

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: 10-16-07 [X] Consent [] Regular
[] Workshop [] Public Hearing

Department: Administration
Submitted By: Administration
Submitted For: Economic Development Office

I. EXECUTIVE BRIEF

Motion and Title: Staff Recommends Motion to Approve: An agreement totaling \$150,000 under the Community Development Block Grant (CDBG) Economic Development Set-Aside Program FY 2006/2007 with MD Now Medical Centers, Inc. from October 16, 2007 to October 15, 2008.

Summary: Funding in the amount of \$150,000 to MD Now Medical Centers, Inc., an urgent care and medical walk-in center, will be used to purchase specialized equipment which includes computerized radiology equipment, X-Ray machine unit computer integrated, EKG Stress Test unit, EKG with computer, Autoclave, Otoscope-Ophthalmoscopes, Spot Vital Signs machines, computerized lab equipment, computerized inventory management and an emergency generator for use at the medical facilities located at 4560 and 4570 Lantana Road, Lake Worth, Florida. The activity will create ten (10) full-time equivalent jobs. At least 51% of these jobs created must be held by low-and moderate-income persons. The business will maintain the jobs for a period of three (3) years. **These are Federal funds and do not require local matching funds.** District 3/DW

Background and Policy Issues: The Community Development Block Grant (CDBG) regulations at 24 CFR 570.203 list "special economic development" as an activity eligible for CDBG funding. At a budget workshop on Economic Development, held on July 7, 1997, Palm Beach County Department of Housing and Community Development (HCD) was requested by the Board of County Commissioners (BCC) to set aside ten percent (10%) of its annual Community Development Block Grant (CDBG) entitlement to fund economic development activities. As a result, HCD implemented its Economic Development Set-Aside Program in Fiscal Year 1998-99 and has funded the program each year subsequently.

The CDBG Set-Aside Program focuses on addressing the needs of businesses/entrepreneurs that require assistance above the level that can be acquired through Palm Beach County's Development Regions Grant Program. The Set-Aside Program's primary goals are to: a) create/retain jobs in which 51% must be held by low-and moderate-income persons; and b) to promote economic development in and adjacent to the development regions (areas identified as 10% or higher poverty).

During last Fiscal Year (2006/2007), Palm Beach County's Economic Development Office began administering the CDBG / Economic Development Set-Aside Program. The amount available for distribution for FY2006/2007 was \$710,025, which represents 10% set-aside from the fiscal year.

On December 5, 2006 the Board of County Commissioners (BCC) approved four (4) CDBG / Economic Set-Aside projects for fiscal year 2006/2007 funding recommended by the Overall Economic Development Program (OEDP) Sub-Committee. The four (4) businesses will create a minimum of 51 new full-time equivalent jobs, leveraging \$1,979,500 in City and Private Investments. The individual funding recommendations were as follows: 1) Bryan Boysaw & Associates - \$60,000; 2) Hartman Windows & Doors, LLC - \$100,000; 3) MD Now Medical Centers, Inc. - \$150,000; 4) Tripp Electric Motors, Inc. - \$400,000.

Attachments:
1. Economic Set-Aside Grant Agreement

Recommended By: [Signature] 10/1/07
Economic Development Director Date
Approved By: [Signature] 12/14/07
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2008	2009	2010	2011	2012
Capital Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating Costs	<u>150,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
External Revenues	<u>(150,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Program Income (PBC)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
In-Kind Match (PBC)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 NET FISCAL IMPACT	 <u>=====</u>	 <u>=====</u>	 <u>=====</u>	 <u>=====</u>	 <u>=====</u>
 # ADDITIONAL FTE POSITIONS (Cumulative)	 _____	 _____	 _____	 _____	 _____

Is Item Included In Current Budget? Yes No

Budget Account No: Fund 1101 Department 143 Unit 1431 Object 8201
 Program Code/Grant Year: BG70 / GY06

B. Recommended Sources of Funds/Summary of Fiscal Impact:

* Source for \$150,000 is available funds in the Economic Set-Aside Program Budget Account Line 1101-143-1431-8201. Funds from the Community Development Block Grant / Economic Set-Aside Program fall under the Palm Beach County Housing and Community Development Department.

C. Departmental Fiscal Review:

[Signature] 10/2/07
 EDO Budget Analyst

[Signature] 10-2-07
 HCD/Budget Analyst
 Fiscal Manager

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

[Signature] 10-11-07
 OFMB
 10/10/07
 10-11-07
 10/15/07
 10/4/07

[Signature] 10/15/07
 Contract Dev. and Control
 This Contract complies with our contract review requirements.

