

COMMISSION CONFERENCE**May 4, 2004**

<u>Agenda Item</u>	<u>Page</u>	
I-A	South Andrews Avenue Master Plan & Development Guide	1
I-B	Baltimore Orioles – Fort Lauderdale Stadium Spring Training Operations	7
I-C	Fire Assessment Fees	12
I-D	Engineering Bureau – Construction Management	16
III-B	Board Appointments	27
	1. Aviation Advisory Board	(Deferred)
	2. Budget Advisory Board	(Deferred)
	3. Community Appearance Board	(Deferred)
	4. Community Services Board	(Deferred)
	5. Economic Development Advisory Board	(Deferred)
	6. Education Advisory Board	27
	7. Historic Preservation Board	(Deferred)
	8. Insurance Advisory Board	(Deferred)
	9. Marine Advisory Board	28
	10. Northwest-Progresso-Flagler Heights Redevelopment Advisory Board	(Deferred)
	11. Nuisance Abatement Advisory Board	(Deferred)
	12. Planning and Zoning Board	28
	13. Unsafe Structures and Housing Appeals Board	(Deferred)
	14. Code Advisory Committee	(Deferred)
	15. Utility Advisory Committee	(Deferred)
IV	City Commission Reports	19
	1. Uptown Development Group	19
	2. City Commission/Team Effort	19
	3. Pin Sale Concept	20
	4. Air & Sea Show	22
V	City Manager Reports	24
	1. Demolition	24
	2. Annexation	24
	3. Performance Paid Programs	25
	4. Budget	25
	5. Acting Appointments	26
	6. Top Paid Employees	26
	7. Overtime	

Present: Mayor Naugle
Vice Mayor Trantalis, Commissioners Hutchinson, Teel, and Moore

Also Present: Acting City Manager
City Attorney
City Clerk
Sergeant At Arms – Sergeant Mike Martin

I-A – South Andrews Avenue Master Plan & Development Guide

Bruce Chatterton, Planning and Zoning Services Manager, stated they thought this was a fine job and had been a great team effort. He stated there were 4 major components to getting this done. He stated that Chris Brown with Civic Design Associates had been the right consultant for the job, and the South Andrews Business Association had been the key to advocating this project. He also stated that the Hospital District had been very instrumental in helping them craft agreements for this project.

Mr. Chatterton further stated that this project would not have happened without the efforts of Commissioner Hutchinson who had obtained the necessary funding. He stated that the fourth party contributing to this plan's success was City staff. He stated that the project manager was James Cromar.

James Cromar, Planning and Zoning, stated that the plan had multiple components. He explained it had started off as a DCIP grant project that the South Andrews Avenue Business Association had pursued, and it had evolved with 3 sponsors. He advised that Chris Brown would discuss the elements of the plan. Mr. Cromar stated that he wanted to discuss the extensive community involvement which led to the creation of this plan. He explained as the project evolved, there had been stakeholder interviews with over 30 different individuals and groups in the South Andrews area. He stated there had been a weeklong design studio in June, 2003, which started out with an educational evening that led to an all-day workshop. The team then worked on the ideas projected by the community, and then presented the plan's concepts. Numerous reviews of the plan were held with the Broward General Medical Center, SOUTH ANDREWS BUSINESS ASSOCIATION, and the neighborhood associations. He felt this plan, therefore, had strong community support.

Chris Brown, Consultant, stated that he had enjoyed working on this project that had consisted of a very diverse group of individuals and organizations. He stated this plan, SAA Master Plan and Development Guide, had been created due to all the charette work that had been done. He proceeded to show the conceptual plan, along with a map of the area. He explained they had divided the subject area into 4 distinct sections. He stated the north end was characterized as the closest to the downtown area, and would be most affected by what was occurring in that area. He explained the hospital was located in the center of South Andrews, and he thought it was amazing how the residents living outside of the area embraced the Hospital District. He felt they looked upon it as their neighborhood institution.

Mr. Brown further stated that the south end consisted of mainly manufacturing centers, marine and office centers. He remarked there were a lot of industrial uses on SR 84.

Mr. Brown explained that one thing that came out of the charrette early in the process was the idea of improving South Andrews. He stated it was currently a four-lane road with parking on both sides. He explained that the community wanted it more pedestrian friendly, and the idea was to increase the width of the sidewalks and reduce the size of the lanes enabling the planting of trees that did not now exist. He stated at the intersections they would create "bulb-outs" so there would be a shorter distance for pedestrians in crossing major roadways. He explained there were about 3,000 to 4,000 individuals working at the hospital that was a huge economic draw for the retailers in the area.

Mr. Brown further stated that they had also looked at SW 1st Avenue that currently functioned as a service drive for individuals in the back-street businesses. He stated that the community wanted this area made more pedestrian friendly as well. He stated further that the sidewalks in the area were small and jammed against the buildings and were no more than 4' in width. By taking a few feet out of the drive and widening the sidewalks, they would become more pedestrian friendly and accommodate landscaping. He stated that SW 1st was a slightly industrial street; the vision was that in 20 years residential would be incorporated into the area.

Mr. Brown continued, stating that the Town Center would be a vision of a public park and possibly a hotel. He stated that hospitals played a prominent role in health care and it would be an inexpensive way of getting people out of the hospitals and into hotel rooms for recovery. He felt this site offered a lot of opportunity.

Mr. Brown then stated that they interfaced with a greenway study that was taking place along the FEC railroad tracks going into the park, and would wind around through the hospital area. He stated this would make the area more livable.

Mr. Brown proceeded to show a diagram of the north end and explained this was the area that would have the tallest mixed-use buildings along the street. He reiterated the buildings would not be as tall as the downtown area with less density. He stated that the density would be higher than what was currently permitted. He explained that the taller buildings would be along Andrews, and the smaller buildings would go back to SW 1st consisting of about 4 stories. He explained further that the taller buildings could be 10-14 stories.

Mr. Brown explained that parking would be tucked-in behind the buildings, and in some cases there could be a series of public/private partnerships for garages. He showed a picture of the area along the Tarpon River and stated they were suggesting the creation of a gateway for the area. He showed the Women's Center 20 years into the future after rehabilitation. He stated that possibly walking paths could go along the Tarpon River connecting to the New River and be part of the Downtown Riverwalk.

Mr. Brown further stated that the idea of SW 1st Avenue was to introduce residential to the area. He stated the idea was to have 3-4 story buildings.

Mr. Brown proceeded to show the location of Broward General and stated that was the heart of the area.

Mr. Brown continued stating that the area currently leased by US Pipe was an important site. He felt that possibly there could be commuter transit on that railroad, and the site could be for a multi-modal station that would bring people into the area. He added that it could also be the site for a major parking garage.

Mr. Brown proceeded to show on the map the south end of the area. He explained it was mainly industrial with marine industries. He stated that in the charette people stated it was important to maintain the marine industry. He explained that land prices were rising in the neighborhood. He proceeded to show photographs of the streetscape along South Andrews. He stated the idea was to extend the sidewalks and plant more landscaping making it more pedestrian friendly.

Mr. Brown stated that in the final analysis, one of the things they wanted to do was to figure out the capacity for the area in terms of growth. He stated they could add about 1,000,000 sq. ft. of office space, and most of it would probably be medical. He stated further that a medical office building was presently being proposed for the area, consisting of 187,000 sq. ft., but not much more retail. He stated there would be about 350,000 sq. ft. for warehouse use, and 1,800 residential units. He explained this would be in the south RAC, and today no residential units could be built there. He remarked there were 6 units left for the area.

Mayor Naugle clarified that if an existing building was demolished, they could replace it. Mr. Brown confirmed.

Mr. Brown stated that they had met with County individuals who were in charge of the RAC, and they were willing to file an amendment to the RAC. He stated they could build about 6,700 parking spaces and there was room to expand on-street parking to about 1,000 spaces. He remarked that the off-street parking was very critical for the area.

