

Miami-Dade County Charter Review Task Force Meeting
Wednesday, June 6, 2012
Stephen P. Clark Center, Conference Rooms 18-3 and 18-4
111 N.W. 1st Street
9:00 a.m.

- **CRTF Issues of Study**
 - **Salaries / Outside Employment**
 - **Commission Salary Proposal**
 - **Outside Employment Proposal**
 - **Mayoral Vacancy**
 - **Memo from Mayor Carlos A. Gimenez**
 - **County Attorney Opinion**
 - **Mayoral Vacancy Proposal by Terry Murphy**
 - **Incorporation / Annexation**
 - **Regional Government Proposal by Lawrence Percival**
 - **Governance of Jackson Memorial Hospital**
 - **County Attorney Memo**
 - **Materials provided by SEIU 1991**
 - **Petition Process**
 - **Petition Reforms Proposal by Terry Murphy**
 - **Incorporation / Annexation**
 - **Municipal Boundary Change Petition Process Proposal by Terry Murphy**
 - **Incorporation Petition Process Proposal by Terry Murphy**
 - **Incorporation Petition Process Proposal by Don Slesnick**
 - **Office of the Inspector General**
 - **Mayoral Veto / Collective Bargaining Impasse Disputes**
 - **Veto of Collective Bargaining Impasse Proposal by Don Slesnick**
 - **GSAF letter**
 - **PBA letter**
 - **Office of the Sheriff**
 - **Elected Sheriff Proposal by Don Slesnick**
 - **Transfer of Powers and Functions Proposal by Terry Murphy**
- **Other Business**
 - **Items Approved by the CRTF on May 30th**
 - **Incorporation Proposal by Vice-Chair Evelyn Greer**
 - **Annexation / Franchise Utility Fee Proposal by Vice-Chair Greer**
 - **Citizen's Bill of Rights Proposal by Terry Murphy**
 - **Office of Intergovernmental Affairs Proposal by Terry Murphy**
 - **Feedback received via the website and email**
- **Approval of Minutes**
 - **May 17, 2012 - Charter Review Task Force Meeting**
 - **May 23, 2012 - Charter Review Task Force Meeting**

Issues of Study

Commission Salary Increase Proposal

Concept:

Amend Section 1.06 to provide that, effective with the commencement of the terms of County Commissioners in 2016, the County Commission salary will be increased from \$6,000 dollars to the median income of Miami-Dade County, computed annually.

Text of Change:

MIAMI-DADE COUNTY HOME RULE CHARTER

ARTICLE-1¹

BOARD OF COUNTY COMMISSIONERS

* * *

Section 1.06. SALARY .

>>Prior to November 22, 2016, e<<[[E]]ach County Commissioner shall receive a salary of \$6,000>>, and beginning November 22, 2016, each County Commissioner shall receive a salary equal to the median income within the County, computed annually, per year payable monthly. >>Each County Commissioner<< [[and]] shall be entitled to be reimbursed for such reasonable and necessary expenses as may be approved by the Board.

¹Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

Prohibition on Conflicting Outside Employment Proposal

Concept:

Add Subsection (d) to Section 1.05 to provide that County Commissioners may not take or hold office if they are employed by any entity that does business with the County or any entity or agency controlled by the County.

Text of Change:

MIAMI-DADE COUNTY HOME RULE CHARTER

ARTICLE-1¹

BOARD OF COUNTY COMMISSIONERS

* * *

Section 1.05. FORFEITURE OF OFFICE.

A. Any member of the Board of County Commissioners who ceases to be a qualified voter of the county or removes himself from the county or the district from which he was elected, or who fails to attend meetings without good cause for a period of six months, shall immediately forfeit his office. Any Commissioner who ceases to reside in the district which he represents shall also immediately forfeit his office. >>Any County Commissioner who is employed by, consults for, or has an ownership interest in any firm doing business with the County or any department, office, agency or instrumentality of the County, shall also immediately forfeit his office.<<

B. Any elected or appointed county official who holds any other elective office, whether federal, state or municipal, shall forfeit his county position, provided that the provisions of this subsection shall not apply to any officials presently holding such other office during the remainder of the present terms.

¹Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.


C. Any appointed official or employee of Dade County who qualifies as a candidate for election to any federal, state or municipal office shall immediately take a leave of absence from his or her county position until the date of the election and shall, if elected, immediately forfeit his or her county position. If the candidate is not elected, he or she shall immediately be reinstated to his or her former position.

Memorandum



Date: June 4, 2012

To: Senator Rene Garcia, Chairman
and Members, Charter Review Task Force

From: Carlos A. Gimenez
Mayor 

Subject: Charter Review - Mayoral Vacancy

I want to thank the Charter Review Task Force for inviting me to its May 30, 2012 meeting to provide input on the issue of vacancy in the Office of the Mayor. As requested by the Task Force, I have worked with the County Attorney's Office to provide my recommendation for amending the Home Rule Charter on this issue. As you can see, the proposed amendment would not only address vacancy, but also temporary absence or incapacity of the Mayor.

My recommendation strictly addresses the issue of a Mayoral vacancy. It still remains with the Board of County Commissioners to fill a vacancy by a majority vote within 30 days or to call an election. I understand the Task Force is discussing issues related to how many days an election must be held after the Board calls an election to fill a vacancy; qualification periods; and who does not qualify as a candidate. I leave those issues to the Task Force.

I would like also take this opportunity to commend all of the members of the Charter Review Task Force for their service and commitment to our community.

attachment

c: Robert A. Cuevas, County Attorney
Christopher Agrippa, Clerk of the Board

Vacancy in Mayor's Office and Procedure to Fill Mayoral Vacancy; Temporary Absence or Incapacity of Mayor

Concept (Gimenez):

Amend Section 1.07 to remove references to a Mayoral vacancy and create a new Section 2.03 and 2.04 to address the interim period after a vacancy and before the County Commission appoints a Mayor or calls an election fill a Mayoral vacancy, as well as periods of absence or incapacity. These sections would require the Mayor to designate a qualified administrative officer following election to office that would carry out emergency management functions; hire and discipline (including fire) department directors; recommend bid waivers to the Board of County Commissioners and exercise other legally delegable functions during periods of absence, incapacity or during an interim vacancy period.

Text of Change:

MIAMI-DADE COUNTY HOME RULE CHARTER

ARTICLE-1¹

BOARD OF COUNTY COMMISSIONERS

* * *

**Section 1.07. VACANCIES >>IN THE OFFICE OF
COUNTY COMMISSIONER<<.**

Any vacancy ~~[[in the office of Mayor or the members of]]~~ >>on<< the Board shall be filled by majority vote of the remaining members of the Board within 30 days or the Board shall call an election to be held not more than 45 days thereafter to fill the vacancy. The person chosen to fill the office vacated must at the time of appointment meet the residence requirements for the office to which such person is appointed. A person appointed shall serve only until the next county-wide election. A person elected shall serve for the remainder of the unexpired term of office. If a

¹ Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

majority of the members of the Board should become appointed rather than elected to office, then the Board shall call an election to be held not more than 45 days thereafter to permit the registered electors to elect commissioners to succeed the appointed commissioners; appointed commissioners may succeed themselves unless otherwise prohibited by the Charter. If a county-wide election is scheduled to be held within 180 days from the date on which the majority of the members of the Board become appointive, the Board may elect to defer the required election until the scheduled county-wide election.

* * *

ARTICLE-2

MAYOR

* * *

>>SECTION 2.03. TEMPORARY ABSENCE OR INCAPACITY OF MAYOR.

Within thirty (30) days of the Mayor assuming office, the Mayor shall designate a qualified administrative officer of the County to assume the following duties and authority of the Mayor during periods of temporary absence or incapacity of the Mayor:

1. Exercise emergency management powers, including powers authorized by state law.
2. Appoint all administrative department directors.
3. Suspend, reprimand, remove or discharge any administrative department director, with or without cause.
4. Issue written recommendations required for any waiver of competitive bidding.
5. Exercise such other legally delegable administrative actions of the Mayor as may have been or are delegated in writing to the administrator chosen by the Mayor.

Such designation shall become effective unless disapproved by a two-thirds vote of those Commissioners then in office at the Board's next regularly scheduled meeting.

The Mayor may rescind such designation, in which case the Mayor shall designate another qualified administrative officer subject to disapproval by the Board as set forth in this section.

SECTION 2.04. VACANCY IN THE OFFICE OF MAYOR.


Any vacancy in the office of Mayor shall be filled by majority vote of the Board within 30 days, or the Board shall call an election to be held not more than 45 days thereafter to fill the vacancy. The person chosen to fill the vacancy must at the time of appointment meet the residence requirements for the office, and shall serve only until the next countywide election. A person elected shall serve for the remainder of the unexpired term of office. Until such time as a Mayor is appointed or elected pursuant to this provision, the vacancy shall be considered a temporary absence or incapacity pursuant to section 2.03.<<

Memorandum



Date: March 18, 2011

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

From: R. A. Cuevas, Jr.
County Attorney 

Subject: Vacancies in the Office of Mayor and County Commissioner for District 13

Over the last several days, we have discussed the actions the Board must take to fill vacancies in the Office of Mayor and County Commissioner for District 13 resulting from the recall election and the timeframes in which the Board must act. This memorandum sets forth the process discussed.

The Canvassing Board will meet this morning and certify the results of the March 15, 2011 election on the recall of Mayor Alvarez and Commissioner Seijas. Upon the certification of the election results, Mayor Alvarez and Commissioner Seijas will be removed from office and the offices of Mayor and County Commissioner for District 13 will be vacant.

The Charter requires the Board either fill the vacancies by majority vote "within 30 days, or ... [by] call[ing] an election to be held not more than 45 days thereafter" to fill the vacancies. Thus, the Board will have until Sunday, April 17, 2011 either to appoint a Mayor and/or a Commissioner for District 13 or to call an election, to be held within 45 days of the call for an election, for either or both of those offices. If an election is called for either or both of those offices, provision must be made for the possibility of a run-off election in the event that no single candidate receives more than fifty percent (50%) of the votes.

During the period of vacancy in the Office of Mayor, powers granted exclusively to the Mayor by the Charter may not be delegated to another office holder. A list of those non-delegable powers is set forth in a prior opinion of this office which also addressed those powers that have already been delegated to the County Manager or other County officers and is included hereto as "Attachment A." On March 14, 2011, Mayor Alvarez delegated all additional delegable powers of the Office of Mayor to the Office of County Manager. A copy of that delegation is included as "Attachment B." All of the foregoing delegations remain in effect during the vacancy in the Office of Mayor and thereafter until revoked or altered by the successor Mayor.


c: Board of County Commissioners
Alina Tejeda Hudak, County Manager
Harvey Ruvin, Clerk of the Courts
Charles Anderson, Commission Auditor

Memorandum



Date: January 5, 2011

To: Honorable Chairman Joe A. Martinez

From: R. A. Cuevas, Jr.
County Attorney 

Subject: Mayoral powers and responsibilities that cannot be exercised by others during a vacancy in the Office of Mayor

You have inquired which powers and responsibilities of the Office of Mayor under the current Home Rule Charter ("HRC") can only be performed by the Mayor and cannot be exercised by others during a mayoral vacancy. The non-delegable mayoral powers and responsibilities that cannot be exercised by others during a vacancy in the Office of Mayor are:

- Appointment of the County Manager. *See* HRC, Section 2.02(C).
- Dismissal of the County Manager. *See* HRC, Section 2.02(C).
- Unless otherwise provided by the HRC, appointment of all administrative department directors. *See* HRC, Section 2.02(D).
- Suspension, reprimand, removal or discharge of any administrative department director, with or without cause. *See* HRC, Section 2.02(D).
- Veto of any legislative, quasi-judicial, zoning, master plan or land use decision of the Commission, including the budget or any individual component therein. *See* HRC, Section 2.02(E).
- Preparation and delivery of an annual report on the state of the County between November 1 and January 31 and a budgetary address setting forth the Mayor's funding priorities in March. *See* HRC, Sections 2.02(F) and (G).
- Preparation of a proposed budget recommended by the Mayor no later than July 15th for presentation to the Commission on or before the Commission adopts the tentative millage rates for the ensuing fiscal year. *See* HRC, Citizens' Bill of Rights and Section 5.03(B).
- Issuance of written recommendations required for any waiver of competitive bidding required by HRC. *See* HRC, Section 5.03(D).
- Establishment of departments by administrative order. *See* HRC, Section 5.01.

- Issuance of administrative orders, rules and regulations, including organization and operating procedure of administrative departments. *See* HRC, Section 5.02.

The HRC provides that the Mayor serves as the head of county government responsible for the management of all administrative departments of the county. The Mayor fulfills this administrative responsibility with the assistance of the County Manager and department directors who are appointed by and are subject to the direction and supervision of the Mayor. The Mayor may delegate authority to the holders of these positions to manage the respective administrative departments. *See* HRC, Sections 2.02(A), 4.01(A), 5.01 and 9.01(A). The Mayor has issued a general delegation of authority to the County Manager and the Manager's designees, while retaining final approval authority over certain proposed administrative actions. A copy of this delegation is attached as Exhibit A. The Mayor has also delegated the duties of certain State offices abolished under authority of the HRC (i.e., County Tax Collector, County Surveyor, County Purchasing Agent, County Supervisor of Registration and the Office of Sheriff). A copy of this latter delegation is attached as Exhibit B. In addition, there are numerous department-specific delegations of authority contained in Administrative Orders, implementing regulations and directorial appointments that are currently in effect.¹

The foregoing delegations remain in effect during any vacancy in the Office of Mayor. It is an accepted principle of law that delegations of administrative authority survive a subsequent vacancy in the office of the delegating authority, and continue in effect to the same extent and with the same limitations until revoked or altered by the successor to the office of the delegating authority.² Accordingly, all delegations of authority made by the Mayor prior to a mayoral vacancy remain in effect during such vacancy until revoked or altered by the Mayor's successor. Conversely, all powers over which the Mayor has retained final approval authority (e.g., as expressed in Exhibit A) may not be exercised by another person during any vacancy in the Office of Mayor.

Although the HRC reserves certain powers to the Mayor regarding preparation of the proposed budget and emergency management, state law provides a means for the exercise of these powers during a vacancy in the Office of Mayor.

Thus, State law authorizes the County Commission to designate a county budget officer to prepare and present the proposed County budget required by State law. §§129.021, 129.025 and 129.03 Fla. Stats. During a vacancy in the Office of Mayor, the County Commission could utilize this authority to designate another person to prepare and submit the budget. If the Commission does not designate a County budget officer, State law provides the Clerk of the Circuit Court will serve as the County budget officer during any vacancy. *Id.*

The County's emergency management powers flow from the State to the *governing body* of the County, i.e., the Board of County Commissioners. *See*, Part I, Chapter 252 Fla. Stats. Indeed, one of the purposes of this legislation was to "confer upon ... the governing body of each political subdivision ...

¹ I am not aware of the existence of any other blanket delegations of authority by the Mayor other than those contained in Exhibits A and B, and in existing Administrative Orders, implementing regulations and directorial appointments.

² *See United States v. Wyder*, 674 F.2d 224, 227 (4th Cir. 1982); *Overstreet v. El Paso Disposal, L.P.*, 668 F.Supp. 2d 988, 1003 (W.D. Tex. 2009); *Donovan v. National Bank of Alaska*, 696 F.2d 678, 682 (9th Cir. 1983); *Donovan v. Spadea*, 757 F.2d 74, 77 (3d Cir. 1985).

the emergency powers ..." provided in Chapter 252. The legislation recognizes that "[s]afeguarding the life and property of its citizens is an innate responsibility of the governing body of each political subdivision of the state ..." Sec. 252.38 Fla. Stats.

The County Commission has exercised this state grant of emergency management powers by adopting Chapter 8B of the County Code. Chapter 8B creates the Miami-Dade County Office of Emergency Management ("OEM") as an administrative office of the County to develop an emergency management plan and to administer its implementation in the event a state of emergency is declared.³ Consistent with the provisions of the HRC that the Mayor shall serve as the head of the County for emergency management purposes, the Manager's and OEM Director's exercise of their delegated authority is subject to the direction and supervision of the Mayor. The County Manager's and the OEM Director's delegated authority to take action under Chapter 8B continues in effect during any vacancy in the Office of Mayor. Chapter 8B authorizes the Mayor, and in the Mayor's absence, the Chairperson of the County Commission, to declare a local state of emergency in any and all areas of Miami-Dade County.

Attachment

c: Members of the Board of County Commissioners
 Carlos Alvarez, Mayor
 George Burgess, County Manager
 Charles Anderson, Commission Auditor


³ On May 14, 2009, the mayor appointed Curtis Sommerhoff as Director of the Office of Emergency Management and Jonathan Lord as Deputy Director of that department.



MEMORANDUM
OFFICE OF THE MAYOR

DATE: February 1, 2007

TO: Kay Sullivan
Clerk of the Board of County Commissioners

FROM: 
Carlos Alvarez, Mayor
Miami-Dade County

SUBJECT: Delegations of Powers and Functions Under Article 9 of the Charter

Pursuant to the powers of the Mayor in article 9 of the Miami-Dade County Home Rule Charter, I hereby make the following delegations:

1. The duties of the County Assessor of Taxes shall be performed by the Property Appraiser,
2. The duties of the County Tax Collector shall be performed by the Director of the Finance Department, subject to the concurrence of the Clerk of Court.
3. The duties of the County Surveyor shall be performed by the Director of the Public Works Department.
4. The duties of the Purchasing Agent shall be performed by the Director of the Department of Procurement Management.
5. The duties of the County Supervisor of Registration shall be performed by the Director of the Elections Department.
6. The duties of the Office of Sheriff shall be performed by the Director of the Police Department.

c: George Burgess, County Manager
Murray A. Greenberg, County Attorney



**MEMORANDUM
OFFICE OF THE MAYOR**

DATE: February 23, 2007

TO: George M. Burgess
County Manager

FROM: Carlos Alvarez, Mayor
Miami-Dade County

SUBJECT: Delegation of Authority (Revised)

Pursuant to the Miami-Dade Home Rule Charter, please be advised that I am retaining final approval for the following specific responsibilities/actions. These items should be routed through you for review and recommendation prior to your meeting with me for final sign-off.

- o Interagency Agreements
- o Settlement Agreements greater than \$200,000
- o Purchase Change Orders and Emergency Purchase Orders (pursuant to authorized procurement procedures) of \$25,000 or Greater
- o Departmental Tables of Organization
- o Appointment of Department Directors
- o Review of promotion or new hires in executive/senior management prior to appointment
- o Executive Salary Reviews and Merit Increases for CMO and department staff
- o Pay Increases Greater than 5 percent within one year (including promotions/transfers)
- o Special Pay Adjustments for executive level staff
- o CES Waivers
- o Red-Circle Requests
- o Negotiation of Collective Bargaining Agreements
- o Drop rehires
- o Granting Departure Incentive Program (DIP) benefits
- o Anniversary Letters 25+

EXHIBIT B

Delegation of Authority

Page 2

I am delegating the following specific responsibilities/actions to the County Manager and/or his designees:

- o Award of contracts – as delegated by the Procurement ordinance
- o Appointments of Selection Committees
- o Permits
- o Recruitments of Department Directors
- o Employee Performance Reviews
- o Performance Based Bonuses other than executive level staff
- o Special Recognition Increases other than executive level staff
- o Special Pay Adjustments for employees other than executive level staff
- o Requests for Classification Action
- o Exemptions from the Classified Service
- o Personnel Change Documents
- o Disciplinary Action Appeals
- o Pipeline Requests
- o Waiver of Residency Requirements
- o Authorization to pay Administrative Leave (AD) during emergencies
- o Employee Protection Ordinance (whistleblower) issue
- o Anniversary Letters 5-20 years
- o Supervisor Certification Program certificates
- o Contracts and grant-related documents once approved by the Board
- o All domestic and international travel requests
- o Leave slips (directors and Manager's immediate staff)
- o Agenda Items
- o Take Home Vehicles
- o Telecommunications Device & Service Requests

The County Attorney has clarified the effect of the "Strong Mayor" amendments to the Miami-Dade Home Rule Charter as it relates to administrative orders (AO). Under the charter Section 5.02, the Mayor has the power to promulgate AOs relating to his administrative responsibilities, and report such orders to the Board. The charter also provides to the Board the power to adopt policies through legislation and may direct the Mayor or the County Manager to draft regulations to effectuate the policies with Board approval. These non-administrative regulations will now be called "implementing regulations (IR)." Therefore, when amending a current AO or creating a new IR or AO, staff will determine, in consultation with the County Attorney, whether the items is administrative or legislative in nature.

Administrative orders and implementing regulations will be maintained separately. Also, prior administrative orders that accomplished these dual purposes remain in effect until amended by the Mayor or the Board, as appropriate. Signature authority for department directors pursuant to approved administrative orders remains the same.

C: Denis Morales, Chief of Staff, Office of the Mayor
Murray A. Greenberg, County Attorney
Kay Sullivan, Clerk of the Board
Assistant County Managers
Department Directors
Assistants to the County Manager



MEMORANDUM
OFFICE OF THE MAYOR

TO: Harvey Ruvin
Clerk of the Board

DATE: March 14, 2011

SUBJECT: Delegation of Authority

FROM: Carlos Alvarez
Mayor

In order to ensure the continued operation of the day-to-day affairs of County government, I hereby delegate all powers and responsibilities of the Office of Mayor that may be delegated under the Miami-Dade Home Rule Charter to the County Manager with the exception of those powers and functions previously delegated under Article 9 of the Charter. The County Manager may further delegate portions of these powers and responsibilities to other County employees as the County Manager deems in the best interest of the County. This delegation shall take effect immediately and continue until such time as I, or my successor, rescind this delegation.

cc: Honorable Chairman Joe A. Martinez and Members, Board of County Commissioners
George M. Burgess, County Manager
R. A. Cuevas, Jr. County Attorney
Luis Andre Gazitua, Special Advisor to the Mayor

Mayoral Vacancy and Vacancy Election Proposal

Concept:

Amend Section 1.07 to increase the time for a vacancy election to 90 days with a 10 day qualifications period and a runoff 30 days thereafter. Add Section 2.03 of the Charter to temporarily transfer, during the period of vacancy, the Mayoral powers as head of the County for emergency management purposes, to hire department directors and to recommend bid waivers to the Chairperson of the Board of County Commissioners, the Vice Chairperson if the Chair declines the powers, and then the Clerk of the Circuit Court if the Chair and Vice Chairperson declines the powers.

Text of Change:

MIAMI-DADE COUNTY HOME RULE CHARTER

ARTICLE-1¹

BOARD OF COUNTY COMMISSIONERS

* * *

Section 1.07. VACANCIES.

Any vacancy in the office of Mayor or the members of the Board shall be filled by majority vote of the remaining members of the Board within 30 days, or the Board shall call an election to be held not more than ~~[[45]]~~ >>90<< days thereafter to fill the vacancy. >>The qualification period for such election shall be the first 10 days after the call of the election and any runoff election shall be held within 30 days of the certification of election results requiring a runoff.<< The person chosen to fill the office vacated must at the time of appointment meet the residence requirements for the office to which such person is appointed. A person appointed shall serve only until the next county-wide election. A person elected shall serve for the remainder of the unexpired term of office. If a majority of the members of the Board should become appointed rather than elected to office, then the Board shall call an election to

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be held not more than ~~[[45]]~~ >>90<< days thereafter to permit the registered electors to elect commissioners to succeed the appointed commissioners; appointed commissioners may succeed themselves unless otherwise prohibited by the Charter. >>The qualification period for such election shall be the first 10 days after the call of the election and any runoff election shall be held within 30 days of the certification of election results requiring a runoff.< If a county-wide election is scheduled to be held within 180 days from the date on which the majority of the members of the Board become appointive, the Board may elect to defer the required election until the scheduled county-wide election.

* * *

ARTICLE-2

MAYOR

* * *

>>**Section 2.03. TEMPORARY TRANSFER OF
MAYORAL POWERS AND
RESPONSIBILITIES UPON A VACANCY IN
THE OFFICE OF MAYOR.**

Upon a vacancy in the Office of Mayor and until such time as the vacancy is filled in accordance with Section 1.07 of the Charter, the powers and responsibilities vested by this Charter in the Office of Mayor to head the County for emergency management purposes, to hire department directors and to recommend waivers of competitive bidding shall be temporarily vested in the Office of the Chairperson of the County Commission as supplementary powers and responsibilities of such Office and shall not reside in the Office of Mayor. During such time, if the Chairperson relinquishes such supplemental powers and responsibilities in writing filed with the Clerk of the Board, such supplemental powers shall be vested in the Office of Vice-Chairperson of the County Commission. If the Vice-Chairperson relinquishes such supplemental powers and responsibilities in writing filed with the Clerk of the Board, such supplemental powers shall be vested in the Clerk of the Courts for the Eleventh Judicial Circuit. The temporary removal and transfer of powers and responsibilities

provided for in this Section shall not be construed to fill the vacancy in the Office of Mayor. Immediately upon filling the vacancy in the Office of Mayor the powers and responsibilities vested in the Office of Mayor shall be as provided in this Charter without regard to this Section. If, pursuant to the provisions of Section 1.07 of the Charter, the Board determines to fill the vacancy in the Office of Mayor by election, then the person exercising powers and responsibilities of the Office of Mayor pursuant to this Section at the time of such determination may not qualify as a candidate for the Office of Mayor for that vacancy election.<<

Outline of Miami-Dade County Regional Government Charter Amendment Proposal

Concept:

Provide a process by which all of unincorporated Miami-Dade County will be incorporated into new municipalities or annexed into existing municipalities within 4 years.

Process:

I. Creation of new municipalities – Amend Article 6.05 to add alternate method of incorporation

An incorporation committee organized by electors from the proposed area of incorporation may initiate the process by filing with the Clerk of the Circuit Court an initiatory petition in the manner set forth in Article 8.01 for initiatory petitions. The Petition shall be circulated and canvassed in the manner set forth in Section 8.01 except as provided herein. Upon the certification of signatures from ten percent (10%) of the electorate in the proposed area of incorporation the Clerk shall present the petition to the Board of County Commissioners at their next regularly scheduled meeting at which time the Board shall call an election to authorize the creation of a municipality. Such election shall occur no sooner than ninety (90) and no greater than one hundred twenty (120) days from the date the Clerk certifies the signatures. The election shall be held, whenever practicable, in conjunction with another election scheduled to occur within the proscribed time period. The election shall be determined by an affirmative vote of a majority of resident electors voting in the proposed new municipality. During the sixty (60) days following the certification of the petitions, the Board shall complete a budgetary analysis in cooperation with the incorporation committee of and on the proposed incorporation, including an general analysis of three existing municipalities' budgeted expenditures for consideration by the incorporation committee and the public, and schedule at least one public hearing prior to the incorporation election.

Within 30 days after certification of the election, the Board of County Commissioners shall appoint from a list proposed by the incorporation committee a five member Charter Committee which shall, within ninety (90) days after appointment, create a Charter for the newly incorporated area setting forth the form of government and governing body of the newly incorporated area. Upon completion, the proposed Charter will be submitted to the electors of the newly incorporated area no sooner than 60 days and no later than 120 days after it is completed. Upon an affirmative vote of a majority of those electors within the proposed municipality, the municipal charter shall become effective and the municipality shall be created at the time stated in the municipal charter. The new municipality shall have all the powers and rights granted to or not withheld from municipalities by the County Home Rule Charter and the Constitution and general laws of the State of Florida.

II. Annexation Amendment - Article 6.04

Adjacent areas of Miami-Dade County may be annexed into existing municipalities by a majority vote of the residents in the proposed area of annexation at the initiation of the Board of County Commissioners, the municipality into which the proposed area will be annexed, or by initiatory petition by 10% of the

resident electors in the area proposed to be annexed. All elections shall be held within 90 to 120 days of the completion of the process initiating the annexation.

The Board of County Commissioners may propose annexation with the consent of the municipality to which the area is proposed to be annexed, after hearing the recommendations of the Planning Advisory Board, and after a public hearing by ordinance, unless the change involves the annexation or separation of an area of which more than 250 residents are electors, in which case an affirmative vote of a majority of those electors voting shall also be required.

A municipality may propose the annexation of an adjacent area of unincorporated Miami-Dade County by presenting a resolution to the Board of County Commissioners identifying the area of annexation it proposes to annex. The Board of County Commissioners shall by ordinance effectuate such annexation, unless the change involves the annexation or separation of an area of which more than 250 residents are electors, in which case an affirmative vote of a majority of those electors voting shall also be required.

The residents of a proposed area of annexation may propose the annexation of an area by petition in the manner set forth in Article 8.01 for initiatory petitions. The Petition shall be circulated and canvassed in the manner set forth in Section 8.01 except as provided herein. Upon the certification of signatures from ten percent (10%) of the electorate in the proposed area of annexation the Clerk shall present the petition to the Board of County Commissioners at their next regularly scheduled meeting at which time the Board shall adopt an ordinance effectuating such annexation, unless the change involves the annexation or separation of an area of which more than 250 residents are electors, in which case an affirmative vote of a majority of those electors voting shall also be required. In the event multiple proposals for the annexation of the same area are presented the PAB shall recommend which proposal moves forward subject to disapproval by a two-thirds vote of the Board.

III. Regional Government – Create Section 6.08

If after two (2) years, there are still unincorporated areas of Miami-Dade County which are not incorporated or annexed into cities, the Board shall provide for incorporation into new municipalities or annexation into existing municipalities of those remaining areas, notwithstanding any provision of the Home Rule Charter to the contrary. Such incorporation or annexation shall be completed by 2016.

Memorandum



Date: May 30, 2012

To: Sen. Rene Garcia, Chairman, and Members of the
Miami-Dade County Charter Review Task Force

From: Eugene Shy, Jr.,
Assistant County Attorney, and
Valda Clark Christian,
Assistant County Attorney

Two handwritten signatures in blue ink are visible. The first signature is on the left, and the second is on the right, partially overlapping the first.

Subject: Changing Governance of the Public Health Trust of Miami-Dade County—Miami-Dade County Hospital Governance Taskforce recommendation to establish a new not for profit corporation for the management and operation of Jackson Health System

At the May 23rd meeting of the Miami-Dade County Charter Review Task Force (“Charter Review Task Force”), the Charter Review Task Force asked about the legal implications of changing the Public Health Trust governance to the not for profit corporate form of governance as recommended by the Miami-Dade County Hospital Governance Taskforce (“Hospital Governance Taskforce”) in its May 12, 2011 Final Report (“Final Report”). Specifically, the Charter Review Task Force asked how a governance change to a not for profit corporate form as recommended by the Hospital Governance Taskforce might affect: (a) sovereign immunity, (b) surtax revenue, (c) Sunshine matters, and (d) intergovernmental transfers.

In 2011, the Hospital Governance Taskforce considered alternative models for operating the Jackson Health System, including but not limited to: direct operational control by the County, direct operational control by a university, increased autonomy for the Public Health Trust, creation of an independent hospital authority or public benefit corporation, creation of a taxing district, operation by a non-profit organization formed by Miami-Dade County, for profit governance, contract management by a third party, and/or a hybrid of the above models.

Under current Florida Statute, a county has the authority to sell or lease a county hospital to a for profit or not for profit Florida corporation, and to enter into leases or other contracts with for profit or not for profit Florida corporations for the purpose of operating and managing such hospitals. Sec. 155.40, Fla. Stat. A sale or lease under this statute would cause Jackson Health System to become a private not for profit hospital system.^{1 2}

¹ This is the statutory vehicle that Tampa General Hospital used. On its website, Tampa General states that “Tampa General is a private not-for-profit hospital...” <http://www.tgh.org>

² In deciding the case of *Indian River County Hospital District v. Indian River Memorial Hospital, Inc.*, 766 So. 2d 233 (4th DCA 2000), the 4th District Court of Appeals of Florida stated, at 238, the legislative intent of Section 155.40, Fla. Stat.: The Florida Legislature has recognized that public hospitals must be able to privatize in order to retain and attract revenue sources and compete with for-profit hospitals.

After consideration of the various alternative models of operating the Jackson Health System, the Hospital Governance Taskforce recommended as Recommendation 7 in its Final Report, that the Commission:

Establish a new not for profit corporation to manage and operate Jackson Health System, reserving to the County only certain enumerated powers described herein or otherwise provide by law.

Additionally, the Hospital Governance Taskforce included recommendations in its Final Report regarding sovereign immunity³, the surtax⁴ and Disproportionate Share Hospital (DSH) funding⁵.

A. Sovereign Immunity

In general, the sovereign immunity doctrine restricts tort suits against the government. The Florida Constitution provides that “provision may be made by general law for bringing suit against the state...” Pursuant to that constitutional power, the Florida legislature statutorily has waived sovereign immunity on a limited basis for state and political subdivisions, including agencies and instrumentalities. Sec. 768.28, Fla. Stat. The Public Health Trust has been found a state agency, for the purposes of sovereign immunity. State agencies also can include corporations primarily acting as instrumentalities or agencies of a county.

However, although possibly incorporated in the first instance by the County, a new not for profit corporation is an independent entity and likely not, under Florida case law, covered by sovereign immunity.⁶ Pursuant to Sec. 155.40, Fla. Stat., if a public hospital is sold or leased, unless expressly stated otherwise in the lease or sales documents, the transaction is not to be considered a transfer of government function and is not to be construed to mean that the lessee or purchaser is ‘acting on behalf of the government. If there is a complete sale of a public hospital, such sale shall not be construed to make the private corporation an agency. Thus, sovereign immunity would not necessarily apply to a not for profit operating the Jackson Health System. Ultimately, whether a corporation is acting as an instrumentality or agency, and thus covered by sovereign immunity, is an issue of fact for a judge or jury. However, the state legislature could amend the Florida Statutes to provide that public hospitals leased or sold to private not for profit corporations pursuant to Sec. 155.40, Fla. Stat., are primarily acting as agencies or instrumentalities of governmental entities and are acting on behalf of governmental entities. Thus, sovereign immunity could apply to the sold or leased hospital.

³ Final Report Recommendation 8. Provide sovereign immunity. Every effort should be made to structure the not for profit corporation in such a way so as to preserve the applicability of the sovereign immunity statute, including pursuing legislative changes...

⁴ Final Report Recommendation 9. Concurrently with creation of this new not for profit corporation, the Taskforce recommends creating a Public Health Advisory Committee to ensure accountability on the use of unique public funds (1/2 penny surtax funds; ad valorem/general fund support, etc.)...

⁵ Final Report Recommendation 11. Ensure Jackson Health System remains eligible for Disproportionate Share Hospital (DSH) funding.

⁶ Tampa General Hospital does not have sovereign immunity. See Final Report, Appendix J.

B. Surtax Revenue

Miami-Dade County is currently authorized to levy a ½ penny sales surtax to support the “county public general hospital” provided the County contributes a “maintenance of effort”. Sec. 212.055(5), Fla. Stat. In 2008 the surtax generated approximately \$187,408,133 and the maintenance of effort and other contributions from ad valorem revenue totaled approximately \$178,059,996. “County public general hospital” means a general hospital . . . which is owned, operated, maintained, or governed by the county or its agency, authority, or public health trust.” Sec. 212.055, Fla. Stat. The statute requires the proceeds be “remitted promptly to the agency, authority, or public health trust,” which refers to the antecedent phrase “its agency, authority, or public health trust.” Id. Under this language the County could not levy this tax to support a private hospital. Therefore this revenue stream would terminate if a new not for profit corporation operates and manages Jackson Health System under Sec. 155.40, Fla. Stat. Sec. 212.055(5), Fla. Stat. would need to be amended if the County intended to continue to access this revenue stream for the support of the new not for profit corporation recommended by the Hospital Governance Taskforce.

Additionally, the voters of Miami-Dade County approved the levy of the surtax by referendum⁷. A new referendum may be necessary to redirect the surtax to a new not for profit corporation.

C. Sunshine Matters

Generally, there are two tests that the Florida courts apply to determine whether the Public Records Act applies to a private entity such as a new not for profit corporation. The first is the delegation test: if a public entity delegates a statutorily authorized function to a private entity, any records generated by the private entity’s performance of that duty becomes a public record. The second test is based on the review of the totality of factors (nine (9) enumerated factors in Florida case law). If combined factual findings regarding the nine (9) factors show that the private entity is acting on behalf of the public entity, then the Public Records Act applies.

As it relates to the meeting requirements of the Sunshine Law, a private entity is subject to those provisions if a public entity delegates the performance of all or a portion of its public purpose to that private entity. And as with public records, the courts use the totality of factors test to determine whether or not the Sunshine Law meeting requirements apply to a private entity that purchased a public hospital.

⁷ The ballot question provided that the surtax proceeds would be used “for the operation, maintenance and administration of Jackson Memorial Hospital to improve health care services such as: emergency room treatment/trauma care for life-threatening injuries; critical care for infants and children; obstetric and gynecological services; treating severe burns, spinal cord injuries, and Alzheimer’s disease.”

Further, the Florida legislature in adopting Sec. 395.3036, Fla. Stat., has provided that the records of a private corporation that leases a public hospital are exempt from the Public Records Law and the meetings of its board are exempt from the Sunshine Law as long as certain criteria are met. First, the public lessor must comply with the public finance accountability provision of Sec. 154.40(5), Fla. Stat. which addresses the sale or lease of a public hospital to a for-profit or not-for-profit entity. Secondly, the arrangement must comply with at least three of the following five criteria: (i) the government cannot be the incorporator of the private corporation; (ii) there can be no commingling of funds between the government and private entity; (iii) the private entity cannot participate in the decision making for the government; (iv) the lease agreement does not expressly require the private corporation to comply with the Sunshine Law and Public Records law; and (v) the government is not entitled to receive any revenues from the private entity (except rents or administrative fees) and the government cannot be responsible for debts or other obligations. Lastly, receiving Medicare, Medicaid, government grants or loans alone does not render a private hospital subject to the Sunshine Law.

D. Intergovernmental Transfers

Intergovernmental transfers (“IGTs”) are the transfer of public funds from different levels of government, or governmental entities/taxing districts, to the state government. States commonly use IGTs, in lieu of general revenue, to fund the non-federal share of certain Medicaid payments. Federal Medicaid dollars then match the IGTs used as part of the state share of Medicaid funding. The states can then pay the enhanced funds to qualifying providers.

Currently in Florida, IGTs are used primarily for the purpose of providing higher payment rates or special Medicaid payments for hospital inpatient and outpatient services. Specifically, IGTs are primary used in hospital fee for service rates to fund the exempt portion and authorized buybacks of inpatient and outpatient hospital rates. Some Florida counties do not have sufficient local funds to contribute IGT dollars in support of their share of exemptions and buybacks. Jackson Memorial historically has been the greatest state contributor of IGT funds to support Medicaid funding. In practice, the utilized funds are surtax dollars. In the 2010-2011 fiscal year, the state and federal amount required to fund the exemption and buybacks for the qualifying hospitals in the county for the impacted population exceeded \$139,000,000 (with approximately \$50,000,000 contributed through Jackson Memorial).

Currently, through Jackson Memorial Hospital and using the surtax and maintenance of effort dollars, Miami-Dade County has been able to fund this amount in full. However, if Jackson Memorial were led by a not for profit corporation, likely it would no longer qualify as a governmental entity and would not be able to directly make an IGT. The County, as the remaining governmental entity, would need to make any IGTs on behalf of the local area. Further, as noted above, if led by a not for profit corporation Jackson Memorial likely would lose its county public general hospital status. Thus it would not be able to contribute surtax dollars, or the maintenance of effort dollars related thereto, without a statutory change. The County would need to identify new revenue to commit to IGTs in order to maintain the local exemption and buyback support. If unable to do so, the local area (and state at large) likely would see a

reduction in federal match dollars and contraction of the exemption and buyback programs.

CONCLUSION

In conclusion, creation of a new not for profit corporation to operate and manage Jackson Health System would result in it becoming a private hospital system. That result would mean that: (a) it will be unlikely that the new not for profit corporation will have the protection of sovereign immunity, unless the Florida legislature adopts appropriate legislation; (b) the surtax revenues would terminate, unless the legislature amends Sec. 212.055(5) and, possibly, a new referendum would need to be held; (c) Sunshine laws could be made applicable by contract to apply or by application of the test in the case law. Pursuant to Sec. 395.3036, Fla. Stat., the Florida legislature has expressed its intent that private corporations that lease a public hospital should be exempt from the Sunshine law; and (d) federal matching dollars supporting the state and local exemption and buyback programs would be at risk pending a statutory change to support the state's ability to maintain intergovernmental transfer contribution levels.

cc: Hon. Chairman Joe A. Martinez
and Members, Board of County Commissioners
Hon. Carlos A. Gimenez, Mayor
Christopher Agrippa, Division Chief, Clerk of the Board



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Martha Baker, RN
President

Sam Ruiz, RN
Vice President

Barbara Scollon, RN
Treasurer

Doris Rahming, RN
Secretary

May 29, 2012

Dear Members of the Miami-Dade County Charter Review Task Force,

Jackson Health System (JHS) is the center of our community's healthcare system. It is a complex system of six hospitals, clinics and other services and is the epicenter of medical research. It serves the indigent as well as the insured---including those in need of cutting-edge cures. In addition, JHS is the training agent for more than 1,000 residents. Simply put, it is our public healthcare jewel.

It would be a great disservice to our community to politicize the survival of Jackson by tacking its future onto the governance issues you are examining. While it appears a few personal agendas may have caused this matter to be wedged into your agenda, good government and ethics suggests that it not be taken up by the Task Force.

First, it is clear that the due diligence necessary to properly study Jackson is beyond the scope and timing of the Task Force. Reviewing the impact of governance on health care requires the inclusion of medical experts, hospital administrators and a sophisticated analysis---none of which are present.

Second, the legal hurdles are many. Just a few core legal questions include: the survival of sovereign immunity, Sunshine laws, public employer status, the County funding obligation for JHS, assignment of the half-penny surtax, eligibility for earmarked federal Medicaid funds, the restriction of bond covenants on governance changes, real property restrictive deed covenants on the use of Jackson landholdings, the impact on UM's recently gained limited sovereign immunity and ACGME accreditation risks. The many legal issues involved cannot be hurriedly addressed by the County Attorney.

Third, the Task Force was never charged with a Jackson governance review. In fact, such a review has already been reported to the BCC. While there is great debate on those findings, they were already acted upon. It is simply disingenuous for your group to go beyond its legally defined scope of inquiry. A few amongst you are attempting to backdoor the Jackson issue onto your already "full plate." This does not honor your stellar reputations and it is a disservice to the community.

We are the caregivers of Jackson. We treat every fallen police officer, watch over the most complex of organ transplants, treat the diseases other hospitals cannot handle and never turn away any human being from needed care. We do this with pride and medical expertise that is second to none. We only ask in exchange that you do not engage in a rush to judgment. We urge you to not go beyond your charge. Please do not force Jackson's structure on to your agenda ---- our public hospital deserves better.

Finally, to give you a sense of the complexity and depth of the healthcare governance issues, we submit just a sampling of the many relevant materials that should be considered in a full review. We have much

more documentation for your analysis if requested.

