

CITY OF OPA-LOCKA
“The Great City”

CLERK’S ACTION SUMMARY MINUTES
SPECIAL COMMISSION MEETING

September 4, 2013

11:00 A.M.

Opa-locka Municipal Complex
780 Fisherman Street, 2nd Floor
Opa-locka, FL 33054

1. ROLL CALL:

Mayor Myra L. Taylor called the meeting to order at 11:05 a.m. on Wednesday, September 4, 2013 on the 2nd Floor of the Opa-locka Municipal Complex, 780 Fisherman Street, Opa-locka, Florida.

The following members of the City Commission were present: Commissioner Dorothy Johnson, Commissioner Luis B. Santiago, Vice Mayor Joseph L. Kelley and Mayor Myra L. Taylor. Also in attendance were: City Manager Kelvin L. Baker, Sr., City Attorney Joseph S. Geller, and City Clerk Joanna Flores. Commissioner Timothy Holmes was not in attendance.

2. INVOCATION:

The Invocation was delivered by Mayor Myra L. Taylor.

3. PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was recited in unison.

4. RESOLUTIONS:

a). A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF OPA-LOCKA, FLORIDA, RESCINDING RESOLUTION NO. 13-8666 AND AUTHORIZING THE CITY MANAGER TO MOVE CITY OFFICES TO 3400 NW 135TH STREET, BLDG B, OPA-LOCKA, FLORIDA, INSTEAD OF MODULAR TRAILERS AS A MORE COST EFFECTIVE OPTION AT A COST OF \$12,673.33 MONTHLY AND A TOTAL COST ESTIMATE FOR THE MOVE OF \$80,500.00, PAYABLE FROM ACCOUNT NUMBER 19-519390, NON-BUDGETED; PROVIDING FOR INCORPORATION OF RECITALS; PROVIDING FOR AN EFFECTIVE DATE. *Sponsored by M.T.*

The above resolution was read by title by Attorney Geller.

Mayor Taylor said there was a question regarding ownership when Manager Baker previously introduced this piece of property to the commission. She does not know who owns the property, but she knows that she, her family or any subsidiaries thereof do not own this property or have any interest in it. The reason she is saying this is due to its geographical location.

It was moved by Commissioner Johnson, seconded by Commissioner Holmes to pass the above resolution.

Commissioner Johnson asked the City Attorney why there was no supported legislation for this particular resolution in the package provided last night. When she called at 10:55 a.m. she was told the agenda was being prepared. This did not give her time to review the information and she would like to know why the information was not provided in a timely manner.

Attorney Geller said when he received the request yesterday he began to draft the legislation and provided a copy late yesterday afternoon.

Commissioner Johnson said the back-up was provided but the legislation was not provided at the same time.

Attorney Geller said the legislation was prepared as quickly as possible. He was in meetings including the Selection Committee Meeting.

Commissioner Johnson stated for the record that she received the legislation at 11:05 a.m.

Vice Mayor Kelley said the City Commission authorized the City Manager to purchase modulars for city office space. He asked, what is the status of the modulars.

Manager Baker said he have been working with the company for the last month. A floor plan has been agreed upon and the units have been identified.

Vice Mayor Kelley said during the last meeting it was clear from Manager Baker's standpoint that time was an issue in order to move forward.

Manager Baker agreed.

Vice Mayor Kelley asked if anything has been signed since then.

Manager Baker said based on the committee's actions he provided Mod Space with a Letter of Commitment.

Vice Mayor Kelley said Manager Baker's memo dated yesterday talks about moving into a building on NW 135th Street as opposed to moving into the trailers due to cost savings. He has great concerns when things happen at the last minute. He asked have Mr. Baker determined who owns the property at 135th Street.

Manager Baker said the owner is an LLC and is set up as 3400 LLC Corporation.

Vice Mayor Kelley asked what occurred between early August and September 3rd that brought the change at the last minute. If this happens, how does that affect the signed Letter of Commitment.

Manager Baker said the letter is a good faith effort. There have been meetings and an action plan regarding the modular units, but a series of events have occurred. In the last meeting it was agreed to proceed with moving into the trailers, however he was also directed to look into the 3400 LLC owned location. He ran both projects in sync. The 3400 LLC location required some meetings with the Miami-Dade County DERM office. On Friday, approval was received by DERM at approximately 3:30 p.m. The absence of that approval caused a timing issue of consideration for the 3400 LLC location. Now that there is an approval, it can be seriously considered. There are savings of approximately \$200,000.00 per year. It does provide a CBS constructed building. It is pretty much ready to move into with some minor modifications. The move into the facility could begin in less than 30 days. Due diligence has to be conducted and the DERM approval was necessary, and it is now a viable alternative.

Vice Mayor Kelley said the commission passed legislation to get the trailers, but at the same time another directive was given to look at the other location. Only one resolution was passed by the commission and that directive was specific. He is concerned about negating legislation directives for this issue and future issues as well. He is concerned about policy being set and followed.

