

Memorandum



Date: March 6, 2012

Agenda Item No. 1F10

To: Honorable Joe A. Martinez, Chairman
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

A handwritten signature in black ink, appearing to read "Carlos A. Gimenez".

Subject: Sunset Review of County Boards for 2012 – Port of Miami Crane Management, Inc.

In accordance with the provisions of Section 2-11.40 of the Code of Miami-Dade County, I am transmitting the 2012 Sunset Review of County Boards Report for the Port of Miami Crane Management, Inc. Board. The Crane Management Board approved the attached report at its meeting of November 22, 2011 and has recommended its continuation.

A handwritten signature in black ink, appearing to be the signature of the Deputy Mayor.

Deputy Mayor

mayor05912

Date: November 22, 2011
To: Carlos A. Gimenez
Mayor
From: Juan Kuryla
Chairperson, Port of Miami Crane Management, Inc.
Subject: Sunset Review of County Boards for 2012 – Port of Miami Crane Management, Inc.

Pursuant to Section 2-11.40 of the Code of Miami-Dade County, I am submitting the 2012 Sunset Review of County Boards Report for Port of Miami Crane Management, Inc. ("Crane Board"), for transmittal to the Board of County Commissioners ("BCC"). Although the Crane Board is not officially a County Board, as it is a board of directors of a not-for-profit company created by the BCC via resolution, for the purposes of consistency with similar reports submitted in prior years and continued transparency in the company's operation, it was recommended by the Crane Board that it continue submitting these reports to the BCC. The Crane Board approved the attached report at its meeting of November 22, 2011.

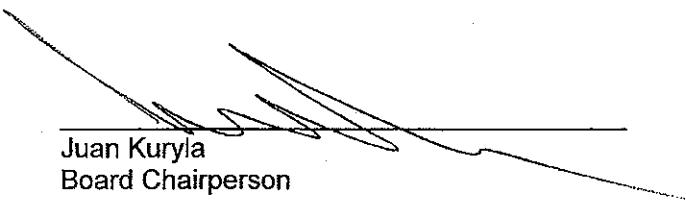
It is respectfully recommended that the BCC approve the continuation of Port of Miami Crane Management, Inc.

BACKGROUND

The Port of Miami Crane Management, Inc., was created pursuant to resolution R-671-99 on November 11, 1999. As established, the company is supervised by a Board of Directors consisting of five (5) voting members and two (2) ex-officio members

The purpose and or mission of the Board of Directors for Port of Miami Crane Management, Inc., is to oversee the management and maintenance of the Seaport's container handling gantry cranes and related equipment.

This company continues to perform well in conjunction with the Seaport Department, and thus, it is recommended that the Crane Board continue as it has proven to provide effective and responsive leadership in ensuring that the Port's container handling equipment remains well maintained and fully functional.



Juan Kuryla
Board Chairperson

Attachment

**SUNSET REVIEW QUESTIONNAIRE
MIAMI-DADE COUNTY BOARDS
2012**

I. GENERAL INFORMATION

1. Name of Board reporting:
Port of Miami Crane Management, Inc., Board of Directors

2. Indicate number of board members, terms of office, and number of vacancies:
Number of Board Members: Seven (7) – Five (5) Voting and Two (2) Ex-Officio
Terms of Office: See Attached
Number of Vacancies: Zero (0)

3. Identify number of meetings and members' attendance (Attach records reflecting activity from **Jan. 1, 2010** through **December 31, 2011**):
Number of Meetings: 12 Meetings including that of November 22, 2011
Number of Meetings with a Quorum: 12 including that of November 22, 2011
Attendance Records: See Attached

4. What is the source of your funding?
The Company's Budget is approved by the Seaport, therefore all funding comes from the Port of Miami

5. Date of Board Creation: November 11, 1999

6. Attach a copy of the ordinance creating the Board (Please include all subsequent amendments).
See Attachment: R-671-99 See Attached

7. Include the Board's Mission Statement or state its purpose:
The mission of the Board of Director's for the Port of Miami Crane Management, Inc., ("Crane Management") is to oversee the management and maintenance of the Seaport's Gantry container handling cranes and related equipment ("the Cranes")

8. Attach the Board's standard operating procedures, if any.
Not Applicable

9. Attach a copy of the Board's By-Laws, if any.
See Attached

10. Attach a copy of the Board minutes approving the Sunset Review Questionnaire, **including a vote of the membership**.
See Attachment: See Attached

**SUNSET REVIEW QUESTIONNAIRE
MIAMI-DADE COUNTY BOARDS
2012**

II. EVALUATION CRITERIA

1. Is the Board serving the purpose for which it was created? (Please provide detailed information) Yes, the Board serves the purpose for which it was created. As stated in the Bylaws, Port of Miami Crane Management, Inc., (PMCM) Board of Directors provides policy and direction to the management of the Corporation. The Board holds monthly/bi-monthly meetings, at which time the Board approves, recommends and advises the Company's management on actions to take.

2. Is the Board serving current community needs? (Please provide detailed information) Yes, this Board serves the community needs by overseeing the Company's expenditures and assures that the needs of the Seaport are met. The Company is a Not for Profit Organization which is 100% funded by the Seaport; it is extremely important that expenditures are kept to a minimum without compromising service levels, therefore this Board services the community needs by overseeing the Company's expenditures and operations.

3. What are the Board's major accomplishments?
 - a. Last 24 months With the Board's approval, the Company achieved substantial operating savings by implementing cost savings initiatives developed in partnership with the Seaport. As a result, the operating budget has been reduced by approximately 10%. The Board continues to support and guide the CEO and staff in the enhancement of the operating and crane maintenance programs. As the company's staff are experts in the Crane industry, the Board with its staff provide the technical assistances to the Seaport in Capital Development projects such as new crane procurement of Cranes 11-12 and 13-16 as well as numerous other related projects including the Electrification of the County's Seaport Cranes 4-10.

 - b. Since established The initial Board created the framework to organize all corporate matters to govern the organization by establishing broad policies and objectives. It appointed the chief executive and reviews his performance and accomplishments to assure all of the company's goals are achieved. The Board established two (2) committees; the Executive and the Finance Committees. It ensures the availability of adequate financial resources and approves annual budgets. It provides support and guidance to the chief executive in achieving the County's goals. The Board has supported the County's Seaport Department and overseen numerous Capital Development projects. It has also supported and guided its staff in developing and implementing effective crane maintenance and safety programs.

4. Is there any other board, either public or private, which would better serve the function of this board?
No, this Board was created specifically to oversee the operations of PMCM therefore no other Board, public or private, can better serve the functions of the Board

**SUNSET REVIEW QUESTIONNAIRE
MIAMI-DADE COUNTY BOARDS
2012**

5. Should the ordinance creating the Board be amended to better enable the Board to serve the purpose for which it was created? (If "Yes", attach proposed changes)

No

6. Should the Board's membership requirements be modified?

No, at this time the Board's membership requirement should not be modified.

7. What is the operating cost of the Board, both direct and indirect? (Report on FY 2010 and FY 2011)

The operating cost of this Board in FY2010 was \$7,500.00 and in FY2011 approximately \$6,500.00.

8. Describe the Board's performance measures developed to determine its own effectiveness in achieving its stated goals.

The Board has no performance measure in place.



**Clerk of the Board
COUNTY BOARDS AND
APPOINTMENTS**
Miami-Dade County, Florida



Printed On : 10/17/2011 4:17:53 PM

Printed By : SYSTEM: PRINTER

PORT OF MIAMI CRANE MANAGEMENT INC. COMMITTEE

AUTHORITY R-671-99, COUNTY RESOLUTION

DESCRIPTION TO MANAGE THE MAINTENANCE AND REPAIR SERVICES FOR THE CRANES AT THE SEAPORT.

