

Memorandum



Date: May 4, 2010

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

Agenda Item No. 8(F)(1)(B)

From: George M. Burgess
County Manager

Subject: Recommendation for Approval of Interlocal Agreement with City of Sweetwater For Workers' Compensation Services

Recommendation

It is recommended that the Board of County Commissioners approve an Interlocal Agreement between Miami-Dade County (County) and the City of Sweetwater (City) to provide for Miami-Dade County's continued administration of City of Sweetwater's Workers' Compensation obligations.

Scope

Countywide

Background

On September 6, 1977, the Board of County Commissioners approved Resolution No. R-968-77 authorizing the County Manager to execute agreements with participating municipalities to have Miami-Dade County act as servicing agent for their self insured workers' compensation obligations. The City of Sweetwater, City of Miami Springs, City of West Miami and Village of El Portal are currently participating under the agreement, which requires that they reimburse the County for the cost of all claims, state assessments, and an administrative fee.

The City of Sweetwater is currently in arrears to the County in the amount of \$586,859. All other participating municipalities are current with their payments. The County and the City negotiated the attached agreement which establishes a three-year payment plan for the past due balance, and requires that the City pay all future invoices on a timely basis, fund a claims reserve, and purchase a reinsurance policy to protect the City of Sweetwater against claims in excess of \$100,000. Additionally, the City has requested that the balance of their American Recovery and Reinvestment Act (ARRA) funding in the amount of \$136,113 be returned to the County where it can be applied to their outstanding balance. The ARRA funding will be used by Miami-Dade Transit for capital purposes, ultimately freeing up general fund revenue currently used for South Florida Regional Transportation Authority (SFRTA) support, which will then be applied to Sweetwater's outstanding balance. As a result, their net arrearage would equal \$450,746. The agreement will protect the County against future deficits and allow us to continue to provide this service to the City of Sweetwater. At its February 1, 2010, meeting, by Resolution No. 3458 (attached), the City of Sweetwater Commission approved the Interlocal Agreement with the County.

Fiscal Impact

The Interlocal agreement delineates the payment schedule for the City of Sweetwater to repay the outstanding balance, and to maintain the account prospectively. This will positively impact the balance in the insurance trust fund.

Track Record/Monitor

Compliance with this agreement will be monitored by Clayton Baptiste, General Services Administration, Administrative Services Division Director.

Wendi J. Norris, Director
General Services Administration



MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

DATE: May 4, 2010

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(F)(1)(B)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor

Agenda Item No. 8(F)(1)(B)
5-4-10

Veto _____

Override _____

RESOLUTION NO. _____

RESOLUTION APPROVING AN INTERLOCAL AGREEMENT WITH THE CITY OF SWEETWATER FOR WORKERS' COMPENSATION SERVICES; AND AUTHORIZING THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE TO EXERCISE ANY AND ALL OTHER RIGHTS CONFERRED THEREIN

WHEREAS, pursuant to Section 440.38, Florida Statutes, the State, its boards, bureaus, departments and agencies and all of its political sub-divisions which employ labor, and the state universities, shall be deemed self-insurers under the terms of the Workers' Compensation Law unless they elect to procure and maintain insurance to secure benefits of the Workers' Compensation Law to their employees; and

WHEREAS, the County and the City are self-insured; and

WHEREAS, the Board of County Commissioners, by Resolution No. R-968-77, adopted September 6, 1977, authorized the County Manager to execute the necessary agreements to pool the liabilities of the County and participating municipalities and government agencies under Workers' Compensation Law; and

WHEREAS, since 1977, through this pool the County has provided administration of the City's self-insured workers' compensation obligation; and

WHEREAS, the City is desires to continue participation through this pool; and

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves the Interlocal Agreement with the City of Sweetwater For Workers' Compensation Services, in

substantially the form attached hereto and made a part hereto; authorizes the County Mayor or County Mayor's designee to execute same for and on behalf of Miami-Dade County; and authorizes the County Mayor or County Mayor's designee to exercise any and all other rights conferred therein.

The foregoing resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Bárbara J. Jordan	Joe A. Martinez
Dorrian D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of May, 2010. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. 

