

BAL HARBOUR VILLAGE RESORT TAX COMMITTEE
REGULAR MEETING MINUTES – APRIL 11, 2013

A Regular Meeting of the Bal Harbour Village Resort Tax Committee was held on Thursday, April 11, 2013, in the Conference Room at Bal Harbour Village Hall (655 – 96th Street, Bal Harbour, Florida).

The meeting was called to order at 9:03 a.m. by Mayor Rosenfield.

1. CALL TO ORDER/ROLL CALL: The following members were present:

Mayor Jean Rosenfield
Gilberto Garcia-Tunon
Bruce Gelb
Michael M. Krop
Sandra Lansing
Richard Lodes

Absent: Angelica Lenox

Others Present: Councilman Martin Packer
Nikolai Ursin, St. Regis Bal Harbour Hotel
Juan Arcila, Quarzo Hotel
Jay Smith, Interim Village Manager
Ellisa L. Horvath, MMC, Village Clerk
Carolyn Travis, Director of Tourism Marketing

As a quorum was determined to be present, the meeting commenced.

2. PLEDGE OF ALLEGIANCE: The pledge was led by Kayla Horvath.

3. APPROVAL OF MINUTES: *A motion was offered by Mr. Lodes and seconded by Ms. Lansing to approve the February 14, 2013 Regular Meeting Minutes. The motion carried (6-0).*

4. ACCEPTANCE OF APPOINTMENT AND OATH OF OFFICE FOR GILBERTO GARCIA-TUNON AND ANGELICA LENOX: Mrs. Horvath gave the oath of office to Committee member Gilberto Garcia-Tunon. Angelica Lenox was not in attendance.

FINANCIAL UPDATE REPORT – CHRISTOPHER WALLACE:

Mr. Wallace reviewed the report provided in the agenda.

Dr. Krop reviewed the legal fees. Mr. Wallace will provide details, if requested, but noted that the fees covered contract review, etc. Mr. Smith clarified that the total legal fees were divided amongst the Village departments. Dr. Krop clarified that, due to that, the amount in legal fees may not necessarily be the resort tax expenditures.

5. BEACH RENOURISHMENT UPDATE – BRIAN FLYNN, MIAMI

DADE COUNTY: Mayor Rosenfield discussed the meeting she and Mr. Smith attended, with other local Mayors/Managers, Debbie Wasserman Schultz and the Army Corps of Engineers, regarding beach renourishment.

Mr. Flynn arrived at the meeting.

Brian Flynn – Miami-Dade County, reported that the big issue discussed at the meeting was sand sources, since the offshore sand was depleted. He noted that the Army Corps of Engineers study, identifying potential sand sources from Martin County through Dade County, should be completed in June. He noted that Martin County and St. Lucie County were against the sand off their shores being used for the beaches in Miami-Dade County. He noted that the State was now taking a lead role, as a lease holder of available sand, to be allocated through the permit process. Mr. Flynn discussed the Bahamas as a sand source and the legal issues associated with that, due to it being a foreign country. He reported that the United States Dredging Industry lobbied against getting the sand from the Bahamas and were in favor of keeping everything domestic. He noted that they would have to prove that there was no domestic sand source available, but the Army Corps study had showed that there was adequate domestic sand available, for the next 50 years, to renourish the beaches, from Martin County to Dade County. Mr. Flynn discussed the cost for transporting the sand from St. Lucie County (150 miles) versus the Bahamas (50 miles). He reported that, due to the cost differential related to distance, Miami-Dade County was looking at doing a project on their own (using State funding) and not using the Army Corps of Engineers (which had to follow federal regulations), to be able to use sand from the Bahamas.

Mr. Flynn reported on the plan to bid the Village's project in June, with a contract awarded in August, and work starting in mid-September. He anticipated that the project would take a month.

Mr. Gelb questioned the reason for the delays. Mr. Flynn explained that was due to permitting issues, which had been resolved. He explained the process, from permitting approval to placing the sand. He clarified that everything was in place now.