COMPOSITION SEVEN (7) MEMBERS TO INCLUDE: FIVE (5) VOTING MEMBERS- TWO (2) MEMBERS APPOINTED BY THE BOARD OF COUNTY COMMISSIONERS; ONE (1) MEMBER APPOINTED BY THE MAYOR OF MIAMI DADE COUNTY (CTY MANAGER APPTS ARE NOW MADE BY THE MAYOR DUE TO CHARTER AMENDMENT); THE DIRECTOR OF PORT OF MIAMI OR DESIGNEE; ONE (1) MEMBER APPOINTED BY PORT OF MIAMI GANTRY COMMITTEE; TWO (2) NON-VOTING EX-OFFICIO- ONE (1) MEMBER APPOINTED BY THE MAYOR OF MIAMI DADE CTY (CTY MANAGER APPTS ARE NOW MADE BY THE MAYOR DUE TO CHARTER AMENDMENT); ONE (1) MEMBER APPOINTED BY THE PORT OF MIAMI CRANE MGMT. COMMITTEE.

QUALIFICATION RESIDENTS AND ELECTORS OF MIAMI-DADE COUNTY AND HAVE WHO AN OUTSTANDING REPUTATION FOR INTEGRITY, RESPONSIBILITY AND COMMITMENT TO SERVING THE COMMUNITY.

APPOINTMENT PROCESS APPOINTMENTS BY THE BOARD OF COUNTY COMMISSION ARE APPROVED BY THE FULL BOARD OF COUNTY COMMISSIONERS. ALL OTHER APPOINTMENTS ARE SUBMITTED TO THE CLERK OF THE BOARD.

MEMBER NAME	TERM	CATEGORY	APPOINTED/NOMINATED BY	
CHRISTOPHER C AROCHA 1107 N AMERICA WAY 501 MIAMI, FL 33132	9/24/2009 TO 9/24/2013		ORGANIZATION- SOUTHEAST FLORIDA EMPLOYERS PORT ASSOCIATION, INC.	
MARK BAKER 2299 PORT BLVD. MIAMI, FL 33132	6/21/2011 TO 6/21/2013		BOARD OF COUNTY COMMISSIONERS	
BRUCE BRECHEISEN 8001 NW 79TH AVENUE MIAMI, FL 33166	5/4/2010 TO 5/4/2014		COUNTY MANAGER- GEORGE M. BURGESS	
JUAN KURYLA 1015 NORTH AMERICA WAY MIAMI, FL 33132	TENURE		DESIGNATED SEAT- DIRECTOR, PORT OF MIAMI.	
JACK OSTERHOLT 111 NW 1ST STREET 29TH FLOOR MIAMI, FL 33128	9/15/2011 TO 9/15/2015	NON-VOTING, EX-OFFICIO - COUNTY MANAGER	MAYOR- CARLOS A. GIMENEZ	
BARBARA M. PIMENTAL 2305 NW 107TH AVENUE MIAMI, FL	6/21/2011 TO 6/21/2013		BOARD OF COUNTY COMMISSIONERS	
CLARENCE PITTMAN JR.	5/21/2009 TO 5/21/2013	NON-VOTING , EX-OFFICIO	ORGANIZATION- PORT OF MIAMI CRANE MGMT INC COMMITTEE	
VACANCY	APPOINTED/NOMINATED BY	CATEGORY	MEMBER STATUS	VACANT SINCE

Board Name: Port of Miami Crane Management, Inc. Board of Directors

BOARD OF DIRECTOR'S MEETING

MEETING DATE	BOARD MEMBERS NAME	COMMENT
January 15, 2010	Mr. José Gómez - Voting Dr. Fran Bohnsack - Voting Mr. Chris Arocha - Voting Comm. Dorrin Rolle - Voting Mr. Juan Kuryla (Bill Johnson) - Voting Ms. Ysela Llort - Non Voting Mr. Clarence Pittman Jr. - Non Voting	Board had quorum
January 26, 2010	Mr. José Gómez - Voting Dr. Fran Bohnsack - Voting Mr. Chris Arocha - Voting Ms. Ysela Llort - Non Voting	Board had quorum
February 19, 2010	Mr. José Gómez - Voting Dr. Fran Bohnsack - Voting Mr. Chris Arocha - Voting Comm. Dorrin Rolle - Voting Mr. Bill Johnson - Voting Ms. Ysela Llort - Non Voting	Board had quorum
May 5, 2010	Dr. Fran Bohnsack - Voting Mr. Chris Arocha - Voting Comm Dorrin Rolle - Voting Mr. Bill Johnson - Voting Mr. Brecheisen - Voting Ms. Ysela Llort - Non-Voting	Board had quorum
May 21, 2010	Dr. Fran Bohnsack - Voting Mr. Chris Arocha - Voting Mr. Juan Kuryla (Bill Johnson) - Voting Mr. Brecheisen - Voting Ms. Ysela Llort - Non-Voting	Board had quorum
July 14, 2010	Mr. Juan Kuryla - Voting Dr. Fran Bohnsack - Voting Mr. Chris Arocha - Voting Mr. Bruce Brecheisen - Voting Mr. Clarence Pittman - Non Voting	Board had quorum
October 26, 2010	Mr. Juan Kuryla - Voting Dr. Fran Bohnsack - Voting Mr. Chris Arocha - Voting Mr. Bruce Brecheisen - Voting Comm Dorrin Rolle - Voting	Board had quorum

Board Name: Port of Miami Crane Management, Inc. Board of Directors

BOARD OF DIRECTOR'S MEETING

MEETING DATE	BOARD MEMBERS NAME	COMMENT
January 31, 2011	Mr. Juan Kuryla - Voting Mr. Chris Arocha - Voting Mr. Bruce Brecheisen - Voting Ms Ysela Llort - Non Voting	Board had quorum
March 16, 2011	Mr. Juan Kuryla - Voting Mr. Chris Arocha - Voting Mr. Bruce Brecheisen - Voting	Board had quorum
May 18, 2011	Mr. Juan Kuryla - Voting Mr. Chris Arocha - Voting Mr. Bruce Brecheisen - Voting	Board had quorum
August 17, 2011	Mr. Juan Kuryla - Voting Ms. Barbara Pimentel - Voting Mr. Chris Arocha - Voting Mr. Bruce Brecheisen - Voting Mr. Mark Baker - Voting	Board had quorum
November 22, 2011	Mr. Juan Kuryla - Voting Ms. Barbara Pimentel - Voting Mr. Chris Arocha - Voting Mr. Bruce Brecheisen - Voting Mr. Mark Baker - Voting Mr. Jack Osterholt - Non-Voting	Board had quorum



Miami-Dade Legislative Item File Number: 991433

Printable PDF Format

File Number: 991433 **File Type:** Resolution **Status:** Adopted
Version: 0 **Reference:** R-671-99 **Control:** County Commission
File Name: CRANE MAINTENANCE COMPANY BUSINESS PLAN **Introduced:** 5/28/1999
Requester: Seaport Department **Cost:** **Final Action:** 6/8/1999
Agenda Date: 6/8/1999 **Agenda Item Number:** 601A

Notes: Title: RESOLUTION ADOPTING THE ATTACHED CRANE MAINTENANCE COMPANY BUSINESS PLAN IN PRINCIPLE; AND AUTHORIZING THE COUNTY MANAGER TO (I) PROCEED WITH THE ESTABLISHMENT OF A NOT-FOR-PROFIT PRIVATE CORPORATION TO MANAGE THE MAINTENANCE AND REPAIR SERVICES FOR THE SEAPORT DEPARTMENT'S CRANES, AND (II) BRING BACK TO THIS BOARD FOR APPROVAL A FINAL CRANE MANAGEMENT AGREEMENT WITH THE NEWLY CREATED NOT-FOR-PROFIT CORPORATION, AS WELL AS A TRI-PARTY TRANSITION AGREEMENT AMONG THE COUNTY, THE INTERIM CRANE MANAGEMENT COMPANY AND THE NEW NOT-FOR-PROFIT CORPORATION

