



**AGENDA INFORMATION
CITY OF MIAMI SPRINGS
CITY COUNCIL**

REGULAR MEETING

Monday, August 11, 2008

7:00 P.M.

Mayor Billy Bain

Vice Mayor Zavier Garcia

Councilman Bob Best

Councilman Paul C. Dotson

Councilman Rob Youngs

City Manager James R. Borgmann

Assistant City Manager Ronald K. Gorland

City Attorney Jan K. Seiden

City Clerk Magalí Valls



CITY OF MIAMI SPRINGS, FLORIDA

Mayor Billy Bain

**Vice Mayor Xavier Garcia
Councilman Paul C. Dotson**

**Councilman Bob Best
Councilman Rob Youngs**

Decorum: "Any person making impertinent or slanderous remarks or who becomes boisterous while addressing the City Council, shall be barred from further audience before the City Council by the Mayor, unless permission to continue or again address the City Council is granted by the majority vote of the City Council members present. In accordance with the foregoing, the City Council has determined that racial or ethnic slurs, personal attacks and comments unrelated to City matters or issues constitute prohibited comments from the podium".

**AGENDA
REGULAR MEETING
Monday, August 11, 2008
7:00 p.m.**

- 1. Call to Order/Roll Call**
- 2. Invocation:** Councilman Youngs

Salute to the Flag: Audience participation
- 3. Awards & Presentations:**
 - A) Certificate of Appreciation to Starbucks – Miami Springs Education Partner of the Year for 2007/2008
 - B) Proclamation – American Cancer Society Relay for Life 2008 Day
 - C) Pioneer Resident Awards to Lois J. Hoobler and Keith R. Hoobler
 - D) Presentation by Barbra Marr, President, Springs River Festival
 - E) Presentation of Football Scoreboard by the Optimist Club

4. **Open Forum:** Persons wishing to speak on items of general city business, please sign the register located on the speaker's stand before the meeting begins

5. **Approval of Council Minutes:**

- A) 06/04/2008 – Special Meeting
- B) 06/09/2008 – Regular Meeting
- C) 06/23/2008 – Regular Meeting
- D) 06/30/2008 – Special Meeting
- E) 07/24/2008 – Special Meeting

6. **Reports from Boards & Commissions:**

- A) 06/19/2008 – Historic Preservation Board – Minutes
- B) 06/25/2008 – Code Enforcement Board – Minutes
- C) 06/26/2008 – Code Review Board – Cancellation Notice
- D) 07/02/2008 – Ecology Board – Rescheduling Notice and Minutes
- E) 08/05/2008 – Code Enforcement Board – Minutes
- F) 08/06/2008 – Architectural Review Board – Notice of lack of a quorum
- G) 08/13/2008 – Golf and Country Club Advisory Board – Cancellation Notice

7. **Public Hearings:**

- A) Public Hearing – Second Reading – Ordinance – An Ordinance of the City Council of the City of Miami Springs Amending Code of Ordinance Section 150-032, Portable Storage Units; By Eliminating Specific Fee Amounts and Substituting a Reference to the Schedule of Charges for the Building Department; Repealing all Ordinances or Parts of Ordinances in Conflict; Effective Date (First Reading: 06/23/2008 – Advertised: 7/31/2008)

8. **Consent Agenda:**

- A) Approval of the City Attorney's Invoice for July 2008 in the Amount of \$9,685.50

9. **Old Business:**

- A) Appointments to Advisory Boards by the Mayor and Council Members

10. New Business:

- A) First Reading – Ordinance – An Ordinance of the City Council of the City of Miami Springs Amending Code of Ordinance Section 150-010, Roof Materials, Requirements, and Re-Roofs, by Reinstating the Requirement of Gravel Roof Coverings on Low Slopping Roofs; Repealing All Ordinances or Parts of Ordinances in Conflict; Effective Date
- B) First Reading – Ordinance – An Ordinance of the City Council of the City of Miami Springs Amending Code of Ordinance Section 150-013, Residential Plantings, Fences and Walls, by Providing that Fences Constructed of Materials with Exposed Frameworks shall Face the Fence Owner’s Property; Repealing All Ordinances or Parts of Ordinances in Conflict; Effective Date
- C) Resolution – A Resolution of the City Council of the City of Miami Springs Calling for the Holding of a Special Election for the City on Tuesday, November 4, 2008; Delineating the City Charter Questions for the Election Ballot; Providing Authorizations and Directions to the City Clerk; Effective Date
- D) Discussion Regarding Possible Charter Amendment to Eliminate Run-off Elections (Requested by Vice Mayor Garcia)
- E) Resolution – A Resolution of the City Council of the City of Miami Springs, Florida Authorizing Signatories for all City Bank, Savings and Trust Accounts; Authorizing Acceptance of Two Facsimile Signatures of City Manager, James R. Borgmann and Finance Director Leacroft E. Robinson; Authorizing the Combined Manual Signatures of two of the following: City Manager James R. Borgmann, Assistant City Manager Ronald K. Gorland, Finance Director Leacroft E. Robinson, or Interim Chief of Police Peter G. Baan; Rescinding all Resolutions in Conflict; Effective Date
- F) Consideration by Council to Enter into a Local Agency Program Agreement with the Florida Department of Transportation in Order to Provide Funding for the North Royal Poinciana Boulevard, Curtiss Parkway and Ludlum Drive Bike Paths Lighting Project
- G) Presentation of Third Quarter Financial Statements for Fiscal Year 2007-2008
- H) Discussion Regarding Placing Shutters on Commercial Buildings (Requested by Mayor Bain)

10. New Business: (Continued)

- I) Recommendation that Council Approve an Expenditure in an Amount not to Exceed \$13,600 to David Plummer & Associates, Inc. of Coral Gables, for Preparation of a Traffic Study Associated with the City's Proposed Comprehensive Plan Amendment Package, as Requested by the Florida Department of Community Affairs (Bid No. 08-07/08)
- J) Council Request to Review and Approve the Transmittal of the Attached Draft Water Supply Facilities Work Plan and Water Supply Comprehensive Plan Amendments to the Florida Department of Community Affairs for Comments Prior to Final Adoption by the City, per Section 163.3177 (6) (c), F. S.

Resolution – A Resolution of the City Council of Miami Springs Adopting the Water Supply Facilities Work Plan and Comprehensive Plan Amendments for the City of Miami Springs Comprehensive Plan; Expressing the Intent of the City Council to Amend the Comprehensive Plan Based Upon Recommendations Contained in the Work Plan; Approving Transmittal of the Work Plan and Amendments to the Department of Community Affairs in Accordance with Section 163.3191, Florida Statutes; Effective Date

11. Other Business:

- A) Discussion Regarding Increasing Number of Yard Sales per Year (Requested by Mayor Bain)
- B) Budget Workshop Follow-up Items

12. Reports & Recommendations:

- A) City Attorney
- B) City Manager
- C) City Council

13. Adjourn

If any person decides to appeal any decision of this Board with respect to any matter considered, s/he will need a record of the proceedings and for such purpose may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is made (F. S. 286.0105), all of which the City does not provide.

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate in this proceeding should contact the City Clerk, 201 Westward Drive, Miami Springs, Florida 33166. Telephone: (305) 805-5006, no later than (7) days prior to the proceeding.

Pursuant to Sec. 2-11.1 (S) of the Miami-Dade County Code and Miami Springs Code of Ordinances Chapter 33 - §33-20, all persons, firms or corporations employed or retained by a principal who seeks to encourage the passage, defeat, or modifications of (1) ordinance, resolution, action or decision of the City Council; (2) any action, decision, recommendation of any City Board or Committee; or (3) any action, decision or recommendation of City personnel during the time period of the entire decision-making process on such action, decision or recommendation which will be heard or reviewed by the City Council, or a City Board or Committee shall register with the City before engaging in any lobbying activities on forms prepared for this purpose and shall state under oath his or her name, business address, the name and business address of each person or entity which has employed said registrant to lobby, and the specific issue on which he or she has been employed to lobby. A copy of the lobbyist registration form is available from the Office of the City Clerk.

Next Ordinance No. 968-2008
Next Resolution No. 2008-3403

DRAFT



City of Miami Springs, Florida

The Miami Springs City Council held a **SPECIAL MEETING** in the Council Chambers at City Hall on Wednesday, June 4, 2008, at 7:00 p.m.

1. Call to Order/Roll Call

The meeting was called to order at 7:05 p.m.

The following were present:

Mayor Billy Bain
Councilman Bob Best
Councilman Paul C. Dotson
Councilman Rob Youngs

Absent:

Vice Mayor Xavier Garcia

Also Present:

City Manager James R. Borgmann
Assistant City Manager Ronald K. Gorland
City Attorney Jan K. Seiden
Chief of Police H. Randall Dilling
Finance Director Leacroft E. Robinson
Former Finance Director William Alonso
Interim Comptroller Alicia E. González
City Clerk Magalí Valls

2. Invocation: Councilman Dotson offered the invocation.

Salute to the Flag: The audience participated.

3. Resolution – A Resolution of the City Council of the City of Miami Springs Authorizing the Proper Officers and Officials of the City to Execute the “Agreement for Transfer of City of Miami Springs Water and Sewer Systems to Miami-Dade County” by and Between the City of Miami Springs and Miami-Dade County; Reaffirming the City’s Intent to Transfer its System to the County; Providing Authorization for Appropriate Revisions to the Transfer Agreement; Effective Date

City Attorney Jan K. Seiden read the resolution by title.

Attorney Seiden stated that the "Whereas" clauses provide information on the history related to the proposed transfer up to this point and the intent of the City. The first section authorizes the proper officers and officials of the City to execute the agreement on behalf of the City. Section two provides that by the execution of the subject agreement, the City Council is affirming its desire and determination to transfer the City's water and sewer systems.

Attorney Seiden explained that Section three states that the City Council further authorizes the proper officers and officials of the City to authorize and accept all appropriate revisions to the Transfer Agreement, not in conflict with the intent of the City, without further City Council action.

Attorney Seiden stated that there is a scheduled restraint from the County that was not anticipated until midway into the discussions. The schedule requires that the City's signed agreements and four certified resolutions be provided to the County no later than June 6, 2008 for placement on their committee review schedule that permits them to hear it on July 8th. If the agreement passes at that level, it would then go to the Board of County Commissioners on July 15th. This schedule is important because the City is required to send notices pursuant to bond defeasement beginning on July 21st.

City Attorney Seiden emphasized that there is no need to do this unless Council agrees. The worst case scenario is that it could be postponed, although the County Officials might not be happy, but if Council does not feel comfortable, there is no requirement to do anything. The only negative is that the City would retain the system for a longer period until some time in December 2008, or January 2009 and the payments would have to be adjusted. He said that everyone had worked hard to get to this point, but he does not want Council to be put in a position where they feel they must do something.

Attorney Seiden stated that he would go over the entire agreement. He suggested that Council should make comments or notes because there could be answers to some questions in a subsequent section. Generally, the transaction that is evidenced by the documentation is a transfer of all City tangible personal property and property rights related to the tangible personal property and everything related to the sewer system to the County in order for them to assume the operation and maintenance of the water and sewer utility systems.

The City consideration, in his opinion, is that the City's benefit is that the bonds are paid off and will suffer no further loss either by virtue of operational concerns of the systems or any future repair costs and innovations mandated by governmental agencies or regulatory authorities. The County consideration is that they will lay out and repay \$8 million, and they will insist, as part of the transaction, that they perform on behalf of the City certain one-time improvements delineated in the Malcolm Pirnie report. All costs, or approximately \$13 million, will be paid back to the County over a twenty-year period of regular rates based upon consumption and a surcharge amount.

City Attorney Seiden stated that the transaction is not simple or easy and from the City's perspective, there is no leverage. The City is asking the County to take the system and to pay off the bonds, which takes away a bit of negotiating power. In addition, there is a certain lack of historical documentation related to the system components, which he will address in more detail in his review of the document.

The City is using the best available information and the knowledge of the Administration and the PBS&J personnel who have been associated with the system since the early 1970's, according to Attorney Seiden. He explained that one negative factor is that there will be certain continuing liabilities that the City will maintain over a twenty-year period by way of indemnification to the County. If certain representations turn out to be incorrect or if there are objections to certain operations, it will be the City's responsibility to take care of it.

City Attorney Seiden said that any potential liabilities, if they exist, whether or not the system is transferred, will still be the City's liabilities; the agreement with the County will not create any more liabilities. It is not a creation of a liability; it is an assumption of a liability which is unknown. He continued to say that the County is looking for protection from the unknown based upon the lack of historical information and documentation, and they are being very reasonable in their demands.

City Attorney Seiden stated that the County representatives had been very cooperative and accommodating. There have been numerous joint meetings, discussions and e-mail correspondence. He said that Assistant Director Jorge Rodriguez has been exceptionally helpful. Diane Camacho is very well schooled on the finances of the Department and has also been very helpful, along with Don Allen, the personnel representative for the County. Most of his dealings have been with Assistant County Attorney Henry Gilman and Assistant County Attorney Debra Herman.

City Attorney Seiden added that the City has relied upon and received efficient help from PBS&J representatives Carlos de Valle, Doug Deans and Herman Konrad, in addition to Bill Fussel with the investment banking firm.

Attorney Seiden explained that the first "Whereas" clause deals with the acknowledgement that the City owns and operates a water and sewer collection system both in Miami Springs and Virginia Gardens. Exhibit "A" contains numerous maps that show the water and sewer service area and index maps showing what the City operates. The second "Whereas" deals with County Code Section 5.08 (B) of the County Charter and Section 2-341 permits them to operate and maintain county-wide water and sewer systems and allows this transaction. The third "Whereas" is a confirmation of previous actions as part of the process of transferring the system, including the adoption of City Resolution No. 2007-3366, which is attached as Exhibit "B". Exhibit "B" is a copy of the Resolution that the City passed in 2007 with the report attached.

Attorney Seiden stated that the nature of the transaction is different than selling a piece of property because there are very few people who could buy and operate a sewer system. One of the findings made in the Resolution was that the County is both fiscally responsible and has the expertise.

City Manager Borgmann added that there were discussions with individuals who had a passing interest in the potential of purchasing the system on a private basis, but their analysis did not work.

Attorney Seiden explained that the transfer is being treated as a sole source transaction. He continued his review of the document explaining that the fourth "Whereas" states that the City and County mutually agreed on a closing date pursuant to Section 17 of the agreement, which is contingent upon the conditions set forth in Section 18.

As stated in Section 1. "**Transfer of City Systems**" the City agrees to transfer to the County and the County agrees to accept the City Systems on the closing date, subject to the conditions in the agreement, specifically Section 18. In consideration of the transfer, the County covenants with the City to assume and faithfully perform and discharge all the City covenants and obligations assumed in the agreement, according to Attorney Seiden. Basically, the City agrees to give the system to the County and the County agrees to take it and perform all the services necessary.

Attorney Seiden explained that Exhibit "C" is referred to in paragraph 2, which deals with the two lines of demarcation for the transaction. Number 1 is the tangible physical property of the transaction, and Number 2 is the assignment rights or the ability to use certain things like the easement dedication rights. The Bill of Sale will transfer the tangible personal property of the City to the County. Paragraph "A" refers to transmission lines, pumping stations, distribution mains and all the infrastructure items that the system is comprised of.

Attorney Seiden continued to explain that Paragraph "B" refers to all customer records, accounts, customer lists, prints, plans, meter books, surveys and maps that the City will transfer to the County. The wording "*in existence at closing*" was added because the City is unable to produce some historical perspective and documentation, which was lost when the building it was stored in was destroyed during a hurricane/tornado some years ago. Some information has been obtained through public records and PBS&J records. Certain vehicles, utility machinery and generators that the City will no longer have any use for will be attached to the Bill of Sale as part of Exhibit "C", along with utility systems spare parts.

Councilman Dotson asked if any of the vehicles being transferred were purchased with City funds instead of the Water and Sewer funds.

City Manager Borgmann advised that everything in the transfer should be part of Water and Sewer. The generators are the ones that would keep the pumps and motors going at the lift stations, they are not the City's hurricane back-up generators.

Attorney Seiden noted that the final paragraph is a disclaimer to protect the City and states that "*All the aforesaid transferred tangible personal property shall be free and clear of all liens, encumbrances, bonds and indebtedness whatsoever, except for any "permitted exceptions" as may be hereinafter set forth herein.*"

Attorney Seiden stated that the permitted exceptions are listed on page 10. Items 7A and 7B refer to the following:

1. All items being transferred in an "as is" condition and without any representation or warranty.
2. The documentation being transferred is believed to be accurate, though no representation or warranty is provided in regard hereto.
3. Due to continued operation and use, the tangible personal property identified (Exhibit "C") in the Utility Equipment Inventory and Spare Parts Valuation Analysis, may not be working or in existence at the time of closing.

Attorney Seiden continued to explain that lists of the utility equipment inventory and spare parts are attached to the Bill of Sale. The City will continue to use the equipment until the closing, so there is a possibility that the inventory may change between now and then; the City will not guarantee the condition of any equipment.

The County asked for a listing of all the pump and lift stations, and those addresses and locations are listed in a document for easy reference. The utility equipment and spare parts inventories will have to be updated at the time of closing and attached to the Bill of Sale.

Attorney Seiden noted that some difficulties arose because the City was limited in the amount of records that were available for the individual stations. He said that he and the City Manager, along with various officials made numerous tours around the City to locate the stations and determine the best way to transfer them for use. He outlined some of the problems, using pump station # 1 as an example. This station is located in a fenced in utility area adjacent to Stafford Park and the property was deeded to the City by the School Board.

City Attorney Seiden explained that information had not been located in the records, but the City has a copy of the Deed. Post, Buckley, Schuh and Jernigan (PBS&J) had been asked to develop a legal description. An easement will be granted to the County using the legal, along with rights of access and usage. Pump station # 2 is in the middle of Curtiss Parkway; the City does not own it but has a platted easement to it by virtue of it being in the middle of a City parkway area.

Attorney Seiden continued to say that the City will have to prepare a separate assignment for each station. The stations located in public rights-of-way will be fairly easy; the City will assign them on a non-exclusive basis which will allow the City use of the areas for its own purposes. In the case of Station # 10, located between Bennigan's and the Red Roof Inn, the City was granted an easement; those rights will be re-assigned to the County on a non-exclusive basis. The process of locating and researching each station was time consuming but necessary.

Attorney Seiden continued to review Item 3. “Assignment *of City Rights and Interests*”, explaining that Section (A) deals with all rights to licenses, privileges and authorities, and basically allows the City to assign the authorities to operate the system to the County. Section (B) gives the County access to all dedicated rights-of-way, recorded or unrecorded plats or deeds lying within the City on a non-exclusive basis. This refers to the pipes underground that connect the stations and the City cannot give specifics because most of them are in the easement areas. Section (C) states essentially the same thing, but is another way for the City to acquire rights to use the areas by way of prescription, necessity or otherwise. Section (D) refers to easements mentioned in the Exhibits after the Assignment Documents. These documents were gathered from Public Records by County staff and refer to grants of easement that the City has been given over the years. The books and page numbers are the recording information for those instruments.

Attorney Seiden stated that Section (E) refers to franchises, permits and licenses and whatever may come into play that allows the operation of the system. It is written in general terms so nothing is omitted in error. Section (F) refers to all rights, title and interest of the City in and to any contracts or agreements with individual water and sewer customers. For other jurisdictional clients, including Virginia Gardens and the annex area, the City has required the various companies to sign sewer agreements over the years. These agreements will be assigned to the County.

Attorney Seiden noted that the next paragraph is similar to the one in the Bill of Sale section. It states that all of the aforesaid transferred rights and interests shall be free and clear except for any “permitted exceptions”.

Attorney Seiden stated that the “permitted exceptions” in this case are referenced on page 10 in Section **7B** “*Assignment of City Rights and Interests*”:

1. *The City acknowledges its records are incomplete and makes no representation of warranty as to the items herein as they were provided or granted to the City by other parties at various times. However, the City is unaware of any claims, disputes, or threats that would undermine the effectiveness of the aforesaid instruments of the rights or interests they confer upon the City.*

In essence this says that the City has operated the sewer system for almost 37 years and no one has raised an issue regarding any of this. He felt that that the County should be comfortable with this.

Councilman Dotson asked if the lateral extensions from the main line through the swales to the sidewalk were all part of the interests the City was conveying to the County.

Attorney Seiden said they were, but he thought that the laterals were owned by the residents.

City Manager Borgmann advised that the laterals that go from the inside edge of the sidewalk through the swale belong to the City. The residents own the portion that is hooked up to that lateral.

Attorney Seiden continued to read item B 2, which states:

2. *“All assigned rights and interests are subject to City planning, building and zoning regulations ordinances and other restrictions, and all other present and future laws, ordinances, resolutions, regulations and orders of any other governmental authority having jurisdiction over the specified rights and interests.”*

He explained that if a situation should arise, the City has the right to discuss the issue with the County.