Councilman Packer questioned the status of the Village's Sand Transfer Project. Mr. Flynn reported that the Interlocal Agreement (between the Village and the County) was being reviewed by the County Attorney and would then go to the County Commission for approval (approximately three months). He clarified that the Army Corps of Engineers project would be first, then the Sand Transfer Project would follow. He noted that the Army Corps Project would take care of most of the problems with the Village's beach. Mr. Flynn reported that the last large beach renourishment project was done for the Village, in 2003. Mayor Rosenfield noted that, in the future, the Village may not need the federal projects, if the Sand Transfer Project worked.

Mr. Gelb discussed the possibility of doing a renourishment, with the sand from the Bahamas, without the Army Corps.

Councilman Packer questioned if the Army Corps was looking into sinking a boat, etc., to prevent the sand from washing out and decrease the waves. Mr. Flynn reported that the County had an active artificial reef program. He discussed breakwater projects, to moderate erosion, but noted that wasn't being considered for the Village.

Juan Arcila requested the total cost of the project. Mr. Flynn reported the Village's large renourishment project to cost \$12 million (50% Army Corps, 30% State, and the rest from Miami-Dade County). He clarified that the project wouldn't cost the Village anything.

Mr. Gelb questioned the quality of the sand from the Bahamas and the cost for a project using that sand. Mr. Flynn reported that the sand from the Bahamas was beautiful and the County was investigating the cost, legal, and other issues, to use that sand. Mr. Gelb discussed the need for the Village to control its own destiny and requested the cost for a Bal Harbour project, using sand from the Bahamas. Mr. Smith questioned if that project would be covered, under the Village's existing permits. Mr. Flynn noted that the Village would probably have to do a new permit. Dr. Krop discussed Fisher Island using sand from the Bahamas. Mr. Flynn explained that Fisher Island was not using it for beach placement, but for an industrial type process. Dr. Krop discussed the large beautiful beach, in South Beach.

Mr. Gelb discussed the lack of the Village's beach affecting tourism. Dr. Krop agreed and discussed the importance of the Village's beach. He discussed the lack of federal funds and spoke in favor of the Village doing something unilaterally. Mayor Rosenfield discussed the Council and residents in Martin County objecting to others using the sand off their beach. Councilman Packer questioned who owned the sand off Martin County. Mr. Flynn reported that it was federal water, but placement on the beach was done by State permit, which Martin County could file a suit or an objection to.

Mr. Flynn clarified that the Village had the permits, funding, and sand, for its beach renourishment project scheduled for August (100-150 foot beach from the existing shore line).

Juan Arcila requested a date for the project, once it was available.

Mr. Gelb discussed the effect of the beach erosion on tourism. He spoke in favor of receiving the cost, to ascertain the possibility of the Village investing its own money for renourishment. Mayor Rosenfield noted that the budget for beach renourishment could be discussed during the budget process. Ms. Lansing noted that the use of the sand from the Bahamas was not a definite thing. Mayor Rosenfield invited the Committee members to attend the April Council meeting, which Mr. Flynn would attend, for further discussion.

Mayor Rosenfield reported that Debbie Wasserman Schultz was now representing the oceanfront in Bal Harbour.

Dr. Krop voiced concern regarding future beach renourishment and funding. Mayor Rosenfield spoke in favor of increasing the reserves, for beach renourishment. Mr. Smith reported that \$1 million was currently reserved, for beach renourishment. Dr. Krop spoke in favor of reserving an amount in the general budget, not just the resort tax budget, for beach renourishment.

Mr. Flynn hoped to have a cost for a renourishment using sand from the Bahamas, for the next meeting.

Mr. Flynn left the meeting.

Mr. Arcila left the meeting.

6. FINANCIAL UPDATE REPORT – CHRISTOPHER WALLACE:

This item was discussed earlier in the meeting.

7. DISCUSSION OF INDEPENDENCE DAY FIREWORKS

DISPLAY: This item was discussed later in the meeting.

8. DIRECTOR OF TOURISM MARKETING REPORT – CAROLYN

TRAVIS: Ms. Travis reviewed her report, provided in the agenda. The following items were discussed:

Revenue: Ms. Travis reported an increase of 35.9%, with some sources not submitted yet.