Commissioner Santiago said after reviewing the resolution he saw a lot of savings.

He asked, who gave Manager Baker the directive for the 3400 LLC property and how did he arrive at the cost savings.

Manager Baker said there is a visible banner in front of the building advertising open office space of 15,000 square feet. He never had any desire to violate any commission directive. It was made clear for him to look into the option. He is ready to move into the modular units if that is what the commission prefers.

Commissioner Santiago said he has a preference to save the tax-payers money and be safe. The cost savings could help the budget deficit issues. The cost savings for moving is very good. This could help city workers keep their jobs next year. He said he will support any initiatives that save the city money.

Note: This portion of the minutes is transcribed in verbatim form.

Commissioner Johnson: *I would like Manager Baker to reflect on the package submitted to the commission on August 8th, 2012. Read verbatim it states "We bring the module space rental agreement to the city commission's approval in September once the final modification request by the city, even though this modification will do, it would not exceed \$10,000.00 per month compared to the \$34,805.00 that we are currently paying." The legislation currently in front of her showing \$12,673.33 is higher than \$10,000.00. She does not see a savings. The previous legislation was 13-8666.*

Manager Baker: *The total cost of moving the modular units was highlighted to move to Sherbondy and that number is \$300,000.00.*

Commissioner Johnson: *My question refers to a letter signed by David Chiverton on Manager Baker's behalf that states a not to exceed amount for \$10,000.00. How is there savings for a move that would cost \$12,673.33.*

Manager Baker: *The confusion is that she has a monthly rental, but the effort to prepare the site, prepare the trailers and all the necessary utilities that are required to make the hook-up is where the differences are.*

Commissioner Johnson: *In the previous legislation that was passed 4-1, where did Manager Baker specify that information.*

Manager Baker: *There should be a breakdown in the proposal from ModSpace concerning those various cost factors.*

Commissioner Johnson: *The cost estimate states the moving cost estimate power connection is \$1,000.00 and connecting to water and sewer utilities is \$5,000.00. The IT estimate is \$35,000.00 which includes wiring, phones, computers, alarms and movement of computers. That total was \$285,620.00. There was a contingency of \$15,000.00 which gave a total of \$37,250.00 for the trailers.*

Manager Baker: *I understand where the confusion is. The monthly rental of \$8,995.00 run out is \$100,000.00 per year. Then there is the one time installation of \$87,000.00. Then there is \$49,000.00. The total is over \$200,000.00.*

Commissioner Johnson: *Where the money is going to come from and where has the money been approved. She would like to see bank requisition records from 2007 to the present which will show the city is in the hole.*

Manager Baker: *About a month ago a reimbursement resolution was prepared and it was concluded that all the expenses that are being incurred while looking to purchase this building or to build another building would be included in the financing. All that is being provided are the two options and he is trying to provide information as it comes forward. If the commission is not interested then he is fine to move on.*

Commissioner Johnson: *As an elected official she is going to ask questions whether or not anyone likes it. Manager Baker should be able to answer her questions.*

Note: *This concludes the verbatim portion of these minutes.*

Commissioner Santiago said he is going to defend the cost savings options. At the end of the contract when the trailers are picked up there is a cost of almost \$50,000. That is additional cost. He sees nothing wrong with saving money.

Mayor Taylor said the city has to be out of the building by October 1st. At the time this was started there was only one option which was the trailers. In between the directive, Manager Baker found a second option before he signed anything for the trailers. When the second option was found, it was brought to the last commission meeting.

Manager Baker said the second option was presented at the last meeting.

Mayor Taylor said there was an objection made by one of her colleagues to the second option on top of the option that was to be voted on. She asked Manager Baker when he found the second option did he present it to all the commissioners.

Manager Baker responded, yes.

Mayor Taylor asked what Manager Baker invited the commissioners to do.

Manager Baker said to go by and look at the building as a second option.

Mayor Taylor the city does not have too much time left, the city must vacate the current premises. The building owner is not giving a lot of time to accomplish this. There are 19 modules that have to be put together to move the city operations into. There is one building available to move into that is almost turn-key ready. She asked Manager Baker if this was correct.

Manager Baker responded, yes.

Mayor Taylor said there is a cost breakdown. She does not know why her colleagues received it for the first time this morning. If there is urgent information that needs to be reviewed she asks the Clerk's office to deliver it to her house.

Clerk Flores affirmed.

Mayor Taylor said it is the City Manager's job to make sure the city saves money. It is the tax-payers money. There is a building available instead of trailers. The trailers would eliminate parking spaces. She asked Manager Baker what the parking situation is with the modules.

Manager Baker said the parking situation would work but it will be tight.

Mayor Taylor asked what the parking situation is with the second option.