Indexes: NONE **Sponsors:** NONE

Sunset Provision: No **Effective Date:** **Expiration Date:**
Registered Lobbyist: None Listed

Legislative History

Acting Body	Date	Agenda Item	Action	Sent To	Due Date	Returned Pass/Fail
Board of County Commissioners	6/8/1999	601A	Adopted			P
County Manager	5/28/1999		Assigned	County Attorney	6/8/1999	
County Attorney	5/28/1999		Assigned	Steven B. Bass		

Legislative Text

TITLE

RESOLUTION ADOPTING THE ATTACHED CRANE MAINTENANCE COMPANY BUSINESS PLAN IN PRINCIPLE; AND AUTHORIZING THE COUNTY MANAGER TO (I) PROCEED WITH THE ESTABLISHMENT OF A NOT-FOR-PROFIT PRIVATE CORPORATION TO MANAGE THE MAINTENANCE AND REPAIR SERVICES FOR THE SEAPORT DEPARTMENT'S CRANES, AND (II) BRING BACK TO THIS BOARD FOR APPROVAL A FINAL CRANE MANAGEMENT AGREEMENT WITH THE NEWLY CREATED NOT-FOR-PROFIT CORPORATION, AS WELL AS A TRI-PARTY TRANSITION AGREEMENT AMONG THE COUNTY, THE INTERIM CRANE MANAGEMENT COMPANY AND THE NEW NOT-FOR-PROFIT CORPORATION

BODY

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:

Section 1. Adopt the Crane Maintenance Company Business Plan (Plan) in principle, in substantially the form attached and after review and legal sufficiency approval by the Office of the County Attorney; and

Section 2. Authorize the County Manager to (i) proceed with the establishment of a not-for-profit private corporation (as described in the Plan) to manage the maintenance and repair services for the Seaport Department's cranes; and (ii) bring back to this Board for its approval a final crane management agreement with the newly created not-for-profit private corporation as well as a tri-party transition agreement among the County, the interim crane management company (Port Crane Maintenance Co., L.L.C.), and the new not-for-profit private corporation.

STAFF RECOMMENDATION

It is recommended that the Board approve the accompanying resolution adopting the attached Crane Maintenance Company Business Plan (Plan) in principle; and authorizing the County Manager to (i) proceed with the establishment of a not-for-profit private corporation (as described in the Plan) to manage the maintenance and repair services for the Seaport Department's cranes; and (ii) bring back to this Board for its approval a final crane management agreement with the newly created not-for-profit private corporation as well as a tri-party transition agreement among the County, the interim crane management company (Port Crane Maintenance Co., L.L.C.), and the new not-for-profit private corporation.

MANAGER'S BACKGROUND

At its meeting of February 2, 1999, the Board approved resolution R-146-99, which, among other things, authorized the County Manager to explore the feasibility of establishing a not-for-profit corporation to manage all maintenance and repair services associated with the Seaport's container gantry cranes.

Following this directive from the Board, staff commenced work on due diligence background data collection and preparation of the Plan for the proposed not-for-profit private corporation (the "Company"). The attached Plan was created primarily by County staff, as outlined on the Plan's Business Plan Development Team and reviewed by an outside management/financial advisory firm

(KPMG, L.L.P.) to ensure accuracy and objectivity.

The Plan includes an executive summary which provides (i) a brief introduction of the Dante B. Fascell Port of Miami-Dade ("Port of Miami" or "Port"), as it relates to the history of its container gantry crane operations; (ii) an extensive background on the competitive selection process followed for the selection of a permanent gantry crane management company, including the present recommendation to establish the not-for-profit corporation; and (iii) summaries of the basic components of the Plan, i.e., the organizational overview, operations plan, financial plan, and implementation plan components. Also included as part of the Plan are the proposed articles of incorporation and bylaws for the Company, as well as several appendices such as detailed crane specifications, job descriptions for the Company's employees, annual expenditure projections, a sample crane management agreement, the International Longshoremen's Association's (ILA) collective bargaining agreement, and others.

The proposed Company, as detailed in the Plan, would be incorporated by the County under Chapter 617, Florida Statutes. The Company would be governed by a Board of Directors, whose composition would be set forth in its articles of incorporation, as follows: two (2) directors appointed by the Board of County Commissioners; one (1) director appointed by the County

Honorable Chairperson and Members

Board of County Commissioners

Page 2

Manager; the Port Director or his/her designee (a Seaport employee at the assistant director level or higher); and one (1) director appointed by the Port of Miami Gantry Crane Committee, or in the absence of a timely selection by such committee (no longer than thirty days from this seat on the Board of Directors becoming open), this appointment shall be made by the Board of County Commissioners.

In addition to these five voting members, two (2) ex-officio, non-voting members may also serve on the Board; one appointed by County Manager and the other appointed by the Board of Directors itself. The Mayor of Miami-Dade County shall select the Chairperson of the Board of Directors. In its letter to the Port Director (included in the Plan), KPMG states that this recommended Board of Directors structure meets the criteria necessary in any governance structure; these are diversity of interests, relevance, stability and knowledge.

Operationally, the Company will manage the maintenance and repair of the container gantry cranes and other cargo handling related Port equipment under the terms of a crane management agreement with the County. This not-for-profit private corporation will enter into contracts in its own name and will be an independent contractor of the County, thus removing liability to the County for any acts or omissions of the corporation or its staff.

The Company's articles of incorporation and bylaws will address issues such as purpose, membership, executive staff, meetings, corporate records, indemnification, etc. Although this entity would function independently from the County, the County will continue to collect all revenues and reimburse the Company for all actual, necessary, and reasonable crane maintenance and repair expenses as approved in its annual budget (approved by the County as a component of the Port's annual budget), plus any other County approved extraordinary expenses.

Additionally, the Company will procure goods and services on an expedited basis, as required for the continued use of the cranes, as well as procure, on a retainer basis, the services of a large nationally recognized crane management/maintenance firm to assist them in the event that a major accident or hurricane occurs and extraordinary or emergency assistance is needed. Also, under the terms of the crane management agreement, expenditures for certain purchases of parts, materials, and equipment could be procured directly through the County's procurement process, thereby eliminating state sales

taxes, and reducing the amount of reimbursements to the Company. Finally, under this arrangement the County would not be paying a management fee to the Company. It is estimated that over a ten year period these savings alone could generate enough revenue (a minimum of approximately \$4.5 million) to apply towards the purchase of new equipment or could be utilized to provide a steady source of revenue to overhaul existing cranes.

To ensure a smooth transition from the present interim crane management company to the Company, the County will enter into a tri-party transition agreement with the interim crane management company and the Company, for a period not to exceed six months. During this six month period, both entities, under the County's oversight, would work together to ensure continuity of existing services and avoid any service disruptions. Should this Plan be approved by the BCC, this tri-party agreement along with the crane maintenance agreement with the Company would be brought back for your approval.

The corporate structure of the proposed Company was presented to the International Longshoremen's Association and was accepted (copy of acceptance letter included as Attachment "A" of this memorandum and in the Plan's appendices).

Honorable Chairperson and Members
Board of County Commissioners
Page 3

Based on the successful experiences at other ports with their crane maintenance operations, we are confident the management and staffing requirements will be achieved to create a highly qualified team.

Subsequent to Board of County Commissioners approval, the implementation process for the Company is expected to take approximately six months, with final turn over in December 1999. Implementation will require the following actions by the Board of County Commissioners: (i) appointment of two of the five directors - anticipated for June or July 1999; and (ii) approval of the crane maintenance agreement between the County and the Company, and the tri-party transition agreement among the County, the interim crane management company, and the Company - anticipated for July or September 1999. After approval of these agreements, the Board of Directors will initiate a search for the Company's CEO, who shall then hire his/her staff. This hiring process is expected to be completed by September or October 1999. Finally, the transition of responsibilities from the interim crane management company to the Company is expected to commence in September/October 1999 and be completed by December 1999. This will provide the opportunity to carefully transition the management of the labor force, purchasing of parts and inventory processes to assure that adequate training takes place and the transition will be successful for all parties.

