



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

Board of County Commissioners

Legislative Analysis

January 24, 2012
9:30 A.M.
Commission Chamber

Charles Anderson, CPA
Commission Auditor
111 NW First Street, Suite 1030
Miami, Florida 33128
305-375-4354

**Miami-Dade County Board of County Commissioners
Meeting Agenda**

Legislative Analysis

January 24, 2012

*These analyses are in addition to
7A, 8G4, 8K1, and 8M2
provided in the BCC agenda kit.*

Item Number(s)

8A1
8A2
8G1
8K2
8K5
8N1
8N2
11A2
11A3
11A10

Acknowledgements:

Bia Marsellos, Senior Legislative Analyst
Michael Amador-Gil, Senior Legislative Analyst
Elizabeth Owens, Legislative Analyst

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 7A
File Number: 112627
Date of Analysis: December 21, 2011

Summary

The proposed ordinance creates the Miami International Airport Enterprise Ordinance ("MIA Enterprise Ordinance"). The MIA Enterprise ordinance allows the Miami-Dade Aviation Department (MDAD) to quickly respond to market opportunities and passenger or airline needs.

MIA Enterprise Ordinance Highlights:

- This ordinance sunsets upon a change in the Director of the Miami-Dade County Aviation Department;
- This applies to all general Aviation airports in Miami-Dade County; and
- The Board of County Commissioners may suspend the operation of this Ordinance, in whole or in part, by resolution, if such resolution is approved by two thirds of then serving Board of County Commissioners.

Previous Authority Granted to MDAD Director

On July 1, 2008, the Board of County Commissioners, through Ordinance 8-87, created Section 2-285.1 of the Code of Miami-Dade County, regarding the Mayor's contracting authority for the North Terminal Development Project at Miami International Airport.

This ordinance authorized the County Mayor (Mayor) and the Airport Director to do the following without prior approval of the Board of County Commissioners (BCC), with respect to the contracts assigned to the County pursuant to R-735-05, Fourth Amendment to Lease Construction and Financing Agreement between the County and American Airlines, Inc. (AA) and other contracts previously procured by AA and previously assumed by the County via action of the BCC, *or contracts to finish work begun but left incomplete as of August 1, 2005, or contracts related to the construction, design, or construction management of the North terminal Development which were awarded by the BCC prior to May 1, 2008*, and within the BCC approved budget for North Terminal Development (NTD) Project at Miami International Airport (MIA):

- Execute change orders;
- Modify contract terms;
- Establish conditions for exercise of delegated authority;
- Waive Committee review of NTD contracts;
- Authorize time extensions before and after expiration of contract time;
- Extend contract time and waive liquidated damages for failure to comply before specified date for completion of the contract provided good cause exists and the contract provides that after the expiration of the contract time the County may extend contract time or waive liquidated damages;
- Increase or reduce in any amount the scope and compensation payable under any contract;
- Grant compensable and non-compensable time extensions; and
- Any exercise of authority pursuant to this Section, will require ratification by the BCC.

Pursuant to the delegated authority provided through Ordinance 8-87, the Mayor and the Aviation Director processed: 35 contract modifications; 4 change orders; 2 amendments; and 1 claim. The ordinance sunset on January, 2011.

In response to questions posed by the Office of the Commission Auditor, MDAD staff provided the following information:

- How does the proposed ordinance differ from the authority that was given to the airport director through Ord. 8-87? *Ordinance 8-87 was the North Terminal Ordinance which expired on January 1, 2011. Ordinance 8-87 gave the Airport powers to amend and execute change orders to a discrete class of previously awarded contracts-essentially, those contracts which the County had assumed from American, plus the FARC.*

Additionally, it did not provide for any authority to award contracts. The new ordinance gives the Airport the power to award, amend, execute change orders, and to extend most construction contracts, contracts for goods and services, and, to a lesser extent, concessions (the new ordinance does not allow the Airport to award concession contracts).

Moreover, where the Airport's authority under the North Terminal Ordinance was limited, ultimately, by the NTD budget, this ordinance ties capital construction to discrete capital budgets as authorize by the BCC in the yearly budget. The new ordinance also provides a mechanism for the BCC to, via resolution, suspend operation of the ordinance in whole or in part. These latter two factors provide for greater oversight powers relative to the new ordinance than were present in the North Terminal Ordinance.

- Does MDAD staff anticipate any disruptions to passengers or airline operations? Please explain why does the item mention this? *The ordinance states to **avoid** any disruptions to passenger and/or airline operations. The Ordinance will allow us to expeditiously procure whatever service is needed. It would allow MDAD to repair whatever needs to be repaired immediately without any delays impacting daily operations thus disrupting operations.*

Prepared by: Michael Amador-Gil and Bia Marsellos

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 8A1
File Number: 112441
Date of Analysis: January 18, 2011

Summary

This resolution approves Change Order No. 1 to the contract for Baggage Handling System Operation and Maintenance (BHS O&M) at Miami International Airport (MIA), Project No: ITN-MDAD-01-06, between the County and John Bean Technologies Corporation (JBT), increasing the contract by an amount not to exceed \$13,258,531; extends the contract on a month-to-month basis not to exceed 12 months; and *includes contract language mandated by federal law, regulation, or contract, including but not limited to DBE participation and Davis-Bacon wage requirements to enable the County to obtain federal reimbursement.*

The term of the contract is for one thousand ninety-five (1,095) calendar days (three years) from effective date established in the Notice to Proceed (NTP), with two one-year renewal options.

Relevant Information

This project ensures the safe operation and maintenance of the BHS for the MIA South Terminal and Concourse F. The contractor supports the O&M of all systems on a 24-hour, seven-days-a-week basis. Required services include preventive and corrective maintenance, maintaining spare parts and inventories.

The contract is funded from MDAD Revenue and Reserve Maintenance Funds. MDAD has applied for a \$5,000,000 Transportation Security Administration (TSA) grant to partially reimburse the cost of this Change Order.

The current contract value is \$37,338,979.39; with the changes contemplated in this Change Order, the contract value increases by \$13,258,531 to an adjusted contract value of \$50,597,510.39 (includes Inspector General fee). JBT will maintain the same rate as currently charged.

JBT has no performance data in the Capital Improvements Information System (CIIS).

In response to questions posed by the Office of the Commission Auditor, MDAD staff provided the following information:

- Pursuant to the item, what is the status of the reimbursement from TSA? *Currently MDAD has no reimbursements pending from the TSA regarding the South Terminal Baggage Handling System.*
- Are these enhancements required by TSA? *yes*
- How is John Bean performing? How much progress has John Bean made since July 2009? *JBT has performed exceptional as the Operations and Maintenance provider for the South Terminal and CC F BHS's since July 2007.*
- Why weren't DBE goals and the Davis-Bacon wage requirements required before? *Initially no TSA funded work was anticipated which would have triggered this requirement.*
- Are there any CSBE and Community Workforce Program goals pending? *JBT is fulfilling their CSBE and Community Workforce Program Goals.*

Additional Information provided by MDAD staff:

- Are there areas in the South Terminal that have not opened yet? If so, please let me know the areas. *According to MDAD staff, all areas of the South Terminal are open.*
- Please let me know the status of the punch list and commissioning in the South Terminal? PENDING
- Additionally, the Airport has made commitments to the Authority Having Jurisdiction (AHJ) to make life safety changes after the original construction contract which are designed by the original Engineer of Record (EOR). What is the status of these commitments? *Approx 95 percent of all AHJ items have been completed.*
- Also, the support of the original EORs will be required to deal with the claims which the South Terminal Construction Manager at Risk has advised are forth coming. Please let me know the status of this? *All claims were settled with Final CO #10 executed around March, 2010.*
- How much were the claims settled for? PENDING
- *According to MDAD staff, the A and B Lists items below are being performed and are about 95 percent completed.*
 - The "A" List- This list is developed by the AHJ and includes approximately 450 items. MDAD is in the process of setting a value for these items.
 - The "B" List- This list is all other requested work including Proposed Work Orders (PWOs) and Field Change Requests (FCRs) that were never started or executed. Includes approximately 160 items which MDAD is in the process of setting a value for these items.
 - The "C" List- Consists of 13,500 punch list items for which the base contractor will either complete or an equitable value be established as a credit to MDAD.
- Who are the primary tenants (airlines and concessionaires) for the South Terminal? *The primary South Terminal (CC J and Concession Hall) concessionaires are: HMS Host (retail) Faber, Coe & Gregg (retail), Areas USA MIA, LLC (f&b), and Concessions Miami (f&b).*

South Terminal Airlines

As of January 5, 2012: Aerolinas Argentinas; Air Canada; Air France; Alitalia; Avianca; Caribbean Airlines; COPA; Delta; IBC Airways; KLM (Handled by Air France); Lacs (Grupo TACA); LAN Airlines; Lufthansa; Swiss International (Handled by Lufthansa); TACA (Grupo TACA); TAM Brazilian Airlines; TAP Portugal; and US Airways.