Mr. Brown continued stating that the strategy for the implementation was important. He explained they were going to recommend that the zoning be tweaked to create an overlay district, and that an amendment be filed to the RAC so residential could be permitted. He remarked that would be the driving force that would make this work. He added that street improvements would be necessary for the area and South Andrews would be involved in the first phase, and SW 1st Avenue would be done in the second phase. He stated they had to increase the public parking supply, and someone was needed to monitor the plan, and he advised that the City do that. He stated then the other two partners, SOUTH ANDREWS BUSINESS ASSOCIATION and the community, could be involved in the execution of the plan. He added that SOUTH ANDREWS BUSINESS ASSOCIATION was currently involved in a marketing plan and that was an important factor, and he recommended they continue such marketing and suggested that possibly an area map be developed. Finally, he stated funding sources were important and the mechanisms to put those in place.

Mr. Brown further stated that in terms of the zoning overlay most communities have density caps. He suggested that they keep the cap at 15 units per acre, but that a density bonus be given of up to 150 units per acre that would permit a 15-story building. He explained the developer would pay for the difference between the 50 units per acre they were entitled to, and the bonus given that would go into a fund for enhancements for the area and the creation of parks. In other cities affordable housing trust funds and transit funds were created.

Mr. Brown stated that another issue of the overlay was to create a design that would encourage pedestrian friendly buildings. He further stated that there were 6 units left in the RAC, and they had analyzed the flex zones and units could be transferred within that flex zone. He suggested that at least 25% of the housing product be affordable.

Commissioner Moore left the meeting at approximately 1:56 p.m.

Mr. Brown stated that this area could be the work force housing location for the City. He stated that one of the County Commissioners had attended the charette. He remarked there was an issue of concurrency. He added that residential did not create traffic problems, nor problems for schools. He stated they had provided an analysis of the impacts in the background materials that had been distributed. He stated that they had talked about public improvements also. He continued stating that keeping up with the parking supply was very critical and it was very expensive. He stated they had looked at the possibility of having a special fund for parking that developers could pay into, if they could not meet the parking requirements. The fund could then be used to buy property to build additional parking facilities. He stated they could also have a parking assessment district.

Commissioner Moore returned to the meeting at approximately 1:59 p.m.

Mr. Brown continued stating that his recommendation regarding planning was that the City stay on course and take the lead and have the Planning Department be in charge. He felt this was an area where they would act like a CRA, but felt the days of a CRA expansion in Broward County were over for the time being. He felt that SOUTH ANDREWS BUSINESS ASSOCIATION should continue to promote the area. He recommended that they make an application to Florida Main Street that would give them about \$10,000 per year that could be used to fund an executive director. He added that the monies could also be used toward a marketing plan.

Mr. Brown stated that the hospital played an active role in this plan. He also stated that new funding sources needed to be created, such as the density bonus. He suggested there also be a property assessment district, where the owners would be assessed so monies could be used for neighborhood enhancements. He stated that Broward County was obligated to provide better streets. He explained that he had met with the DDA and they might be interested in expanding to the south, which would them to pick up an additional mil taxing authority. He stated that the community was reticent because they did not want to lose control. He felt that was something that could be negotiated. He recommended once again that the density bonus program, parking fee income, and grants be considered. He advised that SOUTH ANDREWS BUSINESS ASSOCIATION was now applying for their first grant.

Mr. Brown further stated that the area has tremendous assets, including the hospital and the marine industries, and has an obvious connection to the downtown. He stated it was historically a main street back in the 1930's, and he felt it needed to be revitalized.

Ms. Jeryl Madfis stated that they had been working on this for many years, and she wanted to thank everyone involved for their hard work and efforts. She felt it was a rewarding experience, honor and privilege to work with everyone. She felt they had developed a consensus with the City, local businesses and the hospital to make this part

of the City a more vital place to live, work and play. She stated the relationships with everyone had created the strength and leverage they needed to accomplish their goals thus creating a win-win for all involved.

Commissioner Hutchinson stated that it was a great working relationship, and it was a pleasure to work on this project. She felt the design center portion was the best part because individuals could stop by and see the status of the plan as it progressed. She stated the next step would be for the City Commission to adopt the plan at their regular meeting.

Mayor Naugle stated that it would be a conceptual approval because individual items would have to go through the normal process. He stated this was a good framework for improvement of the area. He liked the idea of the contribution for the units. He continued, stating that the hospital district might want to be involved and help fund the issues regarding affordable housing because they have trouble recruiting personnel and may have more positive results with nearby work force housing. He also liked the idea of the extra units to be assigned. He was not sure if 150 was a good number, but charging the developers for improvements to the area was a great idea and could be used as a model for other parts of the City. He felt it was a concept they had been looking for a long time.

Commissioner Trantalis asked why they were not doing that now for the new units that had been released for Flagler Heights. Mayor Naugle stated that the ones that were out already would be hard to do, but it could be done for future units.

The City Attorney stated that it would require a major overhaul to the Land Development Regulations, but it could be done.

Mayor Naugle stated that before the new units were approved, it would be good to have a framework in place keeping in mind that there could be a lower rate involved.

Commissioner Moore stated that this had been discussed many times and it angered him because this Commission could have done this long ago. He stated that maybe it being said by someone from the outside, everyone listened more closely. He reiterated that it annoyed him that this discussion had been held previously, they had requested the ordinance, and had suggested the methodology by which it could be done, yet nothing had moved forward.

Mayor Naugle remarked that the decision they were to make next week regarding the selection of the new City Manager was so important so they could have someone carry out the policies of the Commission.

Commissioner Hutchinson stated that she was not sure they had previously discussed the density. Commissioner Moore confirmed they had discussed density in the past. Commissioner Trantalis remarked they had discussed it in terms of affordable housing and historic preservation.

Mayor Naugle suggested that copies of the Naples plan could be helpful to staff and the City Attorney's office, and requested they receive such information. He further stated that zoning and the RAC amendment would be the first two steps to be taken. He wanted to comment on City staff and how this would be impacted. He could think of

possibly 25 areas of the City that could benefit from such an operation, but having an Executive Director would be hard to provide from the City's standpoint. He stated having the City help implement some of the ideas and assist the property owners would be possible. He further stated that creation of new staff positions for various areas could be a further drain on the City. He believed legislation was still on the books where a business area could assess on a millage basis for safe neighborhood improvements, and therefore, there could be available funding for an executive director, marketing funds, and added security.

Commissioner Teel stated that had been discussed last week at the Uptown Development meeting. She stated that the need for an Executive Director had been identified, and they were also convinced that a type of taxing authority was also needed. She felt they were capable of moving forward with that plan and not being dependent on City staff.

Mayor Naugle remarked that business owners in the area were willing to contribute to such an effort. He asked if the Acting City Manager could prepare a timetable as to when some of these things could be implemented.

Commissioner Trantalis stated this was a great plan, but every time they moved toward implementation, they hit a brick wall, stating, "insufficient staffing." He hoped they were not fooling themselves or the community into thinking that there would be a next step. He stated they needed to make a commitment regarding the restoration of staff so that such plans could be implemented. He stated that every time he met with his constituents, he kept being told about the lack of staff for implementation of such plans. He asked how these plans could be moved forward and implementation take place.

Commissioner Hutchinson stated that she felt this document would be followed by the private sector that intended to build in the area. She stated this was their vision and they were looking for the City to address a zoning overlay, and how to address the units. She asked if the "pending items list" was to be brought to the Commission in the near future so priorities could be either re-established or changed. She stated that would be the opportunity to move things forward. She reiterated that the City was not building these projects; the private sector would build them.

Commissioner Trantalis stated that about one year ago there was an issue regarding flea markets and yard sales, and there were levels of frustration throughout the community. Then, they were told they could hold such sales, but there were other priorities. He reiterated that was the level of frustration being felt by the communities because things got backlogged. He stated during his tenure of office, he had not yet seen a draft ordinance regarding these sales. He stressed if they were going to do things, then they had to make a commitment and fund the positions so such plans could be implemented.

Commissioner Hutchinson stated that was one of the reasons why this "pending item list" was going to be brought back to the Commission, and priorities re-established. Commissioner Trantalis stated that he had seen that list recently, and many things were still being held in abeyance. Mayor Naugle stated that the answer might be to outsource. Commissioner Trantalis agreed, but stated that they had to make some sort of commitment.

Cecelia Hollar, Acting Director Public Services and Director of Construction Services, stated there was a pending items list and revisions were made to it. She stated it needed to be recognized that they could only work on portions of it, and they relied on other departments for some of the work. She reiterated they were only responsible for one component. She stated when there was a void in resources in some of the departments; it did affect the outcome of the work. She reiterated that it was a "ripple effect".