Attorney Seiden said that the Assignment of City Rights and Interests section basically mirrors what he had just reviewed. All the bullet points are the same and the only addition, at the request of the County, is a provision on page two that reads as follows:

“In addition to the foregoing, and despite the fact that the provisions contained herein may in some instances be sufficient, it is the intent of the City to provide the County with any and all appropriate legal instruments to grant, assign or convey the rights to control, operate and maintain all sewage pump stations and City lift stations. Some or all of the additional legal instruments may be on a non-exclusive basis.”

Attorney Seiden explained that the City has not produced at this time any of the documents that will in effect individually transfer the lift or the pump stations. The previous statement is a confirmation of that fact.

Attorney Seiden said that the last paragraph in this section of the agreement reads:

“The City further agrees to assign, on a non-exclusive basis, any additional right or interest, within its ownership or control, including easements and other property interests that may be discovered in the future to be reasonably required by the County for the operation of the City systems being transferred herein. This provision shall survive the closing.”

He explained that this clause benefits the City and its citizens; if there is something that the County needs to operate the system, it is to everyone's advantage for the City to assist. The last sentence says that the City will continue to cooperate with the County even after the transaction is complete.

City Manager Borgmann advised that some of the easements that the City was transferring dealt with private individuals and on private property. Every one that the City has been able to locate is attached to the exhibits.

City Attorney Seiden noted that those were the “third party” easements that he had referred to earlier, and virtually all of them were acquired from the late 1960's to early 1970's when the system was installed.

Attorney Seiden said that paragraph four deals with the financial discussion of the transaction and read the text. *“Financial Obligations upon Transfer: Upon the transfer of the City Systems to the County, the County shall not assume any payment obligation or liability for any City account payable, debt, bond indebtedness, contract for service or supply of products, contingent liability, or for any other financial obligation of the City.”* This means that the City is still responsible for its financial obligations with the exception of the bonds, which will be discussed later.

“In addition, the City shall continue to retain all payroll responsibilities until closing, and shall remain liable on any interest obligation or other accrued expenses that may exist.” Attorney Seiden explained that this refers to operational agreement between the City and County staff.

“Meters of all water and sewer customers shall be read simultaneously by personnel of the County and the City as soon as it is practicable after the date of closing. The County shall use this agreed upon reading as a start of service reading and billings thereafter will be performed quarterly as the County’s customers are included in the existing meter reading route schedules.” Attorney Seiden pointed out that another section of the agreements reads *“monthly/quarterly”* which is in reference to the volume customers that the County bills on a monthly basis. *“The City shall be responsible for billing service to the final meter reading amount, refunding deposits as necessary and continue to bill for its storm water utility fees.”*

Attorney Seiden explained that the City should still be receiving money from the last readings after the closing takes place, and will also be responsible for refunding all deposits to the residents. Stormwater utilities are not part of this transaction.

To answer City Manager Borgmann’s question, Attorney Seiden replied that sanitation was not part of the agreement and therefore there was no need to include a reference to sanitation billing. He continued to read the following provision:

“The County does not assume any responsibility for existing receivables and retail customer deposits, the County will establish deposit needs in accordance with the County’s Rules and Regulations on a prospective basis. Finally, any customer advances held by the City for prospective construction which have not been exhausted, shall be accounted for and transferred to the County for the purposes for which the advances were intended. In addition, all sums deposited with the City by third parties for the extensions of the City Systems shall likewise be accounted for and transferred to the County for completion of the work contemplated.”

Attorney Seiden reiterated that the City would be responsible for its accounts receivables and deposits. Any monies that had been set aside for a system project would be accounted for and transferred to the County, as well as any monies held for customer water and sewer extension requests.

Councilman Youngs asked how the deposit refunds would be handled for the City residents, and how the County would go about establishing deposit requirements.

Attorney Seiden replied that he did not have any information regarding the County's rules and regulations, and that the deposit fees would be covered in an upcoming section of the agreement.

City Manager Borgmann noted that any deposit on record with the City would be refunded to the resident, and they vary in size according to the longevity of each deposit.

Attorney Seiden continued to read from page 5, section 5: ***Defeatment of Existing City Bonded Indebtedness:*** *"It is mutually acknowledged and agreed that the transfer of the City Systems to the County is conditioned upon the legal defeasance of the City Utilities Systems Revenue Refunding and improvement Bonds, Series 1998 (the "Bonds") on or prior to the Closing Date. The City shall receive certain funds necessary for defeasance of the Bonds from the County. In advance of the Closing Date, the County shall make available to the City, \$8,000,000.00, as verified by the Registrar and Paying Agent to be necessary along with a transfer of \$644,312.50 from the City to retire the Bonds, in exchange for the City's execution and delivery of the Promissory Note in the form attached as Exhibit "E". At the required time, the County shall transfer the funds directly to the Bond Registrar and Paying Agent to be used to retire the Bonds. In connection with the defeasance, the City shall provide the County, a confirmation from the Bond Registrar and Paying Agent that all Bonds were paid off by September 2, 2008."*

Attorney Seiden said that the call date for the bonds is September 1st, which is Labor Day, so the date has been adjusted to September 2, 2008. The closing is scheduled for September 3, 2008.

"In order for the proper defeasement of the City's bonded indebtedness, the City is required by its bond documentation to provide advance notice of the call/redemption date to the Bond Registrar and Paying Agent no later than July 21, 2008, in order to provide bondholder notification and adequate processing time for the transaction."

Attorney Seiden stated that most of the payment schedule was provided by the investment bankers. This schedule presupposes the fact that the resolution is passed tonight and the agreement is sent on to the County to approve it on July 15, 2008. If all those things happen, the following schedules would apply:

On July 21, 2008 the City notifies the Bond Registrar of its intent to pay off the Bond. Notices of redemption will be sent to securities depositaries, nationally recognized municipal bond information services, and Municipal Bond Insurance Agency by July 25, 2008. An additional notice of redemption will be sent to the Bondholders by July 31, 2008.

On August 26, 2008 it is anticipated that the City will wire transfer currently due the 2008 Bond, Principal and Interest payment in the amount of \$632,312.50 plus \$12,100.00 for a total transfer of \$644,312.50. This amount added to the \$8,000,000.00 mentioned earlier represents the total sum of \$8,644,312.50. Attorney Seiden explained that these monies are already contained in the Water and Sewer Fund. The wire transfers are to be made by 10 a.m. so that they are received by the Bank of New York no later than 2:00 p.m. Once the transfer is verified, the City will then sign a Promissory Note, which is exhibit "E".

Attorney Seiden stated that the Promissory Note is a standard Note for \$8,000,000.00. The interest rate was eventually agreed upon at 6%, subject to the approval of Council. He explained that since the County is advancing \$8,000,000.00 to the City, it needs a guarantee that the loan is secure because the closing is not for some time afterwards.

Attorney Seiden continued to say that on August 27, 2008, the City expects to receive confirmation that the payment was received. The bonds should be officially defeased on September 2, 2008, which is the actual call date. The County wants verification before the actual Closing date, which would be September 3, 2008. Authorization and agreement by both parties must be secured by July 17, 2008, and the bond notices should start to go out by July 21, 2008, as previously stated.

Since he considered the schedule fairly complicated, Attorney Seiden asked if there were any questions. No questions were asked, so he continued to paragraph 6 on page 7.

Capital Improvements to City Systems: Funding for Improvements; Repayment for Defeasement and Improvement Funding: *The parties acknowledge that the County would not accept the transfer of the City Systems unless certain "one-time" capital improvements were agreed to be made and be paid by City customers in order to bring the various components of the existing City Systems up to the minimum standards of the County's Water and Sewer Department. Exhibit "F", attached hereto, contains a list of the various Water and Sewer improvements recommended in the City of Miami Springs Utility Valuation Analysis prepared by Malcolm Pirnie, Inc. dated February 2007 which estimates the cost to be \$13, 249,000.00.*

City Manager Borgmann said that a two page document entitled "Malcolm Pirnie Summary 6" was handed out to the Council members. It detailed the waste water system and the financial aspects of repairs that had been estimated to be required.

To show Council how the \$13,249,000.00 dollar amount had been arrived at, Attorney Seiden continued reading from the second paragraph on page 8.

"Based upon the foregoing analysis, it is projected that the required capital improvements to the existing City water and distribution and sewer systems will require net funding from the County in the amount of \$10,809,000. This amount reflects the one-time capital improvements for the water distribution system (net amount \$3,940,000) and the initial improvements for the sewer system (net amount \$6,869,000). The projected amounts are inclusive of the replenishment of \$890,000 from the County fire hydrant fees and the County receiving the City's current allotment from the Building Better Communities General Obligation Bond ("GOB") of \$1,550.00. The City, therefore, agrees to assign, transfer, or otherwise authorize payment of the City's "GOB" funding to the County to be used to construct main, pipeline and other enhancements to the water delivery and sewer collection systems to increase efficiency, capacity, quality of service, and protect public health".

Attorney Seiden noted that the sum of the amounts listed in this paragraph total \$13,249,000.

In response to Councilman Young's question, Attorney Seiden said that the \$890,000 is included in the replenishment costs, and would be further explained in the next paragraph.

"The City, however, will retain the balances currently contained within the City's Water and Sewer Budgetary Funds from which it will refund customer deposits (approximately \$470,000), repay the debt owed to Florida Department of Transportation for System Relocation Costs advanced on behalf of the City (approximately \$429,000) pay the current principal and interest due on the City's Water and Sewer Bonds (\$644,312,50), and reimburse itself for the Fiscal Year 2007 – 2008 Administrative Costs of operating the City Systems (approximately \$440,000)."

Attorney Seiden noted that City Records indicate that approximately \$470,000 will be refunded to the residents.

City Manager Borgmann said that he thought that the refund would be in the form of a credit on the final bill, and a check would be issued if there was a positive balance.

Attorney Seiden advised that this paragraph was very important to the County. The County wanted to be assured that the City has a certain amount of money in its Water and Sewer fund, and the money had to be justified for certain expenses. He continued to explain that the Florida Department of Transportation advanced money to the City for the relocation of Station 12 on the corner of LeJeune and N. W. 36th Street. That debt of \$429,000 will be repaid and come off the books. The City is also going to pay what it owes in principal and interest, plus the \$12,000 that makes up the bond defeasement differential of \$644,312.50. In addition, the City will be reimbursed for Administrative Systems costs for the Fiscal Year 2007-2008 of approximately \$440,000. If there were any additional monies left over in this account that were not included for items that the City can still pay for, they can be used for those items and be reimbursed back into the general fund.

City Manager Borgmann said that the City was required to do an SSES report with DERM, so that payment could also be taken out of these funds.

Councilman Dotson stated that his numbers come up to about \$1,983,000.

Finance Director Robinson informed Council that the balance of the Water and Sewer fund was \$2.6 million.

Councilman Dotson noted a surplus of about \$700,000, some of which could be used to cover expenses such as attorney fees, etc. He asked where the excess would be directed in the event there was money left over.

Assistant City Manager Gorland said that any money left over after all the settlements are taken care of is intended to be used to reduce the debt that the residents will owe for the next 20 years.

Attorney Seiden said the City did not have exact figures for the amount; some of it may be money that comes in from billings after the system is shut down.

Attorney Seiden continued reading. *“In consideration of the transfer for the funds advanced by the county to legally defease the Bonds and for repayment of the \$10,809,000 advanced for system improvements recommended in the Miami Springs Utility Valuation Analysis by Malcolm Pirnie, Inc., the City acknowledges that the water and sewer customers in the City will be billed after the Closing Date at the County’s then current Fiscal Year rates for the one-time improvements, plus an additional pro-rated surcharge for the debt repayment and debt service, in their monthly/quarterly County water and sewer billings. At the time of the completion of the transfer of the City System to the County on the Closing Date, it is contemplated that \$1.451 million will be due annually for a period of twenty (20) years. The aforesaid “surcharge” is based upon an allocation of the annual repayment amount of \$1.451 million as a percentage of the revenues anticipated to be billed to the customers within the City each year. This “surcharge” will be calculated annually as part of the normal budget process and will be based upon the revenues received by the County from each prior year adjusted for any budgeted rate increases. A detailed explanation of the aforesaid annual repayment amount due from customers within the City and a further explanation of the “surcharge” calculation process is attached hereto as Exhibit “G”.*

Councilman Dotson said that \$1.451 million over 20 years comes out to \$29,020,000. He asked how that figure was arrived at when they were previously talking about \$21,000,000.

Former Finance Director William Alonso explained that the County was putting in \$10.8 million into repairs to the system plus another \$8 million for the bond, for a total of \$19 million. Over the 20 years of the loan, the City would pay close to \$9 million dollars in interest. At the time he did the analysis last year the annual debt payment was \$1.55 million; more than it is now. He did not know what the assumed rate was for the current analysis, but the information could be obtained.

Councilman Dotson thought that the numbers were important and that \$9 million dollars in interest sounded quite high. He would like to know the details of how this was calculated.

Discussion ensued regarding the rates and what they were based upon, as the amortization schedule was not included in the exhibits. Mr. Alonso noted that a calculation from an amortization table showed the interest rate to be 3.92% on a \$19 million dollar loan over 20 years, with an annual payment of \$1.451 million dollars.

“Finally, the \$13, 249,000 of capital improvement funding from the County will include certain fire flow improvements in the amount of \$890,000 within the City. Instead of inclusion within the aforesaid water and sewer customer monthly “surcharge” amount, funds paid for the fire flow improvements will be replenished by the County’s monthly fire hydrant fees as part of the County’s normal customer quarterly billings which include fire flow protection charges for all customers living within 660 feet of a fire hydrant”.

Attorney Seiden explained that the charge for the fire flow improvements is a separate item and not included in the repayment total.

Councilman Youngs asked for clarification on how they arrived at the final numbers. His understanding was that the County was going to make \$13 million in repairs and allocate \$890,000 for the fire flow. The \$890,000 dollars was not going to be included in the surcharge but spread out over the 20 years as part of the normal fire fees.

Attorney Seiden said that Councilman Youngs was correct, and noted that the document was not clearly written. He continued reading from the document, page 10, section 8: ***Warranties of the City:***

“The City hereby agrees, represents and warrants as follows:

- A. *“That there are no actions, suits, or proceedings pending, or to the City’s knowledge, threatened against or affecting this transaction or any individual component thereof, at law or in equity, before or by any federal, state, county, municipal or governmental court, department, commission, board, bureau, agency or instrumentality which involve the possibility of and judgment, assessment or liability which would affect the ownership, right or interest of the City, or would constitute a lien against the City or its assets.”*

Attorney Seiden said that the above statement confirms that the City has received no notification of intent to challenge the transfer, and that any such challenge would constitute a lien against any of the City’s assets.

- B. *“It will warrant and defend the County’s title to, and possession of, ant tangible property transferred from the City against all claims and persons and should a suit be filed” ...*

This states that the transfer of the system is free and clear.

- C. *“In the event that the City is unable, for whatever reason, to obtain any easement required by the County pursuant to the terms stated above, then the City further warrants and agrees to pay any and all costs, including reasonable attorney’s fees, incurred by the County in acquiring any easement by whatever means necessary including condemnation proceedings”.*

Attorney Seiden explained that if the City owned the system, they would have the same problems that the County would have.

- D. *“In the interim between execution of this Agreement and closing hereunder, the City will maintain and operate the said systems in a normal, proper and efficient manner to the end that the value of the same shall in no way be diminished other than by normal wear and tear”.*

E. *“The city shall complete the certification of sewer extension improvements approved under number SE2003-26 and the improvements to City Pump Station No. 12 as required by Miami-Dade County Department of Environmental Resource Management (DERM). Copies of the certification documents and clearance for use of the station by DERM shall be submitted to the County by the Closing Date. Failure to comply will result in the cancellation of the Agreement.”*

Attorney Seiden noted that the last sentence was very important to both the City and the County; he indicated that the County insisted upon this language.

City Manager Borgmann said that the improvements have been completed and the pump station has been tested and is functional. The City is in the process of acquiring the paperwork from the State to present to DERM.

F. *“Upon execution of the Agreement, the City will not enter into any Developer Agreements which obligate it to extend either its City Systems or to furnish water and sewer service, in addition to the services now being provided, without written approval from the County.”*

G. *“The City is a duly organized and existing municipal corporation, incorporated and authorized under the laws of the State of Florida.”*

H. *“The execution of this Agreement has been duly authorized pursuant to Resolution No. 2008-3397 approved by the City Council of the City of Miami Springs on June 4, 2008”.*

I. *“To use its best efforts to obtain the necessary consents for the assignment or transfer of any contract, lease, license or permit to be assigned or transferred hereunder, and to perform its duties under such contracts, leases, licenses and permits without default until the Closing Date”.*

Attorney Seiden noted that the City still has some documents to obtain before the closing date, and the paperwork for Station No. 12 is one of them. Attorneys from both parties are working with the Department of Transportation to resolve the issue, and he did not anticipate a problem.

J. *“Until the Closing Date of this Agreement, the City shall not, without the written consent of the County, dispose of or encumber anything being transferring hereunder with the exception of any transactions occurring in the ordinary course of the City’s business. In addition, the City agrees that it shall confer with the County in all matters of policy or change thereof, which may be required until subject Closing Date.”*

Attorney Seiden said that the above paragraph ensures that benefits of the bargain does not change between now and the closing date. The next part of the document explains the obligations that the County has agreed to.

8. County to Fulfill Obligations to Retail Customers – Current and New Agreements: *“The County agrees to fulfill the City’s obligations to individual retail customers presently connected to the City Systems insofar as the obligations relate to the furnishing of water and sewer service in accordance with the County’s Rules and Regulations following the transfer of the City Systems to the County on the Closing Date. The City shall proceed with any expansion or improvement of the City Systems as would be proper and usual in the normal course of business, provided that the terms of all agreements made before the Closing Date, but following the execution hereof, which involve the undertaking of the City to extend the City Systems, to install new facilities or to agree to accept new facilities installed by others, or to furnish water and sewer service, must first be approved by the County. The County shall assume the responsibilities of those developer agreements which have been approved by the City prior to the Closing Date”.*

Attorney Seiden explained that any expansion would need the approval of the County before the project could continue.

“In addition to the foregoing, and in the spirit of cooperation and the providing of all current information and documentation available, the City has three (3) pending development projects in the City, which are more specifically described on Exhibit “H” attached hereto. It is anticipated that all the projects described herein shall be completed and operational by the Closing Date”.

Attorney Seiden said that Exhibit “H” included the mixed-use development project at 357 North Royal Poinciana Drive, the 657 South Drive commercial building, and 4801 N. W. 36th Street, which is the gas station that recently received site plan approval. In addition, he has also notified the County that Springview Elementary School will be replacing portable classrooms with a new media center on the same property. The new building is not anticipated to create any greater water or sewage usage for the site.

“Finally, the City will assign any and all of its previous currently performing water and sewer service customer agreements, for properties and buildings within the City’s service area including within Virginia Gardens. As previously agreed, all such Agreements shall be assigned to the County on the Closing Date”.

As discussed earlier, the City will assign all its customers to the County.

10. “Assumption of Miami-Dade Department of Environmental Resource Management (DERM) Consent Agreement by the County: *The County shall complete all repairs and improvements to the City sewer system as mandated by any federal, state or local consent decrees, more specifically, the DERM Consent Agreement, attached hereto as Exhibit “I”, or as same may be modified to extend time requirements for associated work by mutual agreement between the Department and DERM upon the transfer of system ownership. The costs for said one-time improvements are described in Paragraph 6”.*

Attorney Seiden noted that the consent decree is a standard document attached as Exhibit "I". The improvements that are described in sections 5 and 6 will resolve these issues.

11. "Improvements of City Systems: *Except as provided in Section 6 herein, it is the County's intent to improve the water and sewer systems at the County's sole discretion, depending on such factors as construction scheduling, material delivery and financing. The County shall determine, in its sole discretion, whether there is a need for the installation of additional water and sewer facilities in the City. The County agrees to secure the City's written approval for the location of all additional facilities, and such approval shall not be unreasonably withheld."*

Attorney Seiden pointed out that the work mentioned in section 6 must be completed. There are more improvements to the system that will need to be done. The County is agreeing to make those improvements but is required to ask the City's permission before installing any additional facilities on City property.

Councilman Youngs asked if there was a time limit on the capital improvements. He knew the meters would be replaced right away so that the systems would be compatible, and wondered if there was a schedule for the rest of the improvements.

Attorney Seiden explained that it would be difficult for the County to provide a schedule. The City system does not meet the minimum standards of the County, so the improvements will have to be made. The money has been allocated and labeled for those improvements, but there is no schedule.

Councilman Youngs thought that the improvements, in good faith, would have to be made within the first few years. He would like some kind of schedule from the County so that the City could inform the residents when some of these improvements were taking place. He noted that there is an obligation implied in any contract under Florida Law, but they could ask for an outline of a schedule and add it to the document.

Councilman Dotson said he would like to see stronger wording in the document. If the City is going to be paying \$29 million dollars over a 20 year period for improvements he would like to see it treated as an obligation and not as a "in good faith" issue.

