

## **City of Coral Gables City Commission Meeting**

**Agenda Item E-4**

**January 11, 2011**

**City Commission Chambers**

**405 Biltmore Way, Coral Gables, FL**

### **City Commission**

**Mayor Donald D. Slesnick, II**

**Vice Mayor William H. Kerdyk, Jr.**

**Commissioner Maria Anderson (Absent)**

**Commissioner Rafael “Ralph” Cabrera, Jr.**

**Commissioner Wayne “Chip” Withers**

### **City Staff**

**City Manager, Patrick Salerno**

**Interim City Attorney, Lourdes Alfonsin**

**City Clerk, Walter J. Foeman**

**Deputy City Clerk, Billy Urquia**

**Cindy Birdsill, Economic and Sustainability Director**

### **Public Speaker(s)**

**George Volsky, Coral Gables Resident**

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E-4 [Start: 9:53:44 a.m.]

An Ordinance of the City Commission of Coral Gables authorizing entering into an amended and restated agreement for operation of the Coral Gables Museum with Coral Gables Museum Corp., with regard to city-owned property at 285 Aragon Avenue, Coral Gables, Florida; and providing for severability, repealer, codification and an effective date.

Mayor Slesnick: E-4 Mr. City Manager.

City Manager Salerno: Thank you Mayor. An Ordinance of the City Commission of Coral Gables authorizing entering into an amended and restated agreement for operation of the Coral Gables Museum with Coral Gables Museum Corp., with regard to city-owned property at 285 Aragon Avenue, Coral Gables, Florida; and providing for severability, repealer, codification and an effective date.

Mayor Slesnick: Mr. Manager, do you want to describe a little bit.

City Manager Salerno: Cindy would you mind.

Mrs. Birdsill: Good morning Mayor, Commissioners. This is an update really of the agreement we have with the museum now that the museum building is open and we have – their organization is up and running, this really addresses the real world where we are. When the original document was done it was sort of anticipating a bunch of different ways that things could have been structured. So this puts this into this time and space so that we can go forward with our relationship now. Any questions?

Mayor Slesnick: Are you going to walk through some of it?- or do you want questions?

Mrs. Birdsill: I'm sorry?

Mayor Slesnick: Are you going to walk through some of this?- or you are going to want questions?

Mrs. Birdsill: Some of the issues?- sure. The first thing that we did was added language that talks about the use and mission of the museum to allow it to participate in grant writing and obtaining its liquor license, so we tweaked the language that was requested by the museum. We cleaned up a bunch of the terms, a bunch of the defined terms were not clear and we added a bunch of standard contract provisions that were missing. We put in the provision that they are accepting the premises “as is,” except with punch list items as you know the construction is substantially complete. We've made it clear that they are allowed to license the operation of the museum store. As you all know, their first licensee is going to be Books and Books running the museum store. We've also put in a provision that the City may provide them with merchandise to sell; the City would be reimbursed for the cost of that merchandise, but to the extent that we purchase merchandise that we would like to have them sell for the City, we can do that. We've clarified that they may serve food and beverages at their events, but they are not permitted to have a restaurant without coming back to the Commission. It puts in place the museum's right for certain naming opportunities for various portions of the facility; they are not permitted to rename the historical building, but they may offer naming opportunities to donors for various portions of the facility; and as you know they granted naming opportunities to the Fewells already for the new gallery to the Perrin Foundation for the Sister City Archive Room and to the Withers family for the lobby; and I'm sure that there were other naming rights they have given, but those are the major ones so far. The museum is going to handle scheduling of the shared facilities; the City is permitted to use the Community Room for its meeting; the museum is going to handle the coordination of that schedule, but the City does get priority for regularly scheduled

