

APPROVED

**BEACH BUSINESS IMPROVEMENT DISTRICT ADVISORY COMMITTEE
100 NORTH ANDREWS AVENUE
8TH FLOOR CONFERENCE ROOM
FORT LAUDERDALE, FLORIDA
MONDAY, JULY 13, 2009 – 3:30-4:30 P.M.**

<u>BID COMMITTEE MEMBERS</u>	<u>ATTENDANCE</u>	<u>PRESENT</u>	<u>ABSENT</u>
Amaury Piedra, Chair	P	8	2
Carlos Molinet, Vice Chair	P	8	2
Andreas Ioannou	A	8	2
Ramola Motwani (arr. 3:43)	P	5	5
Gabriel Rodriguez (dep. 4:39)	P	8	2
Joseph Geluso	A	7	3
Jim Oliver	P	10	0
Jon McGaunn	P	5	1

At this time, there are 8 appointed members to the Board, which means 5 would constitute a quorum.

Staff

Stephen Scott, Economic Development Director
Don Morris, Beach CRA Director
Earl Prizlee, Engineering Design Manager
Karen Reese, Economic Development Representative
Eileen Furedi, Economic Development Representative
Jennifer Picinich, Recording Secretary, Prototype, Inc.

Communications to City Commission

None at this time.

I. Call to Order / Roll Call

Chair Piedra called the meeting to order at 3:37 p.m. Roll was called and it was determined a quorum was present.

II. Approval of Minutes: June 8, 2009

Motion made by Vice Chair Molinet, seconded by Mr. Oliver, to approve the minutes of the June 8, 2009 meeting. In a voice vote, the **motion** carried unanimously.

III. Approval of Special BID Minutes: June 18, 2009

Motion made by Mr. Oliver, seconded by Vice Chair Molinet, to approve the minutes of the June 18, 2009 special meeting. In a voice vote, the **motion** carried unanimously.

Chair Piedra advised that Dan Barnett and Brenda Bailey of Wizard Entertainment were in attendance to give the Committee an update on the "Saturday Nite Alive" program.

Mr. Barnett stated that feedback in the District has been "incredible." Business owners are embracing the project and excited to have help in re-branding Fort Lauderdale Beach. He showed the Committee a copy of the poster that will be featured in many of the District's major businesses; an electronic version will be available for the hotel properties that would prefer it.

Wizard has also helped create a map of the New Fort Lauderdale Beach, which Mr. Barnett described as a key component of the signature event. The map shows the location of properties in the District, and includes parking information and a color code to show what kind of entertainment will be featured on a given night. Another feature is a "pocket folder," 10,000 copies of which will be placed in display cases at all the major businesses throughout the District.

Some accomplishments since Wizard Entertainment last addressed the Committee include a meeting on June 19 between Wizard and representatives of the Convention and Visitors Bureau (CVB). The goal is for the marketing strategy for the New Fort Lauderdale Beach to be consistent with the CVB's marketing plan. Wizard has also decided to work with Dorian Curry Media, which handles marketing placement for the CVB and will know where to target advertising and marketing for Saturday Nite Alive.

Wizard also met with the BID hotel marketing executives and developed an advertising strategy, which was taken back to Dorian Curry Media for implementation.

On July 7, an outdoor event permit for Saturday Nite Alive was approved by the City Commission. This permit will allow live outdoor entertainment on event nights between 7:00-11:00 p.m., as well as spotlights at both ends of the event site and signage.

Wizard has also learned which City costs will apply to the Event, which they are taking care of "directly with the City." Budget issues have been resolved, as the printing budget was substantially less than expected.

Ms. Bailey distributed a press release for Saturday Nite Alive on July 8 to over 450 media outlets in the Tri-County area, Mr. Barnett noted. There has been positive feedback received on this effort. Wizard is also coordinating with the U.S. Lifeguard Nationals, which will be in town on August 8, and is inviting participants to attend the event. Pocket folders will be included in their welcome packages.

