



**MIAMI-DADE COUNTY  
FINAL OFFICIAL MINUTES  
Transit Committee (TC)  
Budget Workshop**

**Board of County Commissioners**

Stephen P. Clark Center  
Commission Chambers  
111 N.W. First Street  
Miami, Florida 33128

July 16, 2007  
As Advertised

Harvey Ruvin, Clerk  
Board of County Commissioners

Kay Sullivan, Director  
Clerk of the Board Division

Akira Spann, Commission Reporter  
(305) 375-2510





Stephen P. Clark  
Government Center  
111 N.W. 1st Street  
Miami, FL 33128

**FINAL OFFICIAL  
Meeting Minutes  
Transit Committee**

Dorrin D. Rolle (2) Chair; Barbara J. Jordan (1) Vice Chair; Commissioners Audrey M. Edmonson (3), Sally A. Heyman (4), and Katy Sorenson (8)

**BUDGET WORKSHOP**

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**Monday, July 16, 2007**

**10:00 AM**

**COMMISSIONER CHAMBERS**

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**Members Present:** Barbara J. Jordan, Dorrin Rolle, Katy Sorenson.

**Members Absent:** Audrey M. Edmonson, Sally A. Heyman.

**Members Late:** None.

**Members Excused:** None.

**Members Absent County Business:** None.

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**MINUTES PREPARED BY:**

**Report:** *Akira Spann, Commission Reporter, 305-375-2510.*

**1A INVOCATION**

**1B PLEDGE OF ALLEGIANCE**

**1C ROLL CALL**

**Report:** *The following staff members were present:  
Assistant County Manager Ysela Llorc; Assistant  
County Attorney Gerald Sanchez; and Deputy  
Clerk Akira Spann.*

**1D CHAIRPERSON**

1D1

**072216 Report**

REMARKS FROM CHAIRPERSON ROLLE

*Presented*

**Report:** *Chairman Rolle noted that the purpose of today's (7/16) workshop was to hear departmental budget presentations for Fiscal Year 2007-08; and he hoped they reflected the proposed FY 2007-08 budget printed by the Mayor and the County Manager.*

**2 REPORTS**

2A

## 072229 Report

## DEPARTMENTAL BUDGET PRESENTATIONS

*Presented*

**Report:** *Mr. Bill Johnson, Seaport Department (Seaport) Director, appeared before the Committee and presented an overview of the Fiscal Year 2007-08 Resource Allocation Reductions. He stated that Seaport continued to face several challenges going into the second year under his administration. Mr. Johnson clarified, for the record, while he never indicated Seaport was bankrupt, hardships were on the horizon with unresolved issues; and Seaport was required by law to have a balanced budget.*

*With the support of the Mayor, the County Manager, the Board, and Seaport Budget Director, changes were made which reduced operating cost and enhanced Seaport operations, Mr. Johnson noted. He stated that the State of Florida, the Florida Department of Law Enforcement (FDLE) and the U.S. Coast Guard authorized cuts in the security budget; however, no cuts were made to security positions.*

*Responding to Chairman Rolle's inquiry regarding the budget allocation for Seaport Security prior to the \$2.5 million budget reductions, Mr. Johnson noted that the curved budget for FY 2006-07 was authorized at \$15 million; which was not achieved. He stated that Seaport would conclude the FY 2006-07 with \$18 million for security.*

*Mr. Johnson noted that Seaport failed to realize a \$3.5 million reduction as part of this year's budget authorization since approval from the State, the FDLE, and the U.S. Coast Guard did not materialize; therefore Seaport realized \$700,000 in budget cuts. He stated that Seaport committed to a minimum of \$2.5 million in savings, and a security budget of \$16.5 million for FY 2007-08.*

*Mr. Johnson noted that the State, the FDLE, and the U.S. Coast Guard also approved swapping sworn officers with civilians; and additional positions were created and filled for Seaport security officers that cost less than sworn officers. He stated that Seaport achieved a full compliment that allowed for a \$600,000 cut towards overtime in that category.*

Mr. Johnson noted that he examined methods regarding effective management of the Port Capital Program. He stated that he was authorized to hire at least ten (10) individuals, with strong consideration given to County Employees; most of those positions were filled, and Seaport annualized a \$800,000 cut in operating cost, and additional cuts were realized due to a reduction of outside consulting.

Mr. Johnson noted that other initiatives were implemented to further reduce the current and future budgets. He stated that Seaport had to remain competitive, which meant providing excellent service with low operating cost.

