Agenda Item #: 3H-7

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date:	February 1, 2011	[X] Consent [] Ordinance	[] Regular [] Public Hearing	
Department: Fac	ilities Development & C	Operations		

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: a Termination of Interlocal Agreement (R2006-0460) with the U.S. Marshals Service (Marshals) terminating the County's provision of fleet management services to the Marshals.

Summary: On March 14, 2006, the Board approved an Interlocal Agreement with the Marshals, which provided for the County's provision of fleet management services to the Marshals for a period of five (5) years, which was extended until March 13, 2016, via a First Amendment to Interlocal Agreement (R2010-1673). Pursuant to the terms of the Interlocal Agreement, the County has been reselling fuel to the Marshals based on the premise that the Marshals are included by the Internal Revenue Service (IRS) within the definition of "State". On October 28, 2010, the Office of Chief Counsel of the IRS issued an opinion that federal agencies are not included within the definition of "State". In order for the County to preserve its tax exempt status regarding its fuel purchases the County cannot sell to any agency that is not considered within the IRS definition of "State". Therefore, the County must terminate the Interlocal Agreement with the Marshals. (Fleet) Countywide (JM)

Background and Justification: On October 28, 2010, the Office of Chief Counsel of the Internal Revenue Service issued Memorandum Number 201044004 whereby a determination was made that federal agencies are not included within the definition of "State".

Attachments:

Termination of Interlocal Agreement

Recommended By:	Anny Work	19/11		
	Department Director	Date		
Approved By:	Pabert Wusman	1/3//11		
	County Administrator	Date /		

II. FISCAL IMPACT ANALYSIS

A.	Five Year Summary of Fiscal I	mpact:				
Fiscal	Years	2011	2012	2013	2014	2015
Opera Exteri Progra	al Expenditures ting Costs al Revenues am Income (County) and Match (County					
NET I	FISCAL IMPACT _				Married Town State of	
	DITIONAL FTE [IONS (Cumulative)		P	-		
Is Iter	n Included in Current Budget:	Yes	# N	No		
Budge		Dept		Unit	Object	
В.	Recommended Sources of Fun	ds/Summa	ry of Fiscal In	npact:		
reimb	No Fiscal Impact. The Marshal ursement basis.	s paid only				ounty on a cost
C.	Departmental Fiscal Review:		JV	1-7-1		
		III. <u>REVI</u>	EW COMMI	ENTS		
A.	OFMB Fiscal and/or Contract	Developme	A-	elopment and Co	ontrol 1	5/11
В. (Legal Sufficiency: Assistant County Attorney	1 3 L/n				
C.	Other Department Review:					
	Department Director	 -				
	This summary is not to be used	d as a hasis	for navment			

G: SCOOPER FLEET MANAGEMENT SERVICES U.S. MARSHALS SERVICES AGENDA ITEM U.S. MARSHALLS TERMINATION 02.01.11 DOCX

TERMINATION OF INTERLOCAL AGREEMENT

THIS TERMINATION OF INTERLOCAL AGREEMENT ("Termination") is made as of ______ by and between Palm Beach County, a political subdivision of the State of Florida, ("County") and the United States Marshals Service ("U.S. Marshal").

WITNESSETH:

WHEREAS, County and the U.S. Marshal entered into that certain Interlocal Agreement dated March 14, 2006 (R2006-0460), as amended by that certain First Amendment to Interlocal Agreement dated October 19, 2010 (R2010-1673) (Collectively referred to herein as the "Agreement"), relating to the County's provision of fleet management services to the U.S. Marshal as described therein; and

WHEREAS, the parties have agreed to terminate the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

- 1. The foregoing recitals are true and correct and incorporated herein by reference.
- 2. County and the U.S. Marshal hereby terminate, cancel and extinguish the Agreement and County is hereby relieved of all obligations under the Agreement, which arise subsequent to the effective date of this Termination.
- 3. Despite this Termination, the U.S. Marshall shall remain obligated to the County for payment of any costs incurred by the County through the effective date of this Termination that are associated with: (i) preventative and corrective maintenance and (ii) fuel purchases, pursuant to the terms of the Agreement. Upon the County's receipt of payment for the foregoing, the U.S. Marshall shall be relieved of all further obligations under the Agreement.
- 4. This Termination shall become effective when signed by both parties and approved by the Palm Beach County Board of County Commissioners.

(Remainder of Page Intentionally Left Blank)

IN WITNESS WHEREOF, the parties have caused this Termination to be executed as of the day and year first above written. ATTEST: SHARON R. BOCK PALM BEACH COUNTY, a political **CLERK & COMPTROLLER** subdivision of the State of Florida By: By: Deputy Clerk Karen T. Marcus, Chair APPROVED AS TO FORM AND APPROVED AS TO TERMS AND LEGAL SUFFICIENCY: CONDITIONS: Assistant County Attorney Facilities Development & Operations ATTEST: WITNESS: UNITED STATES MARSHALS SERVICE

Glen Wilner, Chief Deputy

Witness Signature

Print Witness Name

PICKERING

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