

City of Fort Lauderdale

*City Hall
100 North Andrews Avenue
Fort Lauderdale, FL 33301
www.fortlauderdale.gov*



Meeting Minutes - DRAFT

Tuesday, November 1, 2016

1:30 PM

City Commission Conference Room

City Commission Conference Meeting

FORT LAUDERDALE CITY COMMISSION

***JOHN P. "JACK" SEILER Mayor - Commissioner
DEAN J. TRANTALIS Vice Mayor - Commissioner - District II
BRUCE G. ROBERTS Commissioner - District I
ROBERT L. McKINZIE Commissioner - District III
ROMNEY ROGERS Commissioner - District IV***

***LEE R. FELDMAN, City Manager
JOHN HERBST, City Auditor
JEFFREY A. MODARELLI, City Clerk
CYNTHIA A. EVERETT, City Attorney***

ROLL CALL

Present: 5 - Commissioner Romney Rogers, Commissioner Bruce G. Roberts, Vice Mayor Dean J. Trantalis, Commissioner Robert L. McKinzie, and Mayor John P. "Jack" Seiler

QUORUM ESTABLISHED

Also Present: City Manager Lee R. Feldman, City Clerk Jeffrey A. Modarelli, City Attorney Cynthia A. Everett, City Auditor John Herbst, and Sergeant At Arms Jeffrey Newman

CALL TO ORDER

Mayor Seiler opened the City Commission Conference Meeting of November 1, 2016, at 1:38 p.m.

CITY COMMISSION REPORTS

Events and Matters of Interest

Members of the Commission announced their attendance at recent and upcoming events and matters of interest.

Fort Lauderdale Airport

Commissioner Rogers discussed the Fort Lauderdale Airport noise issues as it relates to Broward County authorizing a FAR Part 150 Noise Compatibility Planning and Consulting Services Study with Environmental Science Associates Corporation and the establishment of a Coordinating Committee. Commissioner Rogers also noted that the residents of Lauderdale Isles had established a committee to address Fort Lauderdale Airport issues in 2015.

Commissioner Rogers recommended a member of the Lauderdale Isles Airport Committee, Angelina Pluzhnyk Evans, be appointed to the County's Coordinating Committee. Mayor Seiler concurred with this recommendation and requested this item be put on tonight's Regular Commission Meeting Agenda as a Walk-On item. Mayor Seiler passed the document associated with this request to City Attorney Cynthia Everett for her review.

Sea Level Rise

Commissioner Rogers raised the discussion of the height of seawalls in the 17th Street and Cordova Road area. Mayor Seiler noted this would be a choice between aesthetics and the need for seawalls at a 3.9 foot height to keep streets and yards clear of rising water from the King Tides. Flooding in other areas of the City was also discussed. It was noted that any new construction in the City needs to address these issues. Other items of concern included tidal valves not working and breaches in existing seawalls that cause water to get into the drains and bubble up. It was noted that cost estimates for seawalls from 17th Street to 12th on Cordova Road is over \$7,000,000. Vice Mayor Trantalis noted the importance of the penny sales tax item on the November 2016 ballot to provide the necessary funding. Commissioner Roberts noted that the City's ten-year plan to address these problems in certain areas could not wait. Discussions continued on this issue. City Manager Feldman stated the December 6, 2016, Conference Meeting Agenda would have an item for general discussion that will address the need for special assessments for this problem in those areas of the City. City Manager Feldman also informed the attendees the November 15, 2016, Conference Meeting would have an item for discussion relating to addressing King Tides.

District Four

Commissioner Rogers requested City Manager to give him an update on the traffic study in the River Oaks area of District IV and the status of the signage issue for the Edgewood area.

Commissioner Rogers asked City Manager Feldman to look into the unlicensed neighborhood night club at 1000 West State Road 84 that has violated the City's noise ordinances.

Security Issues

Commissioner Rogers discussed the possibility of a special assessment district raised by residents in areas of District 4 to address security issues. He noted that there are currently voluntary security control participants, but that this participation is optional and limited.

Vice Mayor Trantalis discussed receipt of a video from a constituent showing perpetrators going from car to car in the Colee Hammock neighborhood attempting to break into cars. Vice Mayor Trantalis stated this person was also a victim and moved out of the City due to security concerns. He confirmed he would forward this video to members of the Commission and the Police Department. Discussions continued on this subject.

Davie Rezoning

Commissioner Rogers discussed his attendance at a Town of Davie Meeting regarding the City Commission's Resolution 16-118, passed in August 2016, in opposition to the flex application for the allocation of residential-to-commercial flex onto the plat known as "Hacienda Flores" in the Town of Davie. Commissioner Rogers reported the Town of Davie District Councilman Bryan Caletka recommended a six-month deferment on the issue, putting the property owner on probation, and giving them an opportunity to become a better neighbor. Commissioner Rogers noted the residents of Lauderdale Isles were not happy with this decision and he will stay on top of this matter.