On July 9, press releases were sent to 74 homeowners' associations in the Greater Fort Lauderdale area. Wizard has also met with the Greater Fort Lauderdale Chamber of Commerce to coordinate an email blast with the West End Chamber of Commerce.

Mr. Barnett advised that the event map will be the primary reference source for the event, and is available at www.newfortlauderdalebeach.com . Wizard has also acquired the domain name of www.saturdaynitealive.com and has redirected it to the New Fort Lauderdale Beach address.

Ms. Motwani joined the meeting at this time (3:43 p.m.).

He referred the Committee to a page that shows the website's front page. Over the next few days, more details will be added to the site.

Ms. Bailey added that a media tour has been scheduled, which will include Mayor Seiler and hopefully some City Commissioners and BID representatives on a trolley. These participants will stop at some of the key locations from the event. Mr. Barnett continued that Wizard has requested Sun Trolley for this tour, and has received competitive bids from other trolley companies to ensure compliance with City procedures. They are working through the bid process at this time.

Regarding sponsorships, Wizard is discussing these with "anybody and everybody" interested in becoming a sponsor, as there is little time before the event commences. He added that with the Committee's approval, a key sponsor's logo will appear on the pamphlet, as their funds will help pay for the pamphlet's production. This would be a sponsor the BID feels is appropriate to be "co-branded" with the New Fort Lauderdale Beach.

Mr. Barnett explained that while the trolley had not originally been included in the budget proposed at the City Commission meeting, the budget has been altered slightly to accommodate this request. The trolley may be "very cost-effective" and costs roughly \$200 per night; at most, it would be \$400 per night, with tax. Mr. Barnett felt this might mean featuring one less entertainer per night if necessary.

Mr. Rodriguez asked where the advertising dollars will be spent. Ms. Bailey provided a breakdown of the advertising budget for the Committee members.

The media fee listed on this breakdown will go to Dorian Curry Media, who is providing a “great discount” for advertising for the event.

He noted that all the input from the Marketing meeting was passed along to Dorian Curry Media, who developed the “best strategy for the dollars spent.” Ms. Bailey added that radio advertising is very expensive, while WSFL Television is providing 30 spots per week for the event.

Vice Chair Molinet felt the effort was “very encouraging,” particularly in terms of pricing. He asked Mr. Barnett if this information will be presented to the Beach Council, which he felt would be a good idea. Ms. Bailey confirmed that the next Beach Council meeting is scheduled for August 6, and Wizard will make a presentation at that time.

More information will be available later regarding the media tour, Mr. Barnett advised, as Wizard is attempting to involve more people with Beach properties in the event. He felt there will be a media plan available later on in the week.

Chair Piedra noted that many of the District’s hotels have public relations representatives, and felt it might be a good step to invite them on the tour as well. He felt once the media plan was in place, the BID members could invite the Mayor to participate as well.

Ms. Motwani suggested sending a “save the date” invitation to the media tour to the Mayor and City Commissioners ahead of time so the tour will be on their calendar. She offered to take care of this over the telephone.

Mr. Barnett added that Wizard is attempting to reserve a second “independent trolley” for the Mayor, City Commissioners, and BID members for the first night of the event.

He reported that the response from businesses in the District has been “overwhelmingly positive.”

Chair Piedra thanked Mr. Barnett and Ms. Bailey for their presentation.

IV. BID Budget / Rate

Mr. Scott advised that the previous year’s actuals were used, along with the identical assessment rate per \$1000 of property, in this calculation. This year, intake has decreased from \$735 million in 2008-09 to \$656 million in 2009-10 at a millage rate of .8525. This will generate revenue of nearly \$560,000. The Committee estimates that they will collect approximately \$530,000 of this projected revenue.