- Provide what is the absolute/complete total cost for the South Terminal? *The core South Terminal Program final costs was \$995,422.717 without indirects and just under \$1,055 billion with indirects.*
- Please provide a complete list of the contractors/consultants for the South Terminal. PENDING

Prepared by: Michael Amador-Gil and Bia Marsellos

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 8A2
File Number: 112443
Date of Analysis: December 20, 2011

Summary

This resolution ratifies the acceptance and execution by the Mayor or Mayor's designee of Grant Agreement No. 3-12-0049-064-2011 between Miami-Dade County and the Federal Aviation Administration (FAA) in the amount of \$3,462,000 to provide grant funds for the removal and rehabilitation of a portion of the roof in Concourse D, located east of the former Concourse B Atrium at Miami International Airport.

There is no fiscal impact resulting from this item, because this grant provides additional funds that reduce the Miami-Dade Aviation Department's (MDAD) project costs to \$3,696,700 of the \$8 million total project cost, which is budgeted in the Capital Improvement Program (CIP).

The Florida Department of Transportation (FDOT) has also included funds for this project in its Five-Year Work Program.

Background and Relevant Information

A permanent solution is necessary to ensure the operational readiness of 17 gates and functional passenger service areas located in the immediate vicinity of the roof area to be rehabilitated.

On August 24, 2011, MDAD submitted a grant application to the FAA for the design and construction of Concourse D (East) Roof Rehabilitation (Public Areas Only).

The project involves the phased removal of the existing roof to the level of the roof deck, from the former Concourse "B" Atrium to the eastern extremity of the former Concourse "A" (an estimated 18,861 square yards) and the replacement of a new built-up roof system in accordance with the MIA Terminal Design Guidelines Manual.

It includes all the necessary flashing, soffit, gutter, scupper and drain replacement necessary to guarantee the roof for 15 years from project acceptance, which is its estimated lifespan.

Additional Information

In response to questions posed by the Office of the Commission Auditor, MDAD staff provided the following information:

- Does this item allow for local labor participation? CSBE, DBE, and CWP etc.? *This item (federal grant) is subject to DBE program for compliance with Federal Regulation Code (49CFR Part 26)*
- What is the anticipated commencement and completion of this project? *MDAD is working on a solicitation for design services for this project.*
- Will this impact existing concessionaires and/or any operations and construction schedules at MIA? *The Architect/Engineer (A/E) shall design interim/temporary facilities included in the Project Budget with the necessary associated facilities to accommodate operations, pedestrian and/or vehicular traffic, tenants or concessionaires, as needed during construction.*

- Are the federal and state funds secured? *Yes, this grant was accepted.*
- Will the new roof include LEED components? (Green Roof) If not, explain why. *It will be part of the MIA Terminal Design Guidelines Manual. The Project is not LEED certified, however, A/E shall incorporate, wherever practical, green building practices including but not limited to Energy Efficiency Reflective Roofs or Green Roofs requirements, as state in Miami-Dade County Resolution No. 1103-10.*

Prepared by: Michael Amador-Gil

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR



Legislative Notes

Agenda Item: 8(G)1

File Number: 112486

Summary

This resolution approves the FY2011-12 Proposed Budget for the Naranja Lakes Community Redevelopment Agency in the amount of \$3,628,160.

Background and Relevant Legislation

Each CRA is required to submit an annual budget to the Board of County Commissioners (BCC) for approval. The following table provides the approved budgets for the last four (4) years:

Naranja Lakes CRA

Approval Date	Item Number	Fiscal Year	Resolution Number	Budget Amount
3/1/2011	102682	2010-2011	R-145-11	\$4,328,535 ¹
12/1/2009	092862	2009-2010	R-1361-09	\$6,146,744
12/2/2008	083117	2008-2009	R-1326-08	\$7,068,989
1/10/2008	073519	2007-2008	R-26-08	\$12,425,665

The Administrative Expenditures for FY2011-2012 Proposed Budget for the Naranja Lakes CRA is as follows:

CRA	Administrative Expenditures	Total Increment Revenue	Percentage of Administrative Expenditures from Total Increment Revenue
Naranja Lakes	\$98,000	\$734,299	13.3%

The administrative expenditures fall within the 20% cap as prescribed in the CRA's interlocal agreement with Miami-Dade County.

On October 24, 2011, the Tax Increment Financing Committee (comprised of County administrative staff to provide increment financing recommendations) reviewed the CRA budget with a recommendation for BCC approval.

Naranja Lakes CRA - Mandarin Development Project

Pursuant to the proposed resolution, Phase I was completed in FY2011; and currently, there remains a construction reserve in the amount of \$1,204,970 available for Phase II of the Mandarin Development Project.

¹ Additionally, Resolution No. 145-11, authorized the Naranja Lakes CRA to obtain a \$7.5 million loan to reimburse the County for the outstanding balance on two State Sunshine Loans. The CRA issued a Request for Proposals (RFP), which only produced inquiries from prospective lenders. As a result, the CRA intends to issue a second RFP during the current fiscal year.

Background Information - Mandarin Development Project

- Resolution No. 51-111:
RESOLUTION APPROVING THE SECOND AMENDMENT TO THE NARANJA LAKES REDEVELOPMENT AGREEMENT AND AUTHORIZING THE SETTLEMENT AGREEMENT OF THE LAWSUIT BETWEEN SOLO CONSTRUCTION CORPORATION, NARANJA LAKES CONSTRUCTION LLC, AND MIAMI-DADE COUNTY
 - The second amendment between Miami-Dade County, Naranja Lakes Construction LLC, and Solo Construction Corporation contains the following terms:
 - Parties will attempt to negotiate new milestones and other terms for the Redevelopment Agreement;
 - In the event that parties are unable to agree on a new Amended Redevelopment Agreement within 6 months, the parties shall have no obligation to pursue Phase II of the Redevelopment Agreement;
 - The County, in exchange for the appropriate releases of claims and liens, will release the Letter of Credit that is currently in place for Phase I issued by Naranja Lakes in Lieu of a payment and performance bond for the Project; and
 - Naranja Lakes CRA will not perform any work or enter into any construction contracts related to Phase II without first having provided the County with a form of security.
- Resolution No. 536-11:
RESOLUTION APPROVING A SIX-MONTH EXTENSION FOR THE RENEGOTIATION OF THE AMENDED AND RESTATED NARANJA LAKES REDEVELOPMENT AGREEMENT UNTIL DECEMBER 1, 2011
 - The Project was divided into two phases. Phase 1 has been completed. A lawsuit stemming from Phase 1 work was filed by Solo Construction, a contractor to Naranja Lakes Construction, LLC. On January 20, 2011, the BCC approved the Second Amendment to the Redevelopment Agreement and the settlement of the Solo Construction Corporation lawsuit. Phase 1 included benchmarks that needed to be met as a prerequisite to the initiation of Phase 2 work. In light of the changed conditions in the economy and the real estate market, the parties have been negotiating new terms and new milestones for Phase 2 work. The Second Amendment to the Redevelopment Agreement gave the parties 6 months to complete these negotiations. Negotiations continue and an additional 6 months is requested to reach an agreement on an amended Redevelopment Agreement.
 - ***What is the current status?***

Pending Legislation regarding Naranja Lakes CRA

- File No. 112487:
RESOLUTION APPROVING THE NARANJA LAKES COMMUNITY REDEVELOPMENT AGENCY AMENDED AND RESTATED REDEVELOPMENT AGREEMENT AMONG MIAMI-DADE COUNTY, THE NARANJA LAKES COMMUNITY REDEVELOPMENT AGENCY, NARANJA LAKES CONSTRUCTION, LLC, NARANJA LAKES HOLDINGS, LLC, NARANJA LAKES HOLDINGS II, LLC, IN AN AMOUNT NOT TO EXCEED \$3.192 MILLION DOLLARS, D.R. HORTON, INC., AND REDUS FLORIDA HOUSING, LLC, TO MAKE CERTAIN IMPROVEMENTS WITHIN THE NARANJA LAKES COMMUNITY REDEVELOPMENT AREA
 - On September 26, 2011, the Naranja Lakes CRA adopted this Amended and Restated Redevelopment Agreement in an amount not to exceed \$3.192 million. This item requires the CRA to fund the reconstruction of SW 280 Street (Project) if certain conditions are met. The Project is expected to cost a maximum of \$3.192 million. The County will continue to make payments to the CRA, based on each year's growth of ad valorem revenues over the base year through 2033 when the CRA will sunset.
 - On September 9, 2003, the BCC adopted Resolution No. 941-03, approving the Redevelopment Agreement between the County, the CRA, and Naranja Lakes Construction, LLC, Naranja Lakes Holdings, LLC, and Naranja Lakes Holdings II, LLC (collectively Naranja Lakes) to stimulate the redevelopment of a certain property within the Area.
 - The maximum amount of funding approved for the entire Redevelopment Agreement was \$17,745,355.75.

