Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

Legislative Analysis

Board of County Commissioners

September 15, 2009
9:30 AM
Commission Chamber

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Miami-Dade County Board of County Commissioners
Office of the Commission Auditor

Board of County Commissioners
Meeting Agenda

September 15, 2009

Item(s)

3(J)(1)(A)	4(D)
8(E)1(A)	8(E)1(B)
8(E)1(C)	8(F)1(D)
8(H)1(A)	8(H)1(B)
8(H)1(C)	8(O)1(A)
11(A)2 & Supp.	13(B)1
14(A)2	14(A)4

If you require further analysis of these or any other agenda items, please contact Guillermo Cuadra, Esq., Chief Legislative Analyst, at (305) 375-5469.

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MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item: 3J1A

File Number: 092474

Committee(s) of Reference: Board of County Commissioners

Date of Analysis: September 9, 2009

Type of Item: Resolution Applying for Florida Department of Environmental Protection Grant (DEP)

Summary

This resolution authorizes two grant applications from the Florida Recreation Development Assistance Program (FRDAP) totaling up to $400,000. The grant funds will be used for Aquatics Enhancements Projects at Naranja Park and Goulds Park.

Background and Relevant Legislation

According to the DEP website, the FRDAP is a competitive program which provides grants for acquisition or development of land for public outdoor recreation use or to construct or renovate recreational trails. The FRDAP is DEP grant, the Office of Information and Recreation Services in DEP's Division of Recreation and Parks has direct responsibility for FRDAP.

Municipal and county governments or other legally constituted entities with the legal responsibility to provide public outdoor recreation are eligible to apply for FRDAP funds. The maximum amount for each grant is $200,000. Grant match requirements are dependent on the total project cost.

Grant match requirements are as follows:

Total Project	Cost FRDAP Grant	Local Match
$50,000 or less	100%	0%
$50,001 - 150,000	75%	25%
Over $150,000	50%	50%

Budgetary Impact

Since 2000, the Park and Recreation Department has received $1.4 million in FRDAP grants requiring $2.37 million in local match from various funding sources to include: Safe Neighborhood Parks Bond

Program (SNP), Building Better Communities Bond Program (GOB), and Quality Improvement Neighborhood Program (QNIP).

Resolution	District	Project	FRDAP Grant Award	County Match
R-1028-01	13	Amelia Earhart Park-Expansion of Outdoor Recreation Area	$200K	$200K –SNP
R-1037-02	4	Haulover Beach Park-Elevated Dune Crossover Replacement	$200K	$200K – SNP
R-1126-03	4	Ives Estate-Ball Field, Field House	$200K	$200K- SNP
R-788-04	9	Larry & Penny Thompson Park-Construction of swimming pool, cabana and campground facilities	$200K	$200K- SNP
R-925-07	9	Homestead Bayfront Park Atoll Pool – Construction improvements	$200K	$723K- SNP
R-960-08	8	Deering Estate-Deering South Construction enhancements and renovations	$200K	$200K- GOB
R-963-08	2	Gwen Cherry Park-Outdoor construction enhancements	$200K	$325K- SNP $325K- QNIP
		Total	**$1.4 M**	**$2.37 M**

Prepared By: Mia B. Marin

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item: 4D

File Number: 092496

Committee(s) of Reference: Board of County Commissioners

Date of Analysis: September 10, 2009

Type of Item: Resolution establishing a Adopt-A-Homeless Donation Meter Program

Summary

This resolution establishes a Adopt-A-Homeless Donation Meter Program (Meter Program) and approves an agreement to be executed between Miami-Dade County and entities wishing to participate in this program.

Background and Relevant Legislation

In June 2009, the Board approved a Homeless Public Awareness Campaign in Miami-Dade County (R-1023-09). The campaign included the design, installation, and maintenance of collection devices throughout Miami-Dade County for individuals to contribute to Miami-Dade County Homeless Trust programs (MDHT).

MDHT's Meter Program is based on a successful donation meter program in Denver, Colorado. The Colorado donation meter program was implemented in March of 2007 with the purpose to increase awareness about Denver's Ten-Year Plan to End Homelessness, to redirect the money given to panhandlers into initiatives that provide meals, job training, substance abuse counseling, housing, and other programs for those in need. Coordinated groups in Denver collaborated in the meter program, meter design, decal messaging, printing and installation.

Currently, the Denver Meter Program has eighty-six (86) meters, the project generates in excess of $100,000 per year through sponsorships and donations.

Other Homeless meter programs adopted by (local governments, nonprofits and business groups) cities in the United States include: Portland, Ore., Denver, Baltimore, Tempe, Ariz., Chattanooga, Tenn., and Marysville, north of Sacramento.

Budgetary Impact
Entities wishing to sponsor a meter must make a $1000 donation per meter. The MDHT public relations and marketing firm, The M-Network, is paid $100,000 annually for Homeless Trust public relations and marketing throughout the year, to include the Meter Program.

The M-Network is a branding and communication company that has done work for other known entities to include: The Children's Trust, The Early Learning Coalition and University of Miami Department of Psychiatric Services-Miller School of Medicine.