City Cemeteries

Commissioner Rogers took a tour of a Fort Lauderdale cemetery with the Chair of the City's Cemetery System Board of Trustees and the cemetery's property manager. Commissioner Rogers said they pointed out concerns and recommendations for items and issues in need of attention, focusing primarily on landscaping. Commissioner Rogers noted that new irrigation systems are being addressed and funding for this was not an issue. Commissioner McKinzie noted that things are not being addressed until issues are pointed out to the property managers of the City's cemeteries. He specifically cited Woodlawn Cemetery and Sunset Gardens Cemetery. City Manager Feldman noted the input of the Cemetery System Board of Trustees and their philosophy. He also noted the importance of the history of the City's cemeteries and other options available to the City such as researching to identify veterans and honoring their graves with United States flags during the Memorial Day and Veterans Day holidays. He also stated the importance of keeping the City's cemeteries aesthetically pleasing with proper landscaping and maintenance. Additional comments and discussions continued on maintaining desired standards, the operations of the cemeteries, and the historical perspective of the City's cemeteries. Commissioner Rogers recommended a joint meeting with the City Commission and the City's Cemetery System Board of Trustees to allow collective input from the Commission. There was a consensus to have this meeting. City Auditor Herbst commented on his meeting with the City's Cemetery Board of Trustees.

City Advisory Boards

Vice Mayor Trantalis raised the issue of sparsely attended City events and the need to promote attendance by the City's Advisory Board members. Vice Mayor Trantalis recommended proactively encouraging citizens to attend City events. Mayor Seiler commented on ways to get

information out to Advisory Board members such as a personalized email to Advisory Board members.

Swatch Beach Volleyball Tournament

Vice Mayor Trantalis discussed the Swatch Beach Volleyball Tournament in the City. He shared their brochure with the Commission and noted the organization's excitement about having the City as its only venue for its tournament in The United States. Vice Mayor Trantalis stated he discussed, with representatives of Swatch, the possibility of working with the City regarding incorporating their tournament venue at the City's Aquatic Complex should the appropriate modifications and upgrades occur. ***A copy of this brochure is attached to these minutes.***

Air Emirates Airlines - Fort Lauderdale Airport

Vice Mayor Trantalis announced the launch of the new direct daily service of Air Emirates Airlines between Dubai and Fort Lauderdale-Hollywood International Airport that will begin on December 15, 2016. He noted this new route would serve the South Florida area, including Fort Lauderdale, Miami, and West Palm Beach.

Central Beach Master Plan Draft Presentation Meeting

Vice Mayor Trantalis announced the upcoming Central Beach Master Plan Draft Presentation Meeting on November 9, 2016. He stated the purpose of the presentation meeting would be to bring all stakeholders, neighbors and investors together for an opportunity to give additional recommendations for improvements to:

Streetscape improvements for North Beach Village;

Master Plan streetscape and building design standards;

Drafting changes to the Zoning Code for the Central Beach Area; and

Addressing sea level rise impacts.

He noted the meeting will begin at 5:45 on Wednesday, November 9, 2016, at the W Hotel at 401 North Fort Lauderdale Beach Boulevard.

Neighborhood Design Criteria Revisions Open House

Vice Mayor Trantalis also noted the upcoming Neighborhood Design Criteria Revisions Open House on Thursday, November 10, at 6:00 p.m. The location will be at the Brewton Center, 700 NW 19th Avenue, Fort Lauderdale, Florida 33311.

Veterans Day Event

Vice Mayor Trantalis announced the City's Veterans Day Event on Friday, November 11, 2015, at 11:00 a.m. along the downtown Riverwalk at the Sandy Nininger Statue.

Woodlawn Cemetery Historical Designation

Commissioner McKinzie stated he was asked by the Florida Department of Transportation (FDOT) to request City Manager Feldman provide a letter in support for Woodlawn Cemetery being placed on the National Registry of Historic Places. Commissioner McKinzie noted this was the last piece of information necessary for submission of Woodlawn Cemetery's application to be placed on the National Registry of Historic Places.

State of the City Address

Mayor Seiler noted the success of the State of the City event and the A1A Ribbon Cutting at Birch State Park on Thursday, October 27, 2016. Further comments and discussions regarding the success of the event followed.

Fort Lauderdale International Boat Show

Mayor Seiler discussed the City's hosting of the 57th Fort Lauderdale International Boat Show on November 3-7, 2016, noting the large economic benefit to the City. He requested patience from residents concerning the increased traffic, large crowds in the downtown area restaurants and at the various Boat Show venues.