Manager Baker said the parking situation is much better.

Mayor Taylor said with the second option there is a free standing building and it would only be for a year. But the city has to move and save money while doing it. The cost of the second option is \$10.00 a square foot.

Manager Baker said it was a little under \$10.00 a square foot.

Mayor Taylor said all of the city operations would be able to move into one unit.

Manager Baker affirmed.

Mayor Taylor said there are savings of \$285,000.00 for trailers and \$80,000.00 going into the building.

Manager Baker affirmed.

Mayor Taylor said this should be considered. The city has to move quickly. It is only for one year. If Manager Baker can turn this in a reasonable amount of time, with a reasonable amount of money, then it should be considered. The building is decent and ready to move into. 19 modules have to be put together, no one has seen them or been inside. She asked Manager Baker if all the commissioners went to take a look at the building.

Manager Baker responded, no.

Mayor Taylor said she knows what the building looks like. She said the move has to get done and save the tax-payers money. She was never for the modules. Manager Baker simply found something else, but he is going to go one way or the other as the commission decides. She said she wants to drive home the fact that the city has to be out by October. The city does not have a lot of time. Modules take time to be put together as well as water and sewer hook-up. There is an opportunity to go to a place that is already set up and it is only for a year. Manager Baker brought this opportunity up at the last meeting and the commission objected to it being brought up at a special meeting. However, Manager Baker did give the commission the information on the second option at the last meeting. She objects to spending \$285,000.00 to move into trailers. The people look to the commission to save money.

Commissioner Johnson said she is going to put on the record that she asked the City Attorney if discussion could be taken at that time because there was nothing published. It just didn't come up that there was a For Lease banner, she travels that way. Regarding the delivery dates, she was in the office and she got all her mail and this legislation was not in her box as of 5:00 p.m. The Police Department or other persons will deliver urgent mail to her outside of the office. The second option found by the City Manager was not the directive given on August 8th and that is all that should be discussed and acted upon. If Manager Baker had focused on the trailers, the city would be further along. She asked Manager Baker if city employees were going to perform the installation.

Manager Baker said no they were not.

Commissioner Johnson said she does not see the numbers from the company or clear savings. The numbers are raw, and maybe she missed something, but over the years she has experienced that staff come in and give numbers that have to be rectified. How did Manager Baker arrive at these savings. Where is the documentation supporting the savings.

Manager Baker said right behind the resolution in the package is where those numbers are.

Commissioner Johnson asked how the numbers were arrived to.

Manager Baker said just looking at what the cost would be.

Commissioner Johnson wanted to be clear that when dealing with Mod Space and FPL they gave Manager Baker numbers, and it was \$49,000 in cost for picking up the trailers.

Manager Baker said the numbers that were available are included in the matrix that highlights the trailers and the 135th Street location.

Commissioner Santiago asked what has to be done first with the building owner. This is general business practice.

Manager Baker said the first step is to negotiate a price and once it is favorable, it is brought forward. However in the city's case, there are other infrastructure elements that need to be taken into consideration. The utilities have to be able to have the capacity to service the building to cover government usage requirements.

Commissioner Santiago said he wants to save money for the citizens. He asked if the number in the legislation is number the owner will agree to in writing. He further stated he is interested in safety. September through November are the three high months for hurricane season and he worries the modules would not be safe, and all the files could get lost. This could cause all kinds of problems for the city. A building would eliminate that risk. The parking space issue at Sherbondy is a mess. The neighborhood has problems with people parking in front of their houses. He does not think this has to be discussed much further.

Vice Mayor Kelley asked Attorney Geller if he had seen this agreement.

Attorney Geller said he had seen it just briefly.

Vice Mayor Kelley said there are so many factors to consider and the savings are not clear. He is also concerned that the City Attorney has not had a chance to read the agreement thoroughly and he would be voting on something the Legal Department has not had a chance to look at in detail. He did not get invited to go over to see the building on 135th Street. He has concerns as well about entrance and exit issues. For seniors it could be a problem as the street is very narrow. It appears that there could be some savings. With something of this magnitude he does not want it rushed through. He got the information when he arrived at the office. He cannot review the information so quickly and make a decision, especially without sufficient legal review.

Attorney Geller said the documents came late as he indicated. He is prepared to look at the document before anything is signed and it can be reviewed today. He wants it on the record that the document can be reviewed today and he can make sure if it is passed that it is subject to legal review, necessary changes and approval by the close of business.

Vice Mayor Kelley said he is looking at the clauses and provisions. If this was a great idea with great savings it would be apparent to him that a call would have been made to ask for a meeting on this particular item or issue. He has concerns about entering and exiting from the gate on 135th street. This is a safety concern and this must be addressed and he cannot do that today. He said this should be discussed and rescheduled for the next meeting before the regular commission.

Mayor Taylor wanted to confirm with Vice Mayor Kelley what his concerns were.

Vice Mayor Kelley said he has concerns about getting in and out safely. He has not been to the building. Also the City Attorney has not reviewed this, and this is a concern as well. Looking at the security deposit, first and last rent, it comes around \$114,000.00. It is a safety issue such as how to direct traffic and how to come in and out. There may have to be touch-up work done on Alexandria Street due to the increase in traffic. This needs to be addressed. Everyone wants to save money, but this issue needs due diligence.

Mayor Taylor said she understands the Vice Mayor's concerns. She said Manager Baker did say he was going to invite all the commissioners to visit the building. She did visit the building. There are 21 days from today to get out the current building. Unless there is a special meeting this week to address his concerns, there is almost no time left. She asked Manager Baker if the current owner is amiable to anymore time past October 1st.

Manager Baker said the city has to be out by the end of the month.

Mayor Taylor asked if the city could have a few more days to move.

Manager Baker said there has been no discussion on that.

Mayor Taylor said September 11th is too far out. She asked Clerk Flores to make sure that last minute legislation or back-up documents are delivered to the commissioner's home, as they do not come in to the office every day. Public Works may be able to assist with this.

Clerk Flores said that is fine.

Mayor Taylor said if Vice Mayor Kelley's concerns have to be addressed, there needs to be a special meeting this week.

Vice Mayor Kelley said he did not get a call to see the building. He will agree to a meeting this week. He asked Manager Baker if he could not wait until Friday or Monday for another meeting to address his concerns. He also has concerns regarding the flow of people.

Manager Baker said Customer Service, which is the Cashier Office and the Library will be staying in the current building. They are the two high traffic generators. For the most part, everything else is administrative. He can meet with the Chief of Police to monitor traffic and assist with traffic flow during peak times. Modifications to the road can be accomplished to minimize traffic congestion.

Commissioner Santiago said he understands the concern about traffic accidents. He knows there are schools and a church in the area, and there have not been any issues. Accidents can happen anywhere. The time to move and the cost savings are the most important issues.

Manager Baker said he wanted to clarify that the commission meetings will take place at Sherbondy in the auditorium. Also, if the move decision is pushed out, it will be difficult

to set-up the trailers. The company needs to be told to start to adhere to the deadline. If a decision on the move is delayed until the middle of the month, it is not possible to finish the move by the end of the month.

Commissioner Santiago said time is the big issue right now. There were all kinds of meetings in August. He has a job. He does not mind attending meetings but they seem to last longer and longer and discuss the same thing. A decision needs to be made. There is already another meeting scheduled for 11th; it is time to make a decision.

Commissioner Johnson said to go to page 2, Section C of the Agreement with 3400 LLC Corporation. She said verbatim "It states that we need to pay \$275,000.00 for attorney fees for preparation and for services; that is \$275,000.00. For Security we are going to have to pay \$76,000.00, when you do the math it is \$351,000.00. Let's do the rent; \$80,000.00, when you do \$351,000.00 plus \$80,000 it comes to \$431,000.00. I beg to differ, where is the savings".

Mayor Taylor said the Vice Mayor has concerns about the traffic and he has not seen the building. She would like to suggest a special meeting on Monday to address this item. The concerns are valid but this can be worked out. This would give time to get all the questions answered for Commissioner Johnson as well. She asked Manager Baker if the move can be done after a meeting on Monday.

Manager Baker said that only gives two weeks for ModSpace to complete the move if it is decided to go with the trailers. That is difficult.

Vice Mayor Kelley said he cannot vote for this today. As an elected official he has to have a comfort level that a vote on legislation is a good decision. If his concerns are addressed, he can support it. Take the vote and see where it lies.

Mayor Taylor said there is not a full commission in attendance today. If this is going to create another issue, let the commission know.

Manager Baker said he knows this will.

Mayor Taylor said if the commission votes today and the pendulum swings towards not going the building at 135th Street that means it goes to 19 trailers.

Manager Baker said that is correct.

Mayor Taylor said \$2.00 is a savings. The commission is going to have to face the music as to why they did not choose the cost effective route.

Vice Mayor Kelley said he does not appreciate being pressured to make decision today. There could have been a meeting scheduled earlier than today.

Clerk Flores said she did not have enough time to post a notice. By the time she got quorum, the meeting had to be pushed from Tuesday to Wednesday. Monday was a holiday.

Vice Mayor Kelley said he will agree to a special meeting on Monday.

Mayor Taylor asked Attorney Geller if he can have a replacement available on Friday. Attorney Geller said he is not sure. His brother also celebrates the same holiday. He could check with Mayor Gilbert. He would want to send someone who is familiar with the city.

Mayor Taylor asked Vice Mayor Kelley if he would be available on Friday.

Vice Mayor Kelley said he is available.

Mayor Taylor asked if Vice Mayor Kelley and Commissioner Johnson can get all their questions answered, can a meeting be scheduled for Friday morning.