Perhaps the motto that guides Jackson's caregivers could serve you in your tasks as well ---" DO NO HARM. "

Sincerely,

A handwritten signature in cursive script that reads "Martha Baker RN". The signature is written in dark ink and is positioned above the printed name and title.

Martha Baker, RN
President

Cc: Honorable Carlos A. Gimenez, Mayor
Honorable Joe A. Martinez, Chairman
and Members, Board of County Commissioners
Robert Cuevas, County Attorney
Eugene Shy, County Attorney

Appendix L

Dissenting View of a Taskforce Member

Hospital Governance Task Force Dissenting Opinion

The Hospital Governance Task Force (HGT) was a unique and valuable opportunity for a diverse group of community leaders to explore, discuss, and learn more about the governance and related issues impacting Jackson Health System. The group included subject matter experts on hospital governance structures and also solicited the input on several major public healthcare systems on the strengths and weaknesses of their models. Although brief (less than 20 hours total), the task force was able to learn much on the topic and Mr. Zapata should be commended for his leadership.

Given the short duration of the task force and the lack of any legal, financial, operational, strategic or other due diligence or modeling of alternative governance models as they would impact Jackson Health System, it would be inappropriate for the task force to author any specific recommendations to the County Commissioners at this point. The governance discussion is inherently complex and therefore any change in the governance structure is a relatively long process to evaluate and implement. It is clearly not to be considered a solution for the immediate financial issues impacting Jackson. As Mr. Larry Gage, a national known hospital governance expert, reported to the task force “effective governance is a tool, not a panacea.” Therefore, Jackson needs to remain focused on the very real operational and other issues currently impacting its ability to achieve sustainability in the short term.

Jackson is currently going through a major leadership transition with the hiring of a new Chief Executive Officer. In addition, the County recently approved the formation of a financial recovery board to oversee Jackson which is in the process of being populated. The financial recovery board is not a governance change, per se, as it is contemplated in ordinance 25A, but it does serve the purpose of reducing the size of the board and populating the board with subject matter experts in relevant areas of focus. These changes have great potential and should be allowed to crystallize and mature prior to introducing a further complexity of a new governance structure. This will provide Jackson the best opportunity to achieve immediate sustainability which needs to be the paramount focus. There can be no distractions from this vital objective although continued study of the optimal governance structure for Jackson is advisable.

The *National Association of Public Hospitals and Health Systems* reported that “before considering a major reorganization, it is essential to evaluate the challenges and obstacles that face a given hospital or health system – and to determine which of these challenges can be improved through improved structure or governance.” The following are some operational issues that need to be addressed regardless of the governance structure:

- Develop and implement a contemporary overall strategic plan.
- Secure cash resources to avoid permanent and irreversible consequences to core service levels and mission due to current cash crisis.
- Develop and implement a primary care and outpatient services strategy.
- Reduce length of stay to clinical optimal levels.

Appendix L

- Provide budgeting and other financial reporting with integrity and credibility.
- Maximize the leverage of the Jackson Health Plan.
- Shift the labor cost curve through universal adoption of evidence based medicine guidelines; treating each patient in the most cost effective, clinically appropriate setting; improving patient throughput and other measures.
- Optimize the relationship with the University of Miami.
- Position Jackson for success in an ACO and/or capitated environment.
- Enhance information technology solutions to achieve meaningful use standards.
- Position Jackson to participate successfully in the HHS Patient Safety Initiative Funding Program.

These are several of the mission critical objectives for Jackson to immediately pursue within the revised executive leadership team and newly enacted financial recovery board.

There are certain attributes of any governance model that the task force believes are important for Jackson Health System. Miami-Dade County will always be a vital component of the governance structure of Jackson, even if a new model is ultimately selected, as it has the inherent responsibility to provide healthcare services to the underserved population of the County. Any newly created entity would undoubtedly seek financial support from the County, via the taxpayers, to support the valuable mission of Jackson. Therefore, the governance conversations need to remain open, transparent and in the sunshine to continue to preserve these interests.

The impact of a governance change on all sources of reimbursement, on the outstanding bond obligations, on the pension program, on sovereign immunity, and on other major components of the public healthcare model needs to be fully vetted to avoid any unintended consequences. It is irresponsible to provide specific recommendations on a governance model change, i.e. not-for-profit, without a full understanding of how a change in governance may impact these factors. The taskforce has not studied these issues with any level of specificity and is not in a position to make such recommendations.

As noted, any fundamental change in governance structure is a long term consideration as the financial recovery board should be allowed to address the immediate issues impacting Jackson. Continued exploration, including moving towards appropriate due diligence, should continue to be pursued to identify the optimal governance model for Jackson in the future.

Conclusions

- Jackson Health System is an important community resource and its mission is in jeopardy under the status quo.
- Greater accountability is required for the fulfillment of the mission within a sound financial framework, given budgetary restraints, reduced federal and state funding and competitive pressures.

Appendix L

- The evaluation of optimal governance models should continue in an effort to identify the most efficient and effective structure to allow Jackson Health System to fulfill its mission for decades to come. Any recommendations should be data driven and fully vetted to ensure that this very important assignment is handled with the highest degree of professionalism and responsibility.
- Legal and financial experts need to be engaged to perform the necessary due diligence. Any new structure should maintain Sovereign Immunity which goes hand in hand with the Sunshine Laws. The revenue streams should be enhanced, not decreased with any new structure. The eligibility for ad valorem and ½ cent sales tax should be fully studied to ensure continued availability to fund the mission of Jackson in any recommended model.
- The taskforce never considered or evaluated the risk to federal funding such as Intergovernmental Transfers (IGT) and Certified Public Expenditures (CPE) that a new structure such as not-for profit could possibly jeopardize. These federal monies are a real possibility and are being strategically pursued at JHS. A public structure is necessary to qualify as a recipient for these funds currently.
- The current effort has been very valuable but not sufficient to formulate any concrete solutions or recommendations.
- Task force membership should be re-evaluated to remove any task force members with a conflict of interest. Several members are direct competitors of Jackson and others have competing interests.
- A structure change to a private entity would most likely mandate a cessation in the Public Retirement System (FRS and PHT retirement) and the cost of doing so needs to be evaluated. The taskforce never explored or even recognized this risk which has the potential of significantly increasing the contribution from the employer.
- The Miami-Dade County Commission is an integral component of the governance of Jackson Health System and will continue to be so under any governance model. The tax payers of Miami Dade provide significant funding to Jackson and their elected officials are very relevant to its governance process.
- The immediate focus should be on developing a strategy for Jackson Health System to make it a more competitive alternative in the market place to serve everyone's healthcare needs in Miami-Dade County. The new executive team and the new financial recovery board should be given an opportunity to succeed with great assistance from the County.
- All current efforts regarding Jackson Health System should be directed towards averting a reduction in scope of services provided to County residents and to avoiding any deterioration to the great mission of Jackson. The operational issues denoted in this report should be the primary focus.

Submitted by:
Martha Baker, RN, President
SEIU Healthcare Florida, Local 1991

more documentation for your analysis if requested.

Perhaps the motto that guides Jackson's caregivers could serve you in your tasks as well ---" DO NO HARM. "

Sincerely,

A handwritten signature in cursive script that reads "Martha Baker RN". The signature is written in dark ink and is positioned above the printed name and title.

Martha Baker, RN
President

Cc: Honorable Carlos A. Gimenez, Mayor
Honorable Joe A. Martinez, Chairman
and Members, Board of County Commissioners
Robert Cuevas, County Attorney
Eugene Shy, County Attorney

Hospital Governance Taskforce (HGT) Presentation

Duane J. Fitch, CPA, MBA

April 14, 2011

Discussion Topics

- ✈ Introduction
- ✈ Importance of Taskforce
- ✈ Immediate Issues Independent of Governance Discussion
- ✈ Current Governance Model

Discussion Topics

- ☞ Governance Effectiveness vs. Governance Structure
- ☞ Operational Issues Universal to All Governance Models
- ☞ PHT Observation
- ☞ Miami-Dade County Observation

Importance of Taskforce

- Governance is a Primary Component of an Integrated, Complex, Healthcare Delivery System.
- Governance Structures have Evolved to Meet Significant Challenges of Healthcare Finance and Operations.
- Mr. Gage's Presentation on the Various Governance Models and Examples of Each was Very Informative and Well Done. Mr. Gage is a Preeminent Leader in this Area.

Importance of Taskforce

- Public Hospital's Governance Structures are Often Multi-Factorial and Exhibit Attributes of Several Different Models.
- Public Hospitals Consist of Multiple Extraordinarily Complicated Sub-Systems that are Co-Dependent on One Another and Often Times in Conflict.

Importance of Taskforce

- Effective Governance Structures Continually Adapt to the Issues and Opportunities Impacting the Hospital.
- Effectiveness within a Current Structure is as Important as the Structure Itself.

Immediate Issues to Address Independent of Governance Discussion

- Cash Infusion to Avoid Permanent/Irreversible Consequences to Core Service Levels Due to Cash Crisis (Internal/External Efforts).
- Access to Bridge Financing to Allow Turnaround Efforts to Take Root.

Immediate Issues to Address Independent of Governance Discussion

- ✈ Balancing Mission (Single Standard of Care to All Patients Regardless of Ability to Pay) with Financial Constraints.
- ✈ Providing Clear and Consistent Direction to New CEO and Executive Team During the On-Boarding Process and Turnaround Efforts.

Immediate Issues to Address Independent of Governance Discussion

- Any Governance Change will Likely take a Significant Period of Time, be Very Expensive, Require Extensive Due Diligence and Modeling, and be the Subject of Extensive Legal Debate. It is not a Fix for the Current Financial Reality Facing Jackson.

Current Governance Model: Hybrid

- Current Model Includes Elements of:
 - Direct Governance- County Reserve Powers, 25A Ordinance, Unfunded Mandates
 - Freestanding Board with Some Authority- Public Health Trust
 - Taxing District- No Independent Ability to Levy Taxes but the Beneficiary of Ad Valorem Taxes and 1991 Half-Penny Tax

Governance Effectiveness vs. Governance Structure

“Before considering a major reorganization, it is essential to evaluate the challenges and obstacles that face a given hospital or health system – and to determine which of these challenges can be improved through improved structure or governance.”

Restructuring \neq Sustainability

National Association of Public Hospitals and Health Systems

Operational Issues Universal to All Governance Models

- Develop and Implement a Contemporary Overall Strategic Plan.
- Develop and Implement a Primary Care and Outpatient Services Strategy.
- Reduce Length of Stay to Clinical Optimal Levels.
- Provide Budgeting and Other Financial Reporting with Integrity and Creditability (\$232MM Audit Adjustments for FY2009, FY2011 Budget).

Operational Issues Universal to All Governance Models

- Maximize the Leverage of the Jackson Health Plan.
- Shift the Labor Cost Curve through Universal Adoption of Evidence Based Medicine Guidelines; Treating Each Patient in the Most Cost Effective, Clinically Appropriate Setting; Improving Patient Flow and other Measures.

Operational Issues Universal to All Governance Models

- ✈ Optimize the Relationship with the University of Miami.
- ✈ Position Jackson for Success in an ACO and/or Capitated Environment.
- ✈ Enhance Information Technology Solutions to Achieve Meaningful Use Standards.
- ✈ Position Jackson to Participate Successfully in the HHS Patient Safety Initiative Funding Program.

PHT Observation

- A Change in PHT Composition, Qualifications, and/or Size May Make it a More Nimble, Effective, and Efficient Governance Body More Readily Able to Address the Immediate Issues and Opportunities Impacting Jackson Health System.
- PHT Board Members Serve as Tireless Volunteers and should be Commended for their Commitment to Public Service.

PHT Changes to Evaluate- Short Term

- Smaller Membership/Targeted Areas of Expertise
- Enhanced Board Education and Training
- Exclusive Focus on Strategy, Accountability, and Turnaround Efforts.
- Update By-Laws and Board Policies to Ensure Effectiveness and Role Clarity.

Miami-Dade County Observation

- Under Most Governance Models, the County will Retain a Significant (if not exclusive) Responsibility for Funding Healthcare for the Indigent Population of Miami-Dade. As Such, the County will Likely Seek to Maintain Certain Reserve Powers and a Level of Control.

Questions?





March 23, 2011

Commissioner Joe A. Martinez
Chairman, Board of County Commissioners
Miami-Dade County

John H. Copeland, III
Chairman, Public Health Trust
Jackson Health System

Eneida Roldan, MD, MPH, MBA
President and Chief Executive Officer
Jackson Health System

Dear Chairman Martinez, Chairman Copeland III, and Dr. Roldan,

Jackson Health System is a treasured community asset that has great potential despite its current economic position. The recent interest in the System from a variety of sources illustrates this potential. Our firm has been privileged to witness the great healthcare services provided by Jackson to the Miami-Dade community throughout our engagement with SEIU 1991 since the spring of 2010. The System is clearly at a cross road and clear and decisive action is required immediately to transition Jackson in to a sustainable model. This will require additional working capital, a high degree of cooperation and engagement from all stakeholders, and a turnaround team to work in conjunction with Jackson leadership and governance to transition Jackson into a cost effective, patient centered, healthcare delivery system with the ability to attract patients from all demographics. *Our core belief is that excellent care, delivered in the appropriate setting, is cost effective and also produces a high degree of patient satisfaction. Applied consistently over time, this approach leads to increased market share, improved financial performance, and ultimately to the creation of a sustainable healthcare delivery system that fulfills its stated mission.*

Of course, working capital is required to effectuate a meaningful and sustainable Jackson capable of delivering on its critical mission. Our solution is based on keeping Jackson as a treasured and viable public asset and therefore the working capital will need to come from leveraging Jackson's own assets and/or an infusion from local, state, federal or other resources. Other areas worthy of exploration are additional community support through a referendum, loans from pension funds, monetization of certain assets, or any other potential sources. Given the critical

financial nature of Jackson, no alternatives can be overlooked. *However, Jackson should not ask any party for any money in the absence of a comprehensive and strategic turnaround plan, with the right partner capable of executing it, and a supportive authority structure that will enable its implementation.*

Our turnaround plan is thoughtful, strategic, transparent, and focused on providing excellent patient care in the lowest cost setting. It will move Jackson into a cost effective primary care and outpatient services mode while maintaining its world class inpatient and specialty services for patients that require this level of care. *It will focus on improving the overall patient experience to make Jackson a viable choice for all members of the community.* It will focus on providing excellent clinical services in a cost effective manner to position Jackson to compete fiercely in the marketplace against all other healthcare providers for all patients. It will employ Jackson's strategic assets, like the Jackson Health Plan, to attract and build increased market share. It will leverage the unparalleled brand that Jackson has created over the past 90 plus years.

Our plan is not built around a financial transaction that will permanently and irreversibly change Jackson's basic construct. *Our plan is all about execution – and rebuilding Jackson through the provision of excellent, cost effective, patient centered services provided in the right setting.* This will result in an increased patient base, an improved payer mix, and an innovative, contemporary Jackson that can compete and thrive in the new healthcare world.

This plan should serve to inspire potential funding sources that their investment in Jackson will be utilized to facilitate a strategic, patient centered turnaround that will result in a sustainable Jackson while enabling it to remain an asset of Miami-Dade County. We look forward to an opportunity to present our ideas and proposal.



Duane J. Fitch, CPA, MBA
President
Fitch Healthcare Consulting

Jackson Health System Management Services Proposal

Introduction and Background

Jackson Health System is a remarkable public healthcare institution that performs medical miracles every day. It is a wonderful community based resource that provides comprehensive healthcare services to all patients, including the most underserved segment of the population. The System also serves as a major economic engine to the Miami-Dade community. It employs over 10,000 people and produces annual gross revenue of over \$4 billion. ***It has a long standing relationship with the University of Miami and has been a partner with them in the training of generations of world class physicians.*** Any significant reduction to its scope would have a serious detrimental impact to both the healthcare and economic profile of Miami-Dade County.

There is no question that the financial crisis at Jackson is real and that it has been in the making for quite some time. ***The threat of running out of cash in the next couple of months is a credible one and the situation needs to be addressed now.*** The economy and the infusion of uninsured patients are clearly factors in the current profile; however, there are also a significant number of real opportunities that have not been taken advantage of to position Jackson for sustainability. Internal and external factors have contributed significantly to the crises, many of which have not been responded to in a proactive manner. The System is generating significant and unsustainable operating losses and there is a tremendous immediate need for working capital and resources for strategic investment. Jackson is at a critical juncture and business as usual will result in an adverse outcome for Jackson, the University of Miami, other local hospitals, and the patients and community served by Jackson.

Turnaround Initiative and Objective

The System is operating without a contemporary strategic plan. The FY2011 operating budget is drastically off course. There is no comprehensive operations plan to guide the organization's initiatives and to track and monitor progress. ***This lack of focus and planning has contributed to the tremendous crisis which now requires immediate intervention before permanent and irreversible decisions are made impacting the future of this great healthcare system.***

Jackson is in immediate need of securing a focused financial and operational turnaround team to lead its efforts toward sustainability. FHC will provide a team of experienced healthcare experts that will have the challenge and responsibility of positioning Jackson as a cost effective, financially viable, patient centered healthcare provider that is prepared for the risks and rewards available under the provisions of the emerging healthcare reform guidelines. Phase I of this

project, sustainability, will require a minimum of 30 months. This is a very aggressive timeline that will require intense focus and cooperation from all stakeholders to achieve. Goals and objectives for subsequent phases will be mutually agreed upon by the parties at a later date. *The overarching goal of Phase I is to generate \$50 million in margin and to have \$200 million in cash resources at the conclusion of the first year.* These targets assume that \$200 million in working capital is secured as discussed later in this proposal. They are also predicated on the timely approval of this proposal including the initiatives contained herein and a high degree of cooperation in their implementation. The projected performance will greatly assist Jackson's ability to remain a community asset. It will also position Jackson, via the County, to enter into the debt financing market to secure additional capital in the future for continued strategic investment through subsequent phases.

Jackson will need to be positioned as a marketplace destination for all of its healthcare services in terms of patient service and satisfaction levels, clinical outcomes, turnaround times, length of stay, and all other relevant metrics. It needs to be a compelling choice for all members of the community, not just the underserved. The Jackson Health Plan, a very strategic asset already with significant additional potential, will be positioned as a "feeder" to Jackson through the use of incentives, advertising, and other strategies. Jackson will need to fiercely compete through service, quality, and cost to earn the opportunity to expand its patient base to include more insured patients. *Increased patient service revenue through enhanced market share and improved payer mix is the key to a sustainable turnaround for Jackson. This turnaround team will need to have the authority and accountability to remove all barriers that are in conflict with this construct, in conjunction with guidance provided by governance.*

Working Capital

The turnaround effort will ultimately need working capital to implement the important initiatives that are required. These include the transition to a "medical home" care model for primary care services and the transition to a patient centered service delivery mindset in all aspects of emergency department and inpatient care. Operating losses will also need to be funded during the transition. In addition, proposed reductions in current funding sources will need to be addressed as they will create a larger financial challenge moving forward. An estimate of the amount needed to sustain Jackson through the turnaround period and into sustainability is \$200 million which equates to approximately 40 days cash on hand. The working capital and the margin goals for Phase I exclude the impact of potential further reductions in existing funding sources. *Given the complexity of securing additional working capital, we recognize that it may not be received at all once (or even at all) and we are capable of adjusting to this possibility although it will extend the duration of the pathway to sustainability as well as the goals and objectives of Phase I.* The working capital is needed to fund the operating losses during the turnaround phase as well as provide working capital to commence the strategic initiatives

designed to enable the longer term turnaround to take root. Longer term, Jackson will require much more capital to continue its ability to take advantage of marketplace opportunities and to make the strategic investments required for the future. A successful turnaround project may position Jackson, through the County, to secure tax exempt bond financing based on its improved operating performance to fund all or a portion of these needs. *A demonstrated track record of success in this initiative may also serve as a basis for a referendum for additional taxpayer support of Jackson with the knowledge that the proceeds will be used appropriately and strategically.*

Sources of Working Capital

The source of the working capital is a challenging obstacle but several options should be considered. One option is to consider leveraging the real estate and any other assets of Jackson through a sale/leaseback, outright sale, mortgage or other financing arrangement. A thorough analysis of the debt instruments currently in place will need to occur to determine if this is a viable option. The County will need to take the lead to enable this solution should it be allowable under the terms of the debt instruments. A private “buyer” of Jackson would undoubtedly explore this option to fund the losses, service the assumed debt, and make agreed upon capital investments until their own turnaround efforts take root.

Another option for working capital is to enroll a State or Federal funding source in the turnaround journey and obtain their willingness to be a part of it financially. *Assurances would be needed that there is an unwavering commitment to a new approach that is genuinely designed to achieve long term sustainability.* Given the history of the financial performance of Jackson and the sustained lack of credibility in financial reporting, budgeting, and strategic planning, the need for assurances is understandable and expected. Government funding is extremely difficult to secure in any event but funding Jackson in its current configuration might be considered irresponsible if it is not predicated on a fundamentally different model of accountability and execution than has existed in the past.

Authority Structure for Turnaround

The turnaround team will need an authority structure that is supportive, engaged, efficient, effective, knowledgeable and free from extraneous involvement. In addition, the authority structure needs to be exclusively focused on the best interests of Jackson and be willing and able to support the turnaround team during times of difficult decision making. At this point, the source of the membership for the authority structure (PHT, County, or a hybrid) is not as important as the attributes described above. *The project would be best served by a smaller (approximately 7 member) and more nimble authority structure that has a membership comprised of dedicated individuals with a demonstrated capability in healthcare finance,*

strategy, operations, marketing, etc. in addition to a couple of community leaders. This body will need to participate in the preparation of the strategic, operational, and financial plans prepared by the turnaround team and monitor the status of implementation (and remove barriers thereto) on a regular basis. A high degree of focus and discipline is required to keep the project on track and to adjust to issues and concerns as they arise.

Sustainability Model

The goal of the turnaround project is to position Jackson for long term sustainability as a vibrant, patient centered, clinically excellent, innovative, contemporary and financially viable public healthcare system. This will be accomplished by increasing market share (and revenue) through the adoption of a patient centered care model in all aspects of service delivery. *The turnaround effort will focus on the identification and elimination of all barriers to the delivery of safe, timely, respectful, cost effective, patient centered, and evidenced based care in the proper care setting for each patient, every time.* A significant transition to primary care and outpatient based care will be an area of focus to enhance Jackson's ability to treat patients in the lowest possible cost setting.

University of Miami

The University of Miami is a critical partner of Jackson in all aspects of its clinical operations and will play an important role in the transitioning of Jackson to a sustainable model. A thorough study of all aspects of the relationship with the University of Miami will be performed and a value proposition analysis will be prepared in an attempt to quantify the overall net financial impact to Jackson of its relationship with UM. This will be completed and published prior to the extension of the current agreement in place with UM. *In addition, service level performance targets will be developed and monitored for all aspects of patient care services provided by UM physicians to help ensure that the partnership provides timely, patient centered services to all patients at Jackson.* UM is a partner of Jackson in the provision of healthcare services and also a formidable competitor of Jackson for non-indigent patients and potentially profitable service lines. This is a very complex relationship that requires constant monitoring and balancing to ensure it achieves its objectives and is equitable to both parties.

Operating Costs

Jackson's operating cost per unit of service delivered will need to be reduced to ensure sustainability. This will be accomplished through an uncompromised conversion to evidenced based medicine guidelines for all appropriate patients. This will help to reduce length of stay, move patients to the lowest cost treatment setting, reduce hospital generated complications, and increase patient satisfaction and clinical outcomes. This is the right approach in a patient

centered delivery model. Jackson will also vehemently enforce the service guidelines for physician consultations in the emergency department and all other care settings. This will help reduce the length of stay (and related costs) in the emergency department and elsewhere and also increase patient satisfaction levels and therefore patient volumes. *This will allow Jackson's fixed costs to be spread out over a larger base.*

In addition, more primary care and outpatient services will be provided to help reduce repeated costly emergency room visits, to provide the appropriate setting for follow up visits, and to create a medical home designed to promote patient wellness and accountability. Agency and overtime expenses will be reduced by immediately making training programs available for care givers in low census areas to train them to be able to serve in the higher acuity clinical settings now using agency and overtime resources. Additional staff members will also be hired so that more shifts can be filled with straight time pay versus overtime and agency pay. In situations where patient volumes do not support the current staffing models, every effort will be made to deploy workers to understaffed settings within Jackson before eliminating positions. *The labor cost per unit of service will be reduced through lower length of stay, increasing patient volumes through enhanced service levels, elimination of inappropriate admissions, more timely service in the ED, placing patients in the lowest appropriate acuity setting, more efficient patient flow through throughout the hospital, and the addition of primary care resources.* We believe this is a powerful and sustainable approach to managing labor costs and it results in increased patient satisfaction and increased clinical quality for the patients. Some of these initiatives are currently underway or under consideration and our approach would increase their velocity and ensure accountability for their execution.

Primary Care and Outpatient Services

Importantly, Jackson needs to make a significant financial and strategic investment in the expansion of primary care physician services and outpatient clinics and capabilities. This will allow Jackson to be positioned for the dynamics of healthcare reform which will reward healthcare providers for their ability to improve the overall wellness of the populations that they serve. This is the accountable care model. It will also allow Jackson to consistently treat and monitor patients in the lowest appropriate cost setting. Currently, patients with chronic conditions and/or no access to primary care services frequently seek treatment at the Jackson emergency department, a very high cost environment. These patients have often delayed seeking care and therefore present in a much more compromised state than if they would have had access to primary care through a medical home. Enhanced primary care and outpatient modalities are one of the keys to reducing operating costs and improving the overall community health. Jackson is significantly behind in these areas which are fundamental in the equation of long term sustainability.

Public/Private Partnership Opportunity

Jackson should consider entering into a transaction with a private enterprise to provide the capital for the expansion into primary care and outpatient services. For example, a private company may invest the upfront capital to develop a primary care/outpatient center on the campus of Jackson and Jackson can become a long term tenant of this facility. This will allow Jackson to make much quicker progress on the primary care strategy than if it had to use its own capital, which is not currently available. This is just one example of an opportunity for a public/private partnership that does not change the fundamental ownership model of Jackson but provides a win-win relationship between the parties.

Outside Proposals

The existence of outside offers to take over Jackson should serve as a very real reminder that Jackson is a wonderful facility with a lot of potential, including the potential to be financially viable if it is run efficiently, effectively and strategically. This activity should serve as an immediate call to action to all stakeholders.

Any outside operator of Jackson will be motivated to adopt a strategic plan, invest in primary care capabilities, reduce operating expenses, work in an efficient and effective governance structure, be adequately funded for the responsibilities it takes on, provide care in the lowest cost setting, reduce length of stay to clinically optimal levels, provide budgeting and other financial reporting with integrity and credibility, invest in information technology including achieving meaningful use compliance, maximize the Jackson brand, maximize the leverage of the Jackson Health Plan, increase physician, patient and employee satisfaction levels, optimize the relationship with the University of Miami, achieve a balanced and harmonic relationship with labor, maximize reimbursement through automation, grow market share, be attractive to all patients, and take all other reasonable steps to ensure a financially viable organization into the future. ***These are the right steps to take and immediate action should be taken to begin the process to achieve them before it is too late. The time is now.***

Jackson can be Saved

The above are all initiatives that can be achieved by Jackson with significant support by all stakeholders (internal and external) and with FHC as its turnaround team partner. Our team will integrate with the existing Jackson leadership to ensure continuity of the initiatives already underway. ***Many important and impactful initiatives have already been developed by Jackson and they are in various stages of implementation including revenue cycle improvement, FQHC initiatives, supply chain expense initiatives, industry benchmarking, etc. It is critical that these continue to move forward.***

Turnaround Plan

Exhibit I describes the major initiatives that we will put into place to enact the turnaround. The completion dates will be filled in and presented to the authority structure within 60 days of commencement of the engagement.

Exhibit I:

Jackson Health System Turnaround Plan

	Description	Completion Date
1	Develop <i>a meaningful, transparent, and inclusive process that involves all stakeholders</i> to prepare, communicate, and execute meaningful strategic, operational, and financial plans to guide the activities and resource utilization of Jackson.	
2	<i>In conjunction with the PHT and the County, secure access to approximately \$300 million to fund the turnaround effort and to fund operational losses during the interim period.</i> Explore options to leverage the real estate or other assets in addition to pursuing options with State and Federal resources. The turnaround efforts are not predicated on securing the additional resources although the velocity and impact of the project would be greatly enhanced.	
3	<i>Institute the use of evidenced base medicine guidelines wherever applicable to reduce the length of stay, move patients to the lowest appropriate acuity settings, reduce operating costs, reduce hospital borne infections, and enhance patient satisfaction and clinical outcomes.</i> Develop real time intervention processes to immediately resolve instances where there is a lack of alignment between the case management function and the attending physician.	
4	In conjunction with case management, utilization review, and social workers, <i>identify and resolve issues impacting timely patient discharge</i> . This initiative will supplement the adoption of evidenced based medicine guidelines and other strategies impacting length of stay.	
5	<i>Develop and implement a primary care physician strategy</i> that results in increased primary care capabilities on the Jackson main campus. This is not limited to the ongoing discussions regarding FQHC's. This will help to decompress the emergency department, reduce operating costs, decrease wait times to improve patient satisfaction, and position Jackson to respond to the priorities of health care reform. A robust primary care presence will also help Jackson achieve greater market share among employees and the overall community.	
6	<i>Develop and implement an information technology strategic plan</i> to ensure that Jackson is fully utilizing existing information technology resources and also is positioned to excel with the enhanced transparency and other outcome reporting guidelines associated with health care reform.	

	Description	Completion Date
7	<i>Conduct a thorough value assessment of the overall relationship with the University of Miami</i> and evaluate the totality of the relationship through the lenses of financial performance, clinical quality, strategic importance, and operational efficiency and effectiveness. A detailed, fact based evaluation of this relationship is absolutely critical for Jackson to make timely and relevant decisions and to ensure that the arrangement continues to be mutually beneficial.	
8	<i>Develop and implement a governance dashboard focused on key metrics in the areas of clinical quality/patient safety, financial performance, operational efficiency and effectiveness, customer service, market share, and physician/patient/employee satisfaction.</i> A current state and a desired state will be established for each metric selected and governance should review a stoplight report every month documenting progress on achievement of the desired state value. This tool is very helpful to distinguish between operational issues and tactics and governance issues.	
9	<i>Enhance the timeliness, accuracy, and credibility of financial information reported to all stakeholders</i> to facilitate meaningful decision making and timely course correction. Develop an accountability culture where managers are provided timely departmental reports and report upon issues, opportunities, and compliance with budget.	
10	<i>Continue to work in conjunction with UM to establish, monitor and maintain quality service standards to ensure timely availability of specialty physicians</i> to serve the needs of the Jackson ED. Create a mechanism to measure compliance and course correct on a real time basis.	
11	Provide the appropriate number of inpatient hospitalist physicians, patient admitting teams, and specialty physicians <i>to address the long standing legacy issue of “bed holds” in the emergency department.</i> This practice results in very high costs, low reimbursement and reduced patient, employee and physician satisfaction levels.	
12	Review and adjust, if needed, the span of control of the senior management team to <i>ensure the availability of qualified personnel to oversee the multiple initiatives that are currently underway along with the new ones included in the turnaround.</i>	
13	<i>Develop marketing campaigns to accentuate the experience of the Jackson clinical team, the nurse to patient ratios, and advanced clinical services provided.</i> Supplement with focus on new service levels provided in ED and other service lines once they have been achieved.	
14	Make meaningful and tangible progress in the <i>reduction of overtime and agency spending</i> through the recruitment of additional resources to fill the shifts currently staffed using these means and the training of nurses in low census areas.	

DETERMINANTS OF THE EFFECTIVENESS
OF BOARD GOVERNANCE IN HOSPITALS:
IMPLICATIONS FOR STRATEGIC DECISION MAKING
AND LONG-TERM VIABILITY

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TABLE OF CONTENTS

I.	EXECUTIVE SUMMARY	1
II.	OVERVIEW	3
III.	CONCEPTUAL FRAMEWORK: BEST PRACTICES IN HOSPITAL GOVERNANCE	5
IV.	DETERMINANTS OF BOARD EFFECTIVENESS: SPECIFIC EXAMPLES	10
V.	CONCLUSIONS ON BOARD GOVERNANCE AND EFFECTIVENESS IN DECISION MAKING.....	16
APPENDIX I:	SPECIFIC HOSPITAL CASES AND EVIDENCE OF EFFECTIVENESS.....	18
APPENDIX II:	REFERENCES CONSULTED IN THE STUDY	27

I. EXECUTIVE SUMMARY

- ☐ **The type of legal structure of a hospital (for-profit, (501)(c)(3), public, Taxing District and others) has less to do with the viability and quality care of a hospital than efficient board governance, effective strategic planning and implementation and top management qualities. Positive financial results and top quality care are the results of these factors, not the results of the legal structure of a hospital.**
- ☐ The effectiveness of Board Governance in providing strategic direction and oversight is important in determining the financial viability and quality care of hospitals, according to the comprehensive research and case studies contained in this Study.
- ☐ Board Governance effectiveness is determined by at least the following four factors:
 1. **Board Size.** Most of the high-performing hospitals studied, with similar characteristics of the Jackson Health System (JHS), have between 11 and 14 board members, with active standing committees empowered to work with hospital management and to reach vital decisions in key functions such as finance, strategic planning, marketing mix and others.
 2. **Board Power** to help develop and oversee implementation of decisions of strategic importance to a hospital is another component of Board effectiveness.
 - JHS Board Power is diluted by significant “height” and “width,” with oversight of the Board (height) by a large county commission made up of distinct districts and a relatively large Trustee Board (width).
 - The “depth” of the Board is defined by the individual levels of experience and qualifications of the members in the group (depth).
 3. **Board Efficiency** is another important determinant of Board Governance effectiveness.
 - Efficiency is enhanced by **independence** of standing committees of the Board.
 - Efficiency is also intensified by reducing the number of overall Board meetings, and allowing the more flexible, smaller and expert committees of the Board to meet more frequently with hospital management such as the CEO, CFO, COO and others.

- “Ad-Hoc” emergency meetings of the Board should be kept to a minimum according to “best practices” of Board Governance.
 - JHS’s Board Governance appears to have a large number of “emergency” meetings, where limited information to make sound strategic decisions are discussed and debated, which in turn creates confusion among management, critical medical personnel and stakeholders.
4. **Board Composition** is also a key driver of effectiveness in governance structure.
- Board members must include independent directors (S.E.C. test), with significant experience in strategic planning **at hospitals**; financial services, medical care and administration related to funding sources from local and federal governments.
 - Successful Board Governance at the hospitals studied avoid over emphasis in one area of Board composition as this changes Board-power dynamics, and could create a biased view of strategic objectives.

The primary conclusion of this study is threefold:

1. There is no governance structure that directly determines the effectiveness of a health system. There are no magical governance answers.
2. **The type of legal structure of a hospital (for-profit, (501)(c)(3), public, Taxing District and others) has less to do with the viability and quality care of a hospital than efficient board governance, effective strategic planning and implementation and top management qualities. Positive financial results and top quality care are the results of these factors, not the results of the legal structure of a hospital.**
3. There are multiple factors that lead to effective governing boards (e.g. power, size, composition, efficiency). These variables are in part driven by the type of health system over which the board governs.

The Washington Economics Group was commissioned by the doctors, nurses and other healthcare professionals of SEIU Local 1991 at Jackson Health System.

II. OVERVIEW

The governance structure within an organization plays an important role in its development and the decision-making related to a number of strategically important areas. In public hospitals for example, the decision-making of Boards can affect the areas of finance and capital, operations, quality, medical staff and personnel, strategic planning and philanthropy decisions among others.

An effective hospital board has been shown to be related to high hospital financial performance. The size and composition of hospital governance boards, and the function (public, private, religious, etc) of the hospital itself, all interact and partially determine the board's effectiveness.

In essence, if the hospital relied heavily on private donations and fundraising, and the hospital was rather large, having a larger board of directors, many of whom had experience in fundraising, would be important for the hospital. If, on the other hand, the hospital received support from the local or federal government instead, as is the case with public hospitals, fundraising experience would be less important for board member selection than administrative skills and knowledge of the administration within the hospitals. Indeed, Rick Kneipper writes of the financial crisis at Jackson that board governance expertise is critical and the board of trustees should be changed so that the majority of members have experience or a background in finance, accounting, business, management or labor. Kneipper also states that at least some of the board members should have backgrounds specifically in hospital finance, hospital management or experience with running a hospital. Therefore, it seems that the effectiveness of board governance structure in hospitals, both as a matter of overall size of the board and as a matter of the composition based upon the experience of each board member, is also contingent on the function of the hospital (or what each hospital needs from its board members).

A majority of hospitals fall into three basic categories; Public (hospitals funded or operated by city, state or federal governments), Religious (hospitals owned and or operated by religious denominations), and Private Nonprofits (hospitals that have no government or religious affiliation), although there are other models such as private for profit, and others. In each of these functional types of hospitals there may also be sub-categories or models of governance structures. For example, within public hospitals although there may be only one main governance board, it may be appointed by and report to a state or local authority, such as a county board of supervisors or some other third-party. Privately owned hospitals on the

other hand, may have multiple boards ranging from national corporate-levels that guide all hospitals under management, to local business-levels, guiding one hospital in particular. Therefore, as the board size is usually examined when exploring how efficient a board is at achieving its mission and creating a high-performing hospital, also considering any additional number of board-levels, or higher authorities it reports to, may be necessary. In each case an attempt is made to optimize the governance structure based upon the environment and the needs of the hospital. In this analysis, the primary focus will be on the board governance effectiveness among public, non-profit hospitals. This study will develop:

- 1) A conceptual framework on board governance structure issues such as size, composition, experience, linkages, institutional pressures and resource dependency,
- 2) A comprehensive list and framework of key determinants of board effectiveness will be discussed; and
- 3) Case studies and other evidence of best practices or key drivers of board effectiveness in hospitals, primarily public hospitals, will be examined.

The primary conclusion of this study is threefold:

1. There is no governance structure that directly determines the effectiveness of a health system. There are no magical governance answers.
2. **The type of legal structure of a hospital (for-profit, (501)(c)(3), Taxing District and others) has less to do with the viability and quality care of a hospital than efficient board governance, effective strategic planning and implementation and top management qualities. Positive financial results and top quality care are the results of these factors, not the results of the legal structure of a hospital.**
3. There are multiple factors that lead to effective governing boards (e.g. power, size, composition, efficiency). These variables are in part driven by the type of health system over which the board governs.

III. CONCEPTUAL FRAMEWORK: BEST PRACTICES IN HOSPITAL GOVERNANCE

In this section, best practices and concepts related to upper-level management teams and board governance will be examined such that an understanding of what issues impact strategic decision making and the effectiveness and quality of decision making may be better understood. In addition, institutional and resource dependency concepts will be explored as a fundamental factor in the relationship between board governance and organizational effectiveness. This analytical background will support a conceptual framework for the key drivers of success in board governance among public hospitals which will later be analyzed qualitatively through case studies and other evidence.

Board Governance - When it comes to executive boards and the oversight of organizations, there are many dynamics in play including the amount of power that the board has, who has power among the board members, what is the level of similarity or dissimilarity among board members, what are the effects of linkages between board members and other entities, how does board member composition effect future member selection and how does board governance effect the hospital's ability to attract vital resources such as funding and medical personnel.

Board Power can be described as the level of influence the board has on a particular area in which strategic decisions are made. In public hospitals for example, when board power is high among officials from a relevant government body, the ability to influence revenue streams from taxpayers is also normally high. Inversely, in cases where board power is given to a third party or to managers within the hospital itself, the ability to influence the quality of care will be high but power to influence revenue streams from taxpayers is lower. Board power may also be considered as a function of the overall restrictions placed on it by complex environments. According to the National Association of Public Hospitals and Health Systems (NAPHHS) public-hospital boards, for example, often have a more complicated set of responsibilities than that of boards from other hospitals in their communities. For example, these boards must adhere to legal, regulatory and political pressures while providing a safety net for the uninsured or underinsured population; worry about reductions in Medicaid funding and local support as well as the competition for such patients; consider immigration reform issues and its effect on patient status, how hospital business is regarded in the public eye and many other issues that encumber management processes. Therefore, although boards may influence several areas of strategic importance, the power that they wield in any one area may be regulated or checked by responsibilities that they have to another constituent area. The research conducted for this study shows that

although boards may have the ability to increase the allocation of funding to support hospital costs, pressures to reduce costs in order to receive state funding, or restrictions placed on funding, may inhibit this. Conversely, the ability to provide quality healthcare by attracting better doctors and nurses may be a function of the salaries and benefits that are paid.

Board Member Power – This is not the same as board power in general. Where board power is the overall ability of the board to decide on and influence matters of strategic importance, *board member power* is the ability to decide on and influence matters of strategic importance that individual members within the board have. Although the function of a board is to serve as a collection of persons who are, for the most part, equally responsible for the strategic outcomes of an organization, such equal distribution of board power is rare. Indeed, often there are one or more board members that dominate the remaining board members regarding what strategic areas need attention and what decisions, if any, should be made in those areas. In some cases, CEO-Board directors or (top managers) actively recruit board members that serve, or have served, on passive boards so that they can maintain their control over board decisions.

Similarly, it is argued that active boards, where top managers do not have control, will seek out board members who serve or have served on active boards-where board members regularly intervene in strategic matters. Indeed, when incumbent CEOs have power over the board members they seek to have members appointed that are similar to themselves so that they are more sympathetic to them with respect to their strategic plans. When this is the case, the CEOs have a tendency to receive more lucrative compensation packages, and also engage in activities that are not essential to the success of the organization, and thus this is an example of the agency costs associated with management not in the best interest of the institution.

Board Member Similarity - The strategic direction of an organization is often thought to be a reflection of the characteristics of top management teams. In other words, the background and makeup of each leader such as their work experience, formal education, age and other attributes, all influence the manner in which leaders view, and cognitively interpret, the environment in which strategic decisions are made. Indeed, case evidence demonstrates that managers of hospitals have been shown to play an important role in scanning and interpreting information from the environment in order to make sense of it and act strategically so that their hospitals may perform better than managers that are less pro-active. Therefore, **the results of positive financial performance and strategic direction are primarily the outcomes of board decisions.**

When board members are similar in terms of their characteristics, the manner in which they view and interpret the world is also likely to be similar. As noted previously, top managers within boards, such as CEOs who may be chairman, often seek out board members who are demographically similar in order to achieve power within the board. Thus, too much demographic similarity of board members is also likely to yield an unfavorable distribution of strategic attention and power of influence targeting one area rather than creating a comprehensive view. For example, **if hospital board members were heavily influential and they similarly believed the only solution to a strategic issue, such as reducing deficits, was to reduce costs, such as labor, they would only focus attention on this matter and not necessarily examine other issues that may be creating budget deficits, such as an inability to generate revenue or minimize losses from operational ineffectiveness.**

In an attempt to improve board effectiveness that is hindered by such issues, the Wyoming Valley Health Care System board elected seven new members, and had a fresh and balanced board. This move effectively removed entrenched leadership that may have continued to view strategic issues in a similar manner based upon their collective experience, and also allowed for a balanced perspective that included the cognition of physicians as well as banking officials.

