



CASE CLOSED
Date 6/8/2016

Miami-Dade Commission on Ethics & Public Trust

Investigative Report

Investigator: Karl Ross

Case PI 16-010	Case Name: Esteban "Steven" Ferreiro	<u>Date Open:</u>	<u>Date Closed:</u>
Complainant(s):	Subject(s): Esteban "Steven" Ferreiro.	March 17, 2016	

Allegation(s):

Concerns were raised that lobbyist Esteban Ferreiro may have failed to register in connection with an item on the March 8th City Commission meeting in North Bay Village – in particular, an item relating to a contract renewal for a City bus bench vendor, Gold Coast Advertising.

It was later alleged that Ferreiro may have lobbied Vice Mayor Jorge Gonzalez during the March 8th meeting by text message, and that this would have occurred prior to Ferreiro being registered to represent Gold Coast. Ferreiro is also Gonzalez's campaign manager.

Relevant Ordinances:

The Miami-Dade County Code of Ethics and Conflict of Interest Ordinance holds, in applicable part [Sec. 2-11.1(s)], that: "All lobbyist shall register with the [city clerk] within three (3) business days of being retained as a lobbyist or before engaging in any lobbying activities ..."

It further describes a lobbyist as: "All persons, firms or corporations employed or retained by a principal who seeks to encourage the passage, defeat or modification of (an) ordinance, resolution, action or decision of the [city council]; any action, decision or recommendation of [city] personnel during the time period of the entire decision-making process ..."

Investigation:

Interviews

Jorge Gonzalez, Vice-Mayor
North Bay Village, FL
Phone: (786) 423-7626
March 16, 2016

Vice-Mayor Gonzalez stated that he did speak to Mr. Ferreiro on the date in question, but that the meeting concerned his political prospects and not the Gold Coast item. Gonzalez noted that Ferreiro was his campaign manager and stated they only discussed political matters. He said he was unaware of any items on the agenda that Ferreiro was supporting. "He was there to talk about my future in politics. I thought that was the reason he was there."

Vice-Mayor Gonzalez said Ferreiro did not discuss the bus bench item with him.

Mitch Edelstein, lobbyist
North Bay Village, FL
Phone: (305) 793-0910
March 17, 2016

Mr. Edelstein said he ran into Ferreiro outside the Commission Chambers on March 8th and Ferrero told him, "he had an item on the agenda" and that "he had a client." Edelstein said he considered these remarks "a real red flag," and consulted the Clerk and City Manager about any lobbying by Ferreiro. He said he heard that the owner of Gold Coast Transit, Ms. Oliver, told the Mayor that Ferreiro was representing her as a lobbyist. Edelstein said he later witnessed Ferreiro "threaten the Mayor" after she left the Commission meeting, saying he would report her to the Miami-Dade Ethics Commission for alleged misconduct. He said he felt Ferreiro's behavior was inappropriate and that he believes Ferreiro is getting "special treatment." He said all lobbyists are required to register and sign sign-in sheets to disclose their interests.

Frank Rollason, village manager
North Bay Village, FL
March 21, 2016

Mr. Rollason advised he brought the matter of the Gold Coast bus bench contract before the Commission on March 8th after he was asked to look into it by Commissioner Richard Chervony. He said he spoke to Clerk Hamilton about the contract and was told it was in effect through 2018. He said he examined the file and learned that while the contract expired in 2013, there was no written notice of the contract being extended through 2018. He said Gold Coast indicated they had a copy of the notice to extend the contract, but later advised they did not. He said he decided to bring the issue before the Commission since the matter was unresolved.

With respect to Ferreiro, Rollason said he knows who Ferreiro is but never spoke to him about

Gold Coast's contractual issue. He said he did see him at a meeting and added that even if he was representing Gold Coast, there was no problem so long as he wasn't lobbying anybody. "I did not see him speak to any elected official, nor did he speak to me," Rollason said.

Rollason said the only communication he had with Gold Coast was in writing via email. He said that the owner of the company did address the matter at a Commission meeting. He said the company contended that because the City accepted payments from Gold Coast, the contract extension was enforceable. He said the City's legal counsel felt otherwise, and that he encouraged attorneys for both sides to have a conference and seek a resolution. He said the matter is scheduled to come back before the Commission at the April 12th meeting.

Rollason said he did have a conversation with lobbyist Mitch Edelstein about Ferreiro and that Edelstein alleged Ferreiro told him he "had a client" with an issue at the meeting that day. He again said he was not aware of any unregistered lobbying activity by Ferreiro.

Connie Leon-Kreps, Mayor
North Bay Village, FL
March 28, 2016

Mayor Leon-Kreps advised she was approached by Gold Coast Transit owner, Allison Oliver, prior to the March 8th City Commission meeting, and that Ms. Oliver introduced herself and commented that "Steven is here," in reference to Ferreiro. Mayor Kreps-Leon said she indeed observed that Ferreiro was present at the meeting chamber.

Mayor Leon-Kreps stated she was concerned the item in question – regarding the extension and/or renewal of the contract –was not listed on the agenda but was instead presented as a Manager's item. She said there was discussion about extending the agreement on a month-to-month basis, but that Vice-Mayor Gonzalez asked that the item be deferred instead.

