

HOMELAND DEFENSE/
NEIGHBORHOOD IMPROVEMENT
BOND OVERSIGHT BOARD
MINUTES

4-10-07 -5:30 P.M.
CITY OF MIAMI
CITY HALL CHAMBERS
3500 Pan American Drive
MIAMI, FLORIDA 33133

The meeting was called to order at 5:52 p.m., with the following members found to be

Present: Rolando Aedo
Eileen Broton
Mariano Cruz
Luis De Rosa
Robert A. Flanders (Chairman)
David Kubiliun
Laurinus Pierre
Manolo Reyes (Vice Chairman)
Jose Solares
Hattie Willis

Absent: Luis Cabrera
Ramon De La Cabada
Gary Reshefsky
Jami Reyes

ALSO PRESENT: Pedro G. Hernandez, City Manager
Mary Conway, Chief of Operations
Larry Spring, Chief Financial Officer
Rafael O. Diaz, Deputy City Attorney
Pilar Saenz, CIP Department
Danette Perez, CIP Department
Zimri Prendes, CIP Department
Ed Blanco, Parks & Recreation
Teri E. Thomas, City Clerk's Office

I. CITY MANAGER PEDRO G. HERNANDEZ WILL ADDRESS THE BOARD ON THE HOMELAND DEFENSE NEIGHBORHOOD IMPROVEMENT PROGRAM.

Chairman Flanders: I understand that the City Manager's at the bitter end of a very difficult negotiation, and that is the only reason why he could not be here at this point, so since we have quorum, we're going to start, and even though the only item on the agenda is having the City Manager here, I would like to make a few comments. This board has been in existence for five years, starting in May, and actually, a number of the original people are still on the board, which says something about our feelings about being effectively contributing to the effort. I wrote down some thoughts, and they are not Pollyanna thoughts. They are not opinions; they're facts. The bottom line is that the City and the citizens of Miami have benefited greatly from the increase in quality of life that the CIP projects are bringing to the City, and the majority of these projects have been brought in on budget and on time, and I hate to see the City get a black eye when it's not warranted. I've lived here since 1968, and I could tell you that the City warranted a lot of black eyes in the past, but since 1999, when we elected Johnny Winton, that was the beginning of a new City of Miami, and then came in the new mayor, and the complexion of the City Administration, the City Commission, and the City staff is so completely different than what it was five, six, seven, eight years ago. With all due respect to my fellow board members, just signaling out consultants without looking at the big picture may be an incorrect way of looking at it. Just to heap abuse on consultants without recognizing the multiple benefits that they bring to the City's project is really not accurate. I will also say that, with the tremendous insight and leadership of the Mayor, City Commission, City Manager, City staff, and this Bond Oversight Board, that it hasn't been business as usual in the City. We are not only transforming the face of the City, but we've changed the way that the City does business. One, good oversight, project tracking, and timely updates. Two, the addition of a line item in the City's budget for operational expense of the project the year that it is completed. Three, the vast majority of the projects are being completed on time and within budget. Certainly, the bond issue had an inherent flaw from the beginning. In order to take timely advantage of the small window of opportunity to get it out in front of the voters, it wasn't possible to accomplish the necessary project surveys, engineering, and design to formulate a fully accurate cost estimate for the projects, and this flaw has evidenced itself as the City has moved forward, but the problem has not been insurmountable. City staff has adhered to this Board's mandate to stay as close to the original project description that was voted on by the citizens of Miami. Another flaw was there was no public input, so now we bring the projects forward and we invite the public's input, either through parks, fire, police, flood mitigation, and what does the public want? The public wants what they want, so do you think that the Commissioner and the Mayor is going to say no? I don't think that's realistic, and I don't believe you do either. One thing that I know for sure, despite the obstacles, despite the hardships, the City, since this board has existed, has been operating in good faith, and I think we need to remember that. Part of the problem in the cost overruns that we faced is an escalation that, in last four or five years, we haven't seen since the hyperinflation of the 1970s, but if you step back and look at the big picture, again, you will realize that this is not an insurmountable project. I will now turn the meeting over to the City Manager, Pete Hernandez.

