

**FORT LAUDERDALE CITY COMMISSION REGULAR MEETING**  
**SEPTEMBER 5, 2012**

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12-1288	WALK-ON	SALE OF CITY-OWNED PROPERTY, PURCHASE AND SALE CONTRACT AND DEED OF CONVEYANCE - \$14,000 – Accepting offer from Housing Authority for two parcels located at northwest corner of NW 7 Street and 14 Avenue and 637 NW 10 Terrace for affordable housing and authorizing proper City Officials to execute all necessary documents	7, 30
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12-1983	M-2	TRANSFER FUNDS FOR EMERGENCY SANITARY SEWER REPAIR AND REPLACEMENT OF 18" PIPE - from Distribution and Collection Replacement Account to A19 Emergency Sanitary Replacement Account - \$500,000	2
12-2015	M-3	INTERLOCAL AGREEMENT WITH BROWARD COUNTY FOR PERMIT RELATED SERVICES - GO SOLAR - BROWARD COUNTY ROOFTOP SOLAR CHALLENGE - effective through February 14, 2020	2
12-2016	M-4	TASK ORDER 7 FOR ATLANTIC INTRACOASTAL WATERWAY SOUTH MARINA DREDGE PROJECT - URS Corporation Southern - \$139,689 - further assessment of those project aspects that could influence project	3
12-2020	M-5	REJECT SOLE BID AND RE-BID FOR INSTALLATION AND MAINTENANCE OF OCEAN REGULATORY BUOYS AND NAVIGATION SIGNS	3
12-2021	M-6	HIGHWAY MEMORANDUM OF AGREEMENT FOR MAINTENANCE OF BRIDGES AFTER RECONSTRUCTION - BRIDGES OF THE ISLES PROJECT - Florida Department of Transportation	3
12-2065	M-7	REVOCABLE LICENSE AT 3300 EAST COMMERCIAL BOULEVARD - Kalik, LLC - install and maintain private improvements in a 20-foot wide public utility easement	3
12-2076	M-8	MARKETING AGREEMENT - UTILITY SERVICE LINE WARRANTY PROGRAM FOR HOMEOWNERS - Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America	3
12-1855	M-9	EVENT AGREEMENTS AND RELATED ROAD CLOSINGS: Off the Hookah Anniversary Party, Boat Show, Sandbar Anniversary Party, Fight for Air Run/Walk, My Candles of Hope Charity Car Show, Fright Night 2012 and Las Olas Art Fair	3
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12-1959	PUR-2	TWO-YEAR CONTRACT - EXOTIC VEGETATION REMOVAL AND HABITAT RESTORATION SERVICES FOR PARCELS B, C AND D, EXECUTIVE AIRPORT in estimated annual amount of \$170,505.80 with DGC Environmental Services, Inc. d/b/a Common Areas Maintenance and authorize City Manager or designee to approve subsequent three, one-year terms contingent upon approval and appropriation of funds - ITB 522-11026	5

12-1963	PUR-3		CONTRACT TERMINATION WITH NEXT ERA LANDSCAPING, LLC FOR TURF GRASS MAINTENANCE - GROUPS 1 AND 3, AND RE-AWARD Group 1 to C & M Landscaping, Inc. and Group 3 to Lawn Wizard USA, Inc. in the estimated annual amount of \$133,711.40 and authorize City Manager or designee to approve three, one-year renewal options - ITB 523-10884	5, 8
12-1967	PUR-4		ONE-YEAR CONTRACT FOR ASPHALTIC CONCRETE PAVEMENT SERVICES in the amount of \$735,000 with Weekley Asphalt Paving, Inc., General Asphalt Co. and Hardrives, Inc., on an as-needed basis contingent upon approval and appropriation of funds - ITB 223-11007	5, 9
12-1969	PUR-5		ONE-YEAR CONTRACT FOR ROOF REPAIRS AND REPLACEMENT SERVICES with Advanced Roofing, Inc., on an as needed basis, per unit pricing, contingent upon approval and appropriation of funds - ITB 223-11033	5
12-1970	PUR-6		REPLACE POLICE RECORDS COUNTER SECURITY BULLETPROOF GLASS in the amount of \$52,800 by Tomasiou Enterprises, Inc. - ITB 223-11046	5
12-1972	PUR-7		PURCHASE ONE INTERNATIONAL TERRASTAR CAB AND CHASSIS WITH 11' SERVICE BODY AND HYDRAULIC CRANE in the amount of \$71,618 from Rechten International, Inc. - Florida Sheriff's Association Contract 11-19-0907	5, 10
12-1975	PUR-8		CONTRACT FOR CONSTRUCTION ENGINEERING AND INSPECTION SERVICES FOR SE 15 AVENUE BRIDGE REPLACEMENT in the amount of \$534,189.50 with R.J. Bejar & Company, Inc. and authorize City Manager to execute on behalf of City - RFQ 226-10872	6
12-1976	PUR-9		THREE-YEAR CONTRACT FOR INVESTMENT MANAGEMENT SERVICES in the annual amount of \$315,000 based upon an estimated \$100,000,000 investment portfolio each, with 1) Sterling Capital Management, LLC, 2) Garcia Hamilton & Associates, L.P., 3) Sawgrass Asset Management, LLC and 4) Wells Capital Management and authorize City Manager or designee to approve all renewal options - RFP 125-10899	6
12-1982	PUR-10		ONE-YEAR CONTRACT - PURCHASE OF SERVICE SADDLE CLAMPS FOR UTILITY OPERATIONS in estimated amount of \$122,737.50 with Ferguson Enterprises, Inc. and authorize the City Manager or designee to approve all renewal options - ITB 422-11025	6
12-2018	PUR-11		PURCHASE AND INSTALLATION OF MEDIAN LANDSCAPING in the amount of \$256,941.91 from Ochidman Landscape Artisans Corp.	6, 10
12-2043	PUR-12		PROPRIETARY PURCHASE - LIGHT POLE REPLACEMENTS AT CITY PARK GARAGE in the amount of \$54,540 from Maverick Poles and Structure, LLC	6
12-1980	PUR-13		THREE-YEAR CONTRACT FOR SCHOOL CROSSING GUARD SERVICES in estimated annual amount of \$788,934.30 from The Butler Group of South Florida d/b/a NEXTSTAFF and authorize City Manager or designee to approve all renewal options - RFP 125-11021	6, 11
12-2013	CIT-1		DENNIS ULMER - REMEMBERING SEPTEMBER 11, 2001	15
12-2042	CIT-2		CAROLE D. RUBENSTEIN - DESIGN OF CITY'S ENTRANCE AT SE 23 STREET AND STATE ROAD 84 NEAR U.S.1 BEHIND CROWN PLAZA HOTEL	15
12-2089	CIT-3		ROBERT WALSH - DISAPPEARANCE OF GUMA AGUIAR	15
12-2092	CIT-4		JULIA A. SASSON - CREDIT FOR EXCESS WATER USAGE FROM A BROKEN IRRIGATION LINE DUE TO PALM TREE ROOT INTRUSION	15
12-1226	R-1	12-152	SITE PLAN LEVEL IV DEVELOPMENT PERMIT REVIEW - BROWARD CENTER FOR THE PERFORMING ARTS EXPANSION - Case 27-R-12 Applicant: Performing Arts Center Authority Location: 201 SW 5 Avenue Zoning: Regional Activity Center - Arts and Sciences (RAC-AS) Land Use: Downtown RAC D-RAC Anyone wishing to speak must be sworn in. Commission will announce any site visits, communications or expert opinions received and make them part of the record.	7, 16
12-1864	R-2	12-153	SITE PLAN LEVEL II DEVELOPMENT PERMIT WITH ALLOCATION OF POST 2003 DWELLING UNITS REVIEW - THE PEARL AT FLAGLER VILLAGE - 7-Story Multiple Family - Case 42-R-12 Applicant: Morgan Group Location: SW Corner of Federal Highway and NE 5 Street Zoning: Regional Activity Center - City Center Future Land Use: Regional Activity Center Anyone wishing to speak must be sworn in. Commission will announce any site visits, communications or expert opinions received and make them part of the record.	16

12-1966	R-3	12-154	RECOGNIZING TOGETHER WE SERVE WEEK, OCTOBER 21-27, 2012, AND ENCOURAGING ALL CITIZENS TO SUPPORT AND TAKE PART IN INCREASING VOLUNTEER EFFORTS WITHIN OUR COMMUNITY	17
12-1979	R-4	12-1979	ISSUANCE OF TAXABLE SPECIAL OBLIGATION BONDS Series 2012 by negotiated sale - Pension Funding - not to exceed \$340,000,000	18
12-1984	R-5	12-156	GRANT AGREEMENT AMENDMENT FOR REPLACEMENT OF SE 15 AVENUE BRIDGES - Local Agency Program Supplemental Agreement with Florida Department of Transportation reducing grant amount by \$696,802.50 to actual participating amount of \$4,001,932.50 and authorize City Manager to execute on behalf of City	25
12-2057	R-6	12-	ONE-YEAR EXCESS WORKER'S COMPENSATION INSURANCE POLICY RENEWAL in the amount of \$337,329 from Star Insurance Company	6, 26
12-2101	R-7	12-157	APPOINTMENT OF CITY BOARD AND COMMITTEE MEMBERS - Also see corresponding Conference Agenda Item	26
12-2114	R-8	12-158	ESTABLISHING FEES FOR INTERFACILITY AND ROUTINE TRANSFER SERVICES - FIRE RESCUE DEPARTMENT	27
12-2074	PH-1		MOTION - DISCONTINUATION OF HOUSING AUTHORITY COMMUNITY BUS ROUTES AND NON-RENEWAL OF INTERLOCAL AGREEMENT with Broward County for these services	28
12-1865	PH-2	C-12-31	FIRST READING OF ORDINANCE - REZONING TO COMMUNITY FACILITY-HOUSE OF WORSHIP AND SCHOOL (CF-HS) From Residential Single Family/Low Medium Density District (RS-8) Applicant: Sunset Presbyterian Church Location: 3550 Davie Boulevard Land Use: Low Residential Case: 5-Z-12 Anyone wishing to speak must be sworn in. Commission will announce any site visits, communications or expert opinions received and make them part of the record.	29
12-1974	O-1	C-12-32	FIRST READING OF ORDINANCE AMENDING CODE OF ORDINANCES - SECTIONS 20-127 AND 132, DEFINITION OF ACTUARIAL EQUIVALENCE AND EXTEND TERMS OF TRUSTEES - POLICE AND FIREFIGHTERS RETIREMENT SYSTEM	30
12-1866	O-3	C-12-30	SECOND READING OF ORDINANCE REZONING TO COMMERCE CENTER (CC) From: General Business (B-2) Applicant: Victoria's Corporate Plaza, LLC. Location: 6245 NW 9 Avenue Land Use: Employment Center Case: 4-Z-12 Anyone wishing to speak must be sworn in. Commission will announce any site visits, communications or expert opinions received and make them part of the record.	31
12-1978	O-4	C-12-33	FIRST READING OF ORDINANCE AMENDING SCHEDULE I OF PAY PLAN TO INCLUDE ONE NEW CLASS - BUSINESS MANAGER, TRANSPORTATION AND MOBILITY	32
12-1988	1	12-160 12-161	PUBLIC HEARING FOR RESOLUTIONS - SUNRISE KEY NEIGHBORHOOD IMPROVEMENT DISTRICT - PROPOSED TENTATIVE MILLAGE RATE AND TENTATIVE BUDGET - FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013	33
12-1989	2	12-162	PUBLIC HEARING FOR RESOLUTION - LAUDERDALE ISLES WATER MANAGEMENT DISTRICT - LEVYING A NON-AD VALOREM SPECIAL ASSESSMENT AND APPROVING A BUDGET FOR FISCAL YEAR BEGINNING ON OCTOBER 1, 2012 AND ENDING ON SEPTEMBER 30, 2013 on behalf of Lauderdale Isles Water Management District	34
12-1863	3	12-163	PUBLIC HEARING FOR RESOLUTION - BEACH BUSINESS IMPROVEMENT DISTRICT - REIMPOSING RATE OF ASSESSMENT AND APPROVING ASSESSMENT ROLL FOR FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013	35
12-2104	4	C-12-34	FIRST READING - AMENDING PAY PLAN SCHEDULES I AND II - PAY RANGE MODIFICATIONS - SPECIAL PAY PRACTICES AND RETIREE HEALTH BENEFIT	35
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12-1990	6	12-164	FIVE-YEAR COMMUNITY INVESTMENT PLAN, AS AMENDED, FOR 2013 - 2017 and appropriating funds for fiscal year 2013 projects	39
12-1987	7	12-165 12-166	PUBLIC HEARING FOR RESOLUTIONS - CITY OF FORT LAUDERDALE PROPOSED TENTATIVE MILLAGE RATE AND TENTATIVE BUDGET - FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2012	7, 41

**MINUTES OF A REGULAR MEETING  
CITY COMMISSION  
FORT LAUDERDALE  
September 5, 2012**

Meeting was called to order at 6:02 p.m. by Mayor Seiler on the above date, in City Hall, 100 North Andrews Avenue, 1<sup>st</sup> floor Chambers.

Mayor Seiler explained that Commissioner Roberts will arrive late due to illness.

Roll call showed:

Present: Commissioner Bruce G. Roberts (arrived at 6:46 p.m.)  
Vice Mayor Charlotte E. Rodstrom  
Commissioner Romney Rogers  
Commissioner Bobby B. DuBose (arrived momentarily)  
Mayor John P. "Jack" Seiler

Absent: None.

Also Present:	City Manager	Lee R. Feldman
	City Auditor	John Herbst
	City Clerk	Jonda K. Joseph
	City Attorney	Harry A. Stewart
	Sergeant At Arms	Sergeant Joyce Fleming
		Sergeant Ed Wenger

Invocation was offered by Reverend Suzette Thompkins, The Love of Jesus Resurrection and Deliverance Fellowship Church, followed by the recitation of the pledge led by Barbra Stern.

**NOTE: All items were presented by Mayor Seiler unless otherwise shown, and all those desiring to be heard were heard. Items discussed are identified by the agenda number for reference. Items not on the agenda carry the description "OB" (Other Business).**

Vice Mayor Rodstrom requested that the minutes for the Joint Workshop with General Employees Retirement System Board of Trustees and Police and Firefighters Retirement System Board of Trustees be deferred to September 18, 2012.

**Motion** made by Vice Mayor Rodstrom and seconded by Commissioner Rogers to approve the minutes of the April 20, 2012 Goals Workshop and to defer the June 29, 2012 Joint Workshop with Pension Boards to September 18, 2012. YEAS: Commissioner Rogers, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Commissioner Roberts was not present for this vote.

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**PRES-1 12-1867 COMMUNITY APPREARANCE BOARD WOW AWARDS FOR DISTRICTS I AND II**

Vice Mayor Rodstrom recognized Wayne and Rose Billings who reside in Victoria Park as the recipients of the WOW Award for District II. Mr. Billings thanked the Commission.

Mayor Seiler recognized Thomas and Mindy Yianilos who reside in Coral Ridge as the recipients of the WOW Award for District I.

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**PRES-2 12-12115 PROCLAMATION DECLARING SEPTEMBER 2012 AS NATIONAL PREPAREDNESS MONTH**

Vice Mayor Rogers presented a proclamation declaring September, 2012, as National Preparedness Month in the City to Battalion Chief and Emergency Manager, Jo-Ann Lorber. Ms. Lorber thanked the Commission. She pointed out that Emergency Management monitors all hazards, including terrorism. She urged the public to make an emergency and communications plan, and to create a disaster kit. She mentioned that a Pledge to Prepare was emailed to the neighborhood associations.

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**Consent Agenda**

**(CA)**

The following items were listed on the agenda for approval as recommended. The City Manager reviewed each item and observations were made as shown. The following statement was read: Those matters included under the Consent Agenda are self-explanatory and are not expected to require review or discussion. Items will be enacted by one motion; if discussion on an item is desired by any City Commissioner or member of the public, however, that item may be removed from the Consent Agenda and considered separately.

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**M-1 12-1856 AGREEMENT FOR USE OF DOCKAGE AT LAS OLAS MUNICIPAL MARINA FOR 2012 FORT LAUDERDALE INTERNATIONAL BOAT SHOW - Yachting Promotions, Inc. and Marine Industries Association of South Florida, Inc. - October 24-30, 2012**

Please see funding information attached to these minutes.