Prepared By: Mia B. Marin

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item:	**8E1A**
File Number:	**092464**
Committee(s) of Reference:	**BCC**
Date of Analysis:	**September 11, 2009**
Type of Item:	**Resolution Authorizing Termination of Interest Rate Swap Transactions**
Sponsor/ Requester:	**Finance Department**

Summary

This proposed resolution authorizes the termination of 7 interest rate swap agreements with Rice Financial Products Company, the selection of one or more new counterparties for each swap, and the execution of new agreements with those counterparties.

Background and Relevant Legislation

From 1996 through 2007, the County entered into 7 interest rate swaps with Rice Financial Products Company (Rice). Under the various swap agreements, the County and Rice as the counterparties, agreed to exchange floating interest rates which are pegged to different rate indexes (i.e., basis swaps). These rates are calculated on the basis of the underlying assets which are Water & Sewer Revenue Bonds, Convention Development Tax Bonds, Solid Waste Management Bonds and Industrial Development Bonds.

AMBAC Assurance Corporation (formerly AMBAC Indemnity Corporation) is the financial guarantor for the County and Rice. As guarantor, AMBAC insures that periodic interest payments will be made to and from each counterparty as it comes due. However, as recently as July 29, 2009, AMBAC's credit rating (as to its financial strength) has been downgraded from BBB to CC (negative outlook) by Standard & Poor Rating Services and has been assigned Caa2 rating (negative outlook), down from Ba3, by Moody's Investors Services, Inc. Both rating agencies have cited AMBAC's increased loss of reserves reducing its capital level below the required regulatory minimum threshold, and the significant deterioration of AMBAC's insured portfolio of nonprime residential mortgaged-backed securities as the basis for warranting a negative outlook. (Source: Standard & Poor's Rating Direct 7/28/2009: Moody's Global Credit Research Rating Action 7/29/2009).

Under the terms of the swap agreements, AMBAC is required to retain a minimum credit rating of A- or A3. By virtue of the downgrades, Rice is obligated to replace the guarantor or post collateral under mutually agreeable terms by August 23, 2009. On July 1, 2009, Rice offered to post collateral and to enter into a separate agreement documenting the terms. The County proposed modifications to those terms which, to date, both parties are still diligently negotiating. However, in light of the continued uncertainty of the bond insurer's credit, the Administration is proposing that the County terminate the swap agreements with Rice, enter into new swap arrangements with new counterparties, and replace AMBAC with a new guarantor that meets industry rating standards of AA and Aa or better.

A list of potential replacement counterparties with at least one rating in the AA-category includes the following:

- Bank of America (Aa3/A+)
- Bank of New York Mellon (Aaa/AA)
- Barclays Bank Plc (Aa3/AA-)
- BNP Paribas (Aa1/AA)
- Deutsche Bank AG (Aa1/A+)
- Goldman Sachs Mitsui Marine Derivative Products LP (Aa1/AAA)
- Merril Lynch Derivative Products AG (Aaa/AAA)
- PNC Bank NA (Aa3/A+)
- Royal Bank of Canada (Aaa/AA-)
- SMBC Derivative Products Ltd (Aaa/AAA)
- Wachovia Bank NA/Wells Fargo Bank NA (Aa2/AA+)

(Source: Finance Department)

Policy Change and Implication

The BCC has previously authorized the termination of swaps. In July 2008, the County terminated its swap agreement with AIG Financial Products Corp. As the insurer of the County's Water & Sewer Revenue Bonds, AIG was downgraded below AAA thereby causing the interest cost of the Revenue Bonds to increase substantially. As a result, the County incurred an additional $383,000 per week in swap interest rate payments. The County chose to terminate the swap and restructure the debt by issuing fixed rate bonds. Therefore, termination of the above-mentioned swap agreements would not constitute a policy change.

However, the basis for the decision to terminate the AIG swap has certain policy implications regarding swap transactions in general. Specifically, in terminating the AIG swap, the County evaluated the transactional costs, the viability of the bond insurance market, and the County's interest rate exposure. In particular, the County considered the current liquidity crisis faced by the bond insurer, the speculative financial grade ratings (in which downgrades seemed likely) , and the prospect of the bonds trading at a higher interest rate cost in a variable rate market. Accordingly, in lieu of maintaining the same debt structure with an interest rate swap component and replacing the current bond insurer, the County chose to terminate the AIG swap and restructure the debt by issuing fixed rate bonds.

The AIG swap decision suggests that future County swap transactions may probably be used in moderation amid future credit uncertainties surrounding bond insurers, the potential adverse affects of such uncertainties on the interest rates of any variable interest rate bonds, and the prospect of incurring additional transactional fees for restructuring or terminating swaps.

Budgetary Impact
Comparative interest rate savings derived from restructuring the 7 swap transactions versus interest rate savings derived from issuing fixed rate bonds have yet to be determined.

In addition, costs associated with entering into new swaps (such as swap broker fees or swap dealer fees, documentation fees and termination fees), which are payable from the revenues derived from Water and Sewer and Solid Waste Departments, have not been determined.

Prepared by: Lauren Young-Allen

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item:	**8E1B**
File Number:	**092461**
Committee(s) of Reference:	**BCC**
Date of Analysis:	**September 11, 2009**
Type of Item:	**Resolution Authorizing An Irrevocable Letter of Credit from Wachovia Bank**
Sponsor/ Requester:	**Finance Department**

Summary

This proposed resolution authorizes the execution of an Irrevocable Standby Letter of Credit, a Reimbursement Agreement and a Line of Credit (to repay any advances drawn on the Letter of Credit) with Wachovia Bank, N.A. in an amount not to exceed $75 million. The Standby Letter of Credit is to provide assurances to Florida Department of Transportation (FDOT), the beneficiary of the Letter of Credit, that the County has the ability to honor its financial obligations if certain contingency costs pertaining to the Miami Port Tunnel and Access Improvements are incurred.