**PORT OF MIAMI CRANE MANAGEMENT, INC.
BYLAWS**

ARTICLE I

	Offices	4
Section 1.1	Registered and Principal Office	4
Section 1.2	Registered Agent for Services of Process	4

ARTICLE II

	Members	4
--	---------------	---

ARTICLE III

	Board of Directors	4
Section 3.1	Number	4
Section 3.2	Powers	4
Section 3.3	Meetings	4
Section 3.4	Notice of Special and Regular Meetings	5
Section 3.5	Action Without a Meeting	5
Section 3.6	Quorum and Voting	5
Section 3.7	Organization	5
	A. Treasurer of the Board	5
	B. Secretary of the Board	5
Section 3.8	Committees	6
	A. Executive Committee	6
	1. Composition	6
	2. Action and Powers	6
	3. Report of executive Committee	6
	B. Other Committees	6

Section 3.9	Committee Meetings	6
Section 3.10	Committee Membership	7
Section 3.11	Compensation for Directors	7
Section 3.12	Attendance by Telephone	7
Section 3.13	Directors' Reliance	7

ARTICLE IV

	Officers	7
Section 4.1	Officers	7
Section 4.2	Term of Office	7
Section 4.3	Removal of Officers & Employees	7
Section 4.4	Compensation for Chief Executive Officer	8
Section 4.5	Refund of Payment	8
Section 4.6	Powers and Duties	8
	A. In General	8
	B. Chief Executive Officer	8
Section 4.7	Delegation of Duties	9

ARTICLE V

	Notices	9
Section 5.1	Recording	9

ARTICLE VI

	Resignations	9
--	---------------------------	----------

ARTICLE VII

	Corporate Offices/Committees Vacancies	9
--	---	----------

ARTICLE VIII

Depositories, Signatures and Seals..... 9

Section 8.1 Depositories..... 9

Section 8.2 Contracts and Deeds..... 9

Section 8.3 Official Seal 10

ARTICLE IX

Amendments 10

ARTICLE X

Conflicts of Interest..... 10

ARTICLE XI

General Provisions 10

Section 11.1 Fiscal Year 10

Section 11.2 Minutes..... 11

Section 11.3 Annual Report for Department of State..... 11

Section 11.4 Statutory Cites..... 11

Port of Miami Crane Management, Inc. BYLAWS

ARTICLE I

Offices

SECTION 1.1 Registered and Principal Office. The initial registered and principal office of the corporation shall be established and maintained at,

1015 N. America Way, 2nd Floor, Miami, Florida 33132.

SECTION 1.2 Registered Agent for Service of Process. The corporation's Board of Directors shall have the right to designate a registered agent for service of process, who may be an individual or a corporation. The registered agent so designated shall serve until a successor is elected by the Board of Directors as the registered agent.

ARTICLE II

Members

The corporation shall not have members.

ARTICLE III

Board of Directors

SECTION 3.1 Number. The number and method of appointment of directors shall be as set forth in the Articles of Incorporation.

SECTION 3.2 Powers. The business of the corporation shall be managed by its Board of Directors which may exercise all such powers of the corporation and do all such lawful acts and things as are permitted by the laws of the State of Florida, by the Articles of Incorporation or by these Bylaws. The Board of Directors shall recommend the compensation to be paid to the Company's Chief Executive Officer.

SECTION 3.3 Meetings. The Board of Directors may hold meetings, whether annual or special, within Miami-Dade County as deemed appropriate.

The annual meeting of the Board of Directors for the purpose of electing officers and transacting such other business as may be brought before the meeting shall be held during the month of January in each year beginning with calendar year 2000 and at such time and place as the Board of Directors may determine; provided, however, the Board of Directors may by resolution and for convenience designate any meeting of the Board of Directors as the annual meeting in lieu of the annual meeting as provided by these Bylaws, as shall be the case during the first year that the corporation is created.

The Board of Directors may by resolution provide for the time and place of other regular meetings. Notice of such regular meetings, or any other meeting as specified in Section 3.4 below, must be given and published in the Metro Calendar through the Miami-Dade County Communications Department.

All other meetings of the Board may be called upon the written request of (i) the Chief Executive Officer, (ii) the Chairperson of the Board, or (iii) three or more directors at such time and place as shall be stated in the written request for the meeting.

SECTION 3.4 Notice of Special and Regular Meetings. Written notice of the place, day and hour of any special or regular meeting of the Board of Directors and a corresponding agenda for such meeting shall be given by or under direction of the Secretary, to each director at least three (3) calendar days before the meeting, by personal delivery or facsimile transmission.

SECTION 3.5 Action Without a Meeting. Any action required to be taken or which may be taken, at a meeting of the Board of Directors or a Committee thereof, may be taken without a meeting, if a consent in writing, setting forth the action so to be taken, is signed by all of the directors, or all the members of the Committee, as the case may be, and is filed in the minutes of the proceedings of the Board or of the Committee. Such consent shall have the same effect as a unanimous vote.

SECTION 3.6 Quorum and Voting. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business. The act of a majority of directors present at a meeting where a quorum is present shall be the act of the Board of Directors, except as may be otherwise specifically provided by law, the Articles of Incorporation or by these Bylaws. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting, without further notice, from time to time and place to place until a quorum shall have been obtained.

SECTION 3.7 Organization. The Mayor of Miami-Dade County shall designate the Chairperson of the Board of Directors, who shall then appoint from the membership of the Board a Treasurer and a Secretary of the Board of Directors (should the Secretary not be present at a meeting of the Board, the Chairperson shall designate an acting Secretary for that meeting). The Board of Directors may designate one of its members to serve as the Vice Chairperson, who shall serve in the absence of the Chairperson.

The duties of the Treasurer and Secretary of the Board of Directors shall be as follows:

A. Treasurer. The Treasurer shall:

- (1) recommend an annual budget to the Board of Directors for approval.

B. Secretary. The Secretary shall:

- (1) keep the minutes of the meetings of the Board of Directors in appropriate permanent books of records;
- (2) give and serve all notices of the corporation;
- (3) be the custodian of the records and of the seal, and affix the latter when required; and
- (4) attend to correspondence and perform all the duties incident to the Office of the Secretary.

SECTION 3.8 Committees.

A. Executive Committee.

- (1) **Composition.** The Board of Directors may by resolution, adopted by a majority of the full Board, designate two or more of their number to constitute an Executive Committee.
- (2) **Action and Powers.**
 - (a) A majority of the members of the Executive Committee may determine its action and fix the time and place of its meetings.
 - (b) In addition to the restrictions and limitations attached to it under Sections 607.0825 and 617.0825, Florida Statutes, the Executive Committee shall not have the power to:
 - (1) amend the Articles of Incorporation;
 - (2) adopt a plan of merger, consolidation, recapitalization or other form of reorganization;
 - (3) sell, lease, exchange or otherwise dispose of any of the property of the County;or,
 - (4) adopt a plan of voluntary dissolution of the corporation.
- (3) **Report of Executive Committee.** The Executive Committee shall cause a report of its actions to be distributed to the remaining members of the Board of Directors within seven (7) days of taking such action and to be filed with the minutes of the proceedings of the Board of Directors.

B. Other Committees.

The Board may from time to time appoint such other committees and delegate such duties and powers thereto as it may deem advisable, provided that no delegation of power to such other committees shall include any of the powers excluded under Section 3.8A2 (b) of this Article.