Monica Maldonado

RESOLUTION NO. 3458

A RESOLUTION OF THE MAYOR AND COMMISSION OF THE CITY OF SWEETWATER, FLORIDA, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SWEETWATER AND MIAMI-DADE COUNTY FOR CONTINUED ADMINISTRATION OF THE CITY'S SELF-INSURED WORKERS' COMPENSATION OBLIGATION BY MIAMI-DADE COUNTY; PROVIDING FOR EFFECTIVE DATE.

WHEREAS, The City of Sweetwater is a participant in the County's self-insured workers' compensation pool; and,

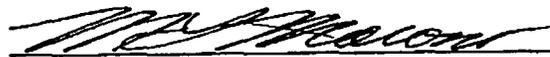
WHEREAS, The City desires to continue participation through this pool:

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMISSION OF THE CITY OF SWEETWATER, FLORIDA AS FOLLOWS:

SECTION 1. That the Mayor and City Clerk are hereby authorized to execute an interlocal agreement with Miami-Dade County to continue participation in the County's self-insured workers' compensation pool.

SECTION 2. That this resolution shall become effective upon its adoption by the City Commission and approval by the Mayor or if vetoed, upon its re-enactment by the City Commission as provided by the Charter of the City of Sweetwater.

PASSED AND ADOPTED this 1st day of February, 2010.



MANUEL MAROÑO, MAYOR



JOSE M. DIAZ, COMMISSION PRESIDENT

Jose Bergouignan Jr



Carlos Alvarez, Mayor

County Executive Office
County Manager
111 NW 1st Street • Suite 2910
Miami, Florida 33128-1994
T 305-375-5311 F 305-375-1262

miamidade.gov

January 19, 2010

RECEIVED

JAN 25 2009

MAYOR'S OFFICE

Honorable Manuel L. Maroño
Mayor, City of Sweetwater
500 S.W. 109th Avenue
Sweetwater, FL 33174-1398

Dear Mayor Maroño: *Manny*

Following our meeting on September 24, 2009, I was optimistic you were committed to resolving the City of Sweetwater's outstanding balance owed to the County for workers' compensation services. I remain optimistic. We discussed proposed terms for the repayment as well as the requirement to remain current on all future billings. As promised, General Services Administration Director Wendi Norris forwarded a draft agreement to your chief of staff, Frank Lago on October 19, 2009.

We received a check in the amount of \$187,665 from the City of Sweetwater on December 8, 2009, and I appreciate that payment. While this reduces your outstanding balance to \$486,745, we need your commitment to remain current on all charges and assurances that you will repay the prior years' outstanding balance within the next three years. We have laid out terms in the attached agreement which we would like to bring to the County Commission upon approval by your City Commission. If you are unable to meet the obligations of an agreed upon schedule, we will have no choice but to cease providing County services to the City, including the fueling of City vehicles.

I look forward to working together to resolve this matter.

Sincerely,

George M. Burgess
County Manager

Attachment

- c: Honorable Carlos Alvarez, Mayor
- Jennifer Glazer-Moon, Director, Office of Strategic Business Management
- Wendi J. Norris, Director, General Services Administration

Wendi J. Norris

Res # 3458

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INTERLOCAL AGREEMENT
DATED _____, 2009
BETWEEN MIAMI-DADE COUNTY AND
THE CITY OF SWEETWATER

This Interlocal Agreement made and entered into this _____ day of _____, 20__ (the "Interlocal") by and between Miami-Dade County, a political subdivision of the State of Florida (the "County") and the City of Sweetwater, a municipal corporation organized under the laws of the State of Florida (the "City") regarding the County's continued administration of the City's self-insured workers' compensation obligation.