There is roughly \$17,000 left over from 2008-09, with \$1400 in earnings. This comes to \$548,400 to work with. Expenses have been calculated to remain consistent with this year, and the assessment rate has not been increased.

He added that today's meeting would cover expenses including beach cleaning and holiday lighting, noting that there is just over \$5000 remaining in the budget from the previous fiscal year. Overall, this year's budget aims to keep as many aspects the same as possible.

Mr. Scott identified the "special assessment consultant" noted in the report as the individual who takes the information gathered by the property appraiser and "cull out" the top 10 assessed properties, as well as the amounts that would be collected from the individual property owners. The Department hires a consultant with experience in this area. He advised that this consultant's information is included in the Committee's backup materials, as it relates to another Agenda Item as well. Chair Piedra confirmed that the BID has used the same consultant for this service over the past two years.

Mr. Rodriguez asked on what grounds the Committee would recommend increasing or not increasing its budget. Mr. Scott explained if the BID wished to undertake another project, for example, the cost of this project would have to be estimated and added to the proposed budget, which the Committee would then recommend to the City Commission.

Mr. Scott advised that a motion is needed recommending the assessed rate with no change.

Motion made by Vice Chair Molinet, seconded by Mr. Oliver, to recommend there be no change to the assessed rate. In a voice vote, the **motion** carried unanimously.

V. Funding of Holiday Lights

Mr. Morris stated the numbers remain the same as last year's: there will be five ground displays, and the trees on Las Olas Boulevard will be "wrapped."

He asked the Committee if they had seen the LED lights featured in some areas. Some members recalled having seen these. Mr. Morris indicated that "you wouldn't know the difference" between LED and traditional lights unless the two appeared side by side; the benefits of LED lighting, however, include greater durability and less electricity use.

Ms. Motwani confirmed that there is "no increased cost" to switch from electric to LED lights. Mr. Oliver felt this made it an easy decision.

Ms. Motwani noted that there had been an individual sponsor for one holiday display on the corner of Sunrise, which would not be included in this year's lighting display unless it was sponsored again.

Mr. Morris stated the BID will be asking the City Commission to extend the lighting contract one last time at the same price. Ms. Motwani added that "animated sports figures" will be added to one display; in addition, the "Happy Holidays" sign will be replaced by a sign stating "Welcome to Fort Lauderdale Beach." These changes will be made at no cost.

Chair Piedra felt if it is possible to go green at no additional cost, this should be done.

Motion made by Ms. Motwani, seconded by Mr. McGaunn, to recommend one final extension to the holiday lighting contract in October at the same price. In a voice vote, the **motion** carried unanimously.

VI. BID Cleaning RFP

Mr. Morris reported that the second "best and final" bids have been reviewed, and Prism Powerwash was the only respondent. He provided members with copies of information related to their bid. Prism's final bid had been an annual cost of \$391,000 with a two-year contract. He noted that a recommendation is needed from the Committee to pass on to the City Commission and avoid an interruption of beach cleaning services.

Chair Piedra recalled that the vendor was asked to do "the same amount of work... in a lesser period of time." He added that the BID had hoped for a greater reduction in price, although he noted that there were approximately \$18,000 in savings with this bid. The BID members present had agreed the best option was to "take the savings for now" without allowing services to lapse.

Mr. Rodriguez agreed that the members had expected greater savings, and felt they should not lose sight of the current economic times. He believed the Committee is "asking the wrong questions," pointing out that the savings offered are just below 5% and have been broken down to \$64 per hour in labor. He noted that it has not been clarified how many workers would be on each shift, and the vendor would be the party determining this number.

Ms. Motwani pointed out that while the Committee usually sees two workers on a given shift, for special events the vendor would most likely provide more people, as there would also be more cleaning required. Mr. Rodriguez asserted that this would still mean the vendor's "profit margin is too wide."

Chair Piedra explained that equipment and other considerations are factored into the cost. The City is not concerned how many workers the vendor provides as long as the work is done; additionally, most of the profit for the vendor is made on the power washing, and he pointed out that the Committee may adjust the number of times this service is provided annually.

