



Deerfield Beach Community Redevelopment Agency
Regular Meeting Minutes
Tuesday, May 18, 2010, 6:30 P.M.
City Commission Chambers, Deerfield Beach City Hall

The meeting was called to order by Chair Noland at 6:30 p.m. on the above date in the City Commission Chambers, City Hall.

Roll Call:

Present: Mr. Bill Ganz
Ms. Sylvia Poitier - Tardy
Mr. Martin Popelsky
Vice Chair Joseph Miller
Chair Peggy Noland

Also Present: Burgess Hanson, Interim City Manager - Tardy
Andrew Maurodis, City Attorney
Ada Graham-Johnson, MMC, City Clerk

Absent: None

APPROVAL OF THE MINUTES

March 9, 2010

MOTION was made by Vice Chair Miller and seconded by Mr. Popelsky to approve the March 9, 2010 CRA Meeting minutes as submitted.

Voice Vote: YEAS: Mr. Ganz, Mr. Popelsky, Vice Chair Miller, and Chair Noland.
NAYS: None.

APPROVAL OF THE AGENDA

May 18, 2010

MOTION was made by Mr. Popelsky and seconded by Vice Chair Miller to approve the May 18, 2010 CRA agenda as submitted.

Voice Vote: YEAS: Mr. Ganz, Mr. Popelsky, Vice Chair Miller, and Chair Noland.
NAYS: None.

4. OLD BUSINESS**ITEM 4.1****TAPE 1, COUNT 0036**

Discussion regarding Property Acquisition

Keven Klopp, CRA Director, said that this item was previously discussed and it was determined that 11 properties in the CRA District were identified as potential acquisition sites. He said that he is seeking direction on reasons why properties should be acquired and uses of those properties. Additionally, he said that he has provided suggestions as to why the CRA may be interested in purchasing property.

Ms. Poitier entered the meeting at this time.

Moreover, Mr. Klopp said that he has advertised for a real estate advisor; the qualifications are due to the City by Thursday, May 20, 2010; thereafter a selection committee will review the proposals and pursuant to Board's comments this evening, Staff will proceed with plans for the next phase. The plans will be incorporated into the redevelopment plan and Capital Improvement Plan for next year's budget.

Mr. Hanson entered the meeting at this time.

Chair Noland said that the purpose of the CRA inception was that the City would try to do positive things in the CRA area for development and/or redevelop the existing. She said if there is land in the area, it should be acquired to expand the parks. Moreover, Chair Noland said that there are problems with parking. Additionally, she said that the reason for this was to continue to move the City forward. Lastly, Chair Noland said that she supports this.

Vice Chair Miller said that due to the economy, there may be opportunities to acquire properties at a reasonable price. Since we have been accumulating dollars, this might be an opportunity for the City to get value for their money, when it comes to parking, expanding field, taking old hotels and renovating into something that will be more useful for the public. Therefore, he is in agreement with obtaining a real estate advisor to assist in recognizing a good value. Additionally, since the Cove Shopping Center is in the foreseeable future to start joining things, it makes sense.

In response to Mr. Popelsky's question, Mr. Klopp replied that he will provide a summarization once the Board has made their comments.

Mr. Ganz said that he does not have the information with regard to the areas under consideration; however, he agreed with Chair Noland and Vice Chair Miller that there is an opportunity for development by using the funds to acquire some of the properties. He said he wants to make sure that this does not become a gold rush; once people realize that the City is inquiring about purchasing property, that they do not begin maneuvering to either unload property that they are stuck with or that people want to bring special attention to areas that they may have ulterior plans for. He said that he

OLD BUSINESS - CONTINUED

wants to make sure that the process is slow, not to the point of stalling the momentum, but to make sure that there is a very set plan in place with where the Board wants to go. He said that is his biggest concern.

Ms. Noland said that it will come back to the Board before anything is done.

Mr. Klopp said that the first step is to put it into the redevelopment plan; second step is to adopt it into the budget; and the third step would be for the Board to authorize negotiations on particular parcels.

Mr. Ganz asked if there would be a public input opportunity at any point.

Mr. Klopp replied yes, at the point of amending the redevelopment plan. He said that he heard parks and parking referenced. Furthermore, he said that based on individual conversations with other Board members, all of these things would fall into the category of public projects. Therefore, he will move forward with public projects that they can utilize. Lastly, he said that a list of properties were not included because he wanted to avoid any discussion on specific sites, but to focus on the purpose of acquisitions.

ITEM 4.2**TAPE 1, COUNT 260****Discussion regarding the Schematic Design for the Pier Entrance Buildings**

Keven Klopp, CRA Director, requested authorization to proceed to the City Commission with the site plan approval for the pier buildings. He said that revised site plans and renderings that Florida Department of Environmental Protection, FDEP, has indicated a desire that the buildings at the pier entrance not proceed further east toward the water but be pulled back from the existing buildings and how far seaward they are. The request has been accommodated by making two (2) minor changes; which included stacking a former office seaward of the bait shop now on top of the bait shop and moved storage that was next to the bait shop, north of the restaurant. These changes pulled the buildings back 50 feet. The renderings and the site is actually an improvement and provide more view corridors, more openness and a better use of space. The next step is to have the approved site plan appear before the City Commission; therefore, requiring CRA Board approval, who is funding the plan.

MOTION was made by Vice Chair Miller and seconded by Mr. Ganz to approve the submittal of the final site plan application for the City Commission.

Mr. Popelsky asked if there needs to be further discussion for the public.

Andrew Maurodis, CRA Attorney, replied that there will be an entire site plan process which is a public hearing.

OLD BUSINESS - CONTINUED

Voice Vote: YEAS: Mr. Ganz, Ms. Poitier, Mr. Popelsky, Vice Chair Miller, and Chair Noland. NAYS: None.

Mr. Klopp said that the drawings are fairly basic and will be placed on the City Commission's June 15, 2010 agenda for approval.

5. NEW BUSINESS**ITEM 5.1****TAPE 1, COUNT 340**

Discussion regarding amending the CRA Plan to allow for support of business generating activities within the Redevelopment Area

Keven Klopp, CRA Director, requested direction on whether or not the Board would like to initiate a plan change to allow the CRA to expend funds to sponsor business generating special events activities. He said that this is done by some of the other CRA's; however, there have been several requests for the CRA to sponsor special events. To accomplish this, the redevelopment plan would have to be amended to include this. If the Board desires, Mr. Klopp said that he can draft changes to the plan for consideration of budgeting such funds.

Ms. Poitier requested examples of types of quality of life issues that can fit into such a plan.

Mr. Klopp said that a non-profit organization would like to initiate a greenmarket in Deerfield Beach, specifically at Sullivan Park. It would be every Sunday; however they are looking for seed money. He said that in Parkland, the city sponsors \$5,000 worth of in-kind services for an employee to open the gate and make sure the area is cleaned at the end of the day. In Margate, the CRA sponsors advertising for the greenmarket. Once a greenmarket gets underway, it sustains itself; however, seed money is needed.

Continuing, Mr. Klopp said that the Island Partnership, an association of businesses along A1A, has requested assistance as they desire to bring small entertainment to draw people to the area.

Ms. Poitier asked if there is any circular requirement wherein you must spend a portion of the money for that purpose.

Mr. Klopp replied that there is no requirement at this time; he is just trying to determine whether the CRA is interested in considering the possibility. Currently, it is not possible as the plan is very infrastructural oriented, outlining what the CRA is allowed to spend money on.

NEW BUSINESS - CONTINUED

Vice Chair Miller asked for clarification on Mr. Klopp's request that the Board is changing the wording in the CRA requirements. If approved, when an idea is presented, it will be reviewed case by case and budget by budget basis. He said the way it is written now, it is not an option. Lastly, he asked Mr. Klopp if his request was to have the Board direct him to change the wording so that it allows this potential option.

Mr. Klopp replied to bring the wording back to the Board for approval.

Mr. Ganz asked if Mr. Klopp is referencing sports activity such as volleyball tournaments or other.

Mr. Klopp said that it does not state specifically; however, it does indicate attract tourists, make it a destination. He said that he did attend a presentation where sports were mentioned as an event to attract tourists, but nothing in particular at this point.

Chair Noland said that in Delray Beach, she saw signs that read CRA Greenmarket. Therefore, she inquired about it and was told that they close down the street and have a jazz festival; which help to bring the businesses together. She said it was nice that the City took a partnership with the businesses to help them generate business during these economic times.

Mr. Ganz said that the City of Hollywood, have gotten themselves into serious trouble. Although he supports a greenmarket, the Chamber of Commerce duty is to partner with the businesses and promote each other. He expressed opposition to CRA monies being used for seed money. He said that we only have approximately nine (9) years left for the CRA and the money should be used for doing concrete items that will remain past the date of an event. He is not comfortable with encouraging something to build and grow from it, because although some have been successful, there have been some horror stories. He reiterated his opposition to this request.

Vice Chair Miller said that when you consider the fact that everything will be presented to the Board with a budget, he wishes to explore the potential for quality of life and bringing business in. He spoke in favor for the request.

Mr. Ganz said that the reality is that this Board will not be here forever. Opening this door now, should the CRA have different members, they may not be as concerned with monitoring this as tightly as they should. He said he believes it opens the possibility of abuse and he is not comfortable with it.

Ms. Poitier agreed with Vice Chair Miller that quality of life brings life to the area. She said dressing up the infrastructure may persuade businesses to come to Deerfield Beach and it would only enhance that business. She said that the quality of life should be about promoting and building economic development as you go along.

NEW BUSINESS - CONTINUED

MOTION was made by Vice Chair Miller and seconded by Ms. Poitier to approve Item 5.1.

Roll Call: YEAS: Ms. Poitier, Vice Chair Miller, and Chair Noland. NAYS: Mr. Ganz and Mr. Popelsky.

ITEM 5.2

TAPE 1, COUNT 644

Request for a motion authorizing staff to advertise for the pre-qualification of contractors for the Cove Shopping Center Parking Lot Reconstruction*

Keven Klopp, CRA Director, explained Item 5.2 in detail. He said that Staff will advertise for prequalification for the contractor to build the Cove Shopping Center, as approved by the City Commission. The CRA Attorney has asked that the Board follow suit with the authorization to advertise.

Andrew Maurodis, CRA Attorney, said that you cannot as a requirement of the Code, do prequalification without a motion.

MOTION was made by Mr. Ganz and seconded by Vice Chair Miller to approve Item 5.2, authorizing staff to advertise for the pre-qualification of contractors for the Cove Shopping Center Parking Lot Reconstruction

Roll Call: YEAS: Mr. Ganz, Ms. Poitier, Mr. Popelsky, Vice Chair Miller, and Chair Noland. NAYS: None.

ITEM 5.3

TAPE 1, COUNT 663

Request for a motion authorizing staff to advertise a Request for Qualifications to select a Construction Manager at Risk for the Pier Entrance Buildings Project*

Keven Klopp, CRA Director, said that Item 5.3 is to advertise for a construction manager at risk for pier reconstruction and the new buildings at the pier. This will be a long process and Staff would like to bring the construction manager in as early as possible, before the design is final to allow input into the design as well as the construction to make it a smoother process.

Mr. Popelsky asked who will supervise the manager.

Mr. Klopp replied that a construction manager at risk is a contract management rather than construction management. He said that the contract management would be done by Public Works, under his direction; however, the Public Works & Environmental Services Department would manage the contract for the construction manager.

NEW BUSINESS - CONTINUED

Mr. Popelsky asked how the salary would be handled.

Mr. Klopp replied that the CRA puts a portion of its dollars into the City's General Fund to cover the services. In this case, a full-time person may be needed and through the budget process, he will work with the manager very closely to assure that the CRA isn't draining any of the City's resources and if utilizing one of its employees, the CRA can pay that salary.

Ms. Poitier asked what the difference is between a construction manager at risk and a construction manager.

Mr. Klopp said that the difference is in how the contract is constructed and the responsibilities. The construction manager at risk gives the City, after negotiations, a guaranteed maximum price. They are guaranteeing that they are going to finish the project to completion at that price. Then they hire the subcontractors to work for them to get the job done. A construction is the City's and CRA's representative overseeing the general contractor doing the work.

Ms. Poitier asked if with a guaranteed maximum, will there be a multiplier in the proposal or be based strictly on the contracted price.

Mr. Klopp said that they will stick with the guaranteed maximum price offered by the successful qualifier.

Ms. Poitier asked who will cost it out.

Mr. Klopp said that the architect and engineer provide the cost estimates for the City.

MOTION was made by Vice Chair Miller and seconded by Ms. Poitier to approve Item 5.3, authorizing Staff to advertise RFQ to select a Construction Manager at Risk.

Roll Call: YEAS: Mr. Ganz, Ms. Poitier, Mr. Popelsky, Vice Chair Miller, and Chair Noland. NAYS: None.

ITEM 5.4**TAPE 1, COUNT 0782**

Request for a motion confirming authority of CRA Director to procure services according to City Code*

Keven Klopp, CRA Director, said that this item is a result of what occurred with the Florida Department of Environmental Protection and the need to modify the pier project plans. The CRA proceeded with meeting the aggressive schedule and now there are additional costs and services needed for the heating and ventilation systems. He said the costs are minor; however, the Code is not clear to the CRA whether or not he can

NEW BUSINESS - CONTINUED

authorize additional services. This item requests that the CRA acknowledge that the City Code, in terms of procurement, applies to the CRA; i.e. the procurement limits apply to Mr. Klopp as the CRA Director. He said that he has authority up to \$5,000; beyond that, the City Manager would have to countersign and allow up to \$25,000; over \$25,000, CRA approval is needed.

Mr. Ganz clarified that following the procurement code, the request gives Mr. Klopp authorization to go above and beyond what the CRA originally approved. He commented on the Garcia Stromberg project; whereby, the initial design has been scaled down due to the Department of Environmental Protection. He asked if this goes beyond what the lump sum is.

Mr. Klopp replied yes.

Mr. Ganz stated that he is not comfortable with this request, as there should have been some foresight that this was going to be a problem. Additionally, he expressed dissatisfaction with going above and beyond the initial services as any additional services are not the CRA's fault. Mr. Ganz reiterated that he is not comfortable with the changes and that any changes should come to the Board for approval.

Chair Noland asked if Garcia and Stromberg communicate with the FDEP to determine what type of restrictions would be imposed on the CRA due to it being an oceanfront property.

Mr. Klopp replied that Garcia Stromberg were aware of the potential and even in the public meetings, he stressed that everything was subject to the FDEP. At the same time, they were trying to hold tight to an aggressive schedule to start construction in October or November. Thus, they had to proceed hoping that DEP would give approval.

Andrew Maurodis, CRA Attorney, said that this was the product of an aggressive schedule and the difficulty of environmental permitting.

Mr. Ganz asked who created the schedule.

Mr. Maurodis replied that both he and Mr. Klopp were trying to beat a certain season.

Burgess Hanson, Interim City Manager, said that FDEP will always have a problem with the City's projects. There were limited conversations between Garcia Stromberg and DEP; however, because of the sea turtle season, there is a limited timeframe to do any type of construction on the beach. It has been fairly clear that they wish to move at a rapid pace, but within reason as far as financial standing. Although there was a slight change to what was proposed, it was not a significant amount of structural change. He said that a similar problem occurred during the Ocean Way project, the north

NEW BUSINESS - CONTINUED

boardwalk. He said that we have to fight the State's bureaucracy and force it through. He said that he believes Staff's actions were prudent and although there have been some delays, they would like to continue with the current timeframe as close as possible.

Mr. Maurodis said that it is not a major change or cost change. He said that permitting with the State, with all the environmental regulations, is a rigorous process and given the status of how difficult it is, the amount of changes are not great. Although, they understand the disappointment of having to come back to the Commission, the environmental permitting is not an exact science. However, given the scope of the project it is not a huge change or money change.

Mr. Klopp stated that he has negotiated Garcia Stromberg's request quite substantially from their original request. He said that he would be comfortable if the CRA Board prefers not to give him the authority; thus, he will bring back documents at the next meeting which highlight the contract and services. Then allow Garcia Stromberg to request approval from the Board.

Ms. Poitier concurred with Mr. Ganz. She said that most contractors and architects are aware that approval must be secured from DEP; therefore, Garcia Stromberg should cover the changes in their Omissions and Errors policy.

Vice Chair Miller asked what is the additional amount being requested.

Mr. Klopp replied that a final figure of \$9,500 for additional services was reached, out of a \$295,000 contract. He said this will see the City through construction.

Vice Chair Miller asked that Mr. Klopp clarify his request.

Mr. Klopp said that he was looking for clarification as to what his authority would be in the future. If the Board requires him to present everything, he will do so; however, he reminded the Board that due to limited CRA meetings, there may be a delay in getting something approved.

Mr. Ganz said that the best indicator of the future is the past. He said that this change would never have come before the Board. Additionally, the Board never pushed a faster schedule. He said that when fighting the DEP, you know the risks. He said it is a roll of the dice and it didn't work out; therefore, he is not paying for it. If this leeway is granted, things would not be bought before the Board and he does not want that. He said that he wants the Board to have oversight and that there is transparency, as well as having a say on what occurs. Mr. Ganz commented on having add ons and additions. Furthermore, he said that Mr. Klopp has already negotiated and that discussions have already occurred; notwithstanding, what will happen if the Board denies the request.

NEW BUSINESS - CONTINUED

Mr. Klopp said that the City is in a fine position.

In response to Mr. Popelsky's comment, Mr. Maurodis said that we are not in a precarious situation.

Mr. Ganz said that Mr. Klopp does a fine job and he is confident that he is able to determine what is or is not needed; however, he is not comfortable with granting any authority now or in the future nor with what has taken place.

Chair Noland said that Garcia Stromberg should be requesting the additional change.

Mr. Klopp said that if they decide that they want to persist with the request, they will appear before the Board.

Vice Chair Miller said that if we chose not to grant this, he does not have a problem calling a special CRA meeting; as there are other factors that can delay construction.

Ms. Poitier asked that the agenda be moved.

ITEM 5.5**TAPE 1, COUNT 1130**

Request for a motion authorizing a transfer of funds in the amount of \$30,000 from Other Contractual Services to Personal Services*

Keven Klopp, CRA Director, asked if the Board would like to schedule a special meeting at the conclusion of the May 25, 2010 Dixie Flyover.

Mr. Ganz recommended that it be tabled until May 25th.

MOTION was made by Vice Chair Miller and seconded by Mr. Popelsky to table Item 5.5 until May 25, 2010.

Roll Call: YEAS: Mr. Ganz, Ms. Poitier, Mr. Popelsky, Vice Chair Miller, and Chair Noland. NAYS: None.

BOARD/ADMINISTRATION COMMENTS

Mr. Ganz - No Report.

Ms. Poitier - No Report.

Mr. Popelsky - No Report.

Vice Chair Miller - No Report.

BOARD/ADMINISTRATION COMMENTS - CONTINUED

Chair Noland - No Report.

ADJOURNMENT

There being no further business, the meeting adjourned at 7:20 p.m.

PEGGY NOLAND, CRA CHAIR

ATTEST:

ADA GRAHAM-JOHNSON, MMC, CITY CLERK