
- Restoration – depicts a property of a particular period of time in its history by only uses some of the existing materials but mainly new materials
- Reconstruction – Recreates vanished or non-surviving portions of a property for interpretive purposes.
- 

During the community charrettes that occurred during the week of April 30, 2018, the community was able to review the proposed recommendations and select their preferred option. ***The community showed preference to Option 2 which would allow the Log Cabin to serve as possible cafe, welcome and information center for the public.*** Additionally, community feedback felt that this site could also be home to ***an education center for the turtles.***

The exact location of where the Log Cabin would be placed in North Shore Oceanside Park is under consideration by the park design firm, Calvin Giordano Associates. The location of the Log Cabin must be aligned with the current green pathways put forward in the design plan. Following direction from the Commission, representatives from Calvin Giordano Associates and Dover Kohl will analyze the proposed pathways and determine the best location for the Log Cabin that maximizes its usage and visibility to the public.

### **CONCLUSION:**

Administration is requesting direction from the Finance and Citywide Projects Committee to determine which future use for the Log Cabin made by Dover Kohl should be selected, concurrence that its placement should be located within North Shore Oceanside Park,

and recommending that the level of restoration be in accordance with the recommended use.

**ATTACHMENTS:**

Description	Type
☐ Dover Kohl Log Cabin Recommendations	Other
☐ Potential Grants for Log Cabin	Memo

April 18, 2018

Michelle Huttenhoff  
Economic Development Manager  
1755 Meridian Avenue,  
Suite #500, 33139  
City of Miami Beach, FL

**RE: Concerning the Relocation and Treatment of the Log Cabin**

Ms. Michelle Huttenhoff,

The Dover, Kohl & Partners (DKP) Team has been asked to comment on the **relocation** and **treatment** of the Historic Log Cabin in North Beach as part of DKP's work on the West Lots Concept Plan. DKP has studied various locations to host the restored Historic Log Cabin. After discussion with local stakeholders we recommend three possibilities. Please note that we have contained our study to areas within the North Beach Oceanside Park (formerly North Shore Open Space Park). Also, the question of *what kind of use* the Log Cabin should host is an open question and location could be decided independent of use. Lastly, we understand that the North Beach Oceanside Park will be updated in the future and we believe these locations will remain relevant despite the update.

Option 1 locates the cabin at the north end of the park. Please see the attached map. This location is within the park and surrounded by and protected by trees. The structure could be repurposed to accommodate a café, equipment rental or education center. The restored Log Cabin would become a landmark structure along the park trail.

Option 2 is proposed at the Collins Avenue and 81<sup>st</sup> Street park entry. The Historic Log Cabin could act as a community hub providing drinks and snacks along with seating and information regarding park activities, events, and services.

Option 3 locates the Historic Log Cabin next to the parking area in the south side of the park. The Log Cabin could become a meeting space for groups and clubs to host events in the same way as the Log Cabin located in Biscayne Park.

Among the three options, Option 2 is the location that DKP recommends most highly, both for its central location as a potential welcome center to the park and its potential role as an information and concessions stand. This location is physically closest to the Log Cabin's original location, across Collins Avenue, and the physical location of historic structures matters when it comes to restoration and revival.

DKP has considered multiple locations in the Town Center and West Lots for placing the Log Cabin. The North Beach Oceanside Park is the preferred location. It's a beautiful setting with a need for

multi-purpose structures and will provide the most contextual location to showcase this proud memento of Miami Beach's early history.

The choice of the Log Cabin **treatment** considers the historical significance, physical condition, proposed use and intended interpretation. DKP has identified four types of treatment for this historical structure. DKP recommends that the major elements of the Log Cabin such as the stone chimney and façade timbers be preserved. New, appropriate elements could also be added, however. In the case of the Log Cabin, a combination of preservation and restoration will be necessary. At this time, we do not recommend recreation of the structure using entirely new materials.

DKP has created two exhibits ("North Beach Oceanside Park Log Cabin Possible Locations" and "Log Cabin Treatment Scenarios") to offer more details on the relocation and treatment of the Log Cabin. Please refer to the exhibits attached for more information.

