



**MIAMI-DADE COUNTY**  
**FINAL OFFICIAL**  
**Meeting Minutes**

**Board of County Commissioners**

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

Tuesday, June 30, 2009  
As Advertised

Harvey Ruvlin, Clerk  
Board of County Commissioners

Diane Collins, Acting, Director  
Clerk of the Board Division

Alan Eisenberg, Commission Reporter  
305-375-2510



**Members Present:** Bruno Barreiro; Jose "Pepe" Diaz; Audrey M. Edmonson; Carlos A. Gimenez; Sally A. Heyman; Barbara J. Jordan; Dennis C. Moss; Dorrin Rolle; Natacha Seijas; Katy Sorenson; Rebeca Sosa; Javier D. Souto

**Members Absent:** Joe A. Martinez

**Members Late:** None.

**Members Excused:** None.

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**Members Absent County Business:** None.

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**1**      **MINUTES PREPARED BY:**

**Report:** *Alan Eisenberg, Commission Reporter*  
305-375-2510

**1A**      **ROLL CALL**

**Report:** *The following staff members were present at tonight's (6/30) meeting: County Manager George Burgess; County Attorney Robert Cuevas; Assistant County Attorney Geri Bonzon-Keenan; Ms. Jennifer Glazer Moon, Budget Director, Office of Strategic Business Management; and Deputy Clerks Diane Collins and Zorana Gainer*

*Chairman Moss called the Special Meeting to order at 6:54 p.m.*

*County Attorney Robert Cuevas announced that the Special Meeting was called pursuant to Rule 3.02A of the County Commission's Rules and Procedures to discuss several Special Items related to the Florida Marlins Ballpark (Ballpark).*

*It was moved by Commissioner Jordan that the Board convene in Special Session to discuss the Florida Marlins Ballpark project. This motion was seconded by Commissioner Edmonson, and upon being put to a vote, passed by a vote of 11-0, (Commissioners Martinez and Sosa were absent).*

**1B**      **MOMENT OF SILENCE**

**1C**      **PLEDGE OF ALLEGIANCE**

**1D**      **SPECIAL ITEMS**

## Special Item No. 1

**091984****Resolution**

RESOLUTION RELATED TO NEW FLORIDA MARLINS BALLPARK, RELATED PUBLIC INFRASTRUCTURE AND CITY PARKING FACILITIES; APPROVING TERMS OF SECOND AMENDMENT TO THE CONSTRUCTION ADMINISTRATION AGREEMENT BY AND AMONG MIAMI-DADE COUNTY, CITY OF MIAMI AND MARLINS STADIUM DEVELOPER, LLC; AND AUTHORIZING COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE SUCH AMENDMENT (RESULTING FROM CONSIDERATION OF APPROVAL OF DOCUMENTS, MATTERS OR RECOMMENDATIONS RELATING TO THE BASEBALL STADIUM AGREEMENTS PREVIOUSLY APPROVED BY THE BOARD FOR THE FINANCING, FUNDING, DEVELOPMENT, DESIGN, CONSTRUCTION AND NAMING OF A NEW MARLINS BALLPARK, THE PARKING FACILITIES FOR THE BALLPARK AND THE RELATED PUBLIC INFRASTRUCTURE) (County Manager)

*Adopted**Resolution R-905-09**Mover: Bruno A. Barreiro**Seconder: Jose "Pepe" Diaz**Vote: 9- 3**No: Heyman, Gimenez, Sorenson**Absent: Martinez*

**Report:** County Manager George Burgess explained there were two different underwriting teams and two different transactions. He said that the Professional Sports Franchise Facilities Tax (PST) with a current interest rate and capital appreciation and a variable rate was handled by Merrill Lynch and these bonds had been committed. County Manager Burgess noted the Convention Development Tax (CDT) handled by JP Morgan was more difficult; that the CDT bonds were sold for \$80.8 million which exceeded the amount needed for the Stadium; however, that amount was \$6 million short of the public infrastructure requirement.

County Manager Burgess noted the Commission previously adopted an ordinance approving a 7.5 percent interest rate as the ceiling on both the PST Bonds and the CDT Bonds. He noted the current interest rate on CDT Bonds was 8.16 percent which was higher than anticipated; however, the rate on the Sports Tax bonds were lower than anticipated, and the blended interest cost was 7.06 percent. County Manager Burgess said \$86.8 million was expected from the CDT Bonds, but the County would only receive \$80.8 million. He noted that the timing of the sale was one of many forces driving the market rates. County Manager Burgess said the County Administration was not comfortable with the County contributing any additional funds for the Ballpark, and that he had asked representatives of the Marlins whether they were willing to cover the shortfall by providing additional funds or through savings on construction costs.

County Manager Burgess said the Administration's recommendation was to allow the County to adjust the interest rate cap on the CDT Bonds to 8.2 percent. He noted the blended interest rate cost of the CDT and the PST would remain lower than the 7.5 percent cap. If the Board approved the pricing of the bonds tonight (6/30), the bonds would be priced tomorrow (7/1).

Commissioner Diaz questioned the impact of the change in the interest rate and the impact of the \$6 million shortfall on the Ballpark.

County Manager Burgess responded that the PST and CDT were previously capped at 7.5 percent; however, the blended rate would be 7.06 percent based on the higher market rate on the CDT bonds. He noted the proceeds would fall short by approximately \$6 million, although the blended rate would be lower. Also, the amortization schedule would remain the same and the payments would not change. County Manager Burgess noted JP Morgan offered to purchase all CDT Bonds at 8.16 percent which exceeded the 7.5 percent ceiling and created the \$6 million shortfall. It was anticipated that revenue generated from the CDT bonds would cover the stadium and public infrastructure costs; however, another funding mechanism must be identified to make up the shortfall, the Manager noted. He explained that the amount of revenue generated from the bond proceeds would be lower because the interest rate and the cost of borrowing was higher.