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**M-2 12-1983 TRANSFER FUNDS FOR EMERGENCY SANITARY SEWER REPAIR AND REPLACEMENT OF 18" PIPE - from Distribution and Collection Replacement Account to A19 Emergency Sanitary Replacement Account - \$500,000**

Please see funding information attached to these minutes.

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**M-3 12-2015 INTERLOCAL AGREEMENT WITH BROWARD COUNTY FOR PERMIT RELATED SERVICES - GO SOLAR - BROWARD COUNTY ROOFTOP SOLAR CHALLENGE - effective through February 14, 2020**

Please see funding information attached to these minutes.

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**M-4 12-2016 TASK ORDER 7 FOR ATLANTIC INTRACOASTAL WATERWAY SOUTH MARINA DREDGE PROJECT - URS Corporation Southern - \$139,689 - further assessment of those project aspects that could influence project**

**Please see funding information attached to these minutes.**

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**M-5 12-2020 REJECT SOLE BID AND RE-BID FOR INSTALLATION AND MAINTENANCE OF OCEAN REGULATORY BUOYS AND NAVIGATION SIGNS**

**There is no fiscal impact associated with this action.**

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**M-6 12-2021 HIGHWAY MEMORANDUM OF AGREEMENT FOR MAINTENANCE OF BRIDGES AFTER RECONSTRUCTION - BRIDGES OF THE ISLES PROJECT - Florida Department of Transportation**

**There is a no capital or annual fiscal impact to the City of Fort Lauderdale at this time.**

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**M-7 12-2065 REVOCABLE LICENSE AT 3300 EAST COMMERCIAL BOULEVARD - Kalik, LLC - install and maintain private improvements in a 20-foot wide public utility easement**

**There is no fiscal impact associated with this action.**

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**M-8 12-2076 MARKETING AGREEMENT - UTILITY SERVICE LINE WARRANTY PROGRAM FOR HOMEOWNERS - Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America**

**Please see funding information attached to these minutes.**

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**M-9 12-1855 EVENT AGREEMENTS AND RELATED ROAD CLOSINGS: Off the Hookah Anniversary Party, Boat Show, Sandbar Anniversary Party, Fight for Air Run/Walk, My Candles of Hope Charity Car Show, Fright Night 2012 and Las Olas Art Fair**

**There is no fiscal impact associated with this action.**

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**CONSENT RESOLUTION**

**CR-1 12-2070 EXPRESSING COMMITMENT TO PRINCIPLES OF SMART GROWTH UTILIZING SMART GROWTH PARTNERSHIP'S TECHNICAL ASSISTANCE**

**There is no fiscal impact associated with this action.**

RESOLUTION NO. 12-167

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, EXPRESSING COMMITMENT TO THE PRINCIPLES OF SMART GROWTH UTILIZING THE SMART GROWTH PARTNERSHIP'S TECHNICAL ASSISTANCE.

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**CR-2 12-1991 CONSOLIDATED BUDGET AMENDMENT TO FISCAL YEAR 2012 BUDGET – APPROPRIATION**

**Please see funding information attached to these minutes.**

RESOLUTION NO. 12-168

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, AMENDING THE FINAL OPERATING BUDGET OF THE CITY OF FORT LAUDERDALE, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2011, AND ENDING SEPTEMBER 30, 2012, BY APPROPRIATING FUNDS AS SET FORTH IN CITY COMMISSION AGENDA MEMO #12-1991 AND PROVIDING FOR AN EFFECTIVE DATE.

**PURCHASING AGENDA**

**PUR-1 12-1958 PURCHASE ONE INTERNATIONAL TERRASTAR CAB AND CHASSIS WITH 9' SERVICE BODY in the amount of \$57,111 from Rechtien International, Inc. - Florida Sheriff's Association Contract 11-19-0907**

**Please see funding information attached to these minutes.**

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**PUR-2 12-1959 TWO-YEAR CONTRACT - EXOTIC VEGETATION REMOVAL AND HABITAT RESTORATION SERVICES FOR PARCELS B, C AND D, EXECUTIVE AIRPORT in estimated annual amount of \$170,505.80 with DGC Environmental Services, Inc. d/b/a Common Areas Maintenance and authorize City Manager or designee to approve subsequent three, one-year terms contingent upon approval and appropriation of funds - ITB 522-11026**

**Please see funding information attached to these minutes.**

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**PUR-3 12-1963 CONTRACT TERMINATION WITH NEXT ERA LANDSCAPING, LLC FOR TURF GRASS MAINTENANCE - GROUPS 1 AND 3, AND RE-AWARD Group 1 to C & M Landscaping, Inc. and Group 3 to Lawm Wizard USA, Inc. in the estimated annual amount of \$133,711.40 and authorize City Manager or designee to approve three, one-year renewal options - ITB 523-10884**

**Please see funding information attached to these minutes.**

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**PUR-4 12-1967 ONE-YEAR CONTRACT FOR ASPHALTIC CONCRETE PAVEMENT SERVICES in the amount of \$735,000 with Weekley Asphalt Paving, Inc., General Asphalt Co. and Hardrives, Inc., on an as-needed basis contingent upon approval and appropriation of funds - ITB 223-11007**

**Please see funding information attached to these minutes.**

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**PUR-5 12-1969 ONE-YEAR CONTRACT FOR ROOF REPAIRS AND REPLACEMENT SERVICES with Advanced Roofing, Inc., on an as needed basis, per unit pricing, contingent upon approval and appropriation of funds - ITB 223-11033**

**Please see funding information attached to these minutes.**

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**PUR-6 12-1970 REPLACE POLICE RECORDS COUNTER SECURITY BULLETPROOF GLASS in the amount of \$52,800 by Tomasiou Enterprises, Inc. - ITB 223-11046**

**Please see funding information attached to these minutes.**

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**PUR-7 12-1972 PURCHASE ONE INTERNATIONAL TERRASTAR CAB AND CHASSIS WITH 11' SERVICE BODY AND HYDRAULIC CRANE in the amount of \$71,618 from Rechten International, Inc. - Florida Sheriff's Association Contract 11-19-0907'**

**Please see funding information attached to these minutes.**

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**PUR-8 12-1975 CONTRACT FOR CONSTRUCTION ENGINEERING AND INSPECTION SERVICES FOR SE 15 AVENUE BRIDGE REPLACEMENT in the amount of \$534,189.50 with R.J. Bejar & Company, Inc. and authorize City Manager to execute on behalf of City - RFQ 226-10872**

**Please see funding information attached to these minutes.**

---

**PUR-9 12-1976 THREE-YEAR CONTRACT FOR INVESTMENT MANAGEMENT SERVICES in the annual amount of \$315,000 based upon an estimated \$100,000,000 investment portfolio each, with 1) Sterling Capital Management, LLC, 2) Garcia Hamilton & Associates, L.P., 3) Sawgrass Asset Management, LLC and 4) Wells Capital Management and authorize City Manager or designee to approve all renewal options - RFP 125-10899**

**Please see funding information attached to these minutes.**

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**PUR-10 12-1982 ONE-YEAR CONTRACT – PURCHASE OF SERVICE SADDLE CLAMPS FOR UTILITY OPERATIONS in estimated amount of \$122,737.50 with Ferguson Enterprises, Inc. and authorize the City Manager or designee to approval all renewal options – ITB 422-11025**

**Please see funding information attached to these minutes.**

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**PUR-11 12-2018 PURCHASE AND INSTALLATION OF MEDIAN LANDSCAPING in the amount of \$256,941.91 from Ochidman Landscape Artisans Corp.**

**Please see funding information attached to these minutes.**

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**PUR-12 12-2043 PROPRIETARY PURCHASE – LIGHT POLE REPLACEMENTS AT CITY PARK GARAGE in the amount of \$54,540 from Maverick Poles and Structure, LLC**

**Please see funding information attached to these minutes.**

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**PUR-13 12-1980 THREE-YEAR CONTRACT FOR SCHOOL CROSSING GUARD SERVICES in estimated annual amount of \$788,934.30 from The Butler Group of South Florida d/b/a NEXTSTAFF and authorize City Manager or designee to approval all renewal options- RFP125-11021**

**Please see funding information attached to these minutes.**

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- 7      12-1987      PUBLIC HEARING FOR RESOLUTIONS - CITY OF FORT LAUDERDALE  
PROPOSED TENTATIVE MILLAGE RATE AND TENTATIVE BUDGET -  
FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING  
SEPTEMBER 30, 2012**

Mayor Seiler announced a scrivener's error in the title of Commission Agenda Memorandum 12-1987; the date should read September 30, 2013, not September 30, 2012.

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- R-6      12-2057      ONE-YEAR EXCESS WORKER'S COMPENSATION INSURANCE  
POLICY RENEWAL in the amount of \$337,329 from Star Insurance  
Company**

Mayor Seiler announced that this item was revised to be a motion only.

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**OB**

- WALK-ON 12-1288      SALE OF CITY-OWNED PROPERTY, PURCHASE AND SALE CONTRACT  
AND DEED OF CONVEYANCE - \$14,000 – Accepting offer from Housing  
Authority for two parcels located at northwest corner of NW 7 Street  
and 14 Avenue and 637 NW 10 Terrace for affordable housing and  
authorizing proper City Officials to execute all necessary documents**

Mayor Seiler announced that the public hearing for Sale of City Property to Housing Authority for Affordable Housing (Item PH-01, Commission Agenda Memorandum 12-1288 and Memorandum 12-2131) deferred from August 21 is being included on this agenda as a walk-on.

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- R-1      12-1226      SITE PLAN LEVEL IV DEVELOPMENT PERMIT REVIEW - BROWARD  
CENTER FOR THE PERFORMING ARTS EXPANSION - Case 27-R-12**

The background information in this Commission Agenda Memorandum (12-1226) includes a scrivener's error. The date in the first line of the third paragraph should read February 14, 2012, not February 14, 2014.

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**Motion** made by Commissioner Rogers and seconded by Commissioner DuBose that Consent Agenda Items CR-02, PUR-01, PUR-03, PUR-04, PUR-07, PUR-11, and PUR-13 be deleted from the Consent Agenda and considered separately, and that all remaining Consent Agenda items be approved as recommended. Roll call showed: YEAS: Commissioner Rogers, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Commissioner Roberts was not present for this vote.

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- CR-2      12-1991      CONSOLIDATED BUDGET AMENDMENT TO FISCAL YEAR 2012  
BUDGET – APPROPRIATION**

This item was removed from the consent agenda by, both, Vice Mayor Rodstrom and Commissioner DuBose.

In response to Vice Mayor Rodstrom, the City Manager clarified that the park impact fees shown on page 5 of Commission Agenda Memorandum 12-1991 from Dolphin Isles Park, as well as Harbordale Park and Bill Keith Park which are completed, are being put back into the budget and reallocated to fund Tarpon Bend Park and River Oaks/Gore Park (Gore Betz Park, formerly River Oaks Park). The City Attorney explained the guidelines for use of park impact fees, specifying it must be for expansion of the park's level of service. Vice Mayor Rodstrom and Mayor Seiler thought expanding the facilities is commensurate with expanding the level of service. The City Attorney advised that replacing equipment with larger equipment would meet the definition of expansion, if it is possible to get more usage out of it. In response to Vice Mayor Rodstrom, the City Attorney confirmed that park impact fees could be utilized to purchase land for park space.

In response to Vice Mayor Rodstrom, Phil Thornburg, Parks and Recreation Director, elaborated upon the construction planned for Tarpon Bend Park, now known as Lewis Landing Park, and River Oaks/Gore Park. Lewis Landing is a passive park that includes a pavilion and walkway, and River Oaks/Gore is an active park with a playground; both projects have been approved by the neighborhoods. There will be about \$100,000 remaining in the park impact fee fund after these projects are completed. The City Manager explained to Vice Mayor Rodstrom that funds were not allocated for the NCIP (Neighborhood Community Investment Program) and BCIP (Business Community Investment Program) grants this year, but will be included in the City's 2014 budget; applications for these projects will be accepted in October.

**Motion** made by Commissioner Rogers and seconded by Commissioner DuBose to approve the item as presented. Roll call showed: YEAS: Commissioner Rogers, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**PUR-1 12-1958 PURCHASE ONE INTERNATIONAL TERRASTAR CAB AND CHASSIS WITH 9' SERVICE BODY in the amount of \$57,111 from Rechtien International, Inc. - Florida Sheriff's Association Contract 11-19-0907**

Commissioner Rogers pointed out that, typically, a chart depicting information such as maintenance costs versus repair costs and the lifespan of the equipment is included in the backup. The City Manager offered to provide the chart for this item and went on to confirm that repair cost would exceed more than twenty percent of its original cost. Mayor Seiler agreed that similar items going forward should include such information in the backup.

**Motion** made by Commissioner Rogers and seconded by Commissioner DuBose to approve the item as presented. Roll call showed: YEAS: Commissioner Rogers, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**PUR-3 12-1963 CONTRACT TERMINATION WITH NEXT ERA LANDSCAPING, LLC FOR TURF GRASS MAINTENANCE - GROUPS 1 AND 3, AND RE-AWARD Group 1 to C & M Landscaping, Inc. and Group 3 to Lawn Wizard USA, Inc. in the estimated annual amount of \$133,711.40 and authorize City Manager or designee to approve three, one-year renewal options - ITB 523-10884**

In response to Vice Mayor Rodstrom, Phil Thornburg, Parks and Recreation Director, explained that the City's parks are mowed about every two weeks, and the athletic fields every other day. Medians vary depending upon the time of year; currently, they are mowed about every three weeks, and

about every four weeks during the winter. He explained to Commissioner DuBose that this schedule is the result of budget cuts, which has been in place for two years. Under the previous schedule, parks were mowed every ten days.

**Motion** made by Vice Mayor Rodstrom and seconded by Commissioner Rogers to approve the item as presented. Roll call showed: YEAS: Commissioner Rogers, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Commissioner Roberts was not present for this vote.

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**PUR-4 12-1967 ONE-YEAR CONTRACT FOR ASPHALTIC CONCRETE PAVEMENT SERVICES in the amount of \$735,000 with Weekley Asphalt Paving, Inc., General Asphalt Co. and Hardrives, Inc., on an as-needed basis contingent upon approval and appropriation of funds - ITB 223-11007**

This item was removed from the consent agenda by, both, Commissioner DuBose and Vice Mayor Rodstrom.

Commissioner DuBose asked how the new Pavement Management Software System (PMSS) ties into resurfacing projects like the proposed item. The City Manager advised that it will take some time for staff to survey every street in the city; but, when this is completed, there will be a rating system to prioritize streets for resurfacing. At this point, this contract and the \$740,000 in the CIP (Community Investment Plan) fund is not programmed based on a priority scale; staff intends to implement a priority scale next year and to have prioritization the following fiscal year. He confirmed that the proposed item utilizes the current model of dividing the funding amongst the commission districts. Commissioner DuBose asked whether a pilot program for PMSS could be implemented versus waiting so long. The City Manager offered to look at this and get back to him. Commissioner DuBose pointed out that a pilot program will provide a true sense of the software's productivity. Mayor Seiler agreed that a pilot program is a good approach. He wanted to, at least partially, implement PMSS this year. The City Manager suggested that staff be directed to hold off paving any roads that are not in critical need, and retain those funds until PMSS is operating. In response to Commissioner DuBose, he clarified the total allocation and funding source for resurfacing. Commissioner Rogers wanted to see how the software will function, but noted that some roads are in such a state that software is not needed to know they need attention. Mayor Seiler requested the must do streets be prioritized, funds for others be held until a pilot program is established and staff move forward with such a program.

Vice Mayor Rodstrom requested an accounting of all resurfacing projects completed last year. In response to Vice Mayor Rodstrom, the City Manager explained that staff does not currently have a list of proposed critical need streets for this year. He explained that the \$100,000 cost for PMSS is not being derived from this \$735,000. It is more than just a software program, it also includes the process of issuing a grade for the road. Vice Mayor Rodstrom appreciated the benefit of technology, but stressed that roads need to be repaired. As for outstanding projects, the City Manager confirmed for her that resurfacing is currently handled on a complaint-basis. Commissioner Rogers agreed that an accounting of the projects completed last year is beneficial. However, he thought some of the roads met certain criteria in that they were selected because of other active projects occurring and the roads were torn up. Hopefully, PMSS will make this process more objective. In response to Vice Mayor Rodstrom, the City Manager confirmed that the WaterWorks projects included a budget to patch the roads, but not to completely resurface them. He confirmed that WaterWorks is credited. Vice Mayor Rodstrom thought it would be aesthetically

beneficial if the patch and resurfacing were done simultaneously; however, the City Manager did not believe there is sufficient funding for that. He agreed to provide her with the amount of Gas Tax funds received last year, and the amount expected for this year.