Mr. Johnson noted that he would present a solicitation document to advertise at the Port of Miami as part of revenue enhancement before the Committee; and these advertisements could generate \$1 million in additional revenue. He stated that the Seaport parking policy had been adjusted and would generate \$1 million; and opportunities to improve parking operations were recognized due to a parking analysis. Additionally, Mr. Johnson noted that lease enforcements were adjusted, which generated \$350,000 by establishing new lease agreements.

Mr. Johnson noted that Seaport reached a settlement with Carnival Corporations and Fisher Island; and was close to settling a dispute with Royal Caribbean Corporations.

Mr. Johnson noted that the proposed budget for Fiscal Year 2007-08 was \$120.3 million, which represented different categories including: \$73.7 million for operations, \$35.5 million towards debt, \$11 million towards reserves, and \$32.5 million towards capital (a separate budget from the \$120.3 total budget). He stated that he wanted to reduce the proposed operating budget to match his current budget of \$70.7 million; and he would come back and present a revised budget before this Committee in September 2007.

Mr. Johnson noted that County Manager Burgess asked him to examine all Port-related issues, and develop an assessment. He stated that the previous Seaport administration contemplated a new Sunshine loan equated to \$25 million; however, he halted the process of that loan. Mr. Johnson noted that he would work with the Finance Department Director, Ms. Rachel Baum, to develop a new bond issue for the State of Florida Sunshine fund.

He stated that he spoke with Ms. Kathy Jackson of Audit and Management Services (AMS) regarding a complete audit of prior expenditures.

Mr. Johnson noted that Seaport would finish FY 2006-07 with 3.7 million+ cruise passengers, and expected 3.9 million passengers in FY 2007-08; based on line-ups received from cruise companies, revenues should increase from \$33 million to \$37.6 million. He stated that the Seaport cargo business had decreased over the past two years, and expected to finish FY 2006-07 eight (8) percent off; and Seaport picked up four (4) service lines, representing \$6 million in new revenue, and projected a 5% increase in cargo; however, the losses sustained over the past 24-30 months exceeded the increases.

Mr. Johnson noted that Chief Executive Officer's (CEO) of various shipping lines expressed satisfaction with the aggressive hands-on management team, the manner in which government entities addressed congestion issues off-port, and the desire to create a strong business plan at Seaport.

Responding to Commissioner Sorenson's question regarding the cargo decrease, Mr. Johnson noted that congestion was a significant issue; and the 16 Gatehouse project should relieve on-port congestion, and would allow cargo to be processed promptly once approved by the Florida Department of Law Enforcement (FDLE). He stated that this project needed authorization through the Facility Security Plan (FSP).

Mr. Johnson referred to the practices set by the Port of Long Beach, California, such as the Pure-Pass System which operated 24 hours and moved a large percentage of cargo during off-peak hours (11:00 p.m. to 5:00 a.m.). He stated various department directors offered short-term solutions for off-port congestion including: the examination of traffic signals on the downtown street grid to ensure synchronization, and removal of parking meters off thru-fares to maintain unobstructed three-lane traffic around the port.

Responding to Commissioner Sorenson's question regarding the cargo business in Broward County, Mr. Johnson noted there was no decrease in cargo, but a crew decrease was observed. He stated that Port Everglades profited from petroleum, and had not suffered a decrease in cargo. Mr. Johnson noted that the consolidations

*of shipping lines through mergers, buyouts, pricing, and previous management led to a lost of business at Seaport.*

*Mr. Johnson advised that property tax dollars were not involved in Seaport, and some staff positions were held.*

*Assistant County Manager Llort noted once the Port Tunnel issue was resolved, the focus would be to collaborate the FDLE and the U.S. Coast Guard and agree on a security plan.*

*Mr. Johnson noted that a memorandum of understanding was near completion with the Miami-Dade Police Department (MDPD) Director; regarding the proposed security plan, and the MDPD Director submitted officers to Seaport.*

*Mr. Johnson noted that Seaport anticipated an increase in parking rates from \$15 to \$17 daily which should generate \$1 million in revenue. He stated that rates and charges for empty storage containers and equipment weighing scales would be increased, generating \$1 million in revenue.*

*Responding to Chairman Rolle's question regarding Seaport's operating budget for FY 2006-07, Mr. Johnson noted that Seaport had \$70.7 million. He also explained that the \$120.3 million proposed budget for FY 2007-08 was a combination of the operating budget (\$73.7 million), the Seaport's reserve (\$11 million), and the Seaport's debt (\$32.5 million); and the \$35.5 million Capital budget was separate, and should be excluded from the total proposed budget. Mr. Johnson noted that Seaport's budget of \$115.3 million for FY 2006-07 was a combination of the operating budget (\$70.7 million), Seaport's reserve (\$11 million), and Seaport's debt (\$34 million).*

*Chairman Rolle asked Assistant County Manager Llort to prepare a written report comparing the operating budget in the Seaport Department from FY 2006-07 to FY 2007-08.*

*Mr. Johnson noted that a projected \$19.2 million would go towards security expenditures for FY 2006-07, as well as approved modifications which included: swapping sworn officers for non-sworn, officers working straight hours versus overtime, and hiring additional Seaport security. He stated that \$3.5 million would have been cut from the*

*\$18.5 million security budget, but the savings failed to materialize; and other cuts were made to maintain the budget, which would result in \$18.7 million. Mr. Johnson noted that he hoped to spend \$16.6 million towards security expenditures for FY 2007-08.*

*Responding to Commissioner Jordan's concern regarding discrepancies in the budget and staff positions presented by Seaport, Mr. Ryan Elliot, an Office of Strategic Business Management employee, advised that Seaport was listed in two sections of Appendix F in the County Manger's Budget book; and the numbers could be reconciled by totaling both sections.*

*Mr. Harpal Kapoor, Miami-Dade Transit (MDT) Director, appeared before the Committee and gave a PowerPoint presentation of the Fiscal Year 2007-08 Resource Allocation Reductions. He stated that his goal was to provide an efficient and effective transportation system. Mr. Kapoor requested an analysis of each route, to examine the ridership and transportation alternatives available to passengers; and consequently routes were modified by 1.4 million revenue miles. He noted that a savings plan was implemented to alleviate an \$8.1 million revenue-expenditure gap, high-demand routes were enhanced; and under-performance routes were adjusted, and an overall reduction of 43 fewer full-time equivalent Bus operators, which would be realized through an attrition of 12-13 employees per month.*

*Mr. Kapoor noted that the FY 2007-08 Resource Allocation Plan included: additional modifications to Bus schedules in October 2007 to achieve passenger boarding and fare recovery standards and that would generate \$8.4 million in savings, a combined reduction rate in Bus and Rail that required 116 fewer part and full time operational positions. He noted that other areas would be cut concerning administrative overhead which included 40 full-time equivalent positions of which 15 employees would be referred to the County System for placement.*

*Mr. Kapoor stated that a sufficient carryover reserve would be implemented, at the beginning of FY 2007-08, to eliminate the operating case deficit within five years; and the elimination of non-operating deficits would be with surplus land sales. He noted that MDT expansion would be based on the analysis of routes (Bus Rapid Transit, Kendall, etc.).*

Chairman Rolle asked the Transit Department Director to present each commissioner with a listing of the proposed Metro Bus Routes modifications ahead of the October 2007 line-up. Commissioner Jordan asked the Transit Director to include a report explaining the reasons for those route changes, and impact to the County.

Mr. Kapoor noted that the growth from the adopted 2007 budget to the proposed 2008 was 3.71%.

Commissioner Jordan asked the Transit Department Director to prepare a written report explaining federal transit regarding the projected \$9 million cut on the north Corridor (Phase II of the Orange Line Project), and to present that report on Wednesday (7/18).

Ms. Mayra Bustamante, Deputy Director, noted that 25% of the department's general fund budget came from Property Taxes.

Commissioner Sorenson noted that emphasis was in Federal Government concerning clean energy that was beneficial to mass transit, and inquired whether MDT had an incentive to develop any climate change plans.

Mr. Kapoor noted that MDT was currently working to develop climate change solutions for mass transit.

Commissioner Sorenson expressed concern regarding selling off properties on a transit corridor in an attempt to pay off debts. She asked Assistant County Manager Llort to determine a system to leverage the fact that transit-friendly properties could be used for residential and business purposes.

Assistant County Manager Llort noted that an examination of an overlay zoning category had been initiated for those transit properties, and would sell to the developers who could perform the right type of development placement. She stated that this would accomplish the goal of having more staff on transit, and decrease debts by having a timely schedule.

Commissioner Sorenson suggested that MDT initiate a feeder system throughout the County to collect passengers, and alleviate their drive to transit stations.

*Responding to Chairman Rolle's questions regarding items listed for the FY 2007-08 Proposed Resource Allocation, Mr. Kapoor noted that the savings from the Bus modifications were based fuel and operating cost; the removal of Buses would generate savings in hours, fuel, parts, and permanent maintenance.*

*Mr. Kapoor noted that the 25 remaining administrative overhead positions were vacant, and considered part of the attrition. He explained that the Bus Rapid Transit (BRT) was a concept similar to the Busway system, and would transport passengers in the same corridor with three signals for efficiency.*

*Mr. Kapoor noted that MDT was working with Florida Department of Transportation (FDOT) on high occupancy total links, which would allow that plan to be operational for the MDT Buses.*

*Mr. Kapoor noted that the \$8.1 million deficit was included in the 3.71% growth in the proposed budget for FY 2007-08.*

*Assistant County Manager Llort noted that the MDT budget cuts were not the result of Property Tax Reform. She stated that the general fund increased slightly, and they were drawing down on their shortfall.*

*Commissioner Jordan asked Assistant County Manager Llort to examine how the proposed mileage and route cuts of the Transit Department, and determine how they would impact the goals for the People Transportation Plan (PTP).*

*Ms. Nan Markowitz, Citizen's Independent Transportation Trust (CITT) Executive Director, appeared before the Committee and presented an overview of the Fiscal Year 2007-08 Resource Allocation Reductions. She stated that two (2) position would be cut, decreasing staff to eight (8) positions. Ms. Markowitz noted that CITT's budget was cut in half; and has been completely funded by the Surtax dollars.*

*Responding to Commissioner Jordan's question regarding whether the reduced staff resulted from the revenue's inability to support staff, Ms. Markowitz noted that it was the result of CITT operating efficiently with fewer staff.*

*Ms. Esther Calas, Public Works Department (PWD) Director, appeared before the Committee*

and presented an overview of the Fiscal Year 2007-08 Resource Allocation Reductions. She stated that PWD had 55 positions, and six (6) candidates were selected to fill the eight (8) vacant positions. Ms. Calas noted that PWD had proposed operating budget of \$5.367 million for FY 2007-08; the proposed Capital budget of \$169.122 million for FY 2007-08; which brought the total proposed budget for FY 2007-08 to \$169.122 million (based on the money flow from projects on a yearly basis). too long

Ms. Calas noted that PWD had 55 open contracts at a total of \$54 million. She stated that the Advanced Traffic Management System (ATMS) was successful. Ms. Calas noted that the new consultant, Kimley-Horn and Associates, Inc. completed the alpha test and integrated 473 intersections into the new software; and anticipated that 715 intersections would be completed by the end of FY 2006-07.

Ms. Calas noted that two reports would be presented before this Committee on Wednesday (7/18): 1) requesting approval of additional dollars to not-to exceed \$2.5 million under the consultant contract, 2) a Joint Participation Agreement (JPA) with Florida Department of Transportation (FDOT) for an additional \$3 million for the construction portion of Advanced Traffic Management System (ATMS).

Ms. Calas noted that PWD anticipated completing the illuminated sign program within three (3) years; and expected 430 intersections to be completed by the end of FY 2006-07. She stated that PWD had hoped to complete 26 School Flashing Signals that were under construction. Mr. Calas noted that 48,363 Street Name Signs were completed, and she anticipated completing a goal of 55,000 by the end of the fiscal year. She stated that 1,800 Streetlight Retro-fits would also be completed this year, and 1,000 would be turned over to Miami Beach for maintenance.

Ms. Calas noted that \$27 million was spent on People's Transportation Plan (PTP) projects, and expected to spend at least \$50 million by the end of the year. She stated that the accelerated contracting mechanism allowed the projects to be accelerated and anticipated completion prior to the ten-mark in the ordinance.

Assistant County Manager Llort advised that Mr. Jose L. Mesa, Metropolitan Planning

*Organization (MPO) Director was available to address any concerns this Committee had regarding the budget; and the MPO Governing Board approved the budget in May 2007.*

*Commissioner Sorenson asked Assistant County Manager Llord to prepare a status list of pending lease agreements with the Seaport Department.*

**3 OPEN DISCUSSION**

**4 ADJOURNMENT**

**Report:** *There being no further business to come before the Committee, the workshop was adjourned at 11:56 a.m.*



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Dorrin Rolle, Chairman