

COMMUNITY REDEVELOPMENT AGENCY BOARD

REGULAR MEETING

December 11, 2018

MINUTES

Present:

Arlene Schwartz
Lesa Peerman
Joanne Simone
Anthony Caggiano, Vice Chair
Tommy Ruzzano, Chair

Also Present:

Samuel A. May, Executive Director
Donald J. Doody, Goren, Cherof, Doody & Ezrol, P.A.
Robert Massarelli, Assistant Executive Director
Diana Scarpetta, CRA Project Specialist
Chris Gaidry, Atlantic Studios
Jochen Esser, What's Cooking, Inc.

The regular meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 7:05 p.m., on Tuesday, December 11, 2018, by Chair Tommy Ruzzano. Roll call was taken followed by a moment of silence and the Pledge of Allegiance.

1. MINUTES FOR APPROVAL -- (10/9/2018)

Chair Ruzzano read the item title and Mr. Caggiano made the following motion, seconded by Mr. Arserio:

MOTION: SO MOVE TO APPROVE

ROLL CALL: Mr. Arserio, Yes; Ms. Schwartz, Yes; Ms. Simone, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes The motion passed 5-0.

2. PUBLIC DISCUSSION

Maria Avolio, 1413 East River Drive, said that her property was being undermined by the stormwater system. She said the original pipes installed by the Army Corps of Engineers were centered under the house, moved to the north perimeter of the house and then moved again another four to five foot in the last 25 years. She said Mark Collins, Public Works Director, came out and pumped water through it. She said the Department of Environmental Engineering told her that Margate did not have any records of the pipes. She said she wanted the Board to look into the pipes that went under the property and the stormwater system for the past 30 years to see how it changed. She said the property was not rentable.

Chair Ruzzano responded that it was a City issue and he would make sure that the City Manager was aware of the problem. He said it would also be addressed at the next City Commission meeting.

3. PRESENTATION: PRESENTATION BY SALTZ MICHELSON ARCHITECTS ON MATERIALS TO BE USED FOR THE ACE PLAZA EXTERIOR IMPROVEMENTS

Chair Ruzzano said the presentation was not ready to be heard at this meeting, but the project was important and the item would be coming back before them soon.

Sam May, Executive Director, commented that the project was moving forward. He provided an update on the status of the quotes for both the sidewalk refurbishment and the pipe lining. Chair Ruzzano asked if the pipe lining would alleviate the drainage issues in the parking lot, and Mr. May acknowledged that it would fix the drainage issue.

4A. RESOLUTION: APPROVING AWARD OF WRITTEN QUOTATION MCRA 19-4389 FOR COORDINATION OF THE SOUNDS AT SUNDOWN CONCERT SERIES

Donald J. Doody, requested that the Board make a motion to select the most responsive and responsible bidder prior to reading and considering the resolution for adoption. Mr. Caggiano made the following motion, seconded by Ms. Simone:

MOTION: TO DISCUSS

Chair Ruzzano explained that there were two proposals for the Sounds at Sundown, and he asked the Board members if they had any questions.

Mr. Caggiano commented that the quote from Atlantic Studios was for \$1,000 while the other was for almost \$3,000; he asked why there was such a difference in the price.

Chris Gaidry, Atlantic Studios, said their quote was based on costs that they were not able to recoup through the vendor fees, primarily the audio component. He said they included limited backline, which was everything except the instruments, and their audio sound was very consistent. He said their proposal was based on co-sponsoring the event with the MCRA where both sides shared the costs, and Atlantic Studios retained the vendor fees and provided assistance with the logistics and infrastructure. He said that since they did a lot of work in-house, it was cheaper for them to produce events, such as graphic design. Ms. Simone asked Mr. Gaidry if he was giving any portion of the food truck fees back to the MCRA. Mr. Gaidry said it was not part of the Request For Proposal (RFP). He said they normally had a lower food truck cost than other companies which allowed them to get a larger variety of food trucks. He said they typically charged \$75 per truck.

Chair Ruzzano commented that Mr. Esser's proposal was \$1,700 higher and he asked him why he should be selected. Jochen Esser, Gourmet Truck Expo, said his proposal included a substantial amount of money for design and press release services that were in the RFP in an effort to increase awareness and to build the brand, in addition to money for paid online advertising and flyers for distribution. He said he believed those were the major differences between the two proposals. He said his proposal could be adjusted down if he overshot on the expectations such as in the printing and distribution of flyers. Ms. Simone asked Mr. Esser if he was opposed to the profit sharing for the food trucks. Mr. Esser said they were not opposed to it as they had always given a portion of the fees back to the MCRA in the past and they planned to continue to do so.