Action: Resolution to adopt the conceptual plan would be presented at the next Regular Meeting.

I-B – Baltimore Orioles – Fort Lauderdale Stadium Spring Training Operations

Vince Gizzi, Parks and Recreation, stated that he wanted to inform the City Commission that they had not received the legislation funding for expansion or renovation of the facility for this year. He reiterated there was the opportunity to request it again next year. At this point, they also did not have a signed agreement with the Orioles, but as of Friday, they had a verbal agreement in principle. He stated that Alan Koslow was present at today's meeting to discuss it further.

Mr. Gizzi explained that the agreement in principle was that the Orioles would take over the entire operation, including maintenance, and assume all costs that basically would privatize the stadium. Due to the budget situation, their plans to begin the shut down process would start tomorrow. He stated their plan was to bring back a signed agreement in June having the Orioles take over the stadium.

Alan Koslow, Baltimore Orioles representative, stated that John Angelos, a partner of the Orioles, was on the telephone to also discuss the matter at this time. He continued stating that Mr. Gizzi had explained last week's meeting and that they were attempting to come up with a solution for the interim one-year period while the Orioles continued to seek State funding which they believed was still viable. He stated it could be in the form of a lump sum payment or a sales tax rebate. He stated they felt both alternatives were worth pursuing. He stated that the Orioles were willing to extend a choice to the City. He explained they were willing to manage the facility at no cost to the City and negotiate such an agreement providing a smooth transition from this date until takeover that would occur within 30 days. He stated they were also willing to continue the lease arrangement by having the City manage it, and they would increase their payment to the City from \$400,000 per year to \$600,000 per year. He stated that the Orioles believed that \$600,000 per year was more than fair. He reiterated that whatever option the City chose, the Orioles would still pursue the State funding. He emphasized that the Orioles were only at the Stadium two months out of the year. He stated if the City wanted them to manage the Stadium year-round, they would do it and retain the revenues at no cost to the City. He remarked they would do this in the spirit of good faith with the view that they would be the only ones to have the chance to obtain State monies to the tune of about \$15 million, and they would secure the local match. He stated they desired to enter into a long-term agreement immediately and build a new stadium.

Mayor Naugle stated that at some point in the future the Acting City Manager would make a recommendation on which path the City would choose. He clarified that no such decision would be made at this time, and they were waiting to get the agreement with the Orioles. The Acting City Manager stated that he was prepared to make a choice today.

Commissioner Hutchinson asked if the Orioles ran the Stadium, would the City still be able to hold their festivals on-site. Mr. Koslow stated that point would be negotiable.

Mr. Gizzi stated that in the RFP, dates were reserved for festivals. The Acting City Manager stated they would make the agreement as close as possible to the RFP.

Mr. Koslow stated it was negotiable and the point being that the Orioles would resume all expenses, and if the City desired to hold events at the site, it should be done so as to be neutral to the expense side. He stated it would not be fair for these events to cost the Orioles additional expense. He reiterated there should be break-even events and dates should be supplied because they are taking on the burden of expense. He asked Mr. Angelos if he had a problem with such an arrangement.

Mr. Angelos stated that they did not have a problem with such an arrangement and that had been expressed in a previous meeting. He reiterated if they were taking over the management responsibilities, it was important for the Orioles to maximize revenues at the site. If the City wanted to continue managing it, then obviously they could and continue with their staff. He reiterated further if the Orioles took over the management, then they would take over the upside, as well as the expenses. He stated they needed to further define the specific events and the dates festivals would be held.

Mr. Koslow stated either the Stadium was being privatized or not. If the City continued managing it, then the Orioles would pay the \$600,000 for the two months they would be present on-site.

Commissioner Trantalis asked how many employees working at the Stadium would be impacted by the Orioles taking over its management. Mr. Gizzi replied that 7 full-time employees were involved at the site, consisting of 5 grounds people and 2 management people. Commissioner Trantalis asked if the Orioles took over, would they retain those 7 individuals. Mr. Koslow stated it was their understanding that those individuals would be put in other divisions of the City administration in accordance with their seniority rules. Commissioner Trantalis asked if the Orioles took over the management would they be interested in retaining those individuals. Mr. Angelos stated they would be accepting all the responsibility regarding expenses which was a tremendous burden, but it had to be done in a revenue neutral way. He stated they did recognize the expertise of the staff, and if that matter could be reconciled, they would be interested in retaining those individuals.

Commissioner Trantalis asked what was the deficit regarding the Stadium for the last year. Mr. Gizzi replied it was \$400,000. Commissioner Trantalis stated that with all things being equal, if the Orioles raised the ante \$200,000 more, there would still be a \$200,000 deficit unless the City utilized the facility in other revenue generating ways. Mr. Gizzi replied they attempted to get into the concert business, but the problem was they could only sell so many seats, and it was expensive for a production company to come in and set up stages and lighting. He remarked when it had been done, promoters had not made a profit. He stated they did a lot of high school baseball at the site, but the problem was those groups could not pay a lot to use the facility. He explained that lighting and staff was covered. He stated these events were just not revenue producing activities. He remarked that the Stadium was built for spring training and major league baseball, and to convert it to other venues was expensive.

Commissioner Moore stated he was glad the Orioles were continuing to negotiate, but he believed they missed the deadline. He stated he would prefer to simply put out another RFP. He felt if they were going to lose the operation of the Stadium and not be able to keep the work force, then it was not positive. He reiterated that it took \$850,000 per year to run the Stadium, and the Orioles were willing to pay \$600,000, but it would require the staffing operations disruption at the Stadium, and they were still not receiving enough to continue its operation. He felt the best thing was to close it down and put out an RFP, and have the site redeveloped. He stated further if the Orioles wanted next year's season at this location, then they would have to deal with the entire \$850,000 and allow the operation to continue or it would be shut down. He stated the Orioles could still pursue State funding. He continued, stating they would not have the problem of the ADA requirements if shut down. He reiterated there were a number of improvements needed at the Stadium in order to keep it operational. He stated he appreciated what the Orioles had offered, but it did not close the gap.

Commissioner Moore continued, stating that they had shut everyone else out of the RFP process when other organizations had been refused because they were going to negotiate with the Baltimore Orioles. He stated that had been done and they had attempted to find a meaningful relationship, but it had not happened. He felt they should now open the door and let everyone bid so they could possibly obtain something better than what was being offered by the Orioles.

Commissioner Hutchinson stated it was her understanding that the Orioles would take over the Stadium at no cost to the City. Mr. Koslow confirmed and stated that was their charge, and it was not because they had to make up the deficit.

Commissioner Moore reiterated it would not cost anything for the operation, but other issues at the Stadium had to be addressed.

Commissioner Hutchinson asked who was to be responsible for the ADA requirements. Mr. Koslow replied they were going to take care of that and a set schedule of improvements had to be made this year. Commissioner Moore asked what had to be done and what was the cost. Mr. Gizzi replied that he would have to check the file. Commissioner Hutchinson stressed that the Orioles agreed to accept such responsibility. Mr. Koslow confirmed.

Alan Silva, Acting City Manager stated that he was attempting to negotiate a contract, as close to the one they would have gotten through the RFP process with the County Fair. Commissioner Moore stated that was not worthy of discussion because the Fair had not operated a venue and it was not on the table.

Commissioner Moore proceeded to review the timetable provided by Parks and Recreation regarding the ADA requirements.

Mr. Koslow stated if they leased the Stadium from the City, they would give the City an additional \$200,000, thereby giving them \$600,000 per year. Otherwise, they would take over the operation of the site, take over all expenses, but retain all revenues obtained. It would be revenue neutral to the City, but the advantage was that the City would obtain a \$30 million asset in the end.

Commissioner Hutchinson clarified the proposal being made by the Orioles.

Commissioner Teel stated it was her understanding that the Orioles were presently paying \$400,000 to the City and asked how that money was paid. Mr. Gizzi explained that the City received 25% of the ticket sales, 25% of the concession sales, all overtime was reimbursed, and the City retained the parking lot operation. The value was placed for those items at about \$400,000 per year. Commissioner Teel clarified that the operation of the Stadium totaled about \$850,000. Mr. Gizzi confirmed. Commissioner Teel emphasized they would increase their contribution by \$200,000, but the City would still come out short. She asked how quickly the agreement being proposed could be entered into. Mr. Koslow replied that it would take about 30 days.