12. "Transfer of City Records Prior to Closing" states that the City agrees to transfer all records to the County at time of closing.

13. "Opinion of City Attorney" states that the Attorney Seiden has to provide an opinion of counsel that the City has complied with all requirements of law and its charter at the closing date.

14. "Access to City Records" Attorney Seiden noted that the City has agreed to provide the County with access to its records between the time the contract is signed and the closing date, to allow the County to plan and design improvements to the system.

15. ***“Other Documents and Further Assurances”*** stipulates that if either party has omitted or forgotten any documents, they will be provided to carry out the intent and spirit of the agreement.

16. ***“Notices”*** lists the addresses of John W. Renfrow, Director of Miami-Dade Water and Sewer Department, and James Borgmann, City Manager of the City of Miami Springs.

17. ***“Closing Date: “The closing shall take place on September 3, 2008 and at a place mutually agreed to by both parties. The parties shall be responsible to deliver the following documents:***

- A. *“Bill of Sale” from the City in the form provided in Exhibit “C” attached hereto”.*
- B. *“Assignment of Right and Interest” from the City in the form provided in Exhibit “D” attached hereto”.*
- C. *“Legal opinion of the City Attorney from the City”.*
- D. *“The City shall provide confirmation from the Bond Registrar and Paying Agent that the Bonds have been defeased”.*
- E. *“The cancelled Promissory Note from the County.”*

Attorney Seiden noted that at the closing the County has to cancel the Promissory Note, and return it to the City.

- F. *“Certified copies of all the City's and the County's resolutions authorizing this Agreement”.*
- G. *“Such other documents and certificates that may be necessary to finalize the transfer of the City Systems”.*
- H. *“The City shall deliver to the County appropriate legal instruments granting, assigning, or conveying the City's property interests to the County in a form approved by the County and the County shall accept such conveyances.*

Attorney Seiden advised that he has written a letter confirming the City's understanding with the Department Director and the County Attorney concerning the rights of use and rights of access to the pumps and lift stations. This letter is not in the agreement, and there has been no objection to it.

18. ***“Conditions for Closing: In order for this transaction to satisfactorily closed, the following must occur:***

- A. *“Each governing body shall have authorized the execution of this Agreement by appropriate official action”.*

- B. *"The City shall provide to the County verification from the Paying Agent of the amount of funds necessary to retire the Bonds".*
- C. *"The Bonds shall be legally defeased pursuant to Section 5 of this Agreement and the City shall have executed and delivered the Promissory Note to the County".*
- D. *"The County shall tender the City's Promissory Note marked cancelled in exchange for the confirmation by the Bond Registrar and Paying Agent that the Bonds have been defeased".*
- E. *"The City shall tender its Bill of Sale" and "Assignment of Rights and Interests" to the County".*
- F. *"The County shall accept the "Bill of Sale" and "Assignment of Rights and Interests".*
- G. *"Each party shall have performed all of its duties, responsibilities and obligations required to be performed as a condition of the transfer of the City System under this Agreement".*
- H. *"No issues regarding the transfer of the City System shall remain unresolved."*
- I. *"The County shall declare that it is prepared to provide water and sewer services to all customers located in the City of Miami Springs Water and Sewer Service Area".*
- J. *"The City will deliver to the County, copies of certification document and DERM clearance for use of Pump Station NO. 12 and gravity sewer extension permitted under approval number SE-2003-26".*
- K. *"The City shall deliver to the county appropriate legal instruments granting, assigning, or conveying the City's property interests to the County in a form approved by the County and County shall accept such conveyances".*

Councilman Dotson asked who would be responsible from the City to see that all these steps in sections 17 and 18 are complied with.

Attorney Seiden replied that he and the City Manager would be responsible for making sure all the documents are in place. If the agreement is approved, he will begin to prepare the documents for the stations as soon as he gets the information from PBS&J. He continued to explain that the County has requested a set of "as built" plans for the Systems, which the City has not been able to locate. The County is aware of this and has accepted Atlases of the City Systems, which are similar. Assistant City Manager Gorland may help on the financial side.

Attorney Seiden stated that the next section of the contract deals with what the County wanted for indemnity purposes.

19. Indemnification: *“The City shall indemnify and save the County harmless from and against all costs, expenses, liabilities, losses, damages, injunctions, suits, actions, fines, penalties, claims and demands of every kind or nature, including reasonable counsel fees, by or on behalf of any person, party or government authority whatsoever arising out of; (a) any failure by the City to pay any obligation not the obligation of the County under this Agreement, which failure results in lien, encumbrance or claim against the Bill of Sale or Assignment items; (b) the breach of any covenant, agreement, representation or warranty made under the terms and conditions of this Agreement; (c) the failure to perform any of the City’s obligation under developer agreements, which are not assumed by the County by virtue of this Agreement; (d) any mechanic’s lien, financing statement, security agreement, conditional bill of sale, or chattel mortgage or other title retention device filed against the City of any of the properties transferred under this Agreement; (e) any adverse condition of title to the property warranted against in Bill of Sale deliver at closing; (f) the failure to have a valid and proper easement, license or other right permitting any of the utility facilities and equipment to remain in there present location or which could prevent reasonable access to any of the Transferred Assets; (g) any claim against the City that affects the Bill of Sale or Assignment Items; or (h) any litigation of cause of action arising out of the City’s actions, performance or ownership of the City Systems prior to the Closing Date; (i) inadequate or incomplete records of the City’s property interests; and (j) the removal of pavers and other decorative materials placed over water and sewer facilities; (k) facts or circumstances occurring prior to the Closing Date within the control of the City. The City shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the County, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney’s fees which may issue thereon. This paragraph shall survive the Closing Date and remain in force and effect for twenty (20) years from the Closing Date”.*

Attorney Seiden pointed out that the City would be responsible and liable for most of these items if it continued ownership of the System. He explained that articles (a) and (b) ensure that the System will be transferred over free and clear; the City will pay off all of its bills. Article (c) refers to current projects, which should be completed before the transfer. Any new projects would require authorization from the County, who would then assume responsibility. Articles (d) and (e) refer to vehicles, machinery and property, which will be transferred free and clear. Article (f) refers to documents and paperwork for easements, etc., and it may take some time to gather all that information.

There are no known cases of litigation mentioned in article (h), and none are anticipated. Article (i) refers to documentation similar to what is mentioned in (f), and the City is doing its best to obtain it. Article (j) is an unusual reference to pavers. The City allows residents to improve the swale area but before they are issued a permit, they must sign a declaration acknowledging that the City has the right to access its system and is not responsible for any damage. The County does not want to be responsible for removal or replacement.

Discussion ensued concerning the meaning of removal as opposed to replacement of pavers or other materials. The City will replace grass, gravel and asphalt in the event a pipe has to be dug up, but it will not replace a decorative paver driveway. The implications are that the County will assume the same responsibilities.

Attorney Seiden noted that if an emergency situation should arise, the City should have documents on file for every resident that could be affected that would assign the rights to the City. Those rights would have to be reassigned to the County so that the City will not be responsible.

Attorney Seiden continued to explain that the last article (k) in the indemnification section holds the City responsible for its own conduct and to protect the interests of the County for the next 20 years.

Councilman Youngs said that he would like to see a clause added that would require the County to give the City advance notice of a claim so it would have the opportunity to defend itself before having to pay a claim. He thought that the indemnity wording from the County was very generous and a good clause for the City.

Attorney Seiden read the article again, and said that in his opinion, it states that the County will notify the City of any claims. He agreed that the County has shown good faith during the process, and had been extreme cooperative in the portions he has been involved in.

Attorney Seiden noted that **Section 20. "Taxes and Fees"** states that the City will not be allowed to tax or impose any other fees on any equipment transferred to or installed by the County. He continued to say that **Section 21. "Personnel"** deals with the transfer of employees referred to in exhibit "J", and the City Manager will cover that item later.

Attorney Seiden briefly summarized articles (A) through (I) in **Section 22. "General Covenants and Conditions"** advising it was general contract language.

Mayor Bain asked if anyone had any questions before the City Manager covered the personnel issues.

In response to Councilman Best's question, Attorney Seiden replied that the County was satisfied with the Pirnie report; the County chose the company and paid for the report.

City Manager Borgmann said that he was very concerned that the City employees involved in this transfer get the best possible deal, since they would be forced to leave the employ of the City and join the County. There are six individuals who have indicated that they wish to make the transfer.

City Manager Borgmann gave a synopsis of the items listed in Exhibit "J".

1. The City agrees that, subsequent to the execution of this transfer agreement by the City and the County, except for normal merit and longevity increases, there will be no wage adjustments, reclassifications, promotions, etc. This means that the City agrees not to make any wage adjustments other than those normally scheduled for the employees before the transfer.
2. The transfer of the City employees is contingent upon satisfactory results of a physical examination, including a drug and alcohol screening, and a review of the results of a pre-employment fingerprint based on national criminal background checks. The County shall complete all reviews, examinations and screenings no later than 30 days prior to the closing date.
3. The rate of pay to be paid to each City employee upon transfer to the County will be determined as follows:
 - (a) A base hourly pay rate according to the City pay plan in existence on the closing date shall be determined for each employee excluding overtime, pay supplements and allowances, but including longevity.
 - (b) The County will allocate each employee to an appropriate County classification. If the pay rate calculated in (a) above is not equal to a pay step within the County's pay range then the employees pay rate will be adjusted to next highest step in the County's pay range.
 - (c) The salary anniversary date for each City employee shall be the date of the most recent merit pay increase, longevity pay or promotion received from the City, whichever occurred last.
 - (d) If the salary anniversary date established in (c) above was 26 pay periods or earlier and if the employee was placed below the maximum step in the County's range on a non-longevity pay step, a one-step in range increase shall be granted, no sooner than 90 days after the closing date retroactive to the closing date of this agreement and provided the employee's performance during the 90 days is rated satisfactory or better.
 - (e) The time-in-grade longevity step shall be awarded only if the employee's rate in (b) above is either the maximum pay step in the County range or the first time-in-grade longevity step and the employee has received no increase described in (c) above for five years or more. Such increase shall be granted no sooner than 90 days after the closing date.

- (f) If the pay rate calculated in (b) above is greater than the maximum pay step in the County's pay range and the employee does not meet the criteria for a time-in-grade longevity pay step described in (e) above, then the employee's pay rate shall be frozen until such time as their salary and pay ranges falls within the County's pay range.
5. The County agrees that all prior full-time paid continuous service with the City shall be credited towards the County's fifteen (15) year longevity bonus award as authorized in the County's pay plan.
6. The County agrees that the amount of longevity annual leave earned (if eligible) will be based on the number of years of continuous service with the City. Upon separation from County service, the sick leave pay out will be calculated based upon the years of County service from the closing date of this agreement, in accordance with the County's leave manual.
7. On the closing date of this agreement the County will credit to each employee's sick leave account with the County at the employee's pay rate as a City employee on the day immediately preceding the closing date, the lesser of either: (i) the dollar value of 80 hours of unused sick leave, or (ii) the dollar value of the employee's remaining unused sick leave hours as a City employee. On the closing date of this agreement, the County will credit to each employee's annual leave account with the County, at the employee's pay rate as a City employee on the day immediately preceding the closing date, the lesser of either: (i) the dollar value of 80 hours of unused annual (vacation) leave or (ii) the dollar value of the employee's remaining unused annual (vacation) leave hours as a City employee. . . .

City Manager Borgmann explained that there is a pending issue related to sick leave that the County needs to verify with their Union. The County originally asked to send over all the employees' sick leave and the dollar value, which would total \$32,000 plus or minus. If they were to leave before the County's policy kicked in they would not get any money and the County would keep the funds. The Attorney felt that it would be an unfair windfall to the County.

City Manager Borgmann said that he suggested that the City would treat each employee as if they were retiring from the City, whereupon they would be titled to any unused vacation leave and one-half of their accrued sick leave up to a maximum of 720 hours, which comes out to \$11,700 that would be sent to the County, with the balance going to the individual employees.

City Manager Borgmann stated that in regard to pension, the County is a member of the Florida Retirement System (FRS) and the employees that transfer over must be given an option to either join the FRS or remaining in the City's plan. The employees currently contribute 5% of their pay to the City plan and if they join the FRS they no longer have to pay that 5%. The overall benefits are different as far as the multipliers for the years of service, etc. The County is saying that any employee staying in the City's plan, whatever amount the County would be giving to the FRS, they would be giving to the City, which could be a liability.

City Manager Borgmann expressed his concern for protecting the employees and he conveyed to the County that he wants the absolute best for them and the County came through with his request. He explained that the six individuals are excellent employees and they will have far more opportunities for promotions or advancement that could result in a better salary.

Former Finance Director William Alonso presented an analysis showing what the current customer pays in the City compared to what the County bill would be. The average City customer utilizes 15,000 gallons per quarter, which is 5,000 gallons per month, and they pay \$158.85 on a quarterly basis. When he prepared the report last year, the County rates were different and subsequently within the last few days, he learned that the County Water and Sewer Department (WASA) is currently trying to increase their rates, which will be considered by the County Commission. In the interest of full disclosure the County has provided an estimated cost for comparison. A County customer using 15,000 gallons per quarter would pay \$121.91, a savings of \$36.95 a quarter or almost \$148.00 per year.

As shown on the graph, as consumption goes up so does the savings, up to a certain point, Mr. Alonso explained. After 40,000 gallons, the savings decreases. Part of the County's new rate structure will give higher savings to the lower volume customers, and reduce the savings for higher volume customers. A new rate structure is also proposed for the multi-unit structures, so they will be paying higher water bills than they are now.

The Water and Sewer Fund contributed certain monies to the General Fund. At that time, it was calculated that the City would have to come up with \$112.00 in additional revenues per household to make up that shortfall. Deducting that amount would give the residents an annual savings of \$35.00, based on the assumption that the additional shortfall in the General Fund would have to be made up in either additional taxes or other fees. Additional cost savings can also contribute; Public Works may be able to reduce administrative staff with the loss of positions.

Former Finance Director William Alonso brought out a graph depicting the impact on the General Fund with the loss of revenue from the Water and Sewer operations, and explained how the figures were calculated:

Losses:

1. Annual administrative fee - \$310,000
2. Reduction in utility taxes - \$95,000
3. Loss of investment earnings from cash flow generated by the system - \$125,000

Cost Savings:

1. Reduction of 2 positions in Finance (cashiers) – \$80,000

The net loss of \$450,000 divided by 4,000 households in the City resulted in the \$112.50 figure. There may be other areas besides Finance where costs can be reduced to make up some of the difference.

Councilman Dotson asked how the City could recover that \$112.50 per household.

Mr. Alonso replied that the City could increase the millage rate or increase fees in other areas. The bottom line is that the General Fund is going to see a \$450,000 decrease in funds; if money can be saved in other areas, it will lower the amount. The City can either increase its revenue or decrease its expenses.

Councilman Dotson thought that the City should concentrate on reducing its expenses before increasing any taxes to compensate for the loss of revenue. The two positions in Finance would be part of that.

Mr. Alonso stated that the City will lose about 22% of its annual budget by giving up the Water and Sewer systems. This year's budget is \$28,000,000 and the Water and Sewer revenue contributes almost \$7,000,000 of that amount. The residents, even with the surcharge added, will be saving money. From a long term standpoint, the system is over 50 years old. The County is going to put in \$13,000,000 right away, and their study projects another \$30,000,000 will be required over the next five to ten years. Splitting those costs among 4,000 households becomes difficult; they cannot support the amount of infrastructure repairs that the system will need over the five or ten years. He understood the concern over the high water bills and loss of service, but reminded the Council that it will get worse before it gets better.

Councilman Dotson agreed, saying that the Council is trying to look ahead. Water is a precious resource and is getting scarce. A small town with limited resources is at a disadvantage, and noted that the City or North Miami is facing a \$100,000,000 project to upgrade its system and water treatment plant.

City Manager Borgmann said that the rates in North Miami have doubled and tripled in some cases. He pointed out that the last paragraph of the Malcolm Pirnie report says "The value of acquiring the system is based on several components, such as the one-time cost of repairs and replacement, and debt associated with the acquisition of the utility. The assessment showed that the value of the utility to WASA would be a cost of approximately \$36.2 million dollars, as summarized in Table 5-1. This cost could be recovered by the Department using several methods which include one-time assessments, special assessments paid over 10 years and rate surcharges". The County is expecting to put \$36.2 into the system.

Mayor Bain asked if there were any further questions for Mr. Alonso.

Councilman Youngs asked Attorney Seiden if he would cover Exhibit "G", the total of the funds that constitute both the debt and the surcharge. That section got skipped over in the discussion, and he was having trouble reconciling that with the numbers in the contract.

Mr. Alonso explained that this was the first time he had seen this chart. When he did the amortization calculation he based it on \$19,185 million over 20 years to get the 3.9% rate. This chart lists the value of the bonds as \$19,865 million. He had advised Assistant City Manager Gorland to ask the county to clarify the two amounts, as he was not sure which amount the surcharge was based upon.

Councilman Youngs said that he did not understand how the numbers mentioned in paragraph 6 on page 8 related to Exhibit "G".

Mr. Alonso asked Councilman Youngs if he was adding the total repair costs plus the \$8 million for the debt. The totals would equal \$18,809,000 as listed in the exhibit. The County is adding \$376,000 in closing costs, bringing the total to \$19,185,000. He thought the closing costs might be related to the bond issuance. That needs to be clarified, along with the difference between the \$19,185,000 and \$19,865,000, which is \$680,000. It could be a typo, but he has no way to tell.

Councilman Youngs asked that the issue be clarified before the contract is signed.

Mayor Bain asked if there were any more questions for Mr. Alonso. He reiterated that the following items need to be addressed: 1. the schedule for repairs (capital improvements) and 2. The discrepancies in the totals (Exhibit "G" detail).

Attorney Seiden stated that Exhibit "J" also needed to be finalized, which deals with the pension options for accrued sick leave and vacation. He assumed that once the numbers in Exhibit "G" were clarified, the City would obtain an effective interest rate.

Mr. Alonso said the interest rate would be either 3.9% or 4.3% depending on which number was used.

Mayor Bain asked if there were any more items that needed to be amended. He stated that Attorney Seiden did a fantastic job with the negotiations.

Councilman Dotson agreed that Attorney Seiden had done a great job. He said that people were concerned about the quality of service. It has not been discussed much, though the County has promised to maintain the same level of service. He thought it would be much easier for a small city to call someone locally, and did not believe the service would be as good as it has been.

Mayor Bain thought they should give the County the benefit of the doubt, especially since one of the employees is a resident of the City and has promised to be available when called.

Councilman Dotson said it would be hard to maintain the level of service that the City has now, and he hoped the residents understood how expensive it would be for the City to continue to provide the service.

Councilman Dotson stated that millions of dollars are necessary to upgrade the system since it has not been properly maintained for a number of years. The huge costs are part of what is driving the issue of the transfer. The transfer has been discussed for at least three years and the Council has given the matter a lot of thought and discussion.

City Manager Borgmann said that he had provided copies of an article from AOL'S Money and Finance Division. The article suggested that huge increases in water and sewer bills were on the way in many places as cities and towns try to repair aging pipes and correct artificially low prices. Many large and small cities around the country were listed. The Environmental Protection Agency estimates that the nation's water and waste water systems need an investment of up to 1.2 trillion dollars over the next 20 years. To paraphrase, many municipal owned systems have treated rate hikes like tax increases, and avoided them for years. During the eight years that he sat on the City Council, the City of Miami Springs followed the same pattern.

City Manager Borgmann continued to read from the article, saying that the government accountability office estimates that 29% of water systems and 41% of sewer systems charge customers less than the cost of the service. He said that the City of Miami Springs was in the same boat for years; the system was out of sight and out of mind.

Councilman Best noted that the statistics showed the national median residential bill was \$278 for water and \$276 for sewer service on an annual basis.

Mayor Bain invited anyone wishing to speak on the issue to come up to the podium. He would monitor the time.

Mr. Norman Andresen of 960 Nightingale Avenue said he had been a resident since 1953. Back in the late 50's or early 60's the County voted to create Metro Dade. The City of Miami Springs voted not to have Metro, and anything that Metro was going to take over required a vote by the residents. The City voted on the fire department, and maybe the library. He was concerned that the City could transfer the water and sewer system without a vote by the residents.

Attorney Seiden noted that he was not around in that time period, but said that Florida Statutes Chapter 180 outlines certain requirements that allow a City to make a value judgment on a system. The City can divest itself of a system if there is a purchaser or transferor that meets certain criteria. Within the City Charter, the system could be considered a surplus asset, even though it is a unique situation. He believed that if the City complies with the provisions in Chapter 180.301, and the County has the inherent authority as stated under its Charter and Code to operate these systems, there is no other place to go. He continued to say that there was a short window of time in which privatization was starting to take over city systems. No private company would come within miles of this transaction.

Mr. Andresen reiterated his concern; they had voted against Metro and now they are giving Metro some of the City's facilities. He did not think that anyone else in the room remembered or was around for that vote.