In terms of road resurfacing, Commissioner DuBose was pleased that the City is moving in a more fair and equitable direction. In light of consensus approval for a pilot program, he wanted staff to perform their due diligence in order to implement it by the early part of 2013.

**Motion** made by Commissioner DuBose and seconded by Vice Mayor Rodstrom to approve the item as presented. Roll call showed: YEAS: Commissioner Rogers, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**PUR-7 12-1972 PURCHASE ONE INTERNATIONAL TERRASTAR CAB AND CHASSIS WITH 11' SERVICE BODY AND HYDRAULIC CRANE in the amount of \$71,618 from Rechten International, Inc. - Florida Sheriff's Association Contract 11-19-0907'**

Commissioner Rogers pointed out that, like PUR-01, a chart on maintenance, repair and lifespan was not included in the backup for this item. The City Manager indicated that staff will provide such information and include it for all items going forward. Albert Carbon, Public Works Director, clarified that PUR-01 pertained to the sewer lift stations. This crane is used to replace portable wellfields, to repair pumps and valves at the Prospect and Peele-Dixie wellfields which is critical infrastructure. The current crane is operational; however, it was included in the fleet plan for replacement three years ago. He believed it is currently out for repairs for the third time this year. The proposed replacement is needed to keep wells operational. In response to Vice Mayor Rodstrom, he noted that the crane is ten years old. The proposed crane is a more robust vehicle than the current one and they do not share the same manufacturer. (Commissioner Roberts arrived.)

**Motion** made by Vice Mayor Rodstrom and seconded by Commissioner DuBose to approve the item as presented. Roll call showed: YEAS: Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: Commissioner Rogers.

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**PUR-11 12-2018 PURCHASE AND INSTALLATION OF MEDIAN LANDSCAPING in the amount of \$256,941.91 from Ochidman Landscape Artisans Corp.**

Vice Mayor Rodstrom thought this item is costly. She was concerned about discarding existing palms and trees to replace them with new landscaping when there are North Beach area residents who are looking for landscaping to improve their roadways. Phil Thornburg, Parks and Recreation Director, explained that, if the Sabal palms are salvageable, staff can replant them anywhere; but, typically, these trees are not in good enough condition to move and it is less costly to purchase new ones. He did not believe the Black Olive trees could be replanted as they are in poor condition and too large for the median. He confirmed for her that the proposed landscaping projects are for medians south of Oakland Park Boulevard (Oakland Park), picking up where improvements to the south end of the beach were left off and extending to Oakland Park; improvements will continue north of Oakland Park with the FDOT (Florida Department of Transportation) project. He explained that residents of this area have expressed concerns about the appearance of the medians. A couple of years ago, the City made some median improvements (south of) Oakland Park. Given that FDOT will handle the improvements north of Oakland Park, the proposed stretch of median will be an eyesore. The other proposed median locations were selected based on staff's observations.

The medians on Powerline Road, NW/NE 13 Street, and Federal Highway are in run-down condition. The proposed funding was CIP (Community Investment Plan) that was transferred to this year's general fund. These are the highest priority.

Commissioner Rogers did not believe the proposed projects will provide the city with a significant gain. He felt it could wait. Mayor Seiler agreed; this is more of a luxury than a necessity. Commissioner Roberts pointed out that landscaping projects have been excluded from the 2013 budget. Vice Mayor Rodstrom noted that the current trees will be in place for a couple more years until such landscaping can be addressed. She has not received a significant amount of requests from District II residents about this median. She thought staff would receive more complaints if the current trees are removed than requests to improve the median. Mr. Thornburg indicated the look would be like the beach to the south. If this item was approved, staff would not move forward without first informing neighborhood residents.

In response to Commissioner DuBose, Mr. Thornburg explained that grant funds were utilized for the City's tree giveaway program, but there are no remaining grant funds. In further response, he noted that, on rare occasions, trees are donated. Staff is not aware of any grant funding for landscaping. Funding for landscaping has severely dropped off. At one time there was State funding subsequent to hurricanes in order to bring back the tree canopy. Commissioner Roberts noted that the proposed project would touch all parts of the city. He viewed landscaping not only as aesthetics, but as part of the City's infrastructure. In District I, the median on Federal Highway north of Oakland Park is in bad condition. He asked whether this item could be brought back on September 18 with a cost breakdown by project. Vice Mayor Rodstrom agreed that an itemized cost for each project should be provided. Mayor Seiler suggested this be deferred to October. Mr. Thornburg reiterated that this funding will no longer be available after the end of this fiscal year unless it is carried over. Vice Mayor Rodstrom indicated that leftover funding usually rolls over to the next budget year. If a priority is determined, Mayor Seiler pointed out funding could be addressed at that time. Commissioner DuBose thought it would be beneficial to take a more comprehensive look at this issue. Budget cuts have affected landscaping and mowing frequency. However, residents expect the Commission to keep up the city's appearance. If this matter is not looked at, he thought this issue will occur every time an aesthetic or landscape project comes forward. Vice Mayor Rodstrom preferred to utilize these funds for some areas of the beach that have no existing trees or landscaping, rather than replacing. The focus should be on barren areas. Commissioner Rogers agreed with Commissioner DuBose that a more comprehensive examination of this matter is needed. He wanted to know the age and condition.

**Motion** made by Commissioner Roberts and seconded by Commissioner DuBose to defer the item to October 16, 2012, conference agenda. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**PUR-13 12-1980      THREE-YEAR CONTRACT FOR SCHOOL CROSSING GUARD SERVICES**  
**in estimated annual amount of \$788,934.30 from The Butler Group of**  
**South Florida d/b/a NEXTSTAFF and authorize City Manager or**  
**designee to approval all renewal options- RFP125-11021**

**ALL INDIVIDUALS WISHING TO SPEAK ON THIS MATTER WERE SWORN IN.**

**BID PROTEST – QUASI-JUDICIAL**

Mayor Seiler opened the floor for public comment.

Jennifer Kochilaris noted her experience and credentials as the Area Director for Adecco Staffing Agency. She introduced her colleagues, Loren Rakowsky, Branch Manager, and Julia Verrelli, Recruiter, and noted their experience. Adecco is currently contracted with the City to provide staffing services for the crossing guard program. In light of possible non-renewal of this contract, she pointed out that a section of the City's RFP required a formula that did not allow Adecco to note the cost savings that it builds into the program every year. Comments this evening will reference items provided by Adecco that make the program successful and are proprietary to Adecco. Safety is their first priority. Adecco runs two of the largest crossing guard programs in Broward County and wishes to continue its partnership with the City.

Loren Rakowsky, Adecco Staffing Agency, reviewed pages of an informational handout that was provided to the Commission by Ms. Kochilaris, which are attached to these minutes.

Herman Jones, Adecco Staffing Agency, noted his credentials as a crossing guard trainer. He expressed support for Adecco, and urged the Commission to renew their contract.

Charles King, 105 North Victoria Park Road, questioned why the City pays for crossing guards rather than the School Board of Broward County (School Board), and asked if the City provides crossing guards for, both, private and public schools. The City Manager explained that State law requires the City to maintain crossing guards at certain roads around public schools that are determined to be hazardous for students' walking to and from school. Being that the largest part of residents' property taxes, about 35 percent, is allocated for the School Board and 20 percent is allocated for the City, Mayor Seiler agreed that the School Board ought to help pay for this. Nonetheless, the City is complying with this unfunded mandate. In further response to Mr. King, he believed the mandate includes some middle schools. The City Manager explained that this law is based upon the road that requires a crossing guard and the city that has jurisdiction of that road. So, even a city that does not have any schools like Sea Ranch Lakes may also be required to bear a cost for this mandate.

Julia Verrelli, Adecco Staffing Agency, indicated that the majority of her job entails working for the City's crossing guard program. She expressed support of her staff.

Betty Smith, Adecco Staffing Agency, noted her credentials as a crossing guard supervisor. She expressed support for Adecco and urged the Commission to consider renewing their contract.

In response to Commissioner Roberts, the City Manager outlined the funding for this program for the benefit of the public. Commissioner Roberts thought the surcharge funding mechanism could be increased to make the program self-sustaining. He advocated doing so. The City Manager estimated that increasing it to \$10 would accomplish that objective. Commissioner DuBose pointed out that this program is a classic example of an unfunded mandate from the State. The mandate was not extended to the School Board, despite the amount of tax dollars it receives. Commissioner Rogers agreed with Commissioner Roberts in supporting an increase to the surcharge for the purpose of cost recovery. In response to Commissioner Rogers, the City Manager confirmed that the RFP includes a requirement that the successful vendor offer jobs to the individuals working for the current contractor. Kirk Buffington, Deputy Director of Finance, read the applicable provision in the RFP. He added that this provision would be incorporated into the new vendor's contract. To the best of his knowledge, Adecco has won the competitive process the last two times that an RFP has been issued. He was not aware of a transition for this contract; but, staff believed there was a competitive market for this service this time which is why the staffing provision was included in the



RFP. Commissioner Rogers pointed out that, based on their historical billings, even with an additional \$80,000, Adecco would have still been the low bidder.

In response to Mayor Seiler, Ms. Kochilaris confirmed that Adecco billed the City about \$682,000 last year as noted in the informational handout previous submitted. She reiterated that the RFP was based on a pricing formula, so Adecco could only provide a bill rate and not the cost savings. She understood that Adecco's contract with the City was renewed over a 12-year period. During his 16-year employ with the City, Mr. Buffington recalled at least two RFP's being issued for this service and corresponding renewals; Adecco has been the incumbent for most of that time. Being that this is an unfunded mandate with a current cost recovery of about \$640,000, Mayor Seiler expressed concern about the \$140,000 discrepancy between Adecco's billing amount last year of \$682,000 and their current bid of \$815,000. The recommended vendor is at \$788,000. Ms. Kochilaris indicated that Adecco understood from the RFP that they could not deviate from the pricing formula. Adecco has not changed the City's bill rate in seven years, and moreover has added value to the program by including various cost savings. Mayor Seiler indicated that, as presented, Adecco's bid is a \$140,000 increase for a service that is not reimbursed to the City. Ms. Kochilaris contended that the pricing formula is based on 210 days which is not the fiscal school year. Being that Adecco did not file a bid protest, Mayor Seiler indicated that the City must award to the lowest, responsive bidder. Ms. Kochilaris contended that Adecco was told that it could not deviate from the pricing formula in the RFP. She was unaware that a bid protest could have been filed as Adecco has had this contract for the last 12 years. In reality Adecco is not even close to the noted amount and it was not possible to present the cost savings. Ultimately, if awarded, Adecco would charge the City less than the lowest bidder. The City Manager clarified that the same pricing formula was used for all four bidders. So the proportional savings created by a reduced number of school days would be achieved equally by all bidders. Ms. Kochilaris pointed out that cost factors like mileage and overtime that is not charged to the City were not taken into consideration which was close to being the differential. Mayor Seiler noted that the City would not be charged for these items anyway. Mr. Buffington clarified that vendors can only charge for the straight hourly rate presented in the RFP; there is no overtime rate allowed. In response to Commissioner Rogers, Ms. Kochilaris indicated that Adecco's current contract includes the same hourly rates as their last RFP. The rate has not been changed in the past six, seven years. In response to Vice Mayor Rodstrom, Mr. Buffington confirmed that this RFP includes language regarding the bid protest procedure as do all of the RFP's. Discussion ensued about Adecco's cost savings for the City. Ms. Kochilaris pointed out, for example, that the City would not be aware of the gas mileage savings because it is never charged to the City. She indicated that many guards have been employed on a long-term basis with Adecco because of management's relationship with its employees. It is beneficial when children are involved. Mayor Seiler explained that the dilemma is that there is a bid considerably less than Adecco. Vice Mayor Rodstrom also emphasized that this is the City's policy, however, consistency, partnership with the City, long-term relationship and treating employees correctly are all admirable. Commissioner Rogers noted that Adecco received the top rating for all criteria in the RFP except price. In response to Commissioner DuBose, Mr. Buffington noted that Adecco did not make an inquiry to him or the lead procurement specialist about the bid protest procedure. Commissioner DuBose suggested staff explain the bid protest procedure when RFP's are issued. The City Manager explained that this is only possible when a mandatory pre-bid conference is held. Mr. Buffington indicated that a pre-bid conference was not held for this bid. He was uncertain whether staff references the bid protest ordinance at every pre-bid conference; but, it is in the RFP documents and on the City's website. Commissioner DuBose suggested that staff look into orally presenting the bid protest procedure to vendors. He understood that cost is the primary factor, given the economic climate; but, being that this program is related to children, there are some intangibles. He felt conflicted and saddened that this is ultimately a money-related matter.

Given the amount of this contract, Vice Mayor Rodstrom thought a pre-bid conference would have been beneficial. Perhaps the history of contract renewals created a comfort level for Adecco. She also felt conflicted. In response to questions raised by Vice Mayor Rodstrom, Buffy Butler, The Butler Group of South Florida, LLC d/b/a Nextaff, explained that The Butler Group currently has over a hundred crossing guards on staff. The Butler Group was established in 2004, and Nextaff in 2006. Nextaff is currently contracted with Pompano Beach, Davie and Jupiter to provide crossing guard services; and offers its guard employees health and dental benefits; life insurance and disability insurance; as well as direct deposit or a global cash card. The hourly pay rate varies depending upon the contract. As for the proposed contract, she explained to Commissioner DuBose that Nextaff would endeavor to stay within the range of the employee's previous hourly pay. She assumed the amount would be the current minimum wage. Generally guards are paid for 4-hour shifts even though they only work for 1.5 to 2 hours. For example, crossing guards in Pompano Beach work a 1.5 hour shift, but are paid for 4 hours at the current minimum wage. Some posts in Fort Lauderdale vary, but the majority are 1.5 to 2 hours, but would be paid for 4 hours. As for employee background checks, Nextaff utilizes a proprietary formula to follow State guidelines set forth in the Ramon Turnquest School Crossing Guard Act. Nextaff wants to be certain that their guards are respected in the community, have good moral standards and are able to stand for one to two hours. All guards must complete the Florida Department of Transportation required training and pass related examinations. New guards are accompanied at their posts to ensure they are at ease. Nextaff performs background checks based on the City's requirements, and conducts related double-blind studies.

In response to Commissioner DuBose, Ms. Butler expressed a desire to bring (Adecco's) existing employees onboard if the contract transitions to Nextaff. Last year, Nextaff brought on board about 99 percent of the existing employees in a Pompano Beach contract. The one percent were people who retired or chose to do something else. She confirmed that the industry standard in South Florida is 4-hour shifts at minimum wage. Commissioner DuBose questioned whether Nextaff will offer existing contract employees' current pay grade if higher than minimum wage and whether years of service will be considered. He mentioned one existing guard with 28 years of service; there has to be some type of advancement. He cautioned that affecting workers' livelihoods during an economy that is not as stable as other times could adversely impact the entire city. Based on Nextaff's prior transitions, Ms. Butler explained that generally, the pay grade is based on the contract's language and all employees are transitioned at the same rate which averages out to be higher than minimum wage because they are paid for more than twice the number of hours worked. Commissioner DuBose pointed out that salaried or hourly employees generally do not work through an entire time in the shift.

In response to Mr. King, Mayor Seiler noted that the statute requires the City to provide this service to every elementary school student whose grade level does not exceed grade six. It appears the City must provide this service for middle schools because grade six students attend middle schools. Otherwise it would be less costly.

There was no one else wishing to speak.

**Motion** made by Commissioner Rogers and seconded by Mayor Seiler to approve the item as presented. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom and Mayor Seiler. NAYS: Commissioner DuBose.

**Motion** made by Commissioner Roberts and seconded by Vice Mayor Rodstrom to raise the parking citation surcharge from \$8 to \$10. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose and Mayor Seiler. NAYS:

None. Commissioner DuBose and Mayor Seiler wanted staff to provide a formal breakdown, and indicated that their approval is based on the condition that the cost recovery information is correct. The City Attorney advised that an ordinance pertaining to the surcharge increase will be presented in about one week.