Commissioner Moore stated he was hearing where they were going, and he hoped they would not go there. He stated the truth was they had been negotiating with the Orioles year-after-year with shortfalls on the site. Therefore, last year they proceeded to issue an RFP because it was not working. Now, they were in a situation where they were going to impact the lives of employees and programming at the site, if they continued such negotiations. He believed if the Stadium was shut down, an RFP could be put out so they could find individuals that wanted to participate, rather than continue a courtship that never broke even.

Mayor Naugle stated that the Orioles needed to know where their Spring training would be held. Commissioner Moore stated that was their problem. He stated they had the opportunity to deal with the City for a long time. Mayor Naugle reiterated it would also be the community's problem if they lost the Orioles because there were a lot of people who supported Spring training. He felt it had been great for the City. He explained a proposal had been presented so Spring training could continue this year with no expense to the taxpayers, and therefore, there was no reason not to continue with the Orioles on that basis. He added that possibly monies would be received next year from the Legislature. He stated this agreement could continue for a short term, until a long-term agreement could be reached.

Commissioner Moore reiterated the Orioles were continuing to string the City along and it did not make sense to him.

Commissioner Teel stated this area was in her district, and stated it appeared they were getting close in negotiations. She asked if there was any way some type of earnest money could be set up giving an assurance that the matter would be resolved within the next 30 days.

Mayor Naugle suggested that an agreement be provided to the Commission at their next meeting. Commissioner Teel stated that she would be more comfortable if that was done.

Mr. Koslow stated that as soon as staff provided them with the agreement, they would review it immediately and they had stated that in the past. He felt the problem was that the agreement that had been previously done was not a management agreement. Today, he stated was the first time the Commission had provided direction to staff that the Orioles would manage it instead of leasing it as in the past.

Commissioner Teel stated that with all due respect when the words were stated, "review it," she realized they had that right but that was where she felt the possibility existed of some unacceptable terms arising. She felt they needed to keep the agreement unencumbered as much as possible because they were losing money at the site daily.

Mr. Koslow reiterated that zero cost to the City was what was intended. He stated that the Orioles had a reason to want to conclude the agreement sooner because they wanted to maintain the fields and not have to spend additional monies having them maintained by another source.

Commissioner Moore asked if they were to enter into a limited agreement, what standards would be in place. He asked further who would measure the standard of quality as to how the stadium was to be run. Mr. Koslow explained it was maintained in accordance with Major League Baseball Standards. Mr. Gizzi replied that he would monitor the situation and maintained that responsibility at this time. Commissioner Moore clarified that the ADA requirements had to be addressed and a break-even situation would be given to the City. Commissioner Trantalis reiterated they were taking over the entire cost of the operation.

The City Attorney confirmed that an agreement would be provided to the Orioles at the end of this Conference meeting.

Commissioner Hutchinson stated her issue was in regard to the festivals held there because she did not want to lose the ability to hold such events.

Mr. Koslow clarified that they would not be getting Lockhart Stadium. He realized events were held there also. He reiterated that Lockhart had never been offered to them and would only apply if State money became involved. Mr. Koslow asked Mr. Angelos if he was willing to negotiate with the City the matter of festivals being held at the site as long as it was done revenue neutral. Mr. Angelos stated the matter could be negotiated. He reiterated the Orioles had presented two alternatives to produce the result they had been charged with which was revenue neutral. In either scenario, it was revenue neutral and the Orioles picked up all capital expenditures outlined in the schedule. He explained further that the Orioles did not want to be on a one or two-year lease. He stated this was an effort to look toward a long-term agreement that would be consistent with the direction he thought they had received originally. Mr. Koslow confirmed that was their goal. Mr. Angelos stated there was significant expense involved for the Orioles to pursue legislative funding, but they were willing to do it since they preferred continuity and the City of Fort Lauderdale. This was why they were willing to extend this for one year and also offered the two revenue neutral alternatives.

Mr. Angelos further stated that once they took over the management responsibilities, the Orioles then had to generate additional revenue as best they could in order to cover all expenditures. To the extent events were carved out on the site, it would impact the Orioles and impair their ability to do that, but nevertheless, they would negotiate the matter into the agreement in the interest of a long-term commitment. He reiterated it would impact their ability to be revenue neutral.

Commissioner Teel asked for the Acting City Manager to provide his comments on the issue.

Alan Silva, Acting City Manager, stated that many things had to be included in the agreement and he preferred not to negotiate at this time. He stated that as a point of departure, he would use the RFP and the conditions proposed in it as far as the extent to which they would approve the types of activities at the site, and the extent to which the City wanted included in the agreement. He added that to the extent there was an offer that was revenue positive, he should attempt to get the best possible deal for the City, a percentage of the receipts, and at least \$100,000 for the City. He stated such an offer was received and he wanted to push for such an offer.

Commissioner Hutchinson left the meeting at approximately 2:43 p.m. and returned at 2:44 p.m.

Mayor Naugle stated that he had a preference to take such a deal, but the District Commissioner and the community did not want the Fair at the site. Mr. Silva stated he was not talking about holding the Fair at the site. Mayor Naugle reiterated that was what had just been referenced. He stated the framework was to make the City whole, take care of the ADA improvements, and cover the cost of the Stadium and keep the Spring training for at least another year. He stated the agreement would be brought to the next Commission meeting, and language would be included in the draft to include special events regarding festivals.

Bud Bentley, Assistant City Manager, stated that he would encourage the Orioles and Mr. Gizzi to arrange to have input given by the FAA because the property was a gift from the federal government, and therefore, they were entitled to provide input on the arrangement.

Mr. Silva added that they were to receive proceeds from the site, as well, and had to be included in the contract. Mr. Gizzi explained they were to receive 5% of the gross receipts.

Mr. Angelos thanked the Commission for their time and he hoped the agreement would be worked out as soon as possible.

Action: Agreement to be presented to the Commission at the May 18, 2004 regular meeting.

I-C – Fire Assessment Fees

Alan Silva, Acting City Manager, stated that during the Budget Workshop, staff had indicated that they would be returning with a recommendation regarding a fire assessment fee. He explained the increase would be at 100%, and would include non-profit organizations. He explained further they would increase the City's revenues through these fees by \$9.9 million. He stated it would enable them to fully finance the Fire Department and mitigate any costs for the future. He further stated there would be \$9 million worth of tax revenues that could be used in other areas, such as the Police Department, to help restore service levels in that area.

Mr. Silva stated they had provided information based on the study that had been done last year as to how the law allowed for property tax exempt entities to be assessed a fire fee. He stated that to the extent they were not assessed such a fee, it would have to be made up through other revenues in the City because other "fee payers" could not

compensate for such differences. He stated there was also an indication that the Housing Authority in lieu of paying taxes would pay something like a fire assessment fee, and they were requesting permission to discuss such with them. He explained they had paid a payment in lieu of taxes until 1992, and then it had been dropped. He stated that would provide the City with another \$50,000 to \$75,000 in revenues. He clarified that would come from the Housing Authority which depended on the federal formula. He explained the non-profits and governmental entities would total about \$1.9 million for additional revenues.

Mr. Silva stated he had included in the report the providing of partial year fire assessments that were allowable by law, and would not require an ordinance change.

Commissioner Moore left the meeting at approximately 2:49 p.m.

Mr. Silva stated that through the permitting process, they could assess individuals for parts of the year that certificates of occupancy were issued as a way of recouping revenues. He explained they were at the point now where they had to review revenue resources for the new year. The fact of the matter was that a fire assessment fee at 100% would mean that a homeowner's obligation would increase from \$63 to \$119 and not increase taxes by 10%. He further stated it was a substantial amount of money that would be needed to balance the budget for next year. Otherwise, he stated the cuts would be extraordinarily large or there would be a large tax increase.

Mayor Naugle stated that several issues were involved. One issue was to increase the fee, and the other was to include the non-profits and governmental agencies.

Commissioner Hutchinson asked if the not-for-profits and governmental agencies would have some sort of exception regarding property taxes. Mr. Silva stated that one of two things could be done. He explained that as a matter of public policy they did not want to exempt those that were exempt for property tax purposes, which included non-profits. He stated they could also say they would allow exemptions for certain cases which fit the public purpose which was anything the City would pay if providing a public service, and they would be forgiven and rebated the assessment fee. He explained that would include an after-school recreation program, but only to the extent that it was on that portion of the property.