Attorney Seiden said he could not comment on the vote since he was not part of it.

Mr. Andresen said he would like the matter researched to make sure the transfer was legal. In his opinion, the City should keep the system. He worked for Metro for many years, and knows many reasons why the City should not give the system to Metro.

Attorney Seiden advised Mr. Andresen that a vote taken 40 years ago may not be valid now; this was the first time he had heard of it. He and the Administration have been dealing with the statutes that are in existence now, and those statutes allow the transfer to happen.

Councilman Youngs pointed out that the County is required by law to be satisfied that the City of Miami Springs can transfer the Water and Sewer System to the County without a vote by the residents. He thought that would answer Mr. Andresen's question.

Mr. Andresen replied that he had no doubt that Metro could take over the system; bigger is supposed to be better.

Councilman Youngs said that whether Mr. Andresen believed the transfer is a good idea or not, he could rest assured that it was proper under the law and the Charter of Miami Springs.

Mr. Andresen said he would like the City Attorney to research that law. He still did not believe the City could give some functions over to the County because the City has been neglecting them for years. He voted against the sewer system from the very beginning, so he has had a negative attitude about it for years.

Mr. Mel Johnson of 109 South Royal Poinciana Blvd. said that he also was impressed with the City resident who offered to be on call if the City transferred the system to the County. His question and concern was for what happened after this person retired, became ill or changed jobs. He wondered if the person who followed him five to twenty years from now would be another resident who would take care of the City as well as it has been taken care of in the past.

Mr. Johnson said that there has been a lot of legal and technical terminology presented tonight. He asked if someone could tell him if the water bills would go up, down or remain the same. There is a significant surcharge, and it looks like another \$30 million will be added on in the next 10 years. He asked if there were any projections as to what that would cost the residents.

Councilman Youngs noted that the surcharges and the differentials were included in the chart, and the residents would still realize a savings.

Mayor Bain said that the water costs were going to go up whether the City kept the system or not; the whole County would be affected, not just Miami Springs.

Mr. Johnson said he thought it was a great idea to participate in water conservation programs, and would like to see the City take a leadership position.

City Manager Borgmann pointed out that the last two pages of the document show that the rates are going down based on current knowledge of the present City and County rates, including the surcharge. The average customer in the 5,000 – 7,000 gallon category might save anywhere from \$44.00 to \$54.00 a quarter.

Mr. Johnson said he believed there was no question that the water bills would go up. The question was how much, and if the City needed a water conservation program.

City Manager Borgmann said that the transfer of the system was part of a long term plan to reduce future water bills. The City has no idea what the rates would have to go up to if it kept the system. The \$30 million in improvements is included in the transfer, the County will be responsible and will pass the costs on to the entire system, not just the City. The surcharge exists because the County is requiring specific repairs to the system be made to meet its minimum standards.

Attorney Seiden advised Mr. Andresen that he had found the section of the statute that would answer his concern: State of Florida Statute, Chapter 180-301 ***Purchase, Sale and Privatization of Water Sewer, Waste Water and Refuse Utility by Municipality.***

No municipality may purchase or sell a water, sewer, waste water reuse utility that provides service to the public for compensation, or enter in to a waste water facility privatization contract for waste water facility until the governing body, municipality has held a public hearing on the purchase, sale of waste water facility privatization contract, and made a determination that the purchase, sale or waste water facility privatization contract is in the public interest. In determining if the purchase, sale of waste water facility privatization contract is in the public interest, the municipality shall consider, at a minimum the following:

Attorney Seiden said the statute goes on to list a number of categories, which were considered in the report attached to the prior resolution. It continues to say that “*the municipalities shall prepare a statement showing that the purchase, sale or waste water facility privatization contract is in the public interest, including a summary of the purchasers or private firms experienced in water, sewer, waste water reuse utility operation and a showing of 1. The financial ability to provide the service and whether the purchaser is the municipality or an entity purchasing from a municipality has the ability to do it.*”

Attorney Seiden stated that the City has complied with Statute 180-301. There is nothing in the Charter that deals with this; the closest is the purchasing procedures in the Ordinances. Furthermore, the second “Whereas” in the County’s charter states:

“in furtherance of the purposes of Section 5.08 (B) of the Charter of Miami-Dade County and pursuant to the authority of Section 2-341 of the Code of Miami-Dade County, the Miami-Dade Water and Sewer Department operates and maintains a county-wide water and sewer system with the power to acquire, construct and operate water and sewer systems within the incorporated and unincorporated areas of Miami-Dade County”;

Attorney Seiden stated that if a vote was required, it might be the County's responsibility. The County is acquiring the system, not selling it. The County is also advancing \$8,000,000 and paying another \$10,000,000 to upgrade the system.

Ms. Elnora Riecken of 222 Rosedale Drive said that she was concerned about the level of service; the City has always responded quickly to calls, even on weekends, holidays and at odd hours. She wondered if the County had given any indication of what its response times and hours of operation would be. Many older residents with one-bathroom homes would have a hard time finding a hotel late at night. She also wanted to know when the last City bill would arrive and when the County would start billing.

Mayor Bain replied that it had been some time since the City met with the County. He would like to see some provision for a plumbing company or person to be on call to take care of these instances and emergencies. He thought that the County promised a 2-3 hour response time.

City Manager Borgmann said that the City's response time is not as great as it used to be, as it no longer has people on call for 24 hours. There are times that late night calls do not get taken care of until the next morning, but the City still has a very good response time. He recommended that the County be allowed to show they can provide an adequate response time if the transfer takes place. If it cannot, then other options can be explored.

Discussion ensued regarding different options to provide service if needed. Attorney Seiden suggested that an RFP could be put out for local plumbing services to bid on.

Attorney Seiden advised Ms. Riecken that the agreement states that as soon as practical after the closing on September 3, the City and the County staff will jointly read all the City meters. The City will send out its final billing based upon those readings, and the County bill should come three months later.

City Manager Borgmann said that the process may be confusing to some residents because they may receive two billings very close together; it will depend on when the final meter readings are taken. He thought that the final City bill should be in the mail in September, and the first County bill should come around the end of the year. The County may also have different payment options, and the Administration will help the residents with their questions when it has more information.

Mr. Alberto Gomez of 1985 Westward Drive said that he has lived in Miami Springs since 1980, and has been working for the County for 27 years. Several members of his family have also moved to Miami Springs. He would like to bring some issues concerning handicapped people to the attention of the Council, but would limit his questions to the water and sewer transfer for now. He was concerned that the costs for upgrading the system will keep escalating as time goes on, and wondered who would be paying for those upgrades. He also wondered how often the residents would be billed for the water and sewer usage.

City Attorney Seiden replied that the County bills on a quarterly basis.

Mr. Gomez said that he was happy to hear that. He also wanted to urge the City and the entire world to conserve water and electricity to save the planet, and offered his expertise to the City.

Mr. Bob Schubert of 432 Palmetto Drive said that he wanted to thank the Council for the information presented, and thought they were making good decisions for the City. He still had some concerns about the level of service when trying to contact the County by phone. A problem with a bill is easy to resolve here in the City; with the County it can take months to be heard. The financial aspects that he had concerns about have been answered through the presentation, and he felt that the decisions that had to be made were made well by the Council.

Mr. Dan Espino 308 Rosedale Drive said that it had been mentioned that the City was going to return the water and sewer deposits. He asked if the County was going to require a deposit, and if it was known how and when that would be handled.

Attorney Seiden replied that the agreement states that the County will establish their deposits requirement in accordance with their standard rules and regulations. He did not know what those rules were, but said they could probably be found on-line.

City Manager Borgmann said that there might not even be a deposit unless the account becomes a problem. At that point the County might insist on some advance charges in lieu of a deposit.

Mr. Mauricio Abello of 930 Plover Avenue said that he heard the words "tax increase" or "change in millage rate" during the presentation. He understood that there would be a deficit in the budget with the loss of the system, and questioned how that money would be made up. Services would have to be reduced or taxes increased.

City Manager Borgmann noted that there would be about \$450,000 less revenue.

Councilman Youngs said that there are other ways to reduce the deficit. There will be fewer employees in the Finance Department, and there may be other adjustments made, so it is not a simple "yes" or "no" question.

Mr. Abello said that the residents would also be paying the surcharge of \$1.4 million dollars divided by 4,000 households.

City Manager Borgmann replied that the surcharge will be applied based on consumption; a low consumer will pay a lower percentage of the surcharge.

Mr. Abello agreed with that assessment. He noted that the State is trying to eliminate services to reduce taxes, and the City may also have to look at reducing services due to budget constraints. He was concerned that the elderly residents in the City would not be able to afford higher bills. He felt that the City should take a hard look at its budget in the coming year.

Councilman Youngs moved to adopt the resolution with three caveats: 1) Clarify the time frame for the completion of the Capital Improvements that are listed in paragraph 6 of the agreement; 2) Clarify the numbers details for Exhibit "G" and 3) Finalize Exhibit "J" concerning accrued vacation and sick leave. Councilman Dotson seconded the motion.

Councilman Youngs wanted to summarize some of the items so that the public can understand it. He said that he was reluctant as many as 6 or 7 years ago to do what they are doing now. One of the things they were talking about before was asking the County to pay the City's debt and the County refused. That seems fair to him now, and by creating the 20 year surcharge the County is helping the City to pay off that debt with a fixed interest rate over 20 years, which is very generous.

City Manager Borgmann stated that the second point of concern is that there are estimates of anywhere between \$20 million to \$35 million in improvements and repairs that need to be done to keep the system operating over the next 20 years. To avoid having the residents of Miami Springs having to pay that amount of money over the next 20 years, transferring the system to the County will allow the County to make the repairs and spread the cost among all its customers. The City of Miami Springs will be solely responsible for the costs incurred to bring the system up to the County's minimum requirements. The City is paying the County to take over the system, but based upon the numbers and the independent studies of what needs to be done, it will be a very good deal for the residents.

Councilman Youngs thanked the Administration and the City Attorney for all the work they have put in to accomplish the transfer. He is in favor of the agreement and hoped that it comes to fruition without any hitches.

Councilman Dotson thanked Councilman Youngs for his summary. He believed Mr. Andresen brought up some good points to consider. He also had some concerns about the service level; they will have to see how the County performs. The amounts of money involved could have a huge impact in the future; even with the surcharge spread out over 20 years the residents can expect lower fees. There may be additional increases imposed by the South Florida Water Management District, but those increases would come whether the system was transferred or not. In his opinion, the City is fortunate to be able to transfer the system. He was concerned that the system would absorb so much of the City's resources in the future that it would not be able to provide other services that were needed to the residents. He was also pleased that the employees that were being transferred had opportunities for advancement.

Councilman Dotson also thanked the residents for their contributions and comments. He thought that this was a step forward for the City, and would permit it to operate better in other areas.

Mayor Bain said that he wanted to thank the Council for their efforts to pursue this matter and move forward. He also wanted to compliment the City Manager, the Assistant City Manager, the Finance Manager and the City Attorney for all their hard work. He believed that one of the biggest threats to the City was to keep the system; people would not be able to afford to live here in the next 10 to 15 years.

Attorney Seiden said that before the final vote, he wanted the record to be clear that the Council was aware that the third section of the resolution allows for minor changes within the intent of the agreement to be approved. He would like the vote to be based upon his comments: #1 that the City is to include some assurance language as to when the one-time improvements will be scheduled; #2 The City is able to finalize the personnel language from paragraph 21; #3 The City can get an answer and explanation of Exhibit "G" which will yield information to Council as to the actual interest rate. These items would not require any further action by the Council and the vote tonight will not only approve and authorize the action of execution, and allow that these items be taken care of without further comment or discussion.

Attorney Seiden said he expected one of the first calls in the morning would be from George Rodriguez because of all the time that he has put into this agreement. He could not stress the number of times this agreement has been changed.

The vote carried 4-0 on roll call vote (Resolution No. 2008-3397).

4. Adjourn.

There being no further business to be discussed the meeting was adjourned at 10:08 p.m.

Billy Bain
Mayor

ATTEST:

Magali Valls, CMC
City Clerk

Approved as _____ during meeting of: ____

Transcription assistance provided by S. Hitaffer

Words ~~stricken through~~ have been deleted. Underscored words represent changes. All other words remain unchanged.

DRAFT



City of Miami Springs, Florida

The Miami Springs City Council held a **REGULAR MEETING** in the Council Chambers at City Hall on Monday, June 9, 2008, at 7:00 p.m.

1. Call to Order/Roll Call

The meeting was called to order at 7:02 p.m.

The following were present:

Mayor Billy Bain
Vice Mayor Xavier Garcia
Councilman Bob Best
Councilman Paul C. Dotson
Councilman Rob Youngs

Also Present:

City Manager James R. Borgmann
Assistant City Manager Ronald K. Gorland
City Attorney Jan K. Seiden
Chief of Police H. Randall Dilling
Finance Director Leacroft E. Robinson
Elderly Services Director Karen Rosson
City Clerk Magalí Valls

2. Invocation: Councilman Youngs offered the invocation.

Salute to the Flag: The audience participated.

3. Awards & Presentations:

3A) Presentation Regarding Renovation Plans of the Miami Springs Public Library by Julio Castro, Library Capital Development Coordinator

Julio Castro, Library Capital Development Coordinator, stated that the contract for the construction project is about to be awarded and construction is expected to begin in July.

Mr. Castro explained that the project was originally expected to begin in July 2007 and when the library was dismantled in preparation of the construction they discovered several problems. The roof and air conditioning had not been taken into consideration, and rather than closing the library, they opted to redesign the systems and open up the public area of the library to make it more comfortable.

Mr. Castro said that the building was leased at 700 South Royal Poinciana Boulevard for the purpose of continuing service to the community and they felt that it was better to provide the temporary location rather than a book mobile service. He stated that discussions would take place with the City officials about mobilizing and staging the work that is expected to begin in July and completed in April 2009.

Mr. Castro displayed several renderings of the library showing how it is expected to look after the renovation. He explained that the new windows and doors would be hurricane protected glass and the facility will be fully ADA compliant. The existing 1950's building will have more windows to bring the outside in with colors reflecting nature and more open space.

Mayor Bain thanked Mr. Castro for his presentation and Miami Springs' resident Martin Crossland for contacting the library officials.

Councilman Best asked if the County had a plan in place at the time the library was closed.

Mr. Castro responded that the County was in the process of completing the design for the building and about to begin permitting when the library was vacated. Since the roof and air conditioning system had problems they were redesigned and brought into the project and they also redesigned the interior to increase the public area. Since that time, they have been searching for a general contractor and are about to award the contract within the next couple of weeks.

To answer Councilman Best's question, Mr. Castro explained that the library would have computers on the table, they will lend out laptop computers and the building will be fully wireless.

3B) Presentation of Pioneer Resident Awards to Arline Rodberg Paul and Vernon O'Neal Paul, Jr.

Mayor Bain presented individual Pioneer Resident awards to Arline Rodberg Paul and Vernon O'Neal Paul, Jr. in recognition of their many valuable contributions to the community and for recognizing the beauty and potential of the City of Miami Springs.

4. Open Forum:

Ecology Board

Dr. Mel Johnson of 109 South Royal Poinciana Boulevard asked why two Council members have had open seats on the Ecology Board for more than two years. He is sure that there are qualified people to fill the positions and that Council might not be interested or concerned. It seems to him that with the current “green” movement and the drought that water conservation should be something that Council is interested in.

Response to Questions

Dr. Johnson stated that he appeared before Council approximately six weeks ago to ask five or six questions and he was assured at the time that the Administration would respond. He came to City Hall twice to follow up in an attempt to get some answers and has not been successful. He would like to know how long it usually takes to get a response.

Gymnasium

Dr. Johnson reported that he had several petitions with more than one hundred names of people who are not in favor of the new gymnasium and would like Council to restore or refurbish the existing gymnasium. There are plans to continue circulating the petitions and he is asking for Council’s consideration to let the people vote on the issue.

Swale Ordinance

Eugenio Escanaverino of 140 North Royal Poinciana Boulevard thanked Council and the Administration for their support of the current swale ordinance, which he also supports 100% because his family used to park across the street from their home and almost experienced a tragedy when his wife was crossing the street with their kids. He added that his mother-in-law’s car was struck.

5. Approval of Council Minutes:

5A) 05/21/2008 – Workshop Meeting

Minutes of the May 21, 2008 Workshop Meeting were approved as written.

Councilman Best moved to approve the minutes. Councilman Dotson seconded the motion which was carried 5-0 on roll call vote.

6. Reports from Boards & Commissions:

6A) 05/20/2008 – Education Advisory Board – Minutes

Minutes of the May 20, 2008 Education Advisory Board meeting were received for information without comment.

6B) 05/27//2008 – Ecology Board – Minutes

Minutes of the May 27, 2008 Ecology Board meeting were received for information without comment.

6C) 06/02/2008 – Zoning and Planning Board – Cancellation Notice

Cancellation Notice of the June 2, 2008 Zoning and Planning Board meeting was received for information without comment.

6D) 06/10/2008 – Code Enforcement Board – Rescheduling Notice

Rescheduling Notice of the June 10, 2008 Code Enforcement Board meeting was received for information without comment.

6E) 06/12/2008 – Board of Parks & Parkways – Cancellation Notice

Cancellation Notice of the June 12, 2008 Board of Parks and Parkways meeting was received for information without comment.

6F) 06/02/2008 – Board of Adjustment – Approval of Actions Taken at their Meeting of June 2, 2008 Subject to the 10-day Appeal Period

Actions taken by the Board of Adjustment at their meeting of June 2, 2008 were approved, subject to the 10-day appeal period.

Councilman Dotson moved to approve the minutes. Councilman Best seconded the motion which was carried 5-0 on roll call vote.

7. **Public Hearings:**

None.

8. **Consent Agenda:**

8A) **Approval of the City Attorney's Invoice for May 2008 in the Amount of \$10,989.00**

There was no discussion regarding this item.

Councilman Best moved the item. Vice Mayor Garcia seconded the motion which was carried 5-0 on roll call vote.

9. **Old Business:**

9A) **Appointments to Advisory Boards by the Mayor and Council Members**

Vice Mayor Garcia **re-appointed** Irene Priess to the Board of Parks and Parkways for a full 3-year term ending on April 30, 2011.

Mayor Bain **re-appointed** Kathy Fleischman to the Architectural Review Board for her own unexpired term ending on October 31, 2008.

Vice Mayor Garcia stated that he had asked about the possibility of combining the Ecology Board and the Board of Parks and Parkways. He requested an agenda item for the next meeting to discuss the various options.

9B) **Consideration of Financing Options for the New Community Center**

City Manager Borgmann stated that there had been discussions about how different types of loans would be paid for without pledging ad valorem taxes. The City Attorney distributed information on municipal borrowing methods and it would be appropriate for him to review it first.

City Attorney Seiden said that the information was an attempt to answer some of the questions that were raised at the Workshop Meeting. He said that paragraph one paraphrases Florida Statute 166.11 that permits municipalities to borrow funds in various methods. Also attached is a definition section of Florida Statute 166.101 that identifies different types of bonds that could be utilized by municipal government in financing projects.

Attorney Seiden stated that he went to a basic source of information, the Encyclopedia Black Law, and after reading the material Council should have a good understanding that, generally speaking, if there is a pledge or collection of ad valorem taxes for repayment, a vote of the people would be required. There are other forms of borrowing and even though they may affect ad valorem revenue, it is not something that would require an election. There is no constitutional requirement of approval by the electorate where the taxing power of the political subdivision is not pledged. It is not the word "bond" that implies or requires the submission of the "debt instrument" to the electorate, but the security pledged for the instrument's repayment.

Attorney Seiden explained that constitutional and statutory provisions imposing the requirement of an election as a prerequisite to the issuance of bonds are not applicable to the issuance of instruments or obligations payable only from a special fund, such as tax anticipation warrants or notes payable from non-ad valorem sources. The rule that a bond referendum is not necessary to approve obligations payable from the revenue of the project financed is not restricted to the situation where the securities are payable solely from the revenues of the project itself. It is also applicable where certain other sources of payment are pledged in addition to the revenue of the project as long as the ad valorem taxing power of the unit cannot ultimately be called on to service or retire the bonds.

Attorney Seiden stated that a revenue bond is something that is strictly supported by the revenues of the particular project. A pledge of revenues of other utilities, fees or licenses, or a restricted tax that is not an ad valorem one, such as a utilities tax or cigarette tax, in addition to the revenue from the project financed, does not require a referendum.

Attorney Seiden referred to the exhibit regarding the Florida Municipal Loan Council explaining the type of bond, which is not a general debt, liability or obligation of the issuer. The issuer is not the municipality. He noted that the proceeds are received from the issuer, Florida Municipal Loan Council and the issuance of the bonds is on an organization level, not the City level.

Councilman Dotson stated that he appreciated the information provided by the City Attorney and he would like more time to review and consider it. He understands that everything is in accordance with State law, but the City is operated by the Miami Springs Charter. He asked if the City Charter would permit some of the alternatives for financing.