Board Size - Board size is generally measured by the number of members serving on a particular board, and this is reported to influence the effectiveness of boards in many hospital systems. For example, recommendations for the WVHCS board in 2001 led to the reduction in board members from 16 to 13 in an effort to improve efficiencies. The Bain & Company Report on hospital governance also shows that high performing non-profit boards have an average of 14 members, with a sample size of boards ranging from 6 to 20. This leads some to believe that a bigger board is not necessarily more effective, and there are several reasons why this may be the case. As noted above in reference to similarity/dissimilarity, having too many board members may hinder the decision-making process. **Thus, having a diverse body to share information and perspective is good up until a certain point, and then the added benefit of additional opinions is outweighed by sluggish decision making or other problems created by additional members.**

Board size measured by number of members is not necessarily a complete view of the size of the board. For example, to understand the size of a box, one cannot only look at its width, but also the depth and the height must be included to have a good understanding of its size. Similarly, hospital boards may have an additional measure of depth such as the number of standing committees that serve specific roles on the board. There is also a matter of height

when it comes to board size. Privatized hospitals may have one board where public hospitals have multiple board levels from local to governmental responsibilities requiring coordination between the levels.

Board Member Linkages - A board member linkage is any connection that a board member has with another group or organization. In the case of the JHS, the Public Health Trust has members that work for other organizations, it has two members that sit on the Board of County Commissioners, and it has other ex-officio members that may be in charge of hospitals or university schools of medicine within the local community. Accordingly, each member has access to different learning mechanisms from the organizations that they represent, and they also have different linkages that they may influence on behalf of the Public Health Trust or that may influence them and thus the Board of Trustees. Each board member is appointed and brings with them a connection to the external community that will influence the manner in which they think and act as a part of the board.

Gerald F. Davis in Corporate Governance argues that attempting to reform board governance by changing their incentive plans is of little use because the real effect may stem from the relations they have serving on being other boards, or being the heads of other organizations. Indeed, the *interlocks* that they have with other organizations yield a type of social influence that may affect the strategic decision making as well as the strategies themselves. Thus, linkages cannot simply be characterized as having a positive or negative impact on board governance, but rather identified as a manner of social influence that must be taken into account when creating an effective board structure.

Essentially, each board member is embedded in a larger social environment in which they face normative pressures to adhere to the demands of society and industry on how to behave strategically. These pressures are described as isomorphic pressures (meaning a change in form similar to other successful organizations), as the leaders of organizations have a tendency to *mimic* best strategies, follow the *norms* of society and be *coerced* by influential external parties until most organizations all look the same. For example, Harding and Preker argue that there is justification and increased pressure to privatize, corporatize, and/or autonomize the management of public safety-net hospitals that will lead many hospitals to alter their governance structures accordingly. On one end of this spectrum, giving more autonomy to hospitals will allow management to have more control over accessing revenues, but goals for quality and access to care functions may still need to be specified. Privatization, on the opposite end of this spectrum, where management not only will more closely resemble a *corporation*, would cede control to separate owners most likely keeping the generation or profits at paramount importance (the implication being at the expense of

quality healthcare for the local community). Thus, having a greater amount of board members with linkages to specific organizations or industries is likely to influence the strategic thinking and orientation of hospitals.

IV. DETERMINANTS OF BOARD EFFECTIVENESS: SPECIFIC EXAMPLES

In this section, a review of research and cases on the key determinants of board effectiveness will be discussed based on the conceptual framework developed previously, with primary focus on public hospitals similar to Jackson Health System (JHS). Most evidence of board effectiveness will deal with financial performance; however, it should also be noted that financial performance is not the only measure of effectiveness, and it may often times be correlated with other measures such as quality of patient care and operational effectiveness. Any and all evidence that particular board governance structures or policies are more effective than others will be provided. Also, findings that suggest that one area is more important for board effectiveness than others will be discussed and the interaction effects with other areas will be examined. **Finally, a model will be created to illustrate the relationships between key determinants of board effectiveness and their relationship to decision making, leading to long-term hospital viability.**

Hospital Type - There is no optimal model of governance as studies examining the attempts of public hospitals to change their governance structure have proven. For example, Grady Memorial Healthcare System in Atlanta and Westchester Medical Center in upstate New York both shifted to hospital 501(c) (3) and public-benefit corporations. Grady Memorial had a great deal of success and support from the local community; Westchester Medical nearly went bankrupt as a result of failure to create autonomy in hospital management and problems from the local community. Studies show that there were trade-offs to different legal classifications. **For-profit corporations may lose focus of the mission of the hospital to serve the community, as well as government funding, and a hospital district structure would require alterations in property taxes which would likely be difficult.**

In a 2008, National Public Health and Hospital Institute Report on “Best Practices in Public Board Governance,” prepared by Larry Gage and David Gross, for a proposal to restructure the Cook County Bureau of Health Services. The authors examined semi-autonomous boards within the local government, Independent Non-taxing Unit of Government, Independent Taxing Districts, and Non-profit corporation models and suggested that best practices apply to all models and indicated that the models are not necessarily what are most important. **They suggest that autonomy, accountability and member leadership are the keys to successful boards, and each model presents benefits and drawbacks with respect to this.**

Board Size - Efficiency is a key determinant of board effectiveness and part of this is matching the size of the board correctly to the financial status and complexity of the

organization. Cases studied frequently find 9 to 11 member boards, although some were as large as 17 members in the case of Grady Memorial. The 2008 NPHHI report found that there were about 13 board members on average per hospital with fewer on average (8) in non-public hospitals.

The Bain & Company Report suggests that high-performing non-profit hospitals have an average board size of about 11-14 members. Research shows that board size is reduced in importance when the hospitals rely less on the local environment for funding, as is the case with federally funded hospitals, although many hospitals have recognized that smaller boards might be more efficient, and board sizes have been adjusted in this manner. For example, the Wyoming Valley Healthcare System was reduced from 16 to 13 members to improve efficiency upon the recommendation of consultants (see References in Appendix II for this section).

Board Levels – Board Levels and Committees are issues of board size that matter and should be taken into consideration. The Greater Southeast Community Hospital in Washington, D.C. had as many as 13 boards and 70 members as they thought bigger was better. This hospital later recognized the inefficiency and attempted to reduce board size and complexity, achieving 25 percent reductions, but eventually this hospital would have to make enormous cuts in its services, and ended up nearly insolvent before being purchased by a private healthcare company that changed its name due to the bad reputation it had received. **Standing committees that separately audit the board, governance and finance/budget activities are essential for increased financial performance. Independent committees and auditing of the board for conflicts of interest, allowing for meetings without executives and delegation of authority to committees are all recommended to improve board effectiveness, and this has some implications for efficiency. Sharing information is also recommended in recent management studies, which means having regular meetings, setting attendance requirements and having access to senior executives. The Bain & Company Report suggests that having around 8 to 12 meetings per year is the norm for high-performing hospitals while also having about 8 standing committees.**

Board Power – Research and cases of financially viable hospitals, recommended that boards be actively engaged in oversight of executive management (CEO, COO, CFO, GC), and it has shown that proactive adoption of such items, as guidelines to financial oversight increases financial performance in hospitals. The National Public Health and Hospital Institute Report as well as Bharucha & Oberlin (see Reference Section), argued that boards should serve to empower the hospital administrators and give them autonomy while still providing oversight and accountability. Best practices recommend that board directors receive orientation and ongoing education alongside a clearly established set of

responsibilities, thus a mission statement of organization with a statement of directors' responsibilities should be formalized. A 2009 article from the International Journal of Environmental Research and Public Health found limitation of board member terms, as was recommended by Bain & Company and Peregrine & Schwartz. Recommendation of term limits at a maximum of three years, with some consulting firms recommending term limits of one year. This helps generate fresh thinking, eliminating some cognitive and attention-based bias, creating active boards, and limits insidership and the formation of powerful subgroups within the board.

Best Practices recommend that boards must ensure high executive performance, high quality of patient care, financial health and oversight of itself. Thus, boards are in essence established to reduce agency costs within hospital administration and consequently the elimination of conflicts of interest that inhibit the accomplishment of any one of these tasks. To make decisions effectively, policies must be set by boards, such that decisions include evaluation of external scenarios in accordance with internal mission statements and goals, lest decisions be disjointed and ineffective. There must also be a healthy balance of power with the CEO and boards such that tensions may be reduced and performance enhanced.

Board Composition – Best Practices indicate that there needs to be diversity of experience and an establishment of qualifications to serve on the board in order to increase effectiveness. They suggest that boards need to have access to hospitals' administrative staff/executives on a regular basis, not just at scheduled board meetings. High-performing hospitals often have a CFO representative-member on the board, which would help sort out financial planning issues, and most boards carry majority of outside members (non-medical staff, non-hospital administrators.)

High-performing hospitals tend to have more medical staff (about 30 percent) and more hospital administrators (about 10 percent) on Boards than those hospitals that perform about average. This could be attributable to the need to maintain quality care to attract patients and the need for unique information sharing provided by administrators and medical staff directly involved with hospital operations. However, it is noted that public hospitals should not have more than 50 percent of their members receive more than 10 percent on their income from a healthcare profession. In essence, many hospitals that attempt revisions of management oversight, board composition, public involvement and education as well as hospital bylaws, increase the flexibility of hospitals and this in turn improves effectiveness. The following matrix summarizes recommendations for efficient Board Governance, based on the exhaustive research of management practices and concepts at hospitals in the U.S. A model of discussion of board effectiveness is also presented.

Broad Categories of Key Determinants of Board Effectiveness in Non-Profit Hospitals: Recommendations

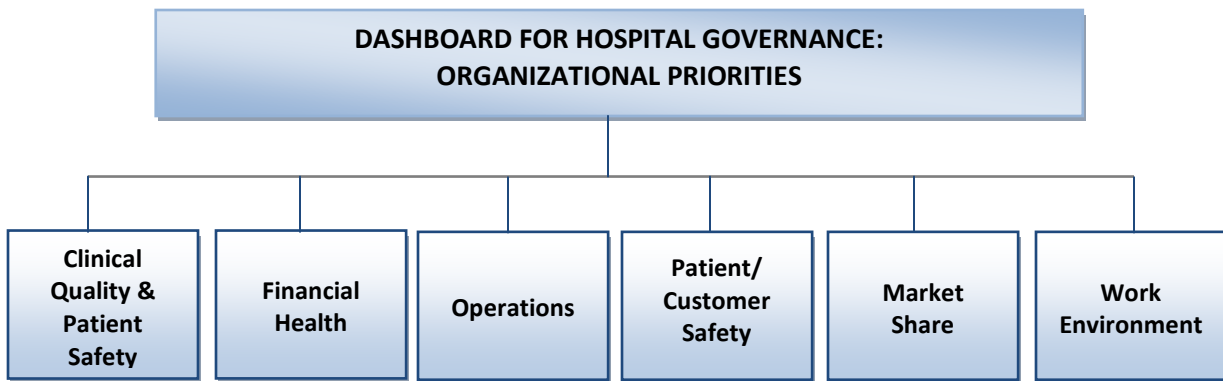
Board Size	Board Power	Board Efficiency	Board Composition
<p>Reduce committee members to optimal size for efficiency</p> <ul style="list-style-type: none"> Many high performing hospitals have 11-14 total board members, at a maximum. <p>Reduce number of standing committees & maximize independency</p> <ul style="list-style-type: none"> Many high-performing hospitals have around 8 or fewer standing committees. Financial/business, strategic planning, governance of hospital, self-auditing, nominating, and quality committees are all critical to successful boards. 	<p>Create an active (proactive), independent board for oversight of management of hospital</p> <ul style="list-style-type: none"> Board members need to be actively engaged and be empowered in informed oversight of hospital, with specific guidelines for oversight of CEO and other executive performance. <p>Create a specific set of duties & responsibilities for board</p> <ul style="list-style-type: none"> The board's authority and duties must be clearly laid out alongside all those in standing committees and individual members. <p>Remove conflicts of interest</p> <ul style="list-style-type: none"> Many high performing hospitals limit the term of members to less than 3 years, some as few as one. Create independence from CEO (of hospital) and Board Director position. Have committee meetings without CEO or other hospital administration on a regular basis. 	<p>Reduce overall meetings to the amount necessary to achieve objectives</p> <ul style="list-style-type: none"> Many high performing hospital Boards meet less than 12 times per year. <p>Increase autonomy & independence of standing committees</p> <ul style="list-style-type: none"> Establish qualifications of members and formally create mandates for independent committees. Many high-performing hospitals have audits of budget/financial performance, governance of hospital, strategic planning and auditing of the board itself. <p>Promote timely information sharing</p> <ul style="list-style-type: none"> Regularity in meetings, required attendance, and access to members who can share strategically important information will improve decision-making speed and ability. <p>Prepare plans for removal or transfer of board members in the event of conflict or failure to perform duties</p> <ul style="list-style-type: none"> Specific guidelines and timelines should be created to ensure board members fulfill their duties, when members' fail to meet their responsibilities, an efficient codified plan to correct the problem should already be in place. 	<p>Establish qualifications needed based on the demands of external constituents</p> <ul style="list-style-type: none"> Be sure to include members experienced with strategic planning in hospitals, financial services, medical care, and of course administration related to funding from local or federal government (public relations). <p>Do not over or under emphasize particular qualifications in members</p> <ul style="list-style-type: none"> Highly effective hospitals often have about 30 percent medical staff, 60 percent outside independent directors (usually from business and financial services), and about 10 percent hospital administration. Over emphasis in one area can change board power dynamics and create a biased view of strategic objectives. Board appointments based on competence, not political connections.

Recommendations for the Jackson Health System based on Key Determinates of Board Effectiveness

Board Size	Board Power	Board Efficiency	Board Composition
<p><i>Reduce the number of Public Health Trust members, currently at 16 members and 7 ex-officio members, to 11-14 total board members. This is the recommended maximum size for efficiency.</i></p> <p><i>Do not exceed the number of current standing committees, currently at 6 within the Public Health Trust, in order to maximize independence and to meet the strategic goals of the Public Health Trust.</i></p>	<p><i>The Operations Oversight committee shall be independent and provide informed and proactive oversight of the hospital system, with specific guidelines for oversight of the new CEO and other executive performance.</i></p> <p><i>Revisit and update the duties and responsibilities for the Public Health Trust members under the new CEO.</i></p>	<p><i>Reduce excessive meetings to the amount necessary to achieve strategic, planned objectives. Increase the autonomy and independence of the six standing committees.</i></p> <p><i>Require timely information sharing and attendance guidelines for members. If guidelines are not met, plans should be in place so that members failing to perform their duties are removed or transferred.</i></p>	<p><i>Among other members with diverse professional experience, include members who have the following background and experience: hospital management, strategic planning and financial management of hospitals and administration related to funding from local, state or federal governments.</i></p> <p><i>Ensure that Public Health Trust members are appointed based on their merits and competence, not for their political connections.</i></p>

Furthermore, determinants of a quality and efficient hospital system depend on important policies being in place and a tool to measure the operating functionality of such policies. As shown in the figure below, a **dashboard for best governing practices** should be included as part of a system-wide performance management tool to measure, track and carry out the performance priorities as determined by the hospital system's Board of Directors and management. An effective governing body adheres to guidelines that are in place to ensure the seamless function of its mission. For example, **an effective governing body will have a strategic plan in place which incorporates measures for clinical quality and patient safety, financial approaches and top patient care and employee satisfaction practices.**

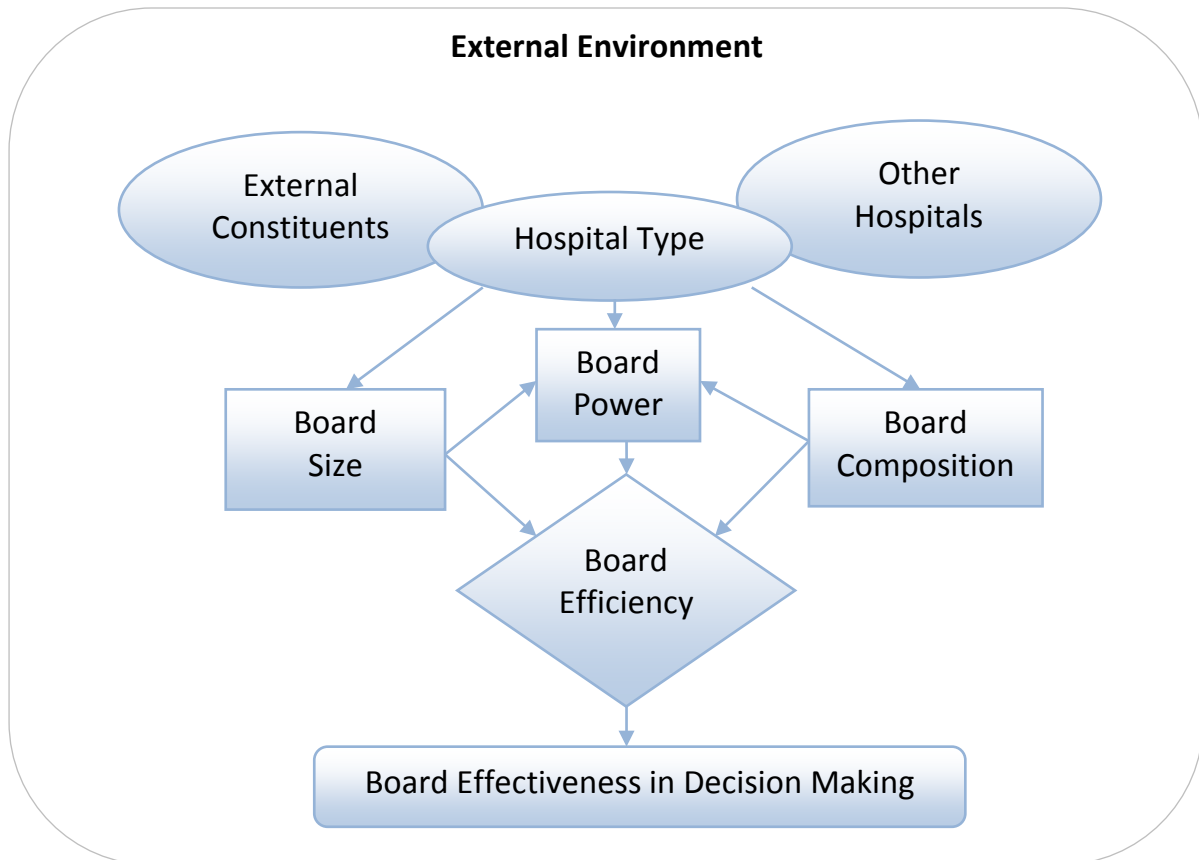
Organizational Priorities in Hospital Governance: A Recommended Dashboard



V. CONCLUSIONS ON BOARD GOVERNANCE AND EFFECTIVENESS IN DECISION MAKING

Based on the research conducted, below is a schematic summary of factors impacting decision making within Boards.

Model of Factors Contributing to Board Governance Effectiveness in Decision-Making



Source: The Washington Economics Group, Inc.

Research and cases presented in this Study suggest that simply changing legal status may not improve efficiency. Board governance efficiency depends on best practices as discussed in this analysis, not legal structure per se. Efficient boards are equipped to deal with non-performance issues proactively so that problems do not perpetuate. Efficiency could be described as maximizing the productivity of meetings, minimizing conflicts of interest (and therefore reducing agency costs), sharing information in a timely fashion and attending to strategic concerns and implementations of decisions while they are relevant. Accordingly, efficiency seeks the optimum amount of meetings to facilitate this process. Efficiency is in turn partially a function of *board power*, *board size* and *board*

composition, with the latter two factors also affecting board power, and all factors related to the strategic fit with hospital type.

As mentioned previously, each hospital requires its own unique board structure and composition to yield optimal efficiency in decision making. ***Hospital type*** will partially dictate this need as private hospitals and public hospitals face different needs; taxing districts versus public trusts that report to county commissioners are facing different pressures for funding, and of course size and scope of hospital care are important as well. Each hospital has a unique array of ***external constituents*** that it must attend to in order to maintain legitimacy that may help attract scarce resources. These hospitals are also operating in an external environment where they compete with *other hospitals* for resources such as Medicaid funding, patients and medical staff (as well as board members). Thus, the optimal board structure is contingent on a number of external factors interacting with internal factors. So although benchmarking is a good way to determine if the governance structure is not efficient, it should most likely be taken as reform priority only in cases where there is a large difference in the recommended structural norms that lead to high performance and what the focal hospital structuring looks like. It is also worth considering any structural reform in the case of larger macro-environmental reform or changes, as high performing hospitals under one set of conditions may not be high performing under alternate conditions in the external environment (i.e. changes in health insurance coverage or economic conditions).

The type of legal structure of a hospital (for-profit, (501)(c)(3), public, Taxing District) has less to do with the viability and quality of care of a hospital than efficient board governance, effective strategic planning and implementation and top management qualities. Positive financial results and top quality care **are the results** of these factors, not the results of the legal structure of a hospital.

APPENDIX I

SPECIFIC HOSPITAL CASES AND EVIDENCE OF EFFECTIVENESS

- **Grady Healthcare System (GHS)**

GHS, based in metro Atlanta, was and still remains a non-unionized hospital system with nearly 1,000 beds and one of the largest Level 1 Trauma Centers in the U.S. More than ¾ of its patients were on Medicaid or uninsured in 2008. Up until 2007, GHS was a Hospital Authority model marred with allegations of corruption and discrimination, alongside highly politicized board members not yielding authority to leadership at the hospital. Prior appointed boards lacked independence and expert backgrounds such as finance and information technology, and Grady Memorial Hospital faced a \$120 million shortfall. From 2005-2008 there were five new CEOs. The System also had issues with recruiting and retaining qualified employees and firing those not meeting standards as a result of civil service limitations. In 2006, GHS was bordering on insolvency and accordingly, officials established the “Greater Grady” Task Force that was asked to return GHS to a viable healthcare entity.

The “Greater Grady” Task Force recommended restructuring the legal entity and changing board governance structure to the Grady Memorial Hospital Corporation. The agreement had many provisos including \$200 million in commitments from the business community in Atlanta, commitments to retain vital healthcare services for the community and to raise \$100 million in philanthropic funds by 2012. The new board was put in place that had 17 members with four of them retained from the current board. A new CEO was also appointed in less than six months and within 9 months GHS had \$42.6 million enhancements in revenue cycle, \$17.2 million in supply chain savings and had received over \$50 million in philanthropic funding.

As part of the Metro Atlanta Chamber of Commerce’s request for best governance practices, the following main findings and recommendations to GHS were:

- Board sizes of high performing hospitals were about 11-14 members, met about 8-12 times per year, had around 8 standing committees,
- Boards should have three or more members with finance experience,
- Twenty (20) to 30 percent of members with hospital and medical expertise and a majority with management experience,
- Clearly established guidelines for monitoring CEO performance and a separate auditing of board performance.

- **Cook County Health & Hospitals System (CCHHS)**

CCHHS, formerly known as the Cook County Bureau of Health Services (CCHHS) in Chicago, Illinois, is a unionized hospital that serves the approximately 5 million residents of Cook County, Illinois, with its three hospitals and various health and services departments. It is a teaching hospital with Level I Trauma Center and 464 beds among its hospitals. In 2008, an 11-member board was elected by the Cook County President and County Board of Commissioners in an effort to improve efficiency and delivery of healthcare to the residents of Cook County, overseeing a budget of nearly \$1 billion in medical care to its 500,000 annual patients.

In May 2008, a report to the Union League Club of Chicago and to the citizens of Cook County was prepared by the National Public Health and Hospital Institute (NPHHI) regarding best practices in Public Hospital Governance. The Report presented proposals to the restructuring of the Cook County Bureau of Health Services. It also examined governance models such as a semi-autonomous Board within Local Government, Independent Non-taxing Unit of Government, Independent Taxing District and Nonprofit Corporation. The findings were mostly applicable to taxing and non-taxing units of government, but it stated that regardless of the model (even in nonprofit corporations), ‘best practice’ recommendations would apply.

The NPHHI Report found the following: reorganization success was contingent on achieving a balance between *autonomy* (in critical areas such as budget and finance, strategic planning, procurement and purchasing, and personnel) and *accountability* by elected officials and the community to ensure public funds are being used efficiently.

Board organization initiatives need to simultaneously consider the following areas to optimize efficiency: size (7-13 members), appointment procedures for members of the board (broad range of interests should be represented, no single political entity should appoint members), removal policies for board members (if members violate bylaws or fail to do their job), term staggering and term limits (directors 4-year terms, members 3-year terms with revolving appointments to avoid loss of entire board at once), qualifications of board members (including management, law, finance, and medical or health backgrounds), bylaws to guide meetings and behavior of members, number of standing committees (6-8 committees with auditing of governance and finance/accounting paramount among others), board education (keeping members informed on matters of importance and training new members), board action (voting requirements for decision making), removal of conflicts of interest (external linkages that can create bias and/or agency costs should be reduced or eliminated), and indemnification against liabilities (such that there is no liability for members acting in the best interest of the hospital that would inhibit board members from taking action on

strategic matters of importance). *Accountability and transparency* should also exist such as: who is voting on important issues, the keeping of records, listing of mission, and maintaining some local government reserve powers for accountability, but many public hospitals cite *transparency* as the Achilles heel of public hospitals – when competing with privatized hospitals that do not keep a public record of their strategic discussions and initiatives.

The recommendation of the NPHHI Report was that in the circumstance of the Cook County Bureau of Health Services, it should create a hospital board within county government. The board should consist of 11-voting members and one non-voting CEO ex-officio member with various appointments made by alternate political entities. The board members should have 2-year staggered terms and should delegate authority to the hospital CEO and hospital administrators whenever possible while maintaining oversight. Many of these recommendations were implemented the same year.

- **Denver Health**

Denver Health is Colorado's primary safety-net hospital, is non-unionized, and has 477 beds and a Level 1 Trauma Center. The system provided about \$300 million in uncompensated care in 2008. Formerly a department of the city/county government during the early to mid-1990's, Denver Health had difficulties dealing with operational flexibility and faced many constraints by local government both in civil purchasing and service as well as legal constraints. The hospital and 11 community clinics operated in rather isolated fashion and leadership lacked the authority or experience to make decisions that could improve management.

In 1997, Denver Health became the Denver Health Hospital Authority (DHHA). Prior to this change, a task force was commissioned to examine alternative mechanisms/models of governance including: a not-for-profit corporation, public benefit corporation, hospital district and a hospital authority. The move to a hospital authority was instrumental in increasing the management's efficiency, flexibility and ability to act strategically while still remaining a public entity. The board now consists of 9 members appointed by the mayor that are otherwise insulated from local political pressure and have a great deal of autonomy. Although the structural change was influential, the success of the system was more in line with gaining flexibility which led to increasingly efficient practices.

The 9 members have 5-year terms limits and direct the financial management, education, personnel, quality assurance and compensation activities as well as Denver Medical Health Plan, Inc. The CEO reports directly to the board and suggests that the new stability in

leadership has facilitated the strategic planning and implementation process. The new DHHA was transferred property and other balance sheet assets with the following provisions: 1) that the assets be used to support the hospital's mission, 2) the assets not be sold without permission, 3) over time the Authority provide an amount of unreimbursed care equal to the value of the assets, and 4) in the event of default, all assets will revert back to the city.

The hospital's operational flexibility has improved alongside its integration with multiple care facilities. The hospital now has a competitive market-based salary structure for physicians and other medical staff and has integrated county, state and federal funding and negotiated improved DSH financing. Since making the change they have delivered over \$1 billion in unsponsored care, have had \$130 million in capital improvements and currently have a positive net margin.

- **Tampa General Hospital**

Tampa General Hospital (TGH) is a private not-for-profit hospital serving 12 counties and a population of over 4 million. It is the region's leading safety net hospital and has the region's only Level 1 Trauma Center that serves the 23 surrounding counties. This Hospital has 1,004 beds and around 6,700 employees. TGH has a longstanding relationship with the University of South Florida's College of Medicine (since 1970), and serves as the College's primary teaching affiliate with over 300 residents assigned to specialty training in a broad spectrum of areas from neurosurgery to internal medicine. TGH is presently governed by a 15-member, volunteer Board of Directors that includes four M.D.'s, one of whom is chief of staff, and a non-physician Chairman of the Board.

Tampa General Hospital opened in 1927 as Tampa Municipal Hospital, a 250-bed facility that would later become the region's largest provider of indigent care. Its governance structure has changed several times during its lifetime with hospital board governance in 1931, City Council oversight in 1949, a Hospital and welfare board in 1963 and then to a Hospital authority under the county board of commissioners in 1980. Governance in some cases was related to external involvement and/or contribution. In 1971, the Hillsborough County Commission agreed to supplement revenues to TGH with property taxes; in 1981 the Hospital authority issued a \$166 million bond to renovate the hospital and create another 550-bed tower, and in 1985 another quarter-percent sales tax was added to fund indigent healthcare (the tax law lapsed in 1987) amid warnings of an impending financial crisis. Prior to this, in 1983, TGH was recording financial losses beyond \$11 million per year and was on the verge of bankruptcy, as it was providing a disproportionate amount of the share of charity healthcare (up to 75 percent of the indigent care in 1990-91) yet dividing the balance of support by as many as 10 hospitals by 1991. Indeed, the lack of proportionate support as

well as the inability to compete effectively with many privatized hospitals that emerged in the region during the 1980s and 1990s is blamed for the 13 years of losses prior to the privatization of TGH in 1997.

Several attempts had been made to privatize the hospital prior to 1997. Many attributed the financial issues of TGH to the bureaucracy of being a public hospital which some argued prevented TGH from moving to a better location off of the inconvenient Davis Island, making all meetings available to the public, essentially disclosing the hospital's strategic initiatives to competitors and withholding from county commissioners Medicaid funding, in some cases to leverage transparency of hospital finances and operations. Hospitals accounting policies, in particular 'cost shifting,' are issues with many hospitals facing similar shortfalls, as indicated by a former member of TGH's Board of Directors; public hospitals could offset some of their losses by overcharging paying customers and the privately insured. As insurance reimbursement policies became more stringent throughout the 1980s this became more difficult.

Prior to achieving privatization several options were considered in order to help alleviate the financial issues facing TGH including such broad tactics as divestiture (sale of assets) and reorganization. Many options had mixed support, however and were met with resistance. The president of TGH in the mid-1980s, Newell France, believed privatization was the only method of offsetting skyrocketing indigent care costs with diversified revenue streams. Privatization would also allow the CEO and hospital more autonomy to negotiate contracts, making them more competitive, although he was unable to achieve this reorganization. David Bussone, the TGH president from 1991-1995 believed the hospital's public status decreased its ability to compete effectively with surrounding privatized hospitals, yet he attempted divestiture measures, and such changes did not sit well with the public community.

Although privatization seemed like the best option to many hospitals executives it was consistently opposed by the public and was not without its drawbacks. One main reason it was met with opposition was that the public believed privatization would lead the hospital to abandon its mission as a safety net provider of healthcare to indigent patients. In the case of TGH a move from public to private nonprofit was viewed by the public as the same as moving to private for-profit status. As with many cases of privatization, the loss of government funding and some legal abilities provided to public hospitals was a concern. For example, the Lien Law that allowed TGH to place a lien on the awards of accident victims. Privatization did not grant the hospital that same right and from 1998-2000 revenue stream losses from Medicaid and the Lien Law were as much as \$40 million.

TGH was reorganized as a private nonprofit, with its present 15-member volunteer board, in 1997. However, it continued to absorb financial losses for several years after the move, partially as a result of the transition in funding to a (501)(c)(3) and also amidst a challenging political environment and public anger. The public continued to lobby for transparency of operations under Florida's Sunshine Law. TGH recorded a \$4.1 million profit in 1997, however, experienced losses of \$17.3 million in 1998, \$10.2 million in 1999 and \$7.1 million in 2000 until it (TGH) reversed the trend and achieved a \$9 million profit in 2001 and \$56.2 million in 2002. During 2003, the City Council also approved a \$103 million expansion. In addition to the financial turnaround, and despite worries that it would no longer serve as a public safety net hospital, the hospital's indigent care expenses more than tripled from 1999 until 2003. Deloitte and Touche estimated that although initially privatization looked more costly than the former model of governance, the \$11 million in losses for 1999 would have been quadrupled had they not privatized. Total profits rose consistently from 2004 until 2007 (as did indigent patient expenses) when it recorded profits of \$67.2 million, yet in 2008 it saw a sharp decline in profits to only \$5 million.

Privatization at TGH was not immediately effective, despite its initial profits; several more years of financial losses occurred, mostly as a result of non-cooperation and coordination with the external environment. The move toward privatization did mean that some governmental funding limitations were placed on TGH as well as rights such as with the Lien Laws, however, the following are some of the benefits sought and achieved by TGH as well as other privatizing hospitals:

- Greater strategic and managerial flexibility achieved by removing the bureaucracy of public oversight and procurement rules,
- Ability to seek alternative revenue streams, such as philanthropic contributions under (501)(c)(3), in response to a lack of community and local governmental tax and funding support,
- Organizational streamlining for efficiency of operations and improvement of quality of services and costs savings,
- Medicaid Managed Care to create strategic partnerships with a variety of specialty healthcare providers that matched demand efficiently.

- **Shands Healthcare**

Shands Healthcare is a private, not-for-profit hospital affiliated with the University of Florida's Health Science Center in Gainesville, Florida. Shands Hospital at the University of Florida is unionized while the other hospitals within the system are not unionized. Shands encompasses two academic Medical Centers and two specialty Hospitals as well as outpatient programs and physician practices. It has nearly 1,500 University of Florida (UF) faculty and community physicians alongside over 13,000 employees and roughly 2,000 volunteers that serve 17 counties and receive patients from all of Florida's 67 counties. Shands has two Level I Trauma Centers with emergency air and ground transport, with 220,091 emergency room visits, 1,154,115 outpatient visits and 1,807 licensed beds that served 85,527 hospital admissions in fiscal year 2010. Shands has a 19-member Board of Directors and was a recipient of the 2008 Governor's Sterling Award for Excellence in Performance with scored categories that include leadership, strategic planning and process management among others.

Shands was originally part of what is described as an Academic Health Center (AHC), which in essence is a set group of interrelated entities including such things as medical schools, clinical practices, research activities and associated teaching hospitals, for example. These relationships vary from highly related, with a single CEO and oversight board, to loosely-integrated, independently led and separately board-governed entities. Founded in 1956, the UF Health Sciences Center grew to include colleges of: medicine, nursing, pharmacy, dentistry, veterinary medicine and public health by 1995, in essence growing more diversified and complex. In 1976, a faculty group practice was introduced under the (501)(c) (3) status and in 1980 another Health Center was established in Jacksonville, 70 miles away. The collection of entities often had alternative strategic needs and conflicts among parties within the AHC emerged contributing to decreased efficiency. In the late 1970s and early 1980s, changes in the external environment created significant liabilities for the Shands Teaching Hospital Model AHC. Notably, Shands was facing increased competition from privatized hospitals; it faced significant curbs in reimbursement from the federal Medicare program, and had increased legal and financial risks as a teaching hospital.

In 1985, in response to external pressures, Shands Teaching Hospital was spun-off into a private nonprofit corporation with the primary function of supporting the University of Florida Health Science Center. This move significantly increased operational flexibility and allowed Shands to compete with other privatized hospitals more effectively, particularly with issues related to purchasing and personnel that were state-regulated under the previous legal classification. It has been recognized however that some drawbacks came from the new system, such as an incremental medical liability insurance coverage of \$12 million per year and perhaps some errors with purchasing made for Gainesville facilities, not critical to Shands, but thought to be strategically important to prevent competitors from acquiring them. Additionally, in 1998 the position of Vice President for Health Affairs was combined with the position of Dean of Medicine, while the President of the University became the Chairman of the Board. Although the President's position as Chairman was to be temporary, it became permanent in 2003 with the passage of new legislation. In the fiscal year ended June 30, 2010 Shands provided \$152.4 million in unsponsored care and generated a profit from its consolidated operations of \$26.9 million.

Although Shands Healthcare was proactive in its move towards privatization and still largely assumes its initial role as a teaching hospital in support of the University's College of Medicine, providing \$40 million in academic and clinical program funds to the college in 2007-2008, there is some concern over the disintegrated nature of the Academic Health Center. Having so many constituencies under one roof has caused some to worry that turf wars between one entity, for example the college of medicine, and another, for example the hospital will emerge. Thus, although Shands has been successful at pleasing multiple constituencies, and proactive in changes to its legal structure that aided in enhancements of operational efficiency and flexibility, it is recommended that additional attention be placed on the integration of all interrelated entities, particularly at a functional-level. Shands Healthcare has a 19-member Board that oversees separate hospital boards and is considered somewhat disintegrated at present, although efforts are being made to reverse this trend.

Indeed, in 2010 the Shands Hospital Board of Directors voted to restructure governance at Shands Jacksonville and Shands at the University of Florida so that they would more closely collaborate as 'sister' entities. It is considered vital that the faculty recognize that the partners who run the hospital have a great business acumen and extensive managerial expertise that will enhance competitive positioning.

APPENDIX II
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MEMORANDUM

Larry S. Gage
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DATE: May 3, 2011
TO: Bob Johnson
FROM: Larry S. Gage
SUBJECT: Comments for Governance Task Force on Proposed Models

You have asked for comments on the pros and cons of organizational and funding models under consideration by the Governance Task Force. I am happy to provide the following general observations, and to follow up as needed in response to any questions you (or other members of the Task Force) may have.

I. Structural and Governance Models.

You have suggested that the following models are under consideration by the Task Force:

- a. Direct Operational Control by the County
- b. Direct Operational Control by the University
- c. Status Quo (Separate Governance Entity)
- d. Enhanced Status Quo
- e. Hospital District Authority
- f. Taxing District
- g. Non-Profit Organization formed by the County
 - 1) 501 (c) 3
 - 2) Public Benefit Corporation

I think that realistically, there is very little to be gained (and potentially much to be lost) by returning Jackson Memorial to the direct operation of the County. One of their current obstacles to success – as described in considerable detail in my 2008 report – is the fact that even in its current structure as a semi-independent Public Health Trust, the JHS Board and management has not been granted adequate autonomy from County rules, regulations and requirements. For this reason, I would also discourage the Task Force from thinking about the status quo as an option, unless the County was willing to give the Trust considerably more autonomy than they currently enjoy.

Of the remaining options, the same comments would apply to either an Authority or public benefit corporation structure. Both are generally thought of as semi-independent entities that retain ties to

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the governmental entity that created them. Those that have had the greatest measure of success in transforming their systems have been granted considerably greater autonomy than is currently enjoyed by the JHS Board and management. Since such autonomy could clearly be granted under the current structure if the County was willing to do so, there would likely be little need to also create an entirely new authority or PBC structure to accomplish the same goal (unless it is done for image or "branding" purposes.)

Each of the remaining three options (operation by university, taxing district, 501-c-3 non-profit corporation) has the potential to generate substantial improvement over the current situation, although each also has drawbacks.

The creation of an independent taxing district certainly has some merit. The major difference between an authority/PBC/trust type of structure and a taxing district is the ability to collect and spend tax revenues directly, without needing to rely on the County. There will likely remain a substantial need for supplemental funding for the foreseeable future. Even after the implementation of health reform (assuming it is ultimately implemented and not repealed by the Congress or thrown out by the courts), there will be a substantial need for uncompensated care by populations that will not be covered (immigrants) and for community-wide services provided by JHS that will likely never be adequately funded by patient care revenues. Moreover, there is ample precedence for the creation of taxing districts in Florida, and their boards are often appointed by a combination of state and local governing bodies, thereby somewhat insulating them from politics at either level. (If a taxing district model is considered, I would suggest looking at the Palm Beach County Health Care District rather than the North or South Broward Districts, whose boards are appointed entirely by the Governor. Three members of the seven member Palm Beach District Board are appointed by the Governor, three by the County, and the seventh is the County Health Officer serving ex officio.)

On the other hand, the creation of a taxing district requires a number of political approvals, including the approval of the voters who reside within the district. This has been considered to be politically unfeasible in the past. Also, Governor Scott has recently made clear his concern about taxing districts and appointed a commission to study them, so this may not be an ideal time politically to seek to create a new one. Finally, it is well known that the North Broward District is itself seriously exploring alternative models to its current district structure, so that this structure may not ultimately prove to be ideal.

Direct operation by the University of Miami also has much to recommend it, provided that sufficient operating autonomy can be delegated to the University to permit it to take the necessary steps to transform the system and to integrate it thoroughly with the other components of the current University Health system. The model for a management relationship (both in terms of structure and in terms of achievement of success) is the management of Harborview Medical Center, the major public teaching hospital owned by King County, by the University of Washington. Harborview retains its own separate Board, appointed by the County, which oversees the relationship, but the University has been granted full control over personnel, operations, procurement, etc.

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Potential barriers to the success of a University of Miami management agreement may include the difficulty of negotiating all of the details of such an agreement, the willingness of the County to enter into the required funding agreements, while providing iron-clad assurances that there would not be political interference once the relationship is established, and the question of how such an agreement would fit within the long-range strategic plans of the University for its own health system.

One way to address these concerns would be to consider the third remaining model, which is the creation of a new non-profit corporation to operate the Jackson Health System. Such a new corporation would by its nature need to be granted substantial operating autonomy, which would include the ability on its own to enter into a more robust management or affiliation agreement with the University. Such a model could also be considered a stepping stone to a full asset merger with the University Health system, through the creation of an entity like the Boston Medical Center (which I would suggest as a very positive model for the Task Force to consider carefully). The creation of a non-profit corporation that retains the mission of a safety net health system has clear analogies in Florida (Tampa General) and in other states (Grady Memorial, Truman Medical Centers, etc.).

Potential obstacles to the successful implementation of a non-profit model would include the degree to which the County was willing to transfer all of the necessary financial and operating autonomy (including personnel, financial and procurement autonomy) to the new corporation, while also ensuring adequate funding for the system's safety net mission.

2. Your second question related to the development of a financial model between Jackson Health System and Miami-Dade County that addresses:
 - a. Mutual accountability
 - b. Pays JHS for indigent care
 - c. County Mandated Services
 - d. A system that keeps pace with health care inflation

Some of my observations about the financial model are included in my comments on structural issues above. As noted above, it is highly unlikely that the Jackson Health System will be fully self-supporting from patient care revenues at any time in the foreseeable future, even with the implementation of health reform. All of the elements identified above will therefore remain essential to the ability of the JHS to continue to fulfill its multiple missions, even while implementing transformational reforms that could ease future pressure on and need for subsidies and supplemental funding. It is important to note that the state will remain an essential partner in adequate funding for the Jackson Health System, under any structure adopted. Leveraging local tax dollars to draw down federal Medicaid dollars for various purposes will remain an important part of the model.