In response to Commissioner DuBose, Mayor Seiler indicated that the \$2 surcharge increase is projected to fully fund this program, but he was not aware of a specific analysis performed. Before approving the surcharge increase, Commissioner DuBose wanted certainty that it will make the crossing guard program a neutral impact on the City. Emilie Smith, Budget Manager, advised that the current \$8 surcharge generates about \$80,000 per dollar, so the \$2 increase would generate the additional \$160,000 and cover the cost of this contract.

<b>CITIZEN PRESENTATIONS</b>
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**CIT-1 12-2013 DENNIS ULMER - REMEMBERING SEPTEMBER 11, 2001**

Mr. Ulmer was not present.

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**CIT-2 12-2042 CAROLE D. RUBENSTEIN - DESIGN OF CITY'S ENTRANCE AT SE 23 STREET AND STATE ROAD 84 NEAR U.S.1 BEHIND CROWN PLAZA HOTEL**

Ms. Rubenstein was not present.

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**CIT-3 12-2089 ROBERT WALSH - DISAPPEARANCE OF GUMA AGUIAR**

Mr. Walsh felt it is inappropriate for Mayor Seiler to serve as Guma Aguiar's conservator ad litem. He elaborated upon the value of Mr. Aguiar's estate and the chain of events leading up to his disappearance. As conservator ad litem, he thought Mayor Seiler should offer a \$1 million reward to help locate Mr. Aguiar. He elaborated upon general guidelines for payment of a conservator ad litem based on percentages of the estate.

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**CIT-4 12-2092 JULIA A. SASSON - CREDIT FOR EXCESS WATER USAGE FROM A BROKEN IRRIGATION LINE DUE TO PALM TREE ROOT INTRUSION**

Ms. Sasson was not present.

**RESOLUTIONS**

**R-1      12-1226      SITE PLAN LEVEL IV DEVELOPMENT PERMIT REVIEW - BROWARD CENTER FOR THE PERFORMING ARTS EXPANSION - Case 27-R-12**

**There is no fiscal impact associated with this action.**

**Applicant:**                    Performing Arts Center Authority  
**Location:**                    201 SW 5 Avenue  
**Zoning:**                      Regional Activity Center - Arts and Sciences (RAC-AS)  
**Land Use:**                    Downtown RAC D-RAC

The Commission announced with whom he or she had spoken with and/or site visits made concerning this matter.

Commissioner Rogers introduced the following resolution:

RESOLUTION NO. 12-152

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, APPROVING THE ISSUANCE OF A SITE PLAN LEVEL IV DEVELOPMENT PERMIT FOR THE EXPANSION OF THE BROWARD CENTER FOR THE PERFORMING ARTS LOCATED AT THE NORTHEAST CORNER OF SOUTHWEST 7TH AVENUE (AVENUE OF THE ARTS) AND WEST LAS OLAS BOULEVARD, FORT LAUDERDALE, FLORIDA IN AN RAC-AS ZONING DISTRICT.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

**R-2      12-1864      SITE PLAN LEVEL II DEVELOPMENT PERMIT WITH ALLOCATION OF POST 2003 DWELLING UNITS REVIEW - THE PEARL AT FLAGLER VILLAGE - 7-Story Multiple Family - Case 42-R-12**

**There is no fiscal impact associated with this action.**

**Applicant:**                    Morgan Group  
**Location:**                    SW Corner of Federal Highway and NE 5 Street  
**Zoning:**                      Regional Activity Center - City Center  
**Future Land Use:**        Regional Activity Center

Pursuant to information provided by staff via an email, dated September 4, 2012, provided to the Commission, the City Clerk announced a correction for this item to reflect 331 total units, not 327 units; and the total parking count was revised to 524 garage spaces with 13 onstreet parking

spaces.

The Commission announced with whom he or she had spoken with and/or site visits made concerning this matter.

Vice Mayor Rodstrom introduced the following resolution:

RESOLUTION NO. 12-153

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, APPROVING THE ISSUANCE OF A SITE PLAN LEVEL II DEVELOPMENT PERMIT INCLUDING ALLOCATION OF POST 2003 DWELLING UNITS FOR A RESIDENTIAL DEVELOPMENT AND ENCLOSED PARKING GARAGE LOCATED AT THE SOUTHWEST CORNER OF FEDERAL HIGHWAY AND NORTHEAST 5<sup>TH</sup> STREET, FORT LAUDERDALE, FLORIDA IN A RAC-CC ZONING DISTRICT.

Which resolution, as amended and noted above, was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**R-3      12-1966      RECOGNIZING TOGETHER WE SERVE WEEK, OCTOBER 21-27, 2012, AND ENCOURAGING ALL CITIZENS TO SUPPORT AND TAKE PART IN INCREASING VOLUNTEER EFFORTS WITHIN OUR COMMUNITY**

**There is no fiscal impact associated with this action.**

Commissioner DuBose introduced the following resolution:

RESOLUTION NO. 12-154

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, RECOGNIZING **TOGETHER WE SERVE** WEEK, **OCTOBER 21-27, 2012**, AND ENCOURAGING ALL CITIZENS TO SUPPORT AND TAKE PART IN INCREASING VOLUNTEER EFFORTS WITHIN OUR COMMUNITY.

Commissioner DuBose pointed out that this initiative was brought forward by the Broward League of Cities (Broward League), and calls upon all members of the community to create partnerships through volunteerism. As president of the Broward League, he challenged Broward County and its 31 cities to accumulate one million volunteer hours. He recalled that Fort Lauderdale accumulated over 200,000 volunteer hours during the City's centennial volunteer challenge.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**R-4 12-1979 ISSUANCE OF TAXABLE SPECIAL OBLIGATION BONDS Series 2012 by negotiated sale - Pension Funding - not to exceed \$340,000,000**

**Please see funding information attached to these minutes.**

Mayor Seiler opened the floor for public comment.

Robert Walsh, 401 East Las Olas Boulevard, indicated that issuing pension obligation bonds (bonds) caused the city of Santa Barbara's bankruptcy. He suggested reducing the bond amount to \$150 million and, if the strategy is successful, the difference could be added in six months. These funds will be invested in the stock market which has been volatile. He wanted a committee comprised of local financial experts to be formed in order to provide input periodically. He urged the City to be cautious moving forward with this item.

Pam Kane, 2340 SW 14 Court, opposed this item. She felt it is wrong-minded for the City to borrow funds to pay for run-of-the-mill expenses which should be paid from the general fund budget. She was concerned that, when these expenses are no longer on the City's general fund budget, that (the same amount of) funds in the general fund will be used for something else. Further, she was concerned that there is no limit on refunding these bonds, and there is no time limit on an extension. So, theoretically, this bond issue could get refunded repeatedly and be extended. Another concern is that the proposed resolution allows for this bond issue to also be used to issue bonds for capital improvements for a term of 40 years. She questioned whether that provision had been advertised. She did not believe capital improvements should be done under the guise of paying for pensions. Finally, taxable bonds involve funds being pledged for fees like utility franchise fees, and she was concerned that, although the City will not be pledging its gas tax revenue now, there is opportunity to pledge it in the future if it is needed. She urged the Commission to review these points.

Charles King, 105 North Victoria Park Road, indicated that a debt problem cannot be solved by accruing more debt. The proposed should be brought forward in conjunction with a means to resolve what has caused this debt. It should have been included in the City's negotiations to reduce the benefit and change to defined contributions. He felt this is worse than the Federal level strategy utilizing debt to solve debt issues in order to stimulate the economy, whereas the proposed will do nothing for Fort Lauderdale residents. He thought this is a dangerous strategy. Given the significant amount of this item, he felt it should be put to referendum.

There was no one else wishing to speak.

In response to Mayor Seiler, Albert del Castillo of Squire Sanders (US) LLP, City's Bond Counsel, explained that this is an open-end resolution which allows for the issuance of a series of the City's special obligation bonds from time to time. The first series of bonds authorized is reflected in Section 208 (page 13 of Exhibit 1, Commission Agenda Memorandum 12-1979) of the resolution and is specific to the pension-funding project. Section 209 allows for issuance of additional bonds over time for capital improvements or other projects that the Commission may want to undertake in the future. This is done because, through the bond resolution, the City is encumbering or pledging different sources of revenue, and it is not desired for the revenue sources to be tied up solely for the pension-funding project. Rather, the desire is for the City to have flexibility to issue other bonds for other projects if it so desires. He emphasized that the additional bonds could only be issued if the City meets the additional bonds test as set forth in Section 209 (page 19) which requires that the designated revenues generate 1.75 times the bonds' maximum principal and interest requirements. Mayor Seiler understood the bonds were to be for this limited purpose. Vice Mayor Rodstrom

emphasized that this additional component was not included in prior discussions. Mayor Seiler indicated that flexibility is not desired. He elaborated upon this proposal having thoroughly vetted. Any future issues should have to be presented individually. Mr. del Castillo advised that it would not be difficult to remove the provision. Mayor Seiler asked that the amendment be made.

In response to Commissioner Rogers, Mr. del Castillo recommended retaining the provision because it does not actually commit the City to take any future action with respect to additional bonds. This initial series is for a 20-year period. If the City wanted to undertake another project during that period and finance it with one or more of the sources of designated revenue that are pledged under this resolution, specifically to the payment of debt service on bonds issued under this resolution, the City would not be able to do so if this additional bonds provision is removed from the resolution. Rather, the City would have to issue those bonds on a subordinated basis and, thereby, potentially increase the cost of that issuance. However, any desired revision can be executed. The working group drafted this resolution such that it would accomplish the City's current goal and provide flexibility for the future. Mayor Seiler was concerned that the working group went beyond what the Commission previously authorized as the additional bonds component was never before discussed during the several months that it has been vetted. The City Attorney recalled that, when the resolution was being drafted, the Commission took into consideration that the special obligation bonds may tie up all of the City's bonding capacity. The City wanted to avoid that so that future bonds could be issued, if so desired. The additional bonds provision allows for that flexibility, but it is not required. Furthermore, if additional bonds are issued, the same approval procedure currently being conducted would be necessary. Vice Mayor Rodstrom stressed that the Commission wanted to be made aware of such a provision upfront, before this point. The element of flexibility was never discussed by the Commission. However, there was consideration of not moving forward if it would curtail the City's means of bonding in the future for capital projects. The City Attorney confirmed for Commissioner Rogers that the additional bonds provision simply allows the City in the next 20 years flexibility to bond a capital project and get the best interest rate. Further, this vote will only affect this Commission in terms of pension obligation bonds, but the additional bonds provision will allow future commissions the flexibility to float other bonds with the whole basket of revenue stream. Vice Mayor Rodstrom viewed the additional bonds provision as a cover for the fact that something else is being done. She stressed that the City's decision regarding pension obligation bonds will span 20 years. Mr. del Castillo explained that the provision allows additional bonds to be issued for a term of up to 40 years. As bond counsel, he would have been remiss to draft a resolution that ties up the various sources of designated revenues and not provide flexibility to utilize those revenue streams for other projects in the future. It is all within the Commission's control. There are no mandates for issuance of additional bonds in the future. Vice Mayor Rodstrom took issue that staff did not previously bring forward the additional bonds provision; rather, this was raised tonight by a constituent. Mr. del Castillo noted that the focus of the proposed resolution is pension obligation bonds. The desire is for it to be a dynamic document over the period of time that the bonds are expected to be outstanding. It would have been much simpler to draft a bond resolution that provided for only an issuance of a single series of bonds and, thereby, tied up various sources of designated revenue. However, he suspected that, in time, the Commission would be dissatisfied with such a restrictive resolution. Vice Mayor Rodstrom noted her intention to stand by her original dispute of the pension obligation bonds. However, she felt the additional bonds provision was included to make the resolution appear to be a better deal for the City.

Mr. del Castillo confirmed for Mayor Seiler that, if the provision is not included, additional bonds will be subordinate to this resolution. He explained that the provision could not be easily added because there would be bondholders who had not been told that the source of security and payment for their bonds could be diluted or shared with other bondholders.

Mayor Seiler asked whether the additional bonds provision was addressed by the Budget Advisory Board. The City Manager advised that the board's only inquiry which staff commented on, was related to making sure the City was not inhibiting its bonding capacity in the future. He went on to note that this language is standard in bond resolutions to allow additional bonds to be issued at parity on debt after an additional bonds test is conducted. This language can be removed but it would require that any debt in the future using these revenue streams be subordinate to this existing debt which will raise the cost of issuance. He confirmed for Commissioner Rogers that, if the additional bonds provision is removed, in order to float any other bonds, it would be necessary to have another bond indenture with similar language and repeat the entire approval process including public hearings. Mayor Seiler inquired as to the procedure for any future bond issuances under the proposed language. Mr. del Castillo explained that the procedure is basically the same as for this issue, or any other issue that the City has undertaken, which he went on to outline. He reiterated that the main point is whether the Commission supports issuing these pension obligation bonds. Adopting this resolution is not in any way, shape or form a commitment to issue any debt other than those bonds. The additional bonds provision provides flexibility to use these revenue streams as the Commission deems fit in the future. He confirmed for Commissioner Roberts that the proposed is being issued in the same fashion as previous open-end resolutions that have been adopted. It is a standard provision to allow the flexibility to either issue additional bonds or refunding bonds. In contrast, general obligation bonds are issued under single-shot, closed-end resolutions because they pledge the City's ad valorem taxes. The proposed resolution is similar to the City's water and sewer revenue bond issues in that it is brought forward and fully vetted by the Commission. Vice Mayor Rodstrom asked whether Mr. del Castillo believes the City would be jeopardizing its bonding capabilities for the future if the proposed was a closed-end resolution, only for the pension obligation. He explained that it would likely increase the cost associated with any future financings that would utilize one or more of the designated revenue streams. It would not be a matter of the City not being able to finance in the future, but it would only be possible through a subordinated debt issue, unless the City was able to obtain the bondholders' consent to amendments to the resolution to open it for additional bonds. But, that would be extremely difficult and unlikely as he has not seen this done during his 30 years of experience. Almost all of the City's bond resolutions are open-end, except for the general obligation bonds. Vice Mayor Rodstrom thought it is possible that this Commission may not have previously been exposed to open-end bond resolution language. Mr. del Castillo agreed. He noted that the City's water and sewer bond resolution was adopted in 2003. However, the City has issued multiple series of bonds over time. He pointed out that, if the City had adopted the water and sewer bond resolution in 2003 without a provision for additional bonds, it would have been extremely difficult to issue the other bonds under the WaterWorks 2011 Program on a parity basis. He reiterated that this proposal is simply a set of parameters built into the resolution that must be voted upon by the Commission. The exact term for additional bonds would be decided upon by the Commission at the time. The City Manager pointed out that the City has other revenue streams that were not pledged which would be available for other bonds. Mr. del Castillo agreed, and listed the four revenue sources that were pledged in this proposed resolution. In response to Vice Mayor Rodstrom, he confirmed that all of these revenue sources go into the general fund. Vice Mayor Rodstrom noted that every dollar in the City has already been allocated, so pledging these funds would essentially be pledging money from the general fund that has already been designated for something else. The City Manager noted that these are the same funds that currently pay the City's pension obligations.

In response to Commissioner DuBose, Mr. del Castillo explained that, if the business tax revenues, formerly known as the occupational license tax revenues, are decreased or eliminated, the deficiency would be made up by one or more of the other designated revenue sources. Further, if there is ever a shortfall overall in the designated revenue sources, there is a backstop of having a covenant to budget and appropriate from the City's legally available non-ad valorem revenues.



These measures are taken in order to achieve the lowest cost of borrowing. Commissioner DuBose opposed these bonds. He cautioned that the City is in jeopardy of losing the business tax. The future impact is not clear and there is risk involved. There are many variables that can cause the proposed to fail. Although the rationale is that Fort Lauderdale differs from other cities that have issued pension obligation bonds, he thought those cities likely also felt confident when the bonds were first issued. The bottom line is that this relates to one's personal level of risk tolerance. It is a gamble. The City Manager explained that the State tends to not inhibit revenues that are pledged for specific deals, and will usually take this into consideration in order to allow those revenue streams to remain intact for the life of the bond. Therefore, staff strategically determined which revenues to designate. Commissioner DuBose emphasized that the term "usually" is not a 100 percent guarantee. He did not believe the State would be concerned about the City's pledged revenue streams if it is facing a shortfall.

