

HOMELAND DEFENSE/
NEIGHBORHOOD IMPROVEMENT
BOND OVERSIGHT BOARD
MINUTES

3-30-07 – 6:00 P.M.
CITY OF MIAMI
CITY HALL CHAMBERS
3500 Pan American Drive
MIAMI, FLORIDA 33133

The meeting was called to order at 5:44 p.m., with the following members found to be

Present: Eileen Broton
Mariano Cruz
Robert A. Flanders (Chairman)
David Kubiliun
Laurinus Pierre
Gary Reshefsky
Manolo Reyes (Vice Chairman)
Jose Solares
Hattie Willis

Absent: Rolando Aedo
Luis Cabrera
Ramon De La Cabada
Luis De Rosa
Jami Reyes

ALSO PRESENT: Mary Conway, Chief of Operations
Larry Spring, Chief Financial Officer
Rafael O. Diaz, Deputy City Attorney
Danette Perez, CIP Department
Zimri Prendes, CIP Department
Joyce A. Jones, City Clerk's Office

March 30, 2007

I. OLD BUSINESS:

- Briefing on Homeland Defense Neighborhood Improvement Program

Chairman Flanders: Mary, I think in order to get through this item, I think that it might be very good if we took like ten of the items and let people ask a question. We'll do it that way so that there're not multiple questions from the same person, so that that question should be very important, but in order for us to get through these items, I think we need to streamline the process in such a way that everybody gets to ask their concern, and then I'll ask the City Attorney, can we vote on these as a group or do we have to do it item by item?

Rafael O. Diaz: No. You can vote as a single vote.

Chairman Flanders: All right, Mary. You're on.

Mary Conway: OK. Everybody should have the copy of the spreadsheet, and you were provided a second version yesterday that is the one that's before you today, and what we did was our best attempt to put notations on the right-hand side that would explain the rationale for the recommendations of reallocation of funds. We can go through and take a look at several of those. Now do you want me to go through and just pick a few representative samples, or do you want me to go through, one by one, each of the projects proposed for reallocation?

Chairman Flanders: I think you should pick representative samples.

Ms. Conway: On the first page --

Chairman Flanders: Maybe two from each district.

Gary Reshefsky: How are we going to do the questions? Do we want to do questions after each district, and then -- or do we want to do questions all at the end? How do you want to do it?

Chairman Flanders: Well, I think she's going to take ten items, and I think each item, we can pick at it, but only one question from each board member.

Ms. Conway: OK. On the first page, Sewell Park restroom park facility, we're recommending that for reallocation. At the present time, the plans for that project are completed. It's been before the Board previously. Unfortunately, there is a lack of sewer capacity, and there is a recent condominium development that is under construction to the west of Sewell Park; there's another one that's planned. At the current time, we could not proceed with the construction of this based on the sewer allocation. However, when the subsequent development comes in and the developers have to upsize the sewer line, then this project will be able to move forward, so we're recommending it for reallocation now with a notation that we intend to identify an alternate future funding source to come back and finish it. In the case of neighborhood gateways, very little effort, other than a planning study some years ago, had been done as far as gateways throughout the City. It's something that the City still wants to pursue, but at this time, we feel that reallocating these monies to other projects that have shortfalls won't have a tremendous impact on the City. We don't have plans on the shelf

ready. It's really something that's at a conceptual planning stage at this point. Again, we intend to proceed at a later date to establish gateways so as people enter the City of Miami, they'll know that they're in the City, and to have primary gateway entrance points and monuments that mark them, but this is one that, throughout all the districts, you'll see that we recommended reallocating the gateway funds.

Chairman Flanders: OK. Are there any questions about these two items? Gary.

Mr. Reshefsky: On the first page, Mary, when you have a zero like right above neighborhood gateways, for example, what does that mean when there's a zero next to every column, but you have the project named?

Ms. Conway: That just means that, at some point in time, we had created a B number to track some internal accounting, but as of right now, no funds are assigned to that particular B number.

Mr. Reshefsky: And how did the project get on this list? How did the name get on the list?

Ms. Conway: It would have been -- for instance, if you look at -- if you go further up on the list, and say, let's use Kinloch Park as an example. When monies were allocated, a certain amount was allocated for Kinloch Park, and then that was broken down into subcategories to track the expenditures. Some of the expenditures might be done through the Parks Department with purchases of equipment for the park; others might be handled through the Capital Improvement Department. They might be phased at different times, so the different line items were subsequent breakdowns. A project or a park would be in the bond based on the initial voter referendum and all the backup that went along with it, so when you see that one item, Grapeland, that has zeros, it's for some reason we had created it at a time and set it up as a subproject or subcategory, and then later the monies were shifted to one of the other Grapeland projects.

Mr. Reshefsky: OK. I'm going to ask the same question when you get to District 2, where you have a park that has zero -- I don't -- you know, if you want to answer it now since we're already on it, but you'll have Merry Christmas Park has all zeros, and there's no other category where it got money, as far as I could tell. How does the logic work on that one?

Chairman Flanders: OK. On District 1, are there any questions? Any further questions, anyone?