Models for Organizational & Structural Reform
Larry S. Gage, President, NAPH
Partner, Ropes & Gray LLP

Miami-Dade County Hospital Governance Task Force
April 8, 2011



Agenda

- What is a “typical” public hospital?
- Why do public hospitals restructure?
- Case Studies of Structural Reforms

What is a “Typical” Public Hospital?

- Direct governance by elected/appointed officials
- Advisory board or commission
- Freestanding board with some autonomy
- State University
- Hospital District
- Hospital Authority
- Public benefit corporation
- Private non-profit corporation
- Public/private partnership

Public Hospitals in Transition

- In 1981, half of NAPH members were traditional City or County owned hospitals
- Less than 10% retain that structure today
- Restructuring is seen as one response to strategic and financial threats and opportunities

Why Do Public Hospitals Restructure?

- Financial pressures
 - Large numbers of uninsured and underinsured patients
 - Community need for money-losing services
 - Increased demand, reduced funds when economy slows
 - Disproportionate impact of Medicaid cuts and “reforms”
 - Aggressive competition for reimbursed services
 - Drain on local government resources
- Lengthy budget & decision-making process
- Limited control over revenues, expenditures
- Personnel & procurement constraints
- Under-funded medical education role
- Access to capital
- Ability to partner or compete
- Need to prepare for health reform

Health Reform: Challenges & Opportunities

- Coverage Expansion
 - Health Insurance Exchanges (29 Million New Members by 2019)
 - Expands Medicaid (16 Million New Enrollees by 2019)
- Delivery System Pressures
 - Value-based Purchasing
 - Hospital Readmissions
 - Hospital-Acquired Conditions
 - Payment Bundling
 - Accountable Care Organizations & Medical Homes
 - Primary Care Reimbursement
- Payment Reductions

Health Reform – Delivery System Reforms

- Payment Innovation Center
- Medicaid Global Payment Demonstration
- Accountable Care Organizations
- Community-based Collaborative Care Networks
- Payment Bundling Demonstration
- Uninsured Access Demonstration
- Community Health Teams Support Patient Centered Medical Homes
- Federal Coordinated Health Care Office for Dual Eligible Patients

Advantages of Public Status

- Access to county tax revenues
- Access to general obligation bonds
- Ability to make Medicaid transfers and receive supplemental payments
- OSHA, Social Security, labor, antitrust, tax and other federal and state exemptions
- Availability of cross subsidies for prevention & public health
- Sovereign immunity and eminent domain
- Access to municipal support services – pension, benefits, self-insurance fund, etc.

Checklist: Typical Goals of Governance Reform

- Reduce costs/improve operational efficiency
- Strengthen clinical integration
- Improve quality and patient satisfaction
- Enhance reimbursement opportunities/broaden payer mix
- Improve relationship with County: insulate County from future risk
- Raise capital/reduce indebtedness
- Improve ability to act competitively
- Achieve closer affiliation with other system(s)
- Prepare for health reform through creation of regional integrated system



Case Studies: Models of Governance Reform at Other Safety Net Systems

Potential Models for Governance Reform

- Independent Authority or Public Benefit Corporation
- Independent Taxing District
- Contract management
- New non-profit corporation
- Merger with existing non-profit system
- Acquisition by for-profit system

Independent Authority or Public Benefit Corporation

- Special legislation authorizes transfer of significant County services & powers
- State law may authorize County to create through resolution or ordinance
- County can appoint board
- Assets, personnel, programs, obligations can all be transferred to new entity
- Contracts and agreements between County and authority govern services, funding
- County reserve powers

Independent Authority or PBC: Examples

- Alameda County Health Care Authority
- Hennepin County Medical Center
- Nassau & Westchester Counties NY
- Denver Health & Hospitals Authority
- Hawaii Health Systems Corporation
- New York City Health & Hospitals Corporation
- Universities of Colorado, Kansas, Wisconsin

Alameda County Health Care Authority

Hospital authority with County-appointed Board

- Objectives:
 - More flexibility and autonomy
 - Greater ability to compete in healthcare marketplace
 - End County's perceived funding "drain"
- Results:
 - Revenue and productivity have improved
 - Estimated increase in revenues per patient day
 - Improved personnel recruitment and retention
 - Enhanced ability to achieve passage of new tax
 - Greater financial stability for County and ACHC
 - Still realizing potential advantages
 - "Extremely beneficial"
- May seek additional powers

Hennepin County Medical Center

- Authority with County-appointed Board
- Objectives:
 - More focused, dedicated governance
 - Greater ability to compete in healthcare marketplace
 - Reduce drain on County's property taxes
 - Restructure relationships with medical staff
- Results:
 - Improved productivity and more efficient operations
 - Volume of insured business growing
 - Improved personnel recruitment
 - Benefits of dedicated Board's focus
 - Compared with past trajectories, "very successful" financial projections
 - Serious work has begun on medical staff restructure

Independent Taxing District

- Common form of public hospital in Florida, California, Texas
- Each District established by statute in Florida
- A County may have one or more Districts
- Governing boards appointed by Governor in Florida
- Florida Districts enjoy broad powers
 - Create or purchase non-profit or for-profit facilities
 - Enter management contract for hospital
 - Transferring all or majority of hospital assets to third party
 - Create subsidiary, participate in joint venture
 - Levy taxes, issue bonds

Taxing District: Examples

- Maricopa Integrated Health System
- Dallas County Hospital District (Parkland)
- Harris County Hospital District (Houston)
- North & South Broward Districts

Taxing District: Examples

- Maricopa Integrated Health System:
 - Taxing health care district with 5 elected directors
 - County sought greater financial independence and autonomy for MIHS
 - Now benefit from greater stability, financial planning, flexibility
 - “Absolutely a net positive”
- Dallas County Hospital District (Parkland):
 - Longstanding taxing healthcare district with Board of Managers appointed by County commissioners
 - County approves the tax rate, the budget, and debt issuance
 - Recognizes health care as a business
 - Structure encourages flexibility and strong governance

Contract Management by Third Party

- Harborview Medical Center (County hospital managed by University of Washington)
- Wishard Memorial Hospital (City-County hospital managed by Indiana University)
- Brackenridge Hospital (City hospital owned by new taxing district and managed by Seton Health, part of Ascension)

Harborview Medical Center

- Details: Management contract under which Harborview Medical Center (“HMC”) capital assets are owned by King County and HMC is managed by the University of Washington (“UW”).
- Primary Goal: To maintain a hospital providing care for King County, while being a teaching center for UW.
- Legal Obligations:
 - HMC has own Governing Board, appointed by County
 - Determined to be an arm of state government, with state obligations.
 - All employees are considered UW employees; those who began at HMC prior to 1970 retain previously acquired county rights, including retirement benefits.

New Not-for-Profit Corporation

- Grady Health System
- Tampa General Hospital
- Truman Medical Centers
- Regional Medical Center at Memphis
- University hospitals of Florida, Maryland, West Virginia, Georgia etc.

Grady Health System

- Details: Lease and transfer agreement
 - Grady Health System, operated by Fulton-DeKalb Hospital Authority (the “Authority”), is leased to new nonprofit Grady Memorial Hospital Corporation.
- Primary Goal: To gain more operating autonomy from two-county Authority in order to contain costs and gain access to capital & philanthropy
- Legal Obligations:
 - Grady has no responsibility for former/retired employees
 - Grady remains subject to certain public requirements
 - Open Meeting & Records
 - Financial Reports

Tampa General Hospital

- Details: Transfer of Tampa General Hospital (“TGH”) from Hillsborough County Hospital Authority to new private, non-profit corporation.
- Primary Goal: Given lack of local financial support, need to compete with private hospitals in the region for privately insured, Medicare and Medicaid patients.
- Legal Obligations:
 - TGH remains subject to liberally-construed sunshine laws.

Merger or Affiliation with Existing Not-for-profit Corporation

- Great Lakes Health System of Western New York
- Boston Medical Center
- UMass Memorial Health Care System
- Fresno County Valley Medical Center
- University of Arizona Healthcare

Great Lakes Health System of Western New York

- Details: Contractual relationship between Erie County Medical Center (“ECMC”), a public benefit corporation, and Kaleida Health, a non-profit corporation.
- Primary Goal: To address excessive bed capacity, duplication of services, and economic challenges in region.
- Legal Obligations:
 - ECMC maintains its status as a PBC, and remains subject to state ethics, personnel, and procurement policies.

Boston Medical Center

- Details: Merger of the public Boston City Hospital (“BCH”) with the private not-for-profit Boston University Medical Center.
- Primary Goal: Consolidation of operations and relieving BCH of governmental constraints and obligations in order to improve payer mix and compete more effectively.
- Legal Obligations:
 - BCH must file an annual report to the city on its provision of health care services.
 - BCH is no longer subject to civil service or procurement rules.
 - BCH maintains its status as a public hospital for Medicaid DSH adjustments.

Characteristics of For-profit Systems

- Narrow market focus (urban, suburban, rural)
- Narrow business focus (operating hospitals)
- Junk-rated debt – but retain ability to borrow
- Bullish on health reform!
- Intense focus on operating efficiencies
- Labor costs average 40% of total costs (compared to 53% for all non-profit hospitals under \$1 billion)
- Supply costs under 16% of total costs (vs 18-20% for average community hospital)

For-profit Hospital Systems

Publicly Owned (#)

- HCA (154)
- Community Health Systems (126)
- Lifepoint (52)
- Hospital Management Associates (50)
- Tenet (49)
- Universal (25)

Privately Held (#)

- Vanguard (25) (Blackstone)
- Iasis (18) (Texas Pacific)
- Ardent (8) (Welsh Carson)
- Steward (6) (Cerberus)
- Essent (5) (Cressey, Vestar)
- Regional Care (4)
- LHP (2) (Formerly Triad)
- American Health Care Network (0) (Ascension and Oak Hill)
- Over two dozen PE firms waiting in the wings (with \$\$\$)

What Do For-profit Companies/PE Investors Look For?

- Distressed hospitals in need of capital
- Ability to buy cheap and use leverage
- Potential to cut costs and improve cash flow
- Potential to generate scale for company
- Ability to cut deal with labor force
- Continuous growth – potential availability of other providers in market and/or state
- A viable exit strategy – sale, merger or IPO
- To be the next HCA.....

Potential Models of For-Profit Acquisition

- Amarillo Hospital District (Universal)
- Oklahoma University Medical Center (HCA)
- Memorial Medical Center, Las Cruces (Lifepoint)
- Detroit Medical Center (Vanguard)
- Caritas Cristi System (Cerberus/Steward)

Detroit Medical Center/Vanguard

- DMC down to a few days cash, with aging plant and equipment, inner city location, declining utilization, poor payer mix
- State refused bailout; local systems not interested; facing closure of most facilities
- \$1.267 billion “deal” closed January 1, 2011 – Vanguard agreed to assume \$417 million debt, assume pension obligations and spend \$850 million on capital over 5 years
- Non-profit board remains in place to manage \$140 million spent annually on charity care
- Deals cut with unions

Caritas Cristi/Cerberus

- Six hospital Caritas Cristi system perceived to be failing in aggressively competitive Boston hospital market
- Both Ascension and CHI had passed on opportunity to purchase
- Cerberus agreed in 2010 to pay \$895 million to assume debt and pension liability and for capital infusion over five year period
- Cerberus had no previous health industry experience and no management team – Caritas management was preserved and became “Steward”
- Deal cut with SEIU to unionize workers
- Required approval of AG, Archdiocese, state Supreme Court
- Steward has already acquired two other Massachusetts hospitals and has aggressive expansion goals – desire to “scale up” for future “event”

In Conclusion -- Issues to Be Considered

- Remember: effective governance is a tool, not a panacea
- System change requires will, ideas & execution
- Systematically identify key problems – and determine if a new structure can address them (conduct thorough preliminary assessment prior to making final decision to proceed)
- Carefully define new structure: make sure it has the resources and power it needs
- Lay out required process in detail before proceeding, e.g., authorizing legislation, referendum, board structure, services to be transferred, funding, personnel, procurement, information, accounting & financial systems, etc.
- Educate & enlist all relevant stakeholders
- Recruit an outstanding board – and let it function with sufficient autonomy to get the job done

September 10, 2010

VIA HAND DELIVERY
& FACSIMILE

To: The Honorable Board of County Commissioners
Commissioner Dennis Moss, Chair
Commissioner Barbara Jordan
Commissioner Dorrin Rolle
Commissioner Audrey Edmonson
Commissioner Sally Heyman
Commissioner Bruno Barreiro
Commissioner Rebeca Sosa
Commissioner Carlos Gimenez
Commissioner Katy Sorenson
Commissioner Javier Souto
Commissioner Joe Martinez
Commissioner Jose "Pepe" Diaz
Commissioner Natacha Seijas

From: Martha Baker, RN, President, SEIU Local 1991

**Re: Jackson Doctors, Nurses and Healthcare Professionals Respond to
PHT Grand Jury Report (BCC Agenda Item 6B2)**

Our healthcare union, which represents over 5,000 doctors, nurses and other healthcare professionals working at PHT/Jackson Health System, made the original request to have the Grand Jury investigate the operations of PHT/JHS. We did so because as we labor each day to save lives, we also are professionals dedicated to saving the public's health system.

We very much appreciate the efforts of the citizens who served on the Grand Jury. They recognized the importance of JHS to our community.

There are many important factual findings brought out by the report. These issues demand further investigation. However, there were multiple political conclusions and opinions offered by the report. If we are to have an honest discussion of the report it is critical that the community know the difference between political conclusions and factual findings.

Grand Jury Finds Evidence of Gross Operational Mismanagement Perpetrated by the PHT Administration and/or PHT Board.

The Grand Jury did an excellent job of framing the issues or as the report said, “incompetencies.” Highlights of some of these findings include:

- Accounts receivables were overestimated by management and the PHT Board did not detect such errors, leading to a \$50MM deficit instead of a \$50MM gain in the 2009 budget.
- Management instituted a Net Patient Revenue Adjustment, and the PHT Board did not detect the error which lead to a falsely inflated revenue/AR. (pg 22)
- JHS management miscalculated contractual adjustments. As pointed out by the auditor, a huge error was created by JHS administration when it used an inaccurate reimbursement rate in calculating its projected revenue. (pg 23) The PHT Board never caught this error.
- Management thought there was a \$46MM budget deficit in 2009. PHT Board thought the same. However, it took external auditors to disclose the real deficit of \$244MM.
- The Revenue Cycle is broken and JHS was unable for years to properly collect on its billings. JHS paid millions to have Deloitte work at JHS with their primary assignment to fix the revenue cycle. Deloitte proceeded to rescue the broken department by staffing with their own employees and moving the entire billing world off campus. Then, when Deloitte left JHS 5 years later, the billing world collapsed again. JHS internal employees had never fully learned to properly collect all monies owed. JHS paid Deloitte greater than \$80MM over five years.
- The words of the report sum up certain managerial incompetence. "We were stunned by the lack of competence certain witnesses demonstrated during the course of their testimony about the finances of JHS...It appears to us that persons at JHS are working in positions for which they are not qualified...We have no confidence in the numbers presented in the internal financial reports...." (pg 20-21).

- As the report stated, “management should have known there was a problem because JHS issues monthly financial statements to management and members of the PHT. For fiscal year 08-09 the monthly CFO reports reflected the following warning signs:

- increase in money owed
- decrease in cash on hand
- decrease in cash and investments
- decrease in money coming in

The failure of the PHT [Board] to note this trend and address it in a timely manner may speak to the need to change the eligibility requirement for those serving on the PHT...(Pg 26)

- “In the 2009 Audit Reports, the auditors found a certain deficiency that they considered a 'material weakness' in internal control, which affected the JHS financial statements.” The auditors also reported “the checks and balances ...were insufficient.”(pg 29)

The Grand Jury Offered a Political Conclusion, not Based on the Facts in the Report, but Rather Based on Their Personal Desire to Blame the County Commission for the Crisis at Jackson.

One would hope that personal opinions would not be intertwined into a factual report. Unfortunately, regardless of the facts the Grand Jury found, its ultimate conclusion in every case was to blame the woes on the governing structure of the PHT. In the end the report essentially blames the County Commission for the managerial incompetencies of certain Jackson administrators and the lack of proper oversight by the PHT Board members themselves.

The Grand Jury makes a flawed recommendation to change the governance structure and actually give *more* autonomy to the very PHT Board that was unable (or perhaps unwilling) to catch management’s mistakes and "incompetencies." The auditors talk about insufficient “checks and balances,” yet the Grand Jury recommends removing a critical check and balance, the BCC.

Further, this report is being used by certain lobbyists to remove the ultimate check and balance, the voters of Dade County. They are disingenuously advocating to take away the right of the electorate to remove from office those who are accountable for Jackson by creating an insulated private organization.

There are many matters that may have lead to such gross incompetence at JHS. However, the Grand Jury only mainly focuses upon structure as the alleged culprit. With

millions of dollars mishandled not a single administrator was held accountable. No vendors or lobbyists were called into question. No indictments were issued. The report purposely avoided “naming names” – allowing public officials to evade responsibility.

The PHT Board only received one central admonishment. On pg 30 of the report it is written that, “The PHT’s specific job is to make sure something like this does not happen.” The PHT Board clearly failed to do their job. Yet the Grand Jury report suggests they get more autonomy in several arenas.

The County Commission and County Structure has Created an Outstanding Police Department, Nationally Recognized Fire Rescue Service, and World Class Healthcare at Jackson. Yet, now BCC is to be Blamed for the JHS Crisis.

How can the same BCC and County structure that manages our incredibly successful Police Department and Fire Rescue Department, become bumbling idiots with regard to PHT? The Police Department has the right to use lethal force. Fire Rescue becomes our front line during our most challenging crises. Why is it that only PHT business operation are running afoul of the public trust?

It is odd that the so called broken structure at PHT/JHS seems to also produce superb medical results. While some managers and the PHT Board commit operational malpractice, the healthcare professionals at Jackson perform medical miracles every day. The employees should be commended for their continued deliverance of excellent healthcare when the systems around them are crumbling with incompetence. The employees not only gave 5 percent of their wages, but took voluntary demotions and froze wages and bonuses for 12 months adding up to a 7-12 percent contribution in reality. The employees at Jackson donated over 100 million in concessions this year alone. The union employees also have created an Efficiency Task Force that is saving JHS multiple millions.

To make Jackson Stronger We must have an Honest Community Dialogue and not Engage in Political Games. It is perverse that a Report that Allegedly Seeks to take the Politics out of Jackson, has done just the Opposite. Instead of Sticking to the Facts and Looking for Solutions, the Report Bootstraps a Preordained Conclusion and Blames Everything on the Commission and the Employees. Simply put the Facts do not Support the Conclusion.

Critical stakeholders never appeared before the Grand Jury. Did any charity care patients testify? Did independent experts on hospital administration testify? Did renowned scholars on government and governance appear? Were any independent studies commissioned? We think not.

It is disconcerting also to note that many of the allegations and certain testimony presented was not verified or checked for accuracy. For example, the report is completely false when it reports that the BCC overruled the PHT and unilaterally gave employee raises. That never happened and the evidence proving otherwise is easily discoverable. We would like the Grand Jury to follow up to see if that witness committed perjury or was just mistaken.

It Is Time for the Stakeholders to come Together to Save Jackson

Instead of political gainmanship, self-serving task forces and anointed committees of 41 throwing political rocks, it would be best for the community and the stakeholders to have an honest dialogue. Can one imagine what healthcare would be like if our doctors and nurses approached a heart attack patient in the same manner that the Grand Jury approached its political conclusion? We, as medical professionals, must every day labor to save our patients lives. We now call upon the BCC to approach the Jackson crisis with the same professionalism and honesty.

Sincerely,

A handwritten signature in cursive script that reads "Martha Baker RN".

Martha Baker, RN, President

CC: The Honorable Katherine Fernandez Rundle
The Honorable Mayor Carlos Alvarez
County Manager George Burgess
PHT President Dr. Eneida Roldan

Hospital Governance Models											
Governance Models	Governance Description	Characteristics		Example of Hospitals	Location	Effective Date of Governance Model	Links to References	Type of Change	Notes	Other Variables	
										Teaching Hospital (Y/N)	Organized Labor union (Y/N)
Direct Local Government Control/Operation	- Major decisions made by elected officials; -May designate operations to semi-autonomous board; - Have access to local gov't tax support; - No separate legal structure	-Is current structure and has worked since the 1970's; -Should provide base of political support for advocacy initiatives; -Full faith and credit of county gov't to underpin bonding; -Sovereign immunity applies to those employed by JHS; -Sole beneficiary of ad valorem property taxes earmarked for indigent care; -Exempt from taxes	-Levels of autonomy for PHT vary based on leadership both at Trust and on Commission; -dependent upon gov't purchasing and personnel policies and procedures; -Sunshine law provisions occasionally hamper internal communications; -county can delegate programs/services and over-ride PHT decisions	John H Stroger Jr. Hospital Cook County	Chicago , IL					Y	Y
				Los Angeles County Dept of Health Services	Los Angeles County, CA					Y	Y
				Jackson Health System	Miami Dade County, FL					Y	Y
Separate Government Entity With Taxing Capacity	-Distinct independent government entity; -Functionally dedicated board; -Statutory authority identifies election/appointment process; -Controls own budget, issues bonds; -Has autonomy in civil service, purchasing and contracting	-Sets own millage rates; -Has both authority and responsibility for use of public funds; -Still has some political ties based on way legislation is written and board is elected/appointed; -Has sovereign immunity as unit of gov't; -Develops and adopts own policies and procedures and labor agreements; -Tax exempt	-Subject to Sunshine law; funding levels vary based on economy and property values; -Board members have high public/political profile; -have to use own credit status to raise capital; -not eligible for philanthropy	Memorial Health Care System (South Broward) & Broward Health (North Broward Hospital District)	Broward County, FL	1947 & 1951		Taxing District		Y	?
				Parkland Health & Hospital System	Dallas, TX					Y	?
				University of Colorado Hospital	Colorado	1991	6	Established new (Independent) hospital authority		Y	N
				Denver Health Medical Center	Denver, CO	1996	2			Y	N
Nonprofit/Third Party Management	-Tax exempt under Sect. 501(c)(3) of IRS; -Local gov't may maintain some role in governance (eg seat on, or appointment to, board) and/or funding (pay for specified services to specified patients); -Sale, transfer or long term lease of buildings/assets of gov't; -Third party controls operations including human resources, purchasing and contracts	-Eligible recipient for philanthropy without using separate foundation; -Not required to have organized labor; -Can develop and implement own policies and procedures for nomination and selection of board of directors, purchasing and contracts; -Exempt from income, property and sales taxes on all "related" revenue	-No longer only hospital designated eligible for County funding for indigent care; -Must create and maintain own credit rating; -No sovereign immunity; -Have to compete with other community based organizations for talented board leadership and local philanthropy; - "Non-related" revenue subject to taxation	Boston Medical Center	Boston, MA	1996	1, 6	Consolidated with existing non-profit		Y	Y
				Great Lakes Health System of Western New York	Buffalo, NY	2008	1		Unified Kaleida Health and the Eric County Medical Center into a new non-profit (unification continues)	Y	Y
				Fresno County Valley Medical Center	Fresno County, CA	1996	1			Y	N
				Oakwood Healthcare System	Dearborn, MI	1991	6			Y	Y
				Shands Jacksonville	Jacksonville, FL	1980	1			Y	Y
				Umass Memorial Health Care System	Massachusetts	1998	1			Y	Y
				Middle Tennessee Medical Center	Murfreesboro, TN	1996	5			N	N
				University of Arizona Healthcare	Tucson, AZ	2010	1			Y	?
				Grady Health System	Atlanta, GA	2008	1,3	Conversion to new non-profit		Y	N
				Truman Medical Centers	Kansas City, MO	1960s	1			Y	Y
				Regional Medical Center at Memphis	Memphis, TN	1981	1			Y	N
				Hillsborough County Hospital Authority / Tampa General Hospital	Tampa, FL	1997	1,4			Y	N
				Brackenridge Hospital and Children's Hospital	Austin, TX	1995	1,6	Contract management by non-profit 3rd Party		Y	?
				Harborview Medical Center	King County, WA					Y	Y
				Sutter Medical Center of Santa Rosa, California	Santa Rosa, CA	1996	6			Y	Y
				Wishard Memorial Hospital	Indianapolis, IN					?	?
				Henry Ford Hospital	Michigan, MI	1987	7	Shared Governance	Non-profit hospital adopted "shared governance" model	Y	?
				Nebraska Medical Center	Omaha, NE		1			Y	Y
For-Profit Management	Managed as a private organization			Amarillo Hospital District	Amarillo, TX						
				Detroit Medical Center/Vanguard Health Systems	Detroit, MI	2010			Acquired by Vanguard Health Systems	Y	Y
				Caritas Christi/Steward Health Care System	Massachusetts	2010	1		Acquired by Steward Health Care System LLC	Y	Y
				Memorial Medical Center	Las Cruces, NM					?	?
				Oklahoma University Medical Center	Oklahoma City, OK					?	?

Reform petition process (Murphy)

Concept: Make various changes to Article 8 to reform the petition process, including:

1. Eliminating the need to have a notary sign petition forms;
2. Authorizing a petition process that is self-executing by a voter who chooses to download a petition at home or pick up a hard copy of the petition (absent a circulator);
3. Allowing a petition to be approved by the Clerk in multiple languages;
4. Providing for a uniform ten percent petition process;
5. Setting the recall threshold at a level equal to the number of votes cast to elect the official if it is greater than the ten percent; and
6. Providing for a stated cause in a recall petition and allowance for a rebuttal statement on the ballot by the official subjected to recall.

MIAMI-DADE COUNTY HOME RULE CHARTER

ARTICLE-8¹

SECTION 8.01. INITIATIVE AND REFERENDUM.

The electors of the county shall have the power to propose to the Board of County Commissioners passage or repeal of ordinances and to vote on the question if the Board refuses action, according to the following procedure:

1. The person proposing the exercise of this power shall submit the proposal, including proposed ballot language to the Clerk of the Circuit Court who shall without delay approve as to form a petition ~~[[for circulation]]~~ in one or several ~~[[copies]]~~ >>languages<< ~~[[as the proposer may desire]]~~. A public hearing shall be held on the proposal at the next Board of County Commissioner meeting subsequent to the date the Clerk approves the petition as to form.
2. The person or persons ~~[[circulating]]~~ >>initiating<< the petition shall, within 60 days of the approval of the form of the petition, obtain the valid signatures of voters in the county in numbers at least equal to ~~[[four]]~~ >>ten<< percent of the registered voters in the county on the day on which the petition is approved, according to the official records of the County Supervisor of Elections. In determining the sufficiency of the petition, no more than 25 percent of the valid signatures required shall

¹Words stricken through and/or ~~[[double bracketed]]~~ shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

come from voters registered in any single county commission district. Each signer of a petition shall place thereon, after his name, the date, and his place of residence or precinct number. ~~[[Each person circulating a copy of the petition shall attach to it a sworn affidavit stating the number of signers and the fact that each signature was made in the presence of the circulator of the petition.]]~~

* * *

5. If the proposal is submitted to the electors, the election shall be held either:
 - (a) In the next scheduled county-wide election, or
 - (b) If the petition contains the valid signatures in the county in numbers at least equal to ~~[[eight]]~~ >>fifteen<< percent of the registered voters in the county, the election shall take place on the first Tuesday after 120 days from certification of the petition. The result shall be determined by a majority vote of the electors voting on the proposal.

* * *

7. An ordinance adopted by the electorate through initiatory proceedings shall not be amended or repealed by the Board for a period of ~~[[one year]]~~ >>three years<< after the election at which it was adopted, but thereafter it may be amended or repealed like any other ordinance.

SECTION 8.02. RECALL.

Any member of the Board of County Commissioners, the Mayor, the Property Appraiser, the Sheriff or Constable may be removed from office by the electors of the county, district, or municipality by which he was chosen. The procedure on a recall petition shall be identical with that for an initiatory or referendary petition, except that:

1. The Clerk of the Circuit Court shall approve the form of the petition >>, which shall state the cause for recall in no more than 25 words<<.
2. The person or persons ~~[[circulating]]~~ >>initiating<< the petition must obtain signatures of electors of the county, district, or municipality concerned in numbers at least equal to ~~[[four]]~~ >>either:
 - (a) Ten ~~<<~~ percent of the registered voters in the county district or municipality on the day on which the petition is approved,

according to the official records of the County Supervisor of Elections>>; or

(b) The number of votes cast for the official in the most recent election, whichever is greater<<.

* * *

5. The question of recall shall be placed on the ballot in a manner that will give the elector a clear choice for or against the recall. >>A rebuttal statement of no more than 25 words by the subject of the recall may be included.<< The result shall be determined by a majority vote of the electors voting on the question.

* * *

7. No recall petition against such an officer shall be certified within one year after he >>or she<< takes office>>, during the final six months of the officer's term<< nor within one year after a recall petition against him >>or her<< is defeated.

Concept (Murphy): Modifying the Boundary Change Petition Process, so that it would have the same or similar provisions as the incorporation petition process approved in concept by the CRTF on May 30, 2012, subject to approval of the municipality receiving the area proposed to be annexed and/or separated. This proposal provides that the Board of County Commissioners may suspend the petition process if the petition would lead to creation of an enclave and may defer a petition if a conflicting petition has been filed earlier.

Text of Proposed Charter Amendment:

SECTION 6.04. CHANGES IN MUNICIPAL BOUNDARIES.

A. The planning director shall study municipal boundaries with a view to recommending their orderly adjustment, improvement, and establishment. Proposed boundary changes may be initiated by the Planning Advisory Board, the Board of County Commissioners, the governing body of a municipality, or by a petition of any person or group concerned.

B. >>If the proposed boundary changes were initiated by the Planning Advisory Board, the Board of County Commissioners, or the governing body of a municipality, the<<[[The]] Board of County Commissioners, after obtaining the approval of the municipal governing [[bodies]] >>body which is proposed to have an area annexed to the municipality or which is proposed to have an area separated from the municipality<<[[concerned]], after hearing the recommendations of the Planning Advisory Board, and after a public hearing, may by ordinance effect boundary changes, unless the change involves the annexation or separation of an area of which more than 250 residents are electors, in which case an affirmative vote of a majority of those electors voting shall also be required. Upon any such boundary change any conflicting boundaries set forth in the charter of such municipality shall be considered amended.

>>C. Municipal boundaries may be changed following a petition of electors residing in the area whose boundaries are proposed to be changed in accordance with the following process:

1. A boundary change committee composed of a minimum of five (5) electors from the area proposed to be annexed will initiate the process by filing with the Clerk of the Circuit Court an initiatory petition on a form prescribed by Clerk for such purpose. The form shall provide for the names and addresses of the Boundary Change Committee members and describe the boundaries of the area proposed to be changed. The petition shall also require the name, address and signature of the elector signing the petition, but such signatures shall not have to be notarized. Within seven (7) days of receipt of the form, the Clerk will determine if the form is acceptable and shall either advise as to required changes or approve the form of petition. The Clerk shall also provide a copy of the approved form of petition to Board of County Commissioners.
2. The Board of County Commissioners at its next regularly scheduled meeting after received the approved form of petition:

(a.) shall return the petition to the Boundary Change Committee for modification and the subject petition process shall be suspended until such time as the proposed boundary changes are modified, if the proposed boundary changes would create an unincorporated area enclave, which is defined as an area which is surrounded on more than eight (80) percent of its boundary by one (1) or more municipalities and of a size that could not be serviced efficiently or effectively will be created if the boundary changes are approved; or

(b.) shall defer the petition for up to a year for the purpose of the disposition of any earlier petition filed with and approved by the Clerk which proposes boundary changes that conflict with the subject petition, in whole or in part.

3. If the petition has not been returned to the Boundary Change Committee and suspended or deferred as set forth above, the Boundary Change Committee will have 120 days from the date the Clerk approve the form of petition to obtain signatures equal to ten percent (10%) of the electors in the area whose boundaries are proposed to be changed on the approved form.
4. The signed petitions will be submitted to the Clerk, who shall have thirty (30) days to canvass the signatures contained therein.
5. Upon certification of the sufficiency of the signatures on the petition, the Clerk shall present the petition to the Board of County Commissioners at their next regularly scheduled meeting. Upon concluding that the boundaries proposed to be changed involve the annexation or separation of an area of which less than 250 residents are electors, the Board shall adopt an ordinance effecting the boundary change subject to consent of the governing body of the government to which the area will be annexed and, in the event of a separation, the consent of the municipal governing body from which the area is removed.
6. Upon concluding that the boundaries proposed to be changed involve the annexation or separation of an area of which 250 or more residents are electors, the Board shall call an election to authorize the creation of a municipality upon approval of the proposed boundary change by the municipal governing body to which the area will be annexed and, in the event of a separation, the approval of the proposed boundary change by the municipal governing body from which the area is removed.
7. Any election called to authorize a boundary change shall be called within ninety (90) to one hundred twenty (120) days from the date the Clerk certifies the signatures. The election shall be held, whenever practicable, in

conjunction with another election scheduled to occur within the proscribed time period. The election shall be decided by an affirmative vote of a majority of electors voting in the area of the proposed boundary changes.

8. During the sixty (60) days following the certification of the petition, the Board shall complete a budgetary analysis in cooperation with the Boundary Change Committee of and on the proposed boundary change and schedule at least one public hearing prior to the boundary change election. Such budgetary analysis shall at a minimum estimate all of the identifiable revenues generated by the proposed area whose boundaries are proposed to be changed prior to such change, and present the operating expenses of the municipality to which the area will be annexed.
9. Upon any such boundary change any conflicting boundaries set forth in the charter of any affected municipality shall be changed]].

~~[[€]]>>D<<.~~ No municipal boundary shall be altered except as provided by this Section.

Incorporation Petition Concept Modification (Murphy):

Concept: Amend Section 6.05 to create 6.05(a) Incorporation by the Board and 6.05(b) Incorporation by Initiatory Petition. The initiatory provision incorporation process will be modeled after initiatory petition for ordinances and Charter Amendments. This modification provides that the Board of County Commissioners may suspend the petition process if the petition would lead to creation of an enclave and may defer a petition if a conflicting petition has been filed earlier.

Text of Proposed Charter Amendment:

ARTICLE - 6

MUNICIPALITIES

SECTION 6.01. CONTINUANCE OF MUNICIPALITIES.

The municipalities in the county shall remain in existence so long as their electors desire. No municipality in the county shall be abolished without approval of a majority of its electors voting in an election called for that purpose. Notwithstanding any provision of the Charter, the Board of County Commissioners shall have the authority to abolish a municipality by ordinance where such municipality has twenty or fewer electors at the time of adoption of the ordinance abolishing the municipality. The right of self determination in local affairs is reserved and reserved to the municipalities except as otherwise provided in this Charter.

SECTION 6.02. MUNICIPAL POWERS.

Each municipality shall have the authority to exercise all powers relating to its local affairs not inconsistent with this Charter. Each municipality may provide for higher standards of zoning, service, and regulation than those provided by the Board of County Commissioners in order that its individual character and standards may be preserved for its citizens.

SECTION 6.03. MUNICIPAL CHARTERS.

A. Except as provided in Section 5.04, any municipality in the county may adopt, amend, or revoke a charter for its own government or abolish its existence in the following manner. Its governing body shall, within 120 days after adopting a resolution or after the certification of a petition of ten percent of the qualified electors of the municipality, draft or have drafted by a method determined by municipal ordinance a proposed charter amendment, revocation, or abolition which shall be submitted to the electors of the municipalities. Unless an election occurs not less than 60 nor more than 120 days after the draft is submitted, the proposal shall be submitted at a special election within that time. The governing body shall make copies of the proposal available to the electors not less than 30 days before the election. Alternative

proposals may be submitted. Each proposal approved by a majority of the electors voting on such proposal shall become effective at the time fixed in the proposal.

B. All municipal charters, amendments thereto, and repeals thereof shall be filed with the Clerk of the Circuit Court.

SECTION 6.04. CHANGES IN MUNICIPAL BOUNDARIES.

A. The planning director shall study municipal boundaries with a view to recommending their orderly adjustment, improvement, and establishment. Proposed boundary changes may be initiated by the Planning Advisory Board, the Board of County Commissioners, the governing body of a municipality, or by a petition of any person or group concerned.

B. The Board of County Commissioners, after obtaining the approval of the municipal governing bodies concerned, after hearing the recommendations of the Planning Advisory Board, and after a public hearing, may by ordinance effect boundary changes, unless the change involves the annexation or separation of an area of which more than 250 residents are electors, in which case an affirmative vote of a majority of those electors voting shall also be required. Upon any such boundary change any conflicting boundaries set forth in the charter of such municipality shall be considered amended.

C. No municipal boundary shall be altered except as provided by this Section.

SECTION 6.05. CREATION OF NEW MUNICIPALITIES.

(A) The Board of County Commissioners ~~[[and only the Board]]~~ may authorize the creation of new municipalities in the unincorporated areas of the county after hearing the recommendations of the Planning Advisory Board, after a public hearing, and after an affirmative vote of a majority of the electors voting and residing within the proposed boundaries. The Board of County Commissioners shall appoint a charter commission, consisting of five electors residing within the proposed boundaries, who shall propose a charter to be submitted to the electors in the manner provided in Section 5.03. The new municipality shall have all the powers and rights granted to or not withheld from municipalities by this Charter and the Constitution and general laws of the State of Florida. Notwithstanding any provision of this Charter to the contrary, with regard to any municipality created after September 1, 2000, the pre-agreed conditions between the County and the prospective municipality which are included in the municipal charter can only be changed if approved by an affirmative vote of two-thirds (2/3) of the members of the Board of County Commissioners then in office, prior to a vote of qualified municipal electors.

>>(B) A new municipality may also be created by petition of electors residing in the area to be incorporated in accordance with the following process:

1. An incorporation committee composed of a minimum of 5 electors from the proposed area of incorporation will initiate the process by filing with the Clerk of the Circuit Court an initiatory petition on a form prescribed by the Clerk for such purpose. The form shall identify the names and addresses of the Incorporation Committee members and describe the proposed incorporation area. Within seven (7) days of receipt of the form, the Clerk will determine if the form is acceptable and shall either advise as to required changes or approve the form of petition and provide the Incorporation Committee the total number of the electors within the proposed incorporation area and the number of required signatures which shall be equal to ten percent (10%) of the electors in the proposed incorporation area.
2. The Board of County Commissioners at its next regularly scheduled meeting after received the approved form of petition:
 - (a.) shall return the petition to the Incorporation Committee and the subject petition process shall be suspended until such time as the proposed municipal boundaries are modified, if the proposed incorporation would create an unincorporated area enclave, which is defined as an area which is - surrounded on more than eight (80) percent of its boundary by one (1) or more municipalities and of a size that could not be serviced efficiently or effectively will be created if the incorporation is approved; or
 - (b.) shall defer the petition for up to a year for the purpose of the disposition of any earlier petition filed with and approved by the Clerk which proposes an incorporation that conflict with the subject petition, in whole or in part.
3. If the petition has not been returned to the Incorporation Committee and suspended or deferred as set forth above, the Incorporation Committee will have 120 days to obtain signatures equal to ten percent (10%) of the electors in the proposed incorporation area on a petition provided by the Clerk. The petition shall require the name, address and signature of the elector but such signatures shall not have to be notarized.
4. The signed petitions will be submitted to the Clerk, who shall have thirty (30) days to canvass the signatures contained therein.
5. Upon certification of the sufficiency of the signatures on the petition, the Clerk shall present the petition to the Board of County Commissioners at their next regularly scheduled meeting, at which time the Board shall call an election to authorize the creation of a municipality, which election shall occur no sooner than ninety (90) and no greater than one hundred twenty (120) days

from the date the Clerk certifies the signatures. The election shall be held, whenever practicable, in conjunction with another election scheduled to occur within the proscribed time period. The election shall be decided by an affirmative vote of a majority of electors voting in the proposed incorporation area.

6. During the sixty (60) days following the certification of the petition, the Board shall complete a budgetary analysis in cooperation with the Incorporation Committee of and on the proposed incorporation area and schedule at least one public hearing prior to the incorporation election. Such budgetary analysis shall at a minimum estimate all of the identifiable revenues generated by the proposed incorporation area prior to incorporation, and present the operating expenses of comparable small, medium and large municipalities providing typical municipal services.
7. Within 30 days after certification of the election, the Board of County Commissioners shall appoint, from a list proposed by the Incorporation Committee, a five member Charter Committee which shall, within ninety (90) days after appointment, create a Charter for the newly incorporated area setting forth at least the form of government and governing body of the newly incorporated area. The new municipality shall have all the powers and rights granted to or not withheld from municipalities by the County Home Rule Charter and the Constitution and general laws of the State of Florida. Upon completion, the proposed Charter will be submitted to the electors of the municipality no sooner than 60 days and no later than 120 days after it is completed. Upon an affirmative vote of a majority of those electors within the municipality, the municipal charter shall become effective and the municipality shall be created at the time stated in the municipal charter.<<

Incorporation Petition Concept Modification (Slesnick):

Concept: Amend Section 6.05 to create 6.05(a) Incorporation by the Board and 6.05(b) Incorporation by Initiatory Petition. The initiatory provision incorporation process will be modeled after initiatory petition for ordinances and Charter Amendments. This modification will expressly recognize that the Clerk of the Circuit Court may disapprove the petition for cause and that the County Commission should have the authority to review the appropriateness of the petitioned for incorporation as described herein, following advice of an advisory council with fair representation of all interests. The council may suggest alternate boundaries, but the decision as to the alternate boundaries is left to the Incorporation Committee. There is a strict ninety (90) day timeframe for County and Council review of the petition, which can be enforced by court action if the timeframe is not met. This proposal also requires the required budget analysis to be provided to resident electors in the proposed incorporation area and requires any proposed municipality whose boundaries include any area outside the urban development boundary, as may be described in the County's Comprehensive Development Master Plan, to abide by the permitted uses as set forth in such plan.

Text of Proposed Charter Amendment:

ARTICLE - 6

MUNICIPALITIES

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SECTION 6.02. MUNICIPAL POWERS.

Each municipality shall have the authority to exercise all powers relating to its local affairs not inconsistent with this Charter. Each municipality may provide for higher standards of zoning, service, and regulation than those provided by the Board of County Commissioners in order that its individual character and standards may be preserved for its citizens.

SECTION 6.03. MUNICIPAL CHARTERS.

A. Except as provided in Section 5.04, any municipality in the county may adopt, amend, or revoke a charter for its own government or abolish its existence in the following manner. Its governing body shall, within 120 days after adopting a resolution or after the certification of a petition of ten percent of the qualified electors of the municipality, draft or have drafted by a method determined by municipal ordinance a proposed charter amendment, revocation, or abolition which shall be submitted to the electors of the municipalities. Unless an election occurs not less than 60 nor more than 120 days after the draft is submitted, the proposal shall be submitted at a special election within that time. The governing body shall make copies of the proposal available to the electors not less than 30 days before the election. Alternative proposals may be submitted. Each proposal approved by a majority of the electors voting on such proposal shall become effective at the time fixed in the proposal.