Pedro G. Hernandez: Thank you, and I apologize sincerely for being late. I know you're dealing with an item that is very, very difficult and very, very sensitive, and it's something that I've been becoming familiar with over the last nine months. The Homeland

Defense/Neighborhood Improvement Bond program was something that was initiated as a great idea at the right time. I was over at the County when the City was able to move this forward, and we at the County thought that the City was very smart and timely when they did what they did because the bond program went to the voters like in November 2001, and timing wise, it was perfect and it worked. On the one side, they were smart and timely when they got it done. On the other hand, there was no pre-advanced work in developing the list of projects that they had at hand. They probably used a lot of napkins in developing the concept, so you have a nice list of projects where they identified needs. However, they didn't have master plans, and they didn't have designs of those projects that could have been used to do estimates. They were dealing with very conceptual estimates for projects that later on, when they began to detail the project, when they went out to the public to present the project, even the public input began to change the project, and the scope of it began to change. I would say, in most cases, if not in all, the changes to the scope is positive. It's to generate something that was much better, but the problem is that when you do that you're getting away from what you originally conceived as a price tag. We've had cost of construction increase over the last two or three years more than anyone could have anticipated. When you put together the conceptual level of the beginning with the increase of construction costs, with some unforeseen circumstances found in certain projects, you end up having project demands for funds that are greater than the money allocated to the projects, and I want to be very careful in the use of the word funding demands and shortages because, unfortunately, in El Nuevo Herald, they used the word deficit a couple of times, and it forced me to go to dictionary, and deficit deals with expenditures beyond your revenues, so you're spending money that you don't have. In this case, that hasn't happened. What happened is that we have projects that are costing more than the money that we have allocated to those projects, so as we move forward in this bond program, you're going to get into projects that you won't have enough money to do, so what happens? Now we're faced with a situation of having to reallocate funds, which is always very difficult to do, if not maybe improper, and I've told my staff, not only Mary, but also Larry here, that my goal is to get every one of those projects done. It was promised to the voters in the bond program, and my goal is to go back and look at every one of those remaining projects; determine what the scope ought to be, if it can be scaled back in any way without losing the substance; look for other funding sources to be able to support the projects. By the way, when you talk about other funding sources, there is something very significant to mention here. Thanks to the fact that we have a bond program, we have been able to leverage funding from other sources that, in essence, almost doubles the amount of money available to us through the bond program. Between the County's GOB and other funding sources, we have leveraged maybe an additional \$210 million, so the fact that we had a bond program made it attractive for us to be able to bring in dollars from other funding sources, augmenting the ability of our program to do projects, so we have that plus the fact that, in talking to Larry, I said, Larry, if at the end we're short \$20 million and we have tapped every other funding source available, can we do a bond program? Can we do a non-ad valorem bond? And the answer is yes, so I'm going to move forward with the idea that we're going to do every project that we have in that program, and when I talk about looking at maybe scaling back, I'll give you an example of one item. There's an item in every district under the name of gateways, and shows \$800,000 per district for gateways. If I ask what is a gateway, people have different ideas. I think that we can do decent gateways in the City without spending that kind of money. We don't want to hurt any project. My goal is to get everything done. That has to be the plan. Something that is important to mention, in looking at the overall program and looking at the flaws, on the