Mr. Rodriguez felt the BID is “leaving money on the table,” and should have more control in determining how many people are on a shift. He proposed a subcommittee of the BID to review the contract on a monthly basis; he also felt the Committee should retain the ability to change the services according to the seasons, as more work is required in some months than others.

Mr. Rodriguez continued that a member of his business’ cleaning company, who was present at the meeting, had reviewed the RFP and stated his company would be able to pressure wash the “entire BID area” four times a year. The individual had quoted a significantly different figure, he reported.

The individual from the company mentioned above, Chris Miller of Coverall Cleaning, stated his company was “not on the bid list.” Mr. Rodriguez continued that he felt Mr. Miller’s estimate validates “another shot at” the bid process.

Vice Chair Molinet stated that the contract had already gone to RFP for a second and final bid, and no vendors besides Prism had responded. Mr. Rodriguez reiterated that he felt the issue was potentially saving \$50,000 on the contract, which he believed was “worth the trouble.”

Vice Chair Molinet explained that the issue is the lapse in service. Mr. Rodriguez argued, however, that a previous lapse in service had not left the Beach “in shambles” and that the power washing savings were “critical.” He did not feel the contract was reflective of what members would do with regard to their own businesses.

Chair Piedra asserted that while the BID might have expected slightly more savings, they had also asked Prism to figure how to do the same amount of work in a lesser period of time. He noted that City Staff felt the bid was a reasonable one. Not only had Prism been the only respondent to the RFP, Chair Piedra reiterated that the Committee did not wish to see a lapse in service.

Mr. Rodriguez felt the services would continue to be augmented by the Parks and Recreation Department. While he agreed that a lapse in service would occur, he felt the savings would make up for it.

He requested that Chair Piedra allow Mr. Miller to speak for “just a minute” to provide information on how his company would perform the cleaning service.

Chair Piedra declined this request and stated again that the BID and the City have been through a three-month RFP and bidding process, as has Prism. He felt it would do a disservice to anyone who had responded to the RFP to allow someone who had not gone through that process to make such a presentation.

Ms. Motwani reminded the BID that the process had actually taken even longer than three months, as a three-month extension had been made.

Vice Chair Molinet asked Mr. Morris if he could clarify the \$64/hour price. Mr. Morris responded that this price includes more than the hourly rate paid to employees, as it also involves the use of equipment. He also pointed out that a typical weekday during the summer might be less busy for the vendor; however, as evidenced by the Saturday Nite Alive event, more and more activity is being planned for the Beach, and the vendor is required to “step up their service” at these times. He cited the Fourth of July, Air and Sea Show, the planned Beach concert event, and others as times when Prism will have to bring more resources on board to perform their duties.

He continued that when a contract is administered, there is a cost to the City. While there might be a potential savings of \$50,000, there is also a cost in Staff resources when they are required to perform more duties.

Mr. Rodriguez suggested again that a subcommittee might be the answer, and stated he felt the BID had a responsibility to send out another RFP if they have reason to believe another contractor might do the job for less. He also felt, as they did not know how many individual workers would be required to get “the same results that we’re getting now,” they should review the contract on a monthly basis to learn if more money could be saved by asking that the vendor provide fewer workers in a given month, for instance.

Chair Piedra pointed out again that the vendor present at the meeting at this time did not participate in the bidding process.

Mr. Rodriguez noted that “the money that’s on the table isn’t City money,” as it is money representing “ownership on the Beach.”

Chair Piedra explained that his concern is twofold: that a lapse in service could occur, and that “from a fairness standpoint” the work that has been done on the RFP process up to the point should not be “thrown away.” A third challenge, he added, is that Prism has done a good job, and there is a risk involved in moving away from a vendor who has performed well.

Mr. Rodriguez maintained that “these are hard times” and the BID must ask if the job can be performed for less.