Background and Relevant Legislation

Under the Master Agreement for the Port of Miami Tunnel and Access Improvement Project, the County is obligated to fund a contingency reserve in the amount of $75 million. The contingency reserve is to pay for unforeseen geotechnical costs associated with digging the Port tunnel and other relief events. The Letter of Credit agreement is presently before the Board of County Commissioners (BCC) for approval as to the Letter's fees, terms and conditions.

Specifics

Under the terms and conditions of Wachovia's commitment, the term of the Letter of Credit would be for 1 year with an automatic extension for an additional year up to 5 successive years unless written notice is provided by the Bank that the term will not be renewed. If the term is not extended, the County will be obligated to draw on the Letter of Credit 14 days before the expiration date unless a substitute Letter of Credit is provided by the County. Each draw is subject to a $250 fee.

Any draws that have not been reimbursed will convert to an interest-only Line of Credit for a maximum of 5 years at a variable interest rate. Thus, repayment of the principal component of the draw will be deferred. At the conclusion of the Line of Credit period, the Line of Credit will convert to a 5 year loan in which the principal and interest will be payable annually, and a balloon payment of the balance will be due on the 5th year anniversary of the loan conversion date.

The Letter of Credit is to be secured by a covenant to budget and appropriate available non-ad valorem revenues sufficient to repay amounts advanced under the Letter of Credit. The County must certify that such pledged revenues cover existing and projected annual debt service by at least 1.5 times.

The annual fee for issuing the Letter of Credit will be 1.10% of $75 million credit amount (i.e., $825,000 for the 1st year) irrespective of whether the credit is drawn upon. This fee rate will be increased if the County's debt rating is downgraded.

Policy Change and Implication
Authorization to execute a Standby Letter of Credit has been previously approved by the BCC in 2008. Therefore, the pending credit agreement does not constitute a new or different County policy.

In April 2008, the BCC authorized the execution of a Letter of Credit in the amount of $75 million with the Bank of America regarding the Port Tunnel. However, the Bank of America's bid to supply the Letter of Credit expired.

Budgetary Impact
Finance Staff reports that the Letter of Credit will only be drawn upon (and reimbursed from the Line of Credit) if the contingency associated with the digging of the tunnel occurs. Staff anticipates that the Letter of Credit will not be drawn upon for at least the first 2 to 3 years since sufficient funds have been built into the Tunnel agreement to cover the contingency.

Prepared by: Lauren Young-Allen

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
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Legislative Notes

Agenda Item:	**8E1C**
File Number:	**092343**
Committee(s) of Reference:	**Budget, Planning & Sustainability**
Date of Analysis:	**September 11, 2009**
Type of Item:	**Resolution Approving the Extension of the Tax Roll**
Sponsor/ Requester:	**Finance Department**

Summary
This resolution authorizes an extension to complete final certification of the 2009 Real and Personal Property Tax Rolls and the issuance of the tax bills prior to the completion of the Value Adjustment Board's hearings.

Background and Relevant Legislation
The Value Adjustment Board is responsible for certifying the tax assessment roll, and if required, issuing a second certification after hearings have been held on contested assessments, exemptions, ad valorem tax deferrals and classifications. Upon certification of the tax rolls by the Value Adjustment Board, the Property Appraiser is required to make a final certification and publish the assessment roll, and furnish to the Board of County Commissioners a tax roll of all the taxable property within the county including the 2nd certification which reflects the changes made by the Value Adjustment Board. Once all assessments have been determined, the tax roll is forwarded to the Tax Collector for billing by November 1st.

Under state statutory law, the local governing body may, upon request of the tax collector and by majority vote, order the roll to be extended prior to the completion of the Value Adjustment Board hearings if completion of the hearings will delay issuance of the tax bills beyond November 1st. The Administration's staff notes that given the large numbers of appeals filed each year, the completion of the hearing process for the 2009 tax roll will not be completed until after November 1st. For this reason, an extension of time as to the final certification of the tax roll is sought.

Policy Change and Implication
In prior years the BCC has permitted the tax roll to be extended prior to the completion of the Value Adjustment Board's hearings if it appeared that completion would delay the issuance of tax notices beyond the November 1st billing deadline. Therefore, adoption of the proposed resolution would not constitute a policy change.

Budgetary Impact

There are risks associated with extending the tax roll before the Value Adjustment Board completes its hearings and makes its final determinations. The County and taxing authorities within the County will forego an opportunity to make adjustments to millage rates if the Value Adjustment Board makes significant changes in the total taxable values resulting in a substantial reduction in tax revenues.

Conversely, if the roll is not extended prior to the completion of the hearing process, then the County would not receive its tax revenues until July 2010, the estimated date of completion.