B. Legal Sufficiency:

[Signature] 10/15/07
 Assistant County Attorney

C. Other Department Review:

[Signature]
 Economic Department Director

[Signature]
 Housing & Community Development Director

This summary is not to be used as a basis for payment.

MD NOW MEDICAL CENTERS, INC.

AGREEMENT BETWEEN PALM BEACH COUNTY
AND
MD NOW MEDICAL CENTERS, INC.

THIS AGREEMENT, entered into this 16th day of October, 2007, by and between Palm Beach County, a political subdivision of the State of Florida, for the use and benefit of its Community Development Block Grant Program, and **MD Now Medical Centers, Inc.**, a corporation duly organized and authorized to do business in the State of Florida, having its principal office at **4560 and 4570 Lantana Road, Lake Worth, Florida 33463** and its **Federal Tax Identification Number as 01-0790511**, hereinafter referred to as the "Company".

WHEREAS, Palm Beach County has entered into an Agreement with the United States Department of Housing and Urban Development for a grant for the execution and implementation of a Community Development Block Grant Program in certain areas of Palm Beach County, pursuant to Title I of the Housing and Community Development Act of 1974 (as amended); and

WHEREAS, Palm Beach County, in accordance with the Annual Consolidated Plan, and **MD Now Medical Centers, Inc.** desire to provide the activities specified in Part II of this Agreement; and

WHEREAS, Palm Beach County desires to engage **MD Now Medical Centers, Inc.** to implement such undertakings of the Community Development Block Grant Program.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, it is agreed as follows:

PART I

DEFINITION AND PURPOSE

1. **DEFINITIONS**

- (1) "County" means Palm Beach County.
- (2) "CDBG" means the Community Development Block Grant Program of Palm Beach County.
- (3) "EDO" means Palm Beach County Economic Development Office.
- (4) "HCD" means Palm Beach County Housing and Community Development
- (5) "Company" means **MD Now Medical Centers, Inc.**
- (6) "EDO Approval" means the written approval of the EDO Director or his designee.
- (7) "U.S. HUD" means the Secretary of the U.S. Department of Housing and Urban Development or a person authorized to act on its behalf.
- (8) "Low and moderate income persons" means the definition set by U.S. HUD.
- (9) "Held by or made available to" means the definition set by US HUD.

2. **PURPOSE**

The purpose of this Agreement is to state the covenants and conditions under which the Company will implement the Scope of Services set forth in Part II of this Agreement. At least 51 percent (51%) of the jobs created through this Agreement must be held by, or made available to, low- and moderate-income persons.

PART II

SCOPE OF SERVICES

The Company shall, in a satisfactory and proper manner as determined by EDO, perform the tasks outlined in Exhibit "A" and submit invoices using the cover sheet in Exhibit "B", both of which are attached hereto and made a part hereof.

PART III

COMPENSATION, TIME OF PERFORMANCE, METHOD, AND CONDITIONS OF PAYMENT

1. MAXIMUM COMPENSATION

The Company agrees to accept as full payment for services rendered pursuant to this Agreement the actual amount of budgeted, eligible, and EDO Director or designee-approved expenditures and encumbrances made by the Company under this Agreement. Said services shall be performed in a manner satisfactory to EDO. In no event shall the total compensation or reimbursement to be paid hereunder exceed the maximum and total **authorized sum of \$150,000** for the period of **October 16, 2007** through and **including October 15, 2008**. Any funds not obligated by the expiration date of this Agreement automatically revert to the County.

Further budget changes within the designated Agreement amount can be approved in writing by the **EDO Director at his discretion up to ten percent (10%)** on a cumulative basis of the Agreement amount during the Agreement period. Such requests for changes must be made in writing by the Company to the EDO Director. Budget changes in excess of ten percent (10%) must be approved by the Board of County Commissioners.

2. TIME OF PERFORMANCE

The effective date of this Agreement and all rights and duties designated hereunder are contingent upon the timely release of funds for this project under grant number B-00-UC-12-0004. The effective date shall be the date of execution of this Agreement, and the services of the Company shall be undertaken and completed in light of the purposes of this Agreement. In any event, all services required hereunder shall be **completed by the Company by October 15, 2008**.

3. METHOD OF PAYMENT

The County agrees to reimburse the Company for all budgeted costs permitted by Federal, State, and County guidelines. In no event shall the County provide advance funding to the Company or any subcontractor hereunder.

Requests by the Company for reimbursements shall be accompanied by proper documentation of expenditures and should, to the maximum extent possible, be submitted to EDO for approval no later than thirty (30) days after the date of payment by the Company. Payment shall be made by the Palm Beach County Finance Department upon proper presentation of invoices and reports approved by the Company and EDO. Proof of payment and originals of invoices, receipts, or other evidence of indebtedness shall be considered proper documentation. When original documents cannot be presented, the Company must adequately justify their absence, in writing, and furnish copies. Invoices will not be honored if received by the Palm Beach County Economic Development Office later than forty-five (45) days after the expiration date of this Agreement, nor will any invoices be honored that predate the effective date of this Agreement.

4. CONDITIONS ON WHICH PAYMENT IS CONTINGENT

(1) IMPLEMENTATION OF PROJECT ACCORDING TO REQUIRED PROCEDURES

The Company shall implement this Agreement in accordance with applicable Federal, State, and County laws, ordinances and codes, and amendments and additions thereto as may from time to time be made. The Federal, State, and County laws, ordinances and codes are minimal regulations which may be supplemented by more restrictive guidelines set forth by EDO. No reimbursements will be made without evidence of the appropriate insurance required by this Agreement on file with EDO. No payments for multi-funded projects will be made until a cost allocation plan has been approved by the EDO Director or designee.

Should a project receive additional funding after the commencement of this Agreement, **the Company shall notify EDO in writing within thirty (30) days of receiving notification from the funding source and submit a cost allocation plan for approval by the EDO Director or designee within forty-five (45) days of said notification.**

(2) FINANCIAL ACCOUNTABILITY

The County may have a financial systems analysis and/or an audit of the Company or any of its subcontractors performed by an independent auditing firm employed by the County or by the County Internal Audit Department at any time the County deems necessary to determine if the project is being managed in accordance with Federal, State, and County requirements.

MD NOW MEDICAL CENTERS, INC.

(3) SUBCONTRACTS

Any work or services subcontracted hereunder shall be specifically by written contract, written agreement, or purchase order and shall be subject to each provision of this Agreement. Proper documentation in accordance with County, State, and Federal guidelines and regulations must be submitted by the Company to EDO and approved by EDO prior to execution of any subcontract hereunder. In addition, all subcontracts shall be subject to Federal, State, and County laws and regulations. This includes ensuring that all consultant Agreements and fee schedules meet the minimum standards as established by the Palm Beach County Engineering Department and U.S. HUD. Agreements for architecture, engineering, survey, and planning shall be negotiated fixed fee Agreements. All additional services shall have prior written approval with support documentation detailing categories of persons performing work plus hourly rates including benefits, number of drawings required, and all items that justify the "Fixed Fee Agreement." Reimbursables will be at cost.

None of the work or services covered by this Agreement, including but not limited to consultant work or services, shall be subcontracted or reimbursed without prior written approval of the EDO Director or his designee.

(4) PURCHASING

All purchasing for services and goods, including capital equipment, shall be made by purchase order or by a written Agreement. Each business will be required to secure three (3) qualified quotes for goods and services (if goods and services include equipment each piece of equipment will require 3 separate quotes). The business must inform (EDO) in writing (and include the purchase order or written agreement) for the vendor selected. The purchase order or written agreement must include the name/type of goods or services purchased and all costs associated with the purchase.

(5) REPORTS, AUDITS, AND EVALUATIONS

Payment will be contingent on the receipt of complete and accurate reports required by this Agreement, and in the resolution of monitoring or audit findings identified pursuant to this Agreement.

(6) ADDITIONAL COUNTY AND U.S. HUD REQUIREMENTS

The State or Federal funds being provided hereunder cannot be used as a match for other State or Federal grants to the Company and the Company cannot submit requests for the same expenses to more than one funding source or under more than one program.

EDO shall have the right under this Agreement to suspend or terminate payments until the Company complies with any additional conditions that may be imposed by the County or U.S. HUD.

(7) PRIOR WRITTEN APPROVALS-SUMMARY

The following includes but is not limited to activities that require the prior written approval of the EDO Director or his designee to be eligible for reimbursement or payment:

- (a) All subcontracts and agreements pursuant to this Agreement;
- (b) All capital equipment expenditures of \$1,000 or more;
- (c) All out-of-town travel; (travel shall be reimbursed in accordance with Florida Statutes, Chapter 112.061);
- (d) All change orders; and
- (e) Requests to utilize uncommitted funds after the expiration of this agreement for programs described in Exhibit A.
- (f) All rates of pay and pay increases paid from funds provided hereunder, whether for merit or cost of living.

PART IV
GENERAL CONDITIONS

1. OPPORTUNITIES FOR RESIDENTS AND CIVIL RIGHTS COMPLIANCE

The Company agrees that no person shall on the ground of race, color, national origin, religion, disability, age, familial status, or sex be excluded from the benefits of, or be subjected to discrimination under any activity carried out by the performance of this Agreement. Upon receipt of evidence of such discrimination, the County shall have the right to terminate this Agreement. To the greatest extent feasible, lower-income residents of the

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project areas shall be given opportunities for training and employment; and to the greatest extent feasible eligible business concerns located in or owned in substantial part by persons residing in the project areas shall be awarded Agreements in connection with the project. At a minimum, the Company shall comply with the Section 3 Clause of the Housing and Community Development Act of 1968, as amended.

2. OPPORTUNITIES FOR SMALL AND MINORITY/WOMEN-OWNED BUSINESS ENTERPRISES

In the procurement of supplies, equipment, construction, or services to implement this Agreement, the Company shall make a positive effort to utilize small business and minority/women-owned business enterprises of supplies and services, and provide these sources the maximum feasible opportunity to compete for Agreements to be performed pursuant to this Agreement. To the maximum extent feasible these small business and minority/women-owned business enterprises shall be located in or owned by residents of the areas designated by Palm Beach County in the Annual Consolidated Plan approved by U.S. HUD.

3. PROGRAM BENEFICIARIES

At least fifty-one percent (51%) of the jobs created through this project must be held by, or made available to, low- and moderate-income persons. If the project is located in an entitlement city, as defined by U.S. HUD, or serves beneficiaries countywide, more than 50 percent (50%) of the beneficiaries assisted directly through the use of funds under this Agreement must reside in unincorporated Palm Beach County or in municipalities participating in the County's Urban County Qualification Program. **The Company shall provide written verification of compliance as described in Exhibit A of this Agreement to EDO upon EDO's request.**

4. EVALUATION AND MONITORING

The Company agrees that EDO will carry out periodic monitoring and evaluation activities, as determined necessary by EDO or the County, during the term of this Agreement and during the periods of time described in Exhibit A of this Agreement. The Company agrees to furnish upon request to EDO, the County or the County's designees and make copies or transcriptions of such records and information as is determined necessary by EDO or the County. The Company shall submit information and status reports required by EDO, the County or U.S. HUD, at EDO's request, to enable EDO to evaluate said progress and to enable EDO to complete reports required of EDO by U.S. HUD. The Company shall allow EDO or U.S. HUD to monitor the Company on site. Such site visits may be scheduled or unscheduled as determined by EDO or U.S. HUD.

5. AUDITS AND INSPECTIONS

At any time during normal business hours and as often as EDO, the County, U.S. HUD, or the Comptroller General of the United States may deem necessary, the Company shall make available all its records with respect to all matters covered by this Agreement.

6. DATA BECOMES COUNTY PROPERTY

All reports, plans, surveys, information, documents, maps, and other data procedures purchased, developed, prepared, assembled, or completed by the Company for the purpose of this Agreement shall become the property of the County without restriction, reservation, or limitation of their use and shall be made available by the Company at any time upon request by the County or EDO. Upon completion of all work contemplated under this Agreement copies of all documents and records relating to this Agreement shall be surrendered to EDO if requested. In any event the **Company shall keep all documents and records for three (3) years** after expiration of this Agreement.

7. INDEMNIFICATION

The Company shall protect, defend, reimburse, indemnify and hold the County, its agents, employees and elected officers harmless from and against all claims, liability, expense, loss, cost, damages or causes of action of every kind or character, including attorney's fees and costs, whether at trial or appellate levels or otherwise, arising during performance of the terms of this Agreement or due to the acts or omissions of the Company. The Company's aforesaid indemnity and hold harmless obligation, or portion or applications thereof, shall apply to the fullest extent permitted by law. The Company will hold the County harmless and will indemnify the County for funds which the County is obligated to refund the Federal Government arising out of the conduct of activities and administration of the Company.

8. INSURANCE REQUIREMENT

Unless otherwise specified in this Agreement, the Company shall, at its sole expense, maintain in full force and effect at all times during the life of this Agreement, insurance coverages, limits, including endorsements, as described herein. The requirements contained