Thanks,  
Jason

Jason King, AICP, CNU-A  
Principal  
Dover, Kohl & Partners

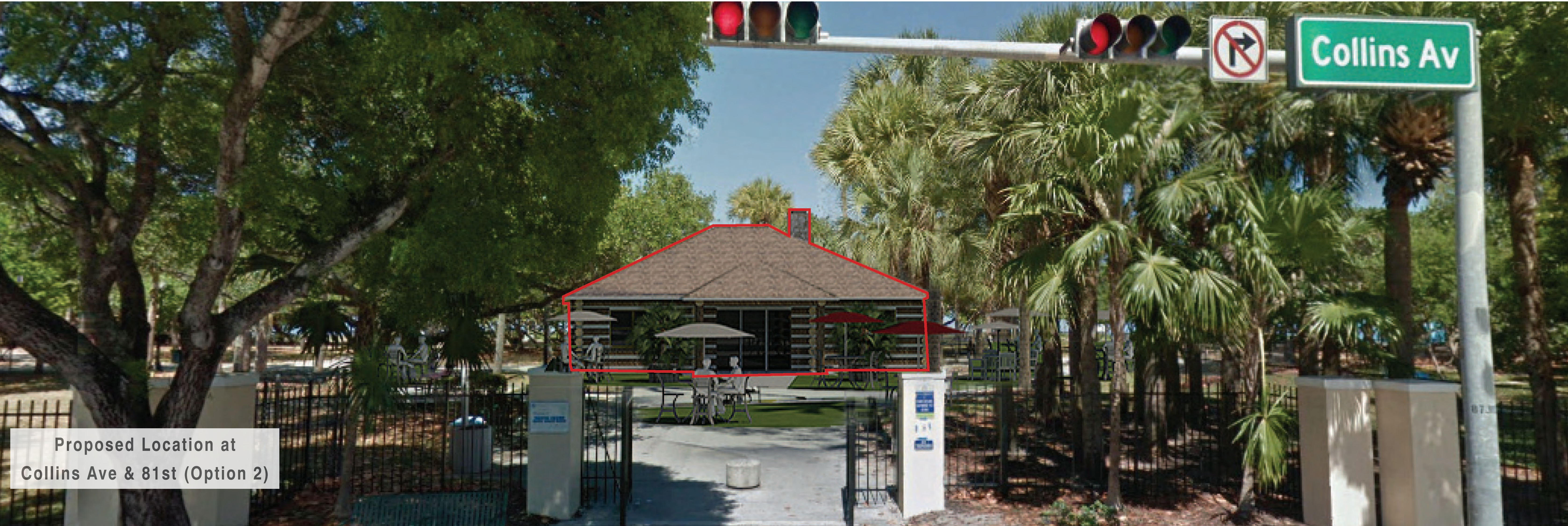
1571 Sunset Drive  
Coral Gables, FL 33143  
305.666.0446  
[www.doverkohl.com](http://www.doverkohl.com)



# NORTH BEACH OCEANSIDE PARK

## LOG CABIN POSSIBLE LOCATIONS




DRAFT  
04.02.18



**North Shore Oceanside Park Status**  
Project Phase - Design  
Scope of Work - Circulation, Lighting, Gateways, Planting, Program Enhancements.  
  
Timeline -  
Construction Date: Winter 2018  
Completion Date: Winter 2019

Place a **GREEN** dot in the preferred row the scenario that you believe is most appropriate for the location of log cabin.



OPTIONS		OPTION 1 CREATING A LANDMARK	OPTION 2 A PARK CONCESSIONS STAND	OPTION 3 A COMMUNITY MEETING SPACE
PREFERRED		 <p>This option locates the log cabin within the park and surrounded by trees. The structure will be repurposed to accomodate a café, equipment rental, or education center</p>	 <p>The log cabin could act as the community hub providing drinks and snacks along with seating and information regarding park activities, events, and services.</p>	 <p>The log cabin could be a meeting space for groups and clubs to host events in, similar to the log cabin located in Biscayne Park.</p>









# LOG CABIN TREATMENT SCENARIOS

DRAFT  
04.02.18

Place a **GREEN** dot in the preferred column the scenario that you believe is most appropriate for the treatment of log cabin, cost considered.