Chair Piedra and Vice Chair Molinet asserted that this question has been asked, and Prism, the only respondent, had “outlined” the cost. In addition, Vice Chair Molinet pointed out that the \$64 was not a “full time equivalent dollar amount,” as it involves equipment costs as well. He asserted again that the RFP had gone out, and Prism had returned a price with a savings of \$22,000, which, he noted, was over the 5% stated earlier. They would also continue to perform the same scope of work for this lesser cost.

Mr. Rodriguez asked if the two contracts, Beach cleaning and power washing, could be separated, as he felt the City could save “a substantial amount of money based on today’s discovery” on the pressure washing. Chair Piedra contended that this would only be “supposed discovery,” as the new vendor had not been through the RFP process and the BID did not know if they could fulfill all the contract’s obligations.

Mr. Rodriguez felt the savings amount was sufficiently significant that the power washing contract should be bid out again.

Chair Piedra felt the best deal had been found by the Selection Committee. He added that there is a fairness question with regard to the vendors who have been through the process.

Ms. Motwani agreed that a great deal of time has been spent on the Beach cleaning issue “for the last six months.” She explained that the BID has worked through the process, and could not extend the existing contract further without reverting to the higher price of the original contract with Prism.

Mr. Rodriguez disputed this, as in the private sector the savings would make the additional effort worthwhile. While he noted that “there’s a City side” of the argument that contains “red tape,” the funds in question were private dollars. Chair Piedra and Vice Chair Molinet recognized this assertion as true.

Mr. Scott clarified that no extensions remain on the current contract.

Mr. McGaunn pointed out that the proposed contract with Prism allows the option to terminate based upon poor service, should the vendor not perform adequately.

Mr. Rodriguez stated that the BID would have “no control” of how much manpower is present on a given shift. Mr. Morris explained that there is a minimum of two workers on each shift, and added that there is also a required level of quality. Members of City Staff from various Departments will be present at times to “watch” the vendor’s performance.

He added that a lot is demanded from the cleaning service, and that Prism addresses any problems the City points out. He suggested the question is what

level of quality is the BID looking for and whether it can be maintained, and added that he believed it has been maintained.

Mr. Rodriguez replied that this was an appropriate question “in prosperous times,” while in more difficult economic circumstances, the question should be “can we get that result for much less.”

Mr. Morris added that not only are there two workers, but two supervisors are on call. He reiterated that when necessary, the vendor will “up their resources.”

Mr. Scott stated that the contract will go before the City Commission for approval. He proposed asking a representative from Prism to attend the BID meetings, which would accomplish the same result as the suggested subcommittee, and the BID could ask them for information as necessary.

Mr. Rodriguez did not feel this would address the labor rate.

Mr. Morris added that this would give the BID opportunities to address any performance issues. Mr. Scott noted that the contract could be terminated if the BID is dissatisfied with Prism’s services; furthermore, they also retain the option of re-bidding the contract the next year.

Mr. Rodriguez responded that “more than likely we will still be satisfied” with Prism’s services, but would not have explored the option of getting the same result for less money. He argued that that is the process in the private sector.

Chair Piedra advised that this option was explored through the bid process.

Mr. Rodriguez felt the possibility of finding a less expensive vendor was worth the cost of exploring the issue further.

Motion made by Vice Chair Molinet, seconded by Ms. Motwani, to recommend to the City Commission to move forward with Prism as the BID cleaning vendor. In a voice vote, the **motion** carried 5-1 (Mr. Rodriguez dissenting).

VII. Top 10 BID Property Owners

Mr. Scott referred the members to the list provided in their information packet, explaining that this is part of the process of assessing the properties. Along with the list is a copy of the Ordinance that created the Committee, as the City Commission appoints BID members from among the seven property owners listed. He advised that at an upcoming City Commission meeting, they will reappoint memberships from the list, as well as one member each appointed from the Chamber of Commerce Beach Council and the Beach Redevelopment

Board. The representative appointed from the Beach Council, he noted, is Mr. Ioannou.