Mayor Kreps-Leon stated that after the meeting she saw Mr. Ferreiro and greeted him. She said she may have asked him if he was campaigning for the Vice-Mayor, to which, she alleged, he replied by stating he intended to report her to the Ethics Commission. She said she did not know what the basis was for his remark about an alleged ethics violation on her part. Mayor Leon-Kreps said she did not engage Ferreiro further because he was talking to people in the lobby and did not wish to embarrass him. She stated that the following morning she got a call from Ms. Oliver of Gold Coast, who was friendly and invited her to lunch.

Mayor Leon-Kreps said she thought Oliver was going to lobby her, and asked whether Ferreiro was also representing the company. She said Oliver replied that he was there on her firm's behalf, but added that she decided to "do the talking" at the City Commission meeting.

Lastly, Mayor Leon-Kreps advised Ferreiro is involved with the upcoming political campaign of Vice-Mayor Gonzalez and that she believes Gonzalez may challenge her for Mayor. She said Ferreiro was seen in the presence of Gonzalez at a recent "meet and greet."

On March 29th, Mayor Leon-Kreps contacted COE and advised that Mr. Ferreiro had

requested copies of her phone records and said she felt this was intended as an act of “intimidation” against her. She said she believed the Vice-Mayor’s phone records would show he was in contact with Ferreiro and may have even been texting him during the March 8th meeting.

Alison Oliver, Vice-President & General Manager
Gold Coast Transit, Inc.
Phone: (954) 931-9243 cell.
Email: Alison@ammi.net
March 29, 2016

Ms. Oliver advised that her firm did retain Mr. Ferreiro as a lobbyist, stating: “We retained him as a lobbyist, as a consultant to talk to Commissioners in North Bay Village. ...I’m not particularly comfortable talking to Commissioners myself.”

Ms. Oliver said she had spoken to Ferreiro over the phone about this prior to the March 8th City Commission meeting but did not actually hire him until a couple of days afterward. She added that he did not seem to have performed much work since that time, and was not aware of any contacts he had made with City staff or elected officials on the firm’s behalf.

Ms. Oliver said she met Ferreiro during the previous campaign election cycle about a year and a half ago, and that Ferreiro was involved with a couple of the political campaigns. She said that he spoke to her about his ability to help secure municipal contracts.

Ms. Oliver stated that the issue in North Bay Village was securing the renewal of the contract that had expired in 2013 after 10 years. She said it was unclear whether the City had formally renewed the contract for an additional five years, but that the firm was paying the City as if it were still in effect. She said Ferreiro was retained to help with the matter.

She stated that after the March 8th meeting, Ferreiro sent over a proposal and was retained in exchange for a flat, one-time fee. She said she would provide a copy of the contract to COE. She said she was aware that Ferreiro was required to register, and that he advised her that he had in fact registered to lobby the Commission. She said she was not aware of any lobbying or attempted lobbying he performed on the firm’s behalf prior to the contract being executed. She said she asked the City if she needed to register and was told she did not.

Ms. Oliver said she did call Mayor Leon-Kreps and invited her to lunch following the March 8th meeting. She said she wanted to discuss “complimentary advertising” the firm could provide for the City for city events and public service ads. She said the Mayor did ask her about Ferreiro at that time, and that she told her Gold Coast was “considering hiring him.”

She asked if anything improper had occurred and whether the firm should continue its relationship with Mr. Ferreiro. She was advised COE did not get involved in such decisions

and that, while concerns had been raised about possible improper lobbying, the investigation was still active and that no findings have been issued or formal action contemplated.

Mayor Connie Leon-Kreps
April 11, 2016

In a telephone interview, Mayor Leon-Kreps advised she obtained a copy of a lobbyist registration form submitted by Mr. Ferreiro. She said the form was dated March 16th, but that the check to pay for registration was dated March 30th, 2016. She said she believed Ferreiro was texting Vice-Mayor Gonzalez at the March 8th meeting, and said she would review a copy of a recording of the meeting and indicate at which point she believed this was happening.

She said she believes the Vice-Mayor and Ferreiro are plotting against her politically, noting that Ferreiro has made public record requests for her telephone records and all resolutions she sponsored during her time in office. She questioned why the Gold Coast Advertising item was taken up during the Manager's report three years after the contract expired and was not treated as a normal agenda item. She stated she attempted to get an explanation from the Manager after the meeting in March and "he just shrugged" without replying. A public records request was made on this date for Mr. Ferreiro's lobbyist registration form.

Document/Audio/Video Review:

On March 21st, CEO obtained a copy of the Manager's report from the March 8th NBV City Commission meeting, Item No. 3, which concerned the "status of Bus Shelter Contract." Said item related to the contract held by Gold Coast Advertising since 2003.

On March 29th, a public records request was made for copies of the Vice-Mayor's phone statement on his city- issued mobile phone for March 2016, along with copies of any text messages on said device for the period from March 7th to March 10th.

On May 11, a copy of the agenda May 10, 2016 Commission agenda was requested along with any supporting items relating to the Gold Coast Advertising contractual issue.