Prepared by: Lauren Young-Allen

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
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Legislative Notes

Agenda Items: 8F1D

File Number: 092311

Committee(s) of Reference: Board of County Commissioners

Date of Analysis: September 12, 2009

Type of Item: Lease Agreement

Commission District: 12

Summary

This lease agreement provides that Miami-Dade County will:

- Enter into a lease agreement with Flagler Development Company, LLC for office and warehouse space located at 9955 N.W. 116 Way, Suite 10, Medley, Florida**.**
- Use 10,600 square feet of office space with 1,748 square feet of warehouse space.
- Lease the premises for two (2) years with no renewal option.
- **Pay $199,723.32 for the first year of rent, payable in equal monthly installments of $12,090.75. This amount includes direct and indirect expenses.**
- **Utilize General Funds to cover the direct and indirect expenses for the first year.**
- **Accept an increase by three (3) percent in annual rent for the second year. The Miami-Dade Police Department (MDPD)[1] will budget the additional funds for the second year.**
- **Budget for direct expenses in electricity cost totaling $21,609 and janitorial and custodial cost of $15,435[2].**

Background and Relevant Legislation

The facility has been used by the MDPD personnel since July 2004. **The first year rent was for $112,050.00 which was equal to $7.50 per square foot (See Resolution 229-04)**. The facility has 47,809 square feet of rentable space.

On April 5, 2005, the Board of County Commissioners, through Resolution 362-05, approved the following amendment to the lease agreement of February 17, 2004:

- Decreased the leased square footage of the "Demised Premises" from 14,940 square feet to 12,348 square feet;

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[1] According to the FY 2009-10 Proposed Resource Allocation Plan includes a General Fund revenue reduction of $10.538 million, from $490.454 million to $479.916 million. (See Volume 2, Page 101)

[2] According to the FY 2009-10 Proposed Resource Allocation Plan, the MDPD will reduce $150,000 in janitorial services. (See Volume 2, Page 102).

- Decreased the total building rentable square footage from 48,886 to 47,809;
- Reduced the tenant's share of operating expenses from 30.56% to 25.83%;
- Decreased the total lease rental by $123,878.95, due to the reduction in square footage; and
- Increased the rental rate by 3 percent annually during years two through five with a termination date of September 30,2009

On July 30, 2009, the administration provided the Board of County Commissioners a report titled *Leases in Non-County Properties,* which illustrates leases in non-County facilities. The report shows that MDPD has paid an annual base rent of $125,085 for 12,348 square feet of office and warehouse space which is equal to $10.13 per square feet.

Prepared by: Michael Amador-Gil

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
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Legislative Notes

Agenda Items: 8H1A, 8H1B, and 8H1C

File Number: 092524, 092525, and 092526

Committee(s) of Reference: Board of County Commissioners

Date of Analysis: September 12, 2009

Type of Item: Resolution of Impasse

Commission District: Countywide

Summary

Items 8H1A, 8H1B, and 8H1C resolve an impasse between the Board of County Commissioners (BCC) and the American Federation of State, County and Municipal Employees, Local 199, General Employees; American Federation of State, County and Municipal Employees, Local 1542, Solid Waste Employees; and American Federation of State, County and Municipal Employees, Local 3292, Aviation Employees, pursuant to Fla. Stat. 447.403, *Resolution of Impasse*. The bargaining units mentioned above waived the appointment of a special magistrate, and proceeded directly to resolve the impasse. [1]

This resolution provides that Local 199, Local 1542, and Local 3292 will:

- Accept any freeze or suspension of merit increases and longevity bonuses in FY 2009.
- Accept wage increase of one (1) percent in FY 2010.
- Accept wage increase of two (2) percent in FY 2011.
- Accept suspension of progression from any one pay step to the next pay step.

If the collective bargaining agreements are not ratified by the bargaining units mentioned above, pursuant to the provisions of s. 447.309, the action taken in this resolution will take effect as of the date of this resolution and will be effective for the first fiscal year that was subject of negotiations (October 1, 2008 to September 30, 2009).

[1]Nothing in Fla. Stat. 447.403 precludes the parties from using the services of a mediator at any time during the conduct of collective bargaining.

National Trends

In October 2008, the National Association of Counties (NACo) conducted a survey[2] of 17 counties, all with populations above 500,000 to determine the impact of the downturn on their budgets as well as the actions they are taking in response. The results of the survey reveal that local governments are making some tough decisions about how they will be running their governments.

- Of the 17 counties with populations of more than 500,000 that were interviewed for the survey, all but one reported that the current economic crisis was having a negative effect on their budgets, with 87 percent anticipating revenue shortfalls and 27 percent expecting increased expenses. **Also, while only five counties said they planned to implement layoffs or furlough employees in response to this fiscal year's budget shortfalls, that number doubled for respondents saying they would have to take those steps next fiscal year, and three other counties said they would renegotiate their labor contracts.**

Which of the following actions has your county taken to address its revenue shortfalls?			
No.	**Answer**	**Response**	**%**
1	Service delivery cutbacks	8	73%
2	Budget cuts	10	91%
3	Employment freezes	10	91%
4	Salary freezes	4	36%
5	Labor contract renegotiations	3	27%
6	Furloughs	3	27%
7	Layoffs	7	64%

In June 2009, NACo conducted another survey[3] of nearly 300 counties, all with a population above 100,000 to determine the impact of the economy on their budgets and actions they are taking. Of the 300, 59 counties responded.