- The Redevelopment Agreement was divided into two phases: Naranja Lakes Phase I in the amount of \$10,238,413.84 and Naranja Lakes Phase II in the remaining amount of \$7,506,942.91.
- The improvements outlined in the Redevelopment Agreement were primarily to fund infrastructure improvements within the Area's primary redevelopment project of Mandarin Lakes. Mandarin Lakes is a Traditional Neighborhood Design (TND) development of approximately 210 acres within the Area.

Additional Information

Currently, there are thirteen (13) approved Community Redevelopment Agencies in Miami-Dade County: 7th Avenue Corridor, Homestead, City Center, Southeast Overtown/Park West, Omni, Midtown Miami, North Miami, North Miami Beach, NW 79th Street, South Miami, Florida City, Naranja Lakes, and West Perrine. The only CRA pending BCC approval is the Goulds/Cutler Ridge.

Below is a list of the thirteen approved CRAs and their TIF contribution rate:

CRA	2011 TIF Contribution Amount and Rate
7 th Avenue Corridor	\$340,845 (95%)
Homestead	\$1,021,002 (95%)
City Center	\$12,924,079 (95%)
Southeast Overtown/Park West	\$3,147,216 (95%)
Omni	\$1,760,167 (95%) /County gets refund of 35% of the total TIF collected
Midtown Miami	\$635,531 (95%)
North Miami	\$279,728 (95%) /County gets a refund of all County TIF collected west of Biscayne Boulevard - \$128,031 refund amount
North Miami Beach	\$176,641 (95%)
NW 79 th Street	\$0 (95%)
South Miami	\$509,744 (50%)
Florida City	\$647,286 (95%)
Naranja Lakes	\$734,299 (95%)
West Perrine	\$0 (95%)

Prepared By: Elizabeth N. Owens and Bia Marsellos

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 8(G)4

File Number: 120002

Summary

This resolution approves the Interlocal Agreement between Miami-Dade County and the NW 79th Street Corridor Community Redevelopment Agency (CRA).

At the December 13, 2011, Internal Management and Fiscal Responsibility Committee (IMFRC) meeting, this item was amended to substitute the unsigned pages of the CRA's resolution approving the Interlocal Agreement between the County and the CRA with the executed resolution signed by the CRA Chairperson.

Background

In 1969, the Florida legislature enacted the Community Redevelopment Act of 1969 (Act), sections 163.357 through 163.450 of the Florida Statutes, authorizing the creation and delegation of certain redevelopment powers to a community redevelopment agencies.

On May 5, 2009, the BCC approved Resolution No. 566-09, which accepted the Finding of Necessity for the N.W. 79th Street Corridor Redevelopment Area.

The N.W. 79th Street Corridor Redevelopment Area consists of approximately 1,254 acres, and is generally bounded on the North by N.W. 87 Street, bounded on the East by N.W. 7th Avenue, bounded on the south by N.W. 62 Street, and bounded on the West by N.W. 37th Avenue.

On July 19, 2011, the BCC adopted Resolution No. 604-11, approving the CRA's Redevelopment Plan that addresses the needs and overall redevelopment goals of the target area. The Community Redevelopment Plan identifies six catalytic project areas along with strategies that consider the surrounding community, the preservation of historical buildings, and community heritage. The six catalytic project areas include:

1. Infill and replacement housing programs to include the attraction of private developers, owner home rehabilitations, replacement of sub-standard housing, promotion of mixed use and Transit Oriented Development (TOD) projects;
2. Economic development programs to attract large tenants to industrial area, construct new retail/office facilities, attract and assist in the creation of TODs;
3. Road Improvements to address congestion along N.W. 79th Street, N.W. 27th Avenue, N.W. 22 Avenue, N.W. 17th Avenue and N.W. 12th Avenue;
4. Right-of-way and streetscape improvements along all major roads;
5. Infrastructure and utility improvements to support new development; and
6. Community policing, crime prevention and code enforcement officers.

Additionally, on July 19, 2011, the BCC adopted Ordinance No. 11-52, establishing the NW 79th Street Corridor CRA Community Redevelopment and Revitalization Trust Fund (Fund), and Ordinance No. 11-55, appointing the Board of Commissioners of the CRA, designating terms of office, and delegating certain redevelopment powers.

On October 3, 2011, the CRA approved this Interlocal Agreement, subject to the approval of the BCC.

Fiscal Impact

This Interlocal Agreement does not create an additional fiscal impact to the County.

However, there are fiscal impacts associated with the creation of a CRA. The CRA's primary revenue source is Tax Increment Financing (TIF). Ninety-five (95) percent of County's TIF will be deposited in the Trust Fund for an initial period of ten (10) years to total \$4,648,738. Subsequently, should the BCC approve to extend the life of the CRA up to thirty (30) years the total Trust Fund projected revenues would be \$90,783,774.

In addition, the County has incurred reimbursable expenses in the amount of \$88,950 for the cost of the Redevelopment Plan and the Finding of Necessity, which will be reimbursed back to the General Fund by the CRA Trust fund.

Additional Information

Currently, there are thirteen (13) approved Community Redevelopment Agencies in Miami-Dade County: 7th Avenue Corridor, Homestead, City Center, Southeast Overtown/Park West, Omni, Midtown Miami, North Miami, North Miami Beach, NW 79th Street, South Miami, Florida City, Naranja Lakes, and West Perrine. The only CRA pending BCC approval is the Goulds/Cutler Ridge.

Below is a list of the thirteen approved CRAs and their TIF contribution rate:

CRA	TIF Contribution Rate
7 th Avenue Corridor	95%
Homestead	95%
City Center	95%
Southeast Overtown/Park West	95%
Omni	95%/County gets refund of 35% of the total TIF collected
Midtown Miami	95%
North Miami	95%/County gets a refund of all County TIF collected west of Biscayne Boulevard
North Miami Beach	95%
NW 79 th Street	95%
South Miami	50%
Florida City	95%
Naranja Lakes	95%
West Perrine	95%

Prepared by: Elizabeth N. Owens

**MIAMI-DADE COUNTY
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Legislative Notes

Agenda Item: 8K1
File Number: 112491
Date of Analysis: December 21, 2011

Summary

This resolution approves the Professional Services Agreement (PSA) Contract Number E11-SEA-01 between Camp Dresser & McKee Inc. (CDM) and Miami-Dade County for a total contract amount of \$1,500,000.00.

The Consultant will provide professional environmental and engineering services (to include coordination with all regulatory agencies as appropriate) for the Port of Miami. The services consist of traditional environmental port elements both on and off port properties.

Background and Relevant Information

The Seaport Department is finalizing its 2035 Master Plan, which sets the foundation for its Capital Improvement Plan. This plan has over \$200 million in new infrastructure, which requires extensive environmental permitting and related services to maintain the Port's sustainability. This PSA is needed to provide environmental permits in a timely manner along with maintaining the initiatives set forth in the Green Port's Program.

A Notice to Professional Consultants (NTPC) was advertised on July 22, 2011. Twelve proposals were received on August 22, 2011, in response to the NTPC. All twelve respondents were found in compliance with the NTPC requirements and the top three ranked firms were forwarded to the Sustainability, Planning, and Economic Enhancement Department (SPEED) for review and found in compliance with the Community Business Enterprise goal established for this solicitation. *The final qualitative rankings for the top three firms were as follows: Firm No. 1, Camp Dresser & McKee Inc. received 435 points; Firm No. 2, AMEC E&I, Inc. received 433 points; and Firm No. 3, CH2M Hill, Inc. received 431 points.*

On September 15, 2011, the Competitive Selection Committee (CSC) appointed by the Mayor conducted a First Tier Meeting to evaluate the proposals received.

Based on the CSC's professional expertise, the information provided in the proposals was deemed sufficient to determine the qualifications of the teams. As a result of said determination, and by a unanimous vote, the CSC decided to forego Second-Tier proceedings and recommended that negotiations be conducted with CDM. The Mayor concurred with the CSC and on October 21, 2011, the first and only negotiation meeting was held.

CDM's Firm History

The Office of the Commission Auditor conducted a review of the firm's history and provides the following notes:

This review included a company profile, list of principals, recent and previous contracts with Miami-Dade County, performance evaluations, change orders, settlement agreements, and history of violations. The review also includes the compliance history of contracts awarded to CDM, as well as CDM's current status with the Responsible Wages and Benefits Ordinance. The Department of Small Business Development (SBD) is responsible for monitoring compliance with the County's small business programs for construction services. SBD monitors the CSBE Program, the Responsible Wages and Benefits Ordinance, and conducts audits throughout the term of each contract. The Responsible Wages and Benefits requirements are included in all solicitation documents.