[16-1348](#)

Communications to the City Commission

HISTORIC PRESERVATION BOARD (HPB) - Communication to the City Commission

Motion made by Ms. Mergenhagen, seconded by Mr. Marcus to send a communication to the City Commission stating their concern for the fact that a City Department had failed to follow HPB procedure in the historic district, i.e., lights were being replaced in Major Lauderdale Park without first presenting the project to the HPB for approval. In a voice vote, motion passed unanimously. The Board added that this was an emergency situation and trees had apparently been damaged already.

City Manager Feldman responded to this communication stating he believed this was the second set of lights being replaced. He raised the issue of street lights being considered structures under the City's Code, and stating that if it is not considered a structure, was there the need for a light pole to go to the Historic Preservation Board (HPB) for

consideration as historic. Vice Mayor Trantalis noted the spirit of the law's purpose is to maintain historic preservation in communities, and it is important to engage the HPB in these types of situations and including them in discussions and decisions. Further comments ensued on recommendations to make this happen.

Mayor Seiler recognized Raymond Cox who addressed the Commission with his comments, thoughts, concerns, and questions regarding this item.

Mayor Seiler recognized Charles King, 105 N. Victoria Park Road, who addressed the Commission with his comments, thoughts, concerns, and questions regarding this item.

OLD/NEW BUSINESS

BUS-1 [16-1342](#)

Fire Rescue Informational Presentation

Mayor Seiler recognized Fire Chief Robert F. Hoecherl who addressed the Commission with the City's Fire Rescue Informational Presentation at the request of City Manager Feldman. He noted the presentation will give the City Commission a brief presentation on the one-year review of the City's Peak Hour Rescue Program and how this service impacting funding for Fiscal Year 2016. Chief Hoecherl noted the Peak Hour Rescue Service Impact Funding for the fiscal year would be presented by Deputy Fire Chief Timothy Heiser and Deputy Fire Chief Douglas Stanley. Additionally, he stated there would be an overview of the PEMT Cost Recovery Program given by the City's Public Safety Administrator, Paul Vanden Berge.

Fire Chief Hoecherl gave a brief overview of the presentation, noting last year the Fire Department requested funding to staff a twelve-hour medical rescue unit at the City's downtown fire house. This Peak Hour Rescue was the City Fire Department's first attempt to address the increased demand for emergency services and the prolonged response time the City had been experiencing, especially in the downtown corridor. Chief Hoecherl gave national bench standards and additional details regarding these issues.

The presentation also included an overview of the opportunity for the City to participate in the Certified Public Expenditure Program (CPE Program) which is designed to reimburse providers based on their actual costs of providing emergency medical services to Medicaid-eligible patients and the benefit of the net allowable expenditures. This opportunity would be in conjunction with the outside vendor Intermedix

who was represented at this meeting by Mr. Glenn Goodpaster.

Chief Hoecherl noted that response times are critical and the Fire Department's number one goal is to maintain response times congruent with the National Standards of Medical Care and the Effective Fire Response Force. Fire Chief Hoecherl stated that the additional funding to staff a twelve-hour medical rescue unit at the City's downtown fire house had contributed to the department reaching these goals.

The presentation continued noting that the staffing of three-person medical rescue units are the solution as it allows the engine ladder companies to remain in their zone to respond to additional calls. Additionally, there will no longer be the need to commit two fire rescue resources to every medical call. This shift in deployment reduces response times to an acceptable level of service and also saves wear and tear and fuel consumption on the City's large fire apparatus. Chief Hoecherl thanked the City for providing the Fire Department with the tools to accomplish their mission of saving lives and property. Upon the conclusion of the presentation, there were questions and comments from the Commission.

A copy of the Fire Department's presentations given by Deputy Fire Chief Timothy Heiser, Deputy Fire Chief Douglas Stanley, and Paul Vanden Berge, Public Safety Administrator, are attached to these minutes.

Mayor Seiler stated he would like to address this issue of PEMT Cost Recovery Program reimbursements immediately and discussions continued on this cost recovery opportunity as outlined in the presentation. Mayor Seiler stated the need to make this a priority and requested that the City Attorney's Office and the City Auditor's Office review and approve moving forward on this to allow for a vote at the November 15, 2016, City Commission Meeting. In doing so, Mayor Seiler noted this would allow the City to meet the submission deadline of November 30, 2016.

Mayor Seiler recognized Mr. Vanden Berge who stated that the City's Procurement Department has an agreement with the vendor, Intermedix, in principal for the amendment. Discussions ensued on the City Attorney's Office receipt of all necessary information.

Mayor Seiler recognized Mr. Glenn Goodpaster, Intermedix, who addressed the Commission stating there was an agreement on the basic wording of the language of the amendment as a result of working with the

City's Procurement Department. He stated he had not been asked for any additional information.