one hand, I have to recognize the fact that the City was very smart in putting it out early. The downside of that is not having enough advance work to be able to have the estimates closer to reality, to have projects more properly developed. In looking ahead to the street bond program that we have coming up, what we're trying to do there is look at the projects that we have already completed designs on and actually be able to, hopefully, move those projects even through a bid process before we actually get the bond dollars in so we have a good idea as to what the projects are going to be costing us even before we sell the bonds. The biggest flaw that I've seen in looking at the program is that as the City went through projects that were increasing in scope or affected by the escalating cost of construction, they didn't go to the Board at the appropriate time, project by project, and say, Bond Oversight Board, on project "X," it was conceptually estimated at a million dollars, so we went to the Commissioner; the Commissioner had a town hall meeting; we went to the town hall meeting. The people said that's nice, but to do it right for the community, you have to do this, or add this or that. You come back and you end up with a project that now is \$2.5 million. At that time, we need to go back to the Board and say, Bond Oversight Board, we have this project; initially, it was this much; scope was like this. We went through a public process. The people told us they want the project in this fashion. It's going to cost two and a half times as much, and at that time, you have an opportunity to say to the Administration, well, I think it's justified; go ahead and do it. The concern is, you know, keep track that now you are \$1.5 million over. Next time we come back, you start detecting patterns; that if you see that's happening in two, three, four, or five projects, then you say where is this money going to come from? But then you're discussing it at a one, two project level without getting hit between the eyes with something like, oh, we have a 30, 40, \$50 million shortage. That's where I see the biggest problem because I understand how the program got to where it got today, but I have to thank them because if they hadn't done that effort that quickly at that time, we probably wouldn't have today a bond program. If they had waited in '01 the time to do the master plan and the design, by the time they would have gotten it to the voters, the answer would have probably been no. Who knows? At this point, we're behind the eight ball somewhat, and we have to face the reality that we have to make these adjustments, but understanding the difficulty, my commitment to you is that we'll look for other funding to leverage; we'll look for ways to value engineer the projects, and I'm going to look for other funding commitments, bonding of non-ad valorem, if we can, to get the projects done because that's our promise, and that's what I wanted to convey to you, and I thank you for your patience in allowing me to be late.

Hattie Willis: Mr. Manager, I would just like to say a couple of words. What Bob said was wonderful, and I respect what he said, and he's absolutely right about we know that business is not usual at the City of Miami, but because of the business that was usual at the City of Miami -- we've come a long way, but we yet still have a long way to go, and there's certain things that need to be implemented and put in place because the way I look at it is our house was built on sand. It wasn't built on a rock. For 30 years, it was sitting on sand, so it was falling apart, and now we have a new day. We have a new manager; we have a new committee. We have new everything, but some things we all are learning because everything is new, and when things are new, some things you don't get the full effect of what is going to be the problem until you start doing it. What I'm saying is there are still some flaws in the way we are doing things, and one of the things that we talked about in this committee and one of the things that we need you to be fully aware of -- and we have no answers -- is our tracking system. One of the big issues I had with -- when they said we were going to reallocate dollars -- and I want you

to understand perfectly clear what I'm saying. I have no problem with the reallocation of any dollars, as long as the dollars are being reallocated into my district. I don't want them to be reallocated out of my district into another district, and my reason for that is because in my district, which is one of the poorest districts -- Any time I call downtown staff says squeaking doors get oiled, and we don't have enough staff to do what we need to do, so the reality is that what gets done is if you make a telephone call and you say let's get this done right now or one of us from the community calls and pitches a fit and then something is directed at that, and I call that being reactive instead of proactive, and that annoys me in any facet of business. You need to be proactive instead of reactive. Now I believe all these wonderful things that we're saying that we can do can be done, but I think the staff needs some help, and maybe they're just too frightened to walk up and ask you because they're thinking that if they do, maybe you will tell them that they won't have their job. I'm just making jokes, but I'm just saying they're not telling you the truth, so I'm telling you the truth. When it first was said to me we're going to reallocate these funds, this is how I felt about it. Who is going to watch the project that we took the money from to make sure that it stays on track in order for it to be done in a timely fashion just like all of the other projects that were going to be done because we're reallocating the money? Who's going to watch the money from staff to make sure that the money gets back to the original project? Who's going to make sure that the project that the money is being allocated to is done on time and completed? Who is going to pick the next set of projects? Who's going to make sure that every community gets their equal share? If the project is being put on hold, what is the timeline going to be for you to come back and revisit the project? I think that it needs to be somebody tracking that. Another problem I see is we spend an astronomical amount of money on consultants. What are these people doing, and why are we giving them all of our money? Who's watching that and making sure that they're doing what they're supposed to be doing? Who's watching the watchers? Now are we going to make sure that we go back to the drawing board and doing everything right from this point forward? How are you going to set that up, and can you come back to us on another time, after you've sat down with you staff and decided how you're going to do this, and let us be aware of it?