Mariano Cruz: The only thing I want to know is is the cost of cleaning the contamination there in two parks, Fern Isle and Grapeland, it's already included here, the expenses?

Ms. Conway: Yes. For Grapeland Park, the remediation has already been paid for, and some of the County GOB monies were used to offset those costs, and for Fern Isle, there the issue is capping the site by bringing in two feet of soil, and that's already under contract and included in the numbers for that project.

Vice Chairman Reyes: I have a question also. The line that says shortfalls, that shortfall for District 1 is a shortfall of all those projects that you cannot complete or what is it?

Ms. Conway: That represents the shortfall -- the summary of the shortfall for the projects in District 1 that we're hoping to cover with the reallocation of the monies within this bond.

Vice Chairman Reyes: The allocation from other projects?

Ms. Conway: Yes.

Vice Chairman Reyes: How are you going to cover this?

Ms. Conway: The projects that are shown on here that have the pink highlight, we are recommending to reallocate money from those projects to cover the shortfalls.

Vice Chairman Reyes: So that's not included in the total shortfall?

Ms. Conway: Yes, it is.

Chairman Flanders: It might be interesting to point out at this point that -- right now we're looking on the last page. Look at the police training facility. Look at the shortfall; shortfall's \$12 million. That's, in fact, not actually a shortfall. There was \$10 million in the bond. We know it's going to cost \$30 million. Miami-Dade College is giving us \$10 million, for a total of \$20 million, and then another \$10 million is coming from someplace else, but not here. In this case, the Administration doesn't know where the other \$10 million is coming from.

Vice Chairman Reyes: My question is how are we going to cover the shortfalls.

Chairman Flanders: They are looking at, obviously, grants. They're looking at other sources of funding, and now we have Larry --

Vice Chairman Reyes: Are those projects just going to be scratched?

Chairman Flanders: I don't think so. Larry Spring, Chief Financial Officer of City of Miami.

Larry Spring: To answer your question, Mr. Reyes, we had -- I think, at the previous meeting, I put on the record that the financial advisor, myself, and the Finance staff have been researching into the bond documents for this issuance to find out if there was a possibility that we could issue completion bonds. The completion bonds would allow us to issue an additional tranche at the end that would go over the \$255 million total that was approved by referendum without having to go back to the voters to complete the projects that were listed. We have found out that the bond documents were so tightly written not only did it not allow for completion bonds to be issued, but it also assessed some very other strict guidelines, in particular, the limiting of the millage -- debt millage assessment that we can do for this bond and any other GO bond for the life of this bond. That being the case, we won't be able to do the completion bonds. However, we are working on analyzing the City's overall non ad valorem capacity, which, as you know, everyday is growing because of parking surcharge and other revenues, and collaterally, because our -- notwithstanding what's happening in the state -- ad valorem revenue is growing, it can be allocated to expenses, thus, freeing up capacity. Probably over the next -- Commissioner Sarnoff has put us on an assignment to look at that capacity

because he was interested in issuing some park bonds. That will be one of the sources that we can use to finish these projects. The other sources, which, I think, this board is aware of, is the City is planning on issuing streets bond, utilizing some dedicated non ad valorem revenue sources, in particular, the parking surcharge, 20 percent that is required to be reinvested; local option gas tax, and the PTP money.

Vice Chairman Reyes: Can you use local --? I'm not going to go into specifics. In other words, in order to finish all those projects, we have to go back to the taxpayers again.

Chairman Flanders: No.

Vice Chairman Reyes: Yes, you have. Directly or indirectly, you're going back to them. You're going back to them because even if you commit revenues that are coming to the City that could be used in certain -- let's say franchise fees, that they come to the City and those could be used for any other projects. Once you take them and commit those revenues, you committed. To finish these projects, you cannot use them into something else that could benefit the City. Yes, you're going back to the taxpayers, directly or indirectly.

Mr. Spring: Well, you don't have -- well, when you say going back to the taxpayer, do you mean for a vote?

Vice Chairman Reyes: No, no, no, no, no, no.

Mr. Spring: You're saying we'll be utilizing other revenues. Correct. We're working on that still. We've been working on it, and like I said, I have been able to get, at least, this information from bond counsel, and as you know, we are on schedule right now to have the second tranche of this bond issuance out on the street and the revenue in hand by June 1 or 2 of this year, and then the subsequent bond issuances, streets bond, within 30 days, and if you would like, once we have a clear picture of our non ad valorem capacity, I could come back to the Board with a report in maybe 60 or 90 days and give you an update to see where we are and if we can devise a plan. As you know, it is a hard pill to swallow. It's something that we're going to have to deal with with the Commissioners. You know, we're making a recommendation at this point, but our ultimate goal is to get the projects done at the end of the day.

Chairman Flanders: Thank you. Hattie, you have a question?