Commissioner Johnson said she cannot commit at this time.

Mayor Taylor said there is a quorum for Friday.

Attorney Geller said he will try to accommodate for either Friday or Monday. He does not know when Commissioner Holmes will be back.

Mayor Taylor said there is a quorum for the City Clerk. Commissioner Johnson will do her best to attend.

Commissioner Johnson said she would like her previous comments on the cost to be verbatim.

Mayor Taylor affirmed.

Mayor Taylor asked Manager Baker to meet with Vice Mayor Kelley today.

Manager Baker affirmed.

Mayor Taylor said she would take the gavel back and she would take back her second on the motion.

Attorney Geller said the item can be deferred.

Vice Mayor Kelley said the item will be deferred until a special meeting on Friday or Monday to be called.

Attorney Geller said to make sure to specify Friday or Monday in order to avoid limiting the deferral.

Mayor Taylor asked Attorney Geller to begin arranging for a replacement to attend the special meeting.

Attorney Geller said he would do so after reading the next item.

b). A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF OPA-LOCKA, FLORIDA, AUTHORIZING THE CITY MANAGER TO TERMINATE SERVICE WITH CITRIN FINANCIAL & INSURANCE, INC., PIGGYBACK ON THE CITY OF NORTH MIAMI AGREEMENT WITH THE SAPOZNIK GROUP FOR AGENT OF RECORD SERVICES, AND ENTER INTO AN AGREEMENT WITH THE SAPOZNIK GROUP FOR AGENT OF RECORD SERVICES; PROVIDING FOR INCORPORATION OF RECITALS; PROVIDING FOR AN EFFECTIVE DATE. *Sponsored by C.M.*

The above resolution was read by title by Attorney Geller.

Attorney Geller said there is no resolution in front of the commission because the back-up for the resolution was not received yesterday. It was provided at 9:43 a.m. this morning. He has questions on whether it is suitable to piggyback on. He was not given an opportunity to research due to the late receipt. It has a three year limit, and it is an agreement from 2009. He does not believe the city can go back, there may be a limitation. He can offer two alternatives. The commission can take a vote today by motion and a resolution can be put together that would authorize the City Manager to investigate changing Agent of Record services, but not saying it is a piggyback. Downtown is very strict on when you can and cannot piggyback. Alternatively, this could be deferred and added onto the special meeting on Friday or Monday and consider it then. He has to have time to determine if it is suitable to piggyback or find another way to help the City Manager accomplish this issue.

Mayor Taylor asked if Manager Baker will have time as the insurance deadline is October 1st. Can he be ready by that time for all of the employees.

Attorney Geller said Manager Baker will follow the commission's direction. He cannot sign off on a piggyback resolution at this time.

Manager Baker said the terms of the agreement are active at another municipality. The recommended vendor does have contracts with other cities. This is a serious matter. The budget rests on resolving this issue. He has conducted meetings in an effort to reduce the cost of over \$800,000.00 and this has not been met with success. The money is not there. He must find other alternatives. He is currently handcuffed and he can't give alternatives. The option of making the employees pay more is not a motion he would like to bring forward. He needs the capability to hit the market hard and has less than 30 days to do so. He needs to get the budget balanced. If he goes with what is before him, he will be doing lay-offs, furloughs and other things to balance the budget.

Mayor Taylor said she understands Manager Baker's point. However, Attorney Geller needs to review the piggyback documents.

Vice Mayor Kelley said he agrees with Manager Baker on the cost issue.

Manager Baker said he is short on time. He met with the current company and said at this point in time if there is no solution, he would have to do some other things. He then began looking at other alternatives. The city must reform how it does healthcare. There is not a Wellness Program and other things that can bring rates down. He had been asking for numbers and got them two weeks ago. The numbers are higher than what is included

in the budget. The numbers reflect a 66% increase, which is over \$800,000.00 being paid right now. He has to do something. He does not want to further burden the employees. The Agent has given another plan but it includes higher deductibles, higher co-payments and going into a GAP policy.

Mayor Taylor asked what the piggyback option means to the employees.

Manager Baker said it means that there will be a Wellness Program in place. That will allow the city to manage claims and have a much more comprehensive medical program. The expertise of managing healthcare is not within the city's ability.

Mayor Taylor asked if that makes the premium higher.

Manager Baker said the city has to go back out and solicit with a different format.

Mayor Taylor asked if the piggyback option will increase the employee contribution.

Manager Baker said he cannot say at this time. Letting the insurance carriers know the city has a Wellness Program will help drive premiums down. When the request went out to other companies with the numbers two weeks ago, there were multiple rejections.

Mayor Taylor asked when Manager Baker learned of the 66% increase.

Manager Baker said two weeks ago.

Mayor Taylor asked if the premiums were being monitored earlier in the year.

Manager Baker said he is not aware of that.