Commissioner Diaz questioned whether extending the deadline to July 17, 2009 would resolve the situation.

County Manager Burgess said the target was to raise \$306 million through a combination of CDT, PST and Bed Tax Receipt Bonds, which was extremely close considering today's volatile market. He noted with the July 17th extension, the Administration could hold off on selling the bonds; however, they did not anticipate any major changes unless a significant market adjustment occurred. County Manager Burgess reiterated that the funding

gap could be bridged by the Marlins through reduced material costs without changing the program statement or by committing additional funds. He noted the primary action to be taken by the Board tonight (6/30) was to adjust the interest rate from 7.5 percent to 8.2 percent in order to price the CDT Bonds with JP Morgan.

Commissioner Diaz emphasized the importance of proceeding with this project as originally presented to the residents of this community.

County Manager Burgess reiterated that the scheduled debt service payments would not change; however, the bond proceeds would be short by \$6 million with a reduced contribution from \$86 to \$80 million into the construction fund and the County's share of the public infrastructure.

Chairman Moss asked County Attorney Cuevas to provide members of the Commission with clarification on appropriate procedures should the Board take action tonight (6/30).

County Attorney Cuevas responded that a new resolution amending the previous resolution adopted in April 2009 would be required if the decision was to seek authority to sell bonds at a higher rate than was previously authorized. He explained that the Committee process must be waived to allow this proposal to be considered by the Board. County Attorney Cuevas noted that amendments to the Construction Administration Agreement memorializing the County, the City of Miami, and the Marlins funding commitments for the Ballpark construction would need to be approved by all parties. He noted a resolution approving the changes was required with specific language addressing the revised commitments. County Attorney Cuevas clarified that the purpose of this meeting was to allow this Commission to conduct a public meeting by July 1, 2009 to discuss either how to proceed with the bond sale and bridge the funding gap or whether to terminate the agreement, in the event funding from the sale of the bonds was insufficient under the terms of the Construction Administration Agreement.

Assistant County Attorney Geri Bonzon-Keenan noted County Manager Burgess was recommending an amendment to the Bond Series Resolution that would become effective tonight if adopted, since they could not guarantee that bond prices would hold until Thursday (7/02). She noted it would be necessary to waive the Committee process for the Bond Series Resolution as well. She also noted a proposed amendment to this resolution would be read into the record, increasing the maximum true interest cost on the CDT Bonds from 7.5 percent to 8.2 percent, provided that the total blended rate between the CDT Bonds and tax exempt PST Bonds would not exceed 7.5 percent. Ms. Bonzon-Keenan said that the funding shortfall also needed to be addressed today (6/30) in a separate proposal which would also require a waiver of the Committee process; however, conditioned on the approval of the City of Miami officials and representatives of the Florida Marlins.

Another option would be to approve the amendment to the Bond Series Resolution; to recess this meeting until Thursday, July 2, 2009; and to allow the Administration to come back to the Board with an amendment to the Construction Administration Agreement, Ms. Bonzon-Keenan noted. She noted that it was important to understand that should the Bond sale be finalized tomorrow, the Bond purchase agreement would be signed and the Commission would be amending the Construction Administration Agreement after a binding commitment to purchase bonds was executed.

Chairman Moss questioned the implications of proceeding without the City of Miami officials and representatives of the Marlins signing off on the agreement.

Assistant County Attorney Bonzon-Keenan responded that the County Commission's approval on July 2nd would be subject to the approval by the City of Miami officials and the Marlins on how the County would fund the shortfall and the proposed amendment. Ms. Bonzon-Keenan said that if the City officials and the Marlins did not approve the amendment, the County Manager would terminate the agreement before July 17, 2009. She recommended the Commission provide the County Attorney with appropriate direction on how to proceed.

County Manager Burgess said this could be resolved tonight. He noted the County Administration's recommendation was to wait until July 1, 2009 to determine whether the market improved and if not, to hold off on the sale of the bonds. The Administration would recommend that the Board proceed with the Ballpark if the bonds were priced below 7.5 percent and were fully sold. He noted the resolution would amend the previously approved resolution to change the interest rate ceiling from 7.5 percent to 8.2 percent. County Manager Burgess further noted that the payments from the CDT would not change; however, the proceeds generated would be reduced by \$6 million, which would create a funding gap that must be bridged. He said it would be appropriate to request that the Marlins bridge the \$6 million gap, which would put the County back to its original specifications.

Mr. David Samson, Florida Marlins President, noted a commitment was made in March 2009 that the County's contribution to the Ballpark was capped, and he understood that the County would not be providing any additional funding. He said the Marlins were committed to cover all cost overruns and would pay these additional costs without violating any provision of the Construction Administration Agreement.

Commissioner Edmonson requested clarification as to whether the Marlins would bridge the \$6 million shortfall and if so, whether they would expect the County to reimburse them for any part of the shortfall.

Mr. Samson responded the Marlins would pay the \$6 million shortfall in bond proceeds to the construction fund and would be prepared to cover all cost overruns. He reassured members of the Commission that the Marlins would continue to fulfill their contractual obligations. He reiterated that the County would pay \$6 million less to the construction fund, and the Ballpark would be built to the original specifications as set forth in the Construction Administration Agreement.

County Manager Burgess noted that a modification to the Construction Administration Agreement was in order to provide that the Marlins would assume any costs in excess of \$509 million. He said that Mr. Samson's verbal commitment to cover any costs in excess of \$509 million would close the funding gap.

County Attorney Cuevas said the County had a contractual obligation to fund a certain dollar amount as the County's share of the Ballpark construction. He explained that without all parties (officials or representative of Miami-Dade County, the City of Miami and the Florida Marlins) signing off on the

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amended contract, the County would be obligated to fund the entire amount including the shortfalls. He re-emphasized the need for a written agreement to be negotiated and signed by all parties.