Hattie Willis: I raised concerns last meeting, and I went over this thoroughly, and I pondered over it, and did everything I can do to accommodate what you're trying to do. Some of the things, I can't give an honest and appropriate answer to it right now because I haven't been able to get with Mary to get some of the questions that I needed answered, but my major concern, before I start with any of this is, that I can't consciously go to my Commissioner and say vote for doing this because I have some contingencies. Now, I don't have a problem with you moving the money. I want you to understand that. I understand perfectly clear that you're saying if there's a project over here that can be done right now and it needs funding to get it done, why can't we move this money that's sitting here because maybe we're just in the design phase of one project and we can complete this project and get it done, like Little Haiti Park.

Chairman Flanders: Hattie, could you do me a favor? I realize that it's a rather involved question, but could you, in a very shorthand fashion, what is the actual question?

Ms. Willis: I need to say what I need to say, Bob, and I'm going to get to the question. OK, the point -- I've got a two-fold question. The first part of my question is, if you move the money, I don't have a problem with you moving the money, as long as it's staying in my district, and that's one of my recommendations to my Commissioner.

Chairman Flanders: OK. May I stop you there and answer that question? Has any money been moved out of District 5 to any other district?

Ms. Conway: If you look at -- yes. If you look at the last page, where there's about a third of the way down from the top, total District 5, you'll see under HD total, the original allocation was \$55.2 million, and with the reallocations, you'll see that total on the right side go down to \$52.7 million, so the \$2.5 million that's in the previous column for the adjustment is being reallocated to other projects. For instance, in the case -- and they're not projects to other districts, per se. One of the things that we discussed in the Audit Subcommittee was that we were going to prioritize the public safety projects, the homeland defense projects, so what you'll also see, if you go further down on that page, you'll see the police training facility requiring another \$12 million to be able to complete that, so where you see monies coming from districts, we did the best that we could to try to keep the monies within the district. If you look at District 5 in the shortfall category, you'll see that District 5 actually had \$3.8 million on existing projects to be able to be completed, and those are being covered from the total adjustment, so while, yes, District 5 has a slight reduction, I think District 4 has a slight increase, and the other three districts, we can look it up one by one. Each has a some impact, slightly upward or slightly downward.

Chairman Flanders: Did that answer your question, Hattie?

Ms. Willis: But the monies have yet not -- this is what you're recommending. You haven't moved -- you've moved this money already or you're recommending --?

Ms. Conway: No. This is a recommendation, and we've been getting feedback from each of the Commissioner's offices, and as we are getting that feedback, in conjunction with the feedback that we get tonight, we'll be creating a final version of this to distribute to the Commission at the April 12 Commission meeting.

Ms. Willis: Well, I can give you my recommendations on paper so I won't take up the time from my district and how I looked at it, and the closing saying is this. Moving my money is fine, but it needs to stay in my district, and I won't agree to anything else but that, and that's the way I feel about it.

Mr. Cruz: I have a question. Who is the person who determines what streets are going to be fixed?

Ms. Conway: There was -- just to answer as far as this bond -- very little in the money of this bond was for streets and street infrastructure.

Chairman Flanders: OK. I'm just looking here, Mary -- and I think -- I don't quite understand your answer to Hattie. I'm a little confused on it, and I can't believe I'm the

only one. I'm looking at the actual projects in District 5, and I see that there is an originally total of \$55 million, and now there's not quite \$53 million, but as I go through the other districts, I look at District 4, I see District 4 has \$27 million, less than half, incidentally, that is in District 5. Then I'd go to District 2 and I see \$70 million, but I also see district-wide improvements there. I see Museum of Science. I see the art museum. I'm sorry, citywide improvements, and I thought that CIP was going to take these citywide improvements out of the district because it's not fair to count them as part of District 2. I mean, a museum is a regional. It's not a district thing. It's a citywide improvement; isn't that true?

Ms. Conway: I wouldn't argue with that. You could go through and sort this and generate it in a lot of different ways. What we did was our best effort to try to group the projects according to the -- for instance, there are fire stations that show in the districts where they are. I guess you could make the argument that a fire station serves a neighborhood, so it's appropriate to show it in a district. We didn't get to that level of specificity. I recall that you had made that comment, and we weren't able to go through and make all of those changes. We just did our best effort on the first pass to aggregate the projects according to the districts where they fell, and if we had things like the police training facility or citywide soccer, greenways, we kept those in the citywide category. We could try to go back and rework it a different way and pull out some of the other projects, if the group could agree to what projects those should be.

Chairman Flanders: Well, I think that illustrates the point I'm actually trying to make. I mean, when we look at the seawall reconstruction in Bicentennial Park, clearly, that's a citywide. I mean, District 2 happens to be downtown Miami, the Grove, and the Upper Eastside, and that, of course, is in the heart of downtown, but it, in fact, is a citywide improvement. My point is, as I'm looking at the bonds and you take out citywide improvements, and then you look at the districts, really -- and this is the point that I'm trying to make to my colleague, Hattie Willis -- is that District 5 -- and the bond was designed originally to actually put more projects and more money into District 5 than almost any other part of the City, except for those district-wide projects, such as the police training facility, the seawall, stuff like that. Little Haiti doesn't have a seawall, so it couldn't be fixed. In any case, I think if you look at this and you look at some of the other districts and you see that they're less than half of the improvements. I spoke to the Parks director, Ernest Burkeen, yesterday, and I asked him, have we pulled any projects, and the answer is absolutely not, and I really wanted to tell you that, from the inception of this bond -- I think it was the brainchild of Commissioner Winton, who withheld District 2's -- not the citywide, but District 2's improvements until now, and in fact, District 2, when you take out the citywide improvements, very little has been done. The lion's share of the improvements of this bond have been done in District 5.