- As of December 21, 2011, the Capital Improvements Information System (CIIS) shows an average evaluation for CDM of 3.7 out of a possible 4.0 being the highest rating possible.
- Pursuant to Small Business Development's firm history report, CDM does not have violations with the County.

Additional Information

In response to questions posed by the Office of the Commission Auditor, Port of Miami staff provided the following information:

- CDM has performed environmental and engineering services for other major U.S. ports, port authorities, the U.S. Coast Guard, the U.S. Army Corps of Engineers and cruise lines. Their experience includes a diversity of work at ports similar to Port Miami such as the Port of Los Angeles, the Port of San Francisco, the Massachusetts Port Authority, the Port of Houston and U.S. Coast Guard Facilities around the nation.
- *In conjunction with the American Association of Port Authorities (AAPA), CDM developed the first ever AAPA Environmental Management Handbook as a guide for members and ports worldwide in developing policies and procedures to meet environmental obligations.*

Some highlights of work performed by CDM that are similar in nature to capabilities being sought by the Seaport Department are listed below:

- Massachusetts Port Authority Pier 1 Environmental Due Diligence and Remediation
- Port of San Francisco Wharf Repair Project
- Port of Los Angeles Port-wide Remediation, CEQA/NEPA and Environmental Studies Feasibility Services
- Massachusetts Port Authority Conley Marine Terminal Improvements
- Port of Los Angeles Environmental Services
- U.S. Coast Guard, Port Angeles Group, Spill Response Plan
- U.S. Coast Guard, San Diego and Sausalito Group, Port Dredge Sampling and Evaluation Program
- Royal Caribbean Cruise Ltd Environmental Management Systems Development and Implementation
- Carnival Corporation, Environmental Compliance Services

Prepared by: Michael Amador-Gil

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
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Legislative Notes

Agenda Item: 8K2
File Number: 112428
Date of Analysis: January 18, 2011

Summary

This resolution approves a Professional Services Agreement (PSA) Contract Number A11-SEA-03 between Indigo Service Corp. and Miami-Dade County in the amount of \$990,000.00 for modifications and improvements to optimize the use of existing Cruise Terminals F and G.

The scope of the work includes architectural/engineering and construction administration services (to include coordination with all regulatory agencies as appropriate).

Background and Relevant Information

On July 19, 2011, a Notice to Professional Consultants (NTPC) was advertised. Fourteen proposals were submitted on August 08, 2011, in response to the NTPC. Thirteen of the fourteen respondents were found in compliance with the Community Business Enterprise goal and Technical Certification requirements established for this solicitation. On August 26, 2011, the *Competitive Selection Committee (CSC) appointed by the Mayor conducted a First Tier Screening to evaluate the proposals received.*

All thirteen firms were evaluated in accordance with Section 2-10.4 of the Miami-Dade County Code and Implementing Order 3-34. The final qualitative rankings for the top three firms were as follows: Firm No. 1, Indigo Service Corp. received 436 points; Firm No. 2, BC Architects AIA, Inc. received 412 points; and Firm No. 3, R.E. Chisholm Architects, Inc. received 409 points. *Following conclusion of the negotiations, the Negotiation Committee arrived at a schedule of rates that was fair and reasonable for cruise terminal architectural and engineering planning, design and post design services for repairs, upgrades, interior finish improvements and possible new construction for Cruise Terminals F and G.*

Indigo's Firm History

The Office of the Commission Auditor conducted a review of the firm's history and provides the following notes:

This review included a company profile, list of principals, recent and previous contracts with Miami-Dade County, performance evaluations, change orders, settlement agreements, and history of violations. The review also includes the compliance history of contracts awarded to Indigo, as well as Indigo's current status with the Responsible Wages and Benefits Ordinance. The Department of Small Business Development (SBD) is responsible for monitoring compliance with the County's small business programs for construction services. SBD monitors the CSBE Program, the Responsible Wages and Benefits Ordinance, and conducts audits throughout the term of each contract. The Responsible Wages and Benefits requirements are included in all solicitation documents.

- As of December 21, 2011, the Capital Improvements Information System (CIIS) shows an average evaluation for Indigo of 4.0 out of a possible 4.0 being the highest rating possible.
- Pursuant to Small Business Development's firm history report, Indigo does not have violations with the County.

Additional Information about Indigo

Indigo has worked with the following ports, Cruise Liners and local airports:

Port of Miami, Port of Tampa, Port of Boston, Port of Key West, Houston Port Authority, Port of Martinique, Port of Montego Bay, Port of Ajaccio, Port of Propiano, Port of Malaga, Port of Barcelona, Port de Fort de France, Port Autonome de Marseille, Port of Tilbury, Puerto de Aguadulce, and Puerto Colombia

Major Cruise Liners include: Carnival Cruise Lines, Royal Caribbean International, Norwegian Cruise Line, Holland America, LLC Celebrity Cruises, and Disney Cruise Line.

Similar scope of work includes Miami International Airport, Opa-Locka Executive Airport and Tamiami Executive Airport.

Additional Information

The following questions were posed to Port of Miami staff:

- The item mentions the analysis of sustainable systems and possible LEED certification. Will sustainable and LEED standards be implemented by Indigo? PENDING
- Please let me know which cruise liners use Terminals F and G? *Royal Caribbean Cruises Ltd has preferential berthing rights at Terminal G. Their brands include Royal Caribbean International, Celebrity Cruises, and Azamara Club Cruises. Note, "Preferential Berthing" does not mean exclusivity. It means they have the rights to this terminal prior to another lines. Currently no cruise line has preferential berthing at Terminal F.*

Having said this, other lines can and will utilize these terminals. For example, Carnival will be using Terminal G in winter 2012 and NCL used these facilities in the past.

- When was the last time these terminals (F and G) were modified/improved? *These terminals were modified and expanded approximately 12 years ago.*
- If applicable, what funds were appropriated to cover the modifications/improvements? *Capital Funds*
- For the cruise liners provided above please list the number of homeports, passenger embarkations and number of ships from 2009 through Dec 2011 for each liner.

Royal Caribbean International

2009

# of calls:	215
# of passengers:	1,283,377

2010

# of calls:	206
# of passengers:	1,286,109

2011

# of calls:	134
# of passengers:	745,481

Celebrity Cruises & Azamara

2009

# of calls:	38
# of passengers:	115,207

2010

of calls: 51
of passengers: 180,583

2011

of calls: 74
of passengers: 283,549

- Please provide the existing number of boarding bridges for terminals F and G; existing number of terminal passenger doors; existing or future accommodations for airline check-in space in the embarkation lobby; and any related facilities for airline passengers and VIPs. *There are Two (2) boarding bridge for F and two (2) boarding bridges for G; terminal F has eight (8) doors and terminal G has six (6) doors. There is not a current accommodation for airline check-in space nor for VIP, but accommodations may be made in the future.*
- Please let me know if additional seating will be required for these terminals. *Yes, additional seating will be required.*
- Will the PSA services address future parking facilities for Terminals F and G? *The PSA services will not addressed future parking facilities, but may modify the existing parking accommodations.*
- Is there a need to increase parking capacity for Terminals F and G? *No, there is no need to increase parking for Terminals F and G at this time.*
- Are these modifications/improvements part of any Terminal Usage Agreement with the cruise liners mentioned above? *As approved the Second Amendment to the Amended & Restated Terminal Usage Agreement with Royal Caribbean Cruises (July 2011), the County and RCCL shall contribute up to \$6 million in Terminal G improvements. The County shall pay the first \$3.5 million and RCCL will pay the next \$2.5 million.*

Prepared by: Michael Amador-Gil and Bia Marsellos

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 8K5
File Number: 120016
Date of Analysis: January 18, 2012

Summary

This resolution recommends an award for Cruise Terminal D Expansion-Construction Contract No. 2011-014.05 between Munilla Construction Management, LLC dba MCM and Miami-Dade County in the amount of \$7,700,403.50.

The project consists of Cruise Terminal D Improvements to include a new two-story addition (approx. 19,800 square feet) adjacent to the east entrance; interior upgrades; intermodal modifications; remote baggage screening and pedestrian/crew access at the west end of Cruise Terminal D intermodal; two new terminal passengers access doors on the Third Floor; LEED Certification; and any supportive ancillary tasks to the primary scope of services.

Additionally, this contract stipulates that the contracting officer is the Seaport Director and Article 42, states that all disputes will be decided by the contracting officer.