Commissioner Hutchinson stated the next step would be to figure out who would officiate over that section. She felt it needed to be someone like the City Treasurer or someone who would follow the rules, and not provide political advice.

Commissioner Moore returned to the meeting at approximately 2:52 p.m.

Mayor Naugle stated that the City Manager or his designee could be empowered to do such.

Commissioner Trantalis remarked that they were reading a very broad definition as to what encompassed a City service. Mr. Silva stated if it was in the City's budget and provided as such, then an exemption could be received for it. Commissioner Trantalis reiterated if it was not included in the City's budget and had been privatized, it was still a City function. Mr. Silva clarified that to the extent a church was used to proselyte, it was not considered a public purpose. Commissioner Trantalis stated that was not what they

were speaking about. He stated there could be a level of unfairness based on what a particular administrator's point of view was as to what was a City function. He felt there needed to be more defined standards. Mr. Silva explained they would return with an ordinance that would clarify this.

Mayor Naugle remarked that there would be input from the non-profits and governmental agencies if this were to be done.

Commissioner Teel stated that a food program provided by a church could be considered because the City did not have such a program. She stated that Parks and Recreation provided after-school care which was something to be considered.

Commissioner Moore stated when they began to deal with all the possible exclusions; there would be no merit. He remarked that non-profits were not going to be willing to step up to the plate to pay the fee. He felt these discussions would not bear any fruit. He reiterated that governmental agencies would react in the same way. He felt they should deal with the appropriate fee and exclude the non-profits as they had in the past. He stated further that the fee for the service rendered was an appropriate methodology to generate the money. He remarked that the only non-profit which had contributed in the past was the Housing Authority. He added they were providing housing to the very poor. He stated that many church facilities were running in the black with millions of dollars, but would not be willing to contribute.

The Acting City Manager reiterated the City had chosen not to place fire assessment fees on non-profits, but had fire inspection charges placed on such groups. He stated that non-profits were charged other fees in the City.

Commissioner Trantalis clarified there was a cost attributed to servicing the non-profits. Mr. Silva confirmed and stated they received fire suppression services, and therefore, staff wanted to ask them to pay their fair share. If they did not pay it, then taxes would have to be increased by 2%.

Commissioner Moore stated that in the past they had been generating a deficit with the General Tax Fund. Mr. Silva stated they had been subsidizing through the General Tax Fund. Commissioner Moore asked if the fee for fire suppression in other jurisdictions had been applicable to non-profits. Mr. Silva stated there was only one entity, Tallahassee, that assessed non-profits. He explained that he wanted to show the Commission the fees for other entities. He stated they were now 20 out of 24 on the list and were among the lowest. He remarked that many of the other places probably did not have governmental entities like Fort Lauderdale.

Mayor Naugle stated he did not have a problem assessing the governmental entities, but he was reluctant to assess the non-profits. Commissioner Hutchinson remarked that if they did not assess each group, the monies would have to be supplemented.

Commissioner Moore asked what would be the increase per household to meet the \$714,000 deficit. Mr. Silva stated they could not assess individual landowners because it had to come from the tax rate or other revenues. By law, an entity could not pay more than what they were fairly assessed, and if they chose not to assess either the non-profits or the governmental entities, then they could not add it to the other assessments. He explained they could only take it from legally available revenues, which would be the

tax rate. Commissioner Moore asked if the \$63 being charged was the cost for the service. The Acting City Manager replied the cost was \$119. Commissioner Moore asked what amount of the difference from the \$63 to the \$119 would be the appropriate amount to collect the \$714,000.

Commissioner Hutchinson clarified that Commissioner Moore was asking if the non-profits were not taxed, what amount would be taken from taxes in order to pay for those non-profits.

Mr. Silva stated that the non-profits and governmental entities were at \$1.9 million. If the monies were not raised from those groups, then \$1.9 million would have to be raised from the tax levy, which equals 2%.

Commissioner Hutchinson stated that with Broward County charging \$219, does that pay for everything or do they have to also supplement it in their taxes.

Otis Latin, Chief Fire-Rescue, stated the County had various pocket areas and that was part of their calculation. He stated they paid 100% of the cost for such areas. Commissioner Hutchinson asked if most cities charged the full cost of the service. Chief Latin stated they did not. Commissioner Hutchinson stated if the City charged residences \$119 and commercial at 100%, that would not pay for the non-profits or governmental entities.

Mayor Naugle stated they first needed to decide the issue of non-profits and governmental entities. He asked if there was a consensus to move forward regarding those groups. He asked if there was any support to consider charging the governmental entities but not the non-profits.

Commissioner Trantalis asked if they charged the governmental entities what amount would that generate. The Acting City Manager stated it would generate \$1.2 million, but the problem was that they would not see it all in the same year because some governments might take the matter to court and fight it. He explained they would still have to encumber those monies and have a contingency big enough to cover those amounts. It is recoverable, but one had to go to court for enforcement. He added that the governments had an immunity procedure they could attempt to invoke, but legislation did not provide for it.

Mayor Naugle asked if there was any support in assessing governmental entities but not the non-profits. No one was in favor. Mayor Naugle then asked if there was consensus to go forward with assessing both groups. There was consensus to move forward. Mayor Naugle asked if there was a consensus to go forward regarding 100% of the cost, and appropriate increases in other categories including these groups. He added the final adoption would take place during the budget hearings. He stated that he could support this, but it would depend on what was done with property taxes. He stated if the property taxes were high, along with the assessments being high, then he could not support this.

Commissioner Teel stated the purpose of this was to give relief in the property taxes, but there would have to be an increase one-way or the other.

Commissioner Moore suggested that they deal with the public sector and non-profits paying the fire assessment fees. Commissioner Hutchinson clarified that the wording for this would be brought back to the Commission for their review. Mr. Silva confirmed and stated that he would be predicating his budget based on the 100% so everyone could see if that 100% increase did not occur, what the tax impact would be in order to compensate for it. Commissioner Moore asked why they were going to 100%. Mr. Silva stated if they did not do that, the tax rate would increase astronomically. Commissioner Trantalis stated it was a number for discussion purposes.

Mayor Naugle reiterated that they were bringing the amounts within what other cities charged.

Action: Information to be brought before the Commission showing the impacts of a 100% increase in fire assessment.

Engineering Bureau – Construction Management

Hector Castro, City Engineer, stated that this item was the result of concern on the Commission's part regarding management of construction projects within the City. He stated that possibly one of the things he might not have done well enough during his tenure as City Engineer was to communicate to the Commission and the community the full complexities of doing such projects. He proceeded to show some flow charts of engineering projects. He explained the green portion was the procurement portion of the projects, and the yellow reflected the construction management portion.

Mr. Castro stated that the proposal before the Commission today showed an option for how the City managed such projects. He stated this would be important in the future if they go for a public safety bond issue. He added it would also be important if the Commission chose to reinstate funding for the CIP in the upcoming budget. He explained it would provide a method for managing these construction projects under a different portion of the Florida statutes whereby they could select the designers and consultants based on qualifications, but also the contractor building the project. He explained that would fall under the construction risk management approach they had discussed previously. He stated the idea was that the new section would be composed of modules of construction management teams that would monitor the projects more closely. He stated since they would be going to a cost plus guaranteed maximum price for the contracts, all such checking could be done. He stated that Engineering was unique among departments because they justified their existence by charging back to the capital projects and recovering their costs. He stated the \$590,000 increase to the General Fund would require they do \$12 million worth of projects to cover the costs. He stated they charge on the order of 5% for construction management out of the 17% total projects. He stated if the Commission approved, they would include this in the budget submittal.

Commissioner Teel asked if the construction manager at risk was the plan that was currently being successfully used by the County. Mr. Castro confirmed and added they also did design/build as well. He stated they had gotten further and further away from the classical design bid process which was causing most of the City's frustrations.

Commissioner Hutchinson asked if they outsourced their construction manager at risk. Mr. Castro replied they did not, but explained they had an in-house construction

management team. He stated they chose project architects, an engineering inspector, and then they entered into separate contracts with the architectural engineering firm that did the design work. He further stated they then brought in a contractor early in the design, selected by qualifications. He stated they relied heavily on the A&E firm for daily inspections, but the majority of project management was done in-house.