Ms. Willis: They have not been done in District 5. Maybe the intention is for them to be done, but they have not been done in District 5. District's 5 park had -- most of the projects are either going to be done, or they're supposed to be being done. Little things have been happening. District 5 -- and I want everybody up here to understand this. I've never seen this in my life, and I've lived in Florida all of my life. District 5, Little Haiti community is the only community in Dade County that does not have a full facility park. There's 13 parks from 81st Street down to Biscayne Boulevard to the Brickell Avenue on the east side of the water, and I don't have a park in my community. Now what I'm saying is -- and what I want you to understand is what I'm saying. I go to each one of these parks. I've got holes in roofs. I've got kids with no air condition. I can tell you

about each one of my parks; that all of them are in horrible condition, deplorable condition, so now what I'm saying to you is maybe something Ernest is telling you something that he's telling you. I'm telling you what I live with everyday. Now what I'm saying is this. Little Haiti Park building, which Mary has said has disappeared. I came up with \$1.8 million from all of the things in my district -- I didn't touch anybody else's district -- that could be moved out of some of the things that could be moved and don't have to necessarily be done right now, and I put it all together on a piece of paper, and I can give you a copy of it, and I said that you could take this money and you can move this money, and maybe you can find an additional funding to build my building in my park and give back my 4,400 square feet, so what I'm saying is this. I don't know what you're getting your information based on -- and I've been trying to meet with Mary and Burkeen so we can sit down and go over this, but I know what I'm doing on a daily basis.

Chairman Flanders: Well, I would like you to do that. I'd like to invite the Parks director to sit down with you and Mary because, actually, the record clearly shows that your information is incorrect, and when the projects are completed, very incorrect. I'm looking here -- by the way, I've been to Hadley Park a number --

Mr. Reshefsky: Maintenance.

Chairman Flanders: -- of times -- Pardon me?

Mr. Reshefsky: It's probably a maintenance issue and not a capital issue.

Chairman Flanders: Yeah. It sounds like a maintenance issue. Hadley Park is a full-service park. It's got --

Ms. Willis: Hadley Park is a beautiful park.

Chairman Flanders: It's got everything going for it. I mean, it's absolutely sensational, so I don't honestly know -- your allegation doesn't hold water that it's not -- that you don't have any full-service parks.

Ms. Willis: No. Hadley Park is not one of my allegations. I'm talking about Range. I'm talking about Lummus. I'm talking about --

Chairman Flanders: But you just said that District 5 didn't have any full-service parks.

Ms. Willis: No. This is what I'm saying, Hadley Park was completed, and in this district, I said, in Hadley Park, you could take the money from Hadley Park and put it somewhere else to another park and complete it. That's what's on my -- what my suggestions are because Hadley Park doesn't need any more money there, Bob, but what I'm saying is these things haven't been looked at yet, but I'm -- and I'm in agreement with you about Hadley Park, but not all of them, so all I'm saying is I made some recommendations. I put it on paper. I'd like to meet with staff. I can't possibly give a fair recommendation to my Commissioner until I've met with them to go over these things because what I'm seeing is not what I see.

Chairman Flanders: Well, Hattie, I can tell you the way that we've seen it work prior to your coming to the Board. It is incumbent upon each board member, as appointed by their Commissioner or the Mayor, when they have questions, to go to the person that

appointed them, sit down with them, and usually, that person, that Commissioner or the Mayor, comes up with recommendations for staff, and I agree with Gary. It sounds like some of the things that you're talking about are maintenance/operational issues, not capital improvements issues. Now every Commissioner -- and I'm sure that Commissioner Spence-Jones is no different -- has taken a high degree of interest in their district and has followed through on that, so actually, you're part of the solution.

Mr. Reshefsky: Mr. Chairman, I've been waiting for five years for them to build anything in a park in District 2, so I would really like to get to the second page of this report so I can hear something about this.

Chairman Flanders: Very good. Eileen, you have a question?

Eileen Broton: No. I was just going to sort of piggyback on what Hattie was saying that I know that our Commissioner has been briefed on -- I verified again today, just to make sure I didn't dream that. She is very -- she's aware and is very aware of everything that is done here --

Ms. Conway: And we intend to do --

Ms. Broton: -- and has not taken issue with it, is my understanding, but I will tell you that a lot of our parks -- if we were to do a tour, you know, spend a weekend doing a tour to these parks, we would be very disappointed. In District 5, in particular -- but Bob, the one right next to the American Legion, you know, I've been in there. We wanted to rent space for a day. You know, the electric pieces were hanging out of the wall. I mean, all of the parks in the City really, really need major work.

Chairman Flanders: Well, that's why Commissioner Sarnoff has brought forth the idea of a parks bond, which I certainly, personally, highly support.