- Will the Seaport Director have to obtain BCC approval prior to resolving a dispute?
- Has this been stipulated on any other Seaport contract?

Background

On July 19, 2011, the Board of County Commissioners, through R-633-11, awarded an architectural/engineering and construction administrative services contract in the amount of \$1,320,000 to Bermello, Ajamil & Partners, Inc. for the Port of Miami (POM) Cruise Terminals D and E improvement program. The term of the award was for 4 years.

As the consultant, Bermello provides planning, design and post design services for the \$14.7 million cruise terminal improvement program that was approved by the Board of County Commissioners, through R-343-11, on May 3, 2011.

The contractor is expected to perform such tasks as surveys, site investigations, studies, architectural and engineering designs including the analysis of 'sustainable systems' and possible LEED certification; interior design; geotechnical engineering; cost estimates; schedules; and various other ancillary tasks associated with completing the terminal improvement project as outlined in R-343-11.

- This contract was assigned a Certified Business Enterprise contract measure of 26%, which amounts to \$343,200.

The terminal improvements are required to berth the new Carnival Cruise Lines ship, the Breeze, which will arrive at the POM in November 2012. The terminal improvements will include additional seating in Terminals D & E, a terminal build-out and expansion project, additional vertical integration between terminal levels, baggage conveyor upgrades, two new passenger boarding bridges (PBB), and runway improvements.

Relevant Information

On May 3, 2011, the Board of County Commissioners approved Amendment 2 to the Cruise Terminal Agreement between the County and Carnival Corporation (R-343-11). Amendment 2 provides Carnival Corporation (Carnival) incentives to Home Port the new Carnival Breeze in Miami beginning in the fall of 2012.

Carnival will Home Port the Breeze in Miami for a minimum of two (2) years (through Fiscal Year 2014) and the Breeze or another vessel in the Dream-class through September 30, 2018.

In exchange for receiving the Breeze, the County agreed to marketing incentives for Carnival, an increase in the cap on the water component of the Unitary Fee beginning in FY 2013, and terminal improvements to Cruise Terminals D & E. The terminal improvements include modifications of 7,000 sq. ft. of space, upgrades of the second and third floors and expansion of 8,000 sq. ft. to Cruise Terminal D and modifications of the second floor area of Cruise Terminal E.

Significant Legislation

Legislative History of Carnival Cruise Lines and Miami-Dade County	
R-1196-98	Authorized the execution of a Terminal Usage Agreement with Carnival Corporation for the purpose of conducting cruise vessel berthing operations at the POM. Agreement has a 15-year term with a five-year renewal period at Carnival's option, exercisable in 2013.
R-967-10	Amendment No. 1 to Terminal Usage Agreement. This resolution executed the negotiated option period and extended the term of the Terminal Usage Agreement for five years through FY 2018. Also, this amendment outlines the new Minimum Annual Guaranteed Payments based on combining POM fees into a per passenger "Unitary Fee."
R-343-11	Amendment No. 2 to Terminal Usage Agreement. This resolution approved an agreement between Carnival and the County in which Carnival would home port the Breeze at POM for a minimum of two years (through FY 2014) and the Breeze or another Dream-class vessel through September 30, 2018.

Carnival Cruise Lines

Carnival Cruise Lines (CCL) is headquartered in Miami-Dade County and currently employs 3,800 shoreside employees. County staff estimates that the cruise line has a total economic impact of more than \$1 billion annually in Miami-Dade County.

Carnival is POM's largest cruise customer in terms of passenger volume and revenue. Carnival has processed more than 1.8 million passengers annually through Miami throughout the past five years.

According to Port of Miami staff:

In FY 2010, Carnival berthed five cruise ships in Miami. FY 2010 numbers are as follows:

<u>Ship</u>	<u>Passenger Embarkations</u>	<u># Ship Calls</u>
Carnival Destiny	475,000	79
Carnival Imagination	486,000	102
Carnival Liberty	354,000	52
Carnival Valor	350,000	52

Carnival Glory	154,000	25
Totals	1,819,000	310

Carnival's current figures show that in FY 2011:

<u>Ship</u>	<u>Passenger Embarkations</u>	<u># Ship Calls</u>
5 CCL ships	1.9 Million Passengers	317

Note: CCL will have a 6th vessel homeporting in Miami starting November 2012 (Carnival Breeze). The Port of Miami's total passenger count for FY 2011 was 4,018,161 and passenger vessels were 774.

Carnival Breeze

The Breeze is one of Carnival's newest ships. The Breeze is a 130,000-ton vessel which can accommodate 3,690 passengers. The ship is the third vessel in Carnival's Dream-class, its largest-class vessel to date. The Breeze will sail its inaugural season in Europe followed by a year-round Caribbean itinerary from South Florida beginning in the Fall of 2012.

Additional Information

According to the Department of Small Business Development's History of Violation Report (January 20, 2012), Munilla and Bermello, Ajamil & Partners, Inc. have no history of violations. Each firm has nine evaluations on record with the Capital Improvement Information System with an average of 3.5 points out of a total 4.0 possible points. Both firms are active registered businesses with the state of Florida according to the Florida Department of State, Division of Corporations.

Prepared by: Michael Amador-Gil and Bia Marsellos

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 8M2
File Number: 112567
Date of Analysis: December 20, 2011

Summary

This resolution authorizes a *Second Amendment* to an existing contract between Miami-Dade County and Kimley-Horn and Associates (KHA) in the amount of \$3,900,000; grants a contract extension until July 2014 to provide communications and system integration services for Phase 2; and accelerates elements of Phase 3 of the Countywide Advanced Traffic Management System Project (Project).

(First Amendment) The First Amendment to this contract, approved on January 21, 2010, through R-42-10, provided an additional \$2,160,000 in order to carry out the abovementioned communication strategy; as well as for System Operations and Communications for the Kendall Drive Bus Rapid Transit (BRT) Concept, the re-timing of five (5) major north-south and five (5) major east-west corridors, and allowed for Public Works staff to grant a contract modification/extension until July 2012.

This retiming effort consisted of extensive data gathering and management which was originally envisioned for a future phase of the ATMS project.

Fiscal Impact

The \$3,900,000 will be funded from Charter County Transportation Surtax 2010 Bond Proceeds as programmed within Public Works and Waste Management's (PWWM) Multi-Year Capital Budget. There are no recurring operation or maintenance costs anticipated with this amendment.

- The total of all fee payments to KHA with the approval of this Amendment will not exceed \$15,060,000 and will allow for PWWM's Director to grant a contract modification/extension until July 2014.
- Further, the acceleration of these elements will allow the County to continue to utilize up to \$10,499,382.50 in funds for the construction and implementation of the communication improvements at the signalized intersections from the County Incentive Grant Program (CIGP) Agreement (BCC Resolution R-687-09) with Florida Department of Transportation (FDOT).

Background and Relevant Information

On July 7, 2005, the BCC, through R-876-05, authorized a contract with KHA in the amount of \$9 million to replace the Urban Traffic Control System (UTCS) with a modern ATMS platform, and to migrate all of the County's traffic signals to the new system. *The system would replace the County's Traffic Control System (TCS) that has been monitoring and controlling traffic signals in Miami-Dade County for over 29 years. A formal Request for Proposals following standard Department of Procurement Management processes was not initialized.*

Phase 1 and Phase 2 of the project consisted of the integration of all of the County's traffic signals into the ATMS, for which the consulting and system integration services were originally budgeted for \$9 million.

The original project scope and System Manager Contract contemplated the development of a hybrid wireless and fiber-optic communication network by the County's Information Technology Department (ITD) (formerly Enterprise Technology Services Department). The proposed network was to serve as the backbone of the ATMS' network communication subsystem.

Since this proposed network did not come to fruition, KHA was required to develop an alternate communication strategy using a modified version of the existing leased AT&T phone line network.

- According to PWWM staff, as of December 13, 2011, 2682 signals have been implemented with ATMS software and 2664 have been linked to ATMS Central, deeming the Phase 2 of this project to be in substantial completion.(99% completed)

Some of the major software enhancements are as follows:

- Real Time Controller Hardware Interface.
- Scheduled automated reports. One of the most important is the “Daily Report”, which includes 9 separate reports (Pre-Emption, Phase mal-function, communications, etc.).
- Enhanced preemption and equipment failure detection.
- Interface using maps for quick access to several features, functionalities, and reports.
- Ability to control 4000-plus intersections (previously limited to 2048).
- Ability to communicate using serial and Internet Protocol (IP) based communications.
- Ability to alert staff regarding system operations and equipment failures via email and paging.
- Ability to support BRT (Bus/Rapid Transit) operation.

This proposed amendment will allow KHA to continue working with PWWM’s Traffic Signals and Signs Division (TS&S) and ITD’s staff to provide necessary services and transition into the commencement of Phase 3 of the Project.