committee meetings. The City also has the right to store a portable dais on site, if it would like to invest in that and put it on site. The City also has the use of the Archive Room as a Sister City Room where we will be displaying Sister City gifts and information, and the Archive Room is also the location where, if a member of the public wants to see a City archive it would be brought down for them to review there. The City is going to be providing certain furniture for that room as well. The new agreement makes clear that the museum is entitled to license the use of the museum for events like weddings or meetings, but that the primary use has to continue to be a museum. Again, some of the standard contract language that we've put in is that they won't have hazardous materials. There is language in there requiring the museum to maintain appropriately collection records, and making clear that if the City allows the museum to use certain City records that the City retains any copyright on those records. The City is going to own all of the furniture/fixtures and collections upon expiration or termination of the agreement. The museum will obviously need approval to alter the museum in any way because it's a historical building, and also would have to go through the full process of alterations. The museum is going to pay 25 percent of the electrical cost for the entire facility; the City will pay 75 percent. As you know, this building is also being used for a City department and the City archives. Again, certain standards and provisions, that if the laws were to change and the museum would suddenly become subject to taxes, right now they are not subject to taxes because it's a non-profit and it's a City facility, that they would be responsible for taxes. We've changed the insurance provision to the standard provision; the City is going to be maintaining property coverage for the building at its cost, but the museum will maintain commercial general liability insurance, and the museum will also be insuring the collections. The City in accordance with a prior agreement is committed to fund a receptionist position for the facility. We've added language clarifying the relationship of the two parties when the document was originally entered into. The Historical Resource Director was managing the museum because the structure of the museum hadn't been in place. Now that there is an organization that is running it, that, that has been removed, but we have put in a provision that at its request, the museum's request the City at its option may provide interim staff on a temporary basis in the case of a vacancy or temporary absence of a museum director. We've modified its obligation to reimburse the unamortized value of any real property or improvements if we exercise our early right of termination. So that, if the City were to exercise its right of early termination and no longer run a museum that it would take the unamortized portion and put it into historic uses within the City. And again, standard language – the default language, the notice language, miscellaneous contract provisions, such as the City's control of lawsuits, mechanic liens, personal property loss, estoppels and such. I think those are the basic overview.

Mayor Slesnick: Thank you. I wanted to make sure that was on the record for the citizens to hear, and I think that Commissioner Cabrera has some questions.

Commissioner Cabrera: Yes. Between First and Second Reading, and I realize this item requires a four-fifth vote, so between First and Second Reading I would like further clarification on the following: I would like to get a better understanding of how the City of Coral Gables is going to actually assist the museum in obtaining a liquor license?- I would like to better understand that process. I would also like to understand how City of Coral Gables is going to assist in the writing of grants?- how those resources are going to be allocated?

Mrs. Birdsill: I don't believe we are assisting with either, we've given them the permission in the document to go forward and do it themselves, and by clarifying the purpose of the museum the language allows them to obtain those more easily.

Commissioner Cabrera: I just want to make sure that because when I first read it, that's the way I read it.

Mrs. Birdsill: That was not the intent.

City Manager Salerno: We'd clarify those items between First and Second Reading.

Commissioner Cabrera: Thank you sir. The next item it says, provide that the City will purchase up to \$10,000 of furnishings for the Archive/Sister City Room, which furnishings shall remain a property of the City. I'd like to know where the funding for that is going to come from.

Mayor Slesnick: I can tell you that.

Commissioner Cabrera: OK.

Mayor Slesnick: That is coming directly out of the Perrin grant.

Commissioner Cabrera: Those are the kinds of things that are important that they be surfaced.

Mayor Slesnick: I made it clear that the Perrin grant for that room, that \$10,000, will be set aside for furnishings if that was needed, and that will be not just the furnishings for showing off the Sister City memorabilia and relics, but also for the reading room facilities like the desk, the tables and chairs for the archives to be read there. That's where it's coming from.