In response to Mayor Seiler, Mr. del Castillo reiterated that every additional bond issue must be brought before the Commission for approval in the same fashion as this item. As for delegating authority to the City Manager, he explained that this would be addressed at the time that a future issue comes before the Commission. The Commission would decide whether the specific details of the bonds are set forth in the resolution or to follow suit with many of the City's prior bond issues by establishing outside parameters in the issue. The Commission may wish to delegate authority to an official such as the City Manager to market the bonds with the Financial Advisor and the underwriters. He confirmed that, even if authority is delegated, the same number of votes are still required. He further explained that the 40-year term for the additional bonds was chosen because the types of projects to be financed are presently unknown, and financing for equipment may be for 5 to 7 years or a building may be for 30 or 40 years. The objective in financing is to match the life of the assets being financed with the term of the obligation. So, a maximum of not-to-exceed 40 years is meant to provide the City with flexibility. He and the City Manager were not aware of a City bond that exceeds 30 years. Mayor Seiler asked for what purpose are bonds issued for longer than 30 years. Mr. del Castillo explained that bonds exceeding 30 years are issued to the extent that the useful life of the asset being financed warrants it and would support that debt.

Mr. del Castillo went on to explain that the 175 percent threshold on the additional bonds is a covenant in the resolution for the purpose of protecting the existing bondholders. The agreement is that the City will not issue bonds that are on a parity with these; in other words, that are secured on the same basis with the same legal claim on those revenues, without first ensuring that the pledged revenue streams have produced coverage of at least 1.75 times over the test period which is 12 consecutive months out of the last 18 months. This provides a cushion, so to speak, that is based on maximum principal and interest requirements. He confirmed that the basis for the threshold is a certification from the Finance Director. As an added protection, Mayor Seiler wanted the City Auditor to confirm the Finance Director's certification. Mr. del Castillo confirmed that the certification ensures the City's financial soundness; so, the City and the proposed special obligation bonds would have to be financially sound in order for additional bonds to be issued. The City Manager suggested "certified by the Finance Director and confirmed by the City Auditor". Mayor Seiler requested this language be included under paragraph (c) (page 20) and in paragraph (f) (page 21). Commissioner Rogers pointed out an enumeration error on page 28 of the Preliminary Official Statement (Exhibit 4).

Vice Mayor Rodstrom did not believe the proposed resolution had been presented to the Commission prior to today. In response to her question, the City Manager explained that the working group began working on (the additional bonds provision) in July. Being that pension obligation bonds have been addressed since then, Vice Mayor Rodstrom wanted to know why the Commission was not briefed on the provision sooner. The City Manager reiterated that the

additional bonds provision is standard in a series resolution. The proposed resolution contains a considerable amount of boilerplate language. The only provision in the proposed resolution that differs from other open-end resolutions is Section 610 which is the covenant concerning increase or addition to pension plan benefits. Vice Mayor Rodstrom asked whether it would have been up to the Commission to request a briefing from staff. The City Manager clarified that the resolution was provided on August 31 as part of the agenda. He accepted responsibility for not fully briefing the Commission on the resolution, but the additional bonds provision does not deviate from anything the City has done in the past. Vice Mayor Rodstrom did not believe that a \$340 million transaction is boilerplate. She felt a better explanation should have been forthcoming from the City Manager's Office.

In response to Vice Mayor Rodstrom, Ed Stull of FirstSouthwest, City's Financial Advisor, explained that the proposed is a financing because a refinancing has specific meaning. In terms of taking a liability that is not on the balance sheet and providing funds to finance that liability in a different matter would not be considered a refinancing. However, per the GASB Statement No. 67 (Governmental Accounting Standards Board), once (the liability) goes on the balance sheet, it may be considered. Basically, the City is taking an existing liability and finding another way to finance it. This involves borrowing funds on a bond and funding the pension obligation for which the City is currently incurring interest costs ranging from 7.5 to 7.75 percent. Vice Mayor Rodstrom recalled that Mr. Stull previously explained the amount of risk involved regarding issuance of only pension obligation bonds. He confirmed that the additional bonds provision is standard and not particularly a risky element of the proposed resolution; it simply provides the City with flexibility in the future. However, there are four risks associated with the proposed resolution with one of the most significant being that the amount deposited in the pension plan does not produce the projected investment returns. The City could still face a UAAL (Unfunded Accrued Actuarial Liability) in the future due to a number of factors, including adjustment for smoothing; lower than anticipated investment returns; and changes in benefit levels. Pension obligation bonds are not a cure-all, but are simply part of the solution. He recalled addressing the increased debt burden which may provide a degree of loss of future financing flexibility which is why the additional bonds provision was included. Another risk is the moral hazard which is pressure to provide additional benefits to employees because of the plan being fully funded. In further response, he thought it is a team responsibility. He believed that four of the five members of the Commission have a sophisticated level of understanding of the proposed transaction and the related risks. He indicated that he is not an attorney upon Vice Mayor Rodstrom's inquiry as to whether he believes there is a potential cause of legal action related to the proposed resolution. He feels comfortable with the suitability of the transaction. Although he would not personally characterize the proposed transaction as a refinancing or a refunding, he is not sure that such a characterization would be incorrect. The City has been provided with a number of educational presentations related to this transaction and the risks have been reviewed numerous times.

In response to Vice Mayor Rodstrom, Mr. del Castillo explained that Rule G-17 is an attempt by the Municipal Securities Rulemaking Board (MSRB) to ensure that, when making marketing presentations to municipal clients, that investment banking firms make them fully aware of the risks of the transaction and that the transaction is suitable for that particular client. Vice Mayor Rodstrom asked him and Mr. Stull if they both believe the proposed transaction is suitable for the City. Mr. del Castillo indicated that he was not present for the pension obligation bond presentations to date, but he understood that the risks of this transaction have been fully vetted, disclosed and discussed with the Commission, and the Commission has had opportunity to make inquiries and receive answers. Vice Mayor Rodstrom read an article in today's New York Times, Business Daily relating to the basic premise of all pension obligation bonds and that critics contend that municipalities are borrowing money and betting on the stock market through their pension fund. She agreed with this

article, and has opposed this matter since it was brought forward. This will be a huge mistake. Most people do not understand this extremely complex transaction which was made evident by few members of the public speaking on it. The City will be borrowing and having money managers invest in the stock market with the goal of getting a higher interest rate than the borrowing rate and higher than the actuarial assumption. In response to Vice Mayor Rodstrom, the City Auditor believed that both the General Employees Retirement System (GERS) and the Police and Fire Retirement System (PFRS) have returned in excess of the borrowing rate last year, so it would have benefited the City to make a similar transaction last year. Vice Mayor Rodstrom indicated that the City Auditor's previous explanation about this matter was different. Mayor Seiler referred to an online New York Times article indicating that the actual rate of return has been 5.7 percent since 2000 according to the Center for Retirement Research at Boston College and the National Association of State Retirement Administrators and the private sector has been at 4.8 percent over the same period of time. In response to Vice Mayor Rodstrom, the City Auditor clarified that his response tonight was based on the quarterly investment report which included year-to-date information that was provided to the Commission at today's conference, which is the most recent information provided by GERS and PFRS. Although he does not have the information in-hand, he believed both plans have achieved a return in excess of what would have been the borrowing rate. Commissioner DuBose also recalled that the City Auditor had previously advised that the City would have lost money if it had proceeded with such a transaction last year. Both Vice Mayor Rodstrom and Commissioner DuBose commented that timing is a factor. Commissioner DuBose reiterated that this involves risk and it is a huge amount of money.

In response to Vice Mayor Rodstrom, Mr. Stull advised that the interest cost is about \$131 million. Presently, there are about \$1.9 million in fees with the cost of issuance being slightly over \$1 million, and the underwriter's discount, which is to be negotiated, is about \$853,000. Therefore the total cost of interest and fees over the life of the issuance is about \$132 million. As for money manager fees, he was uncertain what the GERS and PFRS boards have negotiated. Vice Mayor Rodstrom asked if there was any other approach the City could have taken that would have saved the interest cost. Mr. Stull indicated if the goal is to reduce the UAAL amortization in the GERS, he did not believe it makes sense for the City to amortize the funds over a 30-year period. The City is currently paying about \$570 million in interest on the UAAL; whereas the total debt service for the pension obligation bonds is about \$469 million. The City Manager advised that the City is utilizing \$3.8 million in reserves for the 2013 budget, and confirmed that the projected savings of \$4.3 million resulting from this transaction will be added to the general fund to balance the budget. Vice Mayor Rodstrom concluded that the total shortfall for the 2013 budget year is about \$8 million.

Following up on the previous question, the City Auditor reported that this year's rate-of-return for GERS was 13.9 percent and 5.23 percent for PFRS. In response to Commissioner DuBose, Commissioner Rogers noted that the proposed bonds will be at 3.9 percent. Mr. Stull indicated that the interest rate discussed last year was nearing five percent. Although more interest would have been paid last year, it would have been a net benefit because the earned interest rate was greater than that of the issue at the time. In response to Commissioner DuBose, the City Auditor articulated that the stock market's more recent performance has shown that, at this point, a similar transaction executed last year would have been a positive. But when the Commission discussion occurred that Commissioner DuBose is referencing, it may not have been. The market has been particularly volatile this year and could change on a quarter-by-quarter basis. Commissioner DuBose reiterated that his point is that this involves risk.

Commissioner Rogers indicated that a primary issue, in terms of right-sizing government, is pension reform. This Commission has made progress in this area. The bottom line is that this is a \$400 million debt spread over two pension plans with rates of return at 7.5 and 7.75 percent. Over the

past perhaps ten years of down market, the City has paid tens of millions of dollars in an attempt to right-size this unfunded liability. He compared the proposed transaction to refinancing a home mortgage to obtain a lower interest rate. The proposed rate of 3.9 percent is better than 7.5 or 7.75. The City's pension funds are already being invested in the stock market and have been since they were formed. He agreed with Commissioner DuBose that this is a weighty decision. He is making this decision based on what he believes to be logical and reasonable financial analysis. Over the life of the bonds, the present value estimate of savings is \$83 million. There is always risk but there is risk in doing nothing. The City will be subject to the performance of financial markets. But, looking back to the 1920's, ten bad years in the financial markets have never been followed by another ten bad years. He felt everyone is in trouble if the City cannot earn more than 3.9 percent in the next twenty years. The proposed involves turning funds over to the pension boards. He noted his credentials as a former PFRS board member, and elaborated upon this board's performance. He did not believe these funds should be spent on any new benefits which has been addressed with the bond covenants. This transaction has been endorsed by the City Manager, City Auditor and the Budget Advisory Board and further he believed the credit markets are neutral. Over the last 21 years, PFRS has had an 8.24 percent rate of return. If so, the City will be taking advantage of buying into a lowered market and the rate of return can grow over the 20 years.

Commissioner Roberts introduced the following resolution:

Mr. del Castillo confirmed that Section 209 (c) and (f) will be amended to reflect City Auditor counter-signed and confirmation of Finance Director certification, and City Auditor will be defined in Section 102. Mr. Stull clarified that the percent rate is subject to change, based upon market conditions. According to the resolution, he believed it can increase up to 4.5 percent or anything lower.

#### RESOLUTION NO. 12-155

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, PROVIDING FOR THE ISSUANCE, IN ONE OR MORE SERIES, OF THE CITY'S SPECIAL OBLIGATION BONDS; PROVIDING THAT SUCH BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION, OR A PLEDGE OF THE CITY'S FULL FAITH AND CREDIT, BUT SHALL BE SECURED BY AND PAYABLE FROM PLEDGED FUNDS CONSISTING OF, AMONG OTHER SOURCES (i) CERTAIN DESIGNATED REVENUES NOT DERIVED FROM AD VALOREM TAXES AND (ii) LEGALLY AVAILABLE NON-AD VALOREM REVENUES BUDGETED AND APPROPRIATED BY THE CITY AND DEPOSITED IN THE FUNDS AND ACCOUNTS ESTABLISHED HEREUNDER, AS AND TO THE EXTENT PROVIDED HEREIN; PROVIDING FOR THE ISSUANCE OF THE FIRST SERIES OF SUCH BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING THREE HUNDRED FORTY MILLION (\$340,000,000), TO BE DESIGNATED CITY OF FORT LAUDERDALE, FLORIDA TAXABLE SPECIAL OBLIGATION BONDS, SERIES 2012 (PENSION FUNDING PROJECT) ("SERIES 2012 BONDS"), FOR THE PURPOSE OF FUNDING A PORTION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITIES OF THE CITY'S GENERAL EMPLOYEES RETIREMENT SYSTEM AND

POLICE AND FIREFIGHTERS' RETIREMENT SYSTEM, INCLUDING REPAYMENT TO THE CITY OF A PORTION OF ITS CONTRIBUTION TO THE POLICE AND FIREFIGHTERS' RETIREMENT SYSTEM, AS PROVIDED HEREIN; PROVIDING FOR THE ISSUANCE OF ADDITIONAL SPECIAL OBLIGATION BONDS AND SPECIAL OBLIGATION REFUNDING BONDS UNDER CERTAIN CONDITIONS; PROVIDING FOR THE CREATION OF CERTAIN FUNDS AND ACCOUNTS; DELEGATING TO THE CITY MANAGER AUTHORITY TO DETERMINE THE TERMS OF THE SERIES 2012 BONDS WITHIN PRESCRIBED PARAMETERS; DESIGNATING A BOND REGISTRAR AND PAYING AGENT FOR THE SERIES 2012 BONDS; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT AND BOND REGISTRAR AGREEMENT FOR THE SERIES 2012 BONDS; FINDING NECESSITY FOR A NEGOTIATED SALE OF THE SERIES 2012 BONDS; APPROVING THE FORM AND AUTHORIZING EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT; APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT RELATING TO THE SERIES 2012 BONDS; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DISTRIBUTION OF A FINAL OFFICIAL STATEMENT RELATING TO THE SERIES 2012 BONDS; PROVIDING FOR A BOOK-ENTRY ONLY SYSTEM WITH RESPECT TO THE SERIES 2012 BONDS; AUTHORIZING THE CITY MANAGER TO NEGOTIATE FOR AND OBTAIN CREDIT FACILITIES AND RESERVE ACCOUNT CREDIT FACILITIES AND TO EXECUTE AGREEMENTS RELATING THERETO WITH RESPECT TO THE SERIES 2012 BONDS; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT WITH RESPECT TO THE SERIES 2012 BONDS; AUTHORIZING CITY OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2012 BONDS; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

Which resolution, as amended and noted above, was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, and Mayor Seiler. NAYS: Vice Mayor Rodstrom and Commissioner DuBose.

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**R-5      12-1984      GRANT AGREEMENT AMENDMENT FOR REPLACEMENT OF SE 15 AVENUE BRIDGES - Local Agency Program Supplemental Agreement with Florida Department of Transportation reducing grant amount by \$696,802.50 to actual participating amount of \$4,001,932.50 and authorize City Manager to execute on behalf of City**

**Please see funding information attached to these minutes.**

In response to Mayor Seiler, the City Manager clarified that the bids were about \$700,000 less than the original grant amount. Therefore, staff recommends reducing the total grant amount. The grant will cover both the cost and construction management.

Commissioner Rogers introduced the following resolution:

**RESOLUTION NO. 12-156**

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, AUTHORIZING THE CITY MANAGER TO EXECUTE A LOCAL AGENCY PROGRAM (LAP) SUPPLEMENTAL AGREEMENT WITH THE STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION (FDOT) TO DECREASE THE ORIGINAL GRANT AMOUNT FROM \$4,698,735.00 TO THE ACTUAL TOTAL FDOT PARTICIPATING AMOUNT OF \$4,001,932.50 (FDOT FINANCIAL PROJECT NO. 230734-1-58-01), AND PROVIDING FOR AN EFFECTIVE DATE.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**R-6      12-2057      ONE-YEAR EXCESS WORKER'S COMPENSATION INSURANCE POLICY RENEWAL in the amount of \$337,329 from Star Insurance Company**

**Please see funding information attached to these minutes.**

In accordance with the prior announcement, this item was revised to a motion only.