Mr. Hernandez: You're totally right that it's most important to have a tracking system that is up-to-date, and that we can share with the Board, and I have total confidence in Mary Conway in performing the necessary oversight over the consultant and our staff in making sure that this is done right, but I think that we need to have the tracking and share it with you at every one of your meetings as to what we have done. As far as the consultants, we couldn't be where we are today without the consultant force that we have. The same way that the City was fortunate in getting the bond program approved, the City, at that time, was in no position to handle the number of projects that suddenly it had on its lap. We had to bring in enough consultant support to be able to start organizing a mechanism to do all these projects, and we constantly check the amount of support that we get so we can cut back and tailor it to the need that we have, and that's an exercise that we're doing right now looking at phase II of the Homeland Defense program, looking at the streets bond program. Definitely, we don't have the ability in staff to handle it all. For now, we need a certain resource off consultants, and through Mary, I believe that we have the proper oversight as to what they do and what their mission is.

Mary Conway: And we have been successful in bringing in some new staff members to the Capital Improvements office. We just had a new assistant director start a few weeks ago, and a new director starts on Monday, and we're hopeful that we'll continue to bring

on additional staff members, and as we do, transition down our reliance on consultants, but we'll always have a level of consultant support when we're at \$100 million a year program.

Mr. Hernandez: And I have to tell you that, at the beginning, it was difficult for me because I was not familiar with the faces, what they were doing, and so forth, but by now, I am. The folks that I see in this room are extremely hard-working individuals that dedicate a lot of their time, and they're passionate as to what they do.

Chairman Flanders: What I'm going to do is go around the table counterclockwise so that everybody gets a chance to ask their questions.

Vice Chairman Reyes: Thank you, Mr. Manager, for coming. I don't know if you watched the meeting. I was real upset. You just addressed one of my complaints. One of the quarrels that I have is we voted as a board on what was presented to us, and in every single meeting, I would ask, are we within budget? And we thought all the budgets had been updated, and I don't think it's best practice not to come with a budget that has been updated. I think that now we are in this predicament and the only thing we can do is just take a step ahead and try to fix whatever has been done, and I hope that this will be a great experience for future projects, future bond issuances, and future CIP projects. Yesterday I spoke with Ms. Conway and Larry and I vented my frustration, and I don't think that I have to repeat what I said, but the other question I have about this is now we are reallocating some funds, which I think is a good idea to reallocate funds on projects that haven't been started yet into projects that are on the way so we can finish those projects and then start looking for funds to start the other projects, and then try to complete the whole list that we have here. But my question is -- and it's not directed to you. It's directed to Ms. Conway. Are we now fully funded once we reallocate those funds? Are you taking into consideration all the costs and hidden costs that could affect those projects?

Ms. Conway: Yes. That's really the purpose of the reallocation. We now have design plans for projects that have taken into account public input, the actual conditions of the facilities at the parks, the type of programming, and what the real needs are so that the figures that we've brought before do include all of those factors, as well as contingencies because some of these projects will be in construction this year and next year, and they include escalation factors, so we have a level of comfort that all the projects that are being funded now are in that situation. For anything that's underway and that we've already started, the answer is yes. For things that haven't even been looked at, we will do that moving forward, the same way that we have for the streets projects.

Mr. Hernandez: For those projects that we have taken funds from that are not fully scoped out, my promise is to go back to every one of those projects and determine what we need to do with them because they got there in that list for some reason. Once we determine what that proper scope ought to be, then we'll develop a plan to get them done.