Fiscal Year Begins January –June

Which of the following actions has your county taken to address its revenue shortfalls?			
No.	**Answer**	**Response**	**%**
1	Increased property taxes	4	18%
2	Increased local option sales tax rate	0	0%
3	Increased borrowing	1	5%
4	Employee travel restrictions	10	45%
5	Service delivery/availability cutbacks	8	36%
6	County fleet reorganization	4	18%
7	Hiring freeze	12	55%
8	Salary/pay freeze	8	36%
9	Benefits cutbacks	3	14%
10	Four day work week	2	9%

[2] National Association of Counties, State of the County Economy Survey-October 2008

[3] How are Counties Doing? An Economic Survey, July 2009. NACo

11	Furloughs of employees	3	14%
12	Layoffs of employees	6	27%
13	**Labor contract renegotiations**	1	5%
14	Other (please explain)	10	45%

Fiscal Year Begins July –December

Which of the following actions has your county taken to address its revenue shortfalls? # Re%			
No.	**Answer**	**Response**	**%**
1	Increased property taxes	3	8%
2	Increased local option sales tax rate	1	3%
3	Increased borrowing	2	6%
4	Employee travel restrictions	27	75%
5	Service delivery/availability cutbacks	18	50%
6	County fleet reorganization	8	22%
7	Hiring freeze	24	67%
8	Salary/pay freeze	26	72%
9	Benefits cutbacks	8	22%
10	Four day work week	4	11%
11	Furloughs of employees	5	14%
12	Layoffs of employees	11	31%
13	**Labor contract renegotiations**	10	28%
14	Other (please explain)	6	17%

Other surveys conducted on a national level reveal the following:
According to a survey conducted by the National League of Cities[4], cities are facing a national economic recession driven by declining housing values, restrictive credit markets, slowed consumer spending and rising unemployment. Overall, the fiscal condition of the nation's cities continues to weaken in 2009.

Among the findings in the annual survey of city finance officers are:

- Nearly nine in 10 (88 percent) city finance officers report that their cities are less able to meet fiscal needs in 2009 than in the previous year;
- Property tax revenues increased by 6.2 percent in 2008, reflecting rising housing values in previous years, but are predicted to slow to 1.6 percent growth by the close of 2009;
- City sales tax revenues (-3.8 percent) and income tax revenues (-1.3 percent) are predicted to decline through to end of 2009;
- **To cover budget shortfalls and balance annual budgets, cities are instituting hiring freezes and laying off personnel, as well as delaying or cancelling planned infrastructure projects.**
- Orlando, Florida, 88 employees in the mayor's office will take a one-week unpaid furlough. The city's appointed officials are also subject to a salary freeze;

[4] The City Fiscal Conditions Survey is a national mail survey of finance officers in U.S. cities. Surveys were mailed to a sample of 1,055 cities, including all cities with populations greater than 50,000 and, using established sampling techniques, to a randomly generated sample of cities with populations between 10,000 and 50,000. The survey was conducted from April to June 2009. The 2009 survey data are drawn from 379 responding cities, for a response rate of 36.0 percent. Also see *Cities Look for Ways to Cut Cost.*

- Dallas, Texas, the city has implemented a mandatory furlough program in response to significant reductions in the city's revenue as a result of the nation's economic downturn. To maximize the energy and personnel cost savings, the city has scheduled furlough days to coincide with holiday weekends. The furloughs, which close all city offices, are expected to save the city $2.6 million in the current fiscal year;
- **City of Seattle has proposed to the Coalition of City Unions a 10-day furlough program aimed at reducing the number of layoffs required in 2010. If approved by union membership, the city would extend the same program to non-represented city employees; and**
- **Anchorage, Alaska, the union representing about 640 municipal office workers approved wage concessions in the form of 56 hours of unpaid furlough.**

Federal Legislation[5]

On January 9, 2009, the Public Safety Employer-Employer Cooperation Act of 2009 **(H.R. 413)** was introduced by Dale Kildee, U.S. Representative, Michigan's 5th District. H.R. 413 would force states and localities to enter into collective bargaining agreements with their public safety officers, regardless of state and local laws.

On August 6, 2009, the Public Safety Employer-Employee Cooperation Act of 2009 **(S.1611)** was also introduced by Senator Judd Gregg, U.S. Senator, New Hampshire.

According to NACo and the National League of Cities:

- H.R. 413 and S. 1611 will place the federal government in charge of establishing the rules and procedures governing the terms and conditions of public safety employment at the municipal level.

- Under H.R. 413, the Federal Labor Relations Authority would develop regulations and criteria for state and local governments to permit public safety employees to form, join unions, and bargain over salaries, terms and conditions of employment. This legislation has a fiscal impact on counties because no funding is provided for state or local implementation.

- Currently, 35 states and the District of Columbia allow some form of collective bargaining, and fifteen states have chosen not to mandate it.

Bill Status: These bills are in the first step in the legislative process. Introduced bills and resolutions first go to committees that deliberate, investigate, and revise them before they go to general debate.

Prepared by: Michael Amador-Gil

[5] NACo Legislative Priorities and National League of Cities Federal Relations

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item:	**8(O)(1)(A) and Supplement**
File Numbers:	**091872** **092462 (Supplement)**
Committee(s) of Reference:	**BCC**
Date of Analysis:	**September 11, 2009**
Type of Item:	**RFQ for County Lobbyists**
Sponsor/ Requester:	**Procurement Management Department**

Summary

This resolution authorizes the Administration to advertise a Request for Qualifications (RFQ) to obtain proposals from law firms, governmental affairs consulting firms, businesses, individuals, or a combination of each to provide representation and consulting services on behalf of the County before the executive and legislative branches of the federal government.