On March 30th, COE obtained from Ms. Oliver of Gold Coast a copy of the representation agreement between Gold Coast and PR Concepts, the firm belonging to Steven Ferreiro. The agreement, dated March 11th and signed March 15th, stated that it was related to: "North Bay Village Commission Meeting (Manager's Report of Bus Shelter Contract)."

The term of the contract was a "lump sum payment" of \$3,500, and it called for PR Concepts

(Ferreiro) to “comply with any and all federal, state and local regulations regarding filing and/or registration requirements in order to represent Gold Coast Advertising ...”

On May 12th, COE reviewed Vice-Mayor Gonzalez’s city phone statement for the March 2016 billing cycle and did not find any phone calls to or from Mr. Ferreiro at Ferreiro’s number of (305) 401-1002, raising the question as to whether the Vice-Mayor might communicate with Ferreiro via a private phone. The review did show numerous calls between the Vice-Mayor and Village Manager, Frank Rollason, to the latter’s cell number of (305) 299-7300.

On May 20th, COE received a copy of text messages retrieved from the city-issued cell phone of Vice-Mayor Gonzalez to determine whether any texts were exchanged with Mr. Ferreiro on the evening of the March 8, 2016 Commission meeting. The records did not reflect any text messages on that date were sent or received by the Vice-Mayor on that date.

Conclusion(s):

The findings highlighted above do not support filing a complaint against Mr. Ferreiro for unregistered lobbying in violation of Sec. 2-11.1, subsection (s) of the County’s Ethics Code.

The investigation found that Mr. Ferreiro discussed representing Gold Coast Advertising as a lobbyist prior to the March 8, 2016 Commission meeting. However, the principal for Gold Coast, Alison Oliver, addressed the Commission on that occasion. She further contacted Mayor Connie Leon-Kreps after the meeting to invite her to lunch to discuss advertising.

Business records provided by Ms. Oliver show that a representation agreement was drafted on March 11, 2016, and signed and executed on March 15, 2016, for a lump sum of \$3,500. The agreement called on Ferreiro to comply with all relevant federal, state and local laws.

Records obtained from the Village Clerk’s Office show that Mr. Ferreiro paid his lobbyist registration fee of \$125 on March 30, 2016. A lobbyist sign-in sheet dated March 16, 2016, states that “No discussion has occurred regarding client’s business” as of that date.

An interview with Village Manager Frank Rollason on March 21, 2016, indicates that as of that date, Mr. Ferreiro had not lobbied the Manager on any issues relating to Gold Coast’s pending contract renewal. Mr. Rollason advised that he looked into the matter at the request of Commissioner Richard Chervony, and that he subsequently exchanged emails with attorneys for Gold Coast about whether they had documentation reflecting any extension of the contract.

Mr. Rollason stated that in the absence of any documentation showing the Village had agreed to an extension, he decided to bring up the issue as a Manager’s item at the March 8th Commission meeting. The item was deferred at that time, but, records show, a contract extension with Gold Coast was later approved at the May 11, 2016 Commission meeting.

During a telephone interview, Vice-Mayor Jorge Gonzalez advised that any communication he had with Mr. Ferreiro on or about March 8th would have been related to his political

campaign. He noted Ferreiro was his campaign manager the last time he ran for office, and was again advising him with respect to “my future in politics.”

It is believed that Vice-Mayor Gonzalez may challenge incumbent Mayor Leon-Kreps in the upcoming mayoral election. Ms. Leon-Kreps indicated that Mr. Ferreiro had made a vaguely threatening remark to her following the March 8, 2016 Commission meeting.

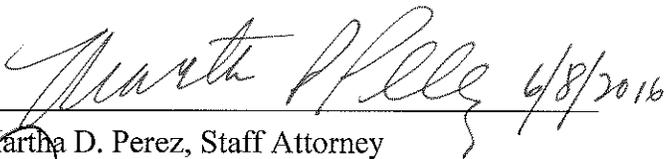
The Mayor said she believes Mr. Ferreiro may have been texting Vice-Mayor Gonzalez during the March 8th Commission meeting; however, a review of phone records – including text messages from the Vice-Mayor’s city issued cell phone – did not yield evidence of any such communication. The text messages did include a slightly derogatory reference to the Mayor, but nothing that could be prosecuted under the County’s Code of Ethics.

Given the lack of information to support allegations about possible unregistered lobbying by Mr. Ferreiro, the above-captioned preliminary inquiry should be closed at this time.

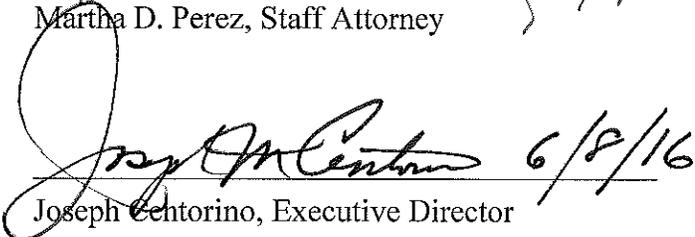


Karl, COE Investigator

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