**Motion** made by Commissioner Rogers and seconded by Vice Mayor Rodstrom to approve the item as amended. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**R-7      12-2101      APPOINTMENT OF CITY BOARD AND COMMITTEE MEMBERS -Also see corresponding Conference Agenda Item**

**There is no fiscal impact associated with this action.**

The City Clerk announced the appointees/re-appointees who were the subjects of this resolution:

- |                         |   |
|-------------------------|---|
| Audit Advisory Board    | Martin J. Kurtz (Mayor Seiler)  |
| Aviation Advisory Board | Kevin Borwick (Commissioner Roberts)  |
| Budget Advisory Board   | AJ Cross (Mayor Seiler)<br>Frederick H. Nesbitt (Mayor Seiler)<br>June D. Page (Commissioner Roberts) |

Community Services Board  
 Donald Karney, III (Mayor Seiler)  
 Richard Whipple (Mayor Seiler)  
 Wendy Gonsler (Commissioner Roberts)

Education Advisory Board  
 Idan M. Eckstein (Vice Mayor Rodstrom)

Middle River – South Middle River -  
 Sunrise Boulevard Redevelopment  
 Advisory Board  
 Laura Croscenco (Consensus - Middle River Resident category)  
 Ray Thrower (Consensus - South Middle River Resident category)  
 Christine T. Jones (Consensus – Lauderdale Manors Resident category)  
 Shannon C. Harmeling (Consensus – Lake Ridge Resident category)  
 Ron Weinbaum (Consensus – Poinsettia Heights Resident category)  
 Tim Smith (Consensus – 13<sup>th</sup> Street Alliance category)  
 Rick Gibson (Consensus – Real Estate Professional category)  
 Katherine Barry (Consensus – Landowner in Area category)  
 Mike Vonder Muelen (Consensus – Urban Planner or Design Professional  
 category)  
 Randall Klett (Consensus – Business Owner or Member of Business Community  
 category)

Parks, Recreation and Beaches  
 Board  
 Tommy Knapp (Mayor Seiler)  
 Richard Zaden (Mayor Seiler)  
 Bradley Hubert (Commissioner Roberts)  
 Bruce Qualey (Commissioner Roberts)

Unsafe Structures Board  
 John Barranco (Consensus – Registered Architect category)  
 Joe Holland (Consensus – Registered Engineer category)  
 Thornie Jarrett (Consensus – Electrical Contractor category)  
 Don Larson (Consensus – General Building Contractor category)  
 Michael C. Weymouth (Consensus – Real Estate Property Manager category)

Vice Mayor Rodstrom introduced the following resolution:

RESOLUTION NO. 12-157

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF  
 FORT LAUDERDALE, FLORIDA, APPOINTING BOARD MEMBERS  
 AS SET FORTH IN THE EXHIBIT ATTACHED HERETO AND MADE  
 A PART HEREOF.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers,  
 Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS:  
 None.

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**R-8      12-2114      ESTABLISHING FEES FOR INTERFACILITY AND ROUTINE TRANSFER  
 SERVICES - FIRE RESCUE DEPARTMENT**

**Please see funding information attached to these minutes.**

Vice Mayor Rodstrom introduced the following resolution:

RESOLUTION NO. 12-158

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, ESTABLISHING FEES FOR INTERFACILITY AND ROUTINE TRANSFER SERVICES, AND PROVIDING AN EFFECTIVE DATE.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

**PUBLIC HEARINGS**

**PH-1 12-2074 MOTION - DISCONTINUATION OF HOUSING AUTHORITY COMMUNITY BUS ROUTES AND NON-RENEWAL OF INTERLOCAL AGREEMENT with Broward County for these services**

**Please see funding information attached to these minutes.**

Mayor Seiler opened the floor for public comment.

Robert Walsh, 401 East Las Olas Boulevard, asked what the Housing Authority did with the grant funding that was provided by the City given the proposed discontinuation of community bus service routes. He thought this matter should be examined by the Inspector General. The proposed non-renewal will inconvenience a number of District III residents.

Roosevelt Walters, 1207 NW 10 Place, noted his experience as a 55-year resident of the City. He indicated that his statement from the August 21 Regular Commission meeting, item PH-04, also applies to this item. He urged the Commission to oppose this item and find a means to continue providing this community bus service to northwest Fort Lauderdale residents.

In response to Mayor Seiler, Tam English, Executive Director, Fort Lauderdale Housing Authority, indicated that, as a short-term solution, the Housing Authority could continue operating the red and blue community bus service routes (routes) for the next couple of months until Broward County responds to the City's funding request. Concurrently, the Housing Authority will work with staff to identify possible funding sources. He agreed to do so. Mayor Seiler felt and Commissioner DuBose agreed that funding for public transportation is a County responsibility. Commissioner DuBose stressed the need to find a solution.

In response to Vice Mayor Rodstrom's question, it was clarified that mention of Gateway Terrace had to do with a previous request of the Commission. It is addressed in the City Manager's letter to the County Administrator. The City will continue to seek assistance for this area as well.

The City Attorney advised that a decision must be made before the end of September according to the interlocal agreement. Mayor Seiler suggested this item be deferred to September 18.



There being no other individuals wishing to speak on this matter, a **motion** was made by Commissioner Roberts and seconded by Vice Mayor Rodstrom to close the public hearing. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

**Motion** made by Commissioner DuBose and seconded by Commissioner Roberts to defer the item to September 18, 2012. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

**PH-2 12-1865 FIRST READING OF ORDINANCE - REZONING TO COMMUNITY FACILITY-HOUSE OF WORSHIP AND SCHOOL (CF-HS) From Residential Single Family/Low Medium Density District (RS-8)**

**There is no fiscal impact associated with this action.**

**Applicant:** Sunset Presbyterian Church  
**Location:** 3550 Davie Boulevard  
**Land Use:** Low Residential  
**Case:** 5-Z-12

The Commission announced with whom he or she had spoken with and/or site visits made concerning this matter.

There being no individuals wishing to speak on this matter, a **motion** was made by Commissioner Roberts and seconded by Commissioner DuBose to close the public hearing. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Commissioner Rogers introduced the following ordinance on FIRST reading:

ORDINANCE NO. C-12-31

AN ORDINANCE CHANGING THE UNIFIED LAND DEVELOPMENT REGULATIONS OF THE CITY OF FORT LAUDERDALE, FLORIDA, SO AS TO REZONE FROM "RS-8" TO "CF-HS", A PORTION OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 50 SOUTH, RANGE 42 EAST, BROWARD COUNTY, FLORIDA, LOCATED SOUTH OF DAVIE BOULEVARD, EAST OF SOUTHWEST 36<sup>TH</sup> AVENUE, WEST OF SOUTHWEST 35<sup>TH</sup> AVENUE AND NORTH OF SOUTHWEST 13<sup>TH</sup> COURT, IN FORT LAUDERDALE, BROWARD COUNTY, FLORIDA, AND AMENDING THE OFFICIAL ZONING MAP AND SCHEDULE "A" ATTACHED THERETO TO INCLUDE SUCH LANDS.

Which ordinance was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

**OB 12-2131 WALK-ON SALE OF CITY-OWNED PROPERTY, PURCHASE AND SALE CONTRACT AND DEED OF CONVEYANCE - \$14,000 - Accepting Offer from Housing Authority for two parcels located at northwest corner of NW 7 Street and 14 Avenue and 637 NW 10 Terrace for affordable housing and authorizing proper City Officials to execute all necessary documents**

**There is no fiscal impact associated with this action.**

Commissioner Rogers introduced the following resolution:

**RESOLUTION NO. 12-159**

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, PURSUANT TO SECTION 8.02 OF THE CITY CHARTER, CONFIRMING RESOLUTION NO. 12-121 WHICH DECLARED THE INTENT OF THE CITY COMMISSION TO SELL, GRANT AND CONVEY PUBLIC PROPERTY TO THE HOUSING AUTHORITY OF THE CITY OF FORT LAUDERDALE TO BE USED FOR AFFORDABLE HOUSE; FURTHER, ACCEPTING THE OFFER OF FOURTEEN THOUSAND AND NO/100 DOLLARS (\$14,000.00) FROM THE HOUSING AUTHORITY OF THE CITY OF FORT LAUDERDALE FOR THE PURCHASE OF SUCH PUBLIC PROPERTY, MORE PARTICULARLY DESCRIBED BELOW; AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE A CONTRACT FOR PURCHASE AND SALE OF THE PUBLIC PROPERTY; AUTHORIZING EXECUTION AND DELIVERY OF A DEED OF CONVEYANCE OF THE PUBLIC PROPERTY TO THE HOUSING AUTHORITY OF THE CITY OF FORT LAUDERDALE; AND FURTHER AUTHORIZING THE EXECUTION OF ANY AND ALL INSTRUMENTS REASONABLY NECESSARY OR INCIDENTAL TO CONSUMMATION OF THE TRANSFER OF TITLE TO THE PROPERTY; PROVIDING FOR AN EFFECTIVE DATE.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**O-1 12-1974 FIRST READING OF ORDINANCE AMENDING CODE OF ORDINANCES - SECTIONS 20-127 AND 132, DEFINITION OF ACTUARIAL EQUIVALENCE AND EXTEND TERMS OF TRUSTEES - POLICE AND FIREFIGHTERS RETIREMENT SYSTEM**

**There is no fiscal impact associated with this action.**

Commissioner Roberts introduced the following ordinance on FIRST reading:

ORDINANCE NO. C-12-32

AN ORDINANCE OF THE CITY OF FORT LAUDERDALE, FLORIDA, AMENDING THE CITY OF FORT LAUDERDALE CODE OF ORDINANCES, CHAPTER 20, PERSONNEL, ARTICLE 4, PENSION, DIVISION 3, POLICE AND FIREFIGHTERS RETIREMENT SYSTEM, SECTION 20-127, "DEFINITIONS" TO REVISE THE DEFINITION OF ACTUARIAL EQUIVALENCE; AMENDING SECTION 20-132, "ADMINSTRATION" TO EXTEND THE TERMS OF TRUSTEES FROM TWO YEARS TO FOUR YEARS; PROVIDING FOR SEVERABILITY, REPEAL OF CONFLICTING ORDINANCE PROVISIONS; PROVIDING AN EFFECTIVE DATE.

Which ordinance was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Commissioner DuBose, and Mayor Seiler. NAYS: Vice Mayor Rodstrom.

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**O-2 NO AGENDA ITEM**

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**O-3 12-1866 SECOND READING OF ORDINANCE REZONING TO COMMERCE CENTER (CC)**

**There is no fiscal impact associated with this action.**

**From:** General Business (B-2)  
**Applicant:** Victoria's Corporate Plaza, LLC.  
**Location:** 6245 NW 9 Avenue  
**Land Use:** Employment Center  
**Case:** 4-Z-12

The Commission announced with whom he or she had spoken with and/or site visits made concerning this matter; some disclosures were the same as those indicated on first reading.

There being no Individuals wishing to speak on this matter, a **motion** was made by Vice Mayor Rodstrom and seconded by Commissioner Roberts to close the public hearing. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Commissioner Roberts introduced the following ordinance on SECOND reading:

ORDINANCE NO. C-12-30

AN ORDINANCE CHANGING THE UNIFIED LAND DEVELOPMENT REGULATIONS OF THE CITY OF FORT LAUDERDALE, FLORIDA, SO AS TO REZONE FROM "B-2" TO "CC", THE NORTH 222.65 FEET OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 49 SOUTH, RANGE 42 EAST, BROWARD COUNTY,

FLORIDA, LESS THE EAST 253.96 FEET THEREOF, LOCATED NORTH OF CYPRESS CREEK ROAD (NORTHWEST 62<sup>ND</sup> STREET), SOUTH OF NORTHWEST 65<sup>TH</sup> STREET, WEST OF POWERLINE ROAD AND THE NORTH BOUNDARY OF SAID PARCEL LYING WESTERLY OF NORTHWEST 63<sup>RD</sup> STREET, IN FORT LAUDERDALE, BROWARD COUNTY, FLORIDA, AND AMENDING THE OFFICIAL ZONING MAP AND SCHEDULE "A" ATTACHED THERETO TO INCLUDE SUCH LANDS.

Which ordinance was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**O-4    12-1978    FIRST READING OF ORDINANCE AMENDING SCHEDULE I OF PAY PLAN TO INCLUDE ONE NEW CLASS - BUSINESS MANAGER, TRANSPORTATION AND MOBILITY**

**Please see funding information attached to these minutes.**

In response to Vice Mayor Rodstrom, Averill Dorsett, Human Resources Director, confirmed that the proposed Business Manager position was filled by an existing City employee, the former Financial Administrator. The current Financial Administrator is in the M-29 pay range, Class IV, and the salary range is \$56,763-\$80,000. The City Manager noted that this item is part of the City's reorganization and consolidation of the former Parking and Fleet Services department with the present Transportation and Mobility department which has grown in scope as it now includes the airport operation. Funding is shared by the airport and parking funds. The proposed position is needed to coordinate the business and financial aspect. Given her understanding that the reorganization was to result in cost savings, Vice Mayor Rodstrom questioned the maximum salary of \$92,934 instead of \$80,000. The City Manager explained that the higher salary recognizes the increased responsibility. Employees have been tasked with more duties as positions have been removed in the reorganization. There is still an overall net savings. When similar items are brought forward in the future, Vice Mayor Rodstrom requested the backup include the pay ranges of the employee's former position and the proposed position, as well as any additional job responsibilities. The City Manager clarified that his approval is required if a department's pay recommendation for an employee differs from the starting salary of the pay range that was approved by the Commission.

Vice Mayor Rodstrom introduced the following ordinance on FIRST reading:

**ORDINANCE NO. C-12-33**

AN ORDINANCE OF THE CITY OF FORT LAUDERDALE, FLORIDA, AMENDING SCHEDULE I OF THE PAY PLAN OF THE CITY OF FORT LAUDERDALE, FLORIDA, BY CREATING AND ADDING A NEW CLASS, AND PROVIDING FOR SEVERABILITY, REPEAL OF CONFLICTING ORDINANCE PROVISIONS, AND AN EFFECTIVE DATE.

Which ordinance was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Commissioner DuBose, and Mayor Seiler. NAYS: Vice Mayor Rodstrom.

<b>BUDGET AGENDA</b>
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- 1      12-1988      PUBLIC HEARING FOR RESOLUTIONS - SUNRISE KEY NEIGHBORHOOD IMPROVEMENT DISTRICT - PROPOSED TENTATIVE MILLAGE RATE AND TENTATIVE BUDGET - FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013**

**There is no fiscal impact associated with this action.**

Mayor Seiler announced that this is the first of two public hearings to be held as required by law on the millage rate and the Sunrise Key Neighborhood Improvement District budget for Fiscal Year 2013. He opened the hearing and noted its purpose.

The City Manager explained that the Sunrise Key Neighborhood Improvement District voted their millage at 1.0000 mill for the 2013 fiscal year.

There being no Individuals wishing to speak on this matter, a **motion** was made by Vice Mayor Rodstrom and seconded by Commissioner Roberts to close the public hearing. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Mayor Seiler announced that the proposed millage rate for all Sunrise Key Neighborhood Improvement District purposes will be 1.0000 mill which represents an increase of 1.08 percent over the rolled-back rate of .9893 mills.

Vice Mayor Rodstrom introduced the following resolution:

RESOLUTION NO. 12-160

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, BROWARD COUNTY, FLORIDA, ADOPTING THE TENTATIVE MILLAGE RATE TO BE LEVIED BY THE CITY OF FORT LAUDERDALE FOR THE SUNRISE KEY NEIGHBORHOOD IMPROVEMENT DISTRICT FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Commissioner Roberts introduced the following resolution:

RESOLUTION NO. 12-161

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, BROWARD COUNTY, FLORIDA, ADOPTING THE TENTATIVE BUDGET TO BE LEVIED BY THE CITY OF FORT

LAUDERDALE FOR THE SUNRISE KEY NEIGHBORHOOD  
IMPROVEMENT DISTRICT FOR THE FISCAL YEAR BEGINNING  
OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Mayor Seiler announced the date, time, and place of the final hearing on this matter.