Commissioner Cabrera: OK. Further down it says clarify that the City will hire or fund a receptionist position for the facility. I need to get more detail of that hiring and/or funding; I need to better understand either/or and if it's in fact either/or, I'd like to understand the specifics of what kind of funding are we talking about?- and/or if the position is going to be a City position

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who is the position going to report to?- because I just think it's very vague to simply have that one line in there and not fully understand the specifics, the logistics of this. So I am going to require that – I mean you are going to get four-fifths votes next time around, but today I'd like to still make this request. Then further down it talks about the City at its option may provide interim staff on a temporary basis for a short period of time acceptable to the City to assist during a vacancy or temporary absence of the museum director. This reminds me of a request that was made, I think at the last Commission meeting when the director was on vacation, I'd like to get a better formal understanding of how this will be allocated in terms of resources. It's easy to make a request to have temporary help from City staff, but I'd like to get a better formalized understanding of it. This is not a "Mom and Pop", this is a fairly large institution, and so I'd like to get greater detail of it. And last, but certainly not least, the one issue that I have a concern with is, the bullet that says, add that Coral Gables Museum will pay 25 percent of the electrical costs for the facility, and the City will pay 75 percent. I heard what you said; you said that there is going to be City staff operating inside within the facility confines; I would ask that you consider, the City consider proportionately allocating the cost for electrical, if it's in fact 25 percent, then so be it, but I'd like to know exactly how much is the City of Coral Gables going to occupy space in the facility, so that the cost be allocated in that respect rather than the City or the museum only be responsible for 25 percent. OK. Those are the things I'm looking to get in order to give my approval of this amended relationship, but I do know it's going to pass next time around, because Mrs. Anderson will be back, so even if I don't support it, it will probably get the Commission's support, but I want the people of Coral Gables to know that these are my concerns.

Mrs. Birdsill: OK.

Mayor Slesnick: And Cindy, I'd appreciate it if you and the Manager work on getting those back in time the Commissioner can digest the answers before the meeting.

Commissioner Cabrera: Or by Second Reading, or by Second Reading, yes.

Mayor Slesnick: Before that so you can have the answers.

Commissioner Cabrera: Yes, that would be great, that would be ideal, but if I don't get it I will bring them up again in Second Reading. For all I know, I mean this last one, which is the one I have the most heartburn with, for all I know it may be in fact that the split is correct. I've been inside the building, I don't think it's going to be exactly 25/75, but I'd like us to consider that. Those are really my only concerns, outside of that I feel pretty good about this agreement.

Mayor Slesnick: Well thank you. Thank you Cindy. We have some public comment; we had a statement turned in, a written statement by Mr. Richard Namon of 5555 Oakwood Lane, and that will be added to the record of this hearing, and we have a request for speaker from Mr. George Volsky of 1008 Alhambra Circle.

Mr. Volsky: Good morning. I wonder whether Mayor, you would like to read Mr. Namon's statement, I understand he indicated that he would give three minutes to me for making some comments about this.

Mayor Slesnick: Mr. Namon is not here now; his statement will not be read, it will be added to the record like we do all the e-mails and other written input we get, and he doesn't have the right to give away three minutes if he's not here.

Mr. Volsky: You usually read it.

Mayor Slesnick: I don't usually read it.

Mr. Volsky: Excuse me, but do you realize that you have a conflict of interest involved in this?

Mayor Slesnick: Mr. Volsky would you make your presentation please.

Mr. Volsky: I was just asking because you are talking about four-fifth vote, there is a conflict of interest because the Board of this institution has the longest member, is one very close relation to your wife. According to County regulations you cannot – you have to abstain. So I just put it up to you, so whether you want to leave it or not that is of course your privilege, but I'm going to refer to it. So this is a preliminary hearing and he stated that he wants to give me his three minutes I can speak.

Mayor Slesnick: He doesn't have three minutes, he is not here. So you have three minutes and you've used about one minute.

Mr. Volsky: [Inaudible]

Mayor Slesnick: Mr. Volsky, Mr. Volsky just start your presentation; just start your presentation please.