Mayor Seiler recognized Chief Hoecherl who stated that the City Attorney's Office had an issue with the twelve (12%) percent in the amendment noting that the Fire Department is satisfied with twelve (12%) percent which is down from fifteen (15%) percent. Discussions continued on the preference of having a signed agreement in place by all parties and the amounts of monetary benefits involved.

Mayor Seiler requested confirmation at tonight's Regular Commission Meeting from City Attorney Everett that this item will move forward for a vote on at the November 15, 2016, City Commission Meeting to meet the November 30, 2016, submission date.

Mayor Seiler recognized Trisha Halliday who raised a question about the number of downtown area fire rescue calls for the homeless. Mr. Vanden Berge noted that calls for the homeless were a significant portion of the downtown fire rescue calls, in the range of 1,300 calls. Comments and discussions on this topic continued. Mr. Vanden Berge stated there are no additional costs to the taxpayers under this program.

Mayor Seiler recognized Charles King, 105 N. Victoria Park Road, who addressed the Commission with his comments, thoughts, concerns, and questions regarding this item as compared to the City of Hollywood. Mr. Vanden Berge stated there is no relationship between this amendment and the City of Hollywood's Fire Rescue Operations stating they are completely separate and different programs.

Mayor Seiler recognized Raymond Cox who addressed the Commission with his comments, thoughts, concerns, and questions regarding this item.

CONFERENCE REPORTS

CF-1 [16-1367](#)

Operational Audit of the City of Fort Lauderdale Community Redevelopment Agency

Mayor Seiler recognized City Auditor John Herbst who addressed the Commission on the findings of the City's Internal Operational Audit of the City of Fort Lauderdale's Community Redevelopment Agency (Audit). City Auditor Herbst introduced members of his staff that were present who worked on the audit.

A copy of the Operational Audit is attached to these minutes.

Mr. Herbst cited the objectives of the audit as noted below:

Ensure funds are budgeted and spent appropriately.

Assess the status of projects/programs.

Establish that the CRA is spending TIF revenue in a timely manner.

Ascertain whether the CRA Board is independent in governance and operations.

Verify that the CRA is in compliance with Chapter 163, Part III of Florida Statute.

Mr. Herbst explained what the audit findings and observations represent and how they were broken out. He stated there were twelve findings and four observations where opportunities for improvement exist and better practices and approaches that management should consider as they are material to the success of the CRA.

Mr. Herbst stated the material weaknesses included findings numbers 3, 4 and 1.

Vice Mayor Trantalis asked why there was no backup on this Conference Meeting Agenda item. Mr. Herbst explained that his office was still in discussions with management about their responses to the Audit. As a result, the backup information did not meet the agenda date cutoff for publishing.

City Clerk Modarelli confirmed the back-up information was on the City's website for viewing by the public. He handed out hard copies of the audit report to the members of the Commission.

Commissioner McKinzie commented he would have preferred the Commission have a longer timeline to review the Operational Audit before discussing this issue to fully digest, understand and study the audit's findings.

Mayor Seiler stated he had to take a phone call at 4:00 p.m. and would be leaving the meeting for a short time. Mayor Seiler also noted he wanted to review all twelve findings, not just the material weaknesses numbered 3, 4, and 11.

Mr. Herbst stated that City Management had agreed with the Audit's findings and the City's General Fund will be reimbursing the CRA Fund.

Commissioner McKinzie commented his comfort level would be higher had this Audit been an external audit of the CRA.

Discussions continued on those responsible for making the decisions regarding the twelve findings, and the partial payment of salaries in the CRA and the City's Department of Sustainable Development (DSD). Commissioner McKinzie requested documentation on the salaries paid out of CRA funds to employees of DSD.

Discussions regarding the audit findings, observations and were discussed as they appeared in the Operational Audit (A copy of the Operational Audit is attached to these minutes) per below:

Finding 1.

City Auditor Herbst noted the standard for using CRA dollars as the reinstituting of a program which had not occurred in the previous three years. Vice Mayor Trantalis noted that this was brought to both the Commission for discussion and the CRA Advisory Board for approval.

City Auditor Herbst noted that the City's actions and the CRA Statutes conflict on the main purpose of CRA funds which are capital projects or "brick and mortar" type projects. Mayor Seiler asked who should have brought this to the attention of the Commission members. City Auditor Herbst stated everyone overlooked this item before the Commission voted to approve this expenditure but did not recall the conversation at the time. Further discussion and comments continued on the understanding at the time that this was an acceptable type of activity that the City Commission approved. City Auditor noted that management agreed with this finding and will be reimbursing the CRA fund for these expenditures.

Commissioner McKinzie reiterated his point that he would like to see an external audit as opposed to an internal audit because the City drives the output of an internal audit. Commissioner McKinzie also stated he would like an audit to be more specific. Vice Mayor commented on the protocol in place that asks for input from the CRA Advisory Boards. Comments continued on the importance of the entire Commission having the necessary time to review and digest this Operational Audit.