The term of each contract awarded is for 1 year with 3 one-year options-to-renew. A Small Business Enterprise selection is to be included for this solicitation.

Background

On January 24, 2006, the Board of County Commissioners (BCC) authorized the County Mayor to execute agreements with Greenberg Traurig, P.A., Alcade & Fay, and Tew Cardenas LLP to serve as the County's federal lobbyists and consultants. The County has already exercised the 3 one-year options-to-renew. These contracts will expire on February 5, 2010. The pending proposed resolution will allow the Administration to advertise for proposals from qualifying replacement firms, and to ultimately recommend which firms should be awarded the successor contracts.

Committee Action

This item did appear for consideration before the Health, Public Safety and Intergovernmental Committee on June 11, 2009. The committee forwarded the proposed resolution with amendments. Under the amended version of the proposed resolution:

(1) the County will seek 1 or 2 firms, instead of 3;
(2) the estimated contract cost is $400,000 for services as opposed to $200,000 per contract;
(3) the solicitation will add experience in international trade and tourism as additional qualifications for the selected proposer;

(4) work orders will be recommended by the Project Manager, reviewed by the County Attorney's Office and approved by the Chair of the Board of County Commissioners, or designee;
(5) lobbyists' monthly activity reports will go directly to the Board of County Commissioners, Commission Auditor, and Office of Intergovernmental Affairs.

At the June 30, 2009 BCC meeting, this item, as amended, was carried over to July 2, 2009 for further consideration, and ultimately deferred by the BCC pending the scheduling of a workshop. Notably, during the July 2nd deliberations, several Commissioners noted that the RFQ should also include an additional requirement that prospective lobbyists demonstrate access to or political affiliations with the current new federal administration.

July 16, 2009 Workshop and Supplemental Legislation
On July 16, 2009, the Health, Public Safety & Intergovernmental Committee convened a special workshop for purposes of amending the RFQ to reflect the concerns raised by the BCC at the July 2nd BCC meeting. Following the workshop, the Committee Chair drafted the committee's report which sets forth the following recommended amendments to the RFQ.

Section 1.1 (Introduction):	award up to 3 vendors (in lieu of 2 vendors) the lobbying contract
Section 2.1A (Qualifications):	require the selected proposer to possess substantial knowledge of law enforcement, public safety and homeland security issues; and substantial knowledge of energy, environment and natural resource issues
Section 2.1B (Assignment of Work):	increase the aggregate amount per year to $600,000 (allocating $200,000 per firm) with an additional allocation not to exceed $150,000 per year (up from $100,000) for work orders on specific issues; require work orders to be approved by the BCC prior to issuance
Section 4.2 (Evaluation Criteria):	require proposers to possess an understanding of major metropolitan county issues, and award 15 points (in lieu of 30 points); require proposers to have a relationship with President Obama's Administration and the House and Senate leadership, and award an additional 15 points
Section 4.6 (Local Preference):	for this particular solicitation delete text which requires local preference and substitute text which waives local preference
Section 5.0, Art 6(Notice Requirement):	amend Project Manager to read Executive Director of the Office of Intergovernmental Affairs (in lieu of staff stationed at the permanent office located in Washington, DC)

Budgetary Impact

Based on the initial June 11, 2009 committee amendments, the Administration reported that as a result of the proposed reduction in the maximum number of awarded firms from 3 to 2, the total allocation is being reduced from $1,125,000 to $750,000 per year. This reduction included the removal of additional work orders and optional services originally allocated for 3 firms.

Under the prior contract, each contract was valued at $200,000 annually, plus up to $100,000 per contract annually for work orders. The contracts also included payment for approved optional services (consisting of the use of office space in Washington, D.C.; office related supplies and services used by the County; travel by the consultant for special projects at the County's request; and food, non-alcoholic beverage and receptions) or additional work orders, at the County's request, on an as-needed basis, in an amount not to exceed $225,000 annually in the aggregate for all 3 contracts.

Under the pending proposed resolution, as amended on July 16, 2009, the total contract amount allocated per year will be $600,000 to reflect an increase (from 2 to 3) in the number of firms to be awarded a contract. Each firm will receive $200,000 per year. A total of $150,000 will be allocated for approved work orders on special issues.

Prepared By: Lauren Young-Allen

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item: **11(A)2 and 11(A)2 Supplement**

File Number: **092475 and 092552**

Committee(s) of Reference: **Board of County Commissioners**

Date of Analysis: **September 15, 2009**

Type of Item: **Procurement**

Prime Sponsor: **Commissioner Rebeca Sosa**

Summary

This resolution directs the County Mayor or his designee to cease the purchase of furniture by County departments for a period of one year from the date of the adoption of this resolution.

This resolution does not authorize the breach of any current County contractual obligations.

Furthermore, in the event that the purchase of furniture is necessary to provide essential government service or a legally mandated service, or in the event that the Board of County Commissioners (BCC) determines that a specific situation warrants so, the BCC may waive the prohibitions of this resolution upon written request of the Mayor.