Commissioner Trantalis asked what had been an average number of projects the City did in the last 3 years, and if they exceeded the \$12 million, would the \$600,000 figure still remain or would it have a multiplied effect based on the number of projects.

Mr. Castro explained that historically the City had done about \$20 to \$23 million per year in construction projects, and some of that was water and sewer which was now transferred to those funds. He felt the \$12 million was attainable if they funded the CIP and they went back into the accelerated CIP. He stated further if they went to a public safety bond issue, they would have to add modules than shown. He explained the modules were about \$180,000 per year start-up costs.

Commissioner Trantalis asked at what point would the \$600,000 figure have to be breached because there was too much work. Mr. Castro stated the way they configured it was that it would work for the accelerated CIP being reinstated. If the voters approved a public safety bond issue, one would have to add 1-2 more.

Mayor Naugle stated it would then show up in the budget designated for such project because it was considered a percentage of the construction cost. He reiterated that it would not come from the operating budget. He asked if the City or any other agency had considered outsourcing this and hiring a company to perform the services instead of doing it in-house. He stated that when an employee was hired there was work during the time of construction, but then when completed the employees were still in the system and it was hard to eliminate the expense.

Mr. Silva stated he had asked a similar question and one concern raised was that was the problem when they were dealing with the City Parking Garage. He remarked that had been done by a private entity, and they needed an in-house capacity that would do it.

Mr. Castro explained there would also be increased costs over what was being shown because typically one paid more for professionals to do such work. Mayor Naugle stated that when one considered all expenses involved, possibly they could save money outsourcing such work.

Mr. Bentley stated staff did not think they should staff up enough to do 100% of the project because they would have extra capacity at some point in time. The proposal being discussed was to bring in one person to help design the system. To change the way they do business, four things needed to be done before even taking on the first project. He stated they had to develop some sort of capability inside. He agreed when they were too busy, they should contract out the work for some projects.

Commissioner Hutchinson stated her concern was that in looking at the costs per FTE, they had not been included. Mr. Castro stated they had based the rate on their current engineering design manager and added that minor adjustments might have to be made.

Commissioner Hutchinson clarified they were only considering hiring a Construction Manager at this time. Mr. Castro confirmed.

Mayor Naugle stated that ordinance changes would be necessary to hire this position.

Commissioner Teel asked if at this time they should be looking at recruiting a Public Works Director and starting the process so that when the new City Manager was hired the procedure would be prepared for hiring, but the position not actually filled.

Mr. Bentley stated that when they recruited for the City Engineer position and the Construction Manager, one thing that would be asked was who would be the boss.

Commissioner Moore left the meeting at approximately 3:18 p.m.

Mr. Bentley further stated that certain vacancies were open in the Engineering Department, and from their perspective it would be helpful to start recruiting for the director position. The new manager could then make the selection.

Mayor Naugle asked if the Acting City Manager had a problem using such an approach. Mr. Silva stated that in the best of worlds, they should probably have a specialized firm dealing with engineering recruitment to seek a director and an engineer.

Commissioner Trantalis asked if the City had a current Public Works Director. Mr. Silva replied they did not, and stated that such a position would have to be created. Commissioner Trantalis asked if such a position was not part of the reorganization plan being proposed, and would such change not occur if they started spending money to recruit a position that was part of that plan that had not yet been adopted by the Commission. The Acting City Manager replied that whether the reorganization moved forward or not, they still needed a Director of Public Works who would be head of the bureau.

Commissioner Moore returned to the meeting at approximately 3:20 p.m.

Commissioner Hutchinson stated that had been Greg Kisela. Mayor Naugle remarked that he had been Director of Public Works before becoming the Assistant City Manager.

Commissioner Trantalis stated he did not want them being drawn into a situation that had not yet been agreed upon which was the reorganization.

Mr. Silva stated that when he suggested recruitment, he was talking of not only having that position, but also including the Construction Management head, City Engineer and the CRA Engineer. He stated they were having trouble hiring a CRA Engineer and that for four months they had not had any success. He suggested that possibly they might need to go to an engineering recruitment specialist for assistance.

Mayor Naugle stated that they were proposing something to help that situation, and they needed to move forward.

Commissioner Trantalis stated that he did not want to be tacitly agreeing to implement a plan that has not yet been agreed upon by moving forward and filling a position that does not exist.

Commissioner Hutchinson reiterated that they had always had a Public Works Director in one form or another. She stated further that she did not look at this as a reorganization, and felt it was just putting the pieces back together of people who had been promoted, creating vacancies.

Action: Accepted recommendation.

EXECUTIVE CLOSED DOOR SESSION 3:24 P.M.

MEETING RECONVENED AT 3:39 P.M.

IV – City Commission Reports

Uptown Development Group

Commissioner Teel stated that the event that took place last week concerning the Uptown Development Group was the beginning of what had been done previously at South Andrews. She felt it would come together eventually, and she hoped they would be just as successful.

Mayor Naugle stated they were discussing the possibility of a taxing district something like the DDA, but it would be unique because various areas would be included. Commissioner Teel added that Oakland Park had bought into it. She felt there had been challenges since they had included other municipalities. She added that FAU had offered some of their students to assist. Mayor Naugle added that besides Commissioner Teel being involved, Clare Bennett from the airport would also be attending the meetings.

Commissioner Teel stated they were making progress with the FAA due to the efforts made by Congressman Clay Shaw.

City Commission/Team Effort

Commissioner Moore stated that he believed this Commission needed to work as a team. He stated that one of the ways he hoped they would consider doing that was by having a team-building opportunity. He explained that several years ago they had a retreat where they worked on the various personalities involved and how they could work together as a team. He urged this Commission to have such a retreat. He stated they were going to hire a new City Manager, and he felt they needed to learn to work with each other in a better way. He stated at the previous workshop the Commission had the opportunity to view each other through their personalities, and therefore, did not misread each other and were better able to understand how each person focused on a vision for the future of the City. He suggested that a facilitator be used for this workshop and they could move forward in a better manner and deal with the City's agenda. He stated that since there was also a new City Clerk, he felt she also should be involved because she worked with them very closely. He felt it was important for her to understand what drove the Commission.

Mayor Naugle stated that there had been criticism in the past because a proposal had been made for them to go out-of-state for such a retreat, and suggested that one be held locally. He remarked that it would be open to the public. Commissioner Moore stated

they needed to be away from City Hall and wanted it to be in an atmosphere where they could have a chance to build a team. He reiterated he did not have any particular location in mind, but wanted a consensus that this would be beneficial to everyone involved. He felt they had learned through such exercise how to work more smoothly through the agendas and treat each other better. He suggested it might be a good idea to hold such a retreat after the new City Manager was selected. He recommended that the City Attorney also be included. He explained further that the positions appointed by the Commission be included in the retreat since they all worked together closely. Commissioner Hutchinson agreed.

Commissioner Trantalis clarified that policy issues would not be discussed. Commissioner Moore confirmed. Commissioner Hutchinson remarked that perception was reality. Commissioner Trantalis asked how large this gathering would be so that a meaningful exchange could be held. Harry Stewart, City Attorney, stated that one of the issues was that in order to make this work properly, they needed a facilitator so that the right questions could be asked. He stated they would be discussing potentially how things would be handled. He remarked that would be perceived as public business.

Commissioner Moore suggested that prior to the meeting, they do some personality testing such as Briggs Meyer. Mayor Naugle added if that were done, it would become a public record. Commissioner Moore further stated it would give the facilitator the chance to state everyone's personality trait so everyone could understand how a person addressed an issue. He suggested that they wait on the new manager and possibly hold this retreat before the August break.

Pin Sale Concept

Commissioner Moore stated that recently he had visited Louisville, Kentucky, on behalf of the National League of Cities, Information Technology and Communications Committee. He stated while he was there, they had the two-week party before the Kentucky Derby. He explained they began with an event known as "Thunder." He remarked that it was similar to this City's Air & Sea Show and he had seen something that might give the City the wherewithal of addressing funding issues for such a show and maybe other major events. He added that the plan worked. He proceeded to explain the concept of selling collector commemorative pins. He stated they sold for \$3 and there were 5 pins for each event. People then trade the pins in order to obtain them all. He explained that non-profits could distribute the pins. He explained that each year there was one gold pin put in a packet that gave that person the opportunity to win a prize in a drawing. In Kentucky they had raffled a Cadillac. He felt this was a great way to generate revenue. He stated that over time they became collector items with the value of the pins rising. Commissioner Hutchinson stated that a pin from 1973 was valued at \$1,000.