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**2      12-1989      PUBLIC HEARING FOR RESOLUTION - LAUDERDALE ISLES WATER  
MANAGEMENT DISTRICT - LEVYING A NON-AD VALOREM SPECIAL  
ASSESSMENT AND APPROVING A BUDGET FOR FISCAL YEAR  
BEGINNING ON OCTOBER 1, 2012 AND ENDING ON SEPTEMBER 30,  
2013 on behalf of Lauderdale Isles Water Management District**

**There is no fiscal impact associated with this action.**

Mayor Seiler opened the hearing on the Lauderdale Isles Water Management District non-ad valorem assessment and budget and noted its purpose.

The City Manager noted that the district adopted their 2013 fiscal year budget in June. The non-ad valorem assessment will remain the same at \$15 per parcel with 551 parcels which will generate \$8,265. The district's total budget is \$83,500.98.

There being no Individuals wishing to speak on this matter, a **motion** was made by Vice Mayor Rodstrom and seconded by Commissioner Rogers to close the public hearing. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Mayor Seiler announced that the proposed Lauderdale Isles Water Management non-ad valorem assessment will be \$15.00 annually for each property within the district.

Commissioner DuBose introduced the following resolution:

RESOLUTION NO. 12-162

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF  
FORT LAUDERDALE, BROWARD COUNTY, FLORIDA, LEVYING A  
NON-AD VALOREM SPECIAL ASSESSMENT FOR FISCAL YEAR  
2013 ON BEHALF OF THE LAUDERDALE ISLES WATER  
MANAGEMENT DISTRICT AND APPROVING THE BUDGET FOR  
THE DISTRICT.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**3        12-1863        PUBLIC HEARING FOR RESOLUTION - BEACH BUSINESS IMPROVEMENT DISTRICT - REIMPOSING RATE OF ASSESSMENT AND APPROVING ASSESSMENT ROLL FOR FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013**

**Please see funding information attached to these minutes.**

Mayor Seiler opened the hearing on the Beach Business Improvement District special assessment and noted its purpose.

The City Manager indicated that the Beach Business Improvement District assessment imposes a fee on certain portions of beach property within the City. The assessment fee will remain the same at \$0.8525 per \$1,000 of assessed value which will generate \$660,404.

There being no Individuals wishing to speak on this matter, a **motion** was made by Commissioner Roberts and seconded by Commissioner Rogers to close the public hearing. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Mayor Seiler announced that the proposed Business Improvement District special assessment rate will be \$0.8525 per \$1,000 of assessed value annually for each business property used for commercial purposes as provided in the resolution approving the Beach Business Improvement District special assessment.

Commissioner Roberts introduced the following resolution:

**RESOLUTION NO. 12-163**

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, RELATING TO THE PROVISION OF BEACH BUSINESS IMPROVEMENT SERVICES IN A PORTION OF THE CITY; REIMPOSING BEACH BUSINESS IMPROVEMENT ASSESSMENTS AGAINST ASSESSED PROPERTY LOCATED WITHIN THE ASSESSMENT AREA FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2012; ESTABLISHING THE RATE OF ASSESSMENT; APPROVING THE ASSESSMENT ROLL; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; AND PROVIDING AN EFFECTIVE DATE.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**4        12-2104        FIRST READING - AMENDING PAY PLAN SCHEDULES I AND II -PAY RANGE MODIFICATIONS - SPECIAL PAY PRACTICES AND RETIREE HEALTH BENEFIT**

**Please see funding information attached to these minutes.**

Mayor Seiler opened the floor for public comment.

Charles King, 105 North Victoria Park Road, thought this is a compression problem wherein unionized employees are earning more than their supervisors. The proposed solution is to increase the supervisors' salaries and benefits. He thought this will make the City's negotiations for the new contract with police more difficult. The City Manager did not believe that the action the Commission make take regarding this matter will have any bearing on his ability to negotiate a contract with the FOP (Fraternal Order of Police). Mayor Seiler agreed. Commissioner DuBose clarified that this recommendation is for non-collective bargaining unit employees who have not been provided any pay increase for the past four years. Mayor Seiler indicated that the proposed is a step in the right direction, but still will not get these employees to where they should be. Commissioner Roberts clarified that this involves more employees than police and fire-rescue. Mr. King questioned how the unfunded actuarial accrued liability reached a point of \$400 million.

A.J. Cross, member of the Budget Advisory Board, was concerned about the matter of compression because supervisors should never earn less than their subordinates. He did not believe the proposed item fully addresses bringing the supervisors and other non-collective bargaining unit employees up to a satisfactory level of compensation. He wanted to ensure that, moving forward, these employees are considered. If not, it will be more difficult to attract new and better talent in the future. He expressed full support of this item. Many hard-working non-collective bargaining unit employees feel disenfranchised and devalued. Commissioner Rogers asked whether any analyses were performed in terms of how compression is related to what is being compressed. For instance, raising the supervisor's pay if the subordinate's pay is too high only resolves the matter of compression, but does not right-size the issue. He wanted certainty that the supervisors' pay was compared to an appropriate salary range. Mr. Cross explained that the collective bargaining unit employees have been receiving steady and continual pay increases as part of the bargaining process and based on their annual reviews. However, the non-collective bargaining unit employees have not been given a pay increase in roughly four years. Based on the analysis, the City's pay ranges are in alignment with similar municipalities. There is consistent agreement that a supervisor should earn 14-18 percent more than their subordinates. He believed the City is well below this.

In response to Mayor Seiler, he confirmed that the Board agrees with the proposed item's elimination and abolishment of longevity pay for any employee hired after October 1, 2012, as well as elimination of the retiree health benefit for Schedule I and Schedule II positions hired after October 1, 2012.

In response to Vice Mayor Rodstrom, the City Manager advised that the maximum cost of this item is about \$446,000 (City Commission Agenda Memorandum 12-2104) for all funds. He confirmed for Mayor Seiler that this amount does not take into consideration future savings that will result from the abolishment of longevity pay and the elimination of the retiree health benefit. The savings are difficult to predict as the exact number of employees to be hired is an unknown. It is a maximum excluding any future offsetting savings. Vice Mayor Rodstrom remarked that she would not object to any items related to salary increases and benefits for employees if funds were not being taken from the reserves for the fourth consecutive year to balance the budget and \$340 million in bonds were not being issued to cover debt. She hoped for future economic improvement in order to be able to support items like this.

In response to Commissioner Rogers, the City Manager explained that the funds set forth in the backup have been included in the 2013 budget. When the budget was formulated, staff set aside funds in each fund in order to deal with this matter. In further response, Emilie Smith, Budget Manager, explained that negative notations would have been impacted by the minimum of the pay range which was reduced; so any vacant position would be hired at a lesser salary which provides a savings. She indicated that approximately \$350,000 of this funding is from the general fund. The



City Manager explained to Mayor Seiler that, based on the new hires, the savings related to doing away with longevity pay will be about the same ratio; and the retiree healthcare savings will ultimately affect the City's OPEB (Other Post-Employment Benefits) because that payment is not made until an employee retires. This is a start in addressing the benefit level so the City can reduce its unfunded OPEB liability in the future. He confirmed for Commissioner Rogers that a new employee, under some categories would be hired at a lower salary with a nine percent retirement benefit in a 401(a) and no other benefits in terms of retirement, healthcare or longevity pay. Mayor Seiler thought this item reflects the direction that staff was advised to take.

Jack Lokeinsky, President of the Fraternal Order of Police (FOP), spoke on behalf of three Police Department employees affected by this item. These employees have received two raises in the last five years, but benefits were also forfeited, those being elimination of longevity pay; increased employee pension contribution; and furlough days. Police Majors made all of the same changes; therefore, he thought they should be given the same compensation for the changes made by collective bargaining unit employees.

Robert Walsh, 401 East Las Olas Boulevard, thought the City's police employees deserve pay raises, and asked that the Police Department be provided with two needed K-9's.

There was no one else wishing to speak.

Vice Mayor Rodstrom introduced the following ordinance on FIRST reading:

ORDINANCE NO. C-12-34

AN ORDINANCE OF THE CITY OF FORT LAUDERDALE, FLORIDA, AMENDING SCHEDULES 01 AND 02 OF THE PAY PLAN OF THE CITY OF FORT LAUDERDALE, FLORIDA, BY MODIFYING THE PAY RANGE AMOUNTS FOR SCHEDULE I, TO WIT: SUPERVISORY, PROFESSIONAL, AND MANAGERIAL - P.E.R.C.- EXEMPT EMPLOYEES, AND SCHEDULE II, TO WIT: NON-BARGAINING CONFIDENTIAL EMPLOYEES, TO PROVIDE IN FISCAL YEAR 2013 FOR A ONE PERCENT COST-OF-LIVING ADJUSTMENT, A THREE PERCENT DECREASE OF THE MINIMUM OF EACH PAY RANGE, AND A THREE PERCENT INCREASE OF THE MAXIMUM OF EACH PAY RANGE, TO PROVIDE IN FISCAL YEAR 2014 FOR A ONE PERCENT COST-OF-LIVING ADJUSTMENT AND A THREE PERCENT INCREASE OF THE MAXIMUM OF EACH PAY RANGE; ELIMINATING PAY RANGE STEPS; AMENDING SECTION 20-67 OF THE CODE OF ORDINANCES OF THE CITY OF FORT LAUDERDALE, FLORIDA, BY ELIMINATING LONGEVITY PAYMENTS FOR EMPLOYEES HIRED ON OR AFTER OCTOBER 1, 2012; AMENDING THE PAY PLAN OF THE CITY OF FORT LAUDERDALE, FLORIDA, BY ELIMINATING THE RETIREE HEALTH INSURANCE BENEFIT FOR SCHEDULE I AND SCHEDULE II EMPLOYEES HIRED ON OR AFTER OCTOBER 1, 2012; AND PROVIDING FOR SEVERABILITY, REPEAL OF CONFLICTING ORDINANCE PROVISIONS, AND AN EFFECTIVE DATE.

Which ordinance was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Commissioner DuBose, and Mayor Seiler. NAYS: Vice Mayor Rodstrom.

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**5            12-2011        FIRST READING OF ORDINANCE AMENDING CODE OF ORDINANCES, CHAPTER 28, WATER, WASTEWATER AND STORMWATER RATES - PROVIDING FOR CURRENT AND FUTURE RATE AND CHARGE INCREASES**

**There is a positive fiscal impact to the City as a result of additional revenue to meet operating expenses, capital, debt service, reserve requirements, and return on investment, consistent with proposed FY 2012/2013 budget.**

In response to Commissioner DuBose, the City Manager explained that last year staff proposed an ordinance that provided for a constant increase in water, sewer and stormwater rates based upon either five percent or the CPI (Consumer Price Index), whichever was greater; specifically, the Water and Sewerage Index (WSI). However, this year the WSI was at 8.15 percent. Based on a review of the City's rate structure, it was clear that such an increase is not necessary, nor would it be prudent in the long-term to look beyond the 6.75 percent provided in the ordinance. The ordinance provides for two years at 6.75 percent, followed by a continuum of five percent moving forward. This item proposes to remove the CPI and only rely on the floor of 6.75 percent for 2013, and then five percent beyond 2013. To his knowledge, this is the only City that has an automatic rebate provision provided five tests are met which he highlighted from Commission Agenda Memorandum 12-2011. If the City continues on this track, all of those tests to allow for a rebate will be met in a few years. However, the proposed rate increases are needed in order to keep the City's system fiscally sound. If the proposed ordinance is not approved, the current ordinance will put in place a rate increase above 8 percent.

In response to Commissioner DuBose, he explained that the proposed will lock in the 6.75 percent rate for 2013, and five percent each year thereafter until this is revisited by the Commission. Generally, a rate study is conducted every five years. Albert Carbon, Public Works Director, confirmed that a rate study was conducted in 2009 which resulted in a major adjustment for the WaterWorks bonds. Last year, a policy was set that a rate study be conducted every two years. A ten-year projection and five-year financial plan are done. A rate study was also conducted in March, 2011. The proposed projections are based on the 2011 study. The ordinance is being adjusted to only use the five percent. This one-year adjustment is for the ROI (Return on Investment) that was implemented last year. The City Manager confirmed for Commissioner Rogers that changing this ordinance will not create any issues with the bonds. In further response to Commissioner Rogers, Mr. Carbon indicated that all of the City's sewers will be fully connected by the end of this calendar year.

Commissioner DuBose introduced the following ordinance on FIRST reading:

**ORDINANCE NO. C-12-35**

**AN ORDINANCE AMENDING CHAPTER 28 OF THE CODE OF ORDINANCES OF THE CITY OF FORT LAUDERDALE, FLORIDA, ENTITLED WATER, WASTEWATER AND STORMWATER, TO PROVIDE FOR CURRENT AND FUTURE INCREASES TO WASTEWATER USER RATES, TAPPING CHARGES, WATER RATES, SPRINKLING METER CHARGES, PRIVATE FIRE SERVICE PROTECTION CHARGES, STORMWATER MANAGEMENT PROGRAM RATES, SERVICE**

## AVAILABILITY CHARGES; PROVIDING FOR AN EFFECTIVE DATE.

Which ordinance was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Commissioner DuBose, and Mayor Seiler. NAYS: Vice Mayor Rodstrom.

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**6            12-1990            FIVE-YEAR COMMUNITY INVESTMENT PLAN, AS AMENDED, FOR 2013 - 2017 and appropriating funds for fiscal year 2013 projects**

**Please see funding information attached to these minutes.**

Commissioner Rogers understood there are three or four CIP (Community Investment Plan) projects that are to be funded out of the general fund, as set forth in Exhibit 1 of City Commission Agenda Memorandum 12-1990. He questioned the park impact fee funded projects totaling \$250,000 when there is only \$100,000 in that fund. The City Manager explained that the park impact fee fund balance shown in Exhibit 1 is based upon anticipated contributions from construction projects during 2013 fiscal year. Phil Thornburg, Parks and Recreation Director, confirmed that Esplanade Plaza and Riverwalk are both considered parks. Commissioner Rogers thought there had been a consensus to prioritize Riverwalk, yet he did not see any funding allocated for it, other than the seawall. There is a desire for improved lighting in this area which relates to public safety as well as enhanced revenue as lighting will draw more visitors. The City Manager advised that there are currently enough funds that have been previously budgeted in the CIP to finish the three phases of planned Riverwalk lighting improvements. He believed staff is completing the specifications for this project. The City Manager offered to provide a schedule of projects that are currently allocated through the CIP. The projects noted in Exhibit 1 are only new projects. Commissioner Rogers thought not having all of the information in one document makes tracking difficult. If the funding is available, he felt the project should be listed. Also, the 15<sup>th</sup> Street boat ramp is a long overdue CIP project that will increase efficiency and generate more revenue, but it is not shown. The City Manager explained that the intent of the CIP is to identify fully-funded projects or those likely to receive funding. When the boat ramp project was discontinued, staff noted that it would be necessary to reapply to the Florida Inland Navigation District for grant funding which has been done. A response is expected this month. The idea is to treat the CIP like the budget, so it will be amended when grants are received. There is relatively good certainty that there will be funding in place for all of the funded projects listed in Exhibit 1. Commissioner Rogers wanted tracking CIP projects to be made easier. In order to have a realistic snapshot of the CIP projects to be completed in the next five years, both currently funded and previously funded projects should be included on the same chart. The City Manager noted that, for the next phasing of CIP, staff intends to present current and future projects graphically, including the anticipated funding. As for the process going forward for entering new CIP projects, departments will compile requests based upon Commission-approved criteria such as master plans; and, in February, staff will solicit any additional projects from the Commission and to reaffirm the grading criteria for the purpose of prioritization.

Since this is being voted upon tonight, Commissioner Rogers thought this issue should be addressed now. He reiterated his concern about use of park impact fees for improvements to Riverwalk linear park. The City Manager thought the issue is to identify the improvements. It is known that there are lighting and seawall issues that are being addressed. The recommendation to remove \$450,000 was based on the fact that there is already funding in place and staff does not think that additional amount could be expended in the next fiscal year. Commissioner Rogers recalled a public realm Riverwalk study that listed numerous improvements. It has never come

forward to the Commission. He requested that the study be included on an upcoming conference. Mayor Seiler agreed and asked the City Manager to find out what is currently in the pipeline and the timeframe for the Riverwalk lighting project. The City Manager agreed to provide a memorandum on the lighting. All three projects are funded and the final RFPs are scheduled to go out within weeks. Mayor Seiler wanted more specific information about the time frames. Commissioner Rogers believed that most of the money spent on Riverwalk in the last several years has been grant funds. Although there is reference to the lighting, he believed that another \$200,000 worth of lighting is needed. The City Manager explained that historically, CIP funds have been budgeted without the realistic ability to carry out the project within the fiscal year, or a reasonable time span. The Commission allocates the funds. Staff sets aside the funds for the project; and then, based upon workload, the project is started. The start date is sometimes past the year that the funds were appropriated. The objective of the proposed five-year CIP chart (Exhibit 1) is to not only have a fully funded five-year plan, but one that staff can deliver. Currently, there is a tremendous backlog of funded CIP projects that will take the City years to get through. He felt the City should focus on these before funding NCIP (Neighborhood Capital Improvement Program) and BCIP (Business Community Investment Program) projects. Commissioner Rogers agreed. He noted that the gaps in information make communications with constituents difficult. It is counter-productive. He asked staff to resolve this matter by creating a trackable chart that provides a realistic view of the CIP projects.