Mayor Taylor asked if it was Human Resources who is the party to monitor the premiums and advise the City Manager of the rates.

Manager Baker said it is Human Resources. If the carriers come through with an increase, the Agent of Record would also be advised and explore ways to bring down cost.

Commissioner Johnson said she is not comfortable with the piggyback option until the City Attorney reviews it. Right now she is not comfortable that due diligence was conducted regarding the correspondence given to the commission. She asked Manager Baker if the city can get an extension and if the insurance is handled by Human Resources.

Manager Baker said the city has to change the way insurance is handled or there is no control on healthcare premiums.

Commissioner Johnson asked Manager Baker if he did due diligence with the current provider and he tried to make sure they could come under and they did not.

Manager Baker said that is correct. He is not involved with this issue on a day to day basis. When he met with the current Agent of Record, he told them he was not hearing any solutions that are financially beneficial to the city. This severely impacts the budget.

Commissioner Johnson said she wants it on the record that it was told to her in this meeting that the Provider tried to reach out to Manager Baker and he did not get a returned call.

Manager Baker said he did place a call last night. David Chiverton in the absence of the Director of Human Resources has been involved and has been in communication. When he hears what will negatively impact the budget, he is very concerned.

Commissioner Johnson said she would like to speak with the Agent of Record who is present.

Mayor Taylor asked Manager Baker when he learned of the increase from Human Resources did he reach out to the Agent of Record.

Manager Baker said he was expecting an increase of 25%. When the numbers came in, the current vendor was out of the country and had to wait until they returned. Then the meeting was held. At the meeting he expressed his great concern.

Charles Citrin, whose office is at 300 71st Street, Suite 300, came to the podium.

Commissioner Johnson said she is not asking for a presentation. She has a couple of questions to ask the current Agent for the record. She asked Mr. Citrin what was proposed.

Mr. Citrin said he proposed a 13.5% increase. It will change the benefit matrix. Last year the city created the most benefit rich matrix in the county and it increased the rates. The city has a utilization of 160%. United was losing money. The policy was monitored, but HIPAA does not allow in-depth information, only big claims are reported. He said there is a Wellness Program and has been funded for \$11,000.00. He is not the vendor, he is the agent. He tries to get the best rate. The city has had a number of policies over the last eight years. He takes offense at the issue of not calling the City Manager back. The City Manager called him after 9:00 p.m. last night after Mr. Citrin had called him five times. Citrin Insurance went out to the market as quickly as possible and gave rates five weeks ago. He has worked with three Human Resource Directors in the last year, over the years it has been seven. He has also worked with six City Managers. This Manager does not call back. He wrote to Mr. Chiverton on Friday and Monday and Mr. Chiverton responded that he would get back to him. The memo is inaccurate. The Sopaznik Group is a good firm.

Commissioner Johnson asked what the claim utilization was.

Mr. Citrin said 154%.

Commissioner Johnson asked how does this affect the rates.

Mr. Citrin said he went to market as soon as possible. There were five claims that resulted in \$1,000,000.00.

Commissioner Johnson said if that is the case, the Company he is working with could pull out.

Mr. Citrin said he would not have been surprised if United had refused to quote, but they did. He worked with an executive at United and told United that a 66% increase is unacceptable and United said a 50% increase was the best they could do, plus they had paid \$10,000.00 for a Wellness Program. Citrin Insurance also contributed \$1,000.00 for the Wellness Program. He also gave other quotes.

Commissioner Johnson asked Manager Baker what increase level he is trying to get.

Manager Baker said 0%.

Commissioner Johnson said that seems unrealistic.

Manager Baker said he wants to make sure the city gets the lowest possible rate available before he brings it to the commission for approval.

Commissioner Johnson asked what percentage Manager Baker is looking for.

Manager Baker said it is to get no increase. Some folks may think that is unrealistic, but that is what he wants to Agent of Record to achieve.

Commissioner Johnson asked Manager Baker that based upon the claims and utilization history, what is realistic. What could he live with.

Manager Baker said 10%. His point is that there are other things that can be done without the city tapping into making the employees pay more. That is what he does not want to do. He feels that the options have been exhausted. There is not a Wellness Program. There is a video that the employees can come to watch once a month. He is talking about something much more comprehensive.

Commissioner Johnson asked Mr. Citrin what is the best he could do, bottom line best.

Mr. Citrin said a 13.5% increase from United, with a plan that favorably compares with other cities, coupled with a GAP program.

Commissioner Johnson asked what the Wellness Program is composed of.

Mr. Citrin said they do Health Fairs. He advises the Human Resources Department of changes and to distribute to the information to employees.

Mayor Taylor asked what is the Wellness Program to bring down the premium.

Mr. Citrin said there are monthly luncheons, holding Health Fairs and advising the employees on how to do things where they will be paying the least, such as advising the employees on how to utilize preventative care, testing for blood pressure and glucose.

