

**FIRE-RESCUE FACILITIES BOND ISSUE
BLUE RIBBON COMMITTEE MINUTES
REGULAR MEETING**

City of Fort Lauderdale
100 North Andrews Avenue
8th Floor Conference Room
Fort Lauderdale, Florida, 33301
July 21, 2011 - 6:00 p.m.

Committee Member	Attendance	1/2011 through 12/2011 Cumulative Attendance	
		P	A
June Page, Chair	P	4	0
Steve Kirsch, Vice Chair	P	4	0
Frank Anderson	P	4	0
Nadine Hankerson	A	1	3
Thornie Jarrett	P	4	0
Allan Kozich	P	2	2
Patrick McTigue	P	4	0
Frederick Nesbitt	P	4	0
Douglas Ruth	A	1	3

There are currently nine appointed members to the Committee. Therefore, attendance of five members constitutes a quorum.

Staff

Frank Snedaker, City Architect
Chantal Botting, Battalion Chief
Albert Carbon, Public Works Director
Doug Wood, Director of Finance
Stanley Hawthorne, Assistant City Manager
A. Lebofsky, ProtoType Services recording clerk

Communications to the City Commission

Motion made by Mr. Nesbitt, seconded by Mr. Kirsch, to recommend the City use funding sources other than the Fire Bond Funds to purchase land at 3201 NE 33rd Avenue, controlled by PNC Bank, for Station 54 while continuing to operate Station 54 at its current location. Upon completion of construction, the property is to be sold and the proceeds used to reimburse the funding source. In a voice vote, motion passed unanimously.

Motion made by Mr. Nesbitt, seconded by Mr. Kozich, to recommend the City Commission direct the City Manager to capitalize all City-provided engineering, architectural and construction management fees from the General Fund rather than charge these fees to the Fire Bond program. This is consistent with the decision the Commission made in the past, with its direction to the prior City Manager. Charging these fees to the Fire Bond Fund would jeopardize the program's ability to complete its mission to build the ten designated new Fire Stations as set forth in the Fire Bond referendum. In a voice vote, motion passed unanimously.

1. Call to Order/Roll Call

Chair Page called the meeting of the Fire-Rescue Bond Blue Ribbon Committee to order at 6:00 p.m.

2. Approval of Minutes: May 2011 Meeting

[This item was heard out of order]

Motion made by Mr. Nesbitt, seconded by Mr. McTigue, to approve the minutes of the Committee's May 2011 meeting. In a voice vote, the Committee unanimously approved.

3. Staff Liaison Report

[This item was heard out of order]

Station 35

Mr. Carbon stated Station 35 was under construction.

Station 46

Mr. Carbon said they had received the okay from the gas company and he anticipated breaking ground in September.

Station 13

Mr. Carbon said they had sent a proposal to the State two weeks ago that included 200 feet north from Sunrise Boulevard and the distance from the existing driveway to the Intracoastal so there would be water access.

Station 54

Mr. Carbon said the property was still in foreclosure. He had sent a packet describing his plan to Mayor Seiler and PNC Bank and agreed to forward this to the Board if they wished.

4. Engineering, Architectural and Construction Management Fees

[This item was heard out of order]

Chair Page introduced Mr. Wood and Mr. Hawthorne. She explained that the City was considering charging the Fire Station projects for engineering, architectural and construction management fees. She recalled that the City Commission had agreed that these fees would be paid from the General Fund, but Mr. Wood could not find a record that this had occurred.

Mr. Carbon stated in 2005 and 2006, the Board's report to the Commission included a recommendation that the Fire Bond should not be charged for time for City staff; it was not specific that this would be capitalized from the General Fund. The Commission had agreed to this at their conference meeting. Mr. Wood stated they must now capitalize staff time that was charged to the Fire Stations. They did not have the action/motion/resolution indicating the Commission wanted to capitalize this from the General Fund. Mr. Carbon had a copy of the documents for the City's budget that indicated \$700,000 for this purpose would be part of the budget.

Mr. Carbon said their options were to capitalize this from the General Fund or to use Fire Bond proceeds. He explained how he had calculated the staff costs, which totaled \$1.4 million, and distributed a spreadsheet describing the costs.