Ms. Broton: I think that what we're saying is we're frustrated because we don't see these buildings looking the way they need to be looking, but, you know, I'm not seeing that in other districts either, you know.

Chairman Flanders: Well, it's really tough to turn around 25 or 30 years of really bad management. You know, it's hard to turn that around, but certainly, the bond addresses that. Now let's go to -- Pepe?

Jose Solares: Yeah, but the worst part, now you're telling me we cannot fix what was done 30 years ago, but now we're going to be building new parks for the same thing to happen that has happened in 30 years? We should repair what we have.

Chairman Flanders: In fact, Pepe, they covered that in the last two minutes, in which they said that they've placed a line item in the City's budget. When the new facility comes on line, it now is a line item in the budget. It's clear that we're behind the eight ball. Look, let's not mince words. The bottom line on this particular bond issue is it's \$255 million. It's matched with a lot of grants, OK, and even with the grants and all the other monies, like the County GOB, this is a drop in the bucket for the City's unmet capital needs. They were estimated when this bond was passed in the year 2001 at \$1.6 billion. This is \$255 million. You know, it's a start, and if we do our job and we make sure the projects come in, then we can go back to the voters and ask for more

money. I have always seen that as one of the obligations of this board. The point is this is a start. It's not perfect, but it's better than where we used to be.

Mr. Reshefsky: Let's hear about District 2.

Ms. Conway: OK. If we go to page 2, what you'll see under District 2 - all of the pink that's under District 2 -- and as the Chairman mentioned, the majority of the parks monies for District 2 and the quality of life monies for District 2 were in the second series, so what we did was -- they show in pink, but you'll see a note off to the right side that'll say either shifted to District 2 quality of life balance for Commissioner project allocation or you'll see a line that says shifted to District 2 homeland defense parks for Commissioner project allocation. What we did was we showed all of them in pink, and we aggregated them into a total line item. If you look on page 2, in the blue column at the second number from the bottom, you'll see \$3,138,408. That's the sum total of all of the District 2 parks monies, and why did we do that? There was a question a little while ago about when you see zeros all the way across the report, what does that mean. It meant that, at some point in time, parks had money in this bond for improvements they intended to do, but they were able to then fund that through another funding source, and they zeroed out funding for that project from this bond source. In the case of the three million, based on what we've seen with the other park projects, again, going back to the fact that, in 2001, in a very, very short time frame, the bond was put together and all the cost breakdowns were done on a project by project basis, so they're subject to change. We aggregated everything under one number, and then we're working with the Parks director and with the Commissioner's staff and the Commissioner to identify how he wants to see that \$3 million allocated to parks projects in District 2 that have not yet begun, and then the same thing with the quality of life balance that you'll see -- give me a second.

Mr. Reshefsky: Mary, where's the first line that you mentioned?

Ms. Conway: Yes. Look on page 2, and look in the blue column, all the way at the right, the second number from the bottom, and if you follow that over, you'll see we created a new B number, titled District 2 HD Parks Improvements, and that actually is the sum of all of the other allocations in District 2 on parks that are shown in pink, so basically, it was a redistribution. It's a little bit different than how we handled the other districts.

Mr. Reshefsky: Very.

Ms. Conway: And then in the case of the quality of life monies in District 2, we did the same thing and aggregated them, so in the case of Ballet Gomonet, which is the first project on the list, that had 300,000, and then you'll see Morningside, Roberto Clemente, Venetian; those were all projects that were shown to be funded with quality of life. Those are all summed together, and there's a line item that totals \$3.9 million, so that the Commissioner can decide how he wants to allocate those dollars.

Mr. Reshefsky: So District 2 Commissioner gets \$3.9 million from his quality of life, and he gets three point something million for his parks? He gets about 6 or \$7 million to do the District 2 parks out of the bond. Would that be accurate?

Ms. Conway: In what was in the second series.

Mr. Reshefsky: But there was nothing in the first series because whatever was in the first series, you spent on Brickell Village, I guess, and a couple of these others.

Ms. Conway: There was some money -- well, I mean, there's money on -- and this goes to the Chairman's comments as far as Bicentennial --

Mr. Reshefsky: But not for parks, not for parks.

Ms. Conway: Not a lot of parks.

Mr. Reshefsky: There was for citywide things, but not for --

Ms. Conway: There was some. I mean, there's money on Armbrister Park in the first series. Roberto Clemente Park had money in the first series and also has a shortfall, as we discussed here, and that's being recommended to be covered. Douglas Park had monies in the first series.

Mr. Reshefsky: And what is that number total, roughly? What are you talking about? What is that number total of what was spent for parks, a couple million dollars? We're talking about ten total for District 2 parks?

Ms. Conway: Yes. Well, if you don't count Bicentennial.

Mr. Reshefsky: If we don't count Bicentennial, we're talking about \$10 million, and how does that compare to what we did in all the other districts? Very poorly, I would guess.

Ms. Conway: It's less.

Mr. Reshefsky: It's considerably less.

Ms. Conway: But again, that's based on -- that's not a reduction in what was proposed with this bond. No money is being taken away from parks in District 2 from this bond.

Mr. Reshefsky: Well, that's not true because we allocated originally for the parks a much larger number, plus the quality of life money of \$5 million, which could be spent anywhere, so we're talking -- you had -- I mean, if you just took neighborhood parks of the \$72 million number for District 2, and you just had neighborhood parks on there, I don't know what that number would be out of the 72. I don't think it's 10. I mean, I think it's probably much higher than that.

Ms. Conway: We can sit down with you individually and show you in detail.

Mr. Reshefsky: Yeah, I'd like to, and the other thing I'd like to know about this is when you said that ,with these lines that have zeros on them, that the Parks Department got money from somebody else to do them. I think we ought to show that on this, if that's the case, and we need to see that evidence here.

Ms. Conway: That's fine. We can get the Parks Department to give us feedback so we can amend those and include a notation.

Chairman Flanders: Anything else in District 2? OK, District 3.

Ms. Conway: District 3 starts on page 4. If you look at the first line item, you'll see the District 3 quality of life balance that had \$1.6 million that's being recommended for reallocation all to the Jose Marti gym project. If you go to the second page, you'll see Calle Ocho improvements, and we're recommending that those dollars in the second series be recommended for reallocation, either all or a portion of them, and that was done because we can use other streets sources to complete the desired improvements on Calle Ocho and free up the monies in this bond to cover a funding need on another project within this bond program, and then, again, you'll see gateways in each of the districts recommended for reallocation. On the first page, in the case of Henderson Park, the bathroom building, that was originally recommended for reallocation, but after feedback from the Parks Department, as well as the district Commissioner, what we're going to do there is scale back the scope of the project so it's strictly to provide bathroom facility and a small storage closet and office area and keep that project funded, so that's an area where we're taking the feedback that we're receiving from the district Commissioner's offices, as well as from the board members, and going back to try to make adjustments within this before we make the final recommendation to the Commission at the April 12 meeting.

Chairman Flanders: Are there any questions in District 3? OK, District 4.

Ms. Conway: District 4 starts on the bottom of page 5. If you look down toward the bottom, Bay of Pigs Park playground and site furnishings had a nominal amount of monies. We're recommending that for reallocation. That's something where we anticipate if the Parks Department needs to make improvements there, they'll be able to identify that through another revenue source. Also, you'll see the gateways on District 4 being recommended for reallocation, as discussed, and then you see some playground equipment in Coral Park, and then in Coral Gate, some monies that were in second series that we're recommending for reallocation. District 4 actually sees a net increase, and it sees a net increase to finish projects that were started using first series monies or that have been identified as a priority from a public safety standpoint, like the fire stations.

Ms. Broton: I don't know if it's really in our purview, but is there a way that -- what is the easiest way to find out that the Parks Department has indeed found other sources, so that we could almost close the page on this?

Ms. Conway: Well, what we'll do is reach out to them -- well, for the ones that show zeros, those we can respond back as to why they took the money away from a particular line item because either it was deemed today or last year not to be the same priority it was in 2001, or they funded it and accomplished it through other revenue sources, and we'll have that notation added on to this.

Vice Chairman Reyes: We have a \$6 million shortfall in this district, right?

Ms. Conway: Yes. There's additional monies -- we have a funding need of \$6.7 million to finish the projects, such as Robert King High, Bryan Park, Shenandoah Park, and the two fire stations in the district.

Vice Chairman Reyes: Were those projects included in the initial bond issuance?

Ms. Conway: Every project in here was included -- well, every park was included in here with the budget allocation.

Vice Chairman Reyes: Is this part of the --? Because from what I read in the paper, one of the excuses that we have given -- or the Administration have given -- is that there were some projects that were included that were budgeted years before, and the actual costs are much greater. Is that so?

Ms. Conway: It's a combination of factors.

Vice Chairman Reyes: But is that one of the factors?

Ms. Conway: Yes. The cost escalation that you would typically see on a year to year basis in 2001 versus what we've seen in the market in the last two to three years is dramatically higher.

Vice Chairman Reyes: And those projects were brought up to this board, years after those budgets were created, right?

Ms. Conway: I'm not sure I understand your question.

Vice Chairman Reyes: When you came here -- when the Administration came in front of this board for those projects to be recommended for a vote, those budgets that were developed for those projects were budgets that were developed years before, right? When you presented us with a cost for the project, the estimated cost was based on budgets that were developed years before, right? That's what I understand from what I read in the paper.

Ms. Conway: When the bond was conceived, there were budget allocations --

Vice Chairman Reyes: No, no. I'm not talking about the bonds. Excuse me.

Ms. Conway: -- made to projects.

Vice Chairman Reyes: I'm not talking about bonds. I'm talking about this board, in relation to the projects that came before it. The projects that came before us on a given date, project X, if it was one of those projects that was budgeted on 2001, let's say, those were the estimated costs that was brought up to us for us to recommend for approval?

Ms. Conway: Every project comes before the Board for approval when we're prepared to enter into a contract to expend money on a project, so we bring the projects before the Board for the design phase of the project -- in the case of Little Haiti, for land acquisition -- or then for construction, so the projects -- so in the case of District 4, where we show projects that have additional funding needs to complete them today, those projects have come before the Board based on the original scope concept that was developed, coordination and public input with the community, and they had an engineer's estimate tied to them.

Vice Chairman Reyes: Yes, but you're still not answering my question. From what I read in the paper, it clearly states that some of those projects and one of the reasons

that we are in the predicament that we are now, that we have a shortfall, is that projects that were budgeted years before they were presented to us came before us and were included. Is that the case?

Ms. Conway: I'm sorry, but I don't understand your question.

Vice Chairman Reyes: Very simple. I'm going to give you an example. In 2001, they have a certain park, Park X, and the project for that, it was budgeted at \$2 million in 2001. When you included that park and brought that project before us, you came with \$2 million or you updated those costs?

Ms. Conway: The costs were updated on a regular basis --

Vice Chairman Reyes: Then that reason --

Ms. Conway: -- to the best --

Vice Chairman Reyes: -- that excuse that's being used is not valid.

Ms. Conway: -- that they were known at that time, depending on the level of engineering plans that we had at that time, and again, that goes back to the projects get brought before the Board to approve the design. It's only when the design is completed -- now there was an effort to try to keep the projects within the budget, and what we've discussed before is that a lot of the projects, when we got final pricing for construction, many of the projects were within the existing budgets. For projects that didn't fall within the existing budget, we went back and value engineered projects to keep them within the budget, but then there are some other projects that are included on this list where we weren't able to do that and meet the initial intent of the project, so those have an additional funding need, but when we brought the items before the Commission, it certainly was with the most accurate information we had at that time, based on an engineer's projection, but not having plans completed. Now when we bring the items back for construction, we actually have prices, and we're ready to enter into a contract, and we're requesting approval with a known number.

Chairman Flanders: We've covered this in the two prior meetings.

Vice Chairman Reyes: Excuse me. I was absent, but I'm going to tell you the way I feel because you're saying a total different thing than the person that was sitting there before was saying. One of the excuses that was presented to us was that those projects -- I mean, due to the fact that if we didn't spend -- I mean, if we didn't have projects aligned within the first bond issue that amounted to certain amount of dollars, OK, that we would have a penalty, and therefore, then they have to include certain projects in, and those projects, they were included and estimates were not updated, and that was said in here, and if that's the case, I feel duped because every time that everybody stood before us, we always asked if this was a right budget for -- if it was budgeted right, and if they were being completed within budget, and I don't know. Maybe I don't know how to read English, but what I read in the paper, that was one of the excuses of the many excuses that were presented, plus the cost increase of steel, concrete, and all that, but that was among the excuses.

Ms. Conway: Cost estimates are always refined as projects go from a planning stage to design and up to construction. I mean, that's not atypical. It happens with the City's program. It happens with the County's transit program. It happens at the airport. I mean, that's a routine occurrence.

Vice Chairman Reyes: Yes, I know.

Ms. Conway: Your planning level estimate is not as refined and detailed as when you actually have design plans that are fully permitted, and the estimate continues to get refined throughout the process.

Vice Chairman Reyes: I know about that and I know the system that is used, the change orders technique and tactic that is used and all that, but that's totally different.

Mr. Reshefsky: Mr. Chair, we're going to lose our quorum in a second because I'm going to leave, so we know how we're going to vote. If we want to accomplish something tonight, I'm happy to vote.

Chairman Flanders: Well, I feel like we're very unresolved right now. In fact, I don't even want to call the question because I don't think that there has been a good representation in terms of the answers that we're seeking and the answers that are available or the explanation, whatever. Certainly, Manolo -- I mean, obviously, if you had been here, you would know that we had project -- what they call project creep. Now how does project creep come about? Project creep comes about when the Commissioner says instead of just doing this, I want to do that. In many cases, the original projects were literally brought out of thin air. We did not go through -- and this is an inherent flaw, a fundamental flaw of the original bond. We did not have the time or the expertise to go through and do the environmentals, to do the design, to do the engineering, and so, in a sense, this bond was, in that respect, flawed from the very beginning. We've been behind the eight ball. Now I don't personally know of a single construction project that I've ever been associated with that, over a period of time, came in at the original cost and whatever, so I really honestly feel that -- Mary, would you like to do a summation, and then maybe we can call the question? But I think that my colleagues are feeling that their monies have been shifted. I mean you told me that District 2 had not been impacted with parks, but now I understand something different.

Vice Chairman Reyes: Before you call the question, Bob, I have a request from Commissioner González, and I don't know if it has to be -- have to present a motion or something. I met with him. I sat with him. We went over all this, and he's very upset about this, and he is the one that appointed me to this board, and we would like to have a list of all consultants and the job they did for the money, all consultants that took -- I mean, that were paid with bond money; a list from \$50,000 to \$2 million -- to \$20, whatever it is, every single consultant.

Ms. Conway: At the last meeting, it was distributed.

Vice Chairman Reyes: OK. He would like to have that list and results, what was their -- what they did for the pay, OK?

Mr. Reshefsky: OK. I'm going to run. I'd like to make a motion, if I can, Mr. Chairman.

Chairman Flanders: Yeah, go ahead.

Mr. Reshefsky: I'm going to make a motion -- I reject the staff's recommendations, as they're presented tonight, and I'm happy to approve them at a later date, but I make a recommendation to reject them, as they're presented tonight.

Vice Chairman Reyes: I second it.

Chairman Flanders: Do we have a second?

Vice Chairman Reyes: I second.

Chairman Flanders: OK. All in favor -- oh, wait a minute. Any further discussion? All in favor?

Ms. Willis: I don't feel comfortable. I would like to table this before I make a vote so I can get my information answered.

Vice Chairman Reyes: No, no, no, no. The motion is that -- Please, could you repeat the motion?

Mr. Reshefsky: My motion was to reject the recommendations as they're presented to us as they are.

Vice Chairman Reyes: Reject.

Ms. Willis: OK.

Chairman Flanders: And you second it.

Vice Chairman Reyes: And I second it.

Ms. Willis: And I agree.

Chairman Flanders: And -- OK. Any further discussion?

Mr. Cruz: Yeah. I think that if we pay excessive money to consultants, that's less money left for bricks and mortar or to buy land, whatever it is. That's what I think.

Chairman Flanders: Well, actually, I don't think today -- when you do due diligence, Mariano, you can't live without consultants. You can't live without lawyers. You can't live without accountants. You can't live without engineers. You can't live without people that that's their expertise, and we had a choice, evidently, of either bringing it in-house or hiring an independent consultant. By having an independent consultant, of course, you don't put the millstone of the burden cost around your neck that we're having to struggle with right now, as you know, medical costs, retirement costs, and so forth. In any case, I call the question.

HD/NIB MOTION 07-09

A MOTION WAS MADE TO REJECT STAFF'S RECOMMENDATIONS AS PRESENTED REGARDING THE HOMELAND DEFENSE NEIGHBORHOOD IMPROVEMENT PROGRAM REALLOCATIONS.

MOVED: G. Reshefsky

SECONDED: M. Reyes

ABSENT: R. Aedo, L. Cabrera, R. De La Cabada, L. De Rosa, J. Reyes

Note for the Record: Motion passed by unanimous vote of all Board Members present, with the exception of Chairman Flanders, who voted no on the item.

Mr. Reshefsky: I'll just say, Mr. Chairman, this board has never stood in the way of anything that the Administration's wanted to do. We've supported everything, and I hope that they'll come back before us and bring us something that we can support, that we all understand because this is very important to the City, to us, and to all the residents, so I hope we can get something that we're ready to support.

Ms. Conway: On behalf of the Administration, we'll try to schedule another meeting before April 12, but we do have the deadline of the April 12 Commission.

Mr. Reshefsky: Mary, I think it's not fair for us to rush like we did in 2004 with those no-bid contracts. I mean, this is -- I understand the City's got deadlines and everything, but -- and the Commission can move forward. I mean, that's their power to do that, but you know, we tried -- we're here on a Friday night until 7:45.

Ms. Conway: We understand.

Ms. Willis: I spoke to my Commissioner, and she is not happy, so I'm just letting you know that we need to talk.

Chairman Flanders: All right. So noted.

II. NEW ITEM:

- Additional Grant to the Miami Art Museum to Support the Development of a New Fine Art Museum Facility in Bicentennial Park

HD/NIB MOTION 07-08

A MOTION TO FUND THE ADDITIONAL GRANT TO THE MIAMI ART MUSEUM TO SUPPORT THE DEVELOPMENT OF A NEW FINE ART MUSEUM FACILITY IN BICENTENNIAL PARK, WITH THE CONDITION THAT UPDATES ARE GIVEN TO THE BOARD EVERY SIX MONTHS AND THAT THE GRANT BE FUNDED BY THE MUSEUM OF ART FUNDING SOURCE INSTEAD OF THE QUALITY OF LIFE FUNDING SOURCE.

MOVED: G. Reshefsky

SECONDED: E. Broton

ABSENT: R. Aedo, L. Cabrera, R. De La Cabada, L. De Rosa, J. Reyes

Note for the Record: Motion passed by unanimous vote of all Board Members present, with the exception of Jose Solares, who voted against the item.

III. CHAIRPERSON'S OPEN AGENDA:

IV. ADDITIONAL ITEMS:

Rafael O. Diaz addressed the Board regarding the provisions of the Sunshine Law, stating that communications between board members outside of meetings are not allowed. Every communication has to be in the Sunshine, and it has to be during the course of a noticed meeting. If there is such a communication outside of that, it's in violation of the Sunshine Law, and it's a criminal misdemeanor.

HD/NIB MOTION 07-10

A MOTION WAS MADE TO ADJOURN TODAY'S MEETING.

MOVED: H. Willis

SECONDED: G. Reshefsky

ABSENT: R. Aedo, L. Cabrera, R. De La Cabada, L. De Rosa, J. Reyes

Note for the Record: Motion passed by unanimous vote of all Board Members present.