SECTION 3.9 Committee Meetings. Each committee shall elect its own chairperson unless a Chairperson has been designated by the Board of Directors and may hold regular meetings with proper notice as required in Section 3.4 of this Article. Special committee meetings may be called by the chairperson of the committee or by the Board and notice of any special meeting shall be given in the manner provided hereinabove for notice of special meetings of the Board of Directors. A majority of the committee members shall constitute a quorum. Each committee shall keep regular minutes of their proceedings and report the same to the Board of Directors. The act of a majority of committee members present at a meeting where a quorum is present shall be that act of the committee.

SECTION 3.10 Committee Membership. The members of each committee shall hold office from the time of their appointment until the next annual meeting of the Board and until their successors shall have been appointed. Any committee member may be removed at any time by the vote of a majority of the committee's members.

SECTION 3.11 Compensation for Directors. Directors shall not receive any stated salary for their services as directors or as members of committees; provided reimbursement of expenses of attendance may be allowed for attendance at each meeting.

SECTION 3.12 Attendance by Telephone. Any member or members of the Board of Directors or a committee shall be deemed present and voting at a meeting of the Board or such a committee if said member or members participate in the meeting by means of a conference telephone or similar communications equipment or device enabling all persons participating in the meeting to hear each other.

SECTION 3.13 Directors' Reliance. In performing his/her duties, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

- A. one or more officers or employees of the corporation whom he/she reasonably believes to be reliable and competent in the matters presented;
- B. legal counsel, public accountants or other persons as to matters which he/she reasonably believes to be within such persons' professional or expert competence; or,
- C. a duly designated committee of the Board of Directors of which he/she is not a member if the director reasonably believes the committee merits confidence.

A director shall not be considered to be acting in good faith if he/she has knowledge concerning the matter in question that would cause such reliance described above to be unwarranted. A director is not liable for any act taken on as a director, or any failure to take any action, if he/she performed the duties of his/her office in compliance with Section 3.13.

Officers

SECTION 4.1 Officers. The officers of this corporation shall consist of a Chief Executive Officer, and such other officers, with such titles, powers and duties as may be prescribed from time to time by the Board of Directors. They shall be elected by the Board of Directors at its annual meeting.

SECTION 4.2 Term of Office. The Chief Executive Officer shall serve at the pleasure of the Board of Directors.

SECTION 4.3 Removal of Officers & Employees. The Chief Executive Officer may be removed at any time with or without cause by act of the Board of Directors by the affirmative vote of a majority of the directors then in office. Appointment of the Chief Executive Officer shall not of itself create contract rights. This provision shall not prevent the making of a contract of employment for a definite term with any office. Removal of any of the corporation's employees may only be performed by the corporation's Chief Executive Officer.

SECTION 4.4 Compensation for Chief Executive Officer. The Board of Directors shall recommend and receive concurrence from the Miami-Dade County Manager for the compensation paid to the Chief Executive Officer.

SECTION 4.5 Refund of Payment. In the event that the Internal Revenue Service shall determine, in whole or in part, that any payment made to the Chief Executive Officer or any other officer, whether as salary, commission, or bonus or other form of compensation or as interest, rent or reimbursement of expenses incurred by the Chief Executive Officer or any other officer is unreasonable, the Chief Executive Officer or any other officer shall reimburse the corporation to the full extent of such disallowance. The Board of Directors of the corporation shall have the duty to require the Chief Executive Officer or any other officer to make such reimbursement, and it shall be the legal duty of the Chief Executive Officer or any other officer thus to reimburse the corporation.

As an accommodation to the Chief Executive Officer or any other officer required to make reimbursements, the Board of Directors may, at its discretion, approve a repayment schedule pursuant to which specific amounts shall be withheld from future compensation payments of the Chief Executive Officer or any other officer until the full amount owed to the corporation has been recovered. Approval of such a schedule shall in no way limit the right of the Board of Directors to demand, at any time, from the Chief Executive Officer or any other officer or his/her estate complete payment of the full amount of reimbursement then owing to the corporation.

SECTION 4.6 Powers and Duties.

A. **In General.** The Chief Executive Officer shall have such powers and duties as generally pertain to his/her respective office, including the powers and duties provided by these Bylaws, as well as such powers and duties as from time to time may be conferred by the Board of Directors.

B. **Chief Executive Officer.** The Chief Executive Officer shall:

- (1) preside at all meetings of the Board of Directors in the absence of the Chairperson and Vice Chairperson (if any) of the Board;
- (2) present at each annual meeting of the Board of Directors a report of the condition of the business of the corporation;
- (3) cause to be called regular and special meetings of the Board of Directors in accordance with these Bylaws;
- (4) sign and make contracts and agreements in the name of the corporation not to exceed \$10,000, unless approved by a duly enacted resolution of the Board of Directors;
- (5) ensure that the crane maintenance agreement with the Seaport Department (through Miami-Dade County), books, reports, statements and certificates required by statute are properly kept, made and filed according to law;
- (6) sign certificates representing drafts or bills of exchange, warrants or other orders for the payment of money duly drawn on behalf of the corporation;
- (7) have general charge of and control over the affairs of the corporation and perform all the duties incident to such position and office, including but not limited to the purchase by the corporation of any tangible or intangible assets, the hiring of all necessary professional, technical and clerical staff, the establishment of the corporation's employees' salaries with the concurrence of the Board of County Commissioners, the enforcement of these Bylaws and all other duties which the Chief Executive Officer is required to do by law;
- (8) submit a complete report of the operation, transactions and financial condition of the corporation to each director of the corporation, at times specified by resolution of the Board of Directors;
- (9) perform such other duties and have such other powers as the Board of Directors may have from time to time;
- (10) keep accounts of and have the care and custody of and be responsible for the funds of the corporation;
- (11) deposit such funds in the name of the corporation in such bank or banks, trust company or trust

companies, or safe deposit vaults as the Board of Directors may designate;

- (12) exhibit, at times required by law or these Bylaws, the corporate financial books and accounts to any director of the corporation upon application at the office of the corporation during business hours;
- (13) render a statement of the condition of the finances of the corporation at each regular meeting of the Board of Directors, and at such other times as it shall be required of the Chief Executive Officer and a full financial report at the annual meeting of the Board of Directors;
- (14) keep at the office of the corporation current books of account of all of the business transactions and such other books of account that the Board of Directors may require;
- (15) direct and supervise all other duties pertaining to accounting and internal control functions; and
- (16) ensure that all hiring practices for the corporation are in compliance with the affirmative action requirements as followed by Miami-Dade County.

SECTION 4.7 Delegation of Duties. In the case of the absence or disability of any officer of the corporation or for any other reason deemed sufficient by a majority of the Board, the Board of Directors may delegate such officer's respective powers or duties to any other officer or to any director for a specified period or until said delegation is revoked by the Board of Directors.

ARTICLE V

Notices

SECTION 5.1 Recording. Whenever these Bylaws require notice to be given directors, or committee members, proof of such notice, whether given by mail, by facsimile transmission, or by personal delivery shall be recorded and filed by the Secretary in the minutes book and incorporated into the minutes for the meeting to which such notice pertains.

ARTICLE VI

Resignations

Any director, member of a committee or the Chief Executive Officer may resign at any time. Such resignation shall be made in writing and shall take effect upon its acceptance by the Board of Directors.

ARTICLE VII

Corporate Offices/Committees Vacancies

Any vacancy on a committee or in a corporate office shall be filled by any qualified person appointed by the Board of Directors. A person appointed to fill any vacancy shall hold his/her respective office for the unexpired term and until his/her successor has been duly chosen.

ARTICLE VIII

Depositories, Signatures and Seal

SECTION 8.1 Depositories. All funds of the corporation shall be deposited in the name of the corporation on such bank or other financial institutions as the Board of Directors may from time to time designate and shall be drawn out on checks, draft or other orders signed on behalf of the corporation by the Chief Executive Officer or his/her designee.