Mayor Taylor asked Commissioner Johnson if that is considered a Wellness Program.

Commissioner Johnson said no, not in her professional opinion.

Commissioner Johnson yielded to Commissioner Santiago.

Commissioner Santiago said the city is looking to save money for next year's budget. He asked Manager Baker how that 13.5% affects the city and the budget.

Manager Baker said it is not a true 13.5%.

Commissioner Santiago asked what is the true percentage.

Manager Baker said based upon that quote, the employees will pay more, co-payments will be higher, there will be higher deductibles and includes a GAP policy that the city will have to purchase.

Commissioner Santiago asked if the city will pay the cost.

Manager Baker said there is cost associated with the GAP policy. Unless the city has a comprehensive Wellness Program the city will continue to be declined and cost will increase. The city needs an Agent with healthcare expertise to manage claims and he doesn't think that exists.

Commissioner Santiago said it is very easy. The city needs 10% to keep Citrin Insurance.

Commissioner Santiago said the City Manager has stated 13.5% is too high. Can Mr. Citrin can work for 10%. Does he want to continue to do work with the city.

Mr. Citrin said he can work for 10%, but he does not charge the rates.

Manager Baker said it does not work like that.

Mr. Citrin said it does. He can cut his commission. He has done that before.

Commissioner Johnson said normally the city would put out a request for an Agent of Record. She has not seen a piggyback. She thinks the City Attorney, City Manager and the Director of Human Resources need to have meeting. Dialogue should be continuous. This is not something to do in public. This issue should be deferred until the next meeting. She asked Manager Baker if this is a possibility.

Manager Baker asked the commission to hear the Sapoznik Group introduce themselves and speak about what they have done for other cities.

Commissioner Johnson said she would rather not have that happen because it has been put on record that Manager Baker has a relationship with them. She heard a speaker say Manager Baker had worked with this company previously.

Manager Baker said he has not worked with them.

Commissioner Johnson said she only said what she had heard.

Vice Mayor Kelley said he cannot support terminating Citrin Insurance with all these questions. He understands Manager Baker wants to go the market to get better quotes, but he does not want to get rid of a company who is willing to try to get the rates down. He is not comfortable to support termination.

Mayor Taylor said the commission wants to move the resolution for consideration to the next special meeting.

Commissioner Johnson said the next special meeting will not be enough. The parties should meet and then issue a RFP/RFQ.

Manager Baker said the budget is tied to this single issue. It cannot be delayed. It is what it is. He has to bring a balanced budget to the commission in a few weeks.

Commissioner Johnson said every City Manager waits until 11:59 p.m. Due diligence needs to be conducted.

Manager Baker said he gets his information from the Agent of Record, if it doesn't work he brings it forward. He has to provide a balanced budget, and at the rate it is going, it is not going to get there.

Mayor Taylor asked Manager Baker if he could give it one more try with Mr. Citrin.

Manager Baker said he believes that has been exhausted.

Mayor Taylor said the commission is recommending the meeting with Mr. Citrin. The email with 13.5% has been distributed and needs to be discussed further. The resolution is going to be deferred and give Mr. Citrin time to make another proposal. When did anybody when the rates were going up. Who is watching? The Agent of Record has to know this and understand it is getting ready to escalate.

Commissioner Johnson said normally the claims and utilization are looked at, and conversations should occur between the Agent of Record, Human Resources and the City Manager. That is how it is supposed to work.

Mayor Taylor said this is something that should have been known at the beginning of the year. The Agent of Record is hired to watch out for the city and work with Human Resources and the City Manager. There is not enough given at this time to terminate a company. She said Mr. Citrin has heard the issue and the city's concerns. If he cannot do it, be fair and tell Manager Baker and he will look for somebody else. In the meantime Attorney Geller will investigate the piggyback.

Attorney Geller said he will investigate whether it is appropriate to piggyback, but he has to say that the commission seems to want some other process. He will perform due diligence.

Mayor Taylor said there is not a lot of time. If this is not set, the city will have to pay for the GAP. There is no money for GAP.

Commissioner Johnson said she agrees, but is very concerned about the body language and tone of voice. The City Attorney may be the best one to negotiate with the current provider. There needs to be a neutral person. She heard a great deal of negative language and strongly recommends deferring the issue and letting the Legal Department and Human Resources handle the issue. The City Manager can have the final say. She would like to have that as a motion.

Mayor Taylor asked Attorney Geller to give plain language to what Commissioner Johnson suggested.

Attorney Geller said the Commissioner directed that the item will be deferred and to direct that the Law Department, the Human Resource Director and the City Manager will be charged with negotiating with the current vendor or any others.

Commissioner Johnson said that is not right. She wants the Law Department and the Human Resources Director to negotiate and the City Manager to bring the recommendation to the commission.