ATMS Deployment and Additional KHA Information

Phase 1 Alpha Test began in late 2005 and was completed in mid 2006. It consisted of the installation of the central ATMS processors and the integration of 16 Alpha-test intersections into the system.

On February 1, 2005, through R-172-05, the Administration requested that the BCC waive competitive bids and authorize the County Manager to enter into negotiations with selected vendors for the installation and implementation of a new ATMS.

The TCS was installed in the mid to late 1970s. In 1996, the County awarded F.R. Aleman & Associates a contract to install a new ATMS. The contract was terminated in June 2004 because F.R. Aleman & Associates’ inability to make their proposed software operate in a large network. PWD staff in February 2005 identified and purchased an “off-the-shelf” (OTS) ATMS. PWD stated that a consultant to design a brand new system was not required.

A Request for Information to ascertain industry participation in the project was forwarded to 14 known suppliers of OTS ATMS products throughout the United States in late June 2004. A four-person committee consisting of PWD and Enterprise and Technology System Division staff concluded that of the 14 vendors, 6 vendors had the experience. The committee found that KHA stood out among the other 6 vendors to serve as the project’s System Manager.

During the same time, FDOT stated that their participation would not be in the software development, but rather on the deployment of the project.

Primary vendors, contractors, and consultants for the ATMS:

- Kimley-Horn & Assoc – System Manager
 - Control Technologies – Hardware and software for controllers
 - GDI Communications – Communication modem

- McCain – Controller Manufacturer
- AT&T (Utility) – Communications rental
- IT Wireless – Wireless Communication System (County owned)

Pursuant to Small Business Development's firm history report, dated December 16, 2011, the firms mentioned above do not have violations with the County.

Additional Information

In response to questions posed by the Office of the Commission Auditor, PWWM staff provided the following information:

- Was the NW 199 Street Reversible Lane Control System addressed? Are there any other systems that require refurbishing? *Yes, the NW 199th Street Reversible Lane Control System (RLCS) was completely refurbished and is functioning well. There are no other reversible lane control systems scheduled under this project.*
- Has the ATMS operations and maintenance costs increased or have they stayed under control? *The primary operations and maintenance cost associated with the ATMS are the communications line leasing charges. In terms of per location per month charges, a majority of these (those converted from slow leased lines to faster digital lines) have remained roughly the same, while the recurring costs for a smaller number have come down through the use of communications technologies that were not previously available.*
 - *The cost of communications in 2006 of approximately 2000 signalized traffic intersections was approx. \$ 2.3 million. per year*
 - *The cost of communications to-date with approx. 2700 (approx. 700 more than five years ago) intersections integrated to Central is approx. \$ 2.7 million per year.*
 - *With the introduction of wireless technology the above-mentioned cost will decline approx. \$240,000 in the next fiscal year and more thereafter as more intersections are migrated to the County-owned wireless infrastructure.*
- Please let me know if any work is being performed in-house or is all the work outsourced to KH and subcontractors? *Many work elements such as controller timing development, preparation and final pre-installation testing of traffic signaling cabinets, field installation, and field testing of installed controllers and communications devices were performed by in-house staff in addition to their day-to-day responsibilities for systems operation and maintenance.*
- Can the ATMS interface with the red light camera system? *The ATMS can interface with the red light running camera system. However, TS&S does not see any benefit to the County of doing so and prefers to keep the systems as separate as possible for purposes of liability and maintenance responsibility.*
- Have there been any issues with the Beacon Tradeport Community Development District or Light Speed Building and ATMS? *The development of the new Traffic Control Center at the Light Speed Building is ongoing. PWWM has been working with ISD to develop preliminary layouts for the new facilities as well as exploring alternative layouts. ISD is currently evaluating the building requirements and will be providing PWWM a cost estimate for the new facilities.*
- Is the ATMS experiencing any shortages in funding? *The ATMS project has been estimated to be \$117 million in total with PTP funding \$49 million, Local funding sources for \$6 million, and an estimated*

funding of \$62 million from FDOT and/or Federal sources. To date, PWWM has spent approximately \$29M in PTP funds, along with obtaining \$14M in State funds. While the PTP has been the primary funding source and there has not been any shortages in funding, additional funding will be needed in the future in order to carryout the implementation of the complete ATMS communications system that has been envisioned. PWWM has and continues to pursue State and Federal funds in order to carryout the full implementation of the ATMS

- *Has the County experienced any savings or will they? The primary financial savings being attained by the ATMS are in the communications realm. The Operations & Maintenance costs at the intersections that have been migrated to the wireless communications subsystem are half of what the previous hard-wired communications were costing on a monthly basis (\$50/mo./intersection as opposed to \$100/mo./intersection). As additional intersections are moved from the hard-wired subsystem to the wireless subsystem during the extension of Phase 2 of the project, savings will continue to grow.*

Prepared by: Michael Amador-Gil

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 8(N)1 and 8(N)2

File Number: 112430 and 112419

Summary

Agenda Item No. 8N1 approves the request by Mobis Parts America, LLC. (Mobis) to amend Resolution No. 106-08, which authorized Mobis to participate in the County's Targeted Jobs Incentive Fund (TJIF) Program.

Agenda Item No. 8N2 approves the request by Centurion Air Cargo, Inc. (Centurion) to amend Resolution No. 105-08, which authorized Centurion to participate in the County's Targeted Jobs Incentive Fund (TJIF) Program.

Background for 8N1 - Mobis

On February 5, 2008, the Board of County Commissioners (BCC) approved Resolution No. 106-08, authorizing Mobis to participate in the County's TJIF Program. At that time, Mobis was considering the potential locations for the expansion of its operations.

In August 2011, Mobis submitted a written request to the County seeking an administrative change due to the economic downturn experienced nationwide by the automobile industry which, according to staff, impacted their ability to meet the benchmarks of the original agreement. The proposed resolution reflects this request to change the job creation timeline to December 2012. As a condition of the TJIF award, Mobis agrees to hire 12 new full-time employees, at an average annual wage of \$43,442. In addition, Mobis will maintain the 36 existing employees in Miami-Dade County. In total, Mobis is committing to maintain 48 jobs for the duration of the TJIF incentive.

The new job creation and disbursement dates are as follows:

Payment	Approved under R-106-08			Proposed Jobs and Dates			Payout
	Job Creation Deadline	Net New Jobs	Disbursement Date	Job Creation Deadline	Net New Jobs	Disbursement Date	
1	12/31/09	2	FY 2011	12/31/12	12	FY 2013	\$115,440.50
2	12/31/10	5	FY 2012	n/a	0	FY 2014	\$115,440.50
3	12/31/11	5	FY 2013	n/a	0	FY 2015	\$115,440.50
4	n/a	0	FY 2014	n/a	0	FY 2016	\$115,440.50
5	n/a	0	FY 2015	n/a	0	FY 2017	\$115,440.50
6	n/a	0	FY 2016	n/a	0	FY 2018	\$115,440.50
Total		12			12		\$692,643

The total number of jobs to be created, the total incentive amount, and the terms and conditions of the original TJIF application will not change with approval of this item. The new disbursement dates as set forth in this resolution will not be revised again, and the TJIF award will be cancelled if the job creation conditions are not met.

Fiscal Impact / Funding Source

Based on the conditions set forth in the TJIF Ordinance, and as approved through R-106-08, Mobis is eligible for \$692,643 in TJIF assistance to be paid over a six-year period based on the capital investment stated in its application.

However, County staff is also projecting approximately \$865,804 in additional general fund revenues to the County from the capital investment commitment as stated in the company's TJIF application. Based on these projections, this incentive would yield a 1.2 return on investment to the County.

Capital investment by Mobis and Creation of New Jobs

The TJIF program specifies that a Board-approved TJIF New-to-Market or Expanding business, as defined in the TJIF Ordinance, such as Mobis, must make at least a \$3 million capital investment and create at least ten (10) new jobs within three (3) years of starting operations or completing their capital investment commitment in Miami-Dade County, whichever is later, and maintain those new jobs for an additional three (3) years. ***Mobis is promising to make a capital investment of \$25 million and create 12 new jobs.***

Background for 8(N)2 - Centurion

On February 5, 2008, the Board approved Resolution No. 105-08, which authorized Centurion, under Confidential Project 07-00253, in the County's TJIF Program. Once Centurion made a public decision to expand its operations in Miami-Dade County, the confidentiality of the project expired. Resolution R-105-08 authorized the County to use countywide general funds to be paid out over a six-year period.

Due to delays in construction, the economic downturn in the United States' economy, and site specific environmental issues, Centurion has not met the capital investment criteria deadline in the original resolution. However, the project has now commenced construction. As a result, on July 22, 2011, Centurion submitted a written request to the County to amend the disbursement dates timeline as proposed in this item. Since the net new jobs have already been created, the job creation criteria will not change with the approval of this item.