Responding to Commissioner Edmondson's question about other alternatives available to the Board, County Attorney Cuevas noted that alternative proposals could be prepared and considered tonight; however, those proposals would be contingent upon approval by the City of Miami officials and the Marlins' representatives by July 17, 2009.

County Manager Burgess noted that Administration had communicated with financial advisors in New York throughout the day until 6:30 p.m. He said that the Marlins made a commitment to cover all costs in excess of \$509 million unless the proposal was unacceptable to the City of Miami officials or the Marlins' representatives failed to fulfill their commitment to bridge the funding gap. He noted the County should trust its business partners' statement; however, it was critical to adjust the 7.5 percent CDT Bond ceiling to 8.2 percent tonight in order to price the CDT Bonds tomorrow. The Manager also noted he anticipated the bonds would actually price at 8.16 percent and the blended true interest cost of the CDT and PST bonds would be 7.06 percent, which remained below the 7.5 percent cap.

Commissioner Edmonson questioned the rationale for raising the cap since the Marlins had committed to bridge the shortfall.

County Manager Burgess responded that it was necessary to raise the cap on the CDT Bonds because the previous resolutions approved the caps individually on the PST and the CDT; that the debt service payments would not change; and as previously mentioned, the Marlins had committed to cover the shortfall.

Commissioner Edmonson said commitments and promises were made to the community and that she would not support any increases; any use of the General Fund dollars nor would she support any proposal(s) to raise the cap.

County Manager Burgess pointed out that the cost of the bonds negotiated with JP Morgan would be approximately 8.16 percent and the interest rate cap would increase to 8.20 percent. He said the \$6 million shortfall would not affect the General Fund. County Manager Burgess noted that the debt services payments would remain constant although the interest costs were higher and the proceeds were lower. He said that the interest rate would need to be lower in order to adhere to the amortization schedule previously presented to the Commission. The higher interest rate resulted in less proceeds; however the principal and interest payments would not change.

Mr. Samson noted he believed that interest rates would have been low enough for all funds to be generated from the bond sale. He said that County Manager Burgess approached the City of Miami and the Marlins and asked that they make up the shortfall, rather than go back to the Commission for these funds. Mr. Samson said that the Marlins had agreed to fund the shortfall; that there would be no additional public costs; that the Ballpark would be constructed as originally planned; and that promises commissioners made to constituents would be kept.

County Attorney Cuevas noted he had concerns regarding having to go back to the City of Miami for approval of this agreement after it had been approved

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by the County Commission, noting the City could hold out on approving how the \$6 million shortfall would be bridged. He referenced Section 15.3 of the Construction Administration Agreement, noting "this agreement may not be amended or modified, except in writing, and as duly executed by the parties."

Commissioner Sorenson questioned whether the amount the Marlins had agreed to pay included County infrastructure costs.

Assistant County Attorney Bonzon-Keenan responded that she believed that Mr. Samson was suggesting that the County's contribution would be reduced by \$6 million, not that the Marlins would increase their contribution to cover the shortfall.

County Manager Burgess said that the County would cover the public infrastructure costs; the Marlins would cover the shortfall in the Ballpark account; and the County's contribution to the Ballpark would be reduced by \$6.2 million.

Commissioner Sorenson questioned whether the blended rate would require a new resolution.

Assistant County Attorney Bonzon-Keenan responded that the CDT Series Resolution would be amended to provide that the maximum true interest cost for the CDT Bonds would be increased to 8.2 percent and that the blended rate between PST and CDT Bonds would not exceed 7.5 percent.

Commissioner Sorenson asked that the exact figures for principal and interest payments to repay the PST and CDT Bond payments be provided. She noted her appreciation for Mr. Samson's generous offer; however, it was evident that the Marlins were capable of making additional contributions.

County Manager Burgess noted the figures for principal and interest payments would be provided later.

Commissioner Heyman questioned whether the higher interest rate would increase the County's exposure to the pledged general funds.

Assistant County Attorney Bonzon-Keenan noted the higher interest rate might increase the County's exposure to the pledged general funds if the Tourist Tax Revenues were insufficient to fund the debt service payments.

Concerning Commissioner Heyman's comment that the County would face additional exposure if additional funds were not available, Assistant County Attorney Bonzon-Keenan responded that interest rates were tied to debt issued. She said that additional exposure would exist if the interest rate increased and/or if revenue generated from the tourist tax was insufficient to cover the payments.

Commissioner Heyman expressed concern that the contract contained defined language with missing information on the County's exposure. She questioned whether the Marlins were required to build-to-plan as stated in a contract that addressed unforeseen problems like government cause and cost overruns. She pointed out that a \$6 million shortfall already existed and that County Manager Burgess and Mr. Samson confirmed that no additional dollars would be added to the County's share. She further noted Mr. Samson also advised that the City of Miami officials stated they would not pay more

than their share.

Commissioner Heyman questioned whether the County's share would be reduced by \$6 million because it was not in the bond sale; and whether the Marlins would state, for the record, that they would increase the Marlins contribution by \$6 million. Commissioner Heyman asked that members of the Board be provided with concrete language stating that the Marlins would bridge the \$6 million gap.

County Manager Burgess noted the County's recommendation to go forward was predicated on the County not contributing a nickel more into the deal.

Mr. Samson referred to the Project Statement within the agreement, noting it must be constructed in accordance with the Project Statement regardless of cost. He further noted the County's and City's contribution to that Project Statement were fixed; however, the Marlins' contribution was variable.

In response to Commissioner Heyman's question as to whether the Marlins would bridge the \$6 million funding gap in the County's share, Mr. Samson advised that the Marlins would assume all overruns and variable costs; that the County's contribution was capped.

Ms. Bonzon-Keenan clarified that that the term "cost overrun" should not be interpreted the same as contribution or obligation.

In response to Commissioner Heyman's question whether the County was aware of what its payments would be, Ms. Jennifer Glazer-Moon, Director of Office of Strategic Business Management, noted this information was being provided to the Administration and would be presented to the Board. She explained that the reason for the \$6.2 million shortfall was because the Administration was not willing to incur additional costs or to change the risk associated with going to its secondary or tertiary pledges. She explained that there would not be any additional risk to the General Fund based upon the Board's action tonight.