B. All municipal charters, amendments thereto, and repeals thereof shall be filed with the Clerk of the Circuit Court.

SECTION 6.04. CHANGES IN MUNICIPAL BOUNDARIES.

A. The planning director shall study municipal boundaries with a view to recommending their orderly adjustment, improvement, and establishment. Proposed boundary changes may be initiated by the Planning Advisory Board, the Board of County Commissioners, the governing body of a municipality, or by a petition of any person or group concerned.

B. The Board of County Commissioners, after obtaining the approval of the municipal governing bodies concerned, after hearing the recommendations of the Planning Advisory Board, and after a public hearing, may by ordinance effect boundary changes, unless the change involves the annexation or separation of an area of which more than 250 residents are electors, in which case an affirmative vote of a majority of those electors voting shall also be required. Upon any such boundary change any conflicting boundaries set forth in the charter of such municipality shall be considered amended.

C. No municipal boundary shall be altered except as provided by this Section.

SECTION 6.05. CREATION OF NEW MUNICIPALITIES.

(A) The Board of County Commissioners ~~[[and only the Board]]~~ may authorize the creation of new municipalities in the unincorporated areas of the county after hearing the recommendations of the Planning Advisory Board, after a public hearing, and after an affirmative vote of a majority of the electors voting and residing within the proposed boundaries. The Board of County Commissioners shall appoint a charter commission, consisting of five electors residing within the proposed boundaries, who shall propose a charter to be submitted to the electors in the manner provided in Section 5.03. The new municipality shall have all the powers and rights granted to or not withheld from municipalities by this Charter and the Constitution and general laws of the State of Florida. Notwithstanding any provision of this Charter to the contrary, with regard to any

municipality created after September 1, 2000, the pre-agreed conditions between the County and the prospective municipality which are included in the municipal charter can only be changed if approved by an affirmative vote of two-thirds (2/3) of the members of the Board of County Commissioners then in office, prior to a vote of qualified municipal electors.

>>(B) A new municipality may also be created by petition of electors residing in the area to be incorporated in accordance with the following process:

1. An incorporation committee composed of a minimum of five (5) electors from the proposed area of incorporation will initiate the process by filing with the Clerk of the Circuit Court an initiatory petition on a form prescribed by the Clerk for such purpose. The form shall identify the names and addresses of the Incorporation Committee members and describe the proposed incorporation area. Within seven (7) days of receipt of the form, the Clerk will determine if the form is acceptable and if it is acceptable shall approve the form of petition and provide the Incorporation Committee the total number of the electors within the proposed incorporation area and the number of required signatures which shall be equal to ten percent (10%) of the electors in the proposed incorporation area and shall notify the Board of County Commissioners. If the Clerk determines that the form of petition does not comply with the requirements of this Charter, inaccurately describes proposed boundaries, or upon a showing of good cause, the Clerk may disapprove the form of petition and provide notification to the Incorporation Committee and the Board of County Commissioners of the disapproval.
2. (a) No later than ninety (90) days from the date of approval of the above form, the Board of County Commissioners shall review the appropriateness of the petition for incorporation, recommend any changes to the boundaries of the proposed municipality to the Incorporation Committee and determine, following a public hearing, whether the proposed incorporation is appropriate.

(b) To assist in conducting the required review, the Board by ordinance shall create an Municipal Incorporation Advisory Council comprised of five (5) members who are Miami-Dade County resident electors appointed by the Board of County Commissioners, including a professional urban planner who is certified by the American Association of Certified Planners and a professor of a university located in Miami-Dade County with expertise in urban planning; five (5) members who are Miami-Dade County resident electors appointed by the Miami-Dade League of Cities; and one person appointed by the Mayor of Miami-Dade County. The Council shall be charged with advising the Incorporation Committee and the Board of County Commissioners as to whether a proposed incorporation is appropriate and whether alternate boundaries should be proposed.

(c) The Board of County Commissioners may approve the proposed incorporation petition, as presented in the petition or as revised by the Incorporation Committee, or reject the incorporation petition as presented or as revised by the Incorporation Committee, upon its determination that the proposed incorporation is not appropriate.

(d) For purposes of this paragraph (c) above, a proposed incorporation is not appropriate, for example, if the proposed municipality will not have contiguous boundaries; will leave an unincorporated enclave area within its boundaries; or is not amenable to separate municipal government, as provided by Florida statute and law.

(e) The County Commission's failure to review the incorporation petition within the time required by this paragraph is subject to mandamus by a court of competent jurisdiction.

3. The Incorporation Committee will have 120 days to obtain signatures equal to ten percent (10%) of the electors in the proposed incorporation area on a petition provided by the Clerk, after the date by which the Board was required to have reviewed the incorporation petition. The petition shall require the name, address and signature of the elector but such signatures shall not have to be notarized.
4. The signed petitions will be submitted to the Clerk, who shall have thirty (30) days to canvass the signatures contained therein.
5. Upon certification of the sufficiency of the signatures on the petition, the Clerk shall present the petition to the Board of County Commissioners at their next regularly scheduled meeting, at which time the Board shall call an election to authorize the creation of a municipality, which election shall occur no sooner than ninety (90) and no greater than one hundred twenty (120) days from the date the Clerk certifies the signatures. The election shall be held, whenever practicable, in conjunction with another election scheduled to occur within the proscribed time period. The election shall be decided by an affirmative vote of a majority of electors voting in the proposed incorporation area.
6. During the sixty (60) days following the certification of the petition, the Board shall complete a budgetary analysis in cooperation with the Incorporation Committee of and on the proposed incorporation area and schedule at least one public hearing prior to the incorporation election. The budgetary analysis shall be provided to the resident electors of the proposed municipality by mail and shall be made available at locations within the proposed municipality. Such budgetary analysis shall at a minimum estimate all of the identifiable

revenues generated by the proposed incorporation area prior to incorporation, and present the operating expenses of comparable small, medium and large municipalities providing typical municipal services.

7. Within 30 days after certification of the election, the Board of County Commissioners shall appoint, from a list proposed by the Incorporation Committee, a five member Charter Committee which shall, within ninety (90) days after appointment, create a Charter for the newly incorporated area setting forth at least the form of government and governing body of the newly incorporated area. The new municipality shall have all the powers and rights granted to or not withheld from municipalities by the County Home Rule Charter and the Constitution and general laws of the State of Florida; provided, however, any proposed municipality whose boundaries include any area outside the urban development boundary, as may be described in the County's Comprehensive Development Master Plan, shall abide by the permitted uses as set forth in such plan. Upon completion, the proposed Charter will be submitted to the electors of the municipality no sooner than 60 days and no later than 120 days after it is completed. Upon an affirmative vote of a majority of those electors within the municipality, the municipal charter shall become effective and the municipality shall be created at the time stated in the municipal charter.<<

Mayor may not veto resolution of collective bargaining impasse

Concept:

Amend Section 2.02 to provide that the Mayor does not have the authority to veto any item resolving a collective bargaining agreement impasse.

Text of Change:

MIAMI-DADE COUNTY HOME RULE CHARTER

ARTICLE-2¹

SECTION 2.02. RESPONSIBILITIES OF THE MAYOR.

The Mayor shall serve as head of the county government with the following specific powers and responsibilities:

* * *

E. The Mayor shall within ten days of final adoption by the Commission, have veto authority over any legislative, quasi-judicial, zoning, master plan or land use decision of the Commission, including the budget or any particular component contained therein which was approved by the Commission; provided, however, that (1) if any revenue item is vetoed, an expenditure item in the same or greater dollar amount must also be vetoed and (2) the Mayor may not veto the selection of the chairperson or vice-chairperson of the commission, the enactment of commission committee rules, the formation of commission committees, ~~[[or]]~~ the appointment of members to commission committees >>or any item resolving a collective bargaining agreement impasse<<. The Commission may at its next regularly scheduled meeting after the veto occurs, override that veto by a two-thirds vote of the Commissioners present.

¹Words stricken through and/or ~~[[double bracketed]]~~ shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

Mr. Chairman and Task Force Members:

I am Otto Castillo, Vice President of the Government Supervisors Association of Florida and a Utilities Supply Supervisor in the County's Water & Sewer Department. Our union represents the Supervisory and Professional employees throughout County government – almost five thousand employees. We appreciate the opportunity to address the task force and hope that in your deliberations you remember that Miami-Dade County employs one of the largest work forces in South Florida which is made up of your fellow citizens who devote their life to public service by providing essential services to our community.

Let me call your attention to one provision of the Charter which has recently caused great concern for all unions that represent county employees. The use of the veto power by the Mayor to "trump" the action of the Commission in resolving collective bargaining impasse disputes in accordance with the provisions of Florida Statutes, Chapter 447 (the "Public Employees Relations Act"). That statute calls for the Commission (as in other Florida jurisdictions) to act as the final "court of appeal" when the negotiations between a union and the Mayor break down. When the Mayor uses his veto to negate the decision of the Commission, his act undermines the essence of the dispute resolution system established by the Florida Legislature.

Article 2, Section 2.02. E. already contains certain prohibitions on the use of the veto – we strongly suggest that labor contract disputes being resolved by the statutorily-prescribed method be added to that list of exceptions.

On behalf of our President, Greg Blackman, and our entire membership which spans every department in the County -- we thank you for your consideration.



THE VOICE OF LAW ENFORCEMENT

DADE COUNTY POLICE BENEVOLENT ASSOCIATION, INC.

May 14, 2012

Senator Rene Garcia, Chair
Miami-Dade Charter Review Task Force
1490 West 68 Street, Suite 201
Miami, FL 33014

RE: Miami-Dade Charter Review

Dear Chairman Garcia and Task Force Members:

On behalf of the Dade County Police Benevolent Association (PBA) and the men and women of law enforcement that we represent, let me begin by thanking you for accepting the challenge of reviewing Miami-Dade's Charter and coming up with solutions to better serve our community and those employees who devote themselves to public service. Our members live in this community, work in this community and all too often die protecting this community.

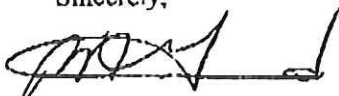
I understand that today is the last public hearing before the Charter Review Task Force. Unfortunately, we have been unable to attend any of the public hearings as we were not notified until late last week and we have been, and currently still are, out of town for the Law Enforcement Memorial, held in Washington D.C., honoring those men and women in law enforcement who paid the ultimate sacrifice while serving and protecting their community. Sadly, some of the officers' names being added to the Memorial are from right here in Miami-Dade County.

I regret not being able to appear before you on this important issue of reforming the Charter, but please accept this correspondence as our position and for your consideration. I urge you to create a public safety taxing district and an elected sheriff in order that government be able to fulfill its first responsibility of providing safety to its people without political interference. This community supports funding public safety and the ability to fund it appropriately should not be left to the whim of politics and politicians seeking to grandstand.

Notwithstanding any legal position and/or argument regarding the Mayor's ability to veto a labor contract dispute that is resolved by the statutorily prescribed method in State Statute, I would also urge you to consider adding labor contract disputes to the list of prohibitions on the use of the Mayoral veto contained in Article 2, Section 2.02.E. of the Charter, thereby further clarifying that it is the Commission, the legislative body, who makes the final decision when negotiations between a collective bargaining agent and the Mayor break down.

Thank you for your consideration

Sincerely,


for John Rivera
President

Elected Sheriff (Slesnick): Provides for an Elected Sheriff, establishes the Sheriff's term of office, provides for nonpartisan elections, the process to qualify for election, establishes the Office of the Sheriff as a County department, provides for recall of the Elected Sheriff, and transfers powers and duties from the Mayor to an Elected Sheriff

Text of Proposed Charter Amendment:

MIAMI-DADE COUNTY HOME RULE CHARTER

ARTICLE – 3¹

ELECTIONS

**SECTION 3.01. ELECTION AND COMMENCEMENT OF
TERMS OF COUNTY COMMISSIONERS
>>MAYOR AND SHERIFF<<.**

A. The election of the Commissioners from even-numbered districts shall be held in 1994 and every four years thereafter and the election of Commissioners from odd-numbered districts shall be held in 1996 and every four years thereafter at the time of the state primary elections. >>Notwithstanding any provision of Section 2.02 of this Charter, there shall be an elected Sheriff, who shall head the Office of Sheriff, commencing with the countywide election to be held at the same time as the state primary election in 2014 and every four years thereafter.<<

B. A candidate must receive a majority of the votes cast to be elected. ~~[[Effective with the election for County Commission in 2004, if]]~~ >>If<< no candidate receives a majority of the votes cast there will be a runoff election at the time of the general election following the state primary election between the two candidates receiving the highest number of votes. Should a tie result, the outcome shall be determined by lot.

C. Except as otherwise provided in this Charter, ~~[[beginning with the elections in 2004]]~~, the terms of office of the Mayor ~~[[and]]~~ >>and the Sheriff<< shall commence on the second Tuesday next succeeding the date of the general election in November.

¹Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

D. Notwithstanding any other provision of this Charter, effective with the term of Mayor scheduled to commence in October, 1996, no person shall be elected as Mayor for more than two consecutive four-year terms. Neither service as Mayor or County Commissioner prior to the terms scheduled to commence in October, 1996, nor service of a partial term subsequent to October, 1996, shall be considered in applying the term limitation provisions of this section.

SECTION 3.02. RESERVED.

SECTION 3.03. NONPARTISAN ELECTIONS.

All elections for Mayor >>County Commissioners, and the Sheriff<< ~~[[and the other members of the Board]]~~ shall be nonpartisan and no ballot shall show the party designation of any candidate. No candidate shall be required to pay any party assessment or state the party of which he is a member or the manner in which he voted or will vote in any election.

SECTION 3.04. QUALIFICATIONS AND FILING FEE.

A. All candidates for the office of Mayor ~~[[or]]~~ >>County Commissioner >>or the Sheriff<< shall qualify with the Clerk of the Circuit Court no earlier than the 84th day and no later than noon on the 70th day prior to the date of the election at which he is a candidate in the method provided by law or ordinance, and shall pay a filing fee of \$300. All filing fees shall be paid into the general funds of the county.

B. Notwithstanding the foregoing, a person who seeks to qualify as a candidate for the office of Mayor ~~[[or]]~~ >>County Commissioner >>or the Sheriff<< and who meets the petition requirements of this section is not required to pay the filing fee required by this section or any other qualifying fee required by the state (collectively the "Qualifying Fee"). A candidate who seeks to qualify without paying the Qualifying Fee must obtain the number of signatures of voters in the geographical area represented by the office sought equal to at least 1 percent of the total number of registered voters of that geographical area, as shown by the compilation by the Supervisor of Elections for the immediately preceding general election. Signatures may not be obtained until the candidate has filed the appointment of campaign treasurer and designation of campaign depository pursuant to state law. The format of the petition shall be prescribed by the

Supervisor of Elections and shall be used by candidates to reproduce petitions for circulation. Each petition must be submitted before noon of the 28th day preceding the first day of the qualifying period for the office sought to the Supervisor of Elections. The Supervisor shall check the signatures on the petitions to verify their status as voters in the geographical area represented by the office sought. No later than the 7th day before the first day of the qualifying period, the Supervisor of Elections shall certify the number of valid signatures. The Supervisor of Elections shall determine whether the required number of signatures has been obtained and shall notify the candidate. If the required number of signatures has been obtained, the candidate shall be eligible to qualify pursuant to this section without paying the Qualifying Fee.

* * *

ARTICLE -- 5

ADMINISTRATIVE ORGANIZATION AND PROCEDURE

SECTION 5.01. DEPARTMENTS.

There shall be departments of finance, personnel, planning, law, and such other departments as may be established by administrative order of the Mayor. All administrative functions not otherwise specifically assigned to others by this Charter shall be performed under the supervision of the Mayor.

* * *

>>SECTION 5.09. OFFICE OF THE SHERIFF.

A. Commencing in 2014, there shall be an Office of the Sheriff headed by an elected Sheriff, as provided in the Charter.

B. The Office of the Sheriff shall carry out the policies of the Board of County Commissioners and powers and duties as transferred and assigned by Section 9.01(C) of this Charter. Except for budgeting, funding, and emergency management matters, the Sheriff, as well as persons working under his or her supervision, shall perform their duties and powers without supervision or interference from the Mayor or the Commission. Notwithstanding any provision herein, the Mayor and Commissioners shall be

permitted to communicate and make inquiries of the Sheriff or employees of the Office of the Sheriff for the purpose of transmitting constituent inquiries or assisting the Mayor or Commissioners in exercising their powers as set forth in this Charter.

C. All other matters necessary or advisable for the functioning of the Office of the Sheriff shall be established by ordinance of the Board of County Commissioners.<<

* * *

ARTICLE-8

INITIATIVE, REFERENDUM AND RECALL

* * *

SECTION 8.02. RECALL.

Any member of the Board of County Commissioners, the Mayor, the Property Appraiser, ~~[[the Sheriff or Constable]]~~ >>or the Sheriff<< maybe removed from office by the electors of the county, district, or municipality by which he was chosen. The procedure on a recall petition shall be identical with that for an initiatory or referendary petition, except that:

1. The Clerk of the Circuit Court shall approve the form of the petition.
2. The person or persons circulating the petition must obtain signatures of electors of the county, district, or municipality concerned in numbers at least equal to four percent of the registered voters in the county district or municipality on the day on which the petition is approved, according to the official records of the County Supervisor of Elections.
3. The signed petition shall be filed with and canvassed and certified by the Clerk of the Circuit Court.
4. The Board of County Commissioners must provide for a recall election not less than 45 nor more than 90 days after the certification of the petition.
5. The question of recall shall be placed on the ballot in a manner that will give the elector a clear choice for or against the recall. The result shall be determined by a majority vote of the electors voting on the question.

6. If the majority is against recall the officer shall continue in office under the terms of his previous election. If the majority is for recall he shall, regardless of any defect in the recall petition, be deemed removed from office immediately.
7. No recall petition against such an officer shall be certified within one year after he takes office nor within one year after a recall petition against him is defeated.

ARTICLE-9

GENERAL PROVISIONS

Section 9.01. ABOLITION OF CERTAIN OFFICES AND TRANSFER OF FUNCTIONS

*

*

*

- C. On November 9, 1966, the Office of Sheriff is hereby abolished and the powers and functions of such office are hereby transferred to the Mayor, who shall assume all the duties and functions of this office required under the Constitution and general laws of this state. ~~[[The Mayor may delegate to a suitable person or persons the powers and functions of such office.]]~~ >>As of November 2014, upon the election of the Sheriff, the powers and functions of the Office of Sheriff are transferred from the Mayor to the Office of Sheriff. The powers and functions transferred to the Office of Sheriff pursuant to this paragraph shall not include those which pertain to corrections and the operation of the County jails and detention facilities and the custody of the prisoners therein.<<

Powers and Functions of the abolished Office of Sheriff
to MDPD Director rather than Mayor

Concept:

Amend Section 9.01C to provide that, effective on the second Tuesday next succeeding the date of the general election in November, the powers and functions of the abolished Office of Sheriff are transferred from the Mayor to the Director of the Miami-Dade Police Department (or its successor law enforcement department). The Miami-Dade Police Department Director would continue to be a department director appointed by the Mayor with BCC approval.

Text of Change:

MIAMI-DADE COUNTY HOME RULE CHARTER

ARTICLE-9¹

**SECTION 9.01. ABOLITION OF CERTAIN OFFICES AND TRANSFER OF
FUNCTIONS.**

* * *

C. On November 9, 1966, the Office of Sheriff is hereby abolished and the powers and functions of such office are hereby transferred to the Mayor, who shall assume all the duties and functions of this office required under the Constitution and general laws of this state. ~~[[The Mayor may delegate to a suitable person or persons the powers and functions of such office.]]~~
>>Effective on the second Tuesday next succeeding the date of the general election in November, the powers and functions of the Office of Sheriff are transferred from the Mayor to the Director of the Miami-Dade Police Department or its successor law enforcement agency. The powers and functions transferred to the Director of the Miami-Dade Police Department or its successor law enforcement agency pursuant to this paragraph shall not include those which pertain to corrections and the operation of County jails and detention facilities and the custody of prisoners therein.<<

¹Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

Other Business

Incorporation Petition Concept by Vice-Chair Greer:

Concept: Amend Section 6.05 to create 6.05(a) Incorporation by the Board and 6.05(b) Incorporation by Initiatory Petition. The initiatory provision incorporation process will be modeled after initiatory petition for ordinances and Charter Amendments.

Text of Proposed Charter Amendment:

ARTICLE - 6 MUNICIPALITIES

SECTION 6.01. CONTINUANCE OF MUNICIPALITIES.

The municipalities in the county shall remain in existence so long as their electors desire. No municipality in the county shall be abolished without approval of a majority of its electors voting in an election called for that purpose. Notwithstanding any provision of the Charter, the Board of County Commissioners shall have the authority to abolish a municipality by ordinance where such municipality has twenty or fewer electors at the time of adoption of the ordinance abolishing the municipality. The right of self determination in local affairs is reserved and reserved to the municipalities except as otherwise provided in this Charter.

SECTION 6.02. MUNICIPAL POWERS.

Each municipality shall have the authority to exercise all powers relating to its local affairs not inconsistent with this Charter. Each municipality may provide for higher standards of zoning, service, and regulation than those provided by the Board of County Commissioners in order that its individual character and standards may be preserved for its citizens.

SECTION 6.03. MUNICIPAL CHARTERS.

A. Except as provided in Section 5.04, any municipality in the county may adopt, amend, or revoke a charter for its own government or abolish its existence in the following manner. Its governing body shall, within 120 days after adopting a resolution or after the certification of a petition of ten percent of the qualified electors of the municipality, draft or have drafted by a method determined by municipal ordinance a proposed charter amendment, revocation, or abolition which shall be submitted to the electors of the municipalities. Unless an election occurs not less than 60 nor more than 120 days after the draft is submitted, the proposal shall be submitted at a special election within that time. The governing body shall make copies of the proposal available to the electors not less than 30 days before the election. Alternative proposals may be submitted. Each proposal approved by a majority of the electors voting on such proposal shall become effective at the time fixed in the proposal.

B. All municipal charters, amendments thereto, and repeals thereof shall be filed with the Clerk of the Circuit Court.

SECTION 6.04. CHANGES IN MUNICIPAL BOUNDARIES.

A. The planning director shall study municipal boundaries with a view to recommending their orderly adjustment, improvement, and establishment. Proposed boundary changes may be initiated by the Planning Advisory Board, the Board of County Commissioners, the governing body of a municipality, or by a petition of any person or group concerned.

B. The Board of County Commissioners, after obtaining the approval of the municipal governing bodies concerned, after hearing the recommendations of the Planning Advisory Board, and after a public hearing, may by ordinance effect boundary changes, unless the change involves the annexation or separation of an area of which more than 250 residents are electors, in which case an affirmative vote of a majority of those electors voting shall also be required. Upon any such boundary change any conflicting boundaries set forth in the charter of such municipality shall be considered amended.

C. No municipal boundary shall be altered except as provided by this Section.

SECTION 6.05. CREATION OF NEW MUNICIPALITIES.

(A) The Board of County Commissioners ~~[[and only the Board]]~~ may authorize the creation of new municipalities in the unincorporated areas of the county after hearing the recommendations of the Planning Advisory Board, after a public hearing, and after an affirmative vote of a majority of the electors voting and residing within the proposed boundaries. The Board of County Commissioners shall appoint a charter commission, consisting of five electors residing within the proposed boundaries, who shall propose a charter to be submitted to the electors in the manner provided in Section 5.03. The new municipality shall have all the powers and rights granted to or not withheld from municipalities by this Charter and the Constitution and general laws of the State of Florida. Notwithstanding any provision of this Charter to the contrary, with regard to any municipality created after September 1, 2000, the pre-agreed conditions between the County and the prospective municipality which are included in the municipal charter can only be changed if approved by an affirmative vote of two-thirds (2/3) of the members of the Board of County Commissioners then in office, prior to a vote of qualified municipal electors.

>>(B) A new municipality may also be created by petition of electors residing in the area to be incorporated in accordance with the following process:

1. An incorporation committee composed of a minimum of 5 electors from the proposed area of incorporation will initiate the process by filing with the Clerk of the Circuit Court an initiatory petition on a form prescribed by the Clerk for

such purpose. The form shall identify the names and addresses of the Incorporation Committee members and describe the proposed incorporation area. Within seven (7) days of receipt of the form, the Clerk will determine if the form is acceptable and shall either advise as to required changes or approve the form of petition and provide the Incorporation Committee the total number of the electors within the proposed incorporation area and the number of required signatures which shall be equal to ten percent (10%) of the electors in the proposed incorporation area.

2. From the date of approval of the above form, the Incorporation Committee will have ~~six (6) months~~120 days to obtain signatures equal to ten percent (10%) of the electors in the proposed incorporation area on a petition provided by the Clerk. The petition shall require the name, address and signature of the elector but such signatures shall not have to be notarized.
3. The signed petitions will be submitted to the Clerk, who shall have thirty (30) days to canvass the signatures contained therein.
4. Upon certification of the sufficiency of the signatures on the petition, the Clerk shall present the petition to the Board of County Commissioners at their next regularly scheduled meeting, at which time the Board shall call an election to authorize the creation of a municipality, which election shall occur no sooner than ninety (90) and no greater than one hundred twenty (120) days from the date the Clerk certifies the signatures. The election shall be held, whenever practicable, in conjunction with another election scheduled to occur within the proscribed time period. The election shall be decided by an affirmative vote of a majority of electors voting in the proposed incorporation area.
5. During the sixty (60) days following the certification of the petition, the Board shall complete a budgetary analysis in cooperation with the Incorporation Committee of and on the proposed incorporation area and schedule at least one public hearing prior to the incorporation election. Such budgetary analysis shall at a minimum estimate all of the identifiable revenues generated by the proposed incorporation area prior to incorporation, and present the operating expenses of comparable small, medium and large municipalities providing typical municipal services.
6. Within 30 days after certification of the election, the Board of County Commissioners shall appoint, from a list proposed by the Incorporation Committee, a five member Charter Committee which shall, within ninety (90) days after appointment, create a Charter for the newly incorporated area setting forth at least the form of government and governing body of the newly incorporated area. The new municipality shall have all the powers and rights granted to or not withheld from municipalities by the County Home Rule

Charter and the Constitution and general laws of the State of Florida. Upon completion, the proposed Charter will be submitted to the electors of the municipality no sooner than 60 days and no later than 120 days after it is completed. Upon an affirmative vote of a majority of those electors within the municipality, the municipal charter shall become effective and the municipality shall be created at the time stated in the municipal charter.<<

Improving Citizen Bill of Rights Remedies Proposal

Concept:

Amend Subsection (C) of the Citizen's Bill of Rights to have the Ethics Commission impose penalties, as authorized by the Code (with the exception of any sanctions that are subject to collective bargaining), for the violation of the Bill of Rights rather than a private suit and amend Section 7.03 to still permit a private cause of action to enforce Article VII of the Charter.

Text of Change:

MIAMI-DADE COUNTY HOME RULE CHARTER

CITIZEN'S BILL OF RIGHTS¹

* * *

(C). **Remedies for Violations.** >>The Commission on Ethics and Public Trust shall enforce the provisions of this Article and may impose any penalty authorized by County Code not otherwise prohibited by a collective bargaining agreement, for a violation of this Article. The Miami-Dade County Circuit Court shall have the power to enforce such penalties.<< In any suit by a citizen alleging a violation of this Article filed in the Dade County Circuit Court pursuant to its general equity jurisdiction, the plaintiff, if successful, shall be entitled to recover costs as fixed by the Court. ~~[[Any public official or employee who is found by the Court to have willfully violated this Article shall forthwith forfeit his office or employment.]]~~

* * *

ARTICLE VII

PARKS, AQUATIC PRESERVES AND PRESERVATION LANDS

¹Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

* * *

SECTION 7.03. - ENFORCEMENT AND CONSTRUCTION.

All elections required by this Article shall be held either in conjunction with state primary or general elections or as part of bond issue elections. The provisions of this Article may be enforced ~~[[in the same manner as provided in Section (C) of the Citizens' Bill of Rights of this Charter]]>>~~ by a citizen alleging a violation of this Article filed in the Dade County Circuit Court pursuant to its general equity jurisdiction, the plaintiff, if successful, shall be entitled to recover costs as fixed by the Court.<< The provisions of this Article shall be liberally construed in favor of the preservation of all park lands, aquatic preserves, and preservation lands. If any provision of this Article shall be declared invalid it shall not affect the validity of the remaining provisions of this Article. This Article shall not be construed to illegally impair any previously existing valid written contractual commitments or bids or bonded indebtedness.

Move responsibility for Intergovernmental Affairs from the County Commission to the Mayor

Concept:

Create a new Subsection (H) of Section 2.02 to provide that Intergovernmental Affairs is a responsibility of the Mayor, rather than the County Commission. Intergovernmental Affairs currently reports to the County Commission pursuant to an ordinance passed in 2004.

Text of Change:

MIAMI-DADE COUNTY HOME RULE CHARTER

ARTICLE-2¹

MAYOR

* * *

SECTION 2.02. RESPONSIBILITIES OF THE MAYOR.

* * *

>>H. The Mayor, or such other persons who may be designated by the Mayor, shall be responsible for the management of the County's intergovernmental affairs at the federal, state, regional and local level and shall carry out the policies adopted by the Commission. Unless authorized by the Mayor, the provisions of section 5.09(B) shall apply.<<

¹Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

Pantin, Les (Office of the Mayor)

From: webmaster@miamidade.gov
Sent: Tuesday, May 29, 2012 11:47 AM
To: Charter - Miami-Dade
Subject: Charter Review Suggestions

Contact Person: **marva Lightbourne**

E-mail: randydavisinc@aol.com

Contact Phone Number: **305-758-2292**

Home Address: **5561 n. w. 7th ct**

City: **miami**

State: **fla**

Zip Code: **33127**

Suggestions: I heard on wmbm, tuesday talk that the JACKSON MEMORIAL HOSPITAL will be put on the charter reform to have it privatized ??.. is this correct, & will this be discuss tommorow & when is the next schedule day for discussion on this issue, afterall, you had ALL YOUR TOWNHALL MEETING DONE already ??... concerned citizens c ommittee, inc.

Pantin, Les (Office of the Mayor)

From: webmaster@miamidade.gov
Sent: Tuesday, May 29, 2012 4:26 PM
To: Charter - Miami-Dade
Subject: Charter Review Suggestions

Contact Person: **Beverly Gerald**

E-mail: bevgerald@hotmail.com

Contact Phone Number: **305-302-1245**

Home Address: **14271 SW 74th Court**

City: **Palmetto Bay**

State: **FL**

Zip Code: **33158**

Suggestions: Many of the Task Force members have heard testimony from a number of our LINC members on incorporation issues at several public hearings and at the "Sunshine Meeting" on incorporation/annexation issues. We appreciate the time we were allowed to speak and we support Mayor Evelyn Greer's proposals. We would like to reiterate the following points that we wish the Task Force to support: 1. Restore the prior 10% threshold required for registered voters' signatures on incorporation petitions and eliminate the 25% level that is now required. No other voter petition process in the county requires such a high barrier to the democratic right to petition. 2. Voters in the following communities have completed the Municipal Advisory Committee (MAC) process for incorporation and should be allowed to proceed to a vote on incorporation without further impediments if they wish: Biscayne Gardens, The Falls, Northeast Dade, and North Central Dade. 3. Incorporation elections shall be included in the next regular county election, and shall not be blocked by the Board of County Commissioners once an area desiring incorporation has finished its required financial analysis. 4. Municipal boundaries should be determined by the residents of the proposed new city, not imposed arbitrarily by the County Commission. We expect some "give and take" on boundaries, but we strongly oppose BCC-mandated boundaries. 5. No mitigation shall be required of any newly incorporated city nor of any area annexing so-called "donor" areas. Only interest on outstanding interest on bond debt obligations should be considered as part of a new or annexing city's budget. Mitigation for municipal incorporation was determined to be unconscionable by a unanimous vote of the Florida Legislature and was deemed to be nothing more than a "ransom" for residents wishing to form a new city.

Pantin, Les (Office of the Mayor)

From: MIMIREX@Aol.com
Sent: Sunday, June 03, 2012 6:12 PM
To: Charter - Miami-Dade

Please Stop messing with our hospital. Only our patience are sufering. Longer wait, bless staff, please Stop!

Sent from my HTC on the Now Network from Sprint!

Minutes



FINAL OFFICIAL MEETING MINUTES CHARTER REVIEW TASK FORCE

Board of County Commissioners
Miami-Dade County Main Library
Auditorium
101 West Flagler Street
Miami, Florida 33130

May 17, 2012
As Advertised

Harvey Ruvlin, Clerk
Board of County Commissioners

Christopher Agrippa, Division Chief
Clerk of the Board Division

Flora Real, Commission Reporter
(305) 375-1294



**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 17, 2012**

The Miami-Dade Charter Review Task Force (the Task Force) convened the public hearing meeting on May 17, 2012, at the Miami-Dade Main Public Library Auditorium, 101 West Flagler Street, Miami, Florida, at 9:00 a.m. There being present Chairman Rene Garcia, Vice Chairwoman Evelyn Langlieb Greer, Ms. Yolanda Aguilar, Mr. Armando Bucelo, Councilwoman Isis Garcia-Martinez, Councilman Luis Gonzalez, Representative John Patrick Julien, Mr. Carlos Manrique, Mr. Terry Murphy, Mr. Hans Ottinot, Mr. Lawrence Percival, Ms. Pamela Perry, Mr. Donald Slesnick, Professor H. T. Smith, and Representative Carlos Trujillo (Mayor Juan Carlos Bermudez was late). (Mr. Joe Arriola, Mr. Victor Diaz, and Reverend Dr. Walter Richardson were absent)

In addition to the members of the Task Force, the following elected officials and staff members were present: Chairman of the Board of County Commissioners Joe Martinez, Assistant County Attorneys Oren Rosenthal, Jeff McCarty, and Cynthia Johnson-Stacks, Ms. Inson Kim, Ms. Lorna Mejia, Mr. Les Pantin, and Deputy Clerk Flora Real.

Chairman Rene Garcia called the meeting to order at approximately 9:15 a.m. and welcomed the Task Force members and all others present.

WELCOME AND INTRODUCTION

Following a formal introduction of each of the Task Force members present at today's meeting, Chairman Garcia proceeded to consider the agenda.

APPROVAL OF MINUTES

- April 19, 2012 Task Force Meeting
- May 7, 2012 Public Hearing
- May 8, 2012 Public Hearing
- May 9, 2012 Public Hearing
- May 10, 2012 Public Hearing
- May 14, 2012 Public Hearing

Mr. Lawrence Percival asked that the Task Force amend the meeting minutes of May 9, 2012, to reflect two comments he had made at that meeting stating:

- "that two persons in the audience, Mr. Miles Moss and Florida State Representative Juan Zapata, had both served in the Municipal Advisory Committee (MAC) in West Kendall, Joe Martinez had allowed the city to move forward, and at one point, actually on three occasions, he informed the group that if they did not follow his instructions and specifically include every area of his

district in the study that he would shut them down and close it. Joe Martinez took his football and headed home. He shut it down and did not allow any further involvement for the study of West Kendall to become a city or anything;" and

- "that he had recently read in the paper that another commissioner recently made a statement that if his area were to be incorporated, he would want the entire area of his district to be one city, and my response to that was that I feel that sort of process that commissioners dictate denies the citizens of the area the right to self-determination."

Mr. Percival noted that neither of those comments was included in the minutes, and he felt the Task Force members should know about those comments and the sentiments expressed by the public inasmuch as the public wished to have the right for self-determination. He advised that he made those comments to reinforce that issue, and the essence of those comments should not be lost.

It was moved by Mr. Armando Bucelo that the Miami-Dade Charter Review Task Force approve the minutes of April 19, 2012, May 7, 2012, May 8, 2012, May 10, 2012, and May 14, 2012, and that the minutes of May 9, 2012 be approved as amended to include the comments made by Mr. Percival. This motion was seconded by Mr. Donald Slesnick; and upon being put to a vote, the motion passed by a vote of 15-0. (Mr. Arriola, Mr. Diaz, Mayor Bermudez, and Dr. Richardson were absent)

CHAIRMAN'S ITEMS

- Next Meeting Dates – Proposed May 23, May 30, and June 6
- Proposed Timeline for the Charter Review Task Force

Chairman Rene Garcia considered the Next Meeting Dates and the Proposed Timeline for the Charter Review Task Force simultaneously, and he asked Ms. Inson Kim to present the proposed meeting dates and timeline.

Ms. Kim advised that the proposed meeting dates were May 23rd, May 30th, and June 6th based on the feedback provided by the Task Force members. She noted the Task Force's final report had to be submitted at the Board of County Commissioners' meeting of July 17, 2012, before the summer recess. She advised that it was hoped the Task Force's preliminary report was finalized at the Task Force's June 6th meeting, and it would be distributed by June 30th. She advised the final public hearing to gather feedback from the public on the Task Force's proposed recommendations should be scheduled for June 20th or 21st, and the Task Force needed to consider scheduling another meeting on or about June 29th to provide several days for anyone to submit a dissenting opinion.

Following a discussion on the availability and possible dates of the Task Force members to schedule the final public hearing, the Task Force members determine the final public hearing would be scheduled for June 20th at 5:30 p.m. at the County Commission Chambers if available.

Pursuant to Mr. Donald Slesnick's recommendation to change the final Task Force meeting date, the Task Force members determine that the final meeting of the Task Force would be scheduled for June 26th.

Mr. Lawrence Percival recommended that the Task Force members meet until 3:00 p.m. or until all discussions and/or work was completed in order to reduce the number of meetings.

In response to Mr. Percival's request that the Task Force members be asked to stay at the meetings until all discussions were completed, Chairman Garcia stated that meetings would be prolonged as necessary inasmuch as the people of Miami-Dade County expected this Task Force to remain focused until the work was completed; but Task Force members would be allowed to take breaks as necessary and determine if they wished to return to the meeting.

In response to Ms. Greer's question regarding the attendance of Mr. Joe Arriola and Mayor "JC" Bermudez, Councilman Gonzalez advised Mayor Bermudez had an emergency meeting at the City of Doral and would arrive late.

Upon concluding the foregoing discussion regarding the proposed meeting dates and the timeline, Ms. Kim noted the Task Force members had selected the following meeting dates:

1. May 23, 2012, Task Force meeting at 9:00 a.m.
2. May 30, 2012, Task Force meeting at 9:00 a.m.
3. June 6, 2012, Task Force meeting at 9:00 a.m.

Ms. Kim noted she would do her best to keep the meetings in the Downtown area if space was available, and she would inform the Task Force members on the dates, times, and locations as soon as the locations were confirmed.

Ms. Kim advised the following additional proposed meetings were added to the schedule:

1. June 20, 2012, final public hearing at 5:30 p.m., tentatively in the County Commission Chambers;
2. June 26, 2012, Task Force meeting at 9:00 a.m., tentatively in the Downtown areas/Main Library; and
3. July 17, 2012, Board of County Commissioners' meeting to submit Task Force's final report.

Chairman Garcia asked that all Task Force members be present at the July 17, 2012, Board of County Commissioners' meeting.

o Prohibido Callarse Show Invitation (WQBA)

Chairman Rene Garcia advised radio show broadcasters of Prohibido Callarse Show airing in WQBA extended an invitation to the Task Force members to co-host a show to promote the work

of this Task Force in the Hispanic market. He noted he was working on the proposed show dates for those Task Force members interested in participating. He advised it was considered a public hearing; and it would be properly advertised as such. He advised Task Force members would be notified of the date and time as soon as it was confirmed.

Chairman Garcia asked that Task Force members begin to contact County Commissioners to request sponsorship for the proposed recommendations forthcoming.

Mr. Donald Slesnick noted he would like to have a public radio announcement regarding community outreach meetings, and he would like to have considered the suggestion made at previous meetings by Ms. Yolanda Aguilar. He noted Ms. Aguilar and he were still interested in holding public meetings in the West Miami, Coral Gables, South Miami, and Flagami areas with the approval and support of this Task Force; and he invited Task Force members to join them in these public hearings. He further noted he and Ms. Aguilar would assume the responsibility to identify a meeting place and set the time.

Assistant County Attorney Oren Rosenthal noted the meeting had to be properly noticed to the public. He further noted the only intent of the public hearing was to hear the community's comments and suggestions, and no official action could be taken at those public hearings.

Chairman Garcia asked Mr. Slesnick that he be notified on the meetings dates, times, and locations as soon as those meetings were coordinated to incorporate those meetings in the Task Force's calendar.

Councilwoman Isis Garcia-Martinez suggested an additional air show be broadcasted in an English speaking radio station to have the Anglo and other members of the community included.

Chairman Garcia agreed with the suggestion made by Councilwoman Garcia-Martinez, but the Spanish radio show was the result of an invitation received from the radio station.

Councilwoman Garcia-Martinez commented the public radio forum should be opened to other ethnic communities if the invitation to participate in the Spanish speaking radio show was accepted.

Chairman Garcia noted he appreciated her suggestion; but any Task Force member was welcome to partake in a radio show if the Jewish, Anglo, or Creole speaking communities wished to invite any Task Force member to participate in a radio public forum.

- o Other business

Mr. Rowan Taylor, President of the Metro-Dade Fire Fighters, IAFF Local 1403, presented a proposed recommendation to change Article 1, Section 1.05, subsection C of the Miami-Dade Charter, requiring that any County employee running for a public elected office take a leave of absence from the County position until the date of election; and if elected, immediately forfeit

County employment. He recommended that requirement be eliminated to allow County employees to hold a public elected office outside of Miami-Dade County.

Mr. Lawrence Percival advised he had recently met with Mr. Taylor on this issue, and he was surprised the way it was presented today. He voiced his support for changing the language to allow employees to continue their County employment while holding public office outside of Miami-Dade County, and he recommended the language contained in the Charter be reviewed and changed as proposed by the Metro-Dade Fire Fighters. He noted he believed the current requirements were too strict as it related to the fire fighters positions, and employees should be allowed to take leave occasionally if performing their jobs satisfactorily instead of having to resign their County position.

Mr. Taylor commented municipalities within the County allowed their employees to hold public office outside of the municipalities, and Miami-Dade County Charter was the only County restricting its employees in that manner. He noted County employees were restricted from performing their civic duties; and it was important to them, as fire fighters, and to all public employees that those restrictions be eliminated.

Ms. Yolanda Aguilar advised that a Florida Statute addressed the issue of public office, and she believed it would have to be changed at the statutory level before the Task Force could discuss that recommendation.

In response to Ms. Aguilar's question regarding changing the statutes to address the recommendation made by the fire fighters, Chairman Garcia advised he did not believe it pertained to County employees themselves; and he believed the statute pertained to holding office in multiple positions. He noted he would check the mandates of that statute.