WITNESSETH:

WHEREAS, pursuant to Section 440.38, Florida Statutes, the State, its boards, bureaus, departments and agencies and all of its political sub-divisions which employ labor, and the state universities, shall be deemed self-insurers under the terms of the Workers' Compensation Law unless they elect to procure and maintain insurance to secure benefits of the Workers' Compensation Law to their employees;

WHEREAS, the County and the City are self-insured;

WHEREAS, the Board of County Commissioners, by Resolution No. R-968-77, adopted September 6, 1977, authorized the County Manager to execute the necessary agreements to pool the liabilities of the County and participating municipalities and government agencies under Workers' Compensation Law;

WHEREAS, since 1977, through this pool the County has provided administration of the City's self-insured workers' compensation obligation;

WHEREAS, the City is desires to continue participation through this pool;

NOW THEREFORE, IT IS MUTUALLY UNDERSTOOD AND AGREED BY THE RESPECTIVE PARTIES HERETO:

1. The City is currently in arrears to the County in the amount of \$486,746. The City will pay the County this amount as follows:
 - a) \$162,249.00 by no later than October 30, 2010
 - b) \$162,249.00 by no later than October 30, 2011
 - c) \$162,248.00 by no later than October 30, 2012

2. The City agrees to fund a 90-day claims reserve in the amount of \$32,750.00. This reserve shall be paid to the County within thirty (30) days after this agreement is ratified by the Board of County Commissioners.
3. The City agrees to obtain a reinsurance policy to cover any claim over \$100,000.00 and provide the County initial proof of coverage within thirty (30) days after this agreement is ratified by the Board of County Commissioners. Thereafter, the City will provide proof of coverage to the County on a yearly basis.

*Deleted and
modified per
attached
addendum
ms*

- ~~4. The County will continue to administer the City's workers' compensation obligation and will seek approval from the City to settle any workers' compensation claim over \$25,000.00. The County is free to settle any workers' compensation claim under \$25,000.00 without the City's approval.~~
5. No later than thirty (30) days after the City approves a settlement over \$25,000.00, the City will pay the County the amount of the settlement prior to the settlement agreement being executed by the claimant and the County.
6. The County will bill the City quarterly for their workers' compensation costs, calculated as follows:
 - a) Actual cost of claims;
 - b) Actual assessments levied by the State;
 - c) An administration fee for claims handling, including litigation costs. As of fiscal year 2009-2010, this fee is ten percent (10%) of the Total Adjusted Premium calculated by the State in its yearly Self-Insured Assessment Report.
7. The City agrees to keep current with all quarterly invoices sent by the County and will pay the County within 30 days of receipt of invoice.
8. Failure to make timely payments will result in the County's immediate termination of its administration of the City's workers' compensation obligation as well as the provision of other County services including fuel. In any other event, either party shall have the right to cancel this Agreement at any time by giving the other party at least sixty (60) days written notice prior to its effective date.

9. The parties hereto agree that this Agreement shall supersede all previous Agreements between the parties.

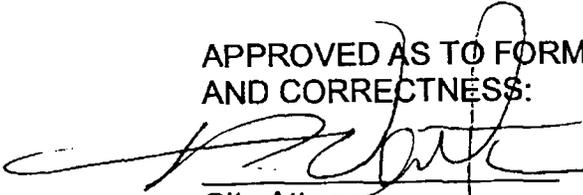
IN WITNESS THEREOF, both parties have caused this Agreement to be executed by their respective and duly authorized officers the day and year first above written.



City of Sweetwater

Carlos Alvarez
County Mayor
Miami-Dade County

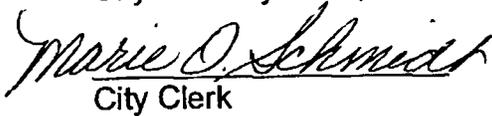
APPROVED AS TO FORM
AND CORRECTNESS:



City Attorney

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

Assistant County Attorney



City Clerk

Clerk of the Board

Addendum to Interlocal Agreement

Paragraph four (4) of the Interlocal Agreement to which this addendum is attached is modified as follows by adding the underscored text and deleting the stricken-through text. Otherwise, the Interlocal Agreement is unchanged.

The County will continue to administer the City's workers' compensation obligation. The County will seek approval from the City to settle any workers' compensation claim. Such approval may be sought directly from the Mayor of the City of Sweetwater for amounts under \$10,000. Amounts of or above \$10,000 must be approved by the City Commission.

DATED: _____

Miami Dade County

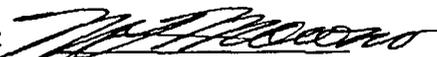
City of Sweetwater

By: _____

Name:

Title:

By:



Manny Marono, Mayor