SECTION 8.2 Contracts and Deeds. Except as otherwise specifically provided by these Bylaws, all contract agreements, deeds, bonds, mortgages and other obligations and instruments shall be signed on behalf of the corporation by the Chief Executive Officer or by such other officer, officers, agent or agents as the Board of Directors may from time to time by resolution provide.

SECTION 8.3 Official Seal. The corporate seal of the corporation shall consist of two concentric circles containing words and figures. When the seal is affixed to a document, the signature of the Secretary shall attest the seal. In the event that the Secretary is not available, any other director of the Board (excluding the Chairperson or Vice-Chairperson) shall be authorized to attest the seal. The seal and its attestation may be lithographed or otherwise printed on any document and shall have, to the extent permitted by law, the same force and effect as if it had been affixed and attested manually.

ARTICLE IX

Amendments

The Board of Directors by majority vote at any Board of Directors meeting at which a quorum is present may add any provision to or alter or repeal any provision of these Bylaws.

ARTICLE X

Conflicts of Interest

No contract or other transaction between the corporation and one or more of its directors or any other corporation, firm association, or entity in which one or more of its directors are directors or officers or are financially interested shall be either void or voidable because of such relationship or interest, or because such director or directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction, or because such director or directors or their votes are counted for such purpose, if:

- A. the fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested directors; or
- B. the contract or transaction is fair and reasonable as to the corporation at the time it is authorized by the Board or a committee.

ARTICLE XI

General Provisions

SECTION 11.1 Fiscal Year. Except as otherwise determined by the Board of Directors, the fiscal year of the corporation shall end on September 30 of each year.

SECTION 11.2 Minutes, Books and Records of Account. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, Board of Directors, and committees of directors.

Not later than two (2) months and fifteen (15) days after the close of the corporation's fiscal year, and in any case prior to the annual meeting of the Board of Directors, the corporation shall cause to be prepared and delivered to each director and to the Board of County Commissioners, through its Seaport Department.

- A. a balance sheet showing in reasonable detail the financial condition of the corporation as of the close of its most recent fiscal year;
- B. an expenditure summary showing the results of its operations during its most recent fiscal year; and,

C. any other report or information requested by the Miami-Dade County Seaport Department.

SECTION 11.3 Annual Report for Department of State. The corporation shall file an annual report with the Department of State of the State of Florida as required by section 617.1622, Florida Statutes.

SECTION 11.4 Statutory Cites. Any reference to sections of the Florida Statutes in these Bylaws shall include all revisions and amendments to such sections. Any reference to statutes contained in Chapter 607 of the Florida Statutes shall be deemed to apply to the corporation only to the extent that such sections are applicable to not-for-profit corporations under Chapter 617 of the Florida Statutes.

Port of Miami Crane Management, Inc.
Board of Director's Meeting Minutes of November 22, 2011

The Board of Directors ("Board") meeting for Port of Miami Crane Management, Inc., (PMCM, AKA "Crane Management", the "Company") convened on Tuesday, November 22, 2011 in the Port of Miami ("Seaport") conference room, located at 1007 North America Way, 2nd Floor, Miami, Florida 33132.

Members present:

Juan Kuryla
Jack Osterholt
Chris Arocha
Bruce Brecheisen
Barbara Pimentel
Mark Baker

Others present:

Aguedo E. (Ed) Bello
Lourdes Gomez (MDC)
Elba Mateo-Torres
Nelson J. Ferrer
Bing Lin
Juliette Antoine (CAO)
Mr. Bill Johnson (Seaport)
Dorian Valdez (Seaport)
Gyselle Pino (Seaport)
Terrence Kelsey (Seaport)
Frederick Wong, Jr. (Seaport)
Elvis Brazil (Seaport)
Jose Fernandez (Seaport)
Ray Mauri (Seaport)
Richard Haffele (Seaport)
David Faluade (Seaport)
David Fung-On (Seaport)
Juan Lopez (Seaport)
Michelle Thames (ETSD)
Elliot Luskin (Seaport)
Tim McSheehy (Seaport)
Mr. Phil Benson (KMC)

1. INTRODUCTION and ROLL CALL

Mr. Kuryla called the Board Meeting to order at 10:30 a.m.

Roll was called by Ms. Mateo-Torres noting the following Board members present: Mr. Kuryla, Mr. Arocha, Mr. Brecheisen, Mr. Baker, Ms. Pimentel, and Mr. Jack Osterholt. Thus, five (5) of the five (5) voting members were present at the start of the meeting establishing quorum.

2. ACTION ITEMS

a. Discussion and Approval of the November 22, 2011 Agenda

Mr. Bello summarized the agenda and noted that he was withdrawing Item 3.c, *Worker's Compensation Insurance Update*, as it will be discussed under item 2.k.2 *Crane Operations Status Report*. He asked if there were any items that should be

taken out of order. Mr. Kuryla replied that he'd like to hear item 4.a.1 out order and requested a motion to set the agenda as amended;

Mr. Brecheisen motioned to accept;
Mr. Baker seconded the motion.
The motion carried unanimously.

Item 4.a.1 is heard: Mr. Kuryla introduced and welcomed Mr. Osterholt to the Board.

b. Approval of Board of Director's Meeting Minutes of August 17, 2011

Mr. Bello introduced the meeting minutes of August 17, 2011 for the Board's approval. Mr. Kuryla noted that on page 11 of 11, item 4.a needed to be amended to read item "2.h" and not "3.h". Mr. Kuryla requested a motion to accept the minutes as amended;

Mr. Brecheisen motioned to accept;
Ms. Pimentel seconded the motion.
The motion carried unanimously.

c. Approval of Toshiba International Corporations Terms and Conditions

Ms. Pino explained that on the advice of counsel, this item is being brought before the board because PMCM needs to purchase an item from a single source, valued at \$7,000.00 and the vendor (Toshiba) will not accept the Company's purchase order unless the Company accepts the vendor's Terms and Conditions.

Ms. Antoine stated that the Company has its own Standard Indemnification and as such, the Board must approve the language of other Indemnification provisions of a vendor that are not the Company's. A brief discussion ensued on the subject on whether the Company had purchased from the vendor before and on the item being purchased.

Mr. Baker recommended accepting the vendor's Terms and Conditions. After another brief discussion on the subject, Mr. Kuryla called for a motion to accept Toshiba's Terms and Conditions.

Mr. Baker motioned to accept;
Mr. Arocha seconded the motion;
The motion carried unanimously.

d. Approval of 2012 Sunset Review of County Boards

Mr. Kuryla explained that he had discussed this item with Mr. Steve Bass, County Attorney. Mr. Kuryla noted that although Mr. Bass agrees with him on the fact that the

PMCM Board is not your typical County Board, it was Mr. Bass' recommendation in the interest of continuity and transparency that Mr. Kuryla submits a report on the Board to the Mayor. For the records Mr. Kuryla reiterated that the Port of Miami Crane Management, Inc., Board of Directors is not a typical County Board and explained some of the differences.

Mr. Kuryla summarized by presenting the report and requested that the transmittal Memorandum to the Mayor be amended as follows:

- o Insert an "a" in paragraph one, line four to read "as it is a board";
- o Delete the word "Board" from paragraph three, line one;
- o Add a sentence at the end of paragraph three to read as follows; "As established, the Company wants to be supervised by a Board of Directors consisting of five (5) voting members and two (2) ex-officio members";
- o Delete the word "the" from paragraph four, line one.

Mr. Kuryla stated that once the report is complete, he will forward to Mayor, thereafter, the mayor would forward it to the Board of County Commissioners. Mr. Brecheisen recommended accepting the Sunset Review Report as amended by Mr. Kuryla. Mr. Kuryla called for a motion to accept;

Mr. Brecheisen moved to approve the motion;
Mr. Baker seconded the motion;
The motion carried unanimously.

e. Approval of FY2009-2010 Financial Statement

Mr. Bello noted that this item is brought before the Board at their request as it was prefer to obtain the results of the County's audit before finalizing the FY2009-2010 Financial Statements. Mr. Bello introduced Mr. Benson from Keefe, McCullough and Company (KMC) accounting firm. Mr. Kuryla requested Mr. Benson to provide a summarized presentation of the financial statements.