The new job creation and disbursement dates are as follows:

Payment	Revised Jobs and Dates to R-105-08						Payout
	Original Job Creation Deadline	Original Net New Jobs	Original Disbursement Date	Revised Job Creation Deadline	Revised Net New Jobs	Revised Disbursement Date	
1	12/31/09	50	FY 2011	12/31/10	50	FY 2013	\$166,668
2	12/31/10	100	FY 2012	12/31/11	100	FY 2014	\$166,668
3	12/31/11	50	FY 2013	12/31/12	50	FY 2015	\$166,668
4	n/a	0	FY 2014	n/a	0	FY 2016	\$166,668
5	n/a	0	FY 2015	n/a	0	FY 2017	\$166,668
6	n/a	0	FY 2016	n/a	0	FY 2018	\$166,668
Total		200			200		\$1,000,000

Modification Requests

According to the Sustainability, Planning and Economic Enhancement Development Department (SPEED), to date, three TJIF companies have submitted written modification requests to the County asking to change the job creation schedule to include the following:

- **Mobis Parts America, LLC (Resolution No. 106-08)**
Requesting to extend the job creation timeline and incentive disbursement dates by one year through FY 2012 due to the economic downturn in the U.S. economy. This request is covered under the proposed resolution.
- **Centurion Air Cargo, Inc. (Resolution No. 105-08)**
Requesting to extend the job creation timeline and incentive disbursement dates by two years beginning in FY 2013 due to delays in construction and the economic downturn in the U.S. economy. This request is covered under Agenda Item No. 8N2.
- **Goya Foods of Florida (Resolution No. 1087-07)**
Requesting to extend the job creation timeline and disbursement dates from FY 2011 to begin in FY 2014. On October 26, 2011, the Economic Development and Social Services Committee deferred the request to no date certain.

Administrative Modifications Granted

For administrative modifications to be granted, SPEED must submit the modification to the BCC for approval. However, pursuant to the TJIF resolution, the Mayor or the Mayor's designee can make non-substantive changes i.e. scrivener's errors. According to the SPEED, only two administrative modifications granted, each consisting of changing the job creation schedule by one year. The two administrative modifications include the following:

1. **Goya Foods of Florida (Resolution No. 1087-07)**
Extended the job creation timeline and disbursement dates from FY 2008 to begin in FY 2011.
2. **Star Computer Group (Resolution No. 1021-09)**
Extended the job creation timeline and disbursement dates from FY 2009 to FY 2010.

Furthermore, SPEED has administratively granted one administrative extension to Becton-Dickenson where the job creation timeline and disbursement schedule were adjusted. The County Attorney's Office granted SPEED permission to administratively modify the job creation timeline and disbursement schedule for Becton-Dickenson.

Additional Information on Incentive Programs

Current Business Incentive Programs Provided by the County and State

According to SPEED, companies interested in relocating to or expanding in Miami-Dade County may qualify for the TJIF program, and the Qualified Targeted Industry (QTI) program, through Miami-Dade County and the State of Florida.

Miami-Dade County TJIF

The TJIF is designed to attract new-to-market businesses and support local business expansions. The TJIF Program works by providing cash incentives to qualifying companies in selected industries that create new above-average paying jobs and make a capital investment of at least \$3 million.

State of Florida QTI Tax Refund

This incentive is available for companies that create high wage jobs in targeted high value-added industries and may provide the company a tax refund of up to \$3,000 per new job created. The QTI program is funded by the State of Florida (80%) and Miami-Dade County (20%).

- The QTI program requires the creation of at least 10 new fulltime jobs at salary levels equal to or exceeding 115% of the State annual average wage, or \$41,516. For businesses paying 150% of the State average annual wage, the incentive is increased by a \$1,000 per job; and for business paying 200% of the State average annual wage, the

incentive is increased by \$2,000 per job. Companies that locate or expand within any of Miami-Dade County's Enterprise Zones, the tax incentive refund is increased up to \$6,000 per new job created, and the minimum salary requirement may be waived

Questions Related to Agenda Item No. 8N1

Responses provided by SPEED

- Has Mobis made a capital investment in Miami-Dade County since 2008? If so, please provide the details.
According to a spreadsheet provided by Mobis, since 2008, there are assets (warehouse building, furniture, etc...) valued at \$25,290,607.61 in Miami-Dade County. The proposed resolution is for the company's expansion.
- For how long does this company estimate they will remain in Miami-Dade County?
According to the company, they have no plans to leave Miami-Dade County.
- If the company creates the 12 new jobs by FY 2013, will they be eligible for the TJIF incentive payout through FY 2018?
According to the terms and conditions of the proposed resolution, the company will be eligible for the TJIF incentive payout through FY2018.
- Will the company be eligible to receive the TJIF funds through FY 2018 if they don't make the \$3 million capital investment within the first 3 years?
No, if the company does not make the \$3 million capital investment within the first 3 years, they will not be eligible to receive the TJIF funds.
- Is this business Green certified? *No.*
- Is the Company seeking better terms under the new TJIF Ordinance (Ordinance No. 11-08)? *No*

Questions Related to Agenda Item No. 8N2

Responses provided by SPEED

- What capital investments has Centurion made recently to meet their TJIF requirements?
According to the company, approximately \$5.6 million dollars have been invested to date.
- Did Centurion Air Cargo and its related companies or Centurion apply for the TJIF incentive?
Centurion Air Cargo is the only applicant.
- Is this business Green certified? *No*
- Is the company seeking better terms under the new Ordinance (Ordinance No. 11-08)? *No*
- Would you know if these companies are registered/active with the State of Florida Department of Corporations?
According to the company, the related companies are active and registered with the State.

Prepared by: Michael Amador-Gil and Elizabeth N. Owens

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 11A2
File Number: 112445
Date of Analysis: December 21, 2011

Summary

This resolution directs the County Mayor or the County Mayor's designee, specifically, the Department of Permitting, Environment, and Regulatory Affairs to request the Environmental Quality Control Board (EQCB) to grant all existing residential properties listed in Exhibit A of the item, a four-year extension of time to connect to the public water main once it becomes available and operative in the public right of way or easement abutting said residential properties.

The EQCB has the authority to grant variances and extensions of time from certain Code requirements of Chapter 24 of the Code including the granting of additional time for a property to connect to an available and operative public water main when the granting of such additional time is of benefit to the community.

The extension may be granted under the condition that the private potable well serving the residential property will be sampled annually for bacteria, arsenic, nitrates and organochlorine pesticides at the expense of the property owner.

If during the additional time any private potable well is found to be contaminated, the residential property will be required to connect to the available public water main within 90 days of a sample that shows contamination in the private potable well exceeds applicable water quality standards.

Legislative History

The Office of the Commission Auditor conducted a review of the legislative history pertaining to this area and provides the following notes:

BCC Action	Legislation
11/4/10 R-1066-10	Authorized the Mayor or Mayor's designee to use Miami-Dade Water and Sewer department employees and equipment to design and install approximately 6300 linear feet of 8-inch water pipelines for a project in several areas of Continental Park.
09/21/10 R-956-10	Directed the Mayor or the Mayor's designee to design and implement in cooperation with the County Health Department a program to inform and educate the residents of Miami-Dade County who obtain their drinking water from private water wells of the need to regularly test their water quality.
07/29/10 R-703-10	Authorized the County Mayor or Mayor's designee to use Miami-Dade Water and Sewer Department's services, employees and equipment to design and install approximately 3200 linear feet of 8-inch water pipelines along SW 99th Court and SW 99th Place between SW 132nd Street and SW 136th Street in the Caribbean Estates Area of Miami-Dade County. <i>The cost of the project will not exceed \$700,000 without further approval by this Board.</i>

Additional Information

According to the U.S. Center for Disease Control and Prevention, over 15 million U.S. households rely on private, household wells for drinking water. The U.S. Environmental Protection Agency (EPA) provides that a **public water system** or private water well is a system servicing 25 or more people per day. Although most U.S. households are connected to a **public water system**, a U.S. Geological Survey report, *Estimated Use of Water in the United States in 2005*, estimates that 14% of United States residents rely on private wells that are not regulated by the EPA Safe Drinking Water Act.

State of Florida

According to the Florida Department of Health, the majority of Florida residents are served by public water systems covered by the Federal and State Safe Drinking Water Acts. The other 20% receive their water from "limited-use" public water systems and private wells. Private well owners are responsible for testing their own water supply.

According to the Florida Department of Environmental Protection Agency (FEPA):

"Florida's ground water resources are vulnerable to contamination because large areas are characterized by well-drained sandy soils overlying porous limestone. Human activities result in the production of a large number and variety of contaminants, including those associated with urban stormwater runoff and agricultural activity."