Ms. Schwartz commented that Mr. Esser's proposal indicated 16,000 watts of power but she did not have a frame of reference to know how it compared. Mr. Esser said his sound engineer indicated that 16,000 watts would be substantial enough for the venue. He said it could always be adjusted up or down as needed.

Mr. May commented that both vendors could supply everything that was requested in the RFP, and there was nothing included in it about rebates on the food trucks.

Chair Ruzzano commented that the City would be handling most everything else and that he did not understand why the prices were so high when the vendors were making money on the food trucks and the event.

Discussion ensued about whether the proposals were apples to apples because the printing of flyers did not appear to be clear in the RFP. Mr. May read aloud the portion of the RFP that pertained to marketing and he said it was included in both vendor's applications and their responses. Ms. Schwartz noted that possibly the difference was because one vendor had already set up the marketing and the other would be starting from scratch.

Chair Ruzzano asked if the RFP included alcohol sales and the open cooler policy. Mr. May said the RFP included alcohol sales and he read the relevant section of the RFP that addressed it. He said there was nothing in the RFP about an open cooler policy, and the MCRA never disallowed open coolers.

Ms. Simone asked Attorney Doody if profit sharing could be discussed. Attorney Doody said it could be discussed because it was not in the RFP. He said the Board could accept one proposal or reject both and have it rebid.

Ms. Simone made the following motion, seconded by Chair Ruzzano:

MOTION: TO REJECT BOTH BIDS AND GO BACK OUT TO BID

Mr. Caggiano suggested going with Mr. Gaidry's proposal since it was \$1,700 lower than the other bid. Chair Ruzzano commented that after the Board's discussion, the vendors might come back with new numbers. Attorney Doody advised that doing so might extend the process an additional 60 days. Chair Ruzzano asked if the current contract could be extended while waiting for the rebid and Attorney Doody responded that it was not on that night's agenda but could be handled in a future meeting.

Mr. Arserio asked for clarification on how the profit sharing would work. Chair Ruzzano said the vendor had been paying the MCRA \$25 per food truck and providing food vouchers for the police and fire staff working at the event. Mr. Arserio questioned whether it was worth going through the rebid process to maybe just break even, noting that one vendor was \$1,700 higher. Ms. Schwartz asked Attorney Doody whether the Board was supposed to go for the lowest, more responsible bid to which he responded that State law required they award to the most responsive and responsible bidder and it did not necessarily mean the lowest bidder. She asked Attorney Doody whether one of the proposals could be accepted with the understanding that the vendor heard, made some comments on the record, and would voluntarily take some action in regards to profit sharing. Attorney Doody said it would be up the vendor if they wished to voluntarily participate in profit sharing; however, he said it could not be made a component of the agreement.

Ms. Schwartz asked what the MCRA was currently being charged for the event. Mr. May said the MCRA had been working with the Parks and Recreation Department and the vendor was paying the MCRA for the food trucks. He said the RFP was for expanded services which included the sound system, marketing, additional vendors, on-site kids activities, and social media. He said the bands had provided their own sound systems for the last three events. Chair Ruzzano questioned why the vendors would supply the sound system versus the band. Mr. May said that a lot of bands did not have sound systems and they rented them and passed the cost on to the MCRA.

Mr. May clarified that the MCRA had been asked to do a simplified, three-month trial that was to include a band and food trucks, and Parks and Recreation provided portolets and tables and chairs. There were no vendors and no alcohol. He said after it started, people started to request vendors and alcohol and the same things they existed before which was what led to the RFP being put together.

Chair Ruzzano said he would prefer to have the MCRA select the band, have the band provide the sound system and have the vendor continue doing what it was doing plus bring in craft vendors.

Mr. Arserio asked what was being used to measure the success of the trial. Mr. May said it would be based on public input. Discussion ensued about attendance being a measure as well as other factors that affected an events success such as the band and other events going on in the area. Mr. Arserio suggested setting goals to gauge success. Mr. May said crowd size and how well the vendors did were also ways to gauge an event's success.

Ms. Simone pointed out that it was difficult to compare the events because previously the events had vendors and the most recent ones did not have vendors. Mr. May said the MCRA was being charged for the marketing and coordination of the vendors for the events which also included costs associated with alcohol sales such as insurance and staffing. She noted the quality of vendors needed to be considered.

Chair Ruzzano acknowledged the motion to rebid, and he asked the Board if there were okay with giving Mr. Esser another month with vendors to do an apples to apples comparison during which time it would be rebid, or whether they wanted to approve one of the vendors. Mr. Caggiano said he was against rejecting the bids

ROLL CALL:

Mr. Arserio, No; Ms. Schwartz, Yes; Ms. Simone, Yes; Mr. Caggiano, No; Mr. Ruzzano, Yes The motion passed 3-2.