Background and Relevant Legislation

According to the County Manager's memo dated June 25, 2009, the County has spent over $16 million in the purchase of furniture from March 1, 2007 through February 28, 2009.

Policy Change and Implication

The planned purchases during the one year timeframe include several library projects, the new Northside Police Station, a series of Fire Rescue facilities, and the second Overtown Tower.

Budgetary Impact

The Office of the Commission Auditor estimates that if the County ceased the purchase of furniture for FY 2009-10, the savings to the County will total $37.984 million (operating $1.9 million and capital $36.084 million).

Prepared by: Elizabeth N. Owens

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item:	**13(B)(1)**
File Number:	**092396**
Committee(s) of Reference:	**BCC**
Date of Analysis:	**September 10, 2009**
Type of Item:	**Conflict Waiver Request**
Sponsor/ Requester:	**County Attorney**

Summary
This resolution grants Greenberg Traurig, P.A. a waiver of the conflict-of-interest provisions set forth in a lobbying contract with the County.

Greenberg Traurig, which currently serves as one of the County's federal lobbyists, is requesting the Board of County Commissioners (BCC) to waive the provisions of the lobbying contract which incorporate County-enacted policy prohibiting County lobbyists from representing any client and/or issue that may be adverse to the County. In this instance, the lobbying firm serves as counsel to Vecellio & Grogan, Inc. and is presently representing the company in an enforcement action brought by the Department of Environmental Resources Management against Vecellio & Grogan, Inc. The law suit is captioned as Miami-Dade County v. Vecellio & Grogan, Inc. The lobbying firm is seeking a conflict-of-interest waiver which would allow the firm to represent, on a limited basis, its client whose interests are adverse to the County and concurrently maintain representation of the County as a lobbyist.

Background and Relevant Legislation
In January 2006, the BCC authorized the award of a contract with a pool of law firms designated to represent the County's interest before the legislative and executive branches of federal government. Greenberg Traurig was among the firms selected. (Resolution No. R-133-06)

As a County lobbyist, the firm is required to comply with the provisions of the County's Conflict-of-Interest ordinances and resolutions. The County-enacted policy requires County lobbyists to seek BCC approval to conduct certain activities which may conflict with county's interest. In such instances the BCC, in its discretion, may take any action regarding a waiver request, including but not limited to the following: (1) grant a waiver and allow the lobbyist, to continue to represent both the County and the other party; (2) refuse to grant a waiver and require the lobbyist to choose between representing the County or the other party, or to discontinue representing the other party; (3) refuse to grant a waiver and void its contract with the lobbyist; (4) grant a limited waiver and allow the lobbyist to continue to represent both the County and the other party under whatever limitations or restrictions the County, in its discretion, determines to be appropriate.

In this case, Greenberg Traurig is seeking a limited waiver which will allow the firm to represent Vecellio & Grogan, Inc. in a legal matter involving the County in which the interests of Vecellio & Grogan, Inc. are adverse to the County's interests. The firm notes that its representation of Vecellio & Grogan, Inc. will not challenge the authority of the BCC, a BCC policy, or the legality of a County ordinance, nor will damages be sought from the County on behalf of Vecellio & Grogan, Inc.

Policy Change and Implication

Granting a request to waive conflict of interest provisions would be consistent with prior action taken by the BCC. Under R-249-03, the BCC granted a waiver of the conflict-of-interest proscriptions to the following County lobbying firms: (1) Ronald L. Book, P.A., (2) Pennington, Moore, Wilkinson, Bell & Dunbar, P.A., (3)Rutledge, Ecenia, Purnell & Hoffman, P.A., and (4) the Carrie Meek Group.

Budgetary Impact

There will be little if any budgetary impact if the proposed waiver resolution is passed.

Prepared by: Lauren Young-Allen

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item: 14(A)2

File Number: 092304

Committee(s) of Reference: Board of County Commissioners

Date of Analysis: September 10, 2009

Type of Item: Resolution

Summary

This resolution ratifies the submission of twenty (20) grant applications to the 2009 Safe Neighborhood Parks (SNP) Bond Grant Program totaling $3,849,500.

Background and Relevant Legislation

The Safe Neighborhood Parks Citizen's Oversight Committee (SNPCOC) has awarded $200 million from Bond proceeds, plus an additional $11.4 million in Bond interest earnings and recaptured funds to more than 40 municipalities, not-for-profit agencies and Miami-Dade County.

On May 14, 2009, the SNPCOC set the following timetable for RFP SNP0809 as follows:

June 15, 2009	RFP Available
June 25, 2009	Pre-proposal Conference
July 20, 2009	Application Deadline to the Clerk of the Board
August 13, 2009	SNPCOC Review Applications
August 20, 2009	Present SNPCOC Recommendations to the Manager
October 2009	Recreation, Culture & Tourism Committee
November 2009	Board of County Commissioners

The original timetable for grant application submittals was July 20, 2009, but an amendment to the grant application rules extended the deadline to July 24, 2009 to allow Park and Recreation Department (PRD) to submit its applications.

According to the Office of Capital Improvements, an amendment can be made to the grant application rules via addendum to be approved by SNPCOC.

On June 9, 2009, the County Manager issued a memo informing the Board of County Commissioners that the Office of Capital Improvements will be advertising a Request for Proposals (RFP) SNP0809 on June 12, 2009 which will provide $6 million (interest earnings) in funding for land acquisitions and capital development of public parks.