Mr. McGaunn asked if this has changed from last year's policy. Mr. Scott stated there has been no change, although he could not speak for what might have been decided in 2008 or 2007, or how properties were assessed to determine top 10 status.

Mr. Rodriguez asked how the rate of .8525 is calculated. Mr. Scott replied that this figure is a recommendation.

Mr. Morris added that the property's assessed value indicated by the list, and Ms. Reese noted what an owner will pay is this assessed value multiplied by the rate.

Chair Piedra asked when the City Commission will make their recommendations on BID membership. Mr. Scott advised this will appear in the appointments section of a Conference Meeting Agenda. He did not know if the City Commission would choose to vote on this issue on July 21 or if they would postpone this until September.

Mr. Oliver asked when the City Commission's appointments would affect the BID membership. Mr. Scott responded that this would be "as soon as the appointments are made."

VIII. Police Update

Captain Jan Jordan of the Fort Lauderdale Police Department stated that the Fourth of July had gone well, with no incidents of note.

Mr. Rodriguez asked how many officers, on a "typical Saturday," patrolled the BID area after 10:00 p.m. Captain Jordan replied that there would be three to four officers at this time.

Mr. Rodriguez asked if the Police Department preferred that owners use the non-emergency telephone number for "nuisances on the property." Captain Jordan affirmed this, and added that in addition to the three to four officers on duty, many businesses had additional "detail officers" on weekend nights.

She added that calls are assessed as they come in, with emergencies receiving the first response, while noise disturbances or other relatively minor calls wait until any emergencies are cleared before they receive a response.

Chair Piedra thanked Captain Jordan for the Department's work on the Fourth of July holiday.

IX. Communications to City Commission

It was agreed that the three recommendations made in the form of motions would be included in this section of the minutes.

X. Old / New Business

Chair Piedra advised he had attempted to learn any new information regarding the Fort Lauderdale Beach Music Festival. The promoter and the City are working together and hope to make announcements in September or October regarding the performer(s) and/or final date, he reported.

Mr. Rodriguez asked if any of the cost of this event would be absorbed by the BID. Chair Piedra confirmed this, and added he would ask for an update presentation closer to September and October.

He asked if the NFL had reached out to any of the BID members. Mr. Rodriguez replied that they had made contact at one point, seeking a place to set up their headquarters, but had since lost touch.

Chair Piedra advised that there are exciting plans for the Beach area, with official NFL headquarters at the Weston and decorations along the Beach. He offered to put BID members in contact with the NFL, as there would be many opportunities to capture more business than during the last Super Bowl.

Mr. Scott added that the City has become "very actively involved" in the planning process, and agreed with the Chair that there are many exciting activities planned. He noted that the City would have signage, security, and other issues to work through, but he was pleased that both the CVB and the NFL's marketing representatives were in regular contact.

Chair Piedra estimated that there would be eight to ten days of "heavy activity" in contrast to the four days' opportunity during the previous Super Bowl.

Mr. Morris recalled that the BID had met with Art Institute members who would work on a mural in conjunction with ArtServe. He advised that they would have concepts prepared for review and approval by July 27 or 29, and they hoped to begin work on the project on August 1 and conclude by the end of September.

He explained that the students would show the BID the concepts they have developed, and the Committee will make a selection. Mr. Morris proposed that members might be able to meet, even the entire BID. It was suggested that the students might meet the Committee members "on the Beach," as this was more convenient for the members.

Beach Business Improvement District Advisory Committee Meeting

July 13, 2009

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It was decided that the meeting will take place on July 27, and all interested members are invited.

There being no further business to come before the Committee at this time, the meeting was adjourned at 4:41 p.m.

[Minutes prepared by K. McGuire, Prototype, Inc.]