Chair Ruzzano gave direction to MCRA staff to move forward with the current vendor [What's Cooking, Inc.] with them supplying vendors and the MCRA continuing to provide the same elements as it had in the past. Ms. Schwartz asked Attorney Doody if it would be appropriate to ask the vendor if he was amenable to doing the event. Mr. May clarified that the vendor would be doing what he currently was doing which was paying the MCRA \$25 per food truck, and also bringing in vendors for nothing. Attorney Doody advised that the bids were rejected and the action would be a confirmation that the status quo would be maintained and it should not be changed.

Chair Ruzzano asked Mr. Esser if he would be willing to bring in vendors and crafts to the next Sounds at Sundown to which Mr. Esser replied that he would be happy to do so. Mr. Ruzzano asked how much he would pay the MCRA. Ms. Schwartz explained to Mr. Esser that he was being asked if he would be willing to continue to do what he was presently doing plus add vendors, thereby not changing anything in the other agreement. Attorney Doody concurred. Mr. Esser said he would be happy to add vendors and he would continue to pay the MCRA \$25 per vendor and provide food vouchers for City staff working the event. Attorney Doody asked Mr. Esser how long he would abide by the arrangement, and Mr. Esser said he would do it for as long as the MCRA liked. Attorney Doody asked Mr. Esser if he would be willing to do it on a month-by-month or event basis. Mr. Esser responded that he was willing to do so, but

he asked to be given sufficient notice because of the booking cycle for vendors. He was it was already late to book food trucks and vendors for January, noting that the more advance notice he could have, the better. Ms. Schwartz asked him whether February was a more realistic goal. Mr. Esser said he was comfortable that he would have food trucks and some vendors for January, and the numbers would increase for February.

Chair Ruzzano told Mr. Esser he would be given the ability to equal what the prior vendor did for two more months, and then the Board would decide next steps. Mr. Esser commented that the prior vendor provided the sound system and he asked if it should stay as it was with the bands providing the sound system. Chair Ruzzano said it would remain as it was currently with the City procuring the bands.

Mr. Esser asked if the RFP could be as specific as possible with the services being requested when the project was rebid. Chair Ruzzano commented that promotional services should not have been included in the RFP.

4B. **RESOLUTION 580: APPROVING AWARD OF REQUEST FOR PROPOSAL NO. 2018-05 FOR LANDSCAPING MAINTENANCE AND IRRIGATION SERVICES**

After Donald J. Doody, Board Attorney, read the resolution title, Mr. Caggiano made the following motion, seconded by Ms. Simone:

MOTION: SO MOVE TO APPROVE

Ms. Schwartz asked the reason an addendum had been done to the Request for Proposal (RFP) three days after the proposals had been submitted. She said the addendum was 12 pages and there were many things deleted.

Robert Massarelli, Assistant Executive Director, explained that the addendum was in response to questions that had been received and most of the changes were to provide clarification. He explained the various items in the addendum and he said it was very normal to go through a clarification process.

Mr. Caggiano asked which company the MCRA recommended. Mr. Massarelli said it was recommending Prestige Property Maintenance. Sam May, Executive Director, stated the MCRA recommended the highest scoring firm but the Board did not have to select the highest scoring firm. Mr. Caggiano pointed out that the highest scoring firm was also the most expensive. He asked why MCRA staff recommended them over the lower priced firms.

Mr. Massarelli explained the selection process noting that price was one of the five criteria included in the RFP and each was assigned a value. He said the selection committee was comprised of three people who reviewed and independently scored and totaled the responses. He said each criterion had a separate weight with price being 20 percent.

Mr. Caggiano asked what made the recommended firm stand out and to be worth paying so much more. He said he was also skeptical about going with the lowest bidder when they were 35 percent lower, citing past problems that had been encountered when doing so.

Mr. Massarelli explained how the various members ranked the three proposals. Several Board members asked if they could see the notes and individual score cards from the selection committee members. Mr. May commented that the biggest difference in the rankings was in the category of expertise which was weighted at 30 percent of the total while pricing was 20 percent.

Mr. Caggiano asked to have a remarks line added in the future, particularly when there was a large difference in pricing.

Ms. Schwartz read the five criteria into the record: Firm's expertise and experience 0-30; Adequacy of firm's personnel and on-hand equipment 0-25; Firm's price proposal with lowest submission being awarded the highest point 0-20; Completeness and submittal of proposal 0-15; and, References 0-15. She said she would like to have seen a grid with the three firms and their scores in each box. She emphasized the importance of references and the need to inspect their work. She said the Board wished to see more than just price so they could make a more educated decision. Mr. Arserio asked to have the individual score cards provided in the back-up in the future.