Mr. Benson stated Financial Statements he distributed were the same as those issued in March 2011. He provided a brief summary of the firm's findings and stated that KMC had reviewed the County's audit findings and management's response. He stated that KMC felt comfortable with the results and as such no changes were required to the draft Financial Statements issued March 2011. The Compliance Section included two (2) comments/recommendations that the Company had not adopted; (1) a Whistle-Blower Policy and, (2) a Conflict of Interest Policy. Mr. Benson explained that they (the auditors) are comfortable with the Company's response and found nothing in the Financial Statements that required modification. He concluded by stating that Crane Management had operated very efficiently during the audit period and that there was a substantial reduction in operating expenses.

Mr. Kuryla informed the Assistant Mayor that Crane Management had reduced its personnel from twelve (12) to five (5) employees and that the Seaport had been able

to absorb the functions of the seven (7) employees without hiring any additional personnel.

Mr. Kuryla asked the Board members if there were any questions or concerns. Mr. Baker inquired as to when the Company would address the two (2) recommendations made in the audit and will they be implemented. Mr. Bello stated that the Company was working to address the recommendations and that policy would be brought to this Board by the first quarter of the following year which addresses the recommendations.

Mr. Kuryla called for a motion to approve Fiscal Year 2009-2010 Financial Statement as well as to present to the Board the two (2) new policies.

Mr. Baker motioned to accept,
Mr. Arocha seconded the motion,
The motion carried unanimously.

f. Approval of RFP 2012.01 Independent 3rd Party Inspection Services

Mr. Bello advised that this item was presented and approved by the Board during a previous meeting to proceed with the RFP, even though the RFP had not been drafted. It had been done so to expedite the procurement process of the inspection services for the fabrication of the four (4) new cranes. He noted the RFP released is included in the agenda to which bids were received; the Evaluation Panel will be convened to evaluate and rate the proposals to which an award recommendation to the Board.

Mr. Kuryla described the importance of this item [the services] since the firm chosen would be the Company's and County's eyes and ears during the fabrication of the four (4) new cranes.

Mr. Kuryla requested Ms. Pino to update the Board on the status of the RFP. Ms. Pino advised the Board that three (3) bids had been received and would be opened and evaluated by the Evaluation Panel.

Mr. Baker asked to address the Board. Mr. Baker stated that on behalf of the Companies using the services of the cranes he wanted to express the importance of this RFP and the services. Mr. Baker reiterated what Mr. Kuryla said previously about the Company chosen being the eyes and ears for the Seaport and PMCM.

Mr. Brecheisen echoed the comments made by Mr. Baker; however he questioned why PMCM was hiring the Third Party Inspector if the Cranes are purchased by the County. A brief discussion ensued on the subject and Mr. Brecheisen's question. Mr. Kuryla stated that it was due to time restraints; procuring the services through PMCM would be a much expeditious process. Mr. Baker added that it made the most sense since PMCM was the Crane's 'gatekeeper' for the County and the Port of Miami.

As there were no further questions, comments or discussions noted Mr. Kuryla called for a motion to approve of RFP2012.01;

Mr. Baker motioned to accept;
Ms. Pimentel seconded the motion.
The motion carried unanimously.

g. Approval of Legal Affidavits Dudek vs PMCM

Mr. Bello noted that the item before the Board is two (2) legal affidavit that requires Mr. Bello and Mr. Lin's signature. He advised the Board that the affidavits were drafted by the attorney representing the Company on the Dudek vs. County case. Mr. Bello provided a brief history on the Mr. Dudek case and why the attorney is asking that the affidavits be signed.

Mr. Kuryla noted that the intent of the affidavit is to show that Crane Management is a separate entity from Miami-Dade County. He noted that he has several recommended changes:

1. *Mr. Bello's affidavit, Mr. Dudek is refer to as a crane technician, it should state mechanic. Mr. Bello concurred, and;*
2. *Mr. Lin's affidavit item 2, line 2 reads "effects" instead of "affect".*

Mr. Kuryla requested clarification of item 7, page 2 of Mr. Lin's affidavit. A discussion ensued regarding the language of item 7. As such, Mr. Bello recommended item 7 to be changed to; *"if the slowdown mechanism for the subject crane malfunctions, the crane would no longer operate with an automatic shutdown."*

Mr. Kuryla requested a motion to accept the affidavits as amended;

Mr. Pimentel motioned to accept;
Ms. Arocha seconded the motion.
The motion carried unanimously

h. Approval to Procure Trolley Rails for Crane 4

Mr. Bello noted that this item is brought before the Board since the work of replacing the Trolley Rails of Crane 4 is required and it is not included in the proposed budget. Mr. Bello summarized the project and advised the Board that the crane users (the stevedores) are requesting that the trolley rails be replaced because they are worn-out. As such, certain truck lanes cannot be used because the Crane faults as the trolley moves over these lanes.

Mr. Kuryla stepped out of the meeting temporarily at 11:17 AM.

Ms. Pimentel, Vice Chairperson, resumed the meeting. She asked Mr. Bello if the Company has a proposed work description that could be provided to the Board at this time. Mr. Bello indicated the Company does not; the request is to add the project to the budget and upon the project being authorized, the Company would proceed with the RFP to be approved by the Board.

Mr. Haffele provided a brief explanation as to how the budget is formulated. Ms. Pimentel stated that she would feel more comfortable if the Company provided the RFP prior to adding the project to the budget

The Board's motion is to instruct the Company to obtain quotes prior to adding the project to the Budget.

Mr. Pimentel motioned to accept;
Ms. Brecheisen seconded the motion.
The motion carried unanimously

i. Approval of Paychex Preview Hosting Service

Mr. Bello deferred this item to Mr. Tim McSheehy of the Seaport's IT Department. Mr. McSheehy explained that since the transition of PMCM's servers into the County's network the Company had encountered many problems in transmitting the payroll. Mr. McSheehy explained that after many conferences with Paychex it was determined that in order to avoid further issues, Paychex would host the transmission of the files. Mr. McSheehy further noted that this service was more secure than the service the Company presently has and the work required is at no additional cost to the Company.

Mr. Brecheisen questioned what internal controls the Company has in place and if the Company followed the same payroll guidelines as the County. Mr. Benson explained that the payroll process was audited and confirmed the Company has the necessary controls in place.

As there were no further questions, comments or discussions Mr. Kuryla requested motion to approve the Transfer of the Payroll Hosting to Paychex;

Mr. Brecheisen motioned to accept;
Ms. Baker seconded the motion.
The motion carried unanimously

j. Approval of FY 2011 – 2012 Proposed Budget

Mr. Haffele introduced and summarized the 2011-2012 proposed budget and briefly compared some of the line item expenses of 2010-2011 to that of 2011-2012 proposed budget.

As there were no further questions, comments or discussions Mr. Kuryla requested a motion to approve the 2011-2012 Proposed Budget;

Ms. Pimentel motioned to accept;
Mr. Arocha seconded the motion.
The motion carried unanimously

k. Approval of Monthly Reports

1. Financial Report - September 30, 2011

Mr. Haffele presented the Financial Report commencing with the Summary Statement of Expenses year-end (YE) Fiscal Year (FY) 2010-11 of actual economic transactions in comparison to the YE Approved Budget noting the following;

- a. The total expenditures for the 12 month period ending September 30, 2011, are \$7.297 million versus a budget of \$6.944 million. This resulted in a negative variance of \$0.355million or 5.1% over budget.
- b. Detail Statement of Expenses indicated that PCMC is 12.33% over budget mainly due to Fuel and Lubricants (27.00% over budget). This attributed mostly to an unanticipated increase in fuel prices but other expenditures that were higher than budgeted were;
 - i. Fuel consumption had increased primarily due to increase crane operation by Seaboard Marine.
 - ii. Parts and supplies are higher than budgeted due to the quantity of parts purchased during the year although all seem to be normal.
- c. The total EOY expenditures for the extraordinary projects \$.066 million versus an YTD budget of \$.605million. The variance is primarily due to anticipated work not executed as of yet.