Representative John Julien expressed his agreement with Mr. Percival's recommendations inasmuch as he believed most of these public offices were part-time positions and paid very little. He expressed his agreement with the recommendation proposed by the fire fighters, and he suggested the language be changed to say that an employee may remain a County employee and hold elected office at the same time.

Professor H.T. Smith reiterated the proposal was to allow continuance of County employment and hold public office at the same time.

Mr. Taylor clarified that the language stated "for any office outside of Miami-Dade County," and it referred to an employee's position with Miami-Dade County, which forced the employee to forfeit County employment.

Chairman Garcia suggested the fire fighters' recommendation could be referred to the County Attorney's Office for review and brought back with the County Attorney's recommendations for language if Task Force members wished to consider it.

Representative Julien commented he would like to have the fire fighters' recommendation reviewed.

Mr. Donald Slesnick suggested that the Task Force members request a legal opinion from the County Attorneys, and he recommended that Ms. Greer or a member of another governmental institution be asked about their experience with this issue. He stated federal and state public elected offices were not part-time jobs and required that those officials absent themselves frequently for months at a time. He expressed his concerns for this issue and asked that Task Force members review the fire fighters' recommendation very carefully.

Mr. Hans Ottinot asked that this Task Force review the state statute provisions, especially as it related to appointed officials.

Assistant County Attorney Oren Rosenthal explained the provisions of state statutes relating to holding a public elected position and running for an elected office, noting the state statute as it related to public office holding had two major prohibitions. He advised the statute prohibited an elected official from holding two offices at the same time, and it disqualified an individual to hold an elected office if that individual already was an elected official. He further explained the provisions of the County legislation in comparison to the state's legislation.

Mr. Carlos Manrique reminded the Task Force members that the Chair's instructions were to have a limited amount of petitions placed on the ballot. He suggested that the fire fighters' proposal not be placed on the ballot as a question, and it be reviewed as part of the clean up language if the County Attorneys advised it could be addressed in that manner.

Chairman Garcia noted the County Attorney's report addressed the clean up recommendations, and any other recommendations be discussed as part of that report.

COUNTY ATTORNEY'S REPORTS

- o Recommended Technical Amendments to Charter

Assistant County Attorney Rosenthal noted he was asked to review the Charter and identify technical amendments/errors that referenced issues that no longer existed. He referenced page 15, Article 1 entitled "Board of County Commissioners," noting Section 1.05 pertained to the forfeiture of office section, which applied not only to the Board of County Commissioners, but in Section B, to the Mayor, the Property Appraiser and all community council members; and Section C related to appointed County officials. He noted this section was mislabeled and should be re-labeled, "Forfeiture of Office for County Commissioners, elected County officials, and all County employees." Section 1.07 relating to vacancies, dealt with the vacancy of the Mayor, and a section about the Board of County Commissioners, Mr. Rosenthal noted. He noted Article 3, page 22, Section 3.01 entitled "Election and Commencement of Terms of County Commissioners," which dealt with the term limits of the County Commission and Mayor, should be changed to add the Mayor in the title for clarity.

In response to Mr. Rosenthal's offer to prepare a document red lining the changes he noted, members of the Task Force accepted.

Mr. Percival noted he recalled a discussion by the County Commission regarding the fact that the Charter did not contain language to state who would handle the Mayor's delegated authority in the event of his/her death.

Assistant County Attorney Rosenthal stated this was a policy issue that must be addressed by this body. He also noted he did believe the language contained in Article 3, Section 3.01 D, and page 22, needed to be changed because it dealt with historical references.

In response to Mr. Percival's questions regarding whether the proposal that the president of the Fire Union proffered was language that needed to be cleaned up, Mr. Rosenthal said that it was sub language.

Assistant County Attorney Rosenthal noted a prime example of sub language was on page 30, Section 5.08, Subsection C entitled "Boards," stating: "for the purpose of cooperating with the Miami-Dade Water and Sewer Authority," and that Authority was dissolved some years ago.

Assistant County Attorney Rosenthal noted another technical change on page 26, under the Municipal Charter section that said: "it should be provided in 5.04," should say: "it should be provided in Section 6.04... and Section 6.05 should cross reference 6.03 instead of 5.03."

Assistant County Attorney Rosenthal referred to the language contained in Section 8.02, entitled "Recall," and suggested the language "Sheriff or Constable" should be removed from that section.

It was moved by Terry Murphy that the task force adopt the technical amendments recommended by the County Attorney's Office. The motion was seconded by Mr. Percival; and upon being put to a vote, the motion passed unanimously by those members present. (Ms. Aguilar, Mr. Arriola, Mr. Diaz, Ms. Garcia-Martinez, Reverend Dr. Richardson, and Mr. Trujillo were absent.)

- o Term Limits Discussion

Regarding Term limits, Assistant County Attorney Rosenthal noted two questions arose out of the discussions about term limits--- one had to do with whether retroactive term limits would be legal. He noted the Florida Courts had defined term limits as disqualifications and qualifications of office. He noted a recent Supreme Court case reaffirmed that term limits were qualifications of office and changed the law by saying all chartered counties statewide could enact term limits, and there was no definitive case law that defined terms already served as being illegal. Therefore, a charter amendment which would say whether or not term already served was illegal when viewing qualifications for an individual running for office. Some people consider this a retroactive term limit, but it is not truly retroactive but just looking back at what qualifications would be involved. He noted term limits for these types of offices were not very common due to prior case law, and not much case law existed to support it. He stated he did not believe it was

legally sufficient. Mr. Rosenthal noted the term of a current office holder or elected official could not be truncated, which was an important issue to discuss. He noted all of these questions would have to go on the ballot in November, and term limits could not be placed on the November 2012 ballot that would disrupt the outcome of the August 2012 election. Essentially, Mr. Rosenthal noted terms limits could not be properly placed on the ballot until 2014.

Mr. Julien questioned why the Task Force would propose language that would expose the County Commission to potential lawsuits since the proposed language did not have any case law to corroborate it.

Assistant County Attorney Rosenthal noted Mr. Julien's question involved a policy matter which must be addressed by Task Force members.

Mr. Julien noted he supported the proposal to limit the terms of office prospectively, but not retroactively.

Mr. Percival pointed out that, during the public hearings, some individuals proposed to limit the terms of office to one additional four-year term for commissioners who had already served eight years; and he questioned the reasonableness of this proposal.

Mr. Julien said he did not believe it was reasonable to allow commissioners who had already completed eight years to serve another term.

Mr. Smith explained that a question regarding term limits was already on the ballot for the November 2012 election. He suggested that members of this Task Force address the question as to whether or not term limits should be retroactive or prospective.

Chairman Garcia questioned the process if members of this Task Force proposed a ballot question involving term limits that was worded differently than the one already on the ballot.

Assistant County Attorney Rosenthal advised that, in the event a similar question was placed on the ballot by this Task Force, it would result in competing ballot questions; and it would require a determination by the court as to whether one, both, or neither question would be placed on the ballot. If both questions were placed on the ballot and approved by the voters, the court could rule that the question receiving the most affirmative votes would take precedence, Mr. Rosenthal noted.

Mr. Manrique pointed out that, if commissioners who had already served eight years were allowed to serve one more term, those elected in August 2012 would serve until 2020.

Mr. Slesnick suggested Task Force members not consider term limits since a question was already on the ballot.

Mr. Ottinot expressed concern that the existing question on the ballot only limited commissioners to two consecutive terms as opposed to a lifetime limit of two terms.

Mr. Percival noted he believed that questions involving commissioners' term limits, salaries, and outside employment should be placed on the ballot as separate questions.

Mr. Bermudez questioned whether it was feasible for the County Commission to revise the language involving term limits as contained within the ballot question for November 2012. He suggested the Task Force prepare an alternate ballot question for consideration by the Commission.

Assistant County Attorney Rosenthal advised the County Commission had the authority to remove questions from the ballot including those recommended by this Task Force before election.

Mr. Gonzalez noted the residents from his community supported retroactive term limits.

Ms. Perry stressed the importance of maintaining institutional knowledge on the County Commission to avoid the potential for greater influence by lobbyists and ensure County government remained efficient.

Mr. Bermudez said he believed it was unreasonable to have two, one-year term limits for the Mayor and no term limits for commissioners. He also noted he questioned Ms. Perry's suggestion that limiting commissioners' terms of office would result in the loss of institutional knowledge, noting such knowledge would be valued only if applied the right way; and Task Force members should not assume that this was a priority to the voters. With regard to lobbyists, Mr. Bermudez noted lobbyists already had significant influence on County government.

Mr. Murphy pointed out that the average term of office for commissioners was eight years, noting single-member districts were enacted in 1993 and a total of 32 commissioners had served since that time.

Mr. Smith noted he would support a proposal by this Task Force to limit commissioners' terms of office, even if it was worded similarly as the existing question on the November 2012 ballot.

Mr. Manrique pointed out that commissioners' terms of office were limited, noting the voters had the right to remove commissioners from office every four years; however, commissioners were re-elected repeatedly. He explained that the deadline for placing questions on the November 2012 ballot were the same for this Task Force as it was for the County Commission; and that the findings/recommendations of this group must be placed on the July 17, 2012 County Commission agenda, as this would be the last opportunity for this group to meet that deadline. Mr. Bermudez noted his comments were not intended to be critical of the County Commission, and he was conveying the sentiment of the residents of his community when he said County government was ineffective. He emphasized the importance for Task Force members to state their position, even if it was consistent with the County Commission's.

Mr. Ottinot suggested the question involving term limits be re-worded to read: "Should the County Commission be subject to the same eight-year term limit as the County Mayor."

Chairman Garcia proposed that the County Commission's question remain on the ballot; however, the questions should be reworded differently. He noted the Task Force's proposal involving term limits would offer the public a second question to consider.

Assistant County Attorney Rosenthal advised that the previous Task Force recommended a question be placed on the ballot to make the Property Appraiser an elected office, and that the County Commission put that question on the ballot before the Task Force finished its report.

Ms. Garcia-Martinez concurred with Mr. Bermudez that the Task Force should recommend a ballot question involving term limits, even if it was the same as the County Commission's. She pointed out, however, that her community supported retroactive term limits. She suggested the Task Force recommend the terms of office for commissioners be limited to a twelve-year, retroactive term limit to avoid potential lawsuits.

Assistant County Attorney Rosenthal advised that some commissioners had already served more than 12 years, and setting term limits to 12 years would not eliminate the potential for lawsuits.

Ms. Garcia-Martinez noted she had the same position as the residents of her community, who favored retroactive term limits.

Mr. Slesnick suggested that Task Force members take a straw vote on the proposal for retroactive term limits.

Mr. Manrique noted the Task Force had three alternatives regarding term limits:

1. The retroactive approach: prohibit incumbent commissioners from running in the next election;
2. the prospective approach: two full terms from the date of this election, which would allow some commissioners up to 10 more years; and
3. the flexible approach: allow incumbent commissioners one more term regardless of their years in service.

Chairman Garcia noted the flexible approach would be a disservice to commissioners elected during a special election because it would limit their terms of office to six years.

Mr. Smith clarified that the Task Force should first determine whether it supported retroactive term limit, and if so, what form of retroactivity.

Chairman Garcia noted he would conduct a straw vote on the question of term limits being retroactive to allow incumbent commissioners one more term beyond their existing term.

Mr. Ottinot questioned how "term" would be defined. He suggested that commissioners who had served more than two years be considered to have already served one term.

Mayor Bermudez explained that he would support a recommendation from the Task Force for retroactive term limits because it would allow incumbent commissioners to serve a second term, which they were entitled to; and it would also include a recommendation to place a question on the November ballot that posed the exact same question as the one placed on by the County Commission. He stressed the importance for Task Force members to ensure that this question remained on the ballot in the event the County Commission revised or removed it.

Hearing no other questions or comments, the Task Force considered a straw vote on its recommendation that if the Charter was amended to impose term limits on county commissioners those term limits be applied retroactively to allow incumbent commissioners one more term beyond their existing term; and upon being put to a vote, the motion failed by a unanimous vote of those members present.

Chairman Garcia questioned whether the Task Force members would support a recommendation to place a proposal limiting term limits for commissioners worded identically to the one placed on the November 2012 ballot by the County Commission.

Mr. Murphy noted he was opposed to term limits in any form.

Ms. Perry noted she concurred with Mr. Murphy in that she did not support term limits.

Mr. Smith noted he supported Bermudez' suggestion that this Task Force recommended that a question be placed on the ballot asking the voters whether the commissioners' terms of office should be retroactive term limits to allow incumbent commissioners suggestion that this Task force recommend a proposal for retroactive term limits because the voters would vote for the term limits recommendation if the Task Force's supported term limits. He further stated that people would probably vote against this recommendation if supported by the County Commission.

Ms. Perry noted she did not support term limits.

It was moved by Mayor Bermudez that the Task Force recommend retroactive two-term limits for a total of eight years and not consecutive terms. This motion was seconded by Mr. Smith, and the floor was opened for discussion.

Mr. Ottinot explained that Mr. Bermudez or the question was the County would be subject to eight-year terms meaning two-term limits (two consecutive four-year terms). Therefore, he stated that the County Commission would be have the same term limits as the County Mayor, or the Task Force could propose language that Commissioner Moss sponsored regarding consecutive term limits.

Assistant County Attorney Rosenthal clarified the recommendation for the amendment to the Charter would read as follows: "notwithstanding of any other provision of this Charter, effective with the term of commissioners scheduled to commence 2012, no person shall be elected as commissioner for more than two consecutive four-year terms. No term of service as a commissioner commence prior to 2012, shall be considered a part of the County Board for two-term limits." He stated that the ballot question would read "Shall the Charter be amended to provide that a County Commissioner shall not serve no more than two consecutive four-year terms in office excluding terms of service prior to 2012?"

Mr. Ottinot expressed his concern with a commissioner elected in November 2012 could then serve 12 years.

Mr. Bermudez stated that any term of service that starts after January 1, 2012, which would be the November term of service, would be included in the two consecutive terms.

Discussion ensued regarding a comparison between the proposed terms of service for County Commissioners and the state and federal elected officials, and how county commissioners elected in a special election would be impacted.

Mayor Bermudez clarified that those commissioners under this term limit amendment and elected in November 2012 would be able to serve two terms, and those commissioners elected in November 2014 would have two terms.

Mr. Ottinot recommended that the word "consecutive" be removed from the proposed Charter amendment.

Ms. Perry stated that there was a difference if people liked someone they should have the ability to come back after being in the private sector; and if the Task Force was concerned about a rubber stamp, the proposal could have language to ensure this proposed Charter amendment regarding term limits be placed on the ballot. She expressed her concern with consecutive terms because the voters should have the right to bring someone back.

Assistant County Attorney Rosenthal explained the difference. He stated the first would be qualification of office so that at the time the person qualified, if you are serving two consecutive terms, you would not be eligible to be a commissioner for the next term. Mr. Rosenthal provided an example, "if they served for four years of four-year terms 20 years ago, and then re-elected and served another four-year term eight years ago, then they will still never be able to run for the office of County Commissioner." He stated that the prior eight years would be the way it worked.

Mr. Ottinot stated that in looking at the executive summary from the previous Task Force, the recommendation was two, four-terms with no consecutive terms passed by a vote 14-0. He stressed that the two, four-year terms was strongly recommended and supported by the previous Task Force. Therefore, he expressed he strongly supported this Charter amendment.

Chairman Garcia noted that there was a motion on the table.

Mayor Bermudez questioned how close this language proposed by the Board of County Commissioners does mirror the language that was placed on the ballot when the County Mayor two consecutive four-year terms were defined.

In response to Mr. Bermudez' question, Assistant County Attorney Rosenthal stated that he would have to conduct research because the Office of the Mayor commenced in 1996.

Mr. Percival stated could someone be County Mayor for eight years with break for four years, and then come back and run for office again.

The motion by Mayor Bermudez for two, consecutive four-year terms, passed by a vote of 9-2 (Mr. Murphy and Ms. Perry voted no). (Mr. Arriola, Mr. Bucelo, Mr. Diaz, Ms. Greer, Mr. Julien, Dr. Richardson, and Mr. Trujillo were absent)

Following approval of this motion, a brief discussion ensued between Mr. Percival and Mr. Slesnick regarding the status of the proposed Charter amendment based on the vote taken because that was not a majority of the Task Force members.

Assistant County Attorney Rosenthal stated that only a majority of those members present was required for the motion to pass. Therefore, he stated that the recommendation of this Task Force that the county commissioner terms of office be limited to two, consecutive four-year terms.

A discussion ensued among the Task Force members regarding the resolution adopted by the County Commission (Resolution No. R-253-12), specifically Sections 7 creating the Task Force, and the ability to reconsider any recommendations by a motion at a subsequent meeting.

Chairman Garcia stated that the Task Force has addressed today term limits, incorporation, and reviewed the technical amendments; and Assistant County Attorney Rosenthal would present his findings for those amendments at the next meeting. He stated now the Task Force would proceed to discuss any issue of interest that each and every member may have at this time.

STAFF REPORTS/PRESENTATIONS

- Procurement Presentation

Mr. Amos Roundtree, Director, Purchasing Division of Procurement Management, Internal Services Division, explained the County's internal procurement processes to include the Request for Qualifications (RFQ), Request For Proposals (RFP), Selection Committee process, responsive bids, and award recommendations.

In response to Representative Carlos Trujillo's inquiry, Mr. Roundtree advised he did not have available the exact number of bid protests filed; but approximately one percent (1%) of all award recommendations were protested annually with a lower percentage over turned.

Chairman Rene Garcia inquired about the relationship between the County Commission and the Selection Committee, the County's selection process, and the level of transparency and influence the County Commission possessed over the procurement process.

Mr. Roundtree explained that the Mayor had the authority to award contracts not exceeding \$1 million based on the contract value and terms. He provided a brief overview of the legislative contract award process to include the committee process prior to being considered by the Board of County Commissioners.

In response to Representative Trujillo's inquiry, Mr. Roundtree advised members of the County Commission were restricted from participating in the Selection Committee and in the selection process of contracts. He noted County Commissioners only participated after the selection process was completed by the department and the contract was recommended for award. He noted the only participation the Board had was at the approval of the award recommendation of contracts.

In response to Representative Trujillo's inquiry regarding the percentage of contract award recommendations approved by the Board and the valid reason for rejecting an award recommendation, Mr. Roundtree advised approximately 99.99% of the contract award recommendations were approved by the Board. He noted in rare instances the department was directed to rebid or renegotiate if the process failed to yield the correct outcome.

Discussion ensued regarding the procurement process and the percentage of contract award recommendations approved.

In response to Mr. Lawrence Percival's inquiry regarding the Mayor's authority to approve contracts not exceeding \$1 million, Mr. Roundtree affirmed the Mayor was allowed to approve contracts not exceeding that amount.

In response to Mr. Percival's question regarding if County Commissioners' staff were allowed to participate in the Selection Committee's and/or with the procurement staff's work during the procurement process, Mr. Roundtree explained County Commissioners' staff were not allowed to be involved in the selection process nor in the work of procurement staff.

Upon concluding the foregoing presentation, Chairman Garcia proceeded to consider the Incorporation/Annexation Presentation

- Incorporation/Annexation Presentation

Ms. Jennifer Moon, Budget Director, Office of Budget and Management, presented an overview of the incorporation/annexation processes, noting the presentation prepared for the past Charter Review Task Force was distributed to the Task Force's members with some changes made. She commented the incorporation/annexation processes had experienced hardly any changes. She referenced page 17, first bullet point of the presentation; and she stated the County had concerns

over the unincorporated areas because it was comprised of small areas of very low valued properties. She corrected the first bullet to read: "in addition to a higher service class it could mean to lower service class depending on decisions made about service delivery in your municipal incorporate area."

Ms. Moon advised the purpose of this presentation was to provide accurate information regarding the incorporation/annexation processes, the next steps to follow regarding what would happen with the community, and how citizens would determine what type of government representation they wished to establish to include the service level and the rate level for those services.

Ms. Moon explained the current incorporation/annexation processes. She noted the Miami-Dade County Municipal Code (the Code) clearly incorporated many steps into the process to ensure it was difficult to incorporate. She noted the Code also provided the Board of County Commissioners with a certain role in the development of municipal boundaries. She advised it had been pointed out to the County Commission on numerous occasions that the electorate desired to have implemented an easier incorporation/annexation process; subsequently, the Code had to be changed to incorporate policy changes allowing an easier process.

Chairman Rene Garcia advised the Task Force members had already expressed an interest to have this initiative reviewed.

Mr. Hans Ottinot commented on the financial analysis prepared by the County for incorporations, how incorporations benefited all parties affected, and his experience with the incorporation process.

Ms. Moon agreed with Mr. Ottinot's views, and she advised that the Office of Budget and Management was currently working on a holistic financial analysis of the impact an incorporation had on the community as a whole because it had several positive aspects to the extent property values and tax rolls were increased. She suggested the per capita cost of government in general should be discussed as opposed to just studying surrounding area of the proposed municipality because incorporation could have a very positive impact to neighboring jurisdictions in the community. She stated the process should not be adversarial, and the constituents' right of self-determination should be supported.

Ms. Evelyn Greer commented on the County's cherry picking practice in connection with the approval of incorporations, noting the growing City of Miami Gardens had been the most benefited from incorporation. She explained the tax revenues breakdown generated by a municipality, noting the School Board received 40%, the County received 40%, the Fire District received 10%, and the municipality received 10%. She commented incorporation enabled the municipality to qualify for grants at the state and federal levels for which the area was previously unable to access due to limitations established to access that type of funding that only allowed municipal service area to access the funds, and the property tax base had increased substantially.

Ms. Greer reviewed the incorporation process of the Pinecrest area and the budget analysis prepared for that area. She commented that the tax revenues had substantially increased after the area was incorporated, and the area currently generated three times more tax revenues.

In response to Representative Carlos Trujillo's question regarding whether the increase in tax revenues was due to an increase in the millage rate and/or property values, Ms. Greer advised that the increase in tax revenues for the Miami Gardens and the Pinecrest areas were almost 100% driven by a substantial increase in the value of property in those cities.

Discussion ensued regarding the millage rate in the Pinecrest area.

In response to Representative Trujillo's inquiry regarding whether the incorporation was driven by the desire to improve service delivery and the cost of those services, Ms. Greer responded that incorporations resulted from the dissatisfaction with the quality and cost of services.

Following a discussion regarding the municipal service and millage rates of the Pinecrest area, Councilman Gonzalez noted the impacted community realizes an increase in tax revenues, direct services, and property values as a direct result of incorporations.

Councilman Gonzalez suggested the Task Force should select a subcommittee to study the issue of self-determination.

Ms. Greer advised she would present a proposal, in consultation with the County Attorney's Office, on the incorporation/annexation processes for this Task Force's consideration.

Ms. Moon advised certain financial obligations regarding revenues directly associated to bonds intended to be used within unincorporated areas and franchise fees had to be addressed and incorporated in the discussions.

Mr. Lawrence Percival expressed his disagreement regarding language saying several large incorporation areas and where efforts had been discontinued due to lack of community support, specifically mentioning the East Kendall MAC, West Kendall MAC, and the Northwest MAC. He stated he was unable to recommend the Northwest MAC due to his unfamiliarity with that area, but the East and West Kendall MACs had a tremendous community support even though there was large competition, and some communities had taken the position that lack of community support was the reason it was discontinued.

Mr. Percival advised that in the last few days he had saved articles from the newspaper, and he commented on the issues discussed in these articles. He asked that this Task Force embrace the concept that Miami-Dade County needed to become a regional government to improve its infrastructure, and incorporations should be driven by self-determination. He submitted a copy of the newspaper articles for the Task Force's staff to distribute for the Task Force members' review and consideration.

Following a brief discussion regarding this Task Force's goals, Chairman Garcia noted incorporations was one of the goals envisioned; and he asked that the County Attorney's Office begin to draft language in this endeavor.

Mr. Percival noted it was not just the issue of incorporation it was also the governance of County government as it related to becoming a regional government.

Chairman Garcia noted that would be the area this Task Force would focus its review.

Mr. Terry Murphy expressed his disagreement with Ms. Greer's proposal to eliminate the Board of County Commissioners' involvement in the incorporation/annexation process. He noted that was the responsibility of the governing body of Miami-Dade County, and he expressed his disagreement with the language contained in the Code. He commented on specific sections of the Charter, noting the current incorporation process was cumbersome and difficult. He stated the Code was the problem, noting it was anti-incorporation/annexation and prevented the incorporation process from moving forward.

Mr. Murphy stated that Planning Advisory Board's (PAB) authority could be increased to require a two-thirds (2/3) vote to allow the County Commission to take an alternative view once the PAB had made a final recommendation on these incorporation/annexation related issues.

Mr. Murphy referenced number 7 of Article 8 relating to the petition process and ordinances. He recommended the Task Force consider extending the time referendum ordinances or repeals were allowed to remain on the books from one (1) year to five (5) years.

Councilman Gonzalez noted Mayor Juan Carlos Bermudez had indicated he wished to comment on this issue, and he had asked that the Task Force members wait for his arrival before concluding its discussion.

In regards to Mr. Slesnick inquiry relating to whether a mechanism existed to change existing boundaries between municipalities and for exchange of land masses, Ms. Moon advised the Board of County Commissioners was entrusted with those powers.

Following a discussion regarding the mechanism to repeal ordinances, Mr. Slesnick expressed his agreement with the issue of self-determination; and he noted the incorporation process needed to be streamlined.

Mr. Slesnick expressed his disagreement with the proposal to eliminate the Board of County Commissioners' involvement from the incorporation process.

Professor H. T. Smith noted the Task Force needed to determine what would be the best process. He stated the existing process represented a problem because it was unfair, but County officials should be allowed to adjudicate. He recommended that the Task Force should make it difficult for the County Commission to prevent an area from incorporating, and he expressed his support

for reaching a compromise because the County Commission should have a level of involvement in the incorporation/annexation process through prerequisites.

Chairman Garcia concurred with Professor Smith's comments, stating the County Commission should have a level of involvement without being allowed to make the incorporation/annexation process difficult or impossible to move forward.

Mr. Ottinot commented on the existing incorporation process.

Mayor Juan Bermudez joined the meeting.

Ms. Greer pointed out that the only reason the City of Miami Lakes was allowed to incorporate was because former Commissioner Seijas retracted her position on incorporations, which helped to facilitate that incorporation. In twenty years, the BCC had never voluntarily allowed the normal incorporation process to move forward, Ms. Greer maintained. She said before 1997, the ordinance was not amended, all incorporation applications had to be approved through the allowable incorporation process, and for the past 20 years, the County Commission had been opposed to incorporation. She noted she would propose a process for this Task Force to consider by first, establishing an Incorporation Committee Ordinance. The Committee would consist of five members who would obtain a petition from the Clerk of Courts in a form set by the Supervisor of Elections.

Concerning Councilwoman Garcia-Martinez' question regarding the 25% signature requirement, Ms. Greer pointed out that the Committee must file the form with the Clerk of the Courts, and it must include a legal description of the area the Committee wished to incorporate and the applicants must provide their names, address, and signature on the form for approval by the Clerk. The form would be forwarded to the Supervisor of Elections to produce a list of valid registered voters from the area described on the petition. The Incorporation Committee would then be given a six month opportunity to collect signatures from valid registered voters of the area who support incorporating. If not supported by at least 10% of the valid registered voters from the described area, the petition should die. Upon certification of the petition by the Clerk that 10% of the valid electors of the described area support incorporation, the Clerk would present the petition to the County Commissioners at the next scheduled regular BCC meeting. At which time, the Commission would set an election date no sooner than 90 days and no later than 120 days. If another election is already scheduled within the same timeframe, the BCC would be authorized to set this election at the same time. Also, during the same timeframe, the Budget Office would complete a financial analysis of the described area. If the citizens vote to approve incorporating, a post election process would be implemented to create a Charter Committee that would create and recommend a Charter which would go before the electors for approval. She noted this is essentially the process followed by all incorporations that were approved. She noted there was vigorous debate and opposition to all the municipalities that incorporated, but the process was a magnificent exercise of the democratic process.

Chairman Diaz noted he was aware that Broward completed a similar process. He asked Ms. Moon to explain whether this process was successful in Broward County and the rules and procedures imposed on areas that incorporated in Broward County.

Ms. Jennifer Moon, Office of Management and Budget, explained that in the early 1990s, Broward County was largely comprised of annexed areas and that Broward, unlike Miami-Dade County, did not have a Home Rule Charter nor an incorporated area that acted as municipality. It was comprised of a number of annexed areas and had no remaining commercial area to provide revenue to service the unincorporated area. Consequently, Broward County officials petitioned the State of Florida, and the State enacted legislation prohibiting piece meal annexations. The State concluded that the entire unincorporated area would be annexed by 2010. Essentially, Broward County adopted annexation policies and worked with the municipalities to ensure that the entire unincorporated area was annexed. Today or by May 2012, a small piece of unincorporated area remained in Broward County, which was supported with countywide revenues.

Ms. Aguilar noted some areas had completed the incorporation process successfully because the citizens were well-educated on the process; however, other areas lacked knowledge on annexations. She stated that her concern was that, if this process became convoluted, some people would make decisions that were not in their best interest due to their lack of knowledge. The County could provide data and information to help educate the general public on the annexation process, and some areas or municipalities, such as the City of West Miami, could provide services at less cost than the County, Ms. Aguilar noted. She noted Task Force members needed to discuss these issues considering the time constraints.

Ms. Aguilar suggested the Task Force recommend that a question be placed on the ballot as to whether or not Miami-Dade County should provide regional services only. She noted the creation of the Task Force stemmed from a general consensus among the residents of the community that they were dissatisfied with their district commissioner.

Mr. H.T. Smith pointed out that Ms. Greer's proposal would eliminate the County Commission from the process. He asked Ms. Greer what would be the purpose for going before the County Commission, and when would the budget review be completed, and the financial data available to the public.

Ms. Greer noted that the County Commission would set an election once the petition was submitted. She also noted that, once the Incorporation Committee had met its 10% signature requirement and obligations for placing the item on a ballot, the Budget Office would prepare a financial analysis that would be distributed to the public for debate at a public hearing before an election was called.

In response to Mr. Smith's question regarding whether the Budget Office would be given a certain timeframe to complete the financial analysis, Ms. Geer noted that during the 60 days following the Clerk's certification of the petitions, a budgetary analysis on the proposed

incorporation shall be completed and the Board of County Commissions shall schedule at least one public hearing prior to calling an election.

Chairman Diaz noted the Task Force needed to discuss a plan for incorporation and annexation and make recommendations for a process as it related to the Charter and the Code.

Mayor Bermudez noted he agreed with Ms. Aquilar's suggestion that a question be placed before the voters on whether or not Miami-Dade County should provide regional services only. He said he believed a process was needed to give areas the right to self govern without any interference from the County Commission. He spoke about the issues of mitigation when the Cities of Doral, Palmetto Bay and Miami Lakes incorporated, and the fact that mitigation was imposed on them and not other cities such as Pinecrest and Aventura. He noted Commissioner Seijas was a member of the Committee created by the Board of County Commissioners to hear issues on mitigation, and the Committee concluded that mitigation was unfair because those three cities would pay taxes in perpetuity to exist. He noted, subsequently, the State's Governor signed a bill repealing mitigation for the three cities; however, the cost to litigate was around \$46 million. He noted the rules were applied differently and subjectively to those cities by the Commission of that time, which was not good government. He said he believed the incorporation process should be very clear, and not governed by the County Commission.

Mayor Bermudez noted annexations were just as important, noting an unincorporated area in the middle of the City of Hialeah 100 yards away from a municipal fire station, should be part of the City of Hialeah. He noted he concurred that the public needed clear data on incorporation and annexation and that the residents should have the right to petition their government to incorporate. He noted the Task Force should consider the most effective way for the County to deliver services, and he also noted the Charter needed to be amended to change the process for incorporating.

Mayor Bermudez stated he would consider an incorporation process along the lines of Ms. Greer's proposal to place the question before the voters and remove the politics out of it.

Ms. Greer noted in reality, the past budget analysis always showed that the proposed city was not financially fit to incorporate. She gave the examples of the Cities of Pinecrest and Miami Gardens, which showed a \$20 million deficit at the time they applied for incorporation. She noted the County's analysis and budget statement was comprised of various opinions and many pros and cons. She noted the Incorporation Committee would be obligated to refute the document and argue that the information was inaccurate.

Ms. Perry asked what would be the criteria for self-determination if the budget analysis showed that it was not financially feasible for the area to incorporate, or would a referendum be placed on the ballot anyway.

Ms. Greer noted the purpose of the financial analysis would be to have the citizens discuss it at a subsequent public hearing. She pointed out that the financial analysis for all past incorporations showed the proposed cities were not feasible financially and could go bankrupt, but what was

missing was a post election process for citizens to determine their budget and government size, based on available revenues, and how to provide services with less money.

Mr. Terry Murphy noted he believed that mitigation would not be considered again or imposed on future municipalities based on past experiences. He appreciated the fact that there had been a different strategic approach about the benefits of the School Board tax base versus the countywide tax base that occurred with new incorporations. He noted this issue had never been discussed by the County Commission, in terms of what the cities had done to improve the countywide tax base, Fire District and Libraries District, but the BCC always focused on the Unincorporated Municipal Service Area (UMSA). He said he felt this was excellent new info that could be brought forth for consideration by the PAB or the CC, that the BCC should have a role in this process, either to accept it or must have a two-thirds vote to override. He noted there was a possibility to open this up with no stop gap, and many areas had incorporated when it was historically shown that it would fail.

Mr. Murphy noted the issues were complex and the ability to cherry picking was an issue. He stated that, if the Downtown Kendall High Rises decided to incorporate Dadeland, they would be able to vote regardless of the impact on the residents of Kendall; and the incorporation would be able to establish that community, which was bordered by US 1, the Palmetto Expressway and SW 80th Street (Kendall Drive). He said he felt there was a role for some broader government oversight, and agreed with the County Commissioners regarding incorporations over the last twenty years the areas, when they said that all properties identified as commercial and industrial businesses that were viable for the County could not be included. He noted its been said that the current Code for incorporation was offensive and created more hurdles than necessary, but the Task Force needed to find ways to allow the Charter to provide a government body that would ultimately control the process and to improve the Code to make the process easier.

Ms. Greer pointed out that members of the Planning Advisory Board (PAB) were direct appointees of the Board of County Commissioners, and she believed they could be removed from the PAB if they went against the opinion of their appointee. Regarding industrial/commercial properties, she pointed out that the owners of the buildings in Dadeland did not live in the area, and she did not believe the citizens would organize a referendum to incorporate Dadeland because the residents were opposed to the commercial buildings and owners of the buildings would fight the referendum. Ms. Greer noted the Task Force needed to find a solution for repealing the existing incorporation and annexation ordinances that were approved by the County Commission but disapproved by the citizens for years. She noted the Task Force should consider the process used by Broward County, which decided to get out of the municipality business and concentrate on regional issues like infrastructure airport development and social services at a countywide level. She said she believed that placing a separate Charter amendment question on the ballot before the voters on whether or not Miami-Dade County should provide regional services only and incorporate all of UMSA might be a great way to test the sentiment of the voters.

Mr. Murphy noted that under the petition process, if someone wanted to repeal the existing ordinances under the Code, they could enact a countywide petition to repeal the entire section of

the Code that would stand for five years instead of one year. He noted that ordinance petitions were presented to the County Commission for acceptance or rejection and would go through the petition process.

Chairman Garcia noted the consensus of the Task Force was to streamline the process to make it easier for communities to incorporate; and the County Mayor expected this group to come up with recommendations to streamline the Charter incorporation process so that the County Attorneys could begin crafting the questions for review next week.

Mr. Slesnick noted he supported Mayor Bermudez' comments that the existing process complicated rather than facilitated the incorporation process; and the mitigation process and self-determination were unclear. He agreed that County government should play a role in speaking for all local residents regarding the future of the County; although in the past, the Commission had impeded what might have been the best course of action.

Mr. Ottinot noted the process needed to be easier and include checks and balances. He noted the Chair had said that the consensus of this Task Force was that the County should have a plan in place for incorporations and annexations. He questioned how Task Force members wished to proceed with this issue.

Mr. Percival noted the first step would be to prepare a question asking the voters whether the County Commission should be a regional body since at least three members had suggested this. If the voters approved this question, the next step would be to develop the process for incorporation and annexation.

Mr. Slesnick clarified that the charge of this Task Force was to recommend amendments and/or revisions to the Charter.

Mr. Percival noted the goal of the County should be to become a leaner, more efficient government that serviced regional areas; and municipal areas would require a paradigm shift through a self-determination process. The question to the voters should be whether the County Commission (or Miami-Dade County) should be a regional government that dealt with regional issues and whether that municipalities should be allowed to annex or incorporate without creating donut holes.

Chairman Garcia asked the Assistant County Attorney to explain the process for placing questions on the ballot.

Assistant County Attorney Oren Rosenthal clarified that the Charter was amended by placing a question on the ballot that was approved by the County Commission through a resolution. He provided an example of a ballot question, noting it could not exceed 75 words and must adequately summarize the proposed change. He explained that this Task Force was responsible for reporting to the County Commission how the Charter should be amended and how. He also explained that, once this process was complete, the County Attorneys would draft a ballot

question to be placed on the ballot; and the Task Forces' recommendations should be specific and was not limited to 75 words as the ballot question.

Ms. Greer noted Mr. Lawrence suggested the Task Force recommend that a question be placed on the ballot calling for countywide incorporation; however, it should be a citizen's initiative petition process rather than imposing countywide incorporations because residents should not be forced to incorporate against their will. Ms. Greer suggested the Task Force create a discussion item as to whether the County Commission's participation in this process should be limited; and Mr. Percival, Mr. Murphy, and she would work with the County Attorneys to draft appropriate recommendations for the Task Force's review at its next meeting.

The foregoing recommendation was accepted by a unanimous consensus of those members present.

Mr. Percival suggested that Mayor Bermudez and Ms. Aguilar should also work with the County Attorneys to craft the language.

Chairman Garcia commented two or more proposals would be before them for review by the time this group reconvenes, noting the final recommendation could be a hybrid although he agreed with some of each suggestion. However, they all agreed that a concrete incorporation process must be established.

Mayor Bermudez asked how he would communicate his input on language.

Assistant County Attorney Rosenthal clarified that Government in the Sunshine prohibited Task Force members from discussing these issues via email or any other median other than a publicly noticed meeting. However, they could schedule a meeting in the Sunshine to discuss these proposals.

Mr. Percival noted that Councilman Gonzalez's input was equally important and should be included in fashioning the language.

Ms. Greer suggested that the Task Force could meet on the Monday before its Wednesday meeting for a short session to discuss the language.

Mr. Manrique noted he was appointed by Senator Souto, whose Commission District was one of two that did not have a single city. He noted he tended to support some of every proposed suggestion; however, he believed that this body needed to consider the impact if the entire County became a regional government. He recommended that Task Force members keep in mind that, even though the County was moving toward a regional government, flexibility was needed.

Chairman Garcia noted this debate would be continued at the next meeting, and he proceeded to consider the issue of term limits.

- o 2011 Adopted Millage Rates

(SEE REPORT FOR RELATED AGENDA ITEM INCORPORATION/ANNEXATION PRESENTATION.)

- o Areas of Interest Tally

Chairman Rene Garcia noted the oral feedback given by the members of the public at the public hearing meetings were issues relating to county commissioners' salaries, incorporations/annexations, financial administration of personnel, governance of Jackson Memorial Hospital (JMH), and abolishment of certain policies and functions of the County administration. He asked that Task Force members begin to consider which of those issues should be reviewed.

- o Blog Update

Mr. Michael Sarasti, Customer Service Advocate, Miami-Dade Community Information and Outreach, explained that a solution was developed at the request of the Task Force to help solicit additional feedback from the community outside of the Task Force's web page; therefore, a web blog link and website page was established. He noted the Task Force's website had a contact page link to submit comments on the record and include information such as email address and name. He noted a blog link was also included to allow the public to submit informal comments unanimously, and standard notification disclaimers were posted to notify users that privacy rights were not applicable when browsing through the website. He also noted several other solutions were available and many required a fee.

Mr. Sarasti reviewed the contents of the forms and how the comments could be submitted.

In response to Mr. Percival's inquiry, Mr. Sarasti clarified that the blog was not intended for the members of the Task Force to respond to the comments made by the public; and it was just a form to allow the public to have access to the Task Force. He noted it was designed to have the public submit recommendations and comments.

In response to Councilman Gonzalez, Chairman Garcia advised blog link was designed to allow Task Force members to log on and view all of the comments made by the public and to post questions to gather additional input.

Mr. Sarasti noted the web site address was charterreview2012.blogspot.com, and the Task Force's web site also had a link to the blog.

In response to Mr. Percival's inquiry regarding whether the public hearing meeting minutes should be linked to the blog to stimulate thinking, Chairman Garcia advised the minutes were linked to the website.

In response to Mr. Percival's and Councilwoman Garcia-Martinez's inquiries regarding how to access the blog link, Mr. Sarasti explained the blog could be accessed from the outside by logging in to charterreview2012.blogspot.com directly or by typing miamidade.gov/charter.

Mr. Sarasti advised that the blog form could be modified to accommodate the wishes of the members of the Task Force to include viewpoints to solicit input from the public.

Discussion ensued regarding how to access the blog page.

Assistant County Attorney Oren Rosenthal advised that Task Force members should not use this blog page as an opportunity to communicate with others or the public due to the Sunshine Law. He asked that Task Force members refrain from initiating or entertaining a discussion outside of the public process regarding blog responses.

In response to Mr. Murphy's question regarding whether Task Force members should participate in the blog, Chairman Garcia asked that Task Force members refrain from submitting anonymous blog comments on any issues.

Mr. Murphy commented that, even though comments were anonymous, blog comments were traceable, and he noted it represented a discussion form outside of the public process.

Ms. Inson Kim stated the blog link was established as a response to a request made at the Task Force's meeting of May 7, 2012, in order to gather the public's sentiment on issues. She stated the Task Force discussed the issue of individuals who wished to comment on issues without providing their names; and as a result, a mechanism was developed to allow for comments off the record and in an informal manner. She also noted the Task Force needed to determine the party responsible for monitoring the blog link.

Professor H. T. Smith noted the blog link substantially sufficed the intent of the Task Force members provided that several intricate points could be included to monitor the public's sentiment; but the Task Force would not participate as a consequence of the Sunshine Law.

In response to Mr. Percival's inquiry regarding whether Task Force members could confess orations at the official parliamentary, Professor Smith advised he was not sure.

- o Follow-up CRTF requests and other business (Translations, Independent Review Panel, Commissioner Moss Item, etc.)

Chairman Garcia stated at the next Task Force meeting he would like to discuss the issue of governance at Jackson Health System, and would like to have a presentation on what was going on around the country as it related to public hospitals and their governance. He noted this issue was critically important for this County.

A consensus was reached among a majority of the Task Force members present to discuss salaries for county commissioners.

Mr. Bermudez noted he would be absent from the May 23, 2012, meeting, and he would like to be present for the discussion on ethics and the Office of Inspector General. He noted he intended to proffer some ideas on these two issues.