Chair Ruzzano asked if the firm that staff recommended was present, but they were not. He addressed two people in the audience, asked which firm they were with and invited them to the podium. Mr. May advised that the firm, Landscape Service Professionals (LSP), was the landscape company that was currently providing landscaping services for the MCRA.

Carmen Burn, Landscape Service Professionals, introduced herself. Chair Ruzzano thanked Ms. Burn for attending the meeting and thanked her for the services they had provided based on the scope of their current contract. He explained that the Board really wanted Margate to look beautiful. He asked her how long they had been in business and Ms. Burn responded it had been 20 years. He asked if she was confident with the bid they submitted and she responded that she was since they had been working with Margate since 2015.

Mr. Caggiano said he was ecstatic that LSP was present. He referenced the earlier comments and concerns that were made and asked her for her comments. Ms. Burn said she agreed with the concerns about the low bidder. She said they had been servicing the MCRA for three years and they knew the city very well. She said the enhanced scope of work and contract covered some of the issues they had in the past such as trash clean-up and the repairs from accidents. She said they were confident that they could perform the work. She said it would be a streamlined process and they would continue doing what they were doing and enhance it based on the new scope of work.

Mr. May said LSP had really worked with the MCRA and Jim Nardi to increase their level of service and maintenance standards and to address concerns.

Ms. Schwartz asked for the experience rankings for the three firms and Mr. Massarelli provided them.

Ms. Simone asked if the quality of work had been looked at. Mr. May explained that quality of work was just one of the criteria. A short discussion ensued about how the scoring process worked.

Mr. Caggiano made the following motion, seconded by Ms. Schwartz:

MOTION: TO ACCEPT THE BID FROM LANDSCAPE SERVICE PROFESSIONALS

Ms. Burns commented that two of the three evaluators had ranked their company with the highest scores. There was an additional back and forth discussion about the scoring process and Mr. May said that one person could skew the rankings. Ms. Schwartz suggested that a scoring system of 1-5 might work better. Mr. May said it might work but it could be flawed. He said the RFP ranking process usually came out right, but occasionally one person could skew it.

Attorney Doody read the updated resolution title into the record.

ROLL CALL: Mr. Arserio, Yes; Ms. Schwartz, Yes; Ms. Simone, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes The motion passed 5-0.

4C **RESOLUTION 581:** AMENDING THE FISCAL YEAR 2018-2019 BUDGET BY TRANSFERRING FUNDS TO PROVIDE FOR DAVID PARK IMPROVEMENTS

After Donald J. Doody, Board Attorney, read the resolution title, Ms. Simone made the following motion, seconded by Mr. Caggiano:

MOTION: SO MOVE TO APPROVE

ROLL CALL: Mr. Arserio, Yes; Ms. Schwartz, Yes; Ms. Simone, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes The motion passed 5-0.

4D. **RESOLUTION 582:** APPROVING AN AMENDMENT TO THE AGREEMENT BETWEEN THE MARGATE COMMUNITY REDEVELOPMENT AGENCY AND ADVANCED ASSET MANAGEMENT, INC., FOR PROPERTY MANAGEMENT SERVICES FOR 891 NORTH STATE ROAD 7.

After Donald J. Doody, Board Attorney, read the resolution title, Ms. Simone made the following motion, seconded by Mr. Caggiano:

MOTION: SO MOVE TO APPROVE

ROLL CALL: Mr. Arserio, Yes; Ms. Schwartz, Yes; Ms. Simone, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes The motion passed 5-0.

5A. DISCUSSION & POSSIBLE ACTION: APPROVAL OF MCRA MEETING SCHEDULE FOR 2019

After Chair Ruzzano read the item title, Mr. Arserio made the following motion, seconded by Mr. Caggiano:

MOTION: SO MOVE TO APPROVE

ROLL CALL: Mr. Arserio, Yes; Ms. Schwartz, Yes; Ms. Simone, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes The motion passed 5-0.

Ms. Schwartz commented that several of the Board members might have a schedule conflict for the February meeting date and she made the following amendment to the motion, seconded by Mr. Caggiano:

MOTION: TO RECONSIDER

ROLL CALL: Mr. Arserio, Yes; Ms. Schwartz, Yes; Ms. Simone, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes The motion passed 5-0.

Ms. Schwartz made the following amendment, second by Mr. Caggiano:

MOTION: TO AMEND THE FEBRUARY MEETING DATE FROM FEBRUARY 13 TO FEBRUARY 19, 2019

ROLL CALL: Mr. Arserio, Yes; Ms. Schwartz, Yes; Ms. Simone, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes The amendment passed 5-0.