Commissioner Heyman noted her concern that one of the three parties involved in this agreement was unwilling to proceed and that all three partners needed to agree on a binding, written contract setting forth the mutual obligations and responsibilities.

In response to Commissioner Rolle's inquiry regarding the amount of the County's commitment, Commissioner Barreiro noted the current contract was for \$347 million. He noted that due to the higher interest rate, the County was only able to generate \$341 million, which resulted in a \$6 million shortfall. Commissioner Barreiro asked Mr. Samson if the Marlins were willing to make up the difference.

In response to Commissioner Barreiro's question, Mr. Samson answered yes.

Commissioner Barreiro noted that the County Attorney needed to draft language stating that the County's cost would be capped at \$341 million, rather than \$347 million; and that the City of Miami officials should also execute that agreement. He further noted the Marlins should state, on the record, that they agreed to those terms.

Vice-Chairman Diaz noted this proposed language would need to go back to

*the City of Miami officials for approval as a contractual agreement.*

*Mr. Samson confirmed Commissioner Barreiro's statement that the Ballpark would be constructed in accordance with the original agreement.*

*It was moved by Commissioner Barreiro that the County Attorney be directed to prepare a contractual agreement stating that the County's cost for the Ballpark would be capped at \$341 million. This motion was seconded by Commissioner Jordan.*

*In response to Commissioner Diaz' question to the County Attorney regarding whether the amendment could be prepared as Commissioner Barreiro recommended, Assistant County Attorney Bonzon-Keenan noted staff could prepare the amendment as proposed by Commissioner Barreiro; however, they needed to know when the Board intended to act on the amendment and if they planned to act on it tonight, staff would need a recess to address procedural issues. She further noted the current termination date in the resolution was July 17th and staff needed direction from the Board on how to proceed should the proposed amendment be denied by the City of Miami and whether the Board would like staff to include in this action item some other resolution or direction.*

*Assistant County Attorney Bonzon-Keenan advised that the motion, as presented, would craft a second amendment to the Construction Administration Agreement, which would reduce the County's contribution of \$347.5 million for the Ballpark by the \$6.1 million shortfall. As previously mentioned, she noted staff needed direction from the Commission on how to proceed if the City of Miami Commission did not approve the amendment. She noted Mr. Samson had stated he agreed with this change; however, it must be approved by the City of Miami as well.*

*Continuing, Ms. Bonzon-Keenan advised that the resolution approving the second amendment could make it contingent upon the approval and deal with that scenario today (6/30), if the Board desired. She noted that in order to effectuate this, staff needed to amend the Bond Series Resolution to permit the increase in the interest rate. She advised that staff had prepared the amendment as a separate item and requested that the Committee process be waived to allow this proposal to be considered today.*

*Assistant County Attorney Bonzon-Keenan noted, in response to Commissioner Jordan's question, that a majority vote of the Commission would be required to amend the Bond Series resolution; and that the amendment would state that the County's contribution would be reduced by \$6.2 million and therefore, the cost of the Ballpark which was previously estimated as \$515 million cost, would be reduced.*

*Commissioner Barreiro accepted the amendment as presented. This motion was seconded by Commissioner Jordan, for discussion.*

*Discussion ensued among Commissioner Gimenez, the County Manager and the Assistant County Attorney regarding Commissioner Gimenez' request that any remaining funding be placed into a capital replacement account should any of the parties fail to fulfill their funding obligation; as well as his request for clarification regarding the amortization schedules and interest rates used in the scenarios. Commissioner Gimenez expressed concern that the proposed amendment could adversely affect the capital expense fund.*

Commissioner Barreiro noted the Ballpark must be constructed as proposed in the original agreement and the Marlins could not value engineer out portions or items of the ballpark.

In response to Commissioner Gimenez' question on whether variable interest rate bonds were sold by the County and if so, how much was sold, Mr. Burgess noted the County sold approximately \$100 million variable interest rate bonds. He added that the Sports Tax contained current interest and capital appreciation components, and noted the County had secured subscriptions and commitments for those bonds.

Regarding Commissioner Gimenez' question as to how often the variable interest rate bonds varied, Mr. Burgess stated the bonds would vary every seven (7) days.

Commissioner Gimenez engaged in a colloquy with Mr. Frank Hinton, Bond Analyst, Miami-Dade Finance Department, during which the following points were made: 1) that the County's variable interest rate bonds would not be capped; 2) that the County would pay the maximum interest rate in the Letter of Credit (LOC); and 3) that the assumed maximum variable rate was currently 15 percent.

County Manager Burgess clarified that the weekly rates were very low, rarely 15 percent. Additionally, he noted if the rates increased to an uncomfortable level, the bonds could be converted to a fixed rate.

Mr. Hinton noted variable rates were traditionally lower than fixed rates.

Commissioner Gimenez noted he had been against this deal from the start and expressed concern that the General Fund was in jeopardy now, more than ever.

County Manager Burgess pointed out that the variable rate on the Courthouse bonds was adjusted by .25 percent and advised that the high end assumption on those bonds was approximately 3.25 percent, with an option to convert to a fixed rate. He noted staff was comfortable with that and added that the capital appreciation bonds came in at a higher interest rate. Mr. Burgess stated the shortfall of \$6 million would not jeopardize the General Fund, particularly since the Marlins had agreed to bridge \$6.2 million shortfall.

Commissioner Jordan requested clarification regarding the capital expenditures account. She questioned whether the balance of that account would be \$6.2 million less if the Marlins did not deposit that amount of money.

County Manager Burgess clarified that the capital expenditures account would have no funds deposited into it if the Ballpark construction cost did not exceed \$515 million; and that any unused funds would be placed in the capital expenditures account.