City Attorney Seiden responded that the Charter is very specific and a general obligation situation that pledges the ad valorem tax of the City clearly requires a vote of the electorate. The revenue provision basically says they are obligations payable from the earnings of a project like the current bond series for the water and sewer. The Statutes and the Constitution generally refer to any type of borrowing by a municipality as a "bond", but they are not really bonds. If a municipality can borrow from a private source there is nothing improper; the only concern is what is pledged as security. He explained that this must be dealt with when there are firm proposals.

Councilman Youngs stated that it would be helpful to have a copy of Florida Statute 166.11 and the page from the Miami Springs Charter.

City Manager Borgmann stated that utility and franchise taxes, revenue sharing and the half-cent sales tax are the three significant sources of revenue that are non-ad valorem. The General Fund Revenue Comparison chart goes back to Fiscal Year 2001-2002 and breaks down these items on a yearly basis. He explained that there is an upward trend with combined utility and franchise taxes in 2001-2002 totaling \$2.2 million and in Fiscal Year ending September 2007 the revenue totaled almost \$2.6 million. This year \$2.4 million was budgeted and \$1.35 million has been received to date.

City Manager Borgmann stated that Revenue Sharing started at \$180,000 and last year the amount increased to \$323,000. This year \$304,000 was budgeted and to date \$204,776 has been collected. The half-cent sales tax increased from \$800,000 to \$919,000 last year and \$943,000 was budgeted this year with collections currently totaling almost \$522,000.

Finance Director Robinson reported that the unreserved fund balance should be approximately \$600,000 for Fiscal Year 2002-2003, \$2.7 million for 2003-2004, \$2.5 million for 2004-2005, \$3.4 million for 2005-2006 and \$4.95 million for 2006-2007. No funds were designated in 2002-2003 and the fund balance was \$600,000. Council designated \$1.5 million in 2003-2004, \$1.3 million in 2004-2005, \$1.4 million in 2005-2006 and the proposal would bring the designated fund balance up to \$2.98 million for 2006-2007.

Councilman Youngs asked for a breakdown of the \$2.98 million.

Finance Director Robinson clarified that the City Manager is recommending \$1,060,000 for the gymnasium/recreation building, \$427,000 for the Senior Center, \$1 million for the hurricane contingency fund and \$500,000 for the Golf Course irrigation system.

City Manager Borgmann explained that the numbers presented combine what has already been designated plus the Administration's recommendation for allocations from the undesignated funds from Fiscal Year 2006-2007.

To answer Councilman Dotson's question, Mr. Robinson explained that Council approved \$1,449,000 last year. The surplus would be \$1,877,157, which is more than 15% of budgeted expenditures.

Councilman Youngs commented that it is important to note that the unreserved fund balance had increased from \$600,000 up to \$4,950,000, which is a tremendous accomplishment. Other cities of similar size had larger reserves; however, there is a dramatic difference in spite of the hurricanes in recent years. He felt that the City is in good financial condition to have the reserve funds.

To answer the Mayor's question, City Manager Borgmann stated that the Administration is proposing to allocate \$500,000 from the General Fund balance for the gymnasium/recreation building, plus the \$560,000 that was previously designated, which totals \$1,060,000.

City Manager Borgmann added that \$250,000 was designated for the Senior Center building and the Administration is proposing to designate another \$127,000, as well as \$500,000 for the Hurricane contingency and \$500,000 for the Golf Course irrigation system.

Councilman Dotson would like to keep in mind that 2005-2006 and 2006-2007 were the plush years when the valuation increased 17.2% and 11.07% respectively, while subsequent annual figures will be dramatically less. He felt that it will not be easy in the next few years to be able to add to the surplus that is needed to protect the City in an emergency situation. After this year's budget process there should be more insight into what problems will arise and the options at hand.

Finance Director Robinson stated that over the last five years the Golf Course losses totaled more than \$3 million, and for Fiscal Year 2007-2008, there is a positive budget of approximately \$11,000, so the Golf Course will break even. In addition, the enterprise funds had drained the General Fund over the last five years for more than \$4 million, which was mainly for water and sewer. There will be positive changes going forward that should affect the overall bottom line of the General Fund.

To answer Councilman Youngs' question, Mr. Robinson clarified that the \$4 million transfer from the General Fund to the Enterprise funds included the Fiscal Year 2002-2003 transfer for the Golf Course.

Councilman Dotson added that the increase in the sanitation rates helped to offset the losses of the Sanitation Fund. The Golf Course loss was approximately \$700,000 in Fiscal Year 2005-2006 or it would have been an even better year with the increase in valuation.

Mayor Bain credited the Administration and Council for managing the budget and staying within the means by making proper decisions.

Councilman Youngs stated that he appreciates the fact that during the years when there was an increase in valuation that Council had reduced the millage rate, which is a sign of fiscal restraint.

To answer the Mayor's question, City Manager Borgmann stated that Council could make a decision on the proposed designations, which would determine how much the City would have to borrow for the new community center.

Mayor Bain mentioned that a group of young people had expressed their desire for a skate board park and Council said that they would see if there was an opportunity to help them. It might be possible to build the skate board park at the existing tennis court location and the City could put out a Request for Proposals for new tennis courts at the Golf Course. The Mayor added that it might be possible to apply for grants for the tennis courts based on his discussions with some people a few years ago who were willing to help.

Vice Mayor Garcia commented that a skate park would provide an activity for the teens and pre-teens. A lot is already being done for the younger children and adults in the community. He would agree with the Mayor that it is a good idea for the skate park and there are other areas with vacant space that could be considered as well.

To answer Vice Mayor Garcia's question, City Manager Borgmann stated that the cost of the skate park would depend on the size and equipment and utilizing the existing tennis courts would save money on fencing and lighting. Another consideration would be to include a couple of basketball courts in conjunction with the skate park and there are existing bathroom facilities and parking. The real question is how much it would cost for the new tennis courts.

Councilman Dotson said that he would be in favor of a skate board park at Stafford Park instead of having to disturb the tennis players and subsequently consideration could be given to new tennis courts at the Golf Course. He added that there are new restrooms at Stafford Park and he sees no reason to tear up the tennis courts.

Assistant City Manager Gorland commented that three companies had visited the City to look at different areas for the possibility of building a skate park. The recommendation was Stafford Park, although each one said that it could work at Rio Vista Park, but the closest restroom facility would be at Dove Avenue Park.

City Manager Borgmann added that the only area available at Stafford Park has the lowest elevation, which could flood during certain times of the year. The hours for the skate park would be the same as the other activities at Stafford Park or else there would have to be available Staff to monitor the restrooms to protect them from vandalism.

Vice Mayor Garcia would like to designate funds for a skate park and later determine the location.

Finance Director Robinson added that there is still \$89,000 available for designation and this would still reserve 15% of the budgeted expenditures.

Councilman Youngs commented that the important issue related to this agenda item is financing for the new community center. The critical point is that financing for 120 months would mean the annual debt service is \$305,000 per year. Looking at the budget figure for next year there is a good perspective of how this additional amount could be funded. He explained that a 240-month term would reduce the annual charge to \$189,000 and 360-months would be \$156,000 per year. The only downfall is that the total interest expense goes up for the longer term and 360-months would mean approximately \$2,194,000 of interest on top of a \$2.5 million loan, which might not be wise.

Councilman Youngs felt that the entire point of setting aside reserves was to fund a new community center without having to borrow funds. It would be nice to fund the community center without borrowing, but this might not be feasible due to the condition of the existing facility. The annual debt service for 120 months might be possible depending on what happens during the preparation of the annual budget.

To answer Councilman Best's question, the Finance Director confirmed that the interest rates were still firm.

Mayor Bain asked if Council could give direction to the Administration to secure financing for a specific term.

Attorney Seiden stated that Council was presented with parameters and the Administration could obtain proposals that would be evaluated further.

City Manager Borgmann said that 10-years would be 120 months, 20 years is 240 months and he would definitely not recommend 360 months.

Councilman Best felt that 20-years would be the preferable choice.

Finance Director Robinson added that he would strive for a loan with no prepayment penalty so that a 20-year term could be paid in 10-years.

Councilman Dotson stated that he would like proposals on a 20-year bond or loan. He would like to see a bond proposal and a vote of the people.

City Manager Borgmann clarified that a bond would either be a revenue bond or a non-taxable general obligation bond.

City Attorney Seiden quoted the following from the definition in Florida Statute Section 166.101:

"The term 'bond' includes bonds, debentures, notes, certificates of indebtedness, mortgage certificates, or other obligations or evidences of indebtedness of any type or character."

Attorney Seiden said that the confusing part is that the Constitution and the Statutes refer to any municipal borrowing as a "bond". Considering the Charter and the definitions, the City could not do a revenue bond. This leaves two types of bonding, which is a general obligation bond that the citizens would vote on, and the other "bond" would be financing from a bank or institution that would not require an election.

By **consensus**, Council directed the Administration to look into various options for a 20-year fixed loan.

Owen Gay of 81 Morningside Drive gave credit to Councilmen Dotson and Youngs for making constructive comments on their desire to properly review the restoration option. He said that Council is considering financing while there is another option that does not require a loan. People are entitled to their priorities and their opinions either for a new or restored facility.

Mr. Gay was of the opinion that inaccurate statements had been made about the restoration option and that for approximately \$3 million the gym could be restored.

Mr. Gay felt that it is a disservice to the community for Council not to provide the due diligence of presenting the true potential of the affordable restoration option. He added that Council voted unanimously to hire an engineer for \$17,000 to determine the feasibility of restoration. Engineer Pistorino provided a report indicating the potential for restoration only to have a majority vote of Council to shelve the report.

Mr. Gay questioned the design of the new complex and the operational expenses that will be incurred. Many in the community cannot afford the additional expense under the current financial circumstances, and 72% of Miami Springs' residents voted in favor of the legislative tax cut.

Mr. Gay concluded by saying that Section 9.06 of the City Charter states that the City shall not issue general obligation bonds to pay for such a project unless approved by a vote of the people and a bank loan would also affect the disposition of the ad valorem taxes. He urged Council to put the issue to a vote of the people.

9C) Discussion of Updated Fund Balance Designations

City Manager Borgmann stated that it would be appropriate for Council to consider updating the fund balance designations.

Mayor Bain asked if Council wanted to consider the option for moving the tennis courts and installing the skate board park or if they would be in favor of the proposed fund balance designations.

Councilman Best explained that there is no information available about the feasibility of relocating the tennis courts to the Golf Course, although it might be a good idea. He suggested that the Administration could come back with some numbers for consideration. The advantage of the tennis court location is that money would be saved on the foundation and it would be centrally located. He felt that the Tennis Program is beginning to expand and it would be a shame to let it die.

Councilman Dotson stated that it is important to recognize that budget preparation is underway and he would like to get more numbers before making the proposed designations.

City Manager Borgmann recommended that Council should take action on the \$500,000 proposed for the community center because it would determine the amount of financing, which would be \$2.5 million.

Councilman Youngs moved to approve the designation of \$500,000 for the Community Center. Vice Mayor Garcia seconded the motion.

Councilman Dotson stated that he did not feel it would be wise to approve the designation until more budget numbers are available. He said that \$500,000 is a significant amount that would affect the emergency surplus and contingency funds. He would recommend waiting until August.

Councilman Dotson added that there were additional expenses not provided by the contract for the new community center, including new scoreboards and the cost for project management. He asked how much is estimated for these expenses.

City Manager Borgmann responded that the estimate for the project management was approximately \$100,000.

Councilman Dotson felt that there should be some contingency allocated for the design-build project because engineer Pistorino had indicated 10% for the restoration option and a new facility would cost twice the amount. He worries about the possibility of change orders.

Councilman Best stated that it would make sense to finance the project now to get a favorable interest rate.

Councilman Youngs said that it would be a good suggestion to plan for a contingency amount. The purpose of designating \$500,000 is only to provide a number to begin working with. The motion is to designate this amount, but Council could adjust the amount during the budget process.

Councilman Dotson commented that there would be approximately \$1 million less than two years ago, which is a considerable reduction. He added that the millage rate dropped from 7.9 to 7.5 and the mandatory decrease lowered it to 6.3, which is low for the services the City provides. He also feels that the surplus amount should be higher.

The motion carried 4-1 on roll call vote, with Councilman Dotson casting the dissenting vote.

9D) Presentation Regarding Cost and a Plan for the Creation of a Skateboard Park Close to the Dog Park

Assistant City Manager Gorland stated that the recommendation for the size of the skate park is 10,000 square feet, which must be determined before considering the pad location. All the equipment might not be purchased initially, until the pad is finished. Staff has met with a number of skate park providers and there is a preference for the Stafford Park area with existing lighting, new restroom facilities and because it is an established park area with a variety of activities. The downside is the elevation since the area floods and the pad would have to be built above the water level due to the value of the equipment.

Assistant City Manager Gorland said that he received an estimate of \$50,000 for the pad specific to Stafford Park.

Councilman Best asked if building up the elevation for the skate park area in the southeast corner could displace the water onto the baseball diamonds.

City Manager Borgmann stated that he was not sure, but had thought about whether or not it would change the flow of the water. The restroom elevation is so high because the wooden bollards were under water during the floods of 1991, 1999 and 2000.

Assistant City Manager Gorland commented that an engineering study might be recommended in order to make sure the location could handle the water.

Councilman Youngs stated that it would be beneficial for the City to purchase Stafford Park from the School Board at some point in order to guarantee the continued use of the land for recreation. He said that if the Miami-Dade County School Board is desperate for funds there could be a window of opportunity to purchase the land.

Mayor Bain recommended tabling a decision until considering the location and pricing for the project. He would like to investigate a proposal for new tennis courts on the Golf Course, which would help him make a decision on the location of the skate park. He reiterated that it would make sense to use the existing slab and fencing at the tennis location for the skate park and to look into relocating the tennis courts to the Golf Course.

Councilman Best commented that there is now more activity and participation at the existing tennis courts, which should be considered.

Mayor Bain said that a new tennis facility might be good due to the recent success of the tennis program.

Councilman Dotson suggested conducting another poll of the residents in regard to the tennis facilities.

Councilman Youngs asked about the cost of the additional liability insurance associated with the skate park.

City Manager Borgmann responded that there had been past concerns about the liability associated with skate parks, but now they are not treated differently than any other recreational facility at this point. The participants assume some responsibility for injury.

Councilman Youngs suggested checking with the Florida League of Cities to determine if the liability insurance premiums would change by adding a 10,000 square foot skate park.

9E) Request to Set Executive Session by City Attorney for BFI Waste Services of North America, d/b/a Allied Waste vs. City of Miami Springs

City Attorney Jan K. Seiden gave notice to Council, the public and citizens that during the June 23, 2008 Council meeting, he would like to recess the meeting to conduct an Executive Session with Council in private, pursuant to the exception in Florida Statute Section 286.011 (8) to discuss pending litigation. He will request advice and suggestions from Council on matters that will be brought to them in relation to a lawsuit that is pending against the City, which is BFI vs. the City of Miami Springs.

City Attorney Seiden stated that a court reporter would be present and Council would meet in the conference room with the City Manager, Assistant City Manager and Risk Manager Loretta Boucher to review the case, discuss strategy and the position of the City. This is being done now in order to be able to give advance notice that the meeting will be called and the session should take 45-minutes to an hour to discuss a few issues.

City Attorney Seiden explained that the court reporter would take and transcribe the notes that will be filed with the City Clerk in a sealed envelope that will remain sealed until the case is finalized and the appeal time has expired. The session must be called to order at an open meeting at which time persons chairing the meeting shall announce the commencement of the estimated length of the attorney/client session and the names of the persons attending and that the meeting is recessed. The agenda will say that the meeting would take place at 7:00 p.m., but it will actually take place shortly thereafter.

10. New Business:

10A) Recommendation that Council Approve a One-year Extension of City Bid No. 06-05/06 Originally Awarded on July 1, 2006 for Congregate and Home Delivered Meals for the Senior Center with Greater Miami Caterers

City Manager Borgmann stated that this item is a recommendation that Council approve a one-year extension of City bid # 06-05/06, originally awarded on July 1, 2006 for congregate and home delivered meals for the Senior Center with Greater Miami Caterers.

City Manager Borgmann said that basically this is a contract that is approved every year and Greater Miami Caterers is almost a sole-source provider for the meals and the quality, quantity and price of the food is unbeatable.

Councilman Best commented that the funding for the nationwide "Meals on Wheels" program is in jeopardy due to the price of fuel and the meal program is certainly a luxury.

City Manager Borgmann explained that the unit cost for the congregate meals is going up \$.122 to \$2.67, the home delivered meals are increasing by \$.156 to \$3.41, and the home delivered weekend meals are increasing \$.143 to \$3.13.

Councilman Dotson commented that Elderly Services Director Karen Rosson had done an excellent job and it is a wise decision to continue with Greater Miami Caterers.

Mayor Bain stated that he would crown the King and Queen of the Senior Center on Tuesday, June 10th for the fifth consecutive year. He added that it is a lot of fun and the seniors have a good time.

Councilman Best moved the item and Vice Mayor Garcia seconded the motion.

To answer Councilman Garcia's question, Ms. Rosson explained that there are currently eight people on the waiting list for the home delivered meals. She stated that the contract would be renewed for one more year and since the increase was anticipated, funds were included in the current budget. She said that hopefully Council would increase the budget amount next year in order to be able to help those who are on the waiting list.

The motion carried unanimously on roll call vote.

(Mayor Bain called for a five-minute recess)

10B) Consideration of Conversion of Current Contract with TelVue Virtual Television Networks (TVTN)

City Manager Borgmann stated that TVTN is the company that generates all the programming on Channel 77 in addition to the Council meetings. The City can generate the bulletin board easily within five minutes of receiving the information.

City Manager Borgmann explained that when the system was sold to the City there were certain costs involved totaling approximately \$500 to \$600 per month that TVTN thought would be covered through local business sponsorships. Since they have not been able to sell sponsorships, they are coming back to the City asking for support.

City Manager Borgmann feels that the system is very good and helps disseminate timely information, and if this is something that Council would like to continue, funds would be included in next year's budget. He would obtain a full contract, including all terms and conditions and the associated costs.

Councilman Youngs asked if there were other alternatives and what could be lost if the City does not continue with TVTN.

City Manager Borgmann explained that the City would lose instant access to making changes on the bulletin board through the computer. The old system was archaic technology and when a mistake was made it would erase all the information and it did not have graphic capability. There were two boxes that were traded between the City and the cable company and it took two or three days to update the information. The new system can provide information within five minutes.

City Manager Borgmann stated that the City could try to find sponsors, but would take on the burden of guarantying the monthly payment.

Councilman Dotson said that communication is very important and he would like to continue with this operation. He asked if there might be any grants available for this program.

City Manager Borgmann agreed that Carol Foster could certainly look into available grants.

Councilman Youngs asked about the feedback on the reverse 911 calling to notify residents of the Special Meeting on the Water and Sewer transfer. He said that people told him they received the call and it was nice to see that it worked to some extent, but he would like to know to what extent.

City Manager Borgmann responded that many people attended the meeting but he has no idea how many were driven to attend by the reverse 911 calls.

Councilman Youngs stated that the reverse 911 calling is an available tool in case of a hurricane or storm.

Vice Mayor Garcia requested an update on the reverse 911 calling system and how it is working.

10C) Discussion Regarding Swale Parking Ordinance

Isaac Rodriguez of 1241 Falcon Avenue stated that the swale ordinance had empowered the wrong people to act inappropriately and bully the average citizen with control over public property. He said that the Police have been to his home on various occasions when guests are visiting him and vehicles park across the swale property line.

Mr. Rodriguez said that the swale is defined as a dedicated right-of-way area, however, due to the ordinance, the swale is no longer a dedicated right-of-way area and essentially privatizes public land. Private use of public land must have some benefit to the general community, and in his opinion, the fact that a citizen does not want to share the swale with other citizens does not justify the use of public land for private purposes.

Mr. Rodriguez added that the privatization and creation of inverse condemnation of such a large amount of land by the City is a violation of the civil rights of the citizens of Miami Springs. He believes the ordinance could be successfully challenged in a court of law. He urged Council to do the right thing and correct the injustice.

Mr. Rodriguez presented petitions signed by seventy-six residents stating that the swale ordinance, as previously amended by Council, is inappropriate and must be repealed or modified so that it is fair to all citizens of the City of Miami Springs.

Tim Hawks of 549 Payne Drive stated that he initially worked with Council to amend the swale ordinance and it is hard for the Police Department to enforce because of the way it is written. He does not want anyone parking in front of his house without his permission.

Giselle Thompson of 173 Navarre Drive supports the current swale ordinance and she would also like to make it stronger. She lives behind Fair Havens, which creates a lot of traffic and cars park in her swale even though there is sufficient parking on the nursing home property. She agrees that the swale is public land, but as a citizen she must pay to maintain that land.