6. EXECUTIVE DIRECTOR'S REPORT

Sam May, Executive Director, provided the following updates:

- **Sports Complex Covered Field and Restroom project:** Advised that Charles Michelson would be working with the MCRA to put together the Design/Build package that would go out for Request For Qualifications (RFQ) after the holidays.

- **Atlantic Boulevard Wall project:** Advised the MCRA would be working with Metro Express via a piggyback contract with Miami Gardens to remove the fill and replace it with concrete at a cost of \$47,570. He said Parks and Recreation would remove the trees and vegetation starting the following week and concrete could be poured following the holidays. He said the MCRA planned to have a test section of the wall available the following week for the Board's review.

6A. TENANT UPDATES

Ms. Schwartz asked about the status of the Sweet Spot.

James Nardi, Advanced Asset Management, responded that Sweet Spot was two and one-half months behind in their rent. All other tenants were current except for one in Ace Plaza who was three and one-half months behind. He said the Ace Plaza tenant was issued a three-day notice and it was due to expire the next day. He said the tenant had indicated that they were not able to come up with the needed rent and, as a result, they would be facing eviction.

Donald J. Doody, Board Attorney, asked the name of the tenant that would be evicted and their delinquency. Mr. Nardi stated that it was Margate Cleaners and they were three and one-half months delinquent in their rent. Attorney Doody asked the Chair and Board for formal authorization to authorize their law firm to initiate a law suit against the tenant for tenant eviction and past rent.

At Chair Ruzzano's request, Mr. Nardi explained the rental policy and he said the tenant had at least 12 months of late fees and had paid the rent late every month by at least one month. Mr. Arserio commented that the MCRA had been

very lenient with the tenant and he was in agreement with pursuing eviction but he questioned whether it made sense to try to recoup past due rent given their low rent versus the legal fees. Attorney Doody said they would initiate strictly eviction proceedings because it took less time under the Florida Statutes than if a claim for damages were included. He said the firm could come back to the Board and obtain authorization to file suit for damages at a later date. He said their focus would be to get the tenant evicted from the premises.

Ms. Schwartz made the following motion, seconded by Mr. Caggiano:

MOTION: FOR MCRA ATTORNEY TO INITIATE EVICTION PROCEEDINGS AGAINST MARGATE CLEANERS

ROLL CALL: Mr. Arserio, Yes; Ms. Schwartz, Yes; Ms. Simone, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes The motion passed 5-0.

Mr. Arserio mentioned the need for consistency and he asked if the MCRA would move forward with eviction proceedings against the Sweet Spot the following month if rent was not paid. Mr. Nardi said there were a few minor differences between the tenants. He said Margate Cleaners had stated they could not pay rent but Sweet Spot made a payment last month. He explained that Margate Cleaners had been a tenant for four years while Sweet Spot was a new, upcoming business that had been a tenant just over one year. He explained that their rent increased in October and they had a large Florida Power and Light bill outstanding. Mr. Arserio asked whether a payment plan would be offered to the tenant before moving towards eviction. Mr. Nardi said the MCRA was in constant communications with its tenants to assist where possible.

7. BOARD MEMBER COMMENTS

Ms. Schwartz invited everyone to come out to the Winter Festival on December 14, 2018.

Mr. Arserio commented that he would like the MCRA to propose a payment plan for the Sweet Spot to catch up on its rent before moving towards eviction.

Ms. Simone commented that a lot of communication that evening could have been avoided had there been more communication from the Executive Director about MCRA issues. Sam May, Executive Director, responded that he would include the MCRA agenda at the time he met with them to discuss the Commission agenda. Mr. Arserio said he would to see the two agenda reviews combined with dedicated time for MCRA matters. Mr. May said the MCRA agenda had been discussed with the Board Chair in the past because he had to approve it, however, he said he could do a pre-agenda review but some items might be added or taken off. Chair Ruzzano said his agenda review was fairly general as he preferred to ask questions while on the dais.

Mr. Caggiano invited everyone to the Winter Festival and he wished everyone a happy and safe holiday season.

Donald J. Doody, Board Attorney, wished everyone a very happy holiday season.

Chair Ruzzano also wished everyone happy holidays and invited everyone to come to the Winter Festival. He commented there would be a lot of good things happening in the MCRA in the New Year.

There being no additional business, the meeting adjourned at 9:06 p.m.

Respectfully submitted,

Transcribed by Rita Rodi, CRA Coordinator

Tommy Ruzzano, Chair