

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS**

## AGENDA ITEM SUMMARY

**Meeting Date:** March 24, 2015      ☐ **Consent**      ☒ **Regular**  
☐ **Ordinance**      ☐ **Public Hearing**

**Department:** Palm Tran, Inc.

## I. EXECUTIVE BRIEF

**Motion and Title:**     **Staff recommends motion to:**

**A) approve** the emergency procurement of seven (7) used paratransit vehicles from Advantage Funding Commercial Capital Corp. (FCCC) in an amount not to exceed \$210,000;

**B) approve** the emergency procurement of three (3) used paratransit vehicles from Advantage Auto Finance Company, LLC (AAFC) in an amount not to exceed \$90,000;

**C) authorize** staff to negotiate the terms of a Bill of Sale with FCCC and AAFC for each vehicle identified in A) and B) above;

**D) approve** transfer of \$300,000 from the General Fund Contingency Reserve; and

**E) approve** budget amendment of \$300,000 in Palm Tran Operations Fund (1340) to recognize transfer from the General Fund.

**Summary:** Two Wheels, Inc. (Two Wheels), which is owned by Bettye Jones, is a certified Disadvantaged Business Enterprise (DBE) that provided paratransit services under its Contract with Metro Mobility Management Group, LLC (Metro) (R2012-0934). In good faith, and in order to meet the needs of the public and the terms of its contract with Metro, Two Wheels leased a total of ten (10) new vehicles from AAFC and FCCC. These leases were signed in 2013, prior to the approval of the Settlement Agreement between the County and Metro (R2014-0101), which stipulated an early termination date of January 31, 2015. Since Two Wheels is not providing services for any of the three (3) new paratransit providers, the ten (10) vehicles previously leased for use under its contract with Metro are available for immediate purchase. It is estimated that the current payoff amount for these vehicles is approximately \$385,000. Staff calculates that the fair market value of these vehicles is \$330,000 based on a linear depreciation calculation. On February 1, 2015, the County transitioned to a new service delivery model, which utilizes three (3) new paratransit providers and 231 new County-owned vehicles. After six (6) weeks in operation under the new service model, staff has determined that there is a pressing need to acquire these vehicles to maintain service levels approved by the Board of County Commissioners. Competitively procuring new vehicles through normal procurement methods could take up to six (6) months and cost up to \$800,000. Such a delay would be detrimental to the interests and welfare of the County. Prior to or at the time of payment to FCCC and AAFC for the vehicles, the County must receive satisfactory evidence that the motor vehicle lease agreements have been terminated and that Two Wheels has been released from any and all obligations thereunder. Two Wheels must also execute a full General Release and Waiver for any and all claims against the County and Palm Tran, Inc. Funds for the emergency purchase of these ten (10) vehicles would come from General Fund Contingency Reserves. Countywide (DR)

**Background and Policy Issues:** On January 14, 2014, the Board of County Commissioners approved a Settlement Agreement relating to the Contract for Paratransit Services (Settlement Agreement) with Metro (R2014-0101). The Settlement Agreement provides for an early termination date of January 31, 2015.

**Attachments:**

1. Form E Emergency/Confirming Request (2)
2. Budget Transfer – General Fund Contingency
3. Budget Amendment – Palm Tran Operations Fund (1340)

**Approved By:**

3/18/15

## II. FISCAL IMPACT ANALYSIS

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2015	2016	2017	2018	2019
Capital Expenditures	300,000				
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	300,000				
# Additional FTE Positions (Cumulative)					

Is Item Included in Current Budget: Yes        No **X**

Budget Account No: The transfer from General Fund Contingency will fund the vehicle purchase in Palm Tran Operations F/D/U: 1340-540-5003-6401

Reporting Category:

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

**Departmental Fiscal Review:**

### III. REVIEW COMMENTS


**OFMB Fiscal:**

OFMB <sup>40</sup> <sup>88</sup> <sup>SB</sup>  
3/18 3/18 3/18

### Contract Development & Control:

*Dr. J. Jacobson* 3/18/15  
Contract Development & Control  
3-18-15 *Academy*

### Legal Sufficiency:

 3/18/15  
Chief Assistant County Attorney

**Other Department Review:**

Department Director

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

**EMERGENCY / CONFIRMING REQUEST**

This form is to be used only when the using Department Director has already ordered the goods and / or services from the vendor, and is requesting the concurrence and approval of the Director of Purchasing in accordance with the Palm Beach County Code.

DEPARTMENT: Palm Tran	DATE: March 24, 2015
REQUISITION # CRQM 031615*508	TOTAL AMOUNT: \$ 210,000
VENDOR NAME: Advantage Funding Commercial	DATE ORDERED FROM VENDOR: 03-24-2015

DESCRIPTION OF GOODS / SERVICES ORDERED: 7 Paratransit Vehicles

STATEMENT OF CIRCUMSTANCES: (Explain why the procurement could not be done through normal channels and the consequences if action had not been taken. Please provide all facts impacting the decision.)