Finding 2.

Mayor Seiler noted it was a building naming, though not a CRA building,

and questioned how CRA funds were used for this event. Commissioner McKinzie and Vice Mayor Trantalis commented on the CRA and the Department of Sustainable Development having been blended and the use of CRA dollars for salaries. Discussions ensued on former employee Greg Brewton and current employee Al Battle's salaries being paid out of the CRA. Gloria LeClaire, Assistant City Auditor II, stated Al Battle's salary, as Director of the CRA, was paid by the CRA. However, only a portion of Greg Brewton's salary was paid by the CRA. Mayor Seiler asked how this happened. City Auditor Herbst stated there was no charge for Greg Brewton's salary from the CRA Funds.

City Manager Feldman noted these expenditures were approved at the departmental level and the department heads have this fiscal authority and discretion. Discussions continued as to who was responsible for these payments, improving the process, and the threshold for CRA expenditures that do not come before the CRA Board for approval.

City Manager Feldman stated the department threshold for approving expenditures is \$25,000. Vice Mayor Trantalis asked City Manager Feldman if he knew that the expenditures for these events were being paid out of CRA funds. City Manager Feldman stated he was not aware of this and discussions continued on the topic of better oversight of these types of items. City Auditor Herbst noted that the resolution voted on by the City Commission for the approval of the Greg Brewton event indicated there would be no financial impact. Commissioner McKinzie discussed the issue of the event not meeting the criteria for CRA expenditures. Further discussions ensued regarding if renaming a building meets the CRA's criteria of eliminating slum and blight, the objectives of the CRA Plan. Further examples of the CRA criteria, i.e., a façade improvement, for the renaming of a building followed. City Manager Feldman noted that the budget adjustments to move this money back to the CRA would be made before the end of the year.

Vice Mayor Trantalis reiterated his concern with a process that allows this to occur and voiced his concern that there may be additional items of this nature that were not uncovered by the Audit. Commissioner Roberts noted this was the reason for the Audit and he welcomes audits at any time and the need to address concerns regarding the City's process currently in place. Vice Mayor Trantalis stated he spoke with Jenny Morejon, former Director of the Department of Sustainable Development at the time, who informed him that she was unaware of this expenditure.

Mayor Seiler discussed the other use of CRA funds at the farewell event held at Carter Park. It was noted that this item did not go before the CRA

Board or the NWPFH CRA Advisory Board for approval and was not presented as an expenditure item to be voted on by the City Commission due to the threshold amount of \$25,000. Mayor Seiler stated he was under the impression that this was paid for by private donations.

Commissioner McKinzie stated this behavior occurred before the restructuring of the CRA earlier this year and there are now more checks and balances in place to avoid this in the future. Discussions continued on the \$25,000 threshold and the process involved in spending CRA funds. Commissioner McKinzie stated things should improve going forward due to the restructuring of the CRA.

Vice Mayor Trantalis asked City Auditor Herbst for an explanation. City Auditor Herbst stated various vendors submitted invoices to the City through the Public Information Office (PIO). Further discussions ensued on the authority to direct this event. Mayor Seiler asked for confirmation that there was no one on record authorizing this event. City Auditor Herbst stated his office did not find one during his audit. Ms. LeClaire discussed an email from Ms. Morejon noting the event but not authorizing the event.

Mayor Seiler asked City Auditor Herbst what checks and balances will be put in place to prevent this from reoccurring. City Auditor Herbst stated there now is a financial position at the CRA, Vanessa Martin, who must approve any expenditures being charged to the CRA and this will address the internal financial controls of the CRA moving forward. Jonathan Brown stated that in addition to Ms. Martin, the appropriate CRA Area Manager would also need to authorize any expenditures charged back to the CRA.

Finding 3.

City Auditor Herbst explained that projects are defined as brick and mortar and programs are defined as incentive programs, facade grants and things of that nature. He stated the material weakness regarding this item relates to CRA expenses that were being budgeted in capital funds that were operational in nature to carry the funds forward from one year to the next. He further explained the reason this was done was to avoid having the CRA Board re-appropriating the operational funds each year. He stated the second reason for this being handling in this manner was to facilitate the tracking of each item individually within the City's accounting system. Comments and discussions ensued on the manner that this was set up before the arrival of City Manager Feldman and was the history of accounting practices for the CRA. Mr. Herbst stated the Commission would be approving the appropriate re-appropriation of

funds with the Consolidated Budget Amendment being voted on at tonight's regular Commission meeting.

Vice Mayor Trantalis commented that this occurred so the budget would not have to come back to the City Commission for re-appropriation. City Auditor Herbst agreed saying this is a material weakness due to the large amount of money and is a violation of the budgetary process at both the State level and City level.