According to PRD, over seventy (70) applications were received for the above-mentioned RFP submitted by municipalities, not-for-profits and Miami-Dade County.

Of the twenty (20) grant applications submitted by the PRD (valued at $3,849,500), the SNPCOC only approved eleven (11) projects (valued at $1,282,500).

The eleven grant applications approved by SNPCOC (SNP0809) is as follows:

District	Project	SNP Request	Total Project Cost	Matching Funds
2	Little River Park	$100,000	$200,000	CDBG
7	Sunkist Park	$175,000	$350,000	QNIP
9	Ben Shavis Park	$100,000	$200,000	CDBG
9	Naranja Park	$110,000	$221,000	QNIP
10	Ruben Dario Park	$72,800	$145,600	GOB
10	McMillian Park	$191,600	$383,200	GOB
10	Blue Lakes Park	$140,600	$281,200	QNIP
11	Millers Pond Park	$155,000	$310,000	QNIP
11	Westwind Lakes Park	$45,000	$90,000	QNIP
11	Lago mar Park	$96,000	$192,000	QNIP
11	Hammocks Community Park	$96,000	$192,000	QNIP

Budgetary Impact

The grant application will only contribute $3,849,500 toward the estimated total project cost of$7,699,000. The remaining project costs will be provided from various sources to include QNIP, CDBG, Impact Fees and GOB funds.

According to the Office of Capital Improvements latest SNP Quarterly Status Report (June 2009), the following values can be derived from the report to include:

- 32 SNP Projects remaining in various stages of progress from design, construction, completion;
- Total value of active contracts $29,851,431;
- Amount paid on total value $7,243,364;
- Total value of contracts remaining to be paid $22,608,067.

The project listed in the above-mentioned quarterly report does not include SNP projects to be awarded by the BCC from the latest SNP RFP SNP0809. The total funds available to be awarded through RFP SNP0809 are $5,954,908.

Prepared By: Mia B. Marin

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item:	**14(A)4**
File Number:	
Committee(s) of Reference:	**Airport & Seaport**
Date of Analysis:	**September 10, 2009**
Type of Item:	**Resolution**
Sponsor:	**Seaport Department**

Summary

This resolution does the following:

- Approves the execution of a Stevedoring Services Access Agreement between the County and Royal Caribbean Cruises, Inc.
- Approves the standard execution standardized Non-Exclusive Stevedoring Service Contracts between the County and permitted stevedores, after review of the County Attorney's Office.
- Waives the County policy of conducting a competitive bidding process for contracts as it relates to services covered by the Non-Exclusive Stevedoring Service Contracts, and also allows Royal Caribbean to select its desired stevedore from among the Port's permitted stevedores.
    - Note: A 2/3's vote of the Board of County Commissioners present is required to waive competitive bidding procedures, pursuant to Section 5.03(D) of the County Charter, and Section 2-8.1 of the County Code.

Background and Relevant Legislation

This item represents the third phase in a three-phase process to implement a unitary fee for Royal Caribbean Cruise Lines (RCCL). The Board approved the phased-in implementation of the unitary fee model for RCCL when it approved Resolution **R-1345-08**, on Dec. 2, 2008.

As noted in the Manager's memo accompanying the item, Phase 1 of the unitary fee was implemented in Jan. 2009, and included the bundling of dockage, wharfage, harbor fee, and water into a single rate of $9.86 per embarking and disembarking passenger.

Phase 2 included adding security services to the fee. Under the agreement, the County will provide security services and RCCL will pay the County for the security services and an additional administrative fee. Phase 2 was approved by the Board on June 30, 2009.

Phase 3 of this unitary fee model will allow Royal Caribbean to access to the non-exclusive stevedoring contracts between the County and the Port-permitted stevedores.

Unitary Fee

The unitary fee model is relatively new to the cruise line industry, yet it is a trend that is being pursued by the select cruise lines at varying ports, according to officials at the Port of Miami and Port Everglades.

Benefits of bundling service charges into a single fee paid to the port include the simplified financial transaction between the port and the cruise line. A single fee per embarking and disembarking passenger which is paid to one vendor (in this case the Port of Miami) also allows the cruise line to cut down on back office staff, and may decrease financial computation errors. Unitary fees also allow a port to lock in guaranteed rate from cruise lines.

Currently, RCCL appears to be leading the push for unitary fees. RCCL currently has similar fee arrangements with the following ports: Everglades, Galveston and Southampton.

The unitary fee model approved by the Miami-Dade County Board of County Commissioners (R-1345-08) applies to RCCL only. According to Port of Miami staff, other cruise lines may request a unitary fee. Cruise lines at the Port of Miami are not mandated to adopt the unitary fee model.

Policy Change and Implication

This item represents Phase 3 in the implementation of a unitary fee service provided by Port of Miami to RCCL, pursuant to R-1345-08. The unitary fee is a new fee model at the Port of Miami. Based on the success of this fee model, other cruise lines at the Port of Miami may opt for similar arrangements.

Budgetary Impact

According to the Manager's memo, the stevedoring contracts associated with this item are revenue neutral as the costs incurred by the County will be billed to Royal Caribbean based on provisions of the unitary fee agreement. An annual fee of $100,000 will be charged to the cruise line to cover the Port's administrative costs.

Prepared By: Jason T. Smith