Commissioner Moore stated that the Air & Sea Show provided a great distribution center because of the partners involved. He remarked the event would still be free but having the pin provided certain opportunities for those individuals. He explained that for example there could be an area set aside for obtaining autographs, caps being given away, and possibly a higher grade of food. He reiterated that two things would have to happen before this could be done. He felt that possibly the Citizens Volunteer Corps could consider this, along with the Council of Civic Associations. He stated that the promoters pushing the events could also consider this suggestion and offer their comments. He added that the Air & Sea Show individuals, along with those sponsoring

Fleet Week, were on board 100% with the idea. They felt if they received direction to further investigate this item, they could proceed to design an insignia, along with 5 other pins, and begin working with their sponsors to offer things such as coupons for the event.

Commissioner Moore further stated that the City would have to lay out the cash for the first year, but then the money could be returned to the City's coffers. He added that the monies generated from the sale of the pins would help replicate them for future years. He felt the promoters could do the footwork to see what would be required to produce such pins and market them, and maybe the City would have to outlay about \$50,000 the first year, but the monies could be returned to the General Fund. He explained that future dollars being generated from such sales could be held to address the expense of the event.

Mayor Naugle stated that it was a great idea, but he felt the marketing budget could be substantial. Commissioner Moore suggested this be done with the Air & Sea Show because they already had the marketing established. He stated he was only suggesting they fund the manufacturing of the pin the first time only, and money generated from the sales gets returned to the City. Then, they could negotiate with the promoter on a percentage basis the marketing so it would not come out of their operational funds. Mayor Naugle asked if Commissioner Moore had been able to find out about the Derby's marketing expense or a pro forma. Commissioner Moore replied it was \$.40. He stated that he had not been told about the marketing expense, but that information could be pulled from the Internet. He stated that he had spoken to the coordinator of the event, and she stated they received over 40% of the cost for putting on the event from the pin sales.

Commissioner Teel stated it was an interesting concept, but she wondered if it should not be part of the promoter's package in order to increase his revenue and help pay the short fall that the City had been paying. She stated that she had spoken with Chris Pollock recently and had been told that the Chamber of Commerce was in the process of formulating some ideas, along with the hoteliers. She stated that as long as the City was coming out neutral and no additional tax dollars were being used, then she would go along with the idea. She reminded everyone they were adding \$28,000 to the sponsorship for the show.

Commissioner Moore stated that the promoters were in favor of the idea, and he felt the City should produce the pins so they could obtain the money. He further stated if the City could partner with them and have them generate a methodology for the City, then it would be an enabler for the City. He felt there could also be outlets at the various hotels for the pins.

Mayor Naugle stated he felt there was still a marketing and collection expense involved and asked for the Acting City Manager to further explore the issue.

Commissioner Teel stated she did not want this misunderstood that this would cover the \$80,000 spent on the show. She felt they still needed to "stick to their guns" stating they would host the show, but no tax dollars would be used to pay for expenses.

Commissioner Moore reiterated that he still wanted to work with the promoters for the show and see what information could be gathered.

Mayor Naugle reiterated that this would not change the Commission's policy toward the show. He asked when a report would be given to the Commission regarding the Air & Sea Show.

The Acting City Manager stated that he would provide the information in his report.

Mayor Naugle stated that the City's services provided during the show had been great and everyone had done a good job. He added that he had received very few complaints.

The Acting City Manager stated that a detailed report on costs would be provided to the Commission at their next meeting. He stated they would then discuss the question of the contract at the first Commission meeting in June.

Action: City Manager to provide a pro forma.

Air & Sea Show

Commissioner Trantalis stated that the Air & Sea Show provided a positive image for the City. He stated there had been great cooperation between all of the City's services, along with the community, but the City government still looked bad. He felt all the press regarding the canceling of the show made them look like the "grinch stealing Christmas." He stated that he had discovered that a letter had been sent from Parks & Recreation Director Ernest Burkeen to the MBM Group. He stated that he recalled at a Commission Conference Meeting, that the word "cancel" would not be used in any way so it would not appear that they were canceling the event. He reiterated that such a letter had been sent.

Mayor Naugle stated that the letter had been sent on March 3, 2004.

Commissioner Trantalis stated that he had met Mickey Markoff and had heard many angry remarks from him as to how he had helped the City over the years. He stated that he did not think sending that letter was the best way to handle things. He added the event showcased the City and gave them great coverage. He felt the City could have positively capitalized on this event, but that did not really happen. He felt the discussion should not have been put out in the press and was something that should have been part of the negotiating process. He felt the letter undercut the Commission's desire to not use the word "cancel." He reiterated that Mr. Markoff had berated the City for sending such a letter. He further stated the City needed to look for other ways to augment their income in order to have the taxpayers sustain less of a burden. He stated there was nothing wrong in having the City contribute to something like this, but their share should be less. He felt this matter had to be put on the table.

Commissioner Moore stated that he felt the Air & Sea Show was a very patriotic event, and he felt there were many opportunities that could take place and give the City more recognition. He stated this event had to be turned off due to the monies contributed to it in the past, and he felt the only way to do that was to send such a letter stating there would be a new negotiating process. He agreed there could be more positives, and that was why he suggested the City had some ownership in the pin process, thereby still contributing to a worthwhile event. He felt the correspondence was a necessity in order

to bring things to a head and notifying the promoter they would have to contribute a higher amount towards the event. He stated this letter gave them notice in order to find additional sponsors and do whatever necessary to keep the show in this City.

Commissioner Moore stated the letter was a necessary evil, but he did not want the newspapers or the public to forget what the City had contributed in order to have this event occur for the last 10 years. He stated a tremendous amount of money had been contributed to make the event happen, and Mr. Markoff needed to have a better understanding of the situation.

Commissioner Trantalis stated he did not think there was a misunderstanding, but the City had always been a partner, and now they were saying they would no longer be a partner. Commissioner Moore stated the pin concept would let them once again be partners in the event. Commissioner Trantalis stated the letter did a disservice for the community.

Commissioner Hutchinson stated it was her understanding that legally they had to send the letter, and everyone had been aware that the word "cancel" would be used. Mayor Naugle stated it also asked for a meeting to occur in order to renegotiate the contract.

Parks & Recreation Director Ernest Burkeen advised that before the letter had been sent, a phone call had been made. He stated there had also been a number of meetings held beforehand.

Mayor Naugle stated that the promoter did not do himself a favor by "beating up" on the City and portraying the matter the way he did. He explained that the letter stated that a new agreement was needed and they wanted the show to continue. Mr. Silva stated it was all part of the strategy. Mayor Naugle stated that in spite of the promoter's actions, he felt the show should continue. Commissioner Trantalis reiterated that the rest of the world did not have such a sentiment. Commissioner Hutchinson stated this was a great show and she was a huge fan, and she believed that a solution could be found to work this out. She stated that the letter was part of everyone's speech and that did annoy her, but they did not give the City the chance to negotiate a good contract.

Mayor Naugle reiterated that things would be worked out and the show will continue in the City.

Commissioner Moore reiterated that no one addressed the profit that was being made from the show. He stated they had no idea what that profit was, and the only thing they knew was what it cost the taxpayers. He reiterated that the pin concept would be great and he believed it would work.

V – City Manager Reports

Mr. Bentley stated that the Community Services Board minutes pertained to the first public hearing on tonight's agenda.

Demolition Implosion

Mr. Bentley stated that he wanted to call the Commission's attention to the memorandum regarding the demolition implosion. He explained they were working on

the MOT and details would be worked out. He further stated that the police and fire personnel would be using this as a training exercise for a collapsed building.