City Manager Feldman stated he had an issue with this and explained his reasoning was due to the way the Community Investment Program was initially set up. He also stated that by readopting the new CIP plan every five years as a new five-year plan, the re-appropriation occurs at that time, noting this is a professional difference of opinion.

City Auditor Herbst explained the accounting history of the capital project funds addressed in 2011 by Ms. LeClair in her position as then City Controller. City Auditor Herbst stated that no one scrutinized these as being projects and there was no differentiation between programs and projects. City Auditor Herbst stated many of these do not meet the standard for a capital project and is where a large portion of the problem exists. He gave an example that capital projects have a start date and a stop date, and a deliverable at the end which is put on the books as opposed to grants that do not have a start and stop date and nothing is received in return. He noted this is referred to as a non-exchanged transaction. City Manager Feldman noted that to correct this item, the 2017 Consolidated Budget Amendment will put all of the funds in the correct place.

Finding 4.

City Auditor Herbst explained the specific details regarding this item to the Commission, how these funds should be accounted for and noting these corrections are also being made. Vice Mayor Trantalis asked when this requirement became into effect. City Auditor Herbst stated it had always been this way. Vice Mayor Trantalis noted his concern with complying with the requirements of the law. Vice Mayor Trantalis asked about jeopardizing the CRA programs and requested City Auditor Herbst to give him an explanation at a later time. Commissioner Roberts noted that much of this procedural behavior is based on the philosophy noted earlier by City Auditor Herbst using the acronym "SALY" or "same as last year" in which current policy is a duplication of how things have always been handled. Commissioner Roberts noted this was a mitigating factor. A combination of issues were discussed including lack of experience in the areas of the criteria and requirements of the CRA's and high turnover

in the City's Finance Department at the time were contributing factors to the capital projects being established as holding accounts.

Finding 5.

City Auditor Herbst noted a difference of opinion between the Auditing Office and City Management regarding the City's promotional campaign and the marketing activities in the Central Beach CRA that were not properly defined and delineated in the Central Beach Community Redevelopment Plan. City Manager Feldman stated this has been done in the NWP CRA and agreed that it should be done in the Central Beach CRA. Discussions continued on this topic, and Commissioner Rogers noted amending the Central Beach CRA is the easiest solution. City Manager Feldman noted the Beach Redevelopment Advisory Board's strong recommendation that the City not use CRA Funds for events in the beach area.

Finding 6.

Mr. Herbst noted that the major difference between the NWP CRA and the Central Beach CRA is that the NWP CRA Plan was modified and restated to incorporate these types of activities. He noted the Central Beach CRA's programs, including incentives, grants, and contributions is focused on and driven by tourism and part of the Central Beach CRA Plan talks about adding tourism to eliminate slum and blight in this area. City Auditor Herbst stated that the NWP CRA is more focused on economic development although the NWP CRA Plan has been amended to incorporate event type activities.

Finding 7.

City Auditor Herbst stated the Audit focused on the proper allocation of CRA funds. He stated that based upon the formula used to apportion monthly costs, the CRA might be overpaying for services that did not benefit the CRA areas. Mr. Herbst stated the Audit had an issue with the methodology of how the cost apportionments are being allocated and noted this is a technical issue. Mr. Herbst stated this is not a disallowable expense, but the methodology should track and be reconciled back to the actual usage to ensure no overcharges to the CRAs. Commissioner McKinzie noted the largest ridership of the Sun Trolley is on the Beach and in the Northwest. Ms. LeClair explained the details of how the operating costs are determined, and discussions and explanations ensued on the calculation methods and the apportionment of funds. City Auditor Herbst stated he has spoken with Sun Trolley personnel and handling the calculations methods in this manner is not an issue.

Finding 8.

Mr. Herbst stated this is now under control. Commissioner Rogers asked if the City has asked for the duplicate payment back and City Auditor Herbst stated a refund was requested but is not aware if it has been received. Commissioner Rogers and Commissioner Roberts noted if the refund is not received, the City should not do business with the vendor in the future.

Finding 9.

Mr. Herbst stated this is a governance issue and needed to go through the appropriate steps of receiving approval from both the CRA Board and the City Commission to maintain and not pierce the corporate veil. City Manager Feldman stated that when contracts are entered into with CRA Funds, they should be contracted with the CRA and not the City noting the previous practice included comingling these items stating they have always been done this way. Mr. Herbst reiterated the need for dual approvals and comments and discussions ensued. Commissioner Rogers noted that items that are voted for in the afternoon at the CRA Board Meetings also should be voted on at the City Commission Meeting that evening.

Finding 10.