Ms. Perry stated that she would like to discuss the two-thirds votes for changes to the Urban Development Boundary (UDB) by the County Commission. She noted this issue was an ex-Mayoral issue.

Chairman Garcia stated that issue would be discussed at the next meeting.

Ms. Perry commented on the two-thirds (2/3) required vote of the County Commission for changes to UDB, noting the two-thirds vote was required by the Miami-Dade County Code rather than the Charter meaning the County Commission could roll it back to 50%. She proposed that the two-thirds (2/3) vote requirement be considered by the Task Force with the possibility of having the two-thirds vote requirement placed in the Charter to prevent a roll back.

Mr. Murphy expressed his concern with the Task Force consideration of the two-thirds (2/3) vote requirement for changes to the UDB, and how it would fit in the Charter. He stated that a section would have to be created in the Charter to address this issue along with defining this section. He expressed it was more of a legislative issue inasmuch as many factors were associated with it.

Ms. Perry asked Assistant County Attorney Rosenthal to review this issue.

Assistant County Attorney Rosenthal explained the UDB was not in any way defined in the existing Charter. He further explained any recommendation of this Task Force, if supported by the County Commission, would be placed as a Charter amendment ballot question for the voters.

Mr. Manrique stated that Ms. Perry only stipulated half of what the former Task Force recommended on the UDB issue. He noted that the issue was highly opposed by the Latin Builder Association and the Florida Builders Association. He stated that he still did not understand the rationale for the opposition. Mr. Manrique stated that the Builder Association contended that allowing staff to drive the UDB was better than including it in the Charter. He stated that the Task Force should listen to the builder associations who argued that the UDB was not a line that was set, and it was a moving line through time. Mr. Manrique reminded the Task Force members that our predecessor asked the County Commission to place before the voters on a ballot question that a Charter Review Task Force or a similar body meet every five years to determine whether that UDB line should be moved or not. He noted that according to the builder associations a builder would have to invest approximately \$200,000 to initiate petition to move the UDB line. He suggested the UDB legislation be inserted in the Charter. Therefore, there would be no changes to the UDB until the Task Force met and made its recommendations to move the UDB line. Mr. Manrique stated that the builders did not support this idea.

Mr. Percival stated everyone knew he was the Mayor's appointee, and the Mayor had not dictated that he followed his suggestion, but his suggestion was in his State of the County

Address that UDB issue be codified and have 10 votes on the issue. He expressed that he supported a simple majority vote on the UDB issue as it stand now with nine votes and did not have a problem with it be codified in the Miami-Dade County Code. Mr. Percival stated would it hurt to codify this issue if the Task Force as suggested by Ms. Perry at a two-third (2/3) vote requirement.

Mr. Murphy stated he would consider placing it in the Charter.

It was moved by Ms. Aguilar that the Task Force recommend inserting language in the Charter regarding the UDB. This motion was seconded by Councilwoman Garcia-Martinez, and the floor was opened for discussion.

Mr. Ottinot questioned the time frame for how frequently the UDB issue would be reviewed.

Ms. Perry restated her motion that the current requirement that it took a two-thirds (2/3) vote of the County Commission to move the UDB be placed in the Charter.

Mr. Ottinot stated he believed that zoning matters should always be in the Code, and the Charter should be very limited.

A brief discussion ensued among the Task Force members regarding the UDB line.

It was moved by Ms. Perry that the Task Force recommend the insertion of language into the Charter pertaining to the two-thirds (2/3) vote requirement for the UDB line. This motion was seconded by Ms. Aguilar; and upon putting the motion to a vote, the motion passed by a vote of 11-0. (Mr. Arriola, Mr. Bucelo, Mr. Diaz, Ms. Greer, Mr. Julien, Dr. Richardson, and Mr. Trujillo were absent)

Mr. Donald Slesnick announced that he would not be present at the next Task Force meeting scheduled for May 23, 2012; and he would like for the Task Force to discuss the Government Supervisor Association and the Police Benevolent Association (PBA) letter regarding the mayoral veto on the union impasse items.

Chairman Bermudez stated that the May 23, 2012, meeting would address the ethics and the Office of the Inspector General.

Mr. Murphy suggested that the Task Force discuss the vacancy of the current Mayor's office before the County conducts a special election or a run-off election. He asked that the Task Force consider using the concept of an instant-runoff ballot method if there was a special election that needs to fill a vacancy in the office of the Mayor or a county commissioner seat. He informed the Task Force members that this method had been used in certain communities like Minneapolis as well as other areas.

Chairman Garcia stated that the suggestion made by Mr. Murphy could be placed on the May 23, 2012, meeting agenda.

Mr. Murphy asked that the appropriate department be prepared to make a presentation on his suggestion at that meeting.

Mr. Ottinot asked that the current benefit package for each county commissioner be provided to the Task Force in order to discuss the issue of salary for county commissioners.

In response to Mr. Ottinot's request, Chairman Garcia stated that information would be provided and available for the next meeting.

Mr. Murphy requested that staff prepare for the Task Force's review his proposal relating to county commissioners' salary and his formula consisting of the value of the property tax base divided by the population. He asked if the proposed formula be done for five-year increments between the census dates and the five-year estimate. He further stated when you divide the tax base of the entire County it was approximate \$192 million by the population of 2.5 million people it comes up to approximately \$76,000. Mr. Murphy suggested that the Task Force adopt a local formula to be developed instead of the State formula. He asked that staff prepare this information requested and present it to the Task Force.

Mr. Manrique reminded the Task Force of the current petition gathering process for incorporations be presented at the next meeting.

Mr. Percival made closing remarks, noting that the Task Force still have the task of reviewing the former Task Force's recommendations. He believed despite what was said in the beginning, if we have to proceed with making recommendations and forward those recommendations for consideration by the County Commission.

ADJOURNMENT

There being no further business to come before the Miami-Dade County Charter Review Task Force, the meeting adjourned at 1:08 p.m.

Chairman Rene Garcia
Miami-Dade County Charter Review Task Force



Board of County Commissioners
Charter Review Task Force
May 17, 2012

Prepared by: Jovel Shaw

EXHIBITS LIST

NO.	DATE	ITEM #	DESCRIPTION
1	5/17/2012		2012 Charter Review Task Force First Meeting Sign-in Sheet
2	5/17/2012		Cmr. Barreiro's memo re New Appointment to the Charter Review Task Force
3	5/17/2012		Outline of Incorporation Charter Amendment Proposal
4	5/17/2012		Copy of Miami Herald's newspaper entitled, "Baby, you can't drive my car"
5	5/17/2012		Copy of Miami Herald's newspaper entitled, "Miami-Dade leady pipes: More than 47 million gallons of wast spilled in past two years"
6	5/17/2012		Copy of presentation dated May 17, 2012, entitled, "Charter Review Task Force Incorporation in Miami-Dade County"
7	5/17/2012		Copy of presentation entitled, "The Procurement Process Miami-Dade County" by Internal Services Department
8	5/17/2012		Metro-Dade Firefighters Proposed Changes to the Miami-Dade County Charter

2012 Charter Review Task Force

Meeting

Miami-Dade County Main Library, Auditorium

May 17, 2012 at 9:00 a.m.

Name	Email	Telephone	Address
Margie Rogers	amodame miamidadegov	375-3128	111 NW 1st 1220 Miami, FL 33128
Dorothy Taylor	Roman 5037 @BellSouth.net	(305) 543-6100	8000 NW 21st St Miami 33122
Alex Dominguez	acdo MIAMI-DE-QU	(305) 375-5000	111 NW 1st Street
Alina Gonzalez	alvago MIAMI-DE-QU	375-5000	11
BOBBY HIDE	VOSMUS @ yaho0-com	786-326-0351	POB 403545 MB Fl (33140) ADD: 444 NE 31st #6 Miami FL 33137
Belkis Nora Bosch	Belkis.ASIRA- Bosch@illimed.org	305-375-2454	9248 COLLINS AVE #102 Suite 102 R 11 NW 1st #23 fl
Alex Ariano	alexariano@ comcast.net	305-558-5270	8465 Menteiguita Ter. Miami, FL 33143



MEMORANDUM
BRUNO A. BARREIRO
Miami-Dade County Commissioner
District 5

TO: Christopher Agrippa
Clerk of the Board

FROM: Bruno A. Barreiro *Bruno Barreiro #5*

SUBJECT: New Appointment to the Charter Review Task Force

DATE: May 17, 2012

Please accept Mr. Louis Martinez as my new appointment to serve on the Charter Review Task Force.

You may contact Mr. Martinez at:

Mr. Louis Martinez
2333 Brickell Ave.
Suite A-1
Miami, FL 33129
Phone: (305) 764-3834
Fax: (305) 764-3814
E-mail: louis@lvmlegal.com

If you have any questions please do not hesitate to contact my Chief of Staff, Loreta Sanchez, at (305) 643-8525.

c: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners
Honorable Carlos A. Gimenez, Mayor
Honorable Harvey Ruvin, Clerk of the Courts
R.A. Cuevas, Jr., County Attorney

Outline of Incorporation Charter Amendment Proposal

Concept:

Amend Section 6.05 to create 6.05(a) Incorporation by the Board and 6.05(b) Incorporation by Initiatory Petition. The initiatory provision incorporation process will be modeled after initiatory petition for ordinances and Charter Amendments.

Process:

I. Creation of Committee and Approval of Form of Petition

An incorporation committee organized by electors with a minimum of 5 electors from the proposed area of incorporation will initiate the process by filing with the Clerk of the Circuit Court an initiatory petition on a form prescribed by the Clerk for such purpose. The form shall at a minimum identify the names and addresses of the committee persons and the area to be incorporated. The Supervisor of Elections will compute the total number of electors within the proposed incorporation area at the time of the submission of the form for approval. Within seven (7) days of receipt of the form, the Clerk shall approve the form of petition and provide the incorporation committee the number of required signatures which shall be equal to ten percent (10%) of the electors in the proposed incorporation area.

II. Circulation of Petition

The incorporation committee will have six (6) months to obtain signatures on a form provided by the Clerk equal to ten percent (10%) of the electors in the proposed incorporation area. The signatures shall include the name, address and signature of the elector but will not have to be notarized.

III. Canvass of Petitions

The signed petitions will be submitted to the Clerk who shall have thirty (30) days to canvass the signatures contained therein.

IV. Setting of Election and Study Process

Upon certification of the sufficiency of the signatures on the petition the Clerk shall present the petition to the Board of County Commissioners at their next regularly scheduled meeting at which time the Board shall call an election to authorize the creation of a municipality which shall occur no sooner than ninety (90) and no greater than one hundred twenty (120) days from the date the Clerk certifies the signatures. The election shall be held, whenever practicable, in conjunction with another election scheduled to occur within the proscribed time period. The election shall be determined by an affirmative vote of a majority of electors voting in the proposed new municipality. During the sixty (60) days following the certification of the petitions, the Board shall complete a budgetary analysis in cooperation with the incorporation committee of and on the proposed incorporation and schedule at least one public hearing prior to the incorporation election.

V. Post Election - Charter Creation

The Miami Herald

Posted on Tue, May. 15, 2012

Baby, you can't drive my car

BY MICHAEL PUTNEY
mputney@justnews.com

I'm pretty sure the job description for the Miami-Dade Commission sergeant at arms doesn't include chauffeur duties, but there he was — a Miami-Dade police officer (in business attire) — pulling into the VIP parking lot behind the Miami-Dade Government Center recently in a big county-owned SUV with just one passenger: Commissioner Barbara Jordan.

She wasn't pleased to see a TV camera or my Channel 10 colleague Jeff Weinsier who asked Jordan why she wasn't driving her own car, the one for which taxpayers give her \$800 a month. Somewhat indignantly, the commissioner told Jeff that she needed the services of the sergeant at arms because she had "work to do in the car," including several phone calls. "And I wanted to make sure I was safe coming in not having to deal with traffic." Hey, don't we all?

But very few hereabouts — just 13 Miami-Dade Commissioners, in fact — can order a cop to take the wheel of a taxpayer-provided Lincoln Navigator or Town Car to ease the pain of commuting. It's a perk our worthy county commissioners have given themselves under the guise of a "security escort." If there's a credible threat against a commissioner, by all means provide a police escort. But Jordan's trip to the office the other day, and on many days, isn't about security, it's about convenience. And a disturbing sense of entitlement.

She's not alone. At least 10 county commissioners have availed themselves of the sergeant at arms for chauffeur duty. Only Commissioners Xavier Suarez and Steve Bovo, according to the lead sergeant at arms, have never asked the sergeant at arms to squire them around. Let's give them a round of applause.

As for the others, a question: What makes you think you're entitled to being chauffeured around the county for your ordinary commission duties by an on-duty cop? And where do you get off doing so in a county-owned vehicle when you're given \$800 a month to lease a car of your own?

There's no log kept of which commissioner gets the most rides with the sergeants at arms (there are three) but I'm told Jordan is number one. She clearly feels entitled to this perk, and there's the rub. All commissioners have their own staff, one of whom could certainly serve as a driver in a pinch. Yet, commissioners prefer to use the police officer assigned to protect them, maybe because he's got a gun, a badge and a blue light in his car.

My guess is that commissioners think they're owed the chauffeur service because they're paid so little and work hard at their jobs. But there are plenty of benefits, too. Their total compensation package is in the vicinity of \$50,000.

If we did a survey of commissioners about their use of the sergeant at arms I suspect most would say, what's the big deal? In a county with a \$6.1 billion annual budget, does a car allowance of \$800 per month X 13 (\$124,800 a year) make any difference? Financially, no. Ethically, perhaps. But in terms of abusing the public trust, absolutely. Ordinary folks can't conceive of spending \$800 a month on a car. And to have been given that much for one and still use an on-duty cop to drive you around? It's offensive.

I wonder why commissioners can't see it. Mayor Gimenez did and eliminated his own and the car

allowances of everyone who reports to him. Good. He's also open to letting commissioners take their pick of one of the 100 or so county cars and trucks sitting idle in a garage at the Earlington Heights Metrorail station. Why not?

Miami-Dade Commissioners put in long hours and earn just \$6,000 in salary — an amount set in 1957 and which voters have refused to increase since because commissioners have always attached unacceptable riders to the ballot question. There's an election in August for Miami-Dade mayor and seven commission seats, plus a general election in November.

The salary for commissioners should be placed on one of those ballots as a stand-alone question. Let's say about \$92,000 a year, the state formula. I'd vote yes as long as being a commissioner is their full-time job and cops stop chauffeuring them. And they lose that entitlement attitude.

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The Miami Herald

Posted on Mon, May. 14, 2012

Miami-Dade's leaky pipes: More than 47 million gallons of waste spilled in past two years

By CHARLES RABIN AND CURTIS MORGAN
crabin@MiamiHerald.com



MARICE COHN BAND / MIAMI HERALD STAFF

The central district Wastewater Treatment Plant, on Key Biscayne, Monday.

Miami-Dade County's antiquated sewer system has ruptured at least 65 times over the past two years, spewing more than 47 million gallons of untreated human waste into waterways and streets from rural South Miami-Dade to the ritzy condos of Brickell Avenue to the Broward County border.

The breaks and blowouts — topping out at nine in a single stinky month last October — were documented in nine warning letters that state environmental regulators sent to the county's Water and Sewer Department between June 2010 and April.

The letters, warning that the county could be on the hook for "damages and restoration" and civil penalties of up to \$10,000 a day, were the catalyst for ongoing negotiations with the U.S. Environmental Protection Agency, U.S. Department of Justice and Florida Department of Environmental Protection. The talks are expected to end with a legal settlement committing the county to a multibillion-dollar plumbing repair plan — and probable customer rate hikes.

The letters lay out more dirty details of "unauthorized discharges" not included in a 78-page draft consent decree released last week that declares the county in violation of federal water quality laws, in large part because some of the foul spills drained into canals and Biscayne Bay.

Many of the leaks from the county's 7,500 miles of lines were relatively minor, posing minimal traffic disruptions and public health concerns. But at least eight topped 100,000 gallons. Six more released more than 1 million gallons of raw sewage from rusted valves or cracked concrete-and-steel pipes that county engineers acknowledge had long out-lived their intended life span.

The worst problem by far, according to the DEP letters, is the county's aging Central District Wastewater Plant on Virginia Key, which is designed to discharge partially treated sewage out a pipe more than a mile off shore. State records show that between October and December 2011 four separate failures sent a total of more than 19 million gallons spilling from the plant.

The largest at Virginia Key, on Oct. 9, spilled 17 million gallons of raw sewage.

Doug Yoder, the Water and Sewer Department's deputy director, blamed it on a broken pin holding a filter screen used to divert "chunks of stuff" from the liquid flow. Once the pin failed, the thick solids built up, triggering a massive back-up that forced workers to shut down that plant and divert incoming sewage to another site, causing even more of an overflow.

The public never heard about that failure, Yoder said, because "nothing actually left the plant site. The overflow went into the storm drains, then back to the plant."

But three weeks later, on Oct. 31, another million gallons of partially-treated sewage spilled out a relief valve into surrounding bay waters, forcing Miami-Dade to issue no-swimming advisories. That was triggered by a power outage that shut down a pump as operators shifted from a generator to the power grid.

Yoder conceded operators have a difficult task at Virginia Key, the oldest and most decaying of the county's three plants. It handles some 25 million gallons of raw sewage a day from Surfside, Bal Harbour and Miami Beach. The county has mulled replacing it, which would cost \$500 million — money Yoder said the department doesn't have. He also acknowledged the department has resisted pouring a lot of repair money into a plant it hopes to replace.

"We want to avoid spending a lot to keep it running if we're going to take it out of service," he said.

The federal enforcement action isn't the county's first. In 1996, Miami-Dade paid a \$2 million fine — at the time the largest ever for a U.S. Clean Water Act violation — and agreed to expand the capacity of a system that was constantly pouring raw sewage into the Miami River and Biscayne Bay.

Since then, the department estimates it has spent some \$2 billion on upgrades but hasn't come close to covering needed fixes for a system in which many pipelines are approach a half-century in age or even older.

Blanca Mesa, an activist with the Sierra Club who has raised concerns about the county's plans to replace only one segment of an aging and fragile sewer pipe under Government Cut, said the failures point to a long history of ignoring problems and putting off proper maintenance. She said today's problems echo failures detailed in a 1991 grand jury report documenting sewage spills into the Miami River.

"Somebody has to understand we have to set the right priorities in this county, and we haven't been doing that for a very long time," she said.

Miami-Dade Commission Chairman Joe Martinez agrees the county has to find a way to pay for the repair work. One option might be to issue bonds, Martinez said, but he would insist that property tax bills don't rise for residents as a result. Martinez said it's possible that any increase in bond debt would be offset by a decrease in the property tax rate, if home values rise this year, as he expects.

"We're going to have to wait until the tax rolls come out," he said. "We definitely need to fix the infrastructure, but we must gain people's confidence that [the money] will be used for that."

Mayor Carlos Gimenez said he is waiting to learn how much money the county would need to spend before committing to a financing plan. First he would look to reduce water department costs, he said, then possibly enter some type of private-public partnership.

"The last thing we want to do is put any kind of burden on the public," he said.

Past political decisions have compounded the sewer department's problems, by cutting into reserve funds that could have helped finance the system upgrades.

Historically, county leaders tapped water department funds for other departments struggling to make ends meet. Though that practice stopped in 2007, last year the Water and Sewer Department still "loaned" \$25 million to the county's general fund to help balance the books. Payback is scheduled to begin in 2014, at \$5 million a year.

Right now, the department has three reserve accounts. One is required to maintain a 60-day reserve, or \$55.7 million. Another is expected to have about \$30 million by the end of this budget year in September. A third is empty.

Another type of reserve account intended for unexpected repairs maintains between \$50 million and \$60 million each year — a fraction of the repair bill that county engineers estimate could run into the billions.

Adding to the problem, county commissioners and mayors have repeatedly resisted raising what rank as some of the lowest water and sewer fees in the state — though they did boost it 4.7 percent last year. The average homeowner pays about \$135 quarterly, according to the county.

Miami-Dade certainly isn't alone in struggling to mend its leaky and aging sewage system. Most major cities in the United States have similar problems. The EPA estimates there are 240,000 water and sewer main breaks across the country each year, and puts the price tag at hundreds of billions of dollars.

In Broward County, for instance, state regulators say sewer failures have sometimes drawn scrutiny but not a similar sweeping state-federal enforcement case. Waste there is handled by 28 different utilities with much smaller and generally newer systems. Miami-Dade's system is the largest, and among the oldest, in the state with huge pipelines carrying large volumes over long distances.

Alan Garcia, director of Broward's wastewater and water services, said less than 3 percent of the county's 7 million feet of pipes is older than 50 years. About 40 percent of the county's breaks are construction related, he said.

"We do an aggressive job of monitoring our pipes," he said.

Jennifer Diaz, a Florida DEP spokeswoman, said Miami-Dade hasn't tried to cover up its problems, acknowledging in an April 2011 "self assessment" sent to the EPA that numerous breaks were putting the county in violation of the U.S. Clean Water Act.

The DEP opened its own enforcement case against Miami-Dade in 2009. But the following year, after consulting with the EPA and Miami-Dade, all the parties agreed to draw up a joint state-federal consent decree that acknowledges "improper" management and maintenance practices.

In a written statement, Diaz said the spills "are mitigated by Miami-Dade to the greatest extent possible."

Still, the potential failure of some key pipelines could have disastrous consequences. Earlier this year a consultant warned that the sewer main running under Government Cut to Virginia Key was so brittle it could rupture at any time. It was constructed from pipe made by a now-defunct company named Interpace, whose notoriously defective products have been linked to a number of major failures.

Though county engineers maintain the pipeline remains safe for daily use, department director John Renfrow acknowledged an unexpected failure would be "catastrophic," spewing tens of millions of gallons of raw sewage into Biscayne Bay.

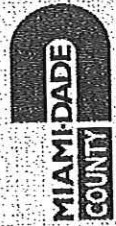
His warning echoes one issued exactly two decades ago about potential sewer line breaks by a Miami-Dade grand jury appalled by environmental and other conditions in the Miami River.

"The Miami River and Biscayne Bay would experience the worst environmental catastrophes in modern history," the 1991 report warned. "The detrimental impact of a spill of this type and the cleanup and mitigation costs are incalculable. If we are seriously concerned about the bay, we must address this known environmental hazard now."

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Charter Review Task Force
Incorporation in Miami-Dade County

May 17, 2012



History

- In 1957, with adoption of the Miami-Dade County Home Rule Amendment and Charter, incorporation and annexation authority shifted from the State legislature to the Board of County Commissioners (BCC). Article 6 of the Charter provides incorporation and annexation guidelines.



Charter Requirements

- Section 6.04 - Changes In Municipal Boundaries
 - BCC may effect a boundary change after obtaining the approval of the municipal governing bodies concerned and after hearing the Planning Advisory Board (PAB) recommendation; if there are over 250 resident electors in the area being considered an affirmative vote is required.

Charter Requirements

- Section 6.05 - Creation of New Municipalities
 - Only the BCC may authorize the creation of a new municipality in the unincorporated areas of the County after hearing the recommendations of the PAB, after a public hearing, and after a majority vote of the electors residing within the proposed boundaries.

Code Requirements

- Chapter 20 of the Code of Miami-Dade County governs the Annexation and Incorporation process.
- Petitions for incorporation must include consent from 25 percent of the electors in the proposed area.
- Once the petition is deemed complete, the BCC may form a Municipal Advisory Committee (MAC) to study the desirability and feasibility of creating a municipality.

Incorporated Area v. UMSA

- At the time of Charter adoption, twenty-six municipalities were in existence. Approximately 35% of the County's population lived in the unincorporated municipal service area (UMSA).
- Prior to the incorporation of Miami Lakes, thirty municipalities were in existence and 53 % of the population lived in UMSA.
- Today there are 34 municipalities and about 44% of the population lives in UMSA.



Incorporation in the 1990s

- The incorporation of Key Biscayne in 1991 led to new interest in the creation of municipalities throughout the County.
- Three additional municipalities were created in the 1990s:
 - Aventura, 1995
 - Pinecrest, 1996
 - Sunny Isles Beach, 1997



Incorporation in the 1990s

- As a result of these incorporations, concern grew regarding the equitable distribution of resources and possible detrimental effects on the entire community.
- In December 1997, the BCC adopted a one-year moratorium on incorporation, directing the County Manager to study the impact the loss of revenue had on the remainder of UMSA.

BCC-adopted Policies

- After the moratorium, the BCC adopted policies addressing the concerns of equity and self-determination.

02-26	Requires new municipalities to remain in the fire and library districts and contract with MDPD for local patrol services
02-130	Requires MAC boundaries to be within a commission district or seek approval from neighboring commissioner
04-201	Provides for the BCC approval of any municipal charter changes prior to an election
05-73	Requires new municipalities to pay 100% mitigation on Commercial, Business, and Industrial (CBI) Areas
05-97	Codifies requirement for new annexing municipalities to be responsible for bond indebtedness
05-98	Allows UMMA bond funds to be used in new municipalities
05-112	Requires annexation applications to provide information related to terminals
05-140	Requires approval of 25% of resident electors for incorporation or to create a MAC
05-141	Codifies areas of countywide significance
05-142	Codifies mitigation for annexing municipalities
R-130-05	Requires independent budget analysis of proposed municipalities

Incorporation 2000 – Today

- Five new municipalities have incorporated since the moratorium was lifted:
 - Miami Lakes, 2000
 - Palmetto Bay, 2002
 - Doral, 2003
 - Miami Gardens, 2003
 - Cutler Bay, 2005



Recent BCC Actions

- On September 8, 2005, the BCC adopted Resolution 1051-05 requesting a report detailing the impacts of incorporation and annexation since 2000.
- On November 13, 2005, the BCC adopted Ordinance 05-192 directing that incorporations and annexations neither be considered nor processed until this report was presented and accepted by the BCC on May 8, 2007.
- On September 4, 2007, the BCC adopted Ordinance 07-120 suspending consideration of proposed incorporations until receipt of the County Manager's report on annexations.
- On April 3, 2012, the BCC adopted Ordinance 12-24 lifting the incorporation moratorium.

Non-Revenue Neutral Municipalities

- Three out of the five municipalities that have incorporated since 2000 were non-revenue neutral areas at the time the Board set an election among the registered voters seeking incorporation:

- Miami Lakes
- Palmetto Bay
- Doral

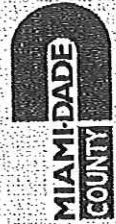


Non-Revenue Neutral Municipalities

- As a condition of incorporation, these municipalities agreed to pay a portion of their ad valorem revenues to offset the revenue loss to the unincorporated area as a result of their incorporation.
- The amount charged to the municipalities was based on a portion of difference between the revenues and expenses attributable to that area, the figures were based on an analysis done approximately two years prior to the time of incorporation.

Mitigation

- The County has phased out the mitigation payments from all of the municipalities at this time. The municipalities paid into the MSTF for a total of seven years.



Prior Miami-Dade County Incorporation Attempts

- In November 1997, the BCC considered an intent resolution to incorporate or annex the remaining unincorporated area by December of 2007 – no action was taken.
- In April 2002, another intent resolution was considered by the BCC to incorporate or annex the unincorporated area by January 2018 – this resolution failed by a 5-6 vote.



Miami-Dade County

- Incorporation and annexation efforts must be methodical.
- Each incorporation/annexation proposal is unique, and consideration must be given to the advantages and disadvantages associated with each.



Miami-Dade County

- Miami-Dade County has an obligation to the well being of the community, uncontrolled incorporation and annexation can lead to higher service costs to the taxpayer and general confusion regarding service area boundaries.
- The cost of municipal type services to the unincorporated residents has remained relatively low compared to municipalities in the County.
- Several large incorporation efforts within the unincorporated area have discontinued their efforts for lack of community support. (East Kendall MAC, West Kendall MAC, Northwest MAC)



Regional Type Services

- Fire Rescue Services
- Local Patrol Services
- Specialized Police Services



2007 Charter Review Task Force

The Charter Review Task Force issued its recommendations to the BCC on January 29, 2008. Issue 5 was the Study of Municipalities and Unincorporated Municipal Service Area (UMSA) Services (Creating and Abolishing Municipalities, Separation of Powers or Responsibilities between the County and Municipalities, and Annexation or Incorporation in Effort to Eliminate UMSA). The Task Force recommended that the County Commission appoint an independent task force to prepare and submit a comprehensive plan for countywide incorporation, accomplished through annexation and/or incorporation, subject to amendments or changes by two-thirds vote of the County Commission, and that such plan be placed on the ballot for all citizens to vote on at a general election. This recommendation was not accepted by the Board.



The Procurement Process Miami-Dade County

Internal Services Department

Lester Sola, Director

Miriam Singer, Assistant Director

Amos Roundtree, Division Director
Procurement Management Services



Active Contracts

■ Over 1100 active contracts

- Uniforms (police, transit, fire, solid waste, etc)
- Food (elderly, zoo, corrections, etc)
- Vehicles (cars, trucks, buses, mowers, trains)
- Services (janitorial, landscaping, accounting)
- Technology (software, hardware, consulting)

2

Procurement Methods

- Invitation To Bid -
- Request for Proposals
- Request for Qualifications
 - Prequalified Pools

3

Procurement Process

- Specification Development
 - Valid requirements
- Advertisement
 - Cone of Silence Starts
- Evaluation
 - ITB process
 - RFP process
- Award Recommendation

4

Rights and Access

- The right to protest a recommendation
- The right to view existing contracts including prices
- The right to view previous proposals - scores and rankings
- The right to view all letters, memos, and other documents

5

Monthly Workshops

Tuesdays...10:00 a.m...18th Floor

- 2nd - "Invitation to Bid (ITB) Process"
- 3rd - "Request for Proposals (RFP) Process"
- 4th - "Architectural/Engineering (A&E) Selection Process"

6

May 17, 2012

**Metro-Dade Firefighters Proposed Changes to the
Miami-Dade County Charter**

Article 1 SECTION 1.05.

FORFEITURE OF OFFICE.

C. Any appointed official or employee of Miami-Dade County who qualifies as a candidate for election to any ~~federal, state or~~ municipal office within Miami-Dade County shall immediately take a leave of absence from his or her county position until the date of the election and shall, if elected, immediately forfeit his or her county position. If the candidate is not elected, he or she shall immediately be reinstated to his or her former position.



FINAL OFFICIAL MEETING MINUTES CHARTER REVIEW TASK FORCE

Board of County Commissioners
Stephen P. Clark Center
Conference Rooms 18-3 and 4
111 N.W. 1 Street
Miami, Florida 33128

May 23, 2012
As Advertised

Harvey Ruvin, Clerk
Board of County Commissioners

Christopher Agrippa, Division Chief
Clerk of the Board Division

Flora Real, Commission Reporter
(305) 375-1294



**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

The Miami-Dade County Charter Review Task Force (the Task Force) convened the public hearing meeting on May 23, 2012, at 9:00 a.m., at the Stephen P. Clark Center, Conference Rooms 18-3 and 18-4, 111 N. W. First Street, Miami, Florida. There being present Chairman Rene Garcia, Vice-Chairwoman Evelyn Langlieb Greer, Ms. Yolanda Aguilar, Mr. Armando Bucelo, City of Hialeah Councilman Luis Gonzalez, Mr. Carlos Manrique, Mr. Louis Martinez, Mr. Terry Murphy, Mr. Lawrence Percival, Ms. Pamela Perry, and Reverend Dr. Walter Richardson (Mr. Joe Arriola and City of Hialeah Councilwoman Isis Garcia-Martinez were late; City of Doral Mayor Juan Carlos Bermudez, Mr. Hans Ottinot, Representative John Patrick Julien, Mr. Donald Slesnick, Professor H. T. Smith, and Representative Carlos Trujillo were absent).

In addition to the members of the Task Force, the following staff members were present: Assistant County Attorneys Oren Rosenthal, Cynthia Johnson-Stacks, Eugene Shy and Jeff McCarty; Ms. Inson Kim, Ms. Lorna Mejia, Mr. Les Pantin, Mr. Jevé Clayton, and Deputy Clerk Flora Real.

Chairman Rene Garcia called the meeting to order at approximately 9:26 a.m. and welcomed the Task Force members and all others present.

APPROVAL OF MINUTES

- May 17, 2012 – Charter Review Task Force Meeting

The Clerk's Summary and Official Minutes for the May 17, 2012, Charter Review Task Force meeting were not considered due to a lack of a quorum.

CHAIRMAN'S ITEMS

Pursuant to Ms. Evelyn Greer's request, Chairman Rene Garcia asked that Ms. Inson Kim contact Task Force members absent at today's meeting to ask them to provide advance notification of their absence for future Task Force meetings; and that those members be asked if they wished to continue participating in future Task Force meetings in order to ensure a quorum at future meetings.

Chairman Garcia noted Mr. Percival had asked that the issue of a combination of single and at-large County Commission Districts be reviewed.

COUNTY ATTORNEY'S REPORTS

- Recommended Technical Amendments to Charter – Not presented

CRTF ISSUES OF STUDY

- Incorporation/Annexation – Not presented
- Governance of Jackson Memorial Hospital

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

Assistant County Attorney Eugene Shy explained the history of Jackson Memorial Hospital (JMH), noting in 1949 the City of Miami conveyed the governance of JMH to Miami-Dade County. In 1973, the Board of County Commissioners (BCC) created the Public Health Trust (PHT), with a 17 member Board of Trustees, as the governing body of JMH. He further explained that in 2011, in the midst of financial crisis, the Board of County Commissioner's replaced the PHT Board of Trustees with the Financial Recovery Board (FRB) consisting of 7 members.

Assistant County Attorney Shy noted, as a result of a scathing Grand Jury report, the BCC created the Miami-Dade County Hospital Governance Task Force (HGT) in 2011, which was part of the package being considered by this task force. He noted the purpose of the HGT was to consider various governing structures to operate JMH, and Jackson Health System (JHS) operated its own health plan, which comprised JMH, Jackson North, and Jackson South. The governance of JHS included all of the various components previously mentioned, including nursing homes and inmate health care, Mr. Shy explained. He said the HGT members had their first meeting on March 28, 2011, and they submitted a report with 18 recommendations to the BCC on May 12, 2011.

Assistant County Attorney Shy noted the primary recommendation was to create a not-for-profit corporation, which would be charged with operating JHS. The governing body of the proposed not-for-profit corporation would be comprised of nine members: Five appointed by the Mayor and four by the BCC. He noted once the members' terms of office expired, the governing body would appoint its members without involvement from the Mayor or BCC, which would result in the creation of an independent, self-sustaining, non-profit organization. He also noted that among the 18 recommendations submitted by the HGT, they proposed a heightened sense of conflict of interest, whereby vendors, stakeholders, and any person, company, or entity that had contracts with Jackson or the Jackson system, could not serve as a member of the recommended board.

Pursuant to an inquiry by Chairman Garcia regarding whether or not any of the 18 recommendations were implemented, Assistant County Attorney Shy noted the only action taken by the BCC was to create the FRB in response to the fiscal crisis faced by JMH.

At this time, Chairman Garcia opened the floor for discussion.

Vice Chairwoman Greer asked Assistant County Attorney Shy to explain the interaction between the Charter and Jackson and the regulatory framework.

Mr. Shy responded that the BCC was concerned with the operation of Jackson pursuant to the Charter, which charged Jackson with providing hospitals and other health care programs to the citizens of this County and pursuant to Chapter 25A of the Code, which charged the PHT with the operation, maintenance, and governance of the Jackson Health System.

In response to an inquiry by Mr. Percival regarding the ramifications if Task Force members supporting the recommendation to transfer the governance of JMH to a not-for-profit entity, Mr. Shy explained that the Florida Statutes relating to surtax specifically states that those funds must

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

go to the County General Hospital and that funding could possibly be jeopardized if Jackson was operated as a not-for-profit entity. He also indicated that HGT members discussed whether sovereign immunity would flow to the new not-for-profit entity. In conclusion, Assistant County Attorney Shy explained that the ramifications were uncertain and should this Task Force support the HGT's recommendation, further review would be necessary.

Chairman Garcia asked for clarification on the relationship between the BCC, Jackson, and the oversight board.

Assistant County Attorney Shy explained that the FRB was the new governing body and, under Chapter 25A, the BCC retains the power and jurisdiction over labor contracts, buying or selling real estate, and ground leases. He also noted the BCC had the authority to issue directives to the PHT.

With regards to Jackson labor contracts, Assistant County Attorney Shy explained that those matters were first approved by the FRB then presented to the Public Safety and Healthcare Administration Committee for review and recommendation to the BCC.

Ms. Aguilar questioned the impact of transferring the governance of Jackson to a not-for-profit entity on the powers and authority of the County Commission, Assistant County Attorney Shy said all powers and authority delegated in the County Commission would be transferred to the not-for-profit entity, with the exception of property ownership and bond issuance.

Ms. Aguilar questioned whether any models existed to suggest that JMH would function better under the oversight of a not-for-profit entity and its impact on funding for JMH.

Assistant County Attorney Shy said he was unaware of any such models. He noted questions/concerns regarding the Surtax funds should be directed to the County Administration.

Following a discussion among Task Force members regarding the creation of the HGT in response to the Grand Jury report, Mr. Manrique noted the Grand Jury report referenced several counties in Florida that had systems similar or identical to Miami-Dade County's. He questioned how those systems were managing.

Assistant County Attorney Shy stated he would review the Grand Jury report and report back to the Task Force. He noted Broward County's healthcare system was funded through special taxing districts.

Mr. Percival questioned whether the CRTF could seek additional information needed to make an informed decision as to whether or not to support the proposal to transfer the governance of JMH to a not-for-profit entity.

Chairman Garcia stressed the importance for this group to address the issues responsibly. He asked Assistant County Attorney Shy to research to determine whether or not any other public hospitals in the nation had transferred governance to a not-for-profit entity and report back the Task Force.

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

Mr. Murphy noted the HGT report did not contain any recommendation to revise the Charter as it pertains to the operations at Jackson. He suggested Task Force members be mindful of any notion to change the Charter to transfer the governance of Jackson away from the County and/or including any provisions in the Charter that would deny the citizens of the this community the benefit of a public hospital.

Chairman Garcia commented that giving more autonomy to the governance of Jackson and removing the politics would prove instrumental in making JMH a viable institution.

Ms. Perry stressed the importance for this group to gather additional information before proposing any revisions to the County Charter as it pertains to the governance of Jackson.

Ms. Greer spoke about her experience with the creation of Our Kids, a private/public not-for-profit organization that handled all foster care responsibilities in Miami-Dade County. She noted an oversight board was created and the not-for-profit organization channeled both state and local public funding to service organizations. In addition, she pointed out that all business was conducted pursuant to Government in the Sunshine; that all meetings were public, and all documents were available to the public. Vice Chairwoman Greer suggested the CRTF look at that model when gathering information.

Ms. Martha Baker, RN, Jackson Memorial Hospital, noted in her capacity as president of SEIU Local 1991, she sent a letter to the Grand Jury requesting an investigation at JMH due to the looming financial crisis and operational deficit. She expressed concern that the sustainability of JMH was in jeopardy due to incompetence at the higher levels. She suggested the ability of a hospital to operate efficiently was largely dependent on the competencies of the Chief Executive Officer and other top executives, and not the structure of the hospital.

Ms. Baker emphasized the importance for Task Force members to demonstrate due diligence in determining whether or not to maintain sovereign immunity and to ensure that JMH continues to operate in the Sunshine should any structural changes occur. She also expressed concern that JMH never sought CMS funding due to the lack of strategic planning and that those types of funding sources for public hospitals would be lost if the hospital was privatized.

Mr. Manrique noted, since the property ownership and bond issuance authority would remain with the County Commission in the event that governance was transferred to a not-for-profit entity, and the relationship between JMH and the Miami-Dade County would be public/private. He pointed out that a proposal to privatize JMH had not been presented.

Mr. Percival noted, for the record, the former HGT Chairman requested this Task Force support their recommendation that JMH be a not-for-profit/public entity. He stressed the importance for the County Attorneys to provide the information requested by Task Force member in a timely manner so that they can review it before making any recommendations.

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

Mr. Manrique commented that Ms. Baker had legitimate concerns that should be addressed and based on the information provided thus far Task Force members should refrain from making any recommendation at this point.

Ms. Perry expressed concern with the lack of accountability, noting Task Force members did not have adequate information to make such decisions.

Chairman Garcia noted he concurred with Ms. Perry. He stressed the importance of reviewing all issues before making any recommendations, and asked Assistant County Attorney Shy to report back to the CRTF on his findings.

A discussion ensued regarding the ineffectiveness of previous administrators at JMH during which it was noted that JMH would possibly be bankrupt today if Ms. Baker, on behalf of the SEIU Local 1991, had not initiated the Grand Jury investigation. It was also noted the system of appointing administrators under the previous governance structure was largely unsuccessful thus far and many people believed the appointment process for the CEO had become highly political.

Ms. Baker expressed concern that none of the current board members had any medical expertise.

Chairman Garcia commented on the politics involved in the appointment of the CEO at Jackson and the need to remove the politics.

Mr. Murphy noted the Public Health Trust was delegated the authority to appoint its CEO in 1973, pursuant to the Miami-Dade County Code.

Chairman Garcia expressed concern regarding the County Commission's involvement in the appointment of the CEO, and stressed the importance of ensuring that they were not involved this process in the future.

Upon inquiry by Councilman Gonzalez regarding the PHT membership, Assistant County Attorney Shy noted the FRB, which was previously the PHT, was comprised of seven members: One of whom was appointed by the labor union, one by the Dade Delegation, one by the County Mayor, and four by the County Commission.

Vice Chairwoman Greer urged each Task Force member to carefully review the HGT and Grand Jury reports.

Ms. Baker thanked the CRTF for the opportunity to present her concerns. She noted a representative(s) from JMH was not included in the membership of the HGT and thus, the HGT recommendations did not benefit from information from anyone who worked at JMH or associated with it. Ms. Baker asked Task Force members to review the HGT recommendations carefully, and maintained that operational changes were needed at JMH.

Vice Chairwoman Greer asked Ms. Baker to submit the SEIU Local 1991 Union's recommendations for changes to the governance/structure of JMH for review by the Task Force.

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

Mr. Manrique asked Assistant County Attorney Eugene Shy to determine whether or not sovereign immunity and CMS funds or other types of grants would be permissible under a public/private partnership.

Chairman Garcia noted, for the record, JMH contributed approximately 60% to 70% of the Intergovernmental Transfers (IGT's) to Tallahassee that in turn went to Washington, and then came back to Miami-Dade County to fund the public healthcare system in this community.

o Salaries/Outside Employment (Executive Benefits Presentation)

Chairman Rene Garcia introduced Ms. Mary Lou Rizzo, noting she would present the executive benefits package for County Commissioners.