Joseph and Nancy Castillo of 1251 Falcon Avenue read a letter that was sent to Council reiterating the importance of the swale ordinance that took effect on February 1, 2007. Mrs. Castillo stated that the ordinance is needed in order to communicate that one cannot indiscriminately park without consideration of the homeowner's needs and rights. The ordinance encourages property owners to maintain the swale, which is a cost savings to the City overall, and it also provides law enforcement an additional weapon in fighting crime, as property owners can easily identify cars that do not belong in the neighborhood.

Mrs. Castillo explained that they had called either Code Compliance or the Police Department because various cars had parked in their swale without consent and unauthorized cars continue to park in the swale. She presented photographs illustrating each occasion on which they had called to report the violations. In order to deter future violations, the City placed an "Unauthorized Parking Prohibited" sign in front of their home. They further request that Council codify the penalties that would apply for non-compliance with the ordinance.

Mr. Castillo stated that communication is the key and it is disrespectful if a neighbor is not willing to ask for permission to park in the swale. He is not saying he would not share the swale, but consideration is important to the quality of life in Miami Springs.

Councilman Best recalled that when Council made the changes to the swale ordinance there was discussion about the lack of diplomacy in terms of property rights. He understands the comments made by Mr. Rodriguez regarding public land, but people have rights, which is why Council addressed the ordinance in the first place.

Councilman Best stated that the City Attorney had previously mentioned that there is a fine line between city-owned property that is maintained by the property owner and who has jurisdiction over the right-of-way. He knows that Council held back on the enforcement issue because it could create a problem for the law enforcement authorities, and perhaps it should be discussed further.

City Attorney Seiden clarified that the ordinance is enforceable; there is a provision in the supplemental ticketing system and every violation is a \$50.00 fine. The more punitive approach would be to place signs and make it a \$250.00 parking fine that would be enforced by the Police Department.

Mayor Bain asked Chief of Police Dilling to provide a report showing the number of calls related to unauthorized parking in the swale, which the Chief offered to provide. The Mayor referred to one of the photographs presented by Mr. and Mrs. Castillo showing an illegally parked car, regardless of the swale ordinance.

Chief of Police Dilling explained that a car cannot block or obstruct a driveway and cars parking in the swale must be parallel with the street.

Vice Mayor Garcia stated that looking at the photographs provided by Mr. Castillo, they clearly show that his neighbor parks his car inches into his swale, which is shared property. He has a similar problem with his neighbor.

Mr. Castillo explained that if his neighbor had a need to park in his swale there would not be an issue, but the photographs show that his neighbor has space in front of his home to park. He would gladly cooperate with his neighbor if there was a need, but there is not, and his neighbor blatantly parks in front of his home.

Mayor Bain commented that it is a matter of two neighbors living next to each other that cannot get along; it is not a matter of changing laws for two people. He felt that the ordinance was changed in the best interest of the community and neighbors should be considerate of each other's needs.

Vice Mayor Garcia referred to the Fair Havens' parking and noise issue that affects the residents in the surrounding neighborhood, which is a different issue. He said that Council is now dealing with a problem between neighbors over a piece of swale.

Giselle Thompson of 173 Navarre Drive said that the swale problem between Mr. Castillo and Mr. Rodriguez is a separate issue, but it is still a swale issue and the problem is the same.

Mr. Rodriguez continued to express his concern about his neighbor wanting control over public land. He said that Mr. Castillo calls the Police Department when he has family gatherings on holidays because a car might encroach inches into his swale, not the entire front of his home.

Councilman Youngs asked if there is a reason why cars park in the swale when there is room in the driveway.

Mr. Rodriguez responded that he sometimes likes to park in the swale under the tree, even though the driveway is vacant. He added that on special occasions when he has guests, the Police will ask him to move the vehicles.

Milagros Rodriguez of 1241 Falcon Avenue stated that her ten-year old child is frightened and cries when the Police Department comes to her house and the situation with the neighbors is very sad and the problem is very upsetting.

To answer Councilman Youngs' question, Mr. Rodriguez would like Council to adopt an ordinance that is fair for all residents in Miami Springs. He suggested that a property owner should have preferential rights to his swale, not complete control and the swale should also be shared because it is public land.

Councilman Youngs explained that the ordinance was intended to grant preferential use of the swale for the property owner and it was designed to address this type of problem. He added that if Mr. Rodriguez has a get together, that is the time when he should ask permission to park in his neighbor's swale.

Mr. Garcia of 810 Oriole Avenue stated that Mr. Rodriguez should plant a tree in his swale and that would solve his problem.

Councilman Dotson was concerned by the fact that nothing had been done to improve the situation for the people living around the schools and Fair Havens. He suggested that the City could provide decals for the cars to indicate to the Police that they are permitted to park in the swale and people without authorization would receive violations. He spoke with Mr. Rodriguez who seemed sincere about solving the problem.

Councilman Dotson agreed with Mayor Bain that the ordinance was adopted in the best interests of the residents and there was a lot of support for the ordinance and Council should not change it because of a couple of people that cannot get along with each other. He believes that people should forget about the past, treat each other with respect and work together as neighbors. He agreed that people should park on their own property if there is space, and if there is a special occasion when there is a need to park in front of someone else's home, that person should request permission.

Councilman Dotson reiterated that he would not consider changing the ordinance and neighbors should work together to make it work.

Mayor Bain recommended giving notice to Fair Havens about parking in the swale and littering in the neighborhood.

City Manager Borgmann stated that signs must be installed in order to enforce the parking restrictions around Fair Havens.

Vice Mayor Garcia emphasized that Council had requested signs for that particular area around Fair Havens and he would like to see this move forward.

Assistant City Manager Gorland said that unauthorized parking must be enforced around Fair Havens, which is a signage issue.

City Attorney Seiden explained that a meeting was held with Chief of Police Dilling, Captain Baan, Assistant City Manager Gorland and Code Compliance Manager Tex Ziadie and they took Council's direction, which was to keep as few signs as possible. One sign was installed by the school, which is an enforcement tool. The idea is to gain cooperation to reasonable discussion amongst neighbors.

Vice Mayor Garcia said that a decal would identify authorized vehicles and cars without decals would be ticketed in the neighborhood surrounding Fair Havens.

Assistant City Manager Gorland explained that there would be a problem with decals because they would all be alike and the Police would not be able to enforce cars from parking in the neighbor's swale.

Attorney Seiden commented that the decal would have to include an address.

Vice Mayor Garcia suggested scheduling an agenda item to discuss the signage and decals.

To answer Assistant City Manager Gorland's question, Chief of Police Dilling explained that the Supplemental Ticketing System is utilized by Code Compliance during normal working hours. He clarified that when the Police Department enforces the Code there is a court charge involved.

Assistant City Manager Gorland stated that the Administration would bring back their suggestions to Council.

City Manager Borgmann added that the Police try to avoid issuing tickets for a violation of a City Ordinance because there is an additional charge from the State Attorney's Office for a prosecutor to handle the case.

City Attorney Seiden stated that Code Compliance could issue the citations in most cases. If the signs do not work, then the City could enforce a \$250.00 fine.

10D) Approval of Budget Transfers Within Departments According to Section 9.04 (1) of the City Charter

City Manager Borgmann stated that all budget transfers within departments are brought to Council for approval according to Section 9.04 (1) of the City Charter.

Councilman Best moved the item. Vice Mayor Garcia seconded the motion which was carried 5-0 on roll call vote.

10E) Discussion Regarding Annexation Boundaries and Other Related Questions

City Manager Borgmann stated that information was included in the agenda packet and the City Attorney also provided a supplemental document to answer several questions regarding contiguity, zoning control and the terminal ordinance.

City Attorney Seiden said that Councilman Dotson asked him to review a law review article from the Stetson Law Review that referenced two cases in the State being the County of Volusia and Village of Wellington cases. He asked about the impact of the cases on various annexation issues.

Attorney Seiden stated that he provided the case information for Council's review and he does not feel that they would apply to the City of Miami Springs. Contiguity and the terminal ordinance are both significant issues and these cases do not really impact those issues. He explained that if there is ever an issue of contiguity from any governmental source, which there had never been, it is going to require extensive research that should be done if an issue is brought to the table.

Attorney Seiden stated that many years ago the City was contemplating hiring an annexation attorney who said that he believed there was a line of cases that basically indicate that if there is an issue of contiguity involving a municipal boundary where the only thing that keeps it from being contiguous to a boundary of an area that it would annex, would be because it is blocked or somehow exempted or excluded for annexation. This is the case with the Florida East Coast Railroad yard (FEC) because of the terminal ordinance and since the County will not consider it for annexation, this area is eliminated and it becomes contiguous.

Attorney Seiden explained that he had not researched the case, but he does not know how the annexation process could have progressed to this point without the issue being raised by the County or the other municipalities.

Mayor Bain asked why contiguity would be an issue if annexation becomes favorable for Miami Springs and the County and other municipalities come to an agreement. He would like to keep all options for annexation open until it is determined whether or not annexation is good for Miami Springs. He would like to approach the County for answers to the questions and hold a Special Meeting to be able to reach an agreement.

Councilman Youngs said that in real estate law there are different definitions for contiguity; one includes physically touching. The County of Volusia versus the City of Deltona case provides that property may be annexed when it is contiguous. The Statute further states that a property is contiguous when "a substantial part of a boundary of the territory sought to be annexed by a municipality is coterminous with a part of the boundary of the municipality."

Councilman Youngs added that contiguity may be established when there is a public utility or railway that is skipped over, but as far as the City is concerned, there is a physical touching of the boundaries, which means there is not a problem with regard to contiguity as long as Miami Springs annexes the land at the top part of Area 6. In his opinion, Virginia Gardens would have a contiguity problem. His suggestion would be to ask the County Attorney for a legal opinion with respect to contiguity since the applications are pending with the County.

Councilman Dotson stated that there is no question that the County Charter permits annexation of the land, but the Miami Springs Charter said that the City can only annex contiguous land and this raises the question about Area "C". He said that if FEC develops the land, which has been reported, this will separate Miami Springs on the east and west by the land in between. It is important for Council to reach a consensus and work with the County so that if the land is developed it would become part of Miami Springs and no longer be considered a terminal.

Councilman Dotson felt that it is important to the future of the City not to be separated by some village in the middle. The County Charter states that if there are more than 250 people in an area, a vote of the people in that area approving annexation is necessary. He also pointed out that Miami Springs has a higher tax rate than the little village would have and the answer would be very obvious that they would want to remain the same.

Councilman Dotson added that there would be no control over the area, which in his judgment is being preserved so that the railroad can have the best deal when they decide to develop the property.

To answer the Mayor's question, City Attorney Seiden clarified that whatever law applies to the County Charter, it would also apply to the City Charter. He agrees with Councilman Dotson that any annexation effort on the part of the City that would somehow exclude the FEC Rail Yard, should come with a guarantee that should the land become available for development that it should become a part of Miami Springs.

Mayor Bain would like to resolve the contiguity issue before going forward.

Attorney Seiden reiterated that he had not conducted research on contiguity but he feels confident based upon history and the fact that no other governmental entity or representative had raised an issue against Miami Springs.

City Manager Borgmann added that the City Code includes a separate definition for contiguity.

Attorney Seiden explained that the definition was included a number of years ago, but it goes back to the same issue. If there is a case law in regard to contiguity then skipping over the rail yard would apply equally to either the City or County Charter.

Mayor Bain believes that if the FEC property is no longer designated as a terminal, that it should become part of Miami Springs in the future. He reiterated that he would like Council to agree on the boundaries that are feasible for the City with the caveat that the railroad would belong to Miami Springs if it is no longer considered a terminal.

Attorney Seiden was of the opinion that the City's application would have to be amended.

Mayor Bain said that he would like to pursue the amendment to the annexation application and move forward with the boundaries being south of N. W. 36th Street, west to the Palmetto Expressway, and north to the 74th Street connector.

Councilman Youngs would not want to cloud the contiguity issue by the rail yard issue, since there is no question about contiguity. If the FEC property ceases to be a rail yard it should be available for annexation by Miami Springs alone. The only contiguity issue he sees is whether the northern boundary of the land to be annexed is the Hialeah connector or N. W. 74th Street.

Councilman Youngs explained that Medley has asked that the northern boundary be the Hialeah connector and there is not much difference in terms of the number of feet, but the issue is that Medley already provides services to that area, which is mostly used for truck storage. One of the earlier criticisms against Miami Springs annexing this area was because one would have to drive outside the City into Medley to access that area. He said it would make sense to annex as far north as the south half of N. W. 74th Street including the truck area.

Councilman Dotson said that the terminal ordinance, mitigation and contiguity are all issues that should be discussed during the Special Meeting.

Mayor Bain felt that the first question to be answered is whether or not the County is still in favor of annexation after five years, and Council should decide what land they want to annex before doing the analysis to determine if it is feasible for the City. The mitigation issue would also apply to Virginia Gardens, Medley and Doral.

Councilman Dotson mentioned that it is important for Council to discuss the critical elements to determine whether or not annexation would be successful, including mitigation because certain questions must be answered. Contiguity is important if the FEC Railroad dissolves its current operation because that land should be part of Miami Springs. Council must work to develop a strategy with the help of County Commissioner Rebeca Sosa or someone who could assist the City with its case for annexation.

Mayor Bain emphasized that mitigation and the Interlocal Agreement would come later because Council had not yet decided on the land that should be annexed.

To answer Vice Mayor Garcia's question, the City Attorney clarified that the law regarding Executive Sessions does not apply to annexation negotiations; labor negotiations and pending lawsuits are the only two exceptions.

Councilman Dotson commented that there are economic needs to consider when deciding what land should be annexed. He would like the underlying detail of what constitutes certain costs, i.e. police service.

City Manager Borgmann clarified that police service would be the largest expense and he would make sure everyone receives the Police Chief's analysis.

Councilman Dotson reiterated that the economic analysis would be a factor in determining how much of the land he would want to annex.

City Attorney Seiden commented that the issues are outlined in the City Manager's memorandum dated June 2nd and all the questions need to be answered.

Councilman Best stated that Council should discuss all the questions at a Special Meeting.

City Attorney Seiden agreed that a Special Meeting is needed in order to resolve all the issues before going forward with annexation.

City Manager Borgmann stated that the estimated impact on the UMSA budget for Section 6 shows a net loss of \$335,380, which is the cost of providing services versus the loss of revenue, but the County would maintain the franchise fees and utility taxes, which totals \$721,437. He would like to include these fees in the analysis, which would make the mitigation amount a negative number.

Councilman Dotson asked if there were any numbers for the area South of N. W. 36th Street.

City Manager Borgmann responded that there were no numbers for that area because the County did not include that area in the equation. The same applies to the area surrounding the Miami Inter-modal Center (MIC) and whether or not that land is on the table.

Mayor Bain would like the City's annexation package to include the MIC area, the land south of 36th Street and the FEC Rail yard should the terminal classification change in the future. This would show solidarity for what Council wants.

City Attorney Seiden explained that the Mayor is suggesting that Council should arrive at a reasonable proposal for the City of Miami Springs to send to the County, whether or not it is accepted by all parties involved. It is very unlikely that the MIC area would be included and including it would only "water down" the rest of the application. Council can say that they want to include the land from the Hialeah connector to N. W. 36th Street and a representation that if the FEC Rail Yard ever becomes other than a terminal location that it would be permitted to be annexed to Miami Springs.

City Attorney Seiden stated that Council must make a list of the answers to the questions to be included in the annexation proposal. He suggested that Council should be prepared to address all the issues at the Special Meeting and present a proposal that can be sent to the County in the form of an amended application.

Vice Mayor Garcia felt that Council should be realistic and listen to the City Attorney's advice about not including the MIC in the application. He said that it would be fair to give the other cities what they want and this would prevent them from going after the land that Miami Springs is interested in.

Council **scheduled** a Special Meeting for Monday, June 30, 2008 at 7:30 p.m.

City Attorney Seiden stated that Council should develop their arguments based on the City Manager's memorandum, which is very well written.

Councilman Youngs added that there are six issues, including the clarification of contiguity, the FEC Rail yard, the compromise with Medley over 74th Street versus the Hialeah expressway as the boundary, the compromise with Virginia Gardens as to the boundary to the south, the compromise with the County for Area 9 (MIC), and the impact of the zoning control over the FEC rail yard.

Councilman Dotson would also like to have a good analysis in order to be able to understand the economic impact. He believes that Council should discuss the mitigation issue in order to reach a unified decision and to set parameters as to what would be acceptable.

Councilman Dotson added that Council should discuss zoning and land use in regard to the terminal ordinance. He said that years ago the County's intention was to use the FEC property for urban infill when Joe Ruiz was Assistant County Manager.

City Attorney Seiden said that when the City annexed the Abraham Tract, there was an agreement that the property would remain commercial/industrial.

10F) Summer Employment Update

City Manager Borgmann reported that the hiring of summer employees is complete. In addition, the City has hired one new police officer, one dispatcher and two public service aids, which leaves one short in the sworn officer category. Police Officer testing will take place on Wednesday, June 11th and hopefully there will be a suitable candidate from this group.

10G) Recommendations from the Education Advisory Board:

10G1) Review and Approve the Draft Compact with Miami-Dade County School Board

City Manager Borgmann explained that the Education Advisory Board has requested that Council consider two items on an upcoming agenda and the first is to review and approve the draft Compact with the Miami-Dade County School Board. He explained that the current draft is seven or eight pages, while other cities' compacts are approximately two pages.

Councilman Rob Youngs added that he and the Education Advisory Board are recommending that Council schedule an agenda item for the June 23, 2008 Regular Meeting at which time Lisa Martinez with Miami-Dade County Public Schools will present the final draft agreement. If approved by the City Council, Miami-Dade County Public School representatives would like to hold a ceremony with City officials at the beginning of the July School Board meeting.

Council **directed** Staff to schedule this item for the June 23, 2008 Council meeting.

10G2) Approval of Education Partners of the Year 2007/2008 Awards to International House of Pancakes (IHOP) and Starbucks

City Manager Borgmann stated that the Education Advisory Board would like Council to honor IHOP and Starbucks as the 2007/2008 Education Partners of the Year.

Council **approved** the designation of IHOP and Starbucks as the 2007/2008 Education Partners of the Year.

11. Other Business:

None.

12. Reports & Recommendations:

12A) City Attorney

None.

12B) City Manager

Westward and Lenape Signs

City Manager Borgmann distributed information that had been circulating regarding the new signage at Westward Drive and Lenape. He reported that he, the Chief of Police and others would be meeting with County officials in an attempt to reverse their action. They feel the signs are totally unnecessary and even though there were accidents at that location in the last 18-months, it does not justify their action without the City's input.

Water and Sewer Agreement

City Manager Borgmann handed out a new Exhibit "J" to Council to be added in the notebook they received with the agreement for the transfer of the water and sewer systems to Miami-Dade County.

Shuttle Bus Report

City Manager Borgmann said that he would forward a copy of a report he is expecting to receive on Tuesday, June 10th on the number of riders on the Shuttle Bus riders.

State Grant

City Manager Borgmann reported that a State grant was submitted for \$10,000 in trees, with a \$5,000 match. The State notified the City that there were three times the applicants than there was funding, but the City's application was so good they would give \$15,000 instead of \$10,000, with the agreement that the trees would be planted by September 1st. The agenda for the next meeting will include a recommendation to approve a purchase order for piggy backing off another bid and there is eligible funding from sources like the Local Option Gas Tax.

12C) City Council

Good Meeting

Councilman Best stated that it was a good meeting and he was pleased with the discussion that included a couple of key issues.

University of Miami Baseball

Councilman Best congratulated Miami Springs resident Ryan Jackson for helping the University of Miami "Canes" get to the college baseball world series. He made the last out with an amazing throw to first base on a very difficult play at shortstop in the outfield.

Deer Run Traffic Calming

Councilman Dotson asked if there was any new information on the Deer Run project.

City Manager Borgmann reported that Public Works commenced work on the traffic calming project and during his discussion with Miami-Dade Traffic he mentioned the plan and they thought it was a good idea. He sketched the plan on the white board explaining that the lanes would be narrowed to 9-feet instead of eleven-feet and the speed limit would be 25mph.

Shuttle Bus Service

Vice Mayor Garcia asked about the status of the Shuttle Bus service map.

City Manager Borgmann responded that a correction was made to the map for the change at N. W. 36th Street and Le Jeune Road, but the map had not been mass produced. He would like to finish the "Name the Shuttle" contest and come back with an entire new "splash" on the bus, with the name, color changes, etc., which would be funded from the Citizens Independent Transportation Trust (CITT) funds.

Lenape and Westward Drive

Vice Mayor Garcia stated that he would not want a traffic calming circle at Lenape and Westward Drive, but he agrees that some alternative measure must be taken. He suggested rumble strips or another option because there had been many accidents at that location.

Vice Mayor Garcia moved to extend the meeting for 15 minutes. Councilman Youngs seconded the motion which carried 5-0 on voice vote.

Mayor Bain suggested that a traffic light could be installed, since there is already one at Apache and Westward.