City Auditor Herbst noted that everything related to construction projects is being maintained in the Public Works Department resulting in the CRA Staff being out of the loop on these issues. City Auditor Herbst stated that the City's departments need to be communicating with the CRA Staff and need to be part of the approval process. He noted that the City's Public Works Department is the project manager for the CRA project and not the owner of the CRA project.

Finding 11.

City Auditor Herbst noted projects are significantly behind schedule and will not meet their required three-year timelines and obligations.

Mr. Herbst further suggested things needed to be moved along with a degree of haste that has yet to be exhibited. Vice Mayor Trantalis stated the City Commission should direct City Manager Feldman to communicate with the County Administrator Bertha Henry to request extensions. City Manager Feldman stated he had met with the Broward County Administrator Bertha Henry last week and stated she did not have an issue with the concept, but she wants to have it reviewed by the County's attorneys. City Auditor Herbst noted this issue relates to completing a project within the three-year timeframe regardless of the sun setting deadlines. City Auditor Herbst explained how Tax Increment

Funds (TIF) are to be handled in a given year. He noted the three-year timeframe begins at the time of the appropriation and the three options for TIFs are: spending the funds, appropriating the funds for a project, or setting the funds aside for debt service. Discussions ensued on the topic of annually re-appropriating TIF dollars and whether this is in conflict with State Statutes.

Don Morris, Area Manager for the Beach CRA, commented on the process required for projects and discussions ensued on the interpretation of the three-year timeframe and the interpretation of State Statutes and ways to work with conflicting State Statutes.

City Auditor Herbst noted the Audit's recommendation that the CRA Executive Director require City Management to focus their efforts on completing the planned CRA Beach projects on time. Moreover, the CRA Board should consider requesting an extension to complete the projects with available TIFs or un-appropriate and re-appropriate the funds at the end of each year to the respective projects.

The Audit noted that City Staff agreed with this recommendation. It was noted that with the FY2017 Budget, the CRA began the procedure of re-appropriating unspent project balances and City Management has made the completion of CRA projects a high priority and will ensure that appropriate resources are dedicated to these projects.

Mayor Seiler returned to the meeting at 4:18 p.m.

Finding 12.

Mayor Seiler asked who the three vendors were and City Auditor confirmed them as:

East Coast Mulch Corp.
Prototype, Inc.
Toilet Taxi Corp.

Mayor Seiler asked how this will be fixed in the future. City Auditor Herbst stated there is now proper City Staff in place to ensure the correct coordination and a larger understanding about the need of the CRA to act as an independent organization.

Discussions continued on the services used by Toilet Taxi Corp., and Commissioner McKinzie clarified that vendor expenditures could only be for services on CRA properties. City Manager Feldman explained that City crews are now addressing the services previously provided by this

vendor. He further explained that the services of these City Crews who clean up areas of the CRA are being charged back to the CRA.

Observations

Discussions on the Audit's Observations began with City Auditor Herbst stating these observations are opportunities for improvement and are more for City Management's consideration rather than the CRA Board's consideration. Mayor Seiler asked City Manager Feldman if there was a need to discuss the Audit's Observations. City Manager Feldman stated City Management is in agreement with the Audit and there was no need to discuss the Audit's Observations.

City Manager Feldman stated one of Mr. Brown's concerns is the overall size of the NWP CRA Advisory Board and outlined the number of members on the NWPFH CRA Board, the Beach CRA Board and the Central City CRA Board.

Mr. Brown addressed the Commission on the size of the NWPFH CRA Board. Commission Roberts noted the recommendation of consideration of a member of the NWPFH CRA Board to have expertise in the area of economic development. Discussions ensued on appointing advisory board members based on categories. Mayor Seiler stated the NWPFH needs direction and those with expertise in this area will assist in giving the NWPFH direction. Vice Mayor Trantalis noted the need to also address possible self-dealing on the NWPFH CRA Advisory Board.

City Auditor Herbst stated issues related to the Audit had been communicated to the City Manager throughout the audit process. As a result, many of the audit's findings have been addressed and completed or are on their way to being completed. He further expounded on the positive effects of this type of engagement and the Audit Department's role as a consultant to management.

Commissioner Roberts commented that it would be a good idea in the future to better prepare these types of reports for public consumption such as the City issuing a press release. Vice Mayor Trantalis noted the need for the Commission to have more time to review and digest the Audit. Commissioner Roberts recommended a follow-up audit over the next few years to ensure that the changes are working as intended and the proper controls are still in place. City Auditor Herbst stated his department continuously monitors all of the recommendations and will be reporting this back to the City Commission. Commissioner Rogers asked that City Auditor Herbst to give the Commission a quarterly

follow-up. City Auditor Herbst explained that his department is working with the City's Budget Office, which has instituted an audit tracking system to review and track these findings, and a report will be issued to the Commission and the Audit Advisory Board every six months. City Manager Feldman noted that all of the City's audits go to the Audit Advisory Board. Commissioner Rogers asked for these CRA Audit Monitoring Reports be put on the CRA Agenda when they are issued.