Mr. Wood asked if it would have been more or less expensive to contract the work out; Mr. Carbon felt it would have been more expensive. Mr. Wood warned that if they were not consistent in the application of internal cost recovery, this could jeopardize construction grants. Mr. Wood added that the underlying issue was that the City would be using taxpayer dollars to cover construction costs approved under a different methodology and he was not sure this was authorized. Mr. Wood said they needed to capture the historical cost of the assets.

Mr. Jarrett explained that the first two stations had exceeded budget, and the City had agreed to subsidize the cost of the first two stations by not charging the project for staff engineering fees. The size of the remaining stations had been reduced in size to reduce future costs. Mr. Jarrett felt if they had money left over, they should build remaining stations to their original size specifications and/or buy land for Station 8.

Mr. Wood remarked that any decision by the Commission was not official until they voted on a resolution at a Commission meeting.

Mr. Nesbitt said residents believed they had approved the \$40 million bond issue to build 10 Fire Stations. He was concerned that if funds were short, they would be unable

to complete all of the Stations. He felt this could affect anything the City wanted to do in the future.

Chair Page wanted the Board to go to the Commission. Mr. Jarrett said another issue was why they should pull out \$1.4 million in one year; the fees would have been pulled out gradually.

Mr. Carbon stated the cost originally quoted by the City at 20% included soft costs, such as engineering, design, construction oversight and all other costs.

Mr. Kozich said they had always had problems with charges for the Fire Station design and engineering fees. He did not know how the City's flat 17% fee had been calculated, and noted that his engineering fees were typically a third of what the City had wanted. He agreed they must appeal to the City Commission.

Motion made by Mr. Nesbitt, seconded by Mr. Kozich, for the Fire Bond Committee to recommend the City Commission direct the City Manager to capitalize all City-provided engineering, architectural and construction management fees from the General Fund rather than charge these fees to the Fire Bond program. This is consistent with the decision the Commission made in the past, with its direction to the prior City Manager. Charging these fees to the Fire Bond Fund would jeopardize the program's ability to complete its mission to build the ten designated new Fire Stations as set forth in the Fire Bond referendum. In a voice vote, motion passed unanimously.

Mr. Wood recommended a specific amount be noted, and Mr. Carbon explained that there had been a change in accounting philosophy over the past 10 years or so, and they were being asked to capitalize City staff time.

Mr. Nesbitt recommended his motion be included in the Board's Communication to the City Commission.

5. Land Purchase for Fire Station 8

Mr. Snedaker said they were investigating two properties. One was Grady's Bar on 9th Street and Andrews Avenue. Mr. Snedaker stated the property was not officially for sale. Mr. Carbon said the price was affordable for what they had budgeted.

6. Committee Report to the City Commission

No discussion.

7. Communication to the City Commission

[Discussed earlier]

Motion made by Mr. Nesbitt, seconded by Mr. Kozich, for the Fire Bond Committee to recommend the City Commission direct the City Manager to capitalize all City-provided engineering, architectural and construction management fees from the General Fund rather than charge these fees to the Fire Bond program. This is consistent with the decision the Commission made in the past, with its direction to the prior City Manager. Charging these fees to the Fire Bond Fund would jeopardize the program's ability to complete its mission to build the ten designated new Fire Stations as set forth in the Fire Bond referendum. In a voice vote, motion passed unanimously.

Mr. Carbon informed the Board that their Communication to the City Commission regarding Station 54 from May had not been heard by the Commission, and He advised the Board to re-submit this.

Motion made by Mr. Nesbitt, seconded by Mr. McTigue, to re-submit their May Communication to the City Commission regarding Station 54. In a voice vote, motion passed unanimously.

8. Adjournment

With no further business to come before the Committee, the meeting was adjourned at 7:11 p.m.

The Board scheduled their next meeting for August 18.

Attachments:

- Financial Report
- Minutes –May Regular Meeting
- Fire Station Monthly Reports

[Minutes prepared by Jamie Opperlee, Prototype, Inc.]