Vice Mayor Garcia mentioned that Hammond and Westward Drive is also a dangerous intersection that is prone to accidents, as well as the stretch of Hammond Drive to Lafayette that is a runway. He suggested that the County might help with the funding because doing nothing is not the solution.

Stafford Park Crossing Light

Vice Mayor Garcia asked for a progress report on the status of the installation of a crossing light on East Drive by Stafford Park. He would like to see it done before the next baseball or soccer season begins.

Swimming Lessons

Vice Mayor Garcia reported that the Recreation Department swimming lessons have begun, which is a wonderful service to the residents for a minimal fee. Today was his kid's first day taking lessons and it is very important to teach young kids to swim.

Fishing Tournament

Mayor Bain announced that the Miami Springs Optimist Club/Virginia Gardens fishing tournament would be held on Saturday, June 14th with a community fish fry beginning at 4:00 p.m. at Holleman's Restaurant, preceded by the Captain's meeting on Thursday, June 12th.

Public Comment

Mayor Bain stated that nobody should be afraid to comment or express their ideas on issues they feel are important and Council should always have an open mind when suggestions are made. He feels that Council is doing their best for the City by finding solutions and moving forward to implement them.

13. Adjourn.

There being no further business to be discussed the meeting was adjourned at 11:06 p.m.

Billy Bain
Mayor

ATTEST:

Magali Valls, CMC
City Clerk

Approved as _____ during meeting of: _____

Transcription assistance provided by S. Hitaffer

Words ~~stricken through~~ have been deleted. Underscored words represent changes. All other words remain unchanged.



City of Miami Springs, Florida

The Miami Springs City Council held a **REGULAR MEETING** in the Council Chambers at City Hall on Monday, June 23, 2008, at 7:00 p.m.

1. Call to Order/Roll Call

The meeting was called to order at 7:01 p.m.

The following were present:

Mayor Billy Bain
Vice Mayor Zavier Garcia*
Councilman Bob Best
Councilman Paul C. Dotson
Councilman Rob Youngs

* Arrived at 7:13 p.m.

Also Present:

City Manager James R. Borgmann
Assistant City Manager Ronald K. Gorland
City Attorney Jan K. Seiden
Chief of Police H. Randall Dilling
Finance Director Leacroft E. Robinson
City Planner Richard E. Ventura
City Clerk Magalí Valls

2. Invocation: Councilman Best offered the invocation.

Salute to the Flag: The audience participated.

3. Awards & Presentations:

3A) Certificate of Appreciation to IHOP (International House of Pancakes) – Miami Springs Education Partner of the Year for 2007/2008

Chair of the Education Advisory Board Mindy McNichols stated that the Board instituted this award to honor business partners in Miami Springs for the contributions that they have made to the local schools.

Ms. McNichols explained that IHOP (International House of Pancakes) was chosen because of the restaurant manager's contributions to Springview Elementary and Miami Springs Middle School by donating breakfast for Teacher Appreciation Week.

Mayor Bain presented a Certificate of Sincere Appreciation to Luis Monsalve, Manager of the IHOP Restaurant, in recognition of their interest in education and the local Miami Springs' schools.

Mayor Bain also presented a Certificate of Sincere Appreciation to Robert Kalinsky, Administrative Director, Regional Center III, Miami-Dade County Public Schools in grateful recognition of his outstanding dedication and commitment to education and for the excellent working relationship established with the City Officials, the Education Advisory Board and the Miami Springs' schools.

The Mayor explained that he had planned to present an award for Region Superintendent George Núñez who was unable to attend. His original intent was to present the awards at the June 17th Education Advisory Board meeting which was not possible.

Mayor Bain thanked Mr. Kalinsky for always keeping him informed on educational issues, which helped him to make proper decisions.

Mr. Kalinsky said that it had been a delight and pleasure working in the community for the last six years. He stated that there was a tremendous partnership that resulted in great things for the students in the community, including the reduction of the student population at Miami Springs Senior High.

Mr. Kalinsky stated that Dr. Pace will be the new Area Superintendent who brings with her two of the best Directors, Mr. George Garcia and Ms. Vivian Pardo.

3B) Officer of the Month Award – May 2008 – Officer Ramón A. Tamargo

Chief of Police H. Randall Dilling presented the Officer of the Month Award for May 2008 to Officer Ramón A. Tamargo who was nominated by Sergeant David Bechler for his skills and persistence which initiated several criminal investigations. He summarized the memorandum from Sergeant Bechler explaining Officer Tamargo's outstanding performance while working uniform patrol duty, bike patrol and foot patrol.

Officer Tamargo introduced his family and thanked the Mayor, Council and Chief Dilling.

4. Open Forum:

No speakers.

(Agenda Item 10A discussed at this time.)

Recess: 7:34 p.m.
Council met in Executive Session

(Council meeting reconvened at 8:58 p.m.)

5. Approval of Council Minutes:

5A) 05/28/2008 – Regular Meeting

Minutes of the May 28, 2008 Regular Meeting were approved as written.

Councilman Dotson moved the item. Vice Mayor Garcia seconded the motion which was carried 4-0 on roll call vote (Councilman Best was absent at roll call).

6. Reports from Boards & Commissions:

6A) 05/01/2008 – Police Officers and Firefighters' Retirement System – Minutes

Minutes of the May 1, 2008 Police Officers and Firefighters' Retirement System meeting were received for information.

6B) 05/01/2008 – General Employees' Retirement System – Minutes

Minutes of the May 1, 2008 General Employees' Retirement System meeting were received for information.

Councilman Dotson commented that the first line of the Police and Firefighter's Retirement System minutes read: "The regular meeting of the Board of Trustees of the City of Miami Springs General Employees' Retirement System" and it should be "Police and Firefighters". Also, Ms. Bowein is shown as being absent at the General Employees' Retirement System meeting and the minutes indicate that she seconded a motion.

City Manager Borgmann offered to follow up on the corrections with The Pension Resource Center.

6C) 05/28/2008 – Board of Appeals – Minutes

Minutes of the May 28, 2008 Board of Appeals meeting were received for information without comment.

6D) 06/04/2008 – Architectural Review Board - Minutes

Minutes of the June 4, 2008 Architectural Review Board meeting were received for information without comment.

6E) 06/10/2008 – Code Enforcement Board – Minutes

Minutes of the June 10, 2008 Code Enforcement Board meeting were received for information without comment.

6F) 06/10/2008 – Recreation Commission – Minutes

Minutes of the June 10, 2008 Recreation Commission meeting were received for information without comment.

6G) 06/11/2008 – Golf and Country Club Advisory Board – Cancellation Notice

Cancellation Notice of the June 11, 2008 Golf and Country Club Advisory Board meeting was received for information without comment.

6H) 06/17/2008 – Education Advisory Board – Cancellation Notice

Cancellation Notice of the June 17, 2008 Education Advisory Board meeting was received for information without comment.

7. Public Hearings:

None.

8. Consent Agenda:

None.

9. Old Business:

9A) Appointments to Advisory Boards by the Mayor and Council Members

No appointments were made.

9B) Bank Loan Funding for the New Community Center Project

Michael Gavila of 684 Morningside Drive was of the opinion that the Community Center should be financed with a bank loan that would not require a vote of the people.

Finance Director Leacroft E. Robinson stated that he prepared a summary report of the three proposals from SunTrust, Colonial Bank and Wachovia related to the loan funding for the Recreation/Community Center project.

Finance Director Robinson explained that the first proposal from SunTrust Bank was dated May 20, 2008 and a revised proposal was received on Friday, June 20th, which has an updated rate and the annual debt service based on a \$2.5 million loan. There are no prepayment penalties or commitment fees and the pledge of the City's half-cent sales tax is the security. The closing fees are \$5,000.

To answer Councilman Youngs' question, Mr. Robinson clarified that the annual revenue from the half-cent sales tax is close to \$900,000.

Councilman Dotson asked if there is protection in case of a default.

Finance Director Robinson responded that Colonial Bank is asking for a mortgage against the property, and the other two loans do not ask for a mortgage, but they mention remedies in case of a default. Wachovia Bank has a prepayment penalty, while the other two banks do not require it.

The revised proposal from SunTrust is a \$2.5 million tax exempt loan maturing in 20 years for the purpose of building a Recreation Center and the undertaking of some improvement work at City Hall, according to Mr. Robinson. Interest-only payments will be due during the first twelve months of the facility starting October 1, 2008. Principal and interest payments will be due on a monthly basis thereafter, payable October 1, 2009 and each month thereafter.

Discussion ensued regarding the terms of the SunTrust loan. Finance Director Robinson confirmed that the funds would be received up front, although there are some arbitrage issues. Construction must be completed in 24-months and there are IRS guidelines and exemptions.

Councilman Dotson asked what would be the real interest rate on the entire loan if there are interest only payments for the first twelve months.

Finance Director Robinson responded that the effective rates overall would be slightly higher on all three proposals. He added that closing fees shall not exceed \$7,500.

Councilman Youngs asked if it is standard for municipal loans to adjust the rate to correspond if the tax rate changes on the lender.

Mr. Robinson explained that they are tax exempt loans and the rates are based on locking in certain tax incentives.

Finance Director Robinson stated that the Colonial Bank proposal included a few items that were contradictory. First, the term on page two is fifteen years from date of note and there are three options that do not correspond with what the City requested, which was a ten and twenty year amortization schedule. The first two options are for adjustments for five and seven years and the third option is a fixed rate for ten years, which means it would be subject to the market rates after that point. They also indicated a first mortgage would be required on the new facility as collateral in addition to pledging the half-cent sales tax. The last page of the proposal indicates the City of West Miami.

The Wachovia proposal offers the option of a ten-year and twenty-year amortization with the following options: 1A) Bank Qualified Fixed Rate of 4.50% for a ten year US Dollar Swap Offering Rate of 4.80% minus 30 basis points, and Option 1B) Bank Qualified Fixed Rate of 4.70% for ten years. The fixed rate is an indication rate subject to changes based on market conditions. The rate approximates the 10 year US Dollar Swap Offering Rate, currently 4.80% minus 10 basis points.

Finance Director Robinson explained that the difference between Options 1A and 1B is basically a pre-payment. Options 2A and 2B are based on the twenty-year maturity. Option 2B gives the ability to repay principal without any pre-payment penalties, but they are on fixed payment dates.

Finance Director Robinson stated that the summary sheet compares all three loans and the key points of each proposal are highlighted in yellow, including interest rates, estimated annual debt service based on \$2.5 million and the estimated total interest expense over the life of the loan.

Councilman Youngs commented that the 4.47% interest rate for SunTrust should be revised to reflect 4.72%.

Finance Director Robinson stated that Councilman Youngs was correct. The bottom line based on \$2.5 million at 4.72% would change to \$199,523 for annual debt service. The estimated total interest expense would change to approximately \$1,291,000. SunTrust is lower as far as the annual debt service and total interest expense over the life of the loan. He indicated that the Federal Reserve Published Interest rate swap on June 13th was 4.8%, which is being discounted by SunTrust, whereas Colonial and Wachovia have added a significant spread to the rate.

In addition, for comparative purposes, the Bond Buyer Index, GO, 20 years to maturity, mixed quality at June 13th was 4.5%, according to Mr. Robinson.

To answer the Mayor's question, Mr. Robinson verified that the SunTrust proposal does not include a pre-payment penalty and it would be better to pay off the note prior to twenty years in order to reduce the interest expense.

Councilman Youngs asked how much the annual debt service would be for a ten-year loan with SunTrust. He recalled that the numbers were presented at a previous meeting.

Finance Director Robinson clarified that he presented the numbers for a ten-year \$3.5 million loan and subsequently the amount of the loan was reduced to \$2.5 million. On May 21, 2008, the estimated annual payments were \$305,163 for 120 months at 4.1%, \$189,795 for 240 months at 4.5% and \$156,494 for 360 months at 4.75%.

Councilman Dotson was disappointed that no information was presented on a bond proposal because Council had requested a comprehensive set of proposals at the May 28th meeting. He informed Council that he contacted Melanie Gillespie regarding the Florida Loan Council about a bond proposal that might be generated for the City to consider and she indicated that they could offer a lower interest rate than 4.47% and she sent the proposal to the Credit Review Committee. Since the City is rated BBB+, they must determine if the City is financially qualified, but he did not hear from her.

City Manager Borgmann said that approximately three weeks ago, Ms. Gillespie indicated to him that they were putting all loans on hold because of the bond insurance market and because the City might not qualify for the insurance.

Councilman Dotson explained that Ms. Gillespie did not provide much information; she only asked for the competitive interest rate. He reiterated that she was going to check with the Credit Review Committee. He would like to include this option as a consideration before making a financing decision.

Finance Director Robinson stated that the 10-year Federal Reserve Published Interest rate swap was 4.86% as of Friday, June 20th and the Local Bond Index was 4.76%, which is probably based on AA ratings.

Councilman Dotson asked the City Manager to follow up with Ms. Gillespie. He said that she was encouraging to him when he first spoke with her and it is frustrating that a definitive answer was not received.

Mayor Bain stated that a decision should be made considering the increasing interest rates.

Finance Director Robinson confirmed that the proposals for SunTrust and Colonial expire on June 30th and the Wachovia offer expires on June 26th. He explained that the SunTrust rate would be based on the rate two days prior to closing.

Councilman Dotson said that he appreciated the information provided by the City Attorney regarding methods of municipal borrowing. He was of the opinion that a bank loan would be the same as a term note. The definition of a constitutional bond is: *"a term bond includes bonds, debentures, notes, certificates of indebtedness, mortgage certificates or other obligations or evidences of indebtedness of any type or character."*

Councilman Dotson stated that the definition of a general obligation bond is: *“bonds which are secured by or provide for their payment by the pledge in addition to those special taxes levied for their discharge in such other sources as may be provided for their payment or pledge as security under the ordinance or resolution authorizing their issuance of the full faith and credit taxing power of the municipality and for payment of which recourse may be had against the general fund of the municipality.”* His question is whether or not term loans are bonds as far as the definition is concerned.

City Attorney Seiden responded that all borrowing by municipalities would be considered as a bond.

Councilman Dotson stated that the half-cent sales tax is proposed as security. A new tax assessment like a franchise or security tax could reasonably be dedicated to secure a loan, but there is already a level of sales tax receipts that is allocated to cover expenses in previous budget years. He questions whether or not this additional burden would require an increase in ad valorem taxes for the City to properly operate next fiscal year.

Councilman Dotson would like to determine the budget numbers for next year before a decision is made and he felt that an expenditure of this size should generate a vote of the people because it will require some increase in taxes.

Mayor Bain asked for an explanation of what the half-cent sales tax covers in the annual budget and if there is normally a surplus of funds.

City Manager Borgmann stated that the half-cent sales tax is one part of the pooled resources in the General Fund, which has surplus funds each year.

Councilman Dotson commented that the State mandated reductions and the increase in the amount of Homestead Exemption would affect the surplus, which means a loss of \$500,000. He said that there might be a struggle to meet the upcoming budget and the additional expense would mean an increase in taxes to cover the loan.

Finance Director Robinson explained that he would be prepared to discuss the budget numbers after he receives the valuation assessments on July 1st.

Councilman Dotson reiterated that he would like to know what funds are available before making a decision. The annual half-cent sales tax revenue totaling approximately \$900,000 is pooled in the General Fund to cover all the expenses of the City, it is not designated for any particular expense.

Councilman Youngs stated that the difference from the current and upcoming budget is going to be at least \$400,000 to \$500,000 based on the increase in Homestead Exemption, and the loan proposal would add another \$275,000 to \$300,000 for annual debt service. This would mean an additional obligation of approximately one mill when considering the millage rate.

Councilman Youngs added that in past years there had been a surplus of \$900,000 due to actual expenditures running below budgeted expenditures. He asked what amount of surplus was projected for the first half of the current year.

Finance Director Robinson responded that the annual projection is a \$781,775 surplus based on the expenditures through mid year.

Mayor Bain stated that the proposal is for a state of the art community center that would serve the entire community for the next fifty to sixty years. The facility will serve the kids that need a place to play, including a performing arts theatre, which will add pride to the community, as well as value to the housing market. He felt that the funds would be well spent.

To answer the Mayor's question, City Manager Borgmann confirmed that \$1.5 million is allocated from the County General Obligation Bond, as well as a pledge of \$1 million from Commissioner Sosa. The City received \$99,000 from the Federal government, Council allocated \$500,000 at the last meeting, and the \$250,000 is allocated in the State budget, which totals approximately \$3.85 million. The bid amount is roughly \$5.8 million with a contingency of \$120,000, plus additional monies and subtracting the \$3.85 million leaves a balance of \$2.55 million.

City Manager Borgmann explained that the Florida League of Cities indicated that the insurers had backed out, which hurts the availability of the loans, but the representative indicated that there were private placement loans for twenty years in the 4-5% range.

City Manager Borgmann requested direction from Council that if the bond pool from the Florida League of Cities can beat the SunTrust offer, to proceed in that direction, or if it is higher to proceed with one of the three proposed bank loans. He stated that Council would not be approving any amount at this time, only authorizing the Administration to finalize the paperwork that would come back to Council for approval.

Councilman Youngs said that he is concerned whether or not the City can afford the additional expense in next year's budget. It has been demonstrated in years past that less funds are spent than the amount budgeted, even this year in a tight budget with a projection of \$781,000. He reiterated that the budget would be even tighter next year based on the change in the Homestead Exemption, which could amount to \$500,000, plus \$275,000 in proposed debt service, which would total \$775,000.

Councilman Youngs stated that there is a possibility that the project is affordable within the existing budget framework without raising taxes. He would like to see a rough budget that confirms if this would be the case, considering the time sensitive proposals from Link and the banks.

City Manager Borgmann clarified that the annual debt service for twenty years would be less than \$200,000 for \$2.5 million. He added that another consideration is that Council left \$1.5 million in reserve after allocating \$500,000 for the community center.

Mayor Bain asked it would be possible to provide additional budget information for the June 30, 2008 Special meeting.

Finance Director Robinson stated that he would be working to finalize the operating budgets with the Department Heads and it would be difficult to focus on the revenue side. There are some estimates at this point and he expects the DR-420 on Tuesday, July 1st with the actual valuations.

Mayor Bain would like to move forward because he feels confident about the proposal.

Councilman Youngs said that he would like secure knowledge that financing is possible in next year's budget without a tax increase before making a commitment for financing or a commitment with the construction firm. The decision to go ahead with the project based on a certain level of tax increase should be made in advance of making a commitment.

City Manager Borgmann stated that the Florida League of Cities loan did not indicate any additional fees.

Councilman Dotson would like to receive notice from the Florida League of Cities in order to be able to make a comparison with the three bank loans.

Councilman Youngs said that Council should hear from the Finance Director and City Manager that next year's budget would be able to carry the financing charges without increasing taxes.

Councilman Best agreed that Council would like to know whether or not next year's budget could support the financing charges without a tax increase. However, Council has succeeded in reducing the millage rate for the last three consecutive years and ended up with a surplus.

Councilman Youngs added that the Golf Course suffered losses in excess of the proposed estimated annual debt service, and this was done based on the importance of the asset. He would like to make it a conscious decision based upon the input from the Finance Director and City Manager as to whether or not the City can afford to take the hit from the raised Homestead Exemption without raising the tax rate.

City Attorney Jan K. Seiden reported that the second meeting had not been held with Link because Lemartec is still protesting the award and they may want to appear before Council in regard to whatever issues they may have. He would not discourage the financing plans, but Council must be aware of what is going on. He asked if Council is discounting Councilman Dotson's earlier comment about having a vote of the people.

City Attorney Seiden clarified that Council could put the issue to a vote of the people, but he does not believe that it is a requirement based on the parameters of the law.

Councilman Dotson felt that the citizens should have the chance to vote, but that is up to the majority of the Council.

To answer Councilman Youngs' question, City Attorney Seiden stated that there is no procedure for a bid protest, because this had never happened before. He was of the opinion that there is probably no chance for Lemartec to win a protest, which would make the City disqualify all bids and re-bid the project. There is really only one argument, which he does not think is valid. The fact that they only bid one form of construction settles the issue, because Council has the discretion to choose between the two types of construction and Lemartec could have offered bids on both types.

Attorney Seiden stated that the last chance for Lemartec is from a legal perspective. He told them there is no protest procedure, but they still might want to appear before Council and since Council will recess in July, they were offered to come to the meeting on June 30th, but their representatives are unavailable for that date. There will be future meetings with Link to develop a contract and the most effective remedy for Lemartec against the City would be to file a lawsuit with an injunction to prohibit the signing of the contract.

To answer Councilman Best's question, City Attorney Seiden stated that the best that Lemartec can hope for is to force the City to re-bid the job.

Councilman Best moved to direct the City Manager to move forward to negotiate with SunTrust and Vice Mayor Garcia seconded the motion.

City Attorney Seiden stated that Council had discussed the loan alternative with the Florida League of Cities and the City Manager was going to check to see if this was an option. He asked if the motion would be to include or exclude that option.

Councilman Best stated that his motion would be to include the loan option with the Florida League of Cities and for the Administration to report back for to Council at the June 30, 2008 Special meeting.

Councilman Best amended his motion, which was seconded by Vice Mayor Garcia.

Councilman Youngs asked if the Administration would have any idea of what the upcoming budget would look like before June 30th.

City Manager Borgmann reported that he would be working on annexation to get ready for the meeting and the Finance Director is actively working on the proposed budget.

Finance Director Robinson clarified that today was the deadline for the Department Directors to submit their expenditures for the upcoming budget and he will be reviewing their submissions over the next several days. He will also be wrapping up the salaries and employee benefits, which is a significant piece of the operating budget, before moving to the revenue projections.

Councilman Youngs stated that he favors the SunTrust proposal and would like the comparison with the Florida League of Cities option, but he would vote against the motion until he receives an answer as to what effect the debt service would have on the budget for next year.

Attorney Seiden explained that the motion is not for final action, only to further explore the option and come back with a recommendation by June 30th.

The City Clerk clarified that the motion is to permit the City Manager to go forward with negotiations with SunTrust and to explore other alternatives of the Florida League of Cities and report back to Council at the Special meeting on Monday, June 30th.

The motion was unanimously carried on roll call vote.

Councilman Dotson asked if it would be possible for Council to receive the tentative budget prior to the Special Meeting on July 24, 2008.

The City Manager said that the Administration would do their best to provide as much information as possible prior to that meeting.

10. New Business:

10A) Recommendation that Council Review and Approve the Education Compact Between the City of Miami Springs and Miami-Dade County Public Schools

City Manager Borgmann stated that he was approached by two acquaintances who work for the Miami-Dade County School Board who encouraged the City to enter into a Compact, which is a new concept for the purpose of forming alliances between the Board and the City to work together to effect positive changes in local schools.

City Manager Borgmann explained that a meeting was held in late 2007 with School Board representatives to review the sample Compact with the City of Coral Gables and discuss the possibilities for Miami Springs. The School Board Staff went back with the information and prepared a draft Compact, which the Education Advisory Board and Councilman Youngs have been working on since February 2008.

Councilman Youngs stated that the Compact is a result of the work of the School Board Staff and the Education Advisory Board. He said that it is a wonderful effort and he appreciates all the work everyone has done.

Education Advisory Board Chair Mindy McNichols stated that the Board had established a great relationship with the School District over the last seven years, and the Compact will take the relationship to the next level. The Board looked at the compacts for Doral, Hialeah, Miami Beach, and the City of Miami and incorporated ideas into a Compact for Miami Springs that would be best for the City and the schools.

Ms. McNichols stated that the most important points in the Compact deal with the Middle School overcrowding, attracting and retaining high quality administrators and teachers and increasing the graduation rate at the High School. She introduced Education Advisory Board members Debra Sheridan and Libby Manning who were present.

Ms. McNichols thanked Lisa Martinez who was staff liaison with Miami-Dade County Public Schools for putting the Compact together and running the Compact by all departments within the School System. She also introduced Iraida Mendez-Cartaya.

Iraida Mendez-Cartaya, Administrative Director for Miami-Dade County Public Schools, stated that the Education Compact codifies what the Education Advisory Board and the School District have done in the past and sets a plan and goals for the future for a partnership between the School Board and the City. The Compact is based on specific needs of the community.

Ms. Mendez-Cartaya explained that District and City Staff met to discuss how they could join resources and collaborate in order to provide more for the community. The Compact focuses on the areas of student achievement, adult education and parental activities and community involvement. Additionally, it sets out major activities and intended outcomes in order to bring opportunity to the students and the community through new and innovative ways.

Ms. Mendez-Cartaya stated that her associate in the Office of Intergovernmental Affairs, Lisa Martinez, had worked very closely with District Staff and City Manager Borgmann, Debra Sheridan and the Education Advisory Board (EAB). The EAB is a committed group that is focused on advocacy for the City's youth and their education.

On behalf of the School Board of Miami-Dade and the Superintendent, she thanked the entire Council, especially Councilman Youngs and City Manager Borgmann for their thoughts on the City's needs, as well as Education Advisory Board member Debra Sheridan who worked closely with Lisa Martinez on the logistical details of the Compact.

Ms. Mendez-Cartaya invited everyone to the School Board Meeting on Tuesday, July 15th when the Compact will be presented to the Board. She said that she looks forward on working to enhance the current partnership and proceed even further with the Education Compact.

Councilman Dotson complimented everyone involved in the preparation of the Compact, which seems very ambitious, but encouraging to know that people can work together to make progress in areas that have been difficult to progress in before. He commented that some points in the Compact seem general, especially the measures that are followed to verify if progress has been made.

Councilman Dotson addressed the need for community retention of high quality administrators and teachers and asked how this could be accomplished.

Ms. Mendez-Cartaya responded that there are certain incentives, not only monetary, that can be provided to the teachers as an incentive to stay in the schools. She explained that this incentive had worked successfully in the City of Miami Beach. Due to budgetary restraints and declining enrollment, the current goal is to retain quality teachers that the schools already have.

Councilman Dotson stated that he had received complaints about the lack of school security, which is not featured as a major point in the Compact, but it is a major issue for the students and parents. He is interested in the working relationship between the City Police and the School Police.

Ms. Mendez-Cartaya agreed that there were many things that could be included in the Education Compact and that the EAB had addressed the issues of priority. She explained that the Compacts are living documents between the City and School District that will evolve over time.

Ms. Mendez-Cartaya commented that security is currently being funded through the District with a formula based on the number of students and grade levels. She said that each Principal is allowed to use their own allocation to purchase additional security for the school. She clarified that security is an issue that could be added into the Compact at a later date and it can also be addressed through the Region Center.

Vice Mayor Garcia said that in regard to legislative issues it would be helpful if the Miami-Dade County School Staff could present the City with a brief overview of the important issues before the Legislative session begins in Tallahassee. He explained that when City Officials go to Tallahassee to fight for funding for special programs that they could also mention the importance of education funding to the legislators.

Councilman Youngs stated that Ms. Mendez-Cartaya had made a presentation regarding public school funding every year before the Legislative Session since the inception of the Education Advisory Board. He suggested that it might be helpful to make the presentation to Council or hold a joint meeting.

Councilman Youngs thanked Lisa Martinez and EAB members Mindy McNichols, Eduardo Molliner, Libby Manning, Maria Mitchell and particularly Debra Sheridan for hours of work on the preparation of the Compact.

City Manager Borgmann stated that there is one correction to be made, which is eliminating George T. Baker Aviation School from the Compact because the school is not within the City's boundary.

Councilman Youngs said that the School would like to have City representation at the School Board meeting when the Compact is presented on Tuesday, July 15, 2008, at 1:00 p.m. He asked if the Mayor and other Council members would join him at that meeting.

Ms. Mendez-Cartaya explained that the agenda item would be placed on the agenda to accommodate the schedules of the Mayor and Council. She said that it is an important event for the Miami-Dade County School Board.

Councilman Youngs moved to approve the Education Compact as amended. Vice Mayor Garcia seconded the motion, which was unanimously carried on roll call vote.

10B) Appointment of Official Voting Delegate to the Florida League of Cities 82nd Annual Conference which will be Held at the Tampa Convention Center/Tampa Marriott Waterside, from August 14-16, 2008

City Manager Borgmann stated that this is a request for Council to appoint an official voting delegate to the Florida League of Cities Annual Convention, which will be held in Tampa on August 14 – 16, 2008.

Councilman Best offered to be the voting delegate if Council so desires.

Vice Mayor Garcia moved to appoint Councilman Best to be the voting delegate. Councilman Dotson seconded the motion, which was unanimously carried on roll call vote.

10C) Resolution – A Resolution of the City Council of the City of Miami Springs Authorizing the Reopening and Amending of the City’s Previously Awarded 2006 Emergency Hurricane Supplemental Urban and Community Forestry Grant with the State of Florida Department of Agriculture and Consumer Services, Division of Forestry; Authorizing Proper Execution of all Required Documentation; Effective Date

City Attorney Jan K. Seiden read the resolution by title.

City Manager Borgmann stated that this is the grant the City received for \$15,000, when the application was only for \$10,000, which requires a resolution to begin the process.

To answer Councilman Dotson’s question, City Manager Borgmann stated that the number of trees would be addressed under Agenda Item 10H for the consideration of the bid. He said that there is a listing of the different types of trees that are available for \$14,000, and it covers thirty two trees.

Councilman Best moved to adopt the resolution. Vice Mayor Garcia seconded the motion, which was unanimously carried on roll call vote (Resolution No. 2008-3398).

10D) Resolution – A Resolution of the City Council of the City of Miami Springs Authorizing the Proper Officers, Officials and Representatives of the City to Apply for a Cultural Facilities Grant for the Purchase and Installation of Theater Light Gridwork in the Amount of \$28,200; Acknowledging and Approving the Grant Match Basis and the Dedication of Funds Required from the City; Effective Date

City Attorney Jan K. Seiden read the resolution by title.

City Manager Borgmann stated that this is a grant application related to the new community center stage and artistic presentations. There is currently some lighting and sound equipment that can be reused and this would be supplemental.

To answer Councilman Dotson's question, City Manager Borgmann clarified that it is a 50/50 matching grant with the City matching \$28,200.

Councilman Best moved to adopt the resolution. Vice Mayor Garcia seconded the motion, which was carried 4-1 on roll call vote, with Councilman Dotson casting the dissenting vote (Resolution No. 2008-3399).

10E) Consideration of a Request from the Florida Department of Community Affairs (DCA) to Rescind Resolution No. 2007-3382, Adopting and Incorporating into the City of Miami Springs Comprehensive Land Use Plan the Attached "Education Element", and to Approve the Transmittal of the Attached Draft "Education Element" to DCA as a Proposed Document for DCA's Objection, Recommendations, and Comments (ORC) Report Prior to Final Adoption by the City, per Section 163.3184 (3), F. S.

Resolution – A Resolution of the City Council of the City of Miami Springs Rescinding Resolution No. 2007-3382; Authorizing Submittal of the City's Proposed "Educational Element" of its Comprehensive Land Use Plan to the State of Florida, Department of Community Affairs, for review and Comment; Effective Date

City Manager Borgmann stated that this item is consideration of a request from the Florida Department of Community Affairs (DCA) to rescind Resolution No. 2007-3382, adopting and incorporating into the City's Comprehensive Land Use Plan the attached "Education Element" that was done by Miami-Dade County and to approve the transmittal of the attached draft "Education Element" to DCA as a proposed document for DCA's objection, recommendations, and comments (ORC) Report prior to final adoption by the City.

City Manager Borgmann explained that the City adopted the County's language and then the County decided not to adopt theirs, which means the City's document is meaningless at this point. This item and the following resolution address both issues.

City Planner Richard E. Ventura stated that the Miami-Dade County School Board drafted one Educational Element on behalf of the twenty-three non-exempt municipalities in the County in order to fulfill the requirement. It was distributed to the municipalities for transmittal and review by the Department of Community Affairs (DCA) and brought back to the various municipalities for adoption.

City Planner Ventura explained that a letter dated April 18, 2008 from DCA goes into detail about the process. A letter dated June 4, 2008 states that the Interlocal Agreement accompanying the Education Element met the minimum requirements of Florida Statute Section 163.31777 (2). They are satisfied with the Interlocal Agreement, but they are asking to rescind the resolution and agree to transmit a proposed Education Element to DCA for review, which can be done concurrently with the Comprehensive Land Use Amendment.

City Attorney Jan K. Seiden read the resolution by title.

Councilman Youngs moved to adopt the resolution. Councilman Best seconded the motion, which was unanimously carried on roll call vote (Resolution No. 2008-3400).

10F) Recreation Department Bus and Van Third Party Transportation Requests

Assistant City Manager Gorland stated that the request is related to third party requests to provide transportation using the new Shuttle Bus.

Recommendation No. 1:

Because of the numerous requests for transportation involving the Recreation Department van and/or bus, and because providing third party requested transportation can be construed as charitable in nature, the Administration is proposing that Council be the authority to approve transportation requests in general, but delegate limited authority to the City Manager as follows assuming all conditions are met:

1. The requested transportation is for an isolated or "emergency" one-off situation.
2. A City related activity is involved.
3. All travel is within the City limits.
4. Reimbursement will be paid to the City for out-of-pocket operating costs (gas and personnel costs).
5. The requesting party is a non-profit organization.

Requests for City transportation not meeting all of the above five conditions must be made to Council.

Recommendation No. 2:

The City recently received a transportation request from the "I Smile" program located at the Poinciana Methodist Church that does not meet the above criteria. They have requested transportation, due to their own internal transportation issues, for their program children to be bused to and from the pool once a week for the summer swimming program. "I Smile" is the autistic children program that the aquatic center responded to last summer by asking several of the Water Safety Instructors to become certified to instruct autistic children through the new state certification program. This was a very successful swimming program last summer and the Administration would like to accommodate their transportation needs, without additional fees, each Wednesday through the rest of the summer with pickup at 11:45 a.m. and return about 1:15 p.m.

Assistant City Manager Gorland stated that on numerous occasions there had been requests to provide transportation in both emergency and non-emergency situations. Emergency requests are few and have been granted when possible, such as providing last minute transportation during stormy weather to and from a Recreation sponsored activity.

More often transportation requests are received from local groups including public schools, churches and local organizations to provide transportation involving Recreation Department activities that is not part of the activity itself, and therefore not covered by fees. The bus and van, including driver, cost approximately \$25.00 to \$35.00 per hour to operate in the City. Currently transportation is provided exclusively for Recreation Department programs that include the cost in the fees, such as the pickup service from the schools for students enrolled in the after school program and transporting the summer campers and cheerleaders to special events.

To answer the Mayor's question, Assistant City Manager Gorland explained that an attempt was made to utilize the Shuttle Bus, but it was almost one-half hour late, which cut the amount of swim time. The kids come to the program on Monday, Wednesday and Friday, and the church provides the transportation, except on Wednesday when the church van is not available.

City Attorney Seiden stated that if Council were to approve the first recommendation, they would be establishing a policy granting the City Manager authority within the specific categories and if any request does not comply it must be approved by Council. Specifically, the second recommendation does not comply so the Administration is requesting approval.

City Manager Borgmann clarified that City personnel would drive the bus; there was a rumor spreading around that the bus was going to be driven by outside groups, which is not the case.

Vice Mayor Garcia moved to approve the recommendations of the Administration for the Recreation Department bus and van third party transportation requests. Councilman Dotson seconded the motion, which was unanimously carried on roll call vote.

10G) Ordinance – An Ordinance of the City Council of the City of Miami Springs Amending Code of Ordinance Section 150-032, Portable Storage Units; By Eliminating Specific Fee Amounts and Substituting a Reference to the Schedule of Charges for the Building Department; Repealing all Ordinances or Parts of Ordinances in Conflict; Effective Date

City Attorney Jan K. Seiden read the ordinance by title.

Attorney Seiden stated that a matter was called to his attention that in the first draft of the ordinance there were two \$50.00 amounts specified that were in conflict with the actual charge of \$100.00, which is in the Building Department fee schedule. The amendment will correct the conflict and reference that any fee amount is included within the Schedule of Charges.

Vice Mayor Garcia moved to approve the ordinance on first reading. Councilman Best seconded the motion, which carried 4-0, with Councilman Youngs absent at roll call.

10H) Recommendation that Council Approve an Expenditure of, not to Exceed \$20,000.00, to Plant Various Trees Throughout the City, with the 2006 Urban Forestry Hurricane Grant, as provided in Section 31.11 (E) (1) and (2) of the City Code, on an “As Needed Basis”, Utilizing North Miami Beach’s Contract # ITB 2006-10, Purchase of Trees and Palms, Granted to Salman Landscaping Services, Inc., Dated September 6, 2007

City Manager Borgmann read the title of the award.

The City Manager stated that the company submitted a letter stating that they will honor the quotes and prices. The quotation is only for \$15,000 and for the additional \$5,000 match they can provide 15 Mahogany, 14 Florida Privet or 13 Live Oak trees.

Vice Mayor Garcia moved the item. Councilman Youngs seconded the motion, which was unanimously carried on roll call vote.

11. Other Business:

None.

12. Reports & Recommendations:

12A) City Attorney

No report.

12B) City Manager

CEDAP Grant

City Manager Borgmann reported that Chief of Police Dilling and Grant Writer Carol Foster had applied for a Commercial Equipment Direct Assistance Program (CEDAP) grant.

MPO Grant

City Manager Borgmann stated that an announcement was made at the May 22, 2008 Metropolitan Planning Organization (MPO) board meeting that they approved the recommendations of the Municipal Program Committee awarding the City of Miami Springs up to \$16,000 to conduct the N.W. 36th Street district traffic impact study, which will be matched with City funds of \$4,000.00. This study will go toward the traffic element that is required for the amendment to the Comprehensive Land Use Plan.

State Grants

City Manager Borgmann stated that he had not received an official letter from the State regarding the legislative request for \$250,000 for the community center. He did receive notice of an award of \$250,000 through the South Florida Water Management from the Department of Environmental Protection, which requires a match of \$250,000 and reserve funds are available for those purposes.

Annexation

City Manager Borgmann received another letter from Town of Medley Attorney Mel Wolfe requesting information on how Miami Springs feels about annexation and he will provide whatever information they need at the appropriate time.

Fourth of July Festivities

City Manager Borgmann announced that the Fourth of July festivities begin on Thursday, July 3rd with a Car Show at the Circle from 6:00 to 10:00 p.m. The annual parade will begin at 10:00 a.m. on Friday, July 4th in front of the Recreation Center on Westward Drive and proceed to the Circle and down Curtiss Parkway to the Golf Course where there will be water slides, a barbecue, etc. Entertainment will begin at 7:00 p.m. with the fireworks commencing at dusk. This year's Grand Marshall of the parade will be Pastor Albert Schmidt.

12C) City Council

Guest Disk Jockey

Councilman Best recognized City Manager Borgmann who was selected to be the guest disk jockey on Magic 102.7 on Friday, June 20th.

July Recess

Councilman Best wished everyone a good month off in July.

Shuttle Bus

Councilman Dotson asked how many people are riding the Shuttle Bus.

City Manager Borgmann stated that the last report indicated 130 riders for the month May and a few days in June. Friday is the deadline for the "Name the Shuttle" contest and once the name is selected, graphics will be designed for the bus so that it will be easier to identify. The Bus will also be in the Fourth of July Parade and there are plans for the contest winner and their family to ride on the bus with a banner indicating the new name.

Fourth of July

Vice Mayor Garcia wished everyone a happy Fourth of July.

Swimming Program

Vice Mayor Garcia stated that he is elated with the swimming program and the quality of service his kids receive in learning to swim. He is very happy with the program and the improvements to the recreation facilities.

Community Center

Vice Mayor Garcia commented that one question on the Recreation Survey was whether or not residents would pay more for recreation and overwhelmingly the answer was "yes". As the elected officials, Council represents the people of the community and he feels they are doing the right thing by moving forward with the new Community Center. He said that Council would put the issue to a vote if that is required by the City Charter. He knows the will of the people and he is satisfied to be moving forward thanks to Council and the Administration.

Debris Removal

Vice Mayor Garcia inquired whether or not the City had a contract for hurricane debris removal.

City Manager Borgmann responded that the City had circulated a Request for Proposal (RFP) for the collection, removal and monitoring of debris removal. Last year the City tried to piggy-back on another bid, which is frowned upon by the Federal Emergency Management Agency (FEMA).

Debris Removal

Councilman Youngs stated that the City has a short-term debris staging location.

The City Manager confirmed that the Lowell Dunn family had verbally agreed to allow the City to use their property for debris staging, which is in an area that does not affect the residents. He said that the debris has a potential for fire and the mulching process creates a lot of dust and debris. The location will probably add at least ½ hour turn around time for the truck to go to the site and come back to the City.

Lobbyist

Councilman Youngs emphasized the amazing results of the Legislative Session and the fact that the City was awarded \$250,000 toward the stormwater program and \$250,000 toward the Community Center. He said that Jose Fuentes and The Wren Group did a wonderful job by directing City officials to the right people and highlighting the points in the City's proposals that made it acceptable. It was a very positive venture and selecting The Wren Group made it pay off because \$40,000 in lobbying fees netted \$500,000 in direct cash benefits.

Golf Course

Mayor Bain mentioned that during the airing of the U. S. Open Golf Tournament there was a list shown of the most championships won and it mentioned Sam Sneed in the Miami Open at Miami Springs Country Club. He said that it is important to keep the Golf Course in the best possible condition because it is the pride of the City.

13. Adjourn.

There being no further business to be discussed the meeting was adjourned at 10:40 p.m.

Billy Bain
Mayor

ATTEST:

Magali Valls, CMC
City Clerk

Approved as _____ during meeting of: _____

Transcription assistance provided by S. Hitaffer

Words ~~stricken through~~ have been deleted. Underscored words represent changes. All other words remain unchanged.