Mr. Baker questioned if the increase in ILA contribution was accounted for in the Budget. Mr. Haffele was not aware of the increase, as such, it was not budgeted. Mr. Baker requested that the amended budget be brought back to the Board at the next meeting.

Mr. Haffele stated that the Seaports Revenue had increase from \$8.255million in 2009-2010 to \$9.928million in 2010-2011. The increase in revenue was primarily due to;

- i. Increase in Operations
- ii. Collected Claims
- iii. Collected revenue for services rendered to Cranes 1 – 3.

Mr. Haffele stated that although the Company was over budget it was mostly attributed to the purchase of the forklift and the increase in fuel pricing. He stated that there is nothing that concerns him for the next fiscal year.

As there were no further questions, comments or discussions Mr. Kuryla requested that item 3.a be heard next as Mr. Valdes needs to attend to a meeting with the Director.

Item 3.a was taken out of order.

3.a. Capital Development – Seaport Presentation

Mr. Valdes summarized the various ongoing Seaport projects including those that affect PMCM's operations. He additionally provided estimated costs and the funding source for each of the projects.

1. Wharves I – VII Strengthening Program: The notice to proceed has been issued upon which the project work commenced on September 26, 2011 at the western end of wharf 5; project completion to be in May 2014. Once wharf 5 work is completed, the project work will proceed in 400 feet intervals to avoid impact to operation.
2. Dredging Phase III: The final design and specification are expected to be completed in December 2011. The dredging is anticipated to commence in the summer of 2012 and completed by the summer of 2014. The total estimated cost is \$150 million. The State contributed \$77 million towards the project which is essentially the Federal share.
3. Crane Electrification Infrastructure (Landside): The project was completed on September 20, 2011. The total cost for the project was \$0.922million. The project is 75% EPA reimbursed.
4. New Dockside Container Gantry Cranes 13 -16: It is anticipated that the notice to proceed will be issued in December. It is anticipated the Commissioning at the port will be in August 2013.
5. Wharves V & VI Curved Gantry Crane Rail: The project is in the planning phase. Construction is anticipated to start in September 2012.
6. WASD Water Main Relocation: Part of Dredging Phase III as well as relocation of the sewer line from Miami Beach to Fisher Island. Contractor has mobilized for the Horizontal Direct Drilling (HDD) Pilot Hole.

Mr. Valdes answered the Boards questions on the ongoing projects.

As there were no further questions, comments or discussions Mr. Kuryla asked that Mr. Bello continue with 2.k.2 and 2.k3.

2. Crane Operations Status Report

Mr. Bello summarized the Crane Usage and Downtime for the twelve (12) month period of FY 2010-11. He noted that the average YTD downtime thru September 30, 2011 remains consistent, although slightly higher than FY2009-10.

Mr. Bello summarized the Cumulative Crane Rental hours which he noted that FY 2010-11 is slightly higher compared to prior years.

Mr. Bello noted that the Company had issued 3,852 work orders in FY2010-2011 compared to 3,613 in FY2009-2010. The increase is due to the electrification project and the increase in ship work.

Mr. Bello introduced Mr. Elvis Brazil to present and summarize the Company's aggressive Safety Program and how it is coupled with cost-savings. Mr. Brazil explained that in FY2007-08 the Company's Worker's Compensation rate was \$13.39 for every \$100 of man-hour worked. He noted that in these four (4) years the Company had been able to reduce the Worker's Compensation rate in FY2011-12 to \$9.00 per every \$100; a reduction and cost savings of approximately \$200 thousand.

As there were no further questions, comments or discussions noted, Mr. Kuryla asked Mr. Bello to proceed quickly with the Project Report.

3. Project Report

Due to lack of time, Mr. Bello was not able to present the project report in its entirety. He summarized the projects as he scrolled thru the slides that showed the before and after work to include the electrification project.

Mr. Bello additionally summarized the slides that showed the different types of gantry crane booms. He noted that it provides the types of booms the four (4) new Cranes could be equipped with.

As there were no further questions, comments or discussions Mr. Kuryla requested a motion to approve the reports (items K.1, K.2 and K.3);

Mr. Brecheisen motioned to accept;
Mr. Baker seconded the motion;
The motion carried unanimously.

3. UPDATES

a. Capital Development Seaport Presentation.

Item 3.a was taken out of order following Item 2.k.1. See above.

a. Claims Update

Ms. Mauri provided an update on the collection process of open claims issued as a direct result of damages to the Cranes by the Seaport Users. Mr. Mauri noted that approximately \$100 thousand had been collected thus far. He further noted that there was \$200 thousand of open claims and damages that occurred from 2008 to the present that are still pending collections; and over \$50 thousand of damages that occurred prior to 2008.

Mr. Kuryla advised the Board that the Seaport was in ongoing negotiations with all Stevedoring Companies in getting all outstanding claims paid. Mr. Kuryla also stated that all Stevedores would be treated equally. Mr. Kuryla reassured the Stevedores present that no special consideration would be given to any company.

Mr. Arocha stated that it was very important that all company be treated the same since he, as a principle of a company, often time sits on the other side of the table, and had negotiated in good faith. Mr. Arocha expected that all companies in the same predicament do the same.

b. Worker's Compensation Insurance

Item 3.c was taken out of order following Item 2.k.2. See above.

Ms. Pino advised the Board that the Insurance Broker for the Company does not have a signed contract. Mr. Bello stated that he will review this issue and advise the Board. Mr. Bello noted that there are certain items that are contradictory and therefore require clarification.

c. Hyster Forklift

Mr. Kelsey informed the Board that the Hyster Forklift had been purchased and paid for already. Mr. Kuryla stated the expedited action taken was a direct result of the directives given by the PMCM Board of Directors.

d. Long Lead and Critical Care Components and Parts

Mr. Bello stated that at the request of Mr. Arocha, the Company has been assembling the list of long lead items. Mr. Kuryla stated that the Seaport would sit with PMCM to prioritize the items and purchase without exceeding the budget.

4. OTHER BUSINESS

a. Board Member Items

Item 4.a was taken out of order following Item 2.a. See above.

b. Future Board Meetings

Ms. Bello advised the Board that Board of Director Meetings is scheduled for the third (3rd) Friday of each month. Mr. Kuryla noted that unless the Board feels otherwise the next meeting would be held on January 20, 2012.

c. Other Issues

Mr. Wong asked if the RFQ for the Crane 4 [Trolley] Rails would be brought to the Board during the next meeting. Mr. Bello stated that the RFQ may not be presented due to work on the ongoing projects the Company is executing. He noted that the Company in addition to all projects summarized, has to prepare and issue the RFPs for the third party inspector for the new cranes and the independent crane conditional inspections, which work was recommended by Audit and Management.

Mr. Kuryla requested that as agreed with the County Auditors, the Company is to hire an Independent Inspection Company. Mr. Kuryla requested that Mr. Bello work with the Seaport in drafting an RFP to hire an independent inspection Company.

5. ADJOURNMENT

Mr. Kuryla thanked everyone and called for a motion to adjourn;

Mr. Brecheisen motioned to accept;
Ms. Pimentel seconded the motion;
The motion carried unanimously.

The meeting adjourned at 12:07 PM.

The Board accepts and approves the above referenced meeting minutes as outlined herein.

**On Behalf of
the Board By:** _____

Chief Executive Officer
Aguedo E. Bello