Mr. Samson noted value engineering would occur after schematic design and design development phases, which were the first and second phases of the project. He explained that value engineering takes place to get to the \$515 million number; the scope of the building had been reduced and if the number

was below \$515 million, the Marlins would add back certain features (i.e., escalators, elevators, landscaping, millwork, etc.) included in the original specifications approved by the County and its representatives. If there was extra money because materials were cheaper and labor was less expensive, those items could be added back. Essentially, Mr. Samson noted there was no scenario under which the Capital Expenditure Fund would have been funded, in the Marlins opinion as developers of the Ballpark. He clarified that if the cost of the Ballpark was ultimately below \$515 million, that money would go to the County rather than into the Capital Expenditure Fund because the County was unable to come up with its share under its contractual obligation as agreed to in March 2009.

Commissioner Jordan clarified that her concern was that the County would be shortchanged. She questioned whether the capital expenditure account would be impacted even if the Ballpark was constructed for less than \$515 million.

County Manager Burgess noted the County never intended for the capital expenditures account to receive a windfall from another account. He clarified that this discussion was about alternative ways to proceed with this project.

Commissioner Jordan explained that the County would not expend additional funds, notwithstanding the 8.2 percent interest rate exceeding what was expected. She pointed out that the County's contribution was being reduced by \$6.2 million from \$347 million to \$341 million.

Assistant County Attorney Bonzon-Keenan advised that the amendment on the floor would reduce the County's contribution from \$347 million to \$341 million. She advised that the County had some unresolved issues with potential impacts that members of the Commission should be aware of. Ms. Bonzon-Keenan explained that the Finance Director would execute a bond purchase agreement on July 1, 2009, to lock in the interest rates if the County Commission approved this proposed resolution. She advised that the County would be obligated to close after signing the bond purchase agreement, even if the City of Miami officials did not approve these changes in which case, the County would still be obligated for the \$6.2 million shortfall.

Commissioner Jordan noted it was her understanding that the only issue this Commission needed to approve was to lock in the 8.2 percent interest rate.

Assistant County Attorney Bonzon-Keenan advised that a number of things must happen depending on the direction this Commission would like to take. First, the County Commission needed to approve an amendment to the Series Resolution, as recommended by the County Manager, to increase the maximum true interest cost rate of 7.5 percent to 8.2 percent with the blended interest rate of 7.5 percent. She noted this was the first step and this step must be completed in order to price the bonds and sign the bond purchase agreement tomorrow (7/1) based on those rates. Once the bond purchase was signed, the City of Miami or the Marlins could not terminate the agreement; however, the Commission would also be approving a second amendment to these amendments reducing the County's contribution by the shortfall. Ms. Bonzon-Keenan noted it was her understanding that the underwriters would not agree to condition the closing of the bonds on the approval of the second amendment by the City or the Marlins. Once the bond purchase agreement was signed, the sale would go forward, therefore the County would be locked in the closing on the bonds, Ms. Bonzon-Keenan noted. She also noted a

termination for convenience clause was contained within the agreement in the event the County did not close on the bonds before July 17, 2009.

In conclusion, Ms Bonzon-Keenan clarified that if the City did not approve the second amendment, the County would have to proceed with the closing; and if the County did not terminate these agreements, the County would be obligated for the \$6.2 million shortfall.

Commissioner Seijas requested clarification on Mr. Samson's remarks regarding the use of value engineering and adjusting the scope of this project.

Mr. Samson explained that the Ballpark had to be built regardless of the final cost. He clarified that during the schematic design and development some changes in the scope were made; however, the scope of the construction documents had not changed.

Responding to Commissioner Seijas' inquiry regarding changes to the Ballpark resulting from LEED requirements, Mr. Samson noted LEED requirements did not impact the Ballpark. He pointed out that the original agreement required the Ballpark be a silver certified LEED building.

Mr. Samson noted the Marlins would be willing to sign an agreement with the County that the County's contribution would be capped at \$341 million; and the Marlins would be liable for the other \$6.2 million with or without the City of Miami officials' approval.

In response to Commissioner Seijas' question regarding the tertiary pledge, Assistant County Attorney Bonzon-Keenan advised the first funding source would be the PST; that if that tax was insufficient the County would access the Tourist Development Tax. She noted if both the CDT and the PST tax were insufficient, the County would appropriate non-ad valorem revenues.

Commissioner Seijas requested clarification regarding what the City of Miami needed to approve.

Assistant County Attorney Bonzon-Keenan advised that the City of Miami needed to approve the reduction in the County's share or obligation by \$6.2 million.

Commissioner Seijas noted she would vote against this proposed resolution. She expressed concern regarding the impact of this project considering the County's financial condition and particularly, on the General Fund.

Commissioner Diaz requested the County Attorney prepare a written proposal that clearly outlined all the issues and various scenarios.

Commissioner Sosa questioned whether the City of Miami's contribution would decrease in the Construction Administration Agreement.

County Attorney Cuevas advised that the City of Miami's contribution would not decrease; however, the City of Miami could attach conditions to its agreement that favored the County.

In response to Commissioner Sosa's inquiry of how this proposed amendment impacted the City of Miami, Assistant County Attorney Bonzon-Keenan advised that the Construction Administration Agreement was a three party

agreement and this change to that agreement could be enforced by the City of Miami.

Commissioner Sosa questioned whether this proposed resolution would make any changes to the funding sources or amounts.

County Manager Burgess noted this proposed resolution did not change any of the funding sources and the amount was the same; however, the Marlins would pay \$6 million more, and the County would pay \$6 million less.

Responding to Commissioner Diaz's inquiry regarding the time required for the County Attorney to provide the clarifying documents that the Commission was requesting, County Attorney Cuevas requested the Commission allow 45 minutes.

The Commission recessed this meeting at 8:59 p.m. and reconvened at 12:29 a.m. on July 1, 2009.