SCENARIOS	COST	CASE STUDY	PREFERRED
<div><b>PRESERVATION</b></div> <div>Preservation focuses on the reassembling and repair of existing historic materials and retention of a property’s form as it has evolved over time. The structure would also host new uses.</div> <div></div>	<div>\$\$\$</div> <div>\$800,000 to \$1,200,000</div> <div>Is preservation still possible? Much of the structure was reportedly beyond repair.</div>	<div>100 Olivia street (Preserved &amp; Improved in 2004)</div> <div></div> <div>This cottage, located at 100 Olivia Street in Key West, was built in the late 19th century.</div> <div>All existing materials were retained. Asbestos siding was removed to reveal wood siding and indoor paneling removed to expose Dade-County pine walls.</div>	
<div><b>PRESERVATION &amp; RESTORATION</b></div> <div>Major elements such as the stone chimney and facade timbers are preserved. New, appropriate elements are added. The structure would also host new uses.</div> <div></div>	<div>\$\$</div> <div>\$600,000 to \$800,000</div> <div>To what degree preservation and substantial restoration is still possible is a question.</div>	<div>Biscayne Log Cabin (Preserved &amp; Restored in 2014)</div> <div></div> <div>The Biscayne Log Cabin in the Village of Biscayne Park (north of Miami Shores) was built in 1933.</div> <div>The building aged and deteriorated with time. In 2014, the village was given a \$1 million grant to restore the building as close to the original as possible. Today the Cabin is used for various private and public functions.</div>	
<div><b>RESTORATION</b></div> <div>Restoration depicts a property at a particular period of time in its history by use of some existing materials but primarily new materials. The structure would also host new uses.</div> <div></div>	<div>\$\$</div> <div>\$400,000 to \$600,000</div>	<div>Miami Beach Women’s Club (Restored in 2015)</div> <div></div> <div>The exterior and interior of the Miami Beach Women’s Club on 24th Street and Pine Tree Drive was rehabilitated in 2015. The historic mediterranean revival clubhouse is is now used for meetings, events, photography, and film shoots.</div>	
<div><b>RECONSTRUCTION</b></div> <div>Reconstruction re-creates vanished or non-surviving portions of a property for interpretive purposes. The structure could host the widest variety of new uses.</div> <div></div>	<div>\$</div> <div>\$200,000 to \$400,000</div>	<div>Cape Florida Cottage (Reconstructed in 2014)</div> <div></div> <div>The Florida Cape Cottage is located in Bill Baggs Cape Florida State Park on Key Biscayne.</div> <div>The cottage was built as a replica of the lighthouse keeper’s lost cottage and is now a museum. The cottage renovation cost \$100,000 total. Roughly \$40,000 of the cost was from the state and \$60,000 from a local non-profit.</div>	



## Potential Grants for the Log Cabin

<b>Funding Agency</b>	<b>Agency Type</b>	<b>Eligible Activities</b>	<b>Program Maximum Award Amount</b>	<b>Facility Use Restriction/Notes</b>	<b>Match</b>	<b>Application Deadline</b>	<b>Award Date</b>
Florida Department of Economic Opportunity	State	Relocation of Log Cabin structure.	No ceiling for this program	Property does not need to have historic designation.	No match required	Application Submitted	No Award Date Specified
National Trust for Historic Preservation/Leadership Forum: J. Favrot	Foundation	Consultant costs, preservation and restoration of historic structures.	\$15,000	Property does not need to have historic designation.	1:1 Cash Match	Application Submitted.	July 2018
Florida Historic Preservation Grants Program/Small Matching Grants	State	Surveys, planning, education.	\$50,000	Property does not need to have historic designation.	1:1 Match 25% of match must be cash on hand	June 1, 2018	July 2019
Florida Historic Preservation Grants Program/Special Category Grants	State	Acquisition, development, restoration, relocation, museum exhibits. Preserve structures and promote knowledge.	\$500,000	Property does not need to have historic designation.	1:1 Match 25% of match must be cash on hand	June 1, 2018	July 2019
Florida Division of Cultural Affairs/Cultural Facilities Program	State	Cultural facility improvements: renovation, construction or acquisition.	\$500,000	Facility must program minimum of 85% cultural activities. Will fund up to \$1.5 million over 5 years.	2:1 Cash Match	June 1, 2018	June 2019
The Villagers, Inc./Annual Historic Preservation Program	Foundation	Repair, restoration, preservation of existing historical structures.	\$25,000	Funding is based on property's significance and need. Historic or architecturally significant structures	No match required	October 2018	November 2018