Ms. Mary Lou Rizzo, Assistant Director, Miami-Dade County Internal Services Department, presented a report on the Summary of Compensation and Benefits for Miami-Dade County Commissioners. She advised that the members of the County Commission were the recipients of the following compensation and executive benefits:

- an annual salary of \$6,000 as established by the Home Ruled Charter;
- an annual Executive Group 1 Allowance in the amount of \$10,000 as part of the Miami-Dade County Executive Benefits Program, which could be used for post-tax purposes or taken as taxable expenditures;
- an annual Basic Life Insurance policy for \$100,000;
- an annual maximum car allowance in the amount of up to \$9,600;
- an annual expense allowance in the amount of \$24,000 for any expenses incurred in the course of performing the elected office duties;
- an annual 401(a) Retirement contribution in the amount of \$11,500 to supplement the Florida Retirement System (FRS) benefit for the \$6,000;
- an annual County paid physical examination as part of the Comprehensive Executive Benefits Program, with services provided through the contractual arrangement between the Public Health Trust (PHT) and Miami-Dade County;
- a County paid Retiree Health Insurance Coverage established in 1992 as part of the Elected Officials Retirement Health Insurance Program for County
- the continuation of healthcare insurance up to a maximum of 15 years or until age 65, whichever occurred first for commissioners who served at least five years;
- an Elected Officials Retirement Health Insurance Program for elected officials who served 16 years or more and were eligible to receive County provided coverage under a program offered to supplement Medicare at the time the elected office became Medicare eligible as established in October 1992;
- eligible to participate in additional optional benefits at the elected officials' expense such as purchasing optional life insurance coverage of \$100,000 and basic life insurance coverage in the amount of \$100,000 if at least one four-year term had been completed;
- eligible to purchase executive long-term disability insurance in the amount of \$7,000 per month while serving his/her term; and

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

- a newly elected County Commissioner would be eligible to participate in a Tax Return Pickup Plan within six month of assuming office to allow the elected official to permanently elect to designate 3%, 6%, or 10% of gross salary.

Pursuant to Chairman Garcia's inquiry, Ms. Rizzo noted the Executive Benefits Program was a Countywide program established in the early 1980s for executives under the mayoral and non-mayoral purview; but the program was eliminated for executives under Mayor's purview effective May 28, 2012. However, this program remains in place for commissioners and other departmental executives not under the Mayor's purview, such as the Inspector General.

Mr. Percival requested that Ms. Mary Lou Rizzo provide him with a summary report outlining the total annual cost for all executive physical examinations performed and for all other executive benefits.

In response to Mr. Percival's inquiry, Ms. Rizzo clarified that the \$7,000 a month benefit for the Executive Long-Term Disability Insurance had a cost of approximately \$45 a month and a cost of \$17 per month for \$100,000 coverage in life insurance for elected officials.

Ms. Rizzo clarified that the County's health insurance program was available to all employees including the commissioners for the cost of single coverage, with the exception of the point of service plan, which includes a monthly charge. She noted the County contributed towards the healthcare insurance policy; and if single coverage was selected under the point of service plan, the commissioner would also pay the premium. If family coverage was selected, the commissioner would pay the same contribution as any other County employee.

Mr. Terry Murphy asked that the focus of this presentation remain on the Home Rule Charter, and noted his intent to present a proposal on commissioners' salaries later. He asked that the Task Force members consider the formula he had developed to establish the County Commissioners' salary, which he noted was a local formula that divided the value of the Countywide property tax base by the total population as published by the United States Census Bureau (the Census Bureau), effective November 2016; the salary would be calculated every five years, and projected an annual salary of \$76,000. The projected salary would be \$72,000 for 2015 based on the population projections, which were published by the Census Bureau every five years as well as the actual population figures, which were published every ten years, Mr. Murphy noted. He said he used the proposed formula to calculate that commissioners' salaries would have been \$2,900 or around \$6,000 in 1957. Mr. Murphy said he believed that a salary in the \$70,000 range would be reasonable for commissioners based on the calculations, and he was hopeful that his proposal would be presented to the voters.

In response to Chairman Garcia's question, Mr. Murphy advised that the Office of Budget and Management had reviewed the formula and verified the calculations; and his formula represented a local application of two simple variables, which would place the salary recommendation below the state formula. He advised that it was a salary recommendation put forth in the past as a step down from that proposed in the State formula, and the salary increase would be available for individuals elected in 2014 and 2016. Mr. Murphy clarified that incumbent office holders would not receive a salary increase.

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

In response to Mr. Percival's inquiry regarding parliamentary procedure, Chairman Garcia noted the proposal was introduced for discussion only.

Mr. Percival noted pursuant to the parliamentary procedure, all motions must be made and seconded and the floor must be opened for discussion.

Mr. Murphy clarified that the proposed formula was presented as an idea for discussion, and a motion was not on the floor at this time.

In response to Dr. Richardson's question, Mr. Murphy clarified that his proposal only addressed base salary because he did not wish to further limit compensation since many of these executive benefits such as car allowance were justifiable. Therefore, the question on executive benefits would remain under the purview of the County Commission and the Mayor, and should be addressed as a budgetary issue.

Mr. Murphy noted he agreed with Dr. Richardson that commissioners' salaries and benefits could be over \$100,000 annually, based on his proposal.

In response to Ms. Pamela Perry's inquiry, Mr. Murphy advised that the formula would not be affected by any action of the County Commission since the calculations were based on the Property Appraiser's assessments of property in Miami-Dade County. He stated that the County Commission determined the millage rate based on the cumulative value of all properties, which was currently \$192 billion, and the Commission could not influence the result of the formula.

In response to Ms. Perry's inquiry regarding a significant increase in the property values, Mr. Murphy noted the other variable was population.

Discussion ensued regarding the formula proposed by Mr. Murphy.

In response to Ms. Yolanda Aguilar's inquiry as to whether the proposal was linked to full-time employment, Mr. Murphy clarified that his proposal did not address that issue and noted he believed full-time employment was a separate discussion. However, he noted the County's Conflict of Interest provisions should be included in the Charter, and the powers and authority of the Ethics Commission should be strengthened to provide its members with the tools to address the perception of impropriety resulting from the outside employment of elected officials. Mr. Murphy pointed out that outside employment would only become an issue when elected officials were actually employed by a company doing business with the County.

Chairman Garcia asked that the record reflect that Mr. Joe Arriola was present.

Discussion ensued regarding the appropriate salary compensation for County Commissioners.

Mr. Percival suggested that commissioners should receive a full-time salary if they performed the work of a full-time commissioner. He indicated that the established salary be performance driven, noting a certain percentage of the salary should be deducted whenever a County

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

Commissioner failed to perform a County-related function associated with the office, which would be a trade-off in the event a commissioner received a higher compensation from outside employment.

In response to Mr. Percival's question as to whether the County Attorney's Office had an opportunity to research the Task Force's ability to establish commissioners' salaries, Assistant County Attorney Oren Rosenthal advised that the Task Force members could choose to propose a salary for commissioners at their discretion.

Mr. Percival stated that he wished to hear the Task Force members' sentiment on this issue.

Chairman Garcia noted the residents from communities he represented, which were the areas of Northwest Dade and the City of Hialeah, opposed outside employment. He noted the proposed salary formula was fair; but in his opinion, the annual salary range from \$73,000 to \$76,000 was too high for this community because the income level was much lower. He asked that the Task Force members carefully review the issues on outside employment and executive benefits.

Councilman Luis Gonzalez noted he was comfortable with supporting outside employment under normal circumstances; but he believed that the voters would support commissioners' compensation only if outside employment was prohibited. He said he agreed with Mr. Murphy's the proposed formula, but he believed that the projected salary was too high.

Mr. Joe Arriola expressed concern that annual salary of under \$72,000 and a prohibition on outside employment may be unattractive to professionals, and noted it would be difficult to define outside employment.

Following a discussion regarding whether outside employment should be prohibited, Ms. Perry noted a prohibition on outside employment would limit the pool of candidates.

Ms. Aguilar noted there was a general consensus in the community that some of the commissioners were not performing well. She stated that the proposed formula was an excellent idea to arrive at a salary that corresponds to the type of work commissioners performed. She stated that some communities had a high voter turn-out, and the voters had clearly sent a message that they did not want commissioners to earn substantial salaries.

Ms. Aguilar recommended that the current salary be incrementally increased every two years, effective on the election date. She also recommended the Task Force propose a modest professional salary package with no prohibition on outside employment.

Ms. Aguilar advised that even though she liked the proposed formula, it would be punitive to incumbent commissioners if the salary increase was implemented in 2014 and 2016. She noted she would like to have the Task Force's recommendations embraced by the County Commission and the community. She noted commissioners spent a substantial amount of time carrying out the duties and functions of the County Commissioners; however, the public was not necessarily aware of this. Therefore, she suggested a mid-range salary of \$40,000 to \$50,000 would be fair to the commissioners and acceptable to the public.

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

Mr. Murphy noted like the Strong Mayor form of government, which was approved by the voters but did not become effective until a later date, he was proposing that the voters be allowed to vote on the proposed commissioners' compensation and that the actual salary increases become effective in November 2016. He noted every time the voters were asked whether commissioners should receive a salary, the newspaper editorials reported that this would represent a raise for commissioners. Mr. Murphy explained that he was suggesting that commissioners' compensation become effective after the November 2016 Election so that it would not be perceived as a raise for any commissioner. He stated that the new salary provision would establish a higher compensation for elected offices beginning in November 2016.

Chairman Garcia asked that the record reflect that Councilwoman Isis Garcia-Martinez was present.

In response to Mr. Percival's question as to whether the public would be more likely to support salary increases for commissioners if they were attendance-driven, Mr. Arriola recommended that the Task Force members determine a modest salary amount with a later effective date.

Councilman Gonzalez recommended the Task Force propose prohibitions on outside employment and company associations as well as salary increases for commissioners.

Chairman Garcia noted he concurred with Mr. Murphy that the County's Conflict of Interest provisions should be included in the Charter and that the powers and authority of the Ethics Commission should be strengthened.

Mr. Murphy suggested that the Task Force recommend prohibitions on outside employment and that commissioners be prohibited from owning a company doing direct business the County be proposed.

Mr. Percival noted 14 members of the Task Force were present at today's meeting which meant this recommendation could be approved on a two-thirds vote.

Chairman Garcia noted Task Force members had not reached a consensus on the formula and a salary recommendation(s). He clarified that only 13 Task Force members were present today.

Mr. Martinez concurred with the Chair that the Task Force had not yet reached a consensus on the formula.

Ms. Greer advised that a salary proposal based on a formula would be a complicated question for the voters because most voters did not understand the concept of property tax base. She commented that the salary increase proposal was likely to be unsuccessful due to the anger felt towards the members of the Board; however, she pointed out that the voters of the City of Hialeah had approved a salary increase for their council members because the voters in that area liked them. Ms. Greer recommended a salary level be proposed which represented the median income in the County.

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

Mr. Carlos Manrique proposed a salary range between \$40,000 to \$50,000 or the State formula minus fifty percent (50%).

In response to Mr. Manrique's inquiry, Mr. Murphy clarified that his proposal should also be effective in November 2016.

Mr. Percival suggested that the issues of the salary increase and outside employment be presented to the voters as separate ballot questions in order to increase the chances of approval.

Ms. Perry expressed support for presenting to the voters both issues on only one ballot question, because the issues were linked as a commissioner who only had his job for the County should earn more than a commissioner who was allowed to have another job.

Mr. Martinez expressed support for presenting to the voters a specific salary amount in order to make simplify the question.

Mr. Arriola expressed support for Ms. Greer's recommendation to propose to the voters a specific salary amount reflecting the median income in Miami-Dade County, and he recommended the ballot question language be kept simple.

Councilwoman Garcia-Martinez suggested that the ballot question language should be clear and simple, and she also suggested that the issues of executive benefits and salaries be presented to the voters as two separate ballot questions.

Mr. Armando Bucelo suggested that a separate ballot question be proposed for each issue, and he also suggested that a salary range from \$40,000 to \$45,000 be proposed with no prohibition on outside employment. He noted the executive benefits package should remain within the purview of the County Commission, and the Task Force's recommendation should focus on the salary level.

Mr. Murphy recommended that the salary not be established as a specific amount because it would remain unchanged for decades as in the past. He asked that the Task Force identify a formula that would establish a salary appropriate for the governing body of Miami-Dade County, which was responsible for a \$7 or \$8 billion budget. He commented that County Commissioners should be compensated with a fair salary that would allow them to make a living; and hopefully, it would increase the probability that expense accounts would be eliminated by the County Commission because the expense account was created due to the voters' refusal to increase salaries.

Chairman Garcia observed that there was consensus among Task Force members for Mr. Murphy's proposal, but the concern was whether the voters would approve his proposal as well.

Mr. Arriola commented that the Task Force needed to determine what would be acceptable to the voters and had a likelihood of passing. He commented that simple questions had a higher chance of receiving the voters' approval and that a salary formula had less likelihood of being passed by the voters.

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

Ms. Greer expressed the belief that the voters would not approve a salary formula.

Upon conclusion of the foregoing discussion it was moved by Ms. Evelyn Greer that the Task Force direct the County Attorney to draft a proposed amendment to the Charter to increase the Board of County Commissioners' annual salary from \$6,000 to the median income in Miami-Dade County effective November 2016, and to request that the County Attorney also draft a proposed Charter amendment providing: "that anyone elected to the Board of County Commissioners could not be an employee, owner, consultant, or receive compensation from any firm doing business with the County or any subdivision, department, or other entity managed by the County." This motion was seconded by Councilwoman Isis Garcia-Martinez.

Chairman Garcia opened the floor for discussion.

Ms. Perry suggested that the motion be linked to the Code of Ethics.

In response to Ms. Aguilar's inquiry, Mr. Murphy advised that the expense account was a budget line item, and it could be changed by the County Commission.

Mr. Percival advised that the Kendall Federation of Homeowner Associations (KFHA) had submitted specific proposals at the South Dade public hearing for the Task Force's consideration regarding a formula for incremental salary increases. He suggested that the Task Force pay attention to their recommendations since that association served a population representing 25% of the voters in Miami-Dade County.

Mr. Murphy recommended that the salaries of County Commissioners be increased higher than the median income in Miami-Dade County, and that the Task Force consider a formula to compensate County Commissioners with a fair salary. He noted the recommendation to increase the salary was a reasonable question for the voters. He asked that his proposed formula be considered in order to have the County Commissioners' salary increased to the mid \$70,000.

Dr. Richardson recommended that Mr. Arriola's suggestion to increase the salary to \$58,000 be considered since the City of Miami had already increased its commissioners' salaries to an equal amount.

Dr. Richardson amended the motion to increase County Commissioners' salary to at least \$58,000. He commented that the \$48,000 salary recommendation was a disservice, but the \$76,000 salary recommendation would not be successful with the voters.

Ms. Aguilar inquired if the City of Miami Commissioners had the same executive benefits package as the County Commissioners.

Mr. Arriola advised that the City Commissioners had expense accounts, but the fringe benefits package was not as extensive. He noted the expense account was a budget item and had to come before the citizens of Miami every year. He noted the City of Miami voters were only asked to approve the \$58,000 salary question.

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

Dr. Richardson reiterated that his amendment was to set the salaries at \$58,000 like the City of Miami Commissioners currently receive.

Discussion ensued regarding the median income in Miami-Dade County.

Upon putting Dr. Richardson's amendment to a vote, it failed by a vote of 2-11 (Ms. Aguilar, Mr. Arriola, Mr. Bucelo, Councilwoman Garcia-Martinez, Councilman Gonzalez, Mr. Manrique, Mr. Martinez, Mr. Murphy, Mr. Percival, Ms. Perry, and Vice Chairwoman Greer voted no); (Mayor Juan Carlos Bermudez, Mr. Ottinot, Representative Julien, Mr. Slesnick, Professor Smith, and Representative Trujillo were absent).

Ms. Perry proposed a friendly amendment to include language addressing conflicting employment.

Ms. Greer did not accept the friendly amendment because it would not be approved by the voters.

Ms. Yolanda Aguilar proposed a friendly amendment to the motion to have the County Commissioners' salary calculated based on the annual Consumer Price Index (CPI) published by the Department of Labor.

Mr. Percival expressed his support for the amendment.

Ms. Greer expressed her disagreement with the friendly amendment, noting it would not be approved by the voters.

Mr. Arriola commented on the poll taken by the City of Miami for the City Commissioners' cost of living salary increase, noting the voters rejected the proposal.

Following a discussion on the friendly amendment, Ms. Aguilar withdrew her amendment.

Assistant County Attorney Oren Rosenthal stated that the Task Force members were making two separate recommendations, one recommendation on the salary increase and the second recommendation on the outside employment restrictions, which were both contained in one motion.

Assistant County Attorney Oren Rosenthal advised that the second issue was the manner in which the motion was phrased directing the County Attorneys to draft language for that recommendation. He stated that all the Task Force members needed to do was to direct that this recommendation be included in the final report; then, the County Attorney's Office would provide assistance in drafting the language for that specific recommendation to ensure the motion was encompassed.

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

Ms. Greer advised that the enabling ordinance allowed this body to transmit to the Board of County Commissioners a fully drafted proposed amendment; therefore, she wished to present the recommendation to the Board in the form of a motion.

Upon conclusion of the foregoing discussion, it was moved by Ms. Evelyn Greer that the Task Force direct the County Attorney to prepare a Charter amendment to increase the salaries of the members of the Board of County Commissioners from \$6,000 to the median income of Miami-Dade County, which was currently \$36,000, effective November 2016; and that the County Attorney also draft an additional independent Charter amendment providing: "that an elected person taking office as a County Commissioner could not be employed by a firm doing business with the County or any subdivision, department, or entity managed by the County, to include in the definition of employment consultants and ownership." This motion was seconded by Councilwoman Isis Garcia-Martinez; and upon being put to a vote, passed by a vote of 12-1 (Mr. Percival voted no); (Mayor Bermudez, Representative Julien, Mr. Ottinot, Mr. Slesnick, Professor Smith, and Representative Trujillo were absent.)

Mr. Percival explained that he voted no because he was not given the opportunity to add anything to the proposal.

- Requested Information – Not presented
- Petition Process – Not Presented
- Mayoral Vacancy – Instant Run-Off Elections

Mr. Terry Murphy stated that currently there was no provision in the Charter addressing a vacancy in the Mayor's Office, and the Charter was essentially silent as to who assumed the powers of the Mayor during a vacancy created by his absence. He noted there was a need to decide who should be vested with the necessary limited powers to address a state of emergency during a vacancy period. He also noted the Charter currently provided either that an appointment be made or a special election be held within 45 days of the vacancy; however, that timeframe failed to meet the State law requirements in terms of absentee balloting overseas, he added. Therefore, the required timeframe to call for a special election needed to be extended to a 75-day period.

Mr. Murphy introduced Ms. Christina White, Deputy Supervisor of Elections, Miami-Dade County Elections Department. He stated that he had asked Ms. White to study the feasibility of using an instant run-off ballot election whereby voters stated their candidate preferences in the same ballot if their first candidate was not elected to calculate the final votes. He also stated that he believed the issue of instant run-off ballots was beyond the scope of this Task Force, and he withdrew the instant run-off ballot recommendation.

Mr. Murphy stated that the County needed to consider who should be designated to carry out the responsibilities of the Mayor in a state of emergency or if the vacancy occurred between June 1st and July 15th when the budget needed to be presented to the County Commission. He stated the mayoral powers should be vested during that period of time until the special election was held; Mr. Murphy stated that the Task Force needed to consider who should be designated to carry out the responsibilities of the Mayor in a state of emergency or if the vacancy occurred between June

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

1st and July 15th when the budget needed to be presented to the County Commission. He stated the mayoral powers should be vested during that period of time until the special election was held, and he recommended the Clerk of Courts, who was the only Countywide elected official with fiduciary affiliation with the County. He noted the Clerk of Courts also had the audit and treasury responsibilities of the County.

Mr. Lawrence Percival commented that the Mayor had five deputy mayors under his purview, and he believed a senior deputy mayor would be the most appropriate person to assume those responsibilities because that individual had significant institutional knowledge to act as interim mayor in the absence of the Mayor.

Mr. Joe Arriola recommended the Mayor's powers be transferred to the Chairman of the Board of County Commissioners since those powers should be transferred to an elected official.

Councilwoman Isis Garcia-Martinez concurred with Mr. Arriola.

Mr. Louis Martinez also concurred with Mr. Arriola's suggestion to delegate the Mayor's powers to the Chairman of the Board.

Mr. Arriola suggested that the Chairman of the Board should fill the vacancy with the requirement that the Chair not be a candidate for the Office of Mayor. He noted the power and fundraising advantage that individual would have for the timeframe of the vacancy would give him an unfair advantage. He also suggested that, in the event the Chairman of the Board was a candidate, the Vice-Chairperson should assume the mayoral powers.

Ms. Yolanda Aguilar concurred with Mr. Arriola's recommendation, noting he or she should perform the Mayor's duties until the next regular election. She also suggested that the Chair should be allowed to return to his or her County Commission seat to complete his or her unexpired term.

In response to Chairman Rene Garcia's question, Ms. Aguilar clarified that the maximum time the person performing the Mayor's duties could serve was two years.

Discussion ensued regarding the timeframe required to call a special election in the City of Hialeah.

Assistant County Attorney Oren Rosenthal asked if the Task Force members expected the Chairman of the Board to hold his or her current powers while exercising the powers of the Mayor. He also asked if the Chair would only exercise the powers of the Mayor and not the powers of a County Commissioner; and if so, would the vacancy created in the County Commission seat be filled through an election or appointment.

Ms. Aguilar suggested that the vacancy in the County Commission seat be filled through an appointment.

CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012

In response to Ms. Greer's inquiry on the process to fill a County Commission seat vacancy, Assistant County Attorney Oren Rosenthal advised that Article 1.07 of the Charter, relating to procedures, provided the Board of County Commissioners with the alternative to make an appointment or call a special election in no later than 45 days. He advised that the vacancy created in the Mayor's Office was traded for the vacancy of the County Commission seat, and one of the issues which needed to be considered was the dual office holder prohibition. He suggested that less than the full powers of the Mayor be temporarily transferred to another office while bearing in mind the prohibition of creating a super office power. He noted the Task Force members were essentially recommending that the Chairman of the Board become the Mayor temporarily; and the vacant office of the Chairman of the Board would be filled by a similar process.

In response to Mr. Martinez' inquiry as to whether the Chairman of the Board had to resign as County Commissioner if he or she agreed to fill the Mayor's vacancy, Assistant County Attorney Oren Rosenthal advised that statutory and constitutional prohibitions existed in that respect. He advised that the Task Force members could create a system whereby a person would no longer be a County Commissioner, and the office would either be vacated for one year or would be filled. He stated that the individual filling the Mayor's vacancy would perform those duties for one year; and at the end of that year, the Charter would provide that the person be automatically reappointed to his or her County Commission seat.

Assistant County Attorney Oren Rosenthal noted the key concept the Task Force members needed to be mindful of was that holding dual offices was prohibited; however, an individual was allowed to exercise limited powers such as head for emergency management purposes until such time as the office of Mayor was filled. He stressed that the individual assuming limited powers could not become the Mayor.

Mr. Martinez suggested that specific powers be transferred for state of emergency situations.

Ms. Greer suggested the powers be transferred for 90 days.

Mr. Martinez suggested that the transfer of the Mayor's powers for state of emergency situations should be included in the Charter and those powers should be transferred to the Chairman of the Board for the period of the state of emergency to satisfy the constitutional prohibition of holding dual offices. He recommended that the special election be held within 90 or 120 days.

Mr. Percival suggested that the League of Cities should have a voice as to who should assume the Mayor's duties for states of emergency.

Mr. Martinez expressed his lack of support for Mr. Percival's recommendation.

Councilman Luis Gonzalez suggested that an internal process be established as opposed to going externally.

Mr. Murphy requested that the Task Force members consider his recommendation to transfer limited mayoral powers to the Clerk of Courts because under the State of Florida Constitution

CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012

the Clerk had a fiduciary responsibility to the County's budget and had audit powers over the County's budget. Therefore, the Clerk, as a Countywide elected official, should be considered to assume those responsibilities. He also pointed out that the Clerk knew the political environment of the County Commission, and that the Chairman of the Board was not a Countywide elected official.

Ms. Greer pointed out that the United States Constitution provided that the Vice-President and then the Speaker of the House would fill the presidential office in case of an unexpected vacancy. Ms. Greer noted the Speaker of the House was a Congressman elected by 300,000 people; and the fact that the Clerk was elected Countywide was significant.

Mr. Murphy noted most County Commissioners were probable candidates for the Office of Mayor and the Chairman of the Board was a likely candidate. He reiterated his wish to have his recommendation considered by the Task Force members; and he expressed his disagreement with the recommendation to transfer those powers automatically to the Chairman of the Board.

In response to Chairman Garcia's inquiry regarding whether the Clerk of Courts would hold two offices, Mr. Murphy advised that the Clerk's Office would be restructured for the limited powers that would be vested during the interim period.

In response to Chairman Garcia's question, Mr. Murphy clarified that the proposal was to transfer only limited powers to the Clerk of Courts as explained by Assistant County Attorney Oren Rosenthal.

Pursuant to Mr. Percival's question as to whether the Clerk's senior deputy clerk would be delegated the responsibilities of the Clerk, Mr. Murphy stated that the Clerk would continue to perform his responsibilities.

Responding to Mr. Garcia's inquiry, Mr. Murphy clarified that his recommendation only intended to transfer those powers needed to address state of emergency situations; but the County Attorney could recommend other powers that could be bestowed upon the designated person.

In response to Mr. Percival's question regarding whether the Clerk of Courts would be performing two roles or whether another individual would be delegated with the Clerk's responsibilities during the interim period, Mr. Murphy reiterated that the Clerk of Courts would continue to perform his duties as the Clerk's functions were operational. He clarified that the Clerk of Courts was only being asked to assume additional duties during a limited period of time while a special election was being held to elect a new strong mayor for Miami-Dade County.

Pursuant to Ms. Aguilar's question, Mr. Murphy clarified that if the Clerk of Courts believed it was too strenuous to carry out all of the mayoral duties during this interim period, he could assign additional duties to one of his deputy clerks.

In response to Ms. Pamela Perry's question whether the Clerk would have the ability to vote if the Mayor's powers were transferred to him, Mr. Murphy advised that his proposal intended to

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

transfer only those mayoral powers not associated with voting issues. He asked Mr. Rosenthal to explain the Mayor's powers under consideration.

Assistant County Attorney Oren Rosenthal explained the general powers provided to the Mayor by the Charter. He stated that the Mayor was the head of County government for administrative purposes; the main contact for emergency management purposes; had the sole authority to hire and fire department directors during that period of time; had the ability to veto legislation; presented a proposed budget to the Board of County Commissioners at a certain interval of time; and was the only person with the ability to recommend that the Board of County Commissioners make purchases out of the competitive process known as a bid waiver. He noted the Task Force members could consider whether to transfer some of these powers to another office.

Ms. Perry recommended that Chief Judge Brown or Mr. Harvey Ruvin be asked to testify before the Task Force members as the Clerk of Courts played a particularly neutral role in the court system, and the Task Force should not ask him to do anything inconsistent with his role. If the emergency involved law enforcement and/or massive bond hearings, as happened approximately 30 years ago, the Task Force should consider whether the Clerk of Courts would have sufficient time to take on this additional responsibility, she added.

In response to Chairman Garcia's question regarding what would be an appropriate timeframe to call for an election, Mr. Murphy recommended 90 days.

Chairman Garcia recommended that the Clerk of Courts be invited to attend the Task Force's next meeting to express his sentiments in this regard.

Mr. Murphy clarified that he did not intend to allow the officer assuming the mayoral duties to have the ability to veto legislation or appoint department directors; rather, he intended to allow the officer to declare a state of emergency and confront an emergency. He noted he believed the Charter allowed the Mayor, in consultation with School Board officials, to close schools and address several issues relating to state of emergency events.

In response to Chairman Garcia's inquiry on the rationale for not transferring those powers to the Chairman of the Board, Mr. Murphy advised that he did not strongly object to that, but he preferred the Clerk of Courts due to the likelihood of County Commissioners becoming candidates for the office of the Mayor and to avoid co-elections for County Commission seats. The process would be cleaner and simpler, he observed.

Chairman Garcia reiterated that the Clerk of Courts be invited to attend the Task Force's next meeting or send information to provide feedback on this recommendation. He also recommended that the Task Force obtain information regarding how other communities handled unexpected mayoral vacancies.

Mr. Martinez questioned whether the Clerk of Courts was included in the bureaucratic process and the briefings during a state of emergency, and if the Clerk of Courts would have the ability to address a state of emergency event and respond immediately.

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

In response to Ms. Aguilar's inquiry whether the Chair would have to vacate his or her County Commission seat to assume the temporary role or be allowed to assume additional responsibilities until the election was held, Mr. Rosenthal advised that the Chair would be able to assume additional duties such as the Mayor's duties, but he would not be able to become the Mayor.

Mr. Carlos Manrique recommended the Task Force invite the Chairman of the Board to its next meeting to provide feedback on this recommendation. He commented that whoever assumed the responsibilities would be performing dual roles. He noted he preferred delegating the Mayor's powers to the legislative body, but if the legislative body was not deemed appropriate, the Clerk of Courts was a good alternative.

Mr. Murphy commented that the Task Force members could propose a succession chain such as the Chair, Vice-Chair, and the Clerk in the event everyone became a candidate for the Office of Mayor.

Mr. Manrique recommended that the Chairman of the Board be prohibited from running for the Office of Mayor if he or she accepted to perform the Mayor's duties. He clarified if the Chairman of the Board wished to run for the Office of Mayor, then the Chair would return to his or her County Commissioner seat, and the Board of County Commissioners would select another Chair who could fill in for the Mayor.

Mr. Martinez suggested that the Task Force develop streamlined and clear immediate succession procedures for unforeseen and state of emergency situations. He also suggested that the individual performing the duties in a state of emergency be allowed to determine afterwards if he or she wished to run for the office, and, if so, he or she would be unable to continue filling in for the Mayor.

Ms. Greer asked that Assistant County Attorney Oren Rosenthal prepare language reflecting Mr. Murphy's recommendation for the Task Force's consideration at its next meeting.

Mr. Murphy pointed out that the Clerk of Courts was a possible office in the succession chain that the Task Force members might wish to deliberate on.

Chairman Garcia commented that the Task Force needed to present before the electorate a resolution concerning who should fill a mayoral vacancy in an emergency, whether it was deemed to be Clerk of Courts or the Chairman of the Board.

Chairman Garcia instructed Ms. Inson Kim and Assistant County Attorney Oren Rosenthal to prepare a report for the Task Force's next meeting on how other communities similar in size and governance to Miami-Dade County filled a mayoral vacancy in an emergency – the timeframe for special elections, and the succession plan.

Chairman Garcia asked that the Clerk's Office and the Chairman of the Board be invited to attend the Task Force's next meeting (5/30) to communicate their thoughts on the transfer of the mayoral powers.

**CLERK'S SUMMARY AND OFFICIAL MINUTES
MIAMI-DADE COUNTY CHARTER REVIEW TASK FORCE
MAY 23, 2012**

Mr. Murphy noted he would also like to discuss, under the powers of the Mayor, the powers for intergovernmental representation for Miami-Dade County at the next Task Force meeting. He suggested that the Mayor of the County be designated as the individual to represent the County on state and federal intergovernmental issues.

Mr. Murphy also pointed out that according to the Charter, the individual elected as Mayor was also elected as Miami-Dade County's Sheriff, and then the Mayor delegated his sheriff's responsibilities to another individual. He suggested that the Charter be modified to provide that the Director of Miami-Dade Police Department was the Sheriff of Miami-Dade County.

OTHER BUSINESS

- Feedback received via the website and email – Not presented

NON-AGENDA ITEMS

Chairman Garcia asked that all CRTF members be contacted and reminded of the next meeting.

Vice-Chairwoman Greer asked that previously discussed issues be circulated early to provide each Task Force member adequate review time.

Ms. Aguilar noted she would not be able to attend the CRTF meetings of May 30, 2012, and June 6, 2012.

ADJOURNMENT

There being no further business to come before the Miami-Dade County Charter Review Task Force, the meeting adjourned at 12:25 p.m.

Chairman Rene Garcia
Miami-Dade County Charter Review Task Force



Board of County Commissioners
Charter Review Task Force – Public Hearing
May 23, 2012

Prepared by: Jovel Shaw

EXHIBITS LIST

NO.	DATE	ITEM #	DESCRIPTION
1	5/23/2012		2012 Charter Review Task Force First Meeting Sign-in Sheet
2	5/23/2012		Metro-Dade Firefighter Proposed Changes to the Miami-Dade County Charter dated May 17, 2012
3	5/23/2012		Outline of Incorporation Charter Amendment Proposal
4	5/23/2012		Resolution R-30-11
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2012 Charter Review Task Force

Meeting

Conference Rooms 18-3 & 18-4

May 23, 2012 at 9 a.m.

Name	Email	Telephone	Address
W. T. Richardson	OR	OR	OR (on Negro)
H. Daiss	hdaiss@unc.edu		111 New St, A-2340
Matthew Land	matthewland@unc.edu		
Mary Lou Rizzo		1589	
Gene Shy		5351313	CFO
Christine White		335-409-8418	Elections
Andrea Perry	ANDREA.HARVEY@UNC-EDU		
Martha Baker	MarthaBaker@unc.edu		
Vivian Suarez	VivianS@unc.edu	5128	
Daniel Rassi	danielrassi@unc.edu	760-234-4464	10085 SW 143 Rd, Mir, FL 33186
Rigoberto Chirino			"

May 17, 2012

**Metro-Dade Firefighters Proposed Changes to the
Miami-Dade County Charter**

Article 1 SECTION 1.05.

FORFEITURE OF OFFICE.

C. Any appointed official or employee of Miami-Dade County who qualifies as a candidate for election to any ~~federal, state or~~ municipal office within Miami-Dade County shall immediately take a leave of absence from his or her county position until the date of the election and shall, if elected, immediately forfeit his or her county position. If the candidate is not elected, he or she shall immediately be reinstated to his or her former position.

Outline of Incorporation Charter Amendment Proposal

Concept:

Amend Section 6.05 to create 6.05(a) Incorporation by the Board and 6.05(b) Incorporation by Initiatory Petition. The initiatory provision incorporation process will be modeled after initiatory petition for ordinances and Charter Amendments.

Process:

I. Creation of Committee and Approval of Form of Petition

An incorporation committee organized by electors with a minimum of 5 electors from the proposed area of incorporation will initiate the process by filing with the Clerk of the Circuit Court an Initiatory petition on a form prescribed by the Clerk for such purpose. The form shall at a minimum identify the names and addresses of the committee persons and the area to be incorporated. The Supervisor of Elections will compute the total number of electors within the proposed incorporation area at the time of the submission of the form for approval. Within seven (7) days of receipt of the form, the Clerk shall approve the form of petition and provide the incorporation committee the number of required signatures which shall be equal to ten percent (10%) of the electors in the proposed incorporation area.

II. Circulation of Petition

The incorporation committee will have six (6) months to obtain signatures on a form provided by the Clerk equal to ten percent (10%) of the electors in the proposed incorporation area. The signatures shall include the name, address and signature of the elector but will not have to be notarized.

III. Canvass of Petitions

The signed petitions will be submitted to the Clerk who shall have thirty (30) days to canvass the signatures contained therein.

IV. Setting of Election and Study Process

Upon certification of the sufficiency of the signatures on the petition the Clerk shall present the petition to the Board of County Commissioners at their next regularly scheduled meeting at which time the Board shall call an election to authorize the creation of a municipality which shall occur no sooner than ninety (90) and no greater than one hundred twenty (120) days from the date the Clerk certifies the signatures. The election shall be held, whenever practicable, in conjunction with another election scheduled to occur within the proscribed time period. The election shall be determined by an affirmative vote of a majority of electors voting in the proposed new municipality. During the sixty (60) days following the certification of the petitions, the Board shall complete a budgetary analysis in cooperation with the incorporation committee of and on the proposed incorporation and schedule at least one public hearing prior to the incorporation election.

V. Post Election -- Charter Creation

Within 30 days after certification of the election, the Board of County Commissioners shall appoint from a list proposed by the incorporation committee a five member Charter Committee which shall, within ninety (90) days after appointment, create a Charter for the newly incorporated area setting forth the form of government and governing body of the newly incorporated area. The new municipality shall have all the powers and rights granted to or not withheld from municipalities by the County Home Rule Charter and the Constitution and general laws of the State of Florida. Upon completion, the proposed Charter will be submitted to the electors of the newly incorporated area no sooner than 60 days and no later than 120 days after it is completed. Upon an affirmative vote of a majority of those electors within the proposed municipality, the municipal charter shall become effective and the municipality shall be created at the time stated in the municipal charter.

MEMORANDUM

Amended
Agenda Item No. 11(A)(4)

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


DATE: January 20, 2011

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution establishing the
Miami-Dade County Hospital
Governance Taskforce to study
and report on alternative models
for operating the Public Health
Trust to ensure it has the
governing and financial
structure necessary to fulfill
its crucial mission

Resolution No. R-30-11

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Rebeca Sosa.



R. A. Cuevas, Jr.
County Attorney

RAC/jls

Appendix A



MEMORANDUM

(Revised)

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

DATE: January 20, 2011

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Amended
Agenda Item No. 11 (A) (4)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Appendix A

Approved	_____ Mayor	Amended
Veto	_____	Agenda Item No. 11(A)(4)
Override	_____	1-20-11

RESOLUTION NO. R-30-11

RESOLUTION ESTABLISHING THE MIAMI-DADE COUNTY HOSPITAL GOVERNANCE TASKFORCE TO STUDY AND REPORT ON ALTERNATIVE MODELS FOR OPERATING THE PUBLIC HEALTH TRUST TO ENSURE IT HAS THE GOVERNING AND FINANCIAL STRUCTURE NECESSARY TO FULFILL ITS CRUCIAL MISSION.

WHEREAS, the Public Health Trust is in the midst of an economic crisis that appears to be due in large part to its governing structure; and

WHEREAS, the Miami-Dade County Grand Jury in its report dated August 5th, 2010 specifically determined that the Public Health Trust's "governance must be changed," explaining "the path to survival requires a change in the governance model for JHS. Without that level of change, we are asking for this financial disaster to repeat itself, over and over again;" and

WHEREAS, other communities have changed the governing and financial structure of their public general hospitals from a government board to a private, not-for-profit 501(3) organization with a board of doctors, community leaders, and health care professionals, as was done, for example, with Tampa General Hospital; and

WHEREAS, still other communities have changed the governing and financial structure of their public general hospital from a county board to an independent tax district, as was done for the North and South Broward Hospital districts; and

WHEREAS, it will benefit members of the Board of County Commissioners and the people and communities of Miami-Dade County to understand the feasibility and benefits of

Appendix A

Amended
Agenda Item No. 11(A)(4)
Page No. 2

these and other models of governance as the Board and the community continue to address the economic crisis at the Public Health Trust; and

WHEREAS, the private hospitals in Miami-Dade County have an immense stake in the continued financial and economic success of the Public Health Trust because, if the Public Health Trust is forced to cutback on the number of indigent patients that it treats, a greater number of indigents will appear at the emergency rooms of the private hospitals and the private hospitals will be forced to provide more care to indigents from their own resources,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that the Miami-Dade County Hospital Governance Taskforce is hereby created:

Section 1. The Taskforce shall study possible models for the governance of the Public Health Trust, including but not limited to (a) operation of the Public Health Trust by a private, not-for-profit 501(c)(3) organization with a board of doctors, nurses, community leaders, and health care professionals, as was done, for example, with Tampa General Hospital; (b) operation of the Public Health Trust by an independent tax district, as was done for the North and South Broward Hospital districts; (c) other models, perhaps blending these models, as the Taskforce may decide; (d) and other recommendations regarding the governance and financing of the Public Health Trust, as the Taskforce may decide. In its deliberations and recommendations, the Taskforce shall at all times keep in mind the importance of protecting the interests of the taxpayers of our community. The Taskforce will complete its work and file an executive summary of its recommendations with the Clerk of the Board no later than 60 days from the first meeting of the Taskforce and will file a final report no later than 90 days from the

Appendix A

Amended
Agenda Item No. 11(A)(4)
Page No. 3

first meeting of the Taskforce. The Taskforce will cease to exist 100 days from the first meeting of the Taskforce.

Section 2. Staff for the Taskforce will be provided by the Commission Auditor and additional staff will be provided by the Mayor or Mayor's designee. In addition, the Mayor or Mayor's designee is requested and directed to provide the Taskforce any information or analysis it may request, including from sources such as the County Manager's Office and the Finance Department. The Mayor or Mayor's designee is directed to provide the Taskforce with meeting facilities and appropriate physical and technical support, including equipment necessary to comply with the Sunshine laws.

Section 3. The County Attorney's Office will provide legal advice and guidance to the Taskforce.

Section 4. The Taskforce shall consist of twenty (20) members as follows:

- (1) The chief executive officer of Baptist Healthcare Systems, Inc. or a member of its executive management team chosen by the chief executive officer;
- (2) The chief executive officer of Miami-Children's Hospital or a member of its executive management team chosen by the chief executive officer;
- (3) The chief executive officer of HCA Kendall Regional Medical Center or a member of its executive management team chosen by the chief executive officer;
- (4) A chief executive officer of either Hialeah, Northshore Medical Center and Palmetto General Hospital, or a member of their executive management teams chosen by the chief executive officer of Tenet Healthsystems Medical, Inc.;
- (5) The chief executive officer of Mt. Sinai Medical Center or a member of its executive management team chosen by the chief executive officer;

Appendix A

Amended
Agenda Item No. 11(A)(4)
Page No. 4

- (6) The chief executive officer of Mercy Hospital (or its successor hospital or a member of its executive management team chosen by the chief executive officer;
- (7) The Administrator, or appointee, of the Florida Department of Health-Miami-Dade County Health Department;
- (8) The State Attorney of Miami-Dade County, or designee;
- (9) One person appointed by the Mayor;
- (10) Five persons chosen by the Board of County Commissioners, including four persons with backgrounds in health care, finance, law, or procurement, including one person who is a current or former chief financial officer of a successful local hospital or hospital system; and a fifth person who is an academic or expert in the area of healthcare;
- (11) One representative of the unions at the Public Health Trust chosen by the Board of County Commissioners;
- (12) A physician who is a member of the medical executive committee of Jackson Memorial Hospital, chosen by the other members of the Taskforce;
- (13) A representative, or designee, from the National Association of Public Hospitals and Health Systems ("NAPH") based in Washington, D.C., chosen by the NAPH;
- (14) A representative of the Florida Nursing Association, chosen by the Florida Nursing Association;
- (15) The chief executive officer of Health Foundation of South Florida or a member of its executive management team chosen by the chief executive officer; and
- (16) The chief executive officer of South Florida Hospital & Healthcare Association or a member of its executive management team chosen by the chief executive officer.

Because of the vital importance of this project, the chief executive officers of the hospitals, foundations, and associations named above are strongly encouraged to serve personally on the committee. In the event that chief executive officers cannot serve personally,