Assistant County Attorney Geri Bonzon-Keenan read into the record, Special Items 1, 2, & 3. She recommended the Board consider the items in reverse order starting with Special Item 3. She explained that if Special Item 3 was approved first, the Board would know its shortfall would be \$6.2 million and could satisfy it with Special Item 2; however, an amendment to the Construction Administration Agreement (construction agreement), if approved by the City of Miami, would replace Special Item 2.

Chairman Moss asked Assistant County Attorney Bonzon-Keenan to summarize all of the items, and noted he would entertain questions from members of the Commission following her summary.

Assistant County Attorney Bonzon-Keenan noted, if approved, Special Item No. 3 would amend the 2009 series-Convention Development Tax (CDT) bond, approved in Resolution No. R-780-09, to increase the maximum true interest cost set in that resolution from 7.5 percent to 8.2 percent, provided that the total blended rate with the Professional Sports Tax (PST) bonds did not exceed 7.5 percent. In addition, Ms. Bonzon-Keenan noted she previously described the process to be followed if Special Item 3 was approved, which would entail the County completing the bond sale with the underwriters and entering into the bond purchasing agreement by no later than 1:00 p.m. tomorrow (07/01). She explained that in the event the City of Miami failed to amend the Construction Administration Agreement (construction agreement), which was possible, the County could be liable for \$6.2 million.

Continuing, Ms. Bonzon-Keenan noted, rather than amend the construction agreement between the County, the City of Miami, and the Marlins Stadium Developer, LLC, Special Item 2 involves an agreement between Miami-Dade County and the Florida Marlins Team for the Team to remit \$6.2 million to the County on or before the County makes its final required \$6.2 million payment. She noted this agreement needed to be drafted and executed by 1:00 p.m. on July 1, 2009; however, if the County and the Florida Marlins were unable to negotiate the terms of this agreement by this timeframe, Special Item 2 would further direct the Mayor or his designee to terminate the construction agreement. In addition, Special Item 2 also provides that if the construction agreement was later amended to reduce the County's contribution from \$347.5 million to \$341.3 million and reduce the initial Stadium Project Budget from \$515 million to \$508.8 million, prior to the

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Marlins remitting \$6.2 million to the County and the County making its last payment, Special Item 2 would be terminated, which would release the Florida Marlins obligation to remit \$6.2 million to the County and the County's obligation to fund the shortfall based on Special Item 1.

Ms. Bonzon-Keenan noted Special Item 1 was a resolution authorizing the County Mayor or his designee to execute a second amendment to the construction agreement, subject to the City of Miami Commission and the stadium developer's approval at a future date.

Commissioner Sosa noted the explanation provided by Assistant County Attorney Bonzon-Keenan was sufficient to address her concerns.

Commissioner Barreiro concurred and noted he was ready to proceed with the vote.

Commissioner Edmonson questioned whether the following language as contained within Special Item No. 2 was correct: "...the bonds would be increased from 7.5 percent to 8.2 percent and when blended with the true interest cost rate on the PST, the tax exempt bond shall not exceed 7.5 percent;" and whether this language suggested that the PST bonds would need to be reduced.

Ms. Bonzon-Keenan noted she believed the true interest cost of the PST bonds was below the maximum 7.5 percent and when blended with the 8.16 percent maximum rate on the CDT bonds, the total would not exceed 7.5 percent.

Commissioner Jordan noted that based on the language proposed by Commissioner Barreiro in Special Item 2 that the County's contribution to the stadium cost would be reduced by \$6.2 million to \$341.3 million; that the initial Stadium Project Budget would be reduced by \$6.2 million to \$508.8 million; and that Special Item 2 releases the County from any obligation for the \$6.2 million and provides that the Florida Marlins remit \$6.2 million to the County on or before the date the County makes its final draw to meet the obligations under the construction agreement. She noted her concerns had been addressed and she was satisfied that the County would be protected.

Commissioner Gimenez asked the County Manager whether the County would sell \$100 million in CIBs in the bond sale.

County Manager Burgess noted the capital appreciation on the CDT Bonds was significant and was about \$100 million.

Commissioner Gimenez questioned whether the County would sell \$420 million or \$347 million in bonds, considering the County had to refinance some bond issues. He also questioned whether the refinancing piece was approximately \$100 million and whether the total bond issuance being advertised included the new money and the refinancing. Commissioner Gimenez said he was led to believe, and asked the County Manager to confirm whether he was correct, that the County had \$100 million in CIBs, \$100 million in variables, \$40 million in convertible CABs, \$100 million in regular CABs, and \$80.2 million in CDT, which was a portion of CABs.

County Manager Burgess noted that refinancing had always been a part of the transaction; however, this issue was about the new money and the fact that the County was short by \$6.2 million. He said he believed the figures

stated by Commissioner Gimenez were correct

Commissioner Gimenez asked the County Manager to provide him with a report on the total cost (principal and interest) of the financing over a 40 year period after the bonds were sold. Commissioner Gimenez questioned whether Special Item 2 contained a provision that required the Florida Marlins to contribute \$6.2 million, unless the County's contribution to the stadium was reduced to \$341 million and the initial Stadium Project Budget was reduced to \$508.8 million, at which point, the Marlins would be released from any financial obligation.

Assistant County Attorney Bonzon-Keenan noted that was correct, provided the construction agreement was amended to state those provisions.

In response to Commissioner Gimenez' question regarding whether the City of Miami officials had to agree to the changes in Special Item 2, Ms. Bonzon-Keenan noted the City officials did not have to agree to the change in Special Item 2; however, they would have to agree to the change in Special Item 1.

In response to Commissioner Gimenez' inquiry regarding whether the Mayor or County Manager would have authorization to reduce the initial project cost if the City officials agreed to the changes, Ms. Bonzon-Keenan said "No." She explained that the stadium project costs were based on the Project Program Statement (PPS), and the Florida Marlins would still be required under the terms of the construction agreement, to build a facility based on the approved PPS. Ms. Bonzon-Keenan also explained that if approved, Special Item 1 would reduce the initial stadium project budget from \$515 million to \$508.8 million, but would not change the Florida Marlins obligation to construct the facility under the PPS; that if the project cost exceeded the amount approved under the PPS, the Marlins would be obligated to fund the additional cost for overruns. Conversely, if the cost was less than that approved under the PPS, the savings would be transferred to the Capital Replacement Account as previously mentioned.