Ms. Conway: I think we need to restructure and have some discussions about how we want to bring items before the Board because, up to this point, we've brought them at design for approval to start design, at construction for approval to start construction, and then there's been this six-month notice, but there hasn't been a process in place where, if something's changing, we just automatically calendar it to bring it back so that we have

more regular back and forth communication as projects are developing, and we can address that.

Chairman Flanders: Give it to the Audit Committee. In other words, let them chew it up first.

Vice Chairman Reyes: That'll be fine. I know that you talk about consultants. I think that we should use the industry standards to pay the consultants. My concern is that we are paying more than what the industry standard is, and that's not best practices, and what I want to see is that we use best practices. I do understand that we need consultants. I do understand that we cannot do everything in-house and we need to bring in people from the outside to help us. My main concern is that whatever we do is crystal clear, transparent because just the slightest doubt that we are doing anything that is not right, it will hurt the City of Miami's future bond issues.

Eileen Broton: I have found that some of my frustration is it's not always just the CIP issue that concerns us, and we're under CIP and I know I can ask Zimri and Danette, and I know I can rely on Mary, but some of the questions go beyond their particular department. A lot of our issues happens to be with Parks, and they don't come to us and discuss anything, so I feel that I'm approving things or not approving things, and I feel that there's a missing link.

Mr. Hernandez: I think that we have to sort of retrain our staff, other departments that when it's their project, they need to be there before your committee to support and answer questions on their project. Parks should be here to explain to you why they're doing what they're doing, and maybe up until now they haven't seen it that way. They give it to CIP and let CIP run with it, but it's their project.

Ms. Conway: In fairness, I do have to mention that we do have Ed Blanco here.

Ms. Broton: Ed always brought us pictures to show us the before and the after, but a lot of decisions that are made about reallocating or what became important -- you know, Ed can't necessarily answer. There are a lot of administrative decisions that are being made that maybe the director or somebody higher would have to know.

Ms. Willis: When I asked the Parks director what is your responsibility when these decisions are made, he said to me that they were made by Mary, and I said who could they all be made by her because it's parks. Mary's making the money decisions, but the Parks director should be making the parks decisions because he's the director of the Parks Department.

Jose Solares: I'm the new kid on the block. From the first day I came here, I've been asking certain things. Number one is accountability. Who is held accountable for the mistakes that are made? For example, the Coral Way lighting project. That's a joke, really, when you look at it.

Rolando Aedo: The lights are working now, by the way.

Ms. Conway: And we're also pursuing warranty issues against the contractor.

Mr. Solares: My question was are we getting the right price for the consultants we have, not the product. I don't see that there's any kind of cost control within the City. The City is doing excellent, but I'm not going to be here just to rubberstamp. I'm opposed on thinking, well, we're going to get other funding sources. I think our job is to see what can we do to meet the requirements without having to go ask for more money. Do we have the right checks and balances? I don't think we do.

Mr. Hernandez: Obviously, we have to be before your board on a monthly basis and be clear on what the potential changes are so you can work with us in determining which direction to go. We can offer a recommendation, but we need to hear back from you too. I think that Mary and the consultants are also listening, and we have to pay a lot of attention to cost control. We need to look at the projects and be sure that we bring the projects in at the budgeted amount or below, if we can, and that should be our first goal in trying to look for additional monies to do the minor projects. In essence, I think that, through the first phase, we are handling the majority of the most significant projects.

Mr. Solares: Another thing is the JOC versus the bidding process. I'm really ashamed of having to listen to the staff saying that it could take them six months to get the bidding package together to put a job out for bid. It's sad because I know it's putting the pressure on the existing staff.

Mr. Hernandez: I like to have in my toolbox all these different means of getting things done, whether it's JOC or whether it's a miscellaneous contract, or whether it's a low bid, and then use them appropriately, depending on the project. We need to be able to accelerate it and expedite it as much as we can.