Mr. Volsky: I think that the key of this issue, I'm in favor of the museum, I've been just given 99 pages and you give me three minutes to speak; the key to this issue and I want to commend Cindy who has done a very good job in cleaning up an agreement, which you have approved for

years, which was flawed, completely flawed, it was full of errors, legal errors. You certainly referring to a statement or a question that Commissioner Cabrera asked, how much money we spent?- you see this whole issue was thrust upon the Manager because it had been handled by the former Manager. Among other expenses that the former Manager incurred is, Mr. Cabrera, \$1.4 million additional money, which comes from so-called museum division of the Historic Preservation or Historic, whatever its name is now. I ask that for...[inaudible]...other amounts head of the department...Kara Kautz....anyhow, it was an additional \$1.4 million that we have spent on the museum. I know the history of this museum very well, so does Mr. Withers, and years ago, almost 40 years ago I was instrumental in setting up the cultural museum downtown, and I'm going to refer only to it cultural site...because this agreement is not a cultural agreement; the Cultural Board of this City had never...[inaudible]...before and this should be done and also be a subject of public hearings. This is a very important....we are given the facility which could cost us possibly \$5 million, because the Manager said \$5.9 (M) spent of that we have discounted \$2 million from the foundation. Then something which you don't remember that the institution to which we are giving this, and this is something that you have approved was supposed to give us \$1 million, this is here. They didn't give it – why didn't they?- because our former legal adviser, legal official, did not make any commitment, it was just a hand shake; hand shake in these days doesn't work. I think Mr. Withers remembers that document.

Mayor Slesnick: Thank you Mr. Volsky.

Mr. Volsky: No...[inaudible]...what business are you going to do?- and how it's going to be done? The mission statement is the most important thing for the museum. What is a museum? A museum according to this definition is a collection of artifacts, art for presentation to people. The mission statement as is presented or elaborated by this Coral Gables Association refers to interpretation, investigation and exploration of architecture. It's a joke. How many....of architecture are in the City?- 4. This building which suffered a small damage a couple of days ago, the Biltmore, the Congregational Museum, and the museum, not the part that has been added to it, because...[inaudible]...but the old one. There is no architecture....this is absolutely a flawed, a flawed mission statement, which is the most important thing....in the museum.

Mayor Slesnick: Mr. Volsky thank you. We appreciate it. Thank you.

Mr. Volsky: I would like to hear a comment about what I just said, about the mission statement.

Mayor Slesnick: Thank you Mr. Volsky, would you please take your seat.

Mr. Volsky: I want to make sure that you, Mayor, have given your friends time to speak on....giving a \$5 million facility to someone whose financial and artistic ability to....is dubious to say the least.

Vice Mayor Kerdyk: Why don't we do this Mr. City Manager?- why don't you look at between First and Second Reading, look at the mission statement and look at this as far as the grant to make sure it doesn't affect the grants and public donations there, because that is something that could be a serious impact if that is, and come back to us with recommendation on second.

City Manager Salerno: Great idea.

Mr. Volsky: Mission statement.

City Manager Salerno: Yes.

Vice Mayor Kerdyk: Yes, mission statement, that's right, yes.

Mr. Volsky: And also....

Mayor Slesnick: Mr. Volsky, Mr. Volsky

Mr. Volsky: [Inaudible]

Mayor Slesnick: Mr. Volsky you are out of order and you are really just trying to undermine the operations.

Mr. Volsky: I'm not trying to undermine, you are trying to undermine, you don't give the people a chance to speak about this, you want to run it through. This is \$5 million giving away. Look we have some other issues like this, we have....

Mayor Slesnick: If you just have them turn the TV sets off. OK, well Mr. Volsky is going to sit down. Thank you. OK. We have a motion and a second, do we not Mr. Clerk?

City Clerk Foeman: No, Mr. Mayor.

Mayor Slesnick: We do not.

Commissioner Withers: Move it.

Mayor Slesnick: We have a motion by Mr. Withers and second by Mr. Kerdyk. Are there any further questions?- any further comments? If not, this is a motion on First Reading on E-4, Mr. Clerk if you'd call the roll.

**Commissioner Withers: Yes**

**Commissioner Cabrera: Yes**

**Vice Mayor Kerdyk: Yes**

**Mayor Slesnick: Yes**

**(Vote: 4-0)**

**(Commissioner Anderson: Absent)**

Mayor Slesnick: The Second Reading will be at the next meeting, at which time there will also be public comment.

Mr. Volsky: [Inaudible – off mic]

Mayor Slesnick: Mr. Volsky I'm sure there are avenues for you to challenge my vote as you have done in the past.

[End: 10:16:34 a.m.]