Commissioner Gimenez questioned the impact of reducing the initial stadium project budget by \$6.2 million; whether this would create a shortfall that must be bridged by the County, the City of Miami or the Florida Marlins.

Assistant County Attorney Bonzon-Keenan noted, assuming the initial stadium project budget remained at \$515 million and was not amended to \$508.8 million, the Capital Reserve Fund would be short by \$6.2 million.

Commissioner Heyman noted the bond rates reflected in the original documents did not exceed 7.5 percent; whereas the documents before the Board today reflected a blended rate of up to 8.2 percent. Assuming the County officials were able to secure a rate of approximately 7-percent, would they be able to get an average blended rate of 7.5 percent, Commissioner Heyman asked.

Assistant Count Attorney Bonzon-Keenan noted Special Item No. 3 authorized an increase to the maximum true interest cost on the CDT bonds; however, information would be available to ensure the blended rate between the two transactions (CDT and PST bonds) did not exceed 7.5 percent. If not, the Administration would not have the authority to proceed with the bond issue, she noted. She said she believed the blended rate would be below 7.5 percent.

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Commissioner Heyman noted the rate should not be based on an assumption; that she understood that documentation had been released that concludes the blended rate would be below 7.5 percent.

Assistant County Attorney Bonzon-Keenan noted that Special Item No. 3 delegates authority to the Finance Director to execute a bond agreement and sets a maximum rate; that before signing off on the bond purchasing agreement, the County Attorney(s) would have received the numbers and confirmation that the parameters were met. If the parameters were not met, the County Attorney(s) would not approve the purchase agreement as to form and legal sufficiency, Ms. Bonzon-Keenan noted. She said she had received verbal confirmation that the County would be able to secure a 7.5 percent rate; however, this was not final until the pricing agreement was negotiated and finalized tomorrow (7/1).

County Manager Burgess noted as he mentioned earlier, the stated rate for the CDT was 8.16 percent and the calculated blended rate, based on the CDT and PST rates, was about 7.06 percent, which was below the 7.5 percent rate.

Commissioner Heyman noted her primary concern was that this was a second amendment to the agreement and the rate was based on an assumption.

Commissioner Souto stated he was fine with the explanation provided by the attorneys.

Commissioner Sorenson noted she found it odd that members of the Commission had not received an amortization schedule; that this project was before the Board for a vote, and they did not know the final cost even though the Manager had repeatedly said the total cost had not change. She asked the Manager to provide members of the Board with the numbers, for the record.

County Manager Burgess noted he did not have the amortization schedule before him because the Financial Advisor and the Director of Finance were currently in New York (NY) negotiating the bond sale. He noted he presented several hypothetical scenarios when he presented the Baseball Stadium deal, and the interest rates had changed since that time. He also noted the Financial Advisor structured an amortization schedule but went to NY to work out the revenue streams, primarily the CDT and the PST, to leverage the money needed. County Manager Burgess noted a number of revisions were necessary when reviewing the project, and the financial advisors were currently in NY finalizing the pricing; that they would provide an amortization schedule tomorrow once the pricing was finalized. He explained that based on everything he heard from the Financial Advisor thus far, the proceeds were short by \$ 6.2 million and the repayment schedule was no different than the initial schedule presented to the Board.

Commissioner Sorenson questioned whether the blended rate included the variable rate, and Assistant County Attorney Bonzon-Keenan responded by noting it did not.

Commissioner Sorenson questioned whether it was possible for members of the Board or the County Administration to know what the total payout would be without knowing what the interest rate would be.

The County Manager explained the Professional Sports Tax Financing Commission included different types of financing, including current interest

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bonds, capital appreciation bonds, and variable bonds. He noted the variable bonds rate would probably be determined on July 13, 2010. He also noted these rates were set every week; they were callable and they could be converted to a fixed rate. He stated that he had been told the variable bonds were being traded at a low price; however, should the price increase, they could be converted to a fixed rate.

Commissioner Sorenson questioned whether she would be correct to suggest that the County Administration was working backwards from figure X (the total payout) to determine how much the County needed to borrow.

County Manager Burgess noted the basic financial structure for this deal had not changed for years; that various scenarios and assumptions were made regarding what the growth and yield of revenue streams might be, and the conclusion was there would be negative, flat performance over the next few years. He noted based on those scenarios and assumptions, they would determine what kind of revenue streams could cover the principle and interest payments while maintaining a built-in internal reserve within the CDT (bed tax) to protect the County's secondary pledge.

Commissioner Rolle noted that based on the provisions in Special Item 3 regarding interest rates; the provision in Special Item 2 stating the Florida Marlins would remit \$6.2 million to the County, which would reduce the stadium's cost to \$508.8 million; and the provisions in Special Item 1 that reduce the County's contribution to the stadium and the initial stadium project budget by \$6.2 million, he was very satisfied with the explanations provided by Assistant County Attorney Bonzon-Keenan.

Concerning comments previously made by Mr. Samson that workers were ready to begin working today; Commissioner Rolle questioned who had been hired.

Mr. Samson noted the company from Hialeah that won the first bid would be on site by 7:00 a.m. tomorrow (7/01) and following safety briefings would begin preparing the site for the pouring of the foundations and the ground breaking ceremony, scheduled July 18, 2009 at 10:00 a.m.

Commissioner Rolle noted he wanted it to be understood that this Commission was serious about advertising jobs for this project through the County's clearing house and that local contractors and residents be hired to work on the Stadium. He noted he was satisfied that the County Attorney would act in the County's best interest.