After six weeks in operation under the new service model, staff has determined that there is a need to acquire these vehicles to maintain service levels approved by the BCC. Competitively procuring new vehicles through normal procurement methods could take up to six months and cost up to \$800,000.

AUTHORIZED DEPARTMENT SIGNATURE: 

ACTION BY DIRECTOR OF PURCHASING:

- ☐ Concur with Emergency / Confirming Request; issue Purchase Order.
- ☐ Non-concur\* with Emergency / Confirming Request; issue Purchase Order. (Audit justification is the responsibility of the using department.)
- ☐ Rejected\*. No Purchase Order will be issued.

Kathleen M. Scarlett, Director

Date

\*Reason for non-concurrence or rejection: \_\_\_\_\_

Attachment # 1

EMERGENCY / CONFIRMING REQUEST

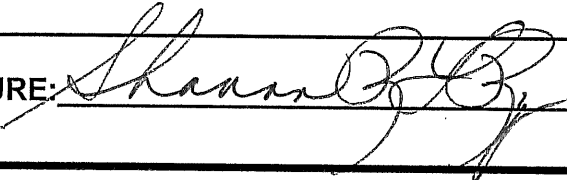
This form is to be used only when the using Department Director has already ordered the goods and / or services from the vendor, and is requesting the concurrence and approval of the Director of Purchasing in accordance with the Palm Beach County Code.

DEPARTMENT: Palm Tran	DATE: March 24, 2015
REQUISITION # CRQM 031615*507	TOTAL AMOUNT: \$ 90,000
VENDOR NAME: Advantage Auto Finance Co	DATE ORDERED FROM VENDOR: 03-24-2015

DESCRIPTION OF GOODS / SERVICES ORDERED: 3 Paratransit Vehicles

STATEMENT OF CIRCUMSTANCES: (Explain why the procurement could not be done through normal channels and the consequences if action had not been taken. Please provide all facts impacting the decision.)

After six weeks in operation under the new service model, staff has determined that there is a need to acquire these vehicles to maintain service levels approved by the BCC. Competitively procuring new vehicles through normal procurement methods could take up to six months and cost up to \$800,000.

AUTHORIZED DEPARTMENT SIGNATURE: 

ACTION BY DIRECTOR OF PURCHASING:

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- ☐ Rejected\*. No Purchase Order will be issued.

Kathleen M. Scarlett, Director Date

\*Reason for non-concurrence or rejection:

15 -

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY  
BUDGET TRANSFER

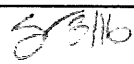
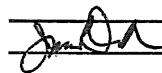
BGEX 540 031615\*1041

## FUND 0001 General Fund

ACCOUNT NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPEND/ENC 3/16/2015	REMAINING BALANCE
<b>EXPENDITURES</b>								
<b><u>Transfers</u></b>								
0001 820 9900 9901	Contingency Reserves	20,000,000	18,523,404	0	300,000	18,223,404	0	18,223,404
0001 820 9100 9063	Transfer to Palm Tran Operating Fd 1340	24,701,186	24,447,141	300,000	0	24,747,141	7,969,121	16,778,020
<b>Total Fund</b>				300,000	300,000			

**PALM TRAN**

Initiating Department/Division  
Administration/Budget Department Approval  
OFMB Department - Posted

**Signatures****Date**

3-16-15

By Board of County Commissioners  
At Meeting of March 24, 2015

Deputy Clerk to the  
Board of County Commissioners

Attachment #

2

**BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY  
BUDGET AMENDMENT**

BGRV 031615\*502  
BGEX 031615\*1042

**FUND 1340 Palm Tran**

ACCOUNT NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPEND/ENC 3/16/2015	REMAINING BALANCE
<b>REVENUE</b>								
<b><u>Non Departmental Revenue</u></b>								
800 8000 8000	Transfer from General Fund 0001	24,701,186	24,447,141	300,000	0	24,747,141		
	<b>Total Receipts &amp; Balances</b>	<b>78,375,786</b>	<b>79,044,824</b>	<b>300,000</b>	<b>0</b>	<b>79,344,824</b>		
<b>EXPENDITURES</b>								
<b><u>Palm Tran Paratransit Operations - Connection</u></b>								
540 5003 6401	Machinery & Equipment	0	0	300,000	0	300,000	0	300,000
	<b>Total Appropriations &amp; Expenditures</b>	<b>78,375,786</b>	<b>79,044,824</b>	<b>300,000</b>	<b>0</b>	<b>79,344,824</b>		

**PALM TRAN**

Initiating Department/Division  
Administration/Budget Department Approval  
OFMB Department - Posted

*3/16*

**Signatures**

*[Signature]*

**Date**

*3-16-15*

**By Board of County Commissioners  
At Meeting of March 24, 2015**

**Deputy Clerk to the  
Board of County Commissioners**

**Attachment #** 3