



MIAMI-DADE COUNTY FINAL OFFICIAL MEETING MINUTES Airport and Tourism Committee (ATC)

Board of County Commissioners

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

May 15, 2008
As Advertised

Harvey Ruvlin, Clerk
Board of County Commissioners

Kay Sullivan, Director
Clerk of the Board Division

Judy Marsh, Commission Reporter
(305) 375-1967





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

FINAL OFFICIAL Meeting Minutes Airport and Tourism Committee

Jose "Pepe" Diaz (12) Chair; Sally A. Heyman (4) Vice Chair; Commissioners Carlos
A. Gimenez (7), Joe A. Martinez (11), Dorrin D. Rolle (2), and Rebeca Sosa (6)

Thursday, May 15, 2008

9:30 AM

COMMISSION CHAMBERS, SPCC

Members Present: Jose "Pepe" Diaz, Carlos A. Gimenez, Sally A. Heyman, Dorrin Rolle,
Rebeca Sosa.

Members Absent: Joe A. Martinez.

Members Late: None.

Members Excused: None.

Members Absent County Business: None.

1 MINUTES PREPARED BY:

Report: *Judy Marsh, Commission Reporter*
(305) 375-1967

1A INVOCATION

Report: *A Moment of Silence was observed followed by the
Pledge of Allegiance.*

1B PLEDGE OF ALLEGIANCE

1C **ROLL CALL**

Report: *The following staff members were present:
Assistant County Manager Ysela LLort; Assistant
County Attorneys David Murray and Deborah
Mastin; Senior Deputy Clerk Doris Dickens and
Deputy Clerk Judy Marsh.*

*Chairman Diaz called the meeting to order at 9:42
a.m.*

*Assistant County Attorney David Murray noted
Agenda Item 2A, a proposed resolution relating to
the feasibility of Miami-Dade County designing,
building and operating pet hotels at the Miami
International Airport and the Miami Seaport, was
added to today's agenda.*

*It was moved by Commissioner Heyman that the
Committee approve the May 15, 2008 Airport and
Tourism Committee agenda. This motion was
seconded by Commissioner Sosa, and upon being
put to a vote, passed by a vote of 5-0,
(Commissioner Martinez was absent).*

1D **CHAIRMAN'S REMARK(S)**

1E **SPECIAL PRESENTATION(S)**

1E1

081401 Report

ORAL REPORT: GREATER MIAMI CONVENTION & VISITORS BUREAU (County Manager) *Presented*

Report: *Mr. Bill Talbert, President and Chief Executive Officer, Greater Miami Convention & Visitors Bureau (GMCVB), provided an oral report on the activities of the GMCVB. He read an article published in the Miami Herald, written by Mr. Gene Prescott, Chair, GMCVB, regarding Miami's tourism industry. Mr. Talbert said Miami ranked No. 1 in the nation for hotel-room occupancy during the first quarter of 2008, according to a report released last week of the top 25 hotel markets. He noted the report also indicated that Greater Miami was the only destination in the country during that period to register hotel-room occupancy in the 80-percentile range. Mr. Talbert said Miami ranked No. 2 in terms of the average daily rate for hotels.*

Mr. Talbert noted two days ago, the GMCVB's entire delegation and two United States Senators signed on as co-sponsors of the proposed Travel Promotion Act legislation which would provide for a Tourist Promotion Agency.

Regarding the Miami Beach Convention Center, Mr. Talbert said yesterday (5/14) the City of Miami Beach Commission authorized its staff to seek proposals for a master plan for the parking lot ("P" Lot) project due west of the Convention Center. He noted the GMCVB continued to work with County staff on this project.

2 COUNTY COMMISSION

2A

081526 Resolution

Jose "Pepe" Diaz,

Dennis C. Moss

RESOLUTION DIRECTING THE COUNTY MAYOR OR HIS DESIGNEE TO REPORT WITHIN THIRTY DAYS ON THE FEASIBILITY OF MIAMI DADE COUNTY DESIGNING, BUILDING AND OPERATING PET HOTELS AT THE MIAMI INTERNATIONAL AIRPORT AND THE MIAMI SEAPORT

Forwarded to BCC with a favorable recommendation

Mover: Diaz

Seconder: Sosa

Vote: 5-0

Absent: Martinez

Report: *Assistant County Attorney David Murray read the foregoing proposed resolution into the record.*

Chairman Diaz relinquished the Chair to Vice Chairwoman Heyman.

It was moved by Commissioner Diaz that the foregoing proposed resolution be forwarded to the County Commission with a favorable recommendation. This motion was seconded by Commissioner Sosa.

Hearing no comments or questions, the Committee voted on the foregoing proposed resolution as presented.

3 DEPARTMENT

3A

081421 Resolution

RESOLUTION AUTHORIZING THE ISSUANCE AND ADVERTISING OF A REQUEST FOR PROPOSALS (RFP NO. MDAD 01-08) TO SELECT FIRMS TO FINANCE, DESIGN, DEVELOP, FURNISH, MAINTAIN AND OPERATE RETAIL, FOOD AND BEVERAGE CONCESSIONS AT MIAMI INTERNATIONAL AIRPORT

Forwarded to BCC with a favorable recommendation
Mover: Heyman
Seconder: Rolle
Vote: 5-0
Absent: Martinez

(Aviation Department)

Report: *Assistant County Attorney David Murray read the foregoing proposed resolution into the record.*

Commissioner Sosa requested assurance that language regarding local participation would be included in the proposed Request for Proposals (RFP) for the Retail, Food and Beverage Concessions Program at Miami International Airport, upon being presented to the County Commission for review and approval.

In response to Commissioner Sosa, Ms. Ana Sotorrio, Associate Aviation Director, Governmental Affairs, Miami-Dade Aviation Department, noted the provisions of the local preference ordinance were included in the proposed RFP.

Responding to Commissioner Gimenez' inquiry regarding the Minimum Annual Guarantee (MAG), Ms. Sotorrio noted the Department was trying to attract small businesses and felt if greater emphasis was placed on the price these businesses might be at a disadvantage to larger businesses with greater financial strength.

In response to Commissioner Gimenez' request that the Selection Committee members be comprised of outside experts, Ms. Sotorrio noted at least two members of the Selection Committee would be subject matter experts from the private industry.

Hearing no further comments or questions, the Committee voted on the foregoing proposed resolution as presented.

3B

080891 Ordinance

ORDINANCE PERTAINING TO AIRPORT ZONING REGULATIONS; AMENDING SECTION 33-303.2 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA ("CODE") PERTAINING TO THE AIRPORT DEVELOPMENTAL IMPACT COMMITTEE; AMENDING SECTION 33-363.1 OF THE CODE PERTAINING TO USES PERMITTED ON OPA-LOCKA AIRPORT LANDS IN THE GP GOVERNMENT PROPERTY ZONING DISTRICT; PROVIDING FOR DEVELOPMENT CRITERIA; PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE (Department of Planning & Zoning)

Forwarded to BCC with a favorable recommendation

Mover: Heyman

Seconder: Gimenez

Vote: 5-0

Absent: Martinez

Report: *Assistant County Attorney David Murray read the foregoing proposed ordinance into the record.*

Chairman Diaz announced that the foregoing proposed ordinance was open for public participation, and there being no one to appear before the Committee, the public hearing was closed, and the Committee proceeded to vote.

3C

081465 Resolution

RESOLUTION APPROVING CHANGE ORDER MDAD-3 WITH SUMITOMO CORP. FOR NORTH TERMINAL DEVELOPMENT AUTOMATED PEOPLE MOVER SYSTEM, PROJECT NO. B702B, IN THE AMOUNT OF \$20,830,437, AND AUTHORIZING COUNTY MAYOR OR HIS DESIGNEE TO EXECUTE SAME

Forwarded to BCC with a favorable recommendation

Mover: Heyman

Seconder: Gimenez

Vote: 5-0

Absent: Martinez

(Aviation Department)

Report: *Assistant County Attorney David Murray read the foregoing proposed resolution into the record.*

Commissioner Heyman moved the foregoing proposed resolution for discussion. This motion was seconded by Commissioner Gimenez.

Commissioner Heyman expressed concern that the warranties on the equipment and parts for the Automated People Mover (APM) System for the North Terminal Development (NTD) Program had expired before the County received the equipment and no further extension on the warranties was available.

Responding to Commissioner Heyman's questions, Mr. Jose Abreu, Director, Miami-Dade Aviation Department (MDAD), said the warranties were suppliers or vendors' warranties and were basically limited to one year. He noted the proposed change order included extensive testing of the APM vehicles that otherwise would have taken place had it not been that staff was trying to mitigate the lack of warranties on some of the equipment. Mr. Abreu referred to the APM communication system and noted the actual cost of the warranty for this system exceeded the cost of repurchasing the entire system.

In response to Commissioner Heyman's inquiry regarding the County's recourse, Assistant County Attorney David Murray advised Sumitomo Corporation of America (Sumitomo) was contractually obligated to provide the County with an operational APM train system otherwise they would be held liable under the contract. He noted if repairs were needed and they were not the result of contractor error, the equipment would have to be returned to the vendor or manufacturer.

Commissioner Heyman noted she felt Sumitomo's obligation to deliver the trains to the County in

working order must be addressed legally before the County took physical possession of these trains.

Assistant County Manager Ysela Llorc said ideally the trains would have been delivered when the tracks were ready. She noted the way the deal was arranged, the warranty would have become effective when the trains were constructed, versus when they were in operation.

Commissioner Heyman asked Assistant County Manager Llorc to ensure that the lessons learned from the Sumitomo contract particularly with regard to the warranty becoming effective when the trains were constructed, versus when they were put into operation, were applied in future negotiations.

Assistant County Manager Llorc noted in order to mitigate the expired warranty, staff would ensure the trains were carefully checked to ensure that when a product was delivered to the County, not only would the product be operational, but a reasonable assumption could be made that it would continue being operational. She further noted staff would closely examine the equipment to determine whether the County was given a "lemon" and if so, this would be addressed. Ms. Llorc said whenever there was a delay on a project of this magnitude ripple effects such as cost and time increase, and equipment issues were encountered. She noted Sumitomo representatives were here today and could address any concerns.

In response to Commissioner Heyman's inquiry regarding the County's options for new technology being made available for equipment the County had not yet received, Mr. Abreu noted he would recommend that the County purchase the new technology.

Commissioner Sosa said she would like to correct the record regarding the assertion that this was a bad policy decision. She noted nothing would be resolved by pointing fingers and the County needed to ensure that appropriate language was included in Requests for Proposals to protect the County. Commissioner Sosa said currently the Aviation Department was paying Sumitomo on a time and material basis for actual necessary and demonstrated additional costs but this was considered high risk to the County, therefore, the Aviation Director may negotiate a lump-sum settlement to eliminate the high risk.

In response to Commissioner Sosa's inquiry regarding the high-speed running test of the APM vehicles on the test track of Mitsubishi Heavy Industries to mitigate the natural effects of prolonged storage conditions, Mr. Abreu said this test would be conducted before mid 2009. He noted the Aviation Department was now able to receive the vehicles because a sufficient portion of the track was energized to start moving them. Mr. Abreu said an inspection of the vehicles and the train control equipment would be conducted.

Responding to further questions from Commissioner Sosa, Mr. Abreu confirmed that \$12,830,437 of the proposed change order was funded from Airport Revenue Bonds and \$8,000,000 from the American Airlines Claims Funds. He clarified that no property taxes were used for funding this change order.

In response to Commissioner Sosa's inquiry whether the Department would be required to pay for the 20 APM vehicles being kept overseas if the Department purchased 20 new vehicles with upgraded technology as an alternative, Mr. Abreu noted staff had already paid for the vehicles.

Commissioner Sosa asked that proper precautions be taken in the future when purchasing equipment for transportation or for anything that was used at Miami International Airport or the Seaport.

Commissioner Gimenez noted while some major mistakes were made regarding the timing of the vehicles, he found some comfort in the fact that the vehicles had to be operational when they arrived at MIA.

In response to Commissioner Rolle's inquiry regarding the remaining balance in the Airport Revenue Bonds, Mr. Abreu said staff would have to go back to the market for the entire Capital Improvement Program. He noted staff was in the process of borrowing \$600 million and would have to do so again by the end of this year.

Commissioner Rolle noted the foregoing proposed resolution and Agenda Item 3D on today's (5/15) agenda indicated that a portion of the change order was being funded from American Airlines Claims Funds; however, the Claims Funds did not reflect a reduced balance.

In response to Commissioner Rolle, Mr. Abreu noted a report reflecting the new balance of the

American Airlines Claims Funds would be prepared before the foregoing proposed resolution and Agenda Item 3D were presented to the County Commission.

There being no further discussion, the Committee voted on the foregoing proposed resolution as presented.

3D

081466 Resolution

RESOLUTION APPROVING CHANGE ORDER MDAD-3 WITH SIEMENS LOGISTICS & ASSEMBLY SYSTEMS, INC. FOR NORTH TERMINAL DEVELOPMENT BAGGAGE HANDLING SYSTEM INSTALLATION, PROJECT NO. B703A, IN THE MAXIMUM AMOUNT OF \$43,465,296, AND AUTHORIZING COUNTY MAYOR OR HIS DESIGNEE TO EXECUTE SAME (Aviation Department)

Forwarded to BCC with a favorable recommendation

Mover: Gimenez

Seconder: Heyman

Vote: 5-0

Absent: Martinez

Report: *Assistant County Attorney David Murray read the foregoing proposed resolution into the record.*

Commissioner Sosa noted she felt uncomfortable with approving the remaining \$9 million of the proposed change order without the funding source being identified.

In response to Commissioner Sosa's concern, Mr. Jose Abreu, Director, Miami-Dade Aviation Department, noted the contract with Siemens would expire in July. He noted he felt comfortable with presenting this recommendation to the Committee because staff had already paid all the claims against American Airlines and the County, and the \$9 million could be taken from the American Airlines account.

Hearing no further comments or questions, the Committee voted on the foregoing proposed resolution as presented.

4 COUNTY MANAGER

5 COUNTY ATTORNEY

6 CLERK OF THE BOARD

6A1

081395 Report

SUMMARY OF MINUTES FOR AIRPORT AND TOURISM COMMITTEE MEETING OF APRIL 17, 2008

Approved
Mover: Heyman
Seconder: Gimenez
Vote: 5-0
Absent: Martinez

Report: *Assistant County Attorney David Murray read the foregoing proposed report into the record.*

Hearing no comments or questions, the Committee voted on the foregoing proposed report as presented.

7 REPORTS

7A

081406 Report

MONTHLY REPORT FROM THE FLORIDA DEPARTMENT OF TRANSPORTATION ON THE MIAMI INTERMODAL CENTER

Report Received
Mover: Heyman
Seconder: Sosa
Vote: 5-0
Absent: Martinez

(County Manager)

Report: *Assistant County Attorney David Murray read the foregoing proposed report into the record.*

Hearing no comments or questions, the Committee voted on the foregoing proposed report as presented.

7B

081407 Report

MIAMI-DADE AVIATION DEPARTMENT CAPITAL IMPROVEMENT PROGRAM REPORT

Report Received
Mover: Sosa
Seconder: Diaz
Vote: 5-0
Absent: Martinez

(County Manager)

Report: *Assistant County Attorney David Murray read the foregoing proposed report into the record.*

Hearing no comments or questions, the Committee voted on the foregoing proposed report as presented.

081738 Report
NON-AGENDA REPORT

Report: *Chairman Diaz noted he had an opportunity to view Miami International Airport's (MIA) security system and he was very impressed with this system. He invited the Committee members to also view the system.*

Commissioner Sosa noted MIA was located within the boundaries of her Commission District and she commended Major Antonio Galindo for his leadership at MIA.

Major Galindo expressed appreciation to Chairman Diaz and Commissioner Sosa for attending the briefing and extended an invitation to all Committee members.

8 ADJOURNMENT

Report: *There being no further business to come before the Committee, the Airport and Tourism Committee meeting was adjourned at 10:32 a.m.*

Jose "Pepe" Diaz, Chair