- From 1962 to mid 1983, for example, the Florida Department of Agriculture and Consumer Services applied a soil fumigant, ethylene dibromide (EDB), to control nematodes in citrus groves;
- EDB was also used on golf courses and crops;
- EDB has the potential to produce adverse health effects from prolonged consumption; and¹
- The primary drinking water standard for EDB is 0.02 micrograms per liter (parts per billion).

In 1983, the discovery of EDB in other states triggered Florida state officials to test drinking wells. Over 2,400 drinking water wells across Florida have been identified as being contaminated with EDB.

As a result of the findings above, 1988 Florida Legislature directed the FEPA to implement water well construction and water testing standards within known contamination sites.

Additional Notes

According to Miami-Dade County's Department of Environmental Resources Management (DERM) staff, DERM and state agencies do not regulate private water wells. In fact, other than a construction permit being required, there is no regulation of private wells. Additionally, the County has no database of homes with private drinking water wells.

According to a memorandum, dated, December 7, 2010, from the County Manager to the Board of County Commissioners, the Miami-Dade County Health Department (**Florida Department of Health or FDOH**) identified 80 private drinking water wells in Miami-Dade County as being contaminated with insecticide dieldrin at concentrations that exceed the drinking water health advisory level.

This represents 35 percent of the private wells samples by the FDOH during this period. In addition, since 2004, arsenic has been detected at concentrations exceeding the maximum contamination level in several private home wells throughout southern Miami-Dade County.

¹ U.S. Environmental Protection Agency

The FDOH has developed a pamphlet which explains the need for residents to have their drinking water tested, provides information on laboratories certified to conduct the recommended testing, provides recommendations on contaminants of concern and testing frequency, and provides contract information if drinking water is found to be contaminated.

Furthermore, the memo, mentions that the County has also reviewed several options for the need of establishing an emergency reserve of funds for private well contamination issues. The review included the following funds: Fire Hydrant Fund, Sale of future Building Better Communities General Obligation Bonds Program, and establishing a Special Taxing District.

In response to questions posed by the Office of the Commission Auditor, Permitting Environment and Regulatory Affairs staff provided the following information:

- What happened with the Informational/Educational Program for the neighbors of the contaminated areas, pursuant to R-956-10? *12,415 residents with private wells were mailed the information pamphlets*
- What happened with the installation of a pipeline approximately 6300 linear feet by MDWASD staff, pursuant to R -1066-10? *The pipelines were constructed and placed into service.*
- What happened with the funding pledge from the State of Florida? *At this time, there are no funds available from the State.*
- Did the county conduct a survey of properties in Miami-Dade County with private water wells? *The private wells have not been field tested.*

Prepared by: Michael Amador-Gil and Bia Marsellos

**MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**



Legislative Notes

Agenda Item: 11A3 and 11A10
File Number: 112511 and 112509
Date of Analysis: December 21, 2011

Summary

BCC Agenda No.	11A3 112511 Cutler Bay Center Project	11A10 112509 Northside Center LLC.
Sponsors	Commissioner Lynda Bell	Commissioner Jean Monestime
BBC-GOB Project	249	320
BCC District & Location	District 8 11150 SW 211 Street, Cutler Bay, Florida	District 2 7900 NW 27 Avenue, Miami, Florida
Project Description	<p>This resolution approves the allocation of \$10,592,308.00 from the \$137.7 million allocated for BBC Program Project No. 249 – “Preservation of Affordable Housing Units and Expansion of Home Ownership” to fund the development of the affordable housing component of the Cutler Bay Centre Project in District 8.</p> <p>The proposed development of a new 4-story residential development will have approximately 100 units of affordable housing for low and moderate income elderly persons, to include fifty (50) one bedroom/one bath units containing a minimum of 650 square feet of heated and cooled living area and fifty (50) two bedroom/two bath units containing a minimum of 850 square feet of heated and cooled living area, and an attached parking structure.</p> <p>Cutler Bay Centre Project may also include other amenities on the site, including approximately 7,000 square feet of dining and recreational activity space for the elderly.</p>	<p>This resolution allocates \$3,000,000 to Northside Centre, LLC., a Florida for-profit corporation (“Developer”) from Project No. 320 – “Economic Development in Targeted Urban Areas” for the purpose of funding certain public infrastructure improvements in connection with the renovation and revitalization of the Northside Centre shopping center.</p>
Funding Information	<i>According to OMB staff, funding is not available in the current year.</i>	<i>It is anticipated that the Allocation will be available in Fiscal Year 2013-14 from available general obligation bond proceeds.</i>

Background and Relevant Legislation

On July 11, 2010, the County Manager issued a memorandum on the BBC-GOB Bond Program Project List. The Memorandum provided three scenarios that illustrated the choices for the BBC Bond sales in the next two (2) fiscal years. In every scenario, the upcoming two sales are followed by a gap of nearly 24 months in which the County will not sell new bonds.

Furthermore, the Memorandum stated that uncertainty surrounding the County’s millage rates and property-tax roll have made useful projections almost impossible. The list of projects for the next two (2) bond sales was developed by the OCI and the Office of Strategic Business Management (OSBM) in consultation with the County Executive Office, user departments and external stakeholders.

On December 23, 2010, the County Manager issued a Memorandum outlining the BBC Bond Program for the next 45 months and recommended the implementation of a commercial paper program in order to provide an additional financing vehicle to complete a list of projects.

Subsequently, on March 1, 2011, the Board of County Commissioners (BCC), through R-134-11, authorized the issuance of up to \$200 million in BBC Bonds for Series 2011A to be used to pay for various capital projects in the BBC Bond Program Projects List identified in the December 23, 2010 County Manager Memorandum.

On July 7, 2011, the BCC, through Ordinance 11-38, approved the issuance not to exceed, at any one time, \$400 million of Building Better Communities Commercial Paper Notes (CP Notes) in anticipation of the issuance of Miami-Dade County Building Better Communities Program General Obligation Bonds. The implementation of a

Commercial Paper Program (CP Program) by issuing the CP Notes provides a means of needed financing to meet the Building Better Communities General Obligation Bond Program's (BBC Program's) undertaking of eligible community projects in anticipation of the issuance of additional BBC Bonds.

According to OMB, creating a Commercial Paper Program for the BBC Program permits the County to more quickly respond to the pace of construction and changing financial market conditions, ultimately allowing more construction to take place while prices are favorable and minimizing the cost of financing.

Commercial Paper is similar to a line of credit:

- Commercial Paper proceeds are only used when there is a need for money, compared to bond proceeds that we receive all at once;
- The cost to use money from Commercial Paper is generally less expensive in the short-term than from issuing a bond; and
- Eventually Commercial Paper borrowings are replaced with long-term financing (i.e. a bond) or repaid from other sources.

Information for First Budget Hearing-FY 2011-12 Proposed Budget

A memo, dated, September 8, 2011, from the Mayor to the BCC states that as a result of the lowering of the proposed debt service millage rate to 0.285 or 36 percent from FY 2010-11 actual millage from 0.445, a number of capital projects anticipated to be funded with *Series 2011 A* bond proceeds and/or within the next 45 months will be impacted.

Information for Second Budget Hearing on BBC-GOB Projects

A memo, dated, September 22, 2011, from the Mayor to the BCC states that the appropriation schedule for BBC-GOB municipal projects was updated to reflect expenditures that were expected to be incurred in FY 2010-11 but are now anticipated to occur in FY 2011-12.

These adjustments did not increase the overall appropriation of the projects. In March 2011, the BCC adopted R-134-11, which listed the projects eligible for funding from the Series 2011 Bonds. That project list assumed a 0.445 millage rate in FY 2011-12, as well as a 45 month financing plan for the BBC-GOB Program, with funding for many projects timed to cash flow needs.

Recent Correspondence from the Administration

On October 21, 2011, pursuant to a request by the BCC members at the October 4, 2011, BCC meeting, regarding the BBC-GOB projects proposed for FY 2011-12, the Mayor provided an updated version to the September 20, 2011 version received during the second budget hearing mentioned above. According to the memo, all BBC-GOB projects remain in the multi-year capital plan as presented in the Capital Budget schedules. **Furthermore, the**

Mayor, per BCC directives, given during the Second Budget Hearing, will not execute any new BBC-GOB contracts until the BCC has reached consensus on the final list of BBC-GOB project.

Also, on December 12, 2011, the Mayor, pursuant to a request by the BCC members for additional information regarding the relative readiness of priority projects currently scheduled in future years as part of the BBC-GOB Program, as well as, updated information regarding projects for which funding has been appropriated in the current year provided a list of BCC-GOB projects for each district, and requested that each commissioner send a list of the priority projects to the Deputy Mayor no later than Friday, December 16, 2011.

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