Commissioner Roberts recommended requesting an independent review of the Audit. Mayor Seiler stated because management and the Commission are all in agreement with the Audit's findings, this would not be necessary.

City Auditor Herbst stated that a copy of the City's Operational Audit had been sent to the Office of the Inspector General of the State of Florida noting this was done after sending the Audit to the Commission. City Auditor Herbst stated that after receiving inquiries from the Office of Inspector General generated by tips and complaints its office had received from the public, he included all of those tips and complaints in the Audit's scope of work. After review by Office of Inspector General, they will determine if their office needs to come to the City and do subsequent work or if the City has sufficiently addressed all of the concerns. Commissioner Roberts noted the importance of having this on the public record.

Commissioner McKinzie noted the importance of Florida Statute 163.37 a-h. He elaborated on its focus of addressing slum and blight and the importance of pursuing this intent of the statute for those areas with issues of slum and blight specifically citing the northwest area west of 7th Avenue. He further specifically commented on what can be done immediately in this area. City Auditor Herbst stated his agreement with addressing these NWPH CRA Areas and the importance of going back and revisiting and updating past CRA Plans stating this would change the City's approach in targeting the areas most in need and recommended this happen periodically. He noted the CRA Plans can be amended at any time to accomplish the goals of addressing slum and blight to uplift the affected communities.

Mayor Seiler recognized Count Rosenthal, 1237 NW 7th Avenue, who addressed the Commission with his comments, thoughts, concerns, and questions regarding this item noting the insignificant amount of money which may have been inappropriately spent compared to the work being accomplished by the CRA.

Mayor Seiler recognized Raymond Cox who addressed the Commission with his comments, thoughts, concerns, and questions regarding this item and recommending County and State officials look into the issues noted in the CRA Operational Audit.

Mayor Seiler recognized Paul Chettle, 200 S. Birch Road, who addressed the Commission with his comments, thoughts, concerns, and questions regarding this item. Mr. Chettle addressed City Auditor Herbst with a question about the "sample" number of \$41,000,000 in the Audit's finding number eleven and asking if this figure could be higher. Mr. Chettle asked if the comingling of funds with the CRA and DSD is still going on or if they are now segregated. Mr. Chettle asked if the County or the taxing entities decide to take any of the CRA funding back, would this present a risk to the City's credit rating. Mr. Chettle also asked about certain communications from the Northwest Progresso Flagler Heights Community Redevelopment Agency Advisory Board to the City Commission. Mayor Seiler confirmed these communications were discussed at length during Conference meetings.

Mayor Seiler recognized Charles King, 105 N. Victoria Park Road, who addressed the Commission with his comments, thoughts, concerns, and questions regarding this item. Mr. King's comments focused on the inability of CRA Management to correctly manage the Agency and its funding.

Mayor Seiler recognized Charlotte Rodstrom, former City Commissioner of District II. Ms. Rodstrom gave her recommendations moving forward to ensure the spending of the funds in the CRA so the City will not lose its opportunity to improve the City.

Mayor Seiler recognized Art Seitz, 1905 N. Atlantic Boulevard, who addressed the Commission with his comments, thoughts, concerns, and questions regarding this item. Mr. Seitz described both the management and oversight of the City's CRAs negatively. Mr. Seitz recommended the Commission requesting City Auditor Herbst to go back further and do an audit of the 2009-2012.

EXECUTIVE CLOSED DOOR SESSION - 4:30 P.M. OR AS SOON THEREAFTER AS POSSIBLE

At 4:47 p.m., Mayor Seiler announced the commencement of the Executive Closed Door Session. He listed those who will be in attendance as:

Mayor, John P. "Jack" Seiler

Vice Mayor, Dean J. Trantalis
Commissioner, Robert L. McKinzie
Commissioner, Bruce G. Roberts
Commissioner, Romney Rogers
City Manager, Lee R. Feldman
City Attorney, Cynthia A. Everett
Assistant City Attorney, Alain E. Boileau;
Certified Court Reporter with Daughters Reporting, Inc.

[16-1365](#)

The City Commission will meet privately pursuant to Florida Statute, Section 286.011(8) concerning:

Jim Haines v. City of Fort Lauderdale
Case No. CACE 15-017522 (21)

Albion Staffing Solutions, Inc. v. City of Fort Lauderdale
Case No. CACE 15-018760 (09)

Brian Zelinski v. City of Fort Lauderdale
Case No. CACE 14-021321 (12)

BOARDS AND COMMITTEES

BD-1

[16-1326](#)

Board and Committee Vacancies

See Regular Meeting item R-1.

CITY MANAGER REPORTS

None.