Commissioner Diaz commended members of the County Attorney's Office, the County Manager's Office, and the Florida Marlins for a job well done, noting he believed the bulk of the issues had been resolved amicably.

Chairman Moss expressed appreciation to his colleagues for their cooperation throughout this process. He also commended members of the County Attorney's Office, the County Manager, County Administration, and the Florida Marlins for finalizing this agreement after a difficult and lengthy negotiation process. He recommended members of the Commission entertain Commissioner Barreiro's motion to move forward with this project.

Hearing no objection, the Board proceeded to vote on Special Items 3, 2, and 1, respectively. The foregoing resolutions were adopted by the Board on July

I, 2009.

Special Item No. 2

**091985 Resolution**

RESOLUTION RELATED TO NEW FLORIDA MARLINS BALLPARK, RELATED PUBLIC INFRASTRUCTURE AND CITY PARKING FACILITIES; APPROVING TERMS OF AGREEMENT BY AND BETWEEN MIAMI-DADE COUNTY AND FLORIDA MARLINS, L.P.; AUTHORIZING COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE SUCH AGREEMENT; AND AMENDING RESOLUTION NO. R-780-09 TO DIRECT THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXERCISE TERMINATION PROVISIONS IN CONSTRUCTION ADMINISTRATION AGREEMENT, AS AMENDED, IF CERTAIN CONDITIONS ARE NOT SATISFIED (RESULTING FROM CONSIDERATION OF PROCEEDING WITH THE ISSUANCE OF REVENUE BONDS SECURED BY LEGALLY AVAILABLE CONVENTION DEVELOPMENT TAX RECEIPTS, PROFESSIONAL SPORTS TAX RECEIPTS AND TOURIST DEVELOPMENT TAX RECEIPTS OR ONE OR MORE ADDITIONAL FUNDING SOURCES IN AN AMOUNT NECESSARY TO MEET ITS FUNDING OBLIGATIONS SET FORTH IN SECTION 6.2(X) OF THE CONSTRUCTION ADMINISTRATION AGREEMENT, OR TERMINATING THE CONSTRUCTION ADMINISTRATION AGREEMENT) (County Manager)

*Adopted*

*Resolution R-904-09*

*Mover: Bruno A. Barreiro*

*Seconder: Jose "Pepe" Diaz*

*Vote: 9- 3*

*No: Heyman, Gimenez, Sorenson*

*Absent: Martinez*

**Report:** See Special Item 1; Legislative File No. 091984 for the report.

*The foregoing resolution was adopted by the Board on July 1, 2009.*

Special Item No. 3

**091986 Resolution**

RESOLUTION AMENDING RESOLUTION NO. R-336-09 RELATED TO MIAMI-DADE COUNTY, FLORIDA SUBORDINATE SPECIAL OBLIGATION BONDS TO INCREASE MAXIMUM TRUE INTEREST COST RATE; AND PROVIDING SEVERABILITY (RESULTING FROM CONSIDERATION OF APPROVAL OF BOND ORDINANCES, RESOLUTIONS, DOCUMENTS, MATTERS OR RECOMMENDATIONS RELATED TO THE ISSUANCE OF REVENUE BONDS SECURED BY LEGALLY AVAILABLE CONVENTION DEVELOPMENT TAX RECEIPTS, PROFESSIONAL SPORTS TAX RECEIPTS AND TOURIST DEVELOPMENT TAX RECEIPTS, AND OTHER BOND RELATED MATTERS) (County Manager)

*Adopted*

*Resolution R-903-09*

*Mover: Bruno A. Barreiro*

*Seconder: Jose "Pepe" Diaz*

*Vote: 9- 3*

*No: Heyman, Gimenez, Sorenson*

*Absent: Martinez*

**Report:** See Special Item 1; Legislative File No. 091984 for the report.

*The foregoing resolution was adopted by the Board on July 1, 2009.*

Special Item No. 4

091987 Report

CONSIDERATION OF APPROVAL OF ANY OTHER DOCUMENTS, MATTERS OR RECOMMENDATIONS RELATING TO THE FINANCING, FUNDING, DEVELOPMENT, DESIGN, CONSTRUCTION, AND OPERATION OF A NEW MARLINS BALLPARK, THE PARKING FACILITIES FOR THE BALLPARK AND THE RELATED PUBLIC INFRASTRUCTURE

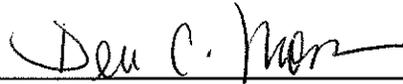
*Presented*

**Report:** See Special Item 1; Legislative File No. 091984 for the report.

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## ADJOURNMENT

**Report:** There being no further business to come before the Board, the Special Meeting of June 30, 2009 was adjourned at 1:10 a.m. on July 1, 2009.



Dennis C. Moss, Chairman

ATTEST: HARVEY RUVIN, CLERK



By: Diane Collins, Acting, Deputy Clerk



# Board of County Commissioners (Special Meeting)

June 30, 2009

Prepared by: Zorana Gainer

## EXHIBITS LIST

NO.	DATE	ITEM #	DESCRIPTION
1	6/30/2009		Notice of Absence; Commissioner Rebeca Sosa
2			
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**MEMORANDUM**  
**BOARD OF COUNTY COMMISSIONERS**  
**Commissioner Rebeca Sosa, District 6**

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

**DATE:** June 30, 2009

**FROM:** Commissioner Rebeca Sosa

A handwritten signature in black ink, appearing to be "Rebeca Sosa", is written over the "FROM:" line.

**SUBJECT:** Absence from Board of County  
Commissioners Meeting

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Please be advised that I will be leaving early from the Board of County Commissioners Meeting scheduled for Tuesday, June 30, 2009, due to a bronchial attack. In the event that you have any issues with any of my items, I respectfully request that such items be deferred. Thank you for your understanding.

cc: George Burgess, County Manager  
Robert Cuevas, County Attorney  
Kay Sullivan, Clerk of the Board  
Diane Davis, Agenda Coordinator