Annexation

Mr. Bentley explained there were 4 annexation bills that directly affected the City that had passed. One was Twin Lakes North with the City of Oakland Park and the City of Fort Lauderdale. He explained there was option language involved, and the City had to inform the County by July 1, 2004 if they wanted to be on the ballot. If there would only be one city on the ballot, then the unincorporated area would vote to go into that city on September 15, 2005 or 2006. If there were two cities on the ballot, then they would choose the city of their choice for 2005 that was consistent except for Rock Island. He stated all bills required an interlocal agreement with the County prior to the effective date of the annexation. He advised there would be no mail ballots and the date for Twin Lakes would be November 2, 2004. He stated that all public roads would be transferred to the annexing jurisdiction, except for Prospect Road.

Mr. Bentley stated that the opt-in language for North Andrews Gardens would be July 1, 2004, and Fort Lauderdale was one of the cities listed. He explained that the opt-in language meant to be listed on the ballot. He advised that the updated study would be provided to the Commission as soon as possible.

Mr. Bentley further stated that North Andrews would be on the August 31, 2004 ballot. Likewise, the same rules would apply regarding whether there were one or more cities involved. All public streets would be transferred with the exception of Andrews Avenue, and likewise an interlocal agreement would be required.

Mr. Bentley stated that Broadview Park was an area that City staff had not recommended for annexation in the past. He explained it was outside of the natural geographical boundary. He stated there was opt-in language between Plantation and Fort Lauderdale. In Broadview Park, he stated there were 5 bridges that would transfer. He stated the language mentioned that Hiatus, Nob Hill and Pine Island roads would not be transferred, but he did not think they were included, and therefore, he would go out there and check.

Mayor Naugle stated that many people in Broadview wanted to come into the City, but the City did a study showing that the radios did not work and additional monies would have to be spent to correct such problems, thereby not making it feasible unless the County would subsidize or pay for upgrades.

Mr. Bentley stated that an update would be provided on the public safety radio system, because by going with the County's Smart Zone, some of the issue might be addressed.

Mr. Bentley stated that Rock Island only asked for a ballot for the City of Fort Lauderdale. The issue would be whether it would be on the ballot for 2005 or 2006, and all roads would be transferred except NW 31st Avenue and NW 21st Avenue. He explained the study would be provided, but advised there was no opt-in language because only one city was involved. The previous study showed them as revenue neutral with the County maintaining the park. He explained there was no language included in the bill requiring the City to take over the park. Therefore, the County could not force them to take over the park, and that would be included in the interlocal

agreement. If the Commission was concerned about this, they could ask the Governor to veto it.

Commissioner Moore asked for further clarification regarding Twin Lakes North and stated it had been his understanding that it was to be excluded due to its close proximity to Oakland Park. Mayor Naugle stated it was contiguous, but the study was needed to ensure that it would be revenue neutral.

Mr. Bentley further stated that a Bill had been passed for Broward Gardens, Lauderdale Lakes, Lauderhill, and Plantation. He stated they were not contiguous. Commissioner Moore felt the public was going to say no to both when they voted. Mayor Naugle remarked that it could end up as a separate city. Commissioner Moore stated there was not enough population and there was no commercial property to give it an opportunity to survive. Mayor Naugle remarked it had a similar population and tax base as six other cities in Florida.

Mr. Bentley continued stating that the way the bill was written was that if two cities opted in, there was a choice between the two cities. He remarked that remaining unincorporated was not an option.

Analysis of Performance Paid Programs

Mr. Silva stated they were working on an analysis of performance paid programs for management categories 1-5. He explained they were going to use longevity payments to finance such pay. Commissioner Moore suggested that not be done. He wanted them to get through what had to be done, and any additional shake-ups or strategies he hoped they would wait until after the Commission retreat. He wanted the "melt-down" to stop with Engineering. He reiterated that this was alienating the work force with such discussions, and he did not want this to cause them to be dysfunctional.

Mayor Naugle reiterated that the item was not on the Commission's agenda, and therefore, no decision could be made. Commissioner Moore stated this would be inappropriate to do at this time. Mayor Naugle stated that if the Commission was to take a position, they needed to have this placed on the agenda. Commissioner Hutchinson stated the most important thing now was to hire a new leader.

Budget

Mr. Silva stated that they were going to identify areas of potential cost overruns for the physical year, and actions that might have to be taken. He explained there could be items on the fuel side to rethink due to some of the budget allocations that had been made in December, 2003. One of the other problems was to look at the revenue forecast and see whether there were overages, and if things would balance out. He stated there were problems regarding the alarm registration fee. He explained they had projected a \$2 Million amount, but only had \$170,000 so far. Therefore, adjustments would have to be made. Commissioner Hutchinson stated that the fee was being boycotted.

Mr. Silva added that franchise fees were not coming in and there would probably be about a \$2 million shortfall. He stated they would find out this month whether the property taxes were in line with the forecast or if there would be the same \$1 million

problem they had last year. Commissioner Moore asked why there was a problem with the franchise fees.

Steve Chapman, Assistant Finance Director, stated that the communication sales tax in past years the State felt the system did not capture localities well. Consequently, the City may have been getting monies from other areas of the County. Commissioner Moore confirmed that they were aware that revenues were coming in more so than expected, and in knowing that it should have been adjusted in the budget. Mr. Chapman replied they had not done so.

Mr. Silva stated that in many cases people used a Fort Lauderdale address when they did not reside in Fort Lauderdale, and now the State was looking at zip codes instead. He added that was the same amount that had been projected in September, and nothing had been changed. He explained they would be doing a revision of the budget. He explained the problem with such fees was that it took two months into the fiscal year before they began coming in. He stated that now that they knew there was a problem, they would have to fix it.

The Acting City Manager further stated that in regard to the Insurance Deficit Liquidation Plan, they had an actuarial study that would be out within the next week. He stated the Audit Advisory Board would meet on the 17th, and along with the revised budget they would present how to liquidate the insurance deficit. He stated it was not necessarily the health insurance deficit, as much as the deficit for the other insurance they had.

Acting Appointments

Mr. Silva stated that the new Acting City Engineer would be Peter Partington, and as of May 27, 2004, Phil Thornburg would be the Acting Director of Parks and Recreation.

Top Paid Employees

Mr. Silva stated they had received a list of the top 100 and 300 paid employees of the City, and it was interesting to see that of the top 100, 18% were people put into the top 100 due to overtime. He explained that 33% were put into the top 150 due to overtime. He stated that he asked the departments to focus on those overtime requirements for this year. He stated that fire-rescue was down 80%, and the police had been reduced by 17% from last year.

Overtime

Chief Ortenzo stated that they managed to hold the line on personnel for the Air & Sea Show. He stated that of the percentage of overtime still being paid, a significant portion was not their money. He explained they had dramatically increased external funds coming into the City for special grants, operations and major cases. He stated they were successful with the State and had received over \$200,000 toward overtime.

Mr. Silva stated that the bulk of the overtime was partly to the jail and since it was no longer a part of the department, there were 80% to 90% savings. He advised a report would be given regarding the Air & Sea Show.

Mr. Silva continued, stating that there would be a budget workshop in early June to review the budget assumptions.

III-B – Board Appointments

Aviation Advisory Board

Action: Deferred

Budget Advisory Board

Action: Deferred

Community Appearance Board

Action: Deferred.

Community Services Board

Action: Deferred.

Economic Development Advisory Board

Action: Deferred.

Education Advisory Board

Commissioner Teel reappointed Betty Shelley and Chris Carney to the Education Advisory Board. She also stated she wanted to appoint Alice Hendrickson to the Education Advisory Board.

Action: Formal action to be taken at Regular Meeting.

Historic Preservation Board

Action: Deferred.

Insurance Advisory Board

Action: Deferred.

Marine Advisory Board

Commissioner Teel stated she wanted to reappoint David McNulty to the Marine Advisory Board.

Action: Formal action to be taken at Regular Meeting.

Northwest-Progresso-Flagler Heights Redevelopment Advisory Board

Action: Deferred.

Nuisance Abatement Advisory Board

Action: Deferred.

Planning and Zoning Board

Commissioner Teel stated she wanted to appoint Randy Powers to the Planning and Zoning Board.

Action: Formal Action to be taken at Regular Meeting.

Unsafe Structures and Housing Appeals Board

Action: Deferred.

Code Advisory Committee

Action: Deferred.

Utility Advisory Committee

Action: Deferred.

There being no further business to come before the Commission, the meeting was adjourned at 4:46 p.m.