Fitness Program: Ms. Travis reported that participation had declined and suggested once a month family events instead. Mr. Gelb spoke in favor of doing so.

Tourism Shuttle: Ms. Travis discussed placing signs for the tourism bus at the public bus stops. She discussed changing the bus hours (it currently runs 11:00 a.m. to 8:00 p.m.). The Committee spoke in favor of the bus running 12:00 noon until 9:00 p.m. or 1:00 p.m. until 10:00 p.m. Ms. Travis will change the hours. She requested input from the Committee on the amount of bus ridership needed, for the program to be considered viable.

Nikolai Ursin – St. Regis Bal Harbour Marketing Manager, questioned if the bus was used for sightseeing. Ms. Travis explained the use by Village hotel guests to go to Lincoln Road or South Beach, and for other hotel guests to come to the Shops.

Councilman Packer left the meeting.

Mayor Rosenfield spoke in favor of a jazz concert on the beach, through FIU (Florida International University). Ms. Travis suggested that something be planned for December/January, after the beach renourishment project was completed. Ms. Travis will start planning something.

Ms. Travis requested approval for the following items:

Advertising – Consumer Brazil: *A motion was offered by Mr. Lodes and seconded by Mr. Garcia-Tunon to approve \$45,000.00, for the Brazilian Advertising Plan. The motion carried (6-0).*

Advertising – Executive Travel: *A motion was offered by Mr. Lansing and seconded by Mr. Gelb to approve \$30,000.00, for the Executive Travel Advertising Plan (for publication during next budget year 2013/2014). The motion carried (6-0).*

Advertising – Phase 1 of New York Times Bal Harbour Insert: *A motion was offered by Dr. Krop and seconded by Mr. Garcia-Tunon to reallocate \$100,000.00 from Travel & Leisure (since the Village was doing that through the GMCVB Co-op), to Phase 1 of the New York Times Bal Harbour Insert. The motion carried (6-0).*

The Committee discussed the ad to be used. Mayor Rosenfield spoke in favor of having something new.

Summer Reading Program: Upon Ms. Lansing's suggestion, it was the consensus of the Committee for a \$10 voucher to be provided, instead of a pre-selected book, for the kids to select their own book at Books & Books.

A motion was offered by Ms. Lansing and seconded by Dr. Krop to approve \$5,000.00, for a Kids Summer Reading Program Partnership with Books & Books. The motion carried (6-0).

Museum Partnership: Ms. Travis distributed and reviewed a proposal for the following museum partnerships: annual membership for guests and residents at MOCA (\$10,000.00) and MAM – Miami Art Museum (\$10,000.00) and admission for guests and residents at Bass (\$5,000.00) and Wolfsonian (\$5,000.00). It was the consensus of the Committee for the cards to be picked up at Village Hall, to gauge participation. Ms. Travis will also speak to the Jewish Museum, etc. The current year would be pro-rated.

A motion was offered by Ms. Lansing and seconded by Dr. Krop to approve \$30,000.00, for the Museum Partnerships. The motion carried (6-0).

DISCUSSION OF INDEPENDENCE DAY FIREWORKS

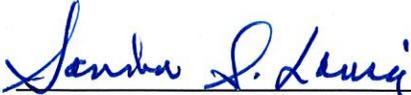
DISPLAY: Mr. Smith reported that the cost for the fireworks for July 4th was \$18,150.00 (not \$30,000.00 as previously reported), to be launched from the jetty. He reported that Marco Selva, St. Regis, had suggested that the launching of the fireworks be moved to a more centralized location on the beach. He noted that in order to do so, the fireworks would have to be launched from a barge, which would cost \$75,000.00.

It was the consensus of the Committee, to keep the current location at the jetty, unless the St. Regis wanted to cover the additional cost, to move it to a barge.

9. OTHER BUSINESS: It was the consensus of the Committee to move the next meeting from May 9th to May 16th, since Ms. Travis would be out of town on the 9th.

10. ADJOURN: There being no further business, the meeting was adjourned by consensus of the Committee at 10:47 a.m.

Attest:


Sandra S. Lansing, Acting Chair


Ellisa L. Horvath, MMC, Village Clerk