Mayor Seiler inquired about airport project funding. The City Manager explained that a determination is based on the matching dollars funding source for the project. FDOT projects are funds that FDOT received from the federal government to provide to general aviation airports. The FAA funds are direct allocations to the airport without having to go through FDOT. Mayor Seiler asked if all of the FDOT funds are pass-through federal funds. Clara Bennett, Airport Manager, clarified that the FDOT funds are derived from a work program that is funded through aviation fuel taxes that the State assesses. Mayor Seiler asked which funding source, FDOT or FAA, is easier to obtain. He thought prioritization of the projects seems to be based on funding sources that are easier to obtain. She noted that the airport competes more favorably for funding within the State because the State has a more dedicated source of funds that are programmed for projects within a five-year work plan. The FAA projects have a higher caliber of eligibility that is generally related to safety; so, a pavement rehabilitation project may not compete favorably within the FAA funding structure, but would compete more favorably within the FDOT funding structure. Ultimately, the State has more funds allocated for general aviation airports. Mayor Seiler asked about the Taxiway Echo Pavement Rehabilitation project in Exhibit 1. Ms. Bennett explained that the FAA will fund this project at 90 percent of the construction cost and the FDOT will fund 50 percent of the non-federal share leaving the airport fund to pay for the remaining five percent. The City Manager noted that the airport is one of the few general aviation airports in the country that is not general fund subsidized.

Commissioner Rogers introduced the following resolution:

RESOLUTION NO. 12-164

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, ADOPTING THE FIVE- YEAR COMMUNITY INVESTMENT PLAN (CIP) PLAN, AS AMENDED, FOR 2013-2017.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

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**7            12-1987        PUBLIC HEARING FOR RESOLUTIONS - CITY OF FORT LAUDERDALE  
PROPOSED TENTATIVE MILLAGE RATE AND TENTATIVE BUDGET -  
FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING  
SEPTEMBER 30, 2012**

**Please see funding information attached to these minutes.**

**ALL INDIVIDUALS WISHING TO SPEAK ON THIS MATTER WERE SWORN IN.**

Mayor Seiler pointed out that the City's millage rate has remained unchanged for the last six years. He went on to announce that this is the first of two public hearings to be held as required by law on the millage rate and budget for fiscal year 2013. He opened the hearing and noted its purpose.

The City Manager noted that the current millage rate of 4.1193 and the current fire assessment fee of \$135 per single residential unit, are maintained in the tentative budget for fiscal year 2013. The current millage rate is a 1.10 percent increase over the rolled-back rate. He presented a report explaining the premise for the increase over the rolled-back rate, as well as the increases to the 2013 general fund budget that require the millage rate to be maintained for the last six years, and adjustments made to the 2013 general fund budget since the proposed budget was submitted on July 10. A copy of his prepared statement is attached to these minutes. He indicated that the tentative general fund budget for 2013 is \$315,782,856 which includes the undesignated fund balance of \$47,336,845 and \$4 million in reserves set aside for OPEB (Other Post-Employment Benefits). He noted budget adjustments made to the Beach Business Improvement District fund and the Debt Service Fund which are outlined in the report.

Mayor Seiler opened the floor for public comment.

Robert Walsh, 401 East Las Olas Boulevard, given the City's frequent use of consultants and the significant amount of recent hires, he thought there is also funding in the budget to purchase two police K-9 dogs for \$18,000.

There being no other individuals wishing to speak on this matter, a **motion** was made by Commissioner Roberts and seconded by Vice Mayor Rodstrom to close the public hearing. Roll call showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Mayor Seiler announced that the proposed millage rate for all general City purposes exclusive of debt service will be 4.1193 which represents a 1.10 percent increase in the millage rate over the rolled-back rate of 4.0738 mills. The proposed millage rate for debt service for the 2005 General Obligation Refunding Bonds is .0524. The proposed millage rate for debt service for the 2011A General Obligation Bonds is .0510. The proposed millage rate for debt service for the 2011B General Obligation Bonds is .1115.

Commissioner Roberts introduced the following resolution:

**RESOLUTION NO. 12-165**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF  
FORT LAUDERDALE, BROWARD COUNTY, FLORIDA, ADOPTING  
THE TENTATIVE MILLAGE RATE TO BE LEVIED BY THE CITY OF  
FORT LAUDERDALE FOR THE FISCAL YEAR BEGINNING**

OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, Vice Mayor Rodstrom, Commissioner DuBose, and Mayor Seiler. NAYS: None.

Commissioner Roberts expressed concern about cuts resulting in reduced bunker gear for fire-rescue. He thought funds raised (\$160,000) from the increased parking citation surcharge (as noted in PUR-13) could be used to resolve this matter. He wanted the City Manager to bring this adjustment back on September 18, 2012. He noted the importance of replacing the two police K-9 dogs and hoped the Police Chief will be able to find \$18,000 in the budget for them. He was also concerned about reduced funding for the Police Department's mobile laptops by \$680,000 which equates to half of the cost for all of the laptops. In addition to being legally mandated, he believed the City also has a grant requiring that the newer laptops be used by police to perform ID scans and card scans. Without the newer laptops, this is not possible on the street. He understood that a significant amount of funds are being spent on repairing existing mobile laptops. The City's commitment to technology has been expressed. But, before moving forward with new technology, he wanted to have the basic technology in place for the Police Department to perform their duties on the street. He suggested reallocating the priority of other technology funding. He recalled the recent commitment to allocate \$1.9 million for new technology enhancements throughout the city. Perhaps some of those monies could be used for this purpose. He believed that all of these matters are related to safety and efficiency. He requested this be addressed on September 18. Commissioner Rogers asked the City Manager to provide some background on these items. Mayor Seiler also wanted more backup on bunker gear. He asked the Fire Rescue Chief to meet with the Commission members before September 18 to advise about timing for bunker gear replacement. He also wanted the Police Chief to meet with the Commission members where the K-9 dogs are placed in terms of budget priority. K-9 dogs protect the community and life, and \$18,000 is not a huge amount.

In response to Commissioner Rogers, Averill Dorsett, Human Resources Director, indicated that, of the 2,428 budgeted positions, thirty are not filled. The City Manager advised that a number of these vacancies resulted from the Bonus Incentive Retirement Program. Some pay plan amendments as part of the reorganization are needed. Staff is in the process of filling these positions. Commissioner Rogers pointed out that there are 57 less (positions) in this budget than last year. The City Manager confirmed that the goal to only fill half of the positions vacated as a result of the Bonus Incentive Retirement Program has been met. Commissioner Rogers asked how much savings is expected from the thirty vacancies in terms of timing. The City Manager advised the savings has been incorporated into the fund balance carry-over for fiscal year 2012. He anticipated about 92 positions will be filled throughout the year citywide, so two months of no pay for the recruitment period of these positions has been budgeted. For year-end, staff anticipates revenue and expenditures which are projections. Any surplus rolls into fund balance for the following year. The estimates are generally conservative, so hopefully the actual number will be greater.

Commissioner Rogers expressed concern about the issue raised by the City Auditor that the budget is not structurally sound because E911 had not been calculated into it. He understood that those figures are in flux. But he did not want to vote on a budget that is not structurally sound. The City Manager articulated that the only way to achieve structural soundness as defined by the City Auditor is to take another \$3 million out of the budget, plus fund the full amount of the E911 services for next year for a total of about \$9 to \$10 million dollars in budget cuts. In order to be fiscally structured, revenues must equal expenses on an ongoing basis. However, the City's budget is not structured to do this because the City has been drawing down reserves for the last several

years, and this cannot be stopped without having either expenditure cuts or revenue increases. As to a structural balancing, it is not possible to make cuts without starting to have a diminution in services. Although service cuts can be recommended, they will be cuts that nobody really wants. These are matters for the Commission to address with BAB (Budget Advisory Board) going forward. Staff can identify \$10 million in budget cuts by September 18, but those cuts would change the City's structure.

Commissioner Rogers noted that he has not had any objection to utilizing the reserves during challenging times, as long as it is within the City's policy. In order to get through challenging times, there must be some sacrifices. Although economic improvement is starting, the City has not yet received the benefits of increased property values. He did not want to raise the millage rate because he believed this will take care of itself in years to come. He wanted certainty that the City is doing the best it can fiscally with the resources it has. Therefore, he wanted to see real numbers pertaining to the savings resulting from the thirty vacancies to determine whether filling these positions could be delayed for one year. The City Manager emphasized that the City has reached the point of breaking its employees. Employees have been asked to do more under more difficult circumstances. He did not believe the City can do without filling the thirty positions. Commissioner Rogers did not want to break the organization or impede progress, but it is the Commission's responsibility to provide oversight. The City Manager advised that a significant part of the thirty vacancies are project manager positions. Public Works department has been reorganized to have less designers, architects and engineers and more project management as this has been a sizeable deficiency in the past. The project manager positions will affect the City's ability to properly deliver projects without large change orders and significant mistakes. Commissioner Rogers trusted the City Manager's judgment, but did not think he has had enough time to uncover every possible option. He wanted the City Manager to look at the thirty vacant positions to determine which ones could wait a couple of months to be filled and calculate the savings. In any event all of the positions will not be filled at once anyway. This could provide a real savings. As for salary projection calculations, the City Manager explained that, if only \$800,000 of a department's \$1 million budget was spent due to vacancies, the remaining \$200,000 goes back into the fund balance. Therefore, those savings are already accrued in the budget.

Commissioner Roberts believed this is a year to let the City stabilize in order to determine impacts of the reorganization in that the changes have been swift. He agreed that staff has been pushed to the limit. It would be difficult to continue without more of the support recommended by the City Manager. The condition of some buildings and workplaces is pretty bad. The City is comparable to a mid-size business. He agreed that services would have to be cut if any further budget cuts are made. He also agreed with the City Auditor's assessment of the budget. But he did not believe the additional draconian budget cuts required to make the budget structurally sound as defined by the City Auditor can be made this year and still be able to deliver the services expected by the community. This is a year to hold fast and throughout the year, see what, if anything, needs to be changed.

The City Auditor clarified that his memorandum (11/12-22) provided the Commission expressed the conclusion that the budget is not balanced, structurally or otherwise, because there are certain known expenditures that are not included. A copy of the memorandum was made a part of the record. E911 is a real known expense. By virtue of the pension obligation bond issuance, some money will be available. As such he believed the gap can be closed. He hoped the Commission will direct the City Manager to address issues raised in the memorandum before second reading of this budget.

In response to Mayor Seiler, the City Manager explained that the \$375,000 fuel increase noted in his prepared statement is based on staff's forecast of next year's price increase of unleaded and diesel gasoline. As for the new Energy Price Risk Management Program, the benefit will not be seen until fiscal year 2014. Mayor Seiler wanted to know the impact in funds other than the \$375,000 to the general fund. The City Manager pointed out that this is a good example of an expense partially offset by the fire assessment fee.

In response to Mayor Seiler, the City Manager explained that the election cost increase for elections includes the charter amendments on the November ballot. The City Clerk added that it is still unknown whether there will be both a primary and general election for the District II seat. Mayor Seiler thought a figure of \$194,000 seems high. The City Clerk indicated that the noted amount is accurate based on her discussions with the Broward County Supervisor of Elections (SOE). The requested budget is to cover everything, but it is an estimate. The SOE has changed their pricing formula. There will be a charge for the City's two charter amendment questions. She offered to provide the projected charter amendment question cost. It is less expensive to present a question on the November ballot. The City Auditor advised that the SOE charges for two components: one is the actual cost for the printing and mailing; and the other is an allocation of a portion of their overhead as relates to the City. Mayor Seiler wanted to know how much less it is to add a question to the November ballot. He thought it might have been more cost effective to include the amendments on the January 31, 2012 municipal election ballot. In response to Mayor Seiler, the City Clerk offered to provide the City's cost for that January election. Being that the upcoming election will only be in one district, Mayor Seiler thought the cost should be about \$118,000. The City Clerk noted that both the primary and general elections were included in this budget. Mayor Seiler thought the January municipal election for three of the four districts cost about \$100,000. Commissioner DuBose thought the cost was much higher. He believed that he has been requesting cost information since May yet only estimates have been provided. The City Clerk explained that the final cost numbers have not been provided by the SOE, however she could furnish the charges assessed for this past January. For the future, Mayor Seiler wanted to know whether it makes sense to place a charter amendment question on a presidential election ballot. Commissioner DuBose recalled the Commission's decision not to include a charter amendment question on a non-presidential ballot in 2010 because the cost was large. That cost information was furnished and it was larger than Mayor Seiler estimated. It may be that the SOE has been inconsistent. Staff did provide those numbers, as well as an explanation as to how the cost was calculated. The City Clerk agreed with Vice Mayor Rodstrom that the SOE has changed her formula. Commissioner DuBose remarked that another factor to consider for past non-Presidential elections is the other cities that participated. The City Clerk added that what other cities participate is another factor for elections other than countywide. Mayor Seiler reiterated his desire to know the cost before deciding upon going forward with a charter amendment question. Commissioner DuBose indicated if the SOE is changing the formula every year, it is problematic. Vice Mayor Rodstrom believed the formula was changed two years ago that resulted in a huge increase but it has remained the same since that time. Mayor Seiler was concerned about placement of a municipal charter amendment question at the end of a presidential ballot. The City Clerk confirmed for Vice Mayor Rodstrom that it is a cost recovery strategy on the part of the County. Mayor Seiler requested information on the cost of the last elections and the projected cost of the next three elections by this Friday.

In response to Mayor Seiler, the City Manager explained that the Citywide Facility Condition Assessment was previously discussed during the goals workshops. Staff believes that each facility should be reviewed to determine its condition and to assist in forecasting failures in buildings so that adequate accommodations can be made in the future. It is not a necessity, but should be done to plan for the future.



In response to Commissioner Rogers, the City Manager offered to provide a side-by-side chart comparing the current all funds breakdown set forth in Exhibit 1 with last year.

Commissioner Roberts introduced the following resolution:

RESOLUTION NO. 12-166

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, BROWARD COUNTY, FLORIDA ADOPTING THE TENTATIVE BUDGET OF THE CITY OF FORT LAUDERDALE, FLORIDA FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2012, AND ENDING SEPTEMBER 30, 2013, WHICH INCLUDES THE BUDGET FOR THE GENERAL FUND, COMMUNITY REDEVELOPMENT FUND, SUNRISE KEY NEIGHBORHOOD IMPROVEMENT DISTRICT FUND, BEACH BUSINESS IMPROVEMENT DISTRICT FUND, HOUSING AND COMMUNITY DEVELOPMENT AGENCY FUND, BUILDING FUNDS, DEBT SERVICE FUNDS, CEMETERY PERPETUAL CARE FUND, ARTS AND SCIENCE DISTRICT GARAGE FUND, SANITATION FUND, WATER AND SEWER FUND, CENTRAL REGIONAL WASTEWATER FUND, STORMWATER FUND, PARKING FUND, AND AIRPORT FUND.

Which resolution was read by title only. Roll called showed: YEAS: Commissioner Rogers, Commissioner Roberts, and Mayor Seiler. NAYS: Vice Mayor Rodstrom and Commissioner DuBose.

Mayor Seiler announced the date, time, and place of the final hearing on this matter.

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Note: The City Commission adjourned the regular meeting at 11:54 p.m. and returned to the conference meeting agenda, City Manager Reports.

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John P. "Jack" Seiler  
Mayor

ATTEST:

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Jonda K. Joseph  
City Clerk