Oliver Gilbert, Assistant City Attorney, Greenspoon & Marder said if the piggyback option is not chosen and another provider is chosen, there is going to have to be a process of some type. There could not be others. There has to be a process such as a piggyback or open RFP for a broker. He wants the commission to be clear on that point.

It was moved by Commissioner Johnson, seconded by Vice Mayor Kelley to pass the resolution.

There being no further discussion, the motion passed by a 4-0 vote.

Commissioner Johnson	Yes
Commissioner Santiago	Yes
Commissioner Holmes	Not Present
Vice Mayor Kelley	Yes
Mayor Taylor	Yes

c). A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF OPA-LOCKA, FLORIDA, RESCINDING RESOLUTION NO. 13-8658, WHICH ACCEPTED THE PROPOSAL OF ECOLOGICAL PAPER RECYCLING FOR THE PROVISION OF RESIDENTIAL AND COMMERCIAL SOLID WASTE COLLECTION AND DISPOSAL SERVICES PURSUANT TO RFP NO. 13-2805200, AND FURTHER AUTHORIZED THE CITY MANAGER TO ENTER INTO AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT, IN A FORM ACCEPTABLE TO THE CITY ATTORNEY AND FOR FINAL

APPROVAL BY THE CITY COMMISSION, PAYABLE FROM ACCOUNT NO. 34-534340, A BUDGETED ITEM; PROVIDING FOR INCORPORATION OF RECITALS; PROVIDING FOR AN EFFECTIVE DATE. *Sponsored by C.A.*

The above resolution was read by title by Attorney Geller.

Attorney Geller stated this resolution was adopted to go forward with this particular company. The process has started again with the appointed Selection Committee and they met yesterday. Manager Baker will be issuing a new recommendation shortly. It is anticipated that a proper item will be in front of the commission for consideration on September 11th. Rescinding this is part of the process to go forward. It would be first reading on September 11th. The adoption will have to be an ordinance, what is being rescinded is a resolution. This rescinds the previous commission action and now it starts over. The Selection Committee met and they voted. The City Manager will issue his recommendation. That is what will come before the commission. It should eliminate the two previous protests as well.

Mayor Taylor said this resolution carries two movements.

Attorney Geller said this is strictly to rescind, that's all it does. All the other language is the title of what is being rescinded.

It was moved by Commissioner Johnson, seconded by Commissioner Santiago to pass the above resolution.

Commissioner Santiago said to Attorney Geller that this has been going on for a year. He is not comfortable going around on this issue. The city depends on Attorney Geller for his expertise and to get results.

Commissioner Johnson said she was not at the last meeting but she is concerned about the Law firm. She knows that committee members are subject to the Sunshine Laws and they need to know this as well. She is very appreciative of Mr. Hernandez for providing refreshments to the kids, but at no time did that have anything to do with her vote.

Vice Mayor Kelley said he understands that this is being rescinded due to concerns made at the previous meeting. Is it Attorney Geller's legal opinion that this resolution needed to be rescinded because of those concerns.

Attorney Geller affirmed.

Vice Mayor Kelley asked if there is going to be an extension or will this be on time for October 1st. He wants to make sure service is not interrupted.

Manager Baker said he will need to speak with who is selected as the time will be very tight.

Vice Mayor Kelly asked if all legal correspondence has been received and considered in relation to stated concerns and is it Attorney Geller's legal opinion that this process is satisfactory.

Attorney Geller said this should moot the protests and allow the city to move forward expeditiously and not end up in court.

Commissioner Johnson said she wanted it on the record that she did speak to Mr. Hernandez about hiring a neighbor and she provided a reference.

There being no further discussion, the motion passed by a 4-0 vote.

Commissioner Johnson	Yes
Commissioner Santiago	Yes
Commissioner Holmes	Not Present
Vice Mayor Kelley	Yes
Mayor Taylor	Yes

Mayor Taylor thanked everyone for coming. She asked Clerk Flores to make sure that information is distributed expeditiously.

Clerk Flores said she will, and does so as soon as she receives it including offering to drop it off and using email.

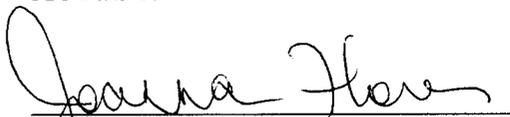
Mayor Taylor asked Attorney Geller and Manager Baker to provide information to each other and the City Clerk on a timely basis, as she has to receive post and distribute it, everyone needs to work together. She thanked staff for their work.

Commissioner Santiago asked Manager Baker to take himself and Vice Mayor Kelley on a tour of the 135th Street building today.

19. ADJOURNMENT:

There being no further business to come before the Commission, it was moved by Commissioner Johnson, seconded by Vice Mayor Kelley to adjourn the meeting at 1:30 p.m.

ATTEST:


CITY CLERK


MAYOR