Mariano Cruz: I have a few suggestions. Pedro talked about the town hall meetings with the neighborhoods to say what they want. That's good for the sophisticated neighborhoods, Coconut Grove, Upper Eastside, but Allapattah, the people have two or three jobs to make a living to pay the rent. You know what happen in Allapattah? I live on Northwest 26th Street. That's considered east Allapattah. There hasn't been one street fixed there, resurfaced, nothing since 1977 around there, and the last one was part of 28th Street with Community Development money because I was on the board of Community Development. That was the only thing. How come the City don't fix the streets in Allapattah? I mentioned it before in the meeting, and I'm glad that the Manager is here because I'm telling him. The only street fixed is Northwest 26th Street, my street, because we, the neighbors, came here and signed for the capital improvement, and they taxed us for years and years. We paid for our street, the whole thing. That's the only street that's been fixed there, and you can go there and check it. Also, the other day, I was listening to the radio, and it was mentioned that the City is giving these people money for the park museum for consultants. People listen to that and they don't know any better. The bond issue was \$255 million, mostly to fix the neighborhood. There was nothing there for a museum there.

Mr. Hernandez: In reference to the museums, I understand that the Homeland Defense Bond program has two line items for the museums, \$3.5 million for each.

Ms. Conway: That's correct.

Chairman Flanders: I think that your first point is a very good point, and I think that the City is actually ahead of your thought process. I understand that street bonds are coming out to address exactly what you're talking about.

Mr. Hernandez: Irrespective of whether it's the Museum of Art Homeland Defense contribution or whether we're dealing with the gateways, I think that you have to look at them with the same scrutiny in reference to the value of the project. When you look at the museum project, we want to be sure that the project is a valid project that is properly managed, and that our contribution will go towards something beneficial in that project.

Luis De Rosa: City Manager, thank you for coming down. I think it's important that the lines of communication remain open. I have pet project, which is the Roberto Clemente Park, which is in District 2, and I've been fighting for some time about this. I think that the issue of communication is at the heart of what everyone has been saying, and especially in my case, because I was so misinformed, even if it was not intentional. I mentioned to the Board that we had to cancel the game between the Miami police and the Chicago police because of the condition of the park, but now we're back on track with the L.A. police. L.A. is coming with close to 50 people, but we can't play at the park. We have to play the game at Flamingo because of the park is in bad condition.

Chairman Flanders: A newsletter needs to be produced to show what is happening with bond projects.

Laurinus Pierre: I don't need to repeat some of the concerns that everybody has here. How do you ensure that the districts are not losing money when it is reallocated? The community is concerned about this.

Mr. Hernandez: I would like to be able to have our people get more into the community at the right points to be able to disseminate information to inform the community. I think it's important that we go into the different neighborhoods and take advantage of opportunities to address the people; to have the newsletter in Creole, Spanish, and English and do the distribution according to the area.

Mr. Pierre: It's not only passing out the information. It's also having a process that is fairly implemented.

Ms. Conway: I can assure you that the Capital Plan gets updated on an annual basis, and your district Commissioners track the projects that are in their districts very closely, and Pilar, in Capital Improvements, and her team, along with the City Manager, also track the allocations of dollars to projects, and if the allocations are changed, then things shift, so we do have databases and mechanisms in place that we do track all the projects and changes to projects.

Chairman Flanders: We're going to lose quorum soon. Rolando, I don't want to shortchange you, but we've literally run out of time.

Mr. Aedo: That's fine. I won't repeat what my colleagues on the Board have said. For the most part, I do feel good about the process. I will showcase three or four quick instances of when I haven't felt as proud about being part of this Board or the process, and the first time came at the quick realization that this bond issue wasn't too much about homeland defense, and I felt that, while it was very strategic -- and I commend the

marketing positioning of it -- I think that that transparency wasn't there, so I will tell you candidly and openly that that tainted my pride of being part of a process that I won't call it being hoodwinked, but I can definitely tell you that there was some creative license taken to that, so that would be one. The second slight disappointment in the process -- and hopefully, this is something that can still be addressed -- was that this committee, as important as it is, has no teeth. Regardless of how strongly we feel, we are an advisory committee by statute, and at the end of the day, we really don't have the power to override something, and at times, even the folks appointing us perhaps don't give us full credit, so that's another issue. The other thing that pained me was when we canceled projects, and thankfully, it was a small percentage.

Mr. Hernandez: Teeth or no teeth, I think the key word is respect, and the staff and consultants that are listening to me now, the word is respect to you, as a board, to the process, and my commitment is for the Administration itself to have that kind of respect to you, to your recommendations. We may not agree 100 percent on everything because it will not happen, but we need to have the respect to keep you informed, to bring things to you to share, and if we do that, I think that we can work well.

Mr. Aedo: Fair enough. Thank you.

David Kubiliun: All I'd like to say is the key to success in any organization is communication, and I think that what we've accomplished here tonight was quite informative, and I just welcome the opportunity to meet again.

Ms. Willis: Our board in general -- I was under the impression, but I need for us to get a copy of the bylaws of how it was written that if there's any changes made or recommendations, that we're the ones that are supposed to make them, to give the recommendations for the changes before they go to the Commissioners.

Mr. Aedo: That's what I was saying. That really is not the case.

Ms. Willis: So we didn't have that? That is not in the bylaws?

Vice Chairman Reyes: No.

Chairman Flanders: But this tracking mechanism is very important. I took notes, everybody. We have it on tape, but I took notes, and I will take everything that you said, distill it, and make the bullet points.

Ms. Willis: And one last thing. When you first came and they put you out to dry, you came to our Little Haiti meeting, and you stood there, and everybody smiled and made nice and said we're going to get everything we want, and we had a building, and all of a sudden, the building disappeared. I don't know if you know that or not, and one of the things I'm saying is, we should never disappear again any project. If it says it's in the project in the beginning that it should be there, I think that it should come back before us before anybody decides that they're going to disappear anything, but now it's reappeared. We got a new magician, but I just wanted you to be aware that that took place.

Vice Chairman Reyes: I want to make a motion.

Chairman Flanders: You can't because Commissioner González made a change to what you have.

Pilar Saenz: All the Commissioners had a chance to have input, and today, we met with Commissioner González. On District 1, the Sewell Park dollars are being reallocated, as well as the \$800,000 for gateways. It'll be 750,000 instead of 800,000, so those two totaled is \$1,028,257, which will be allocated to the Grapeland community building.

Vice Chairman Reyes: I'm going to make a motion that we reconsider and accept the Manager's recommended reallocations.

Mr. De Rosa: Second.

Chairman Flanders: Manolo has made a motion. We have a second from Luis De Rosa. Is there any further discussion?

Mr. Aedo: Friendly amendment. Pursuant to the City Manager's personal commitment to honor the completion of all projects that were approved by the voters.

Vice Chairman Reyes: I accept that amendment, and I strongly support it.

Mr. De Rosa: I second it.

Chairman Flanders: OK. We have an amended motion, an amended second. Any further discussion? All in favor?

The Board Members (Collectively): Aye.

Chairman Flanders: Anyone opposed? Motion carries.

HD/NIB MOTION 07-11

A MOTION WAS MADE TO ACCEPT STAFF'S RECOMMENDATIONS AS PRESENTED REGARDING THE HOMELAND DEFENSE NEIGHBORHOOD IMPROVEMENT PROGRAM REALLOCATIONS, PURSUANT TO THE CITY MANAGER'S PERSONAL COMMITMENT TO HONOR THE COMPLETION OF ALL PROJECTS THAT WERE PREVIOUSLY APPROVED BY THE VOTERS.

MOVED: M. Reyes
SECONDED: L. De Rosa
ABSENT: L. Cabrera, R. De La Cabada, G. Reshefsky, J. Reyes

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

II. CHAIRPERSON'S OPEN AGENDA:

III. ADDITIONAL ITEMS: