

36-3

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: March 12, 2019

☒ Consent

☐ Regular

☐ Workshop

☐ Public Hearing

Department: Office of Financial Management and Budget

I. EXECUTIVE BRIEF

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

**A) Approve** Tax Deed Surplus Distribution Agreement between County and Clerk and Comptroller for tax certificate number 5234-2010.

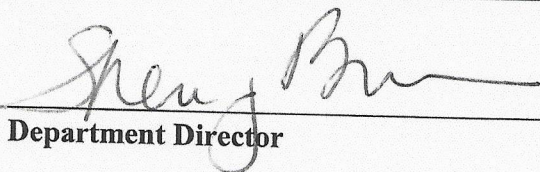
**B) Authorize** the County Administrator or her designee to approve and execute future disbursement agreements involving Tax Deed sale surplus funds to be received by the County from the Clerk and Comptroller's Office up to a maximum total revenue of \$50,000 per agreement.

**Summary:** This disbursement agreement will allow the Clerk to disburse the Tax Deed surplus funds being held and avoid having to file an Interpleader action when there are competing governmental and private entities making claims on the surplus funds. Pursuant to Chapter 197.582 Florida Statutes, all governmental liens of record attached to a property must be paid in full first before any non-governmental liens or judgments can participate in the distribution. For the subject certificate number, there are four (4) other municipalities in the County that will be submitting the same distribution agreement for their respective cities to have the surplus funds distributed equally. The former owner has several properties in both unincorporated and incorporated Palm Beach County; it is likely that more properties will be sold through Tax Deeds. Any future surplus funds generated from Tax Deed sales will be distributed equally to the County and participating municipalities. Countywide (DB)

**Background and Justification:** The County, along with four (4) other municipalities located within the County, were recently involved in a Clerk's Tax Deed surplus interpleader case involving the distribution of tax deed surplus funds. At the conclusion of the mediation in that case, the County suggested that the parties should work together on future tax deed surplus distributions for which they all have an interest in order to avoid future interpleader actions and the related litigation expenses. The affected parties agreed, and are in agreement with the form of the attached distribution agreement, which is now being introduced for execution.

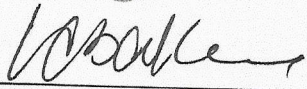
**Attachments:** Tax Deed Surplus Distribution Agreement between Palm Beach County and Palm Beach County Clerk & Comptroller for tax certificate number 5234-2010

Recommended by:

  
Department Director

2/27/19  
Date

Approved by:

  
County Administrator

2/27/19  
Date



II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2019	2020	2021	2022	2023
Capital Expenditures					
Operating Costs					
External Revenues	n/a				
Program Income(County)					
In-Kind Match(County)					
NET FISCAL IMPACT					
#ADDITIONAL FTE					
POSITIONS (CUMULATIVE)					

Is Item Included In Current Budget? Yes n/a No n/a  
Does this item include the use of federal funds? Yes n/a No n/a

Budget Account No.: Fund n/a Department n/a Unit n/a Object n/a

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

C. Departmental Fiscal Review:

III. REVIEW COMMENTS

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

2/13/19 Shane Pore 2/21/19  
OFMB Rad 2/20 11 2/20 pm  
2/21 4/4/19 2-12-19

2/22/19  
Contract Dev. and Control

B. Legal Sufficiency:

2/25/19  
Assistant County Attorney

C. Other Department Review:

Department Director

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



## **DISTRIBUTION AGREEMENT**

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2019 by and between Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners ("COUNTY") and the CLERK AND COMPTROLLER OF PALM BEACH COUNTY, FLORIDA ("CLERK");

**WHEREAS**, on or about April 12, 2017 a tax deed sale of 4950 Wedgewood Way, Unit 4 bearing property control #00-42-43-25-13-000-0040 and tax certificate number 5234-2010 was held by the CLERK; and

**WHEREAS**, a surplus of \$21,981.26 less Clerk's fees and costs and any unpaid governmental liens ("Surplus Funds") is being held by the CLERK pursuant to the sale; and

**WHEREAS**, the COUNTY filed a Statement of Claim and Request for Distribution of Surplus on or about October 11, 2017 in the amount of \$212,326.80; and

**WHEREAS**, four other entities filed Statements of Claims and Requests for Distribution of Surplus each of which is in excess of the Surplus Funds; and

**WHEREAS**, the COUNTY has reached an agreement with the other four entities that submitted claims in that each party shall receive an equal distribution of 1/5 of the Surplus Funds;

**WHEREAS**, as a condition of distributing the Surplus Funds in accordance with the aforementioned agreement, the CLERK demands, and the COUNTY agrees to provide, the assurances provided herein;

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

1. **Recitations.** The above stated recitations are true and correct in all aspects and incorporated herein.
2. **Disbursement of Funds.** The CLERK hereby agrees to release 1/5 of the Surplus Funds to the COUNTY within ten days of the effective date of this Agreement.
3. **Reimbursement.** The COUNTY hereby agrees that, upon written notice by the CLERK to the COUNTY of any claim and request for repayment resulting from or arising out of the distribution of the Surplus Funds, the COUNTY shall repay to the CLERK the Surplus Funds distributed to it pursuant to this Agreement within ten days of demand until such time that any such claim or request for repayment is resolved.
4. **Binding Agreement.** This Agreement shall be binding on and inure to the benefit of the successors and assigns of the respective parties hereto.
5. **Amendments.** This Agreement may be amended only in writing signed by all parties.

6. **Choice of Law and Venue.** This Agreement shall be governed by the laws of the State of Florida and venue for any cause of action shall be in Palm Beach County, Florida.
7. **Inspector General.** Palm Beach County has established the Office of the Inspector General in Palm Beach County Code, Section 2-421 – 2-440, as may be amended. The Inspector General's authority includes but is not limited to the power to review past, present and proposed COUNTY contracts/agreements, transactions, accounts and records, to require the production of such records, and to audit, investigate, monitor, and inspect the activities of entities contracting with the COUNTY, its officers, agents, employees, and lobbyists in order to ensure compliance with contract/agreement requirements and detect corruption and fraud. Failure to cooperate with the Inspector General or interference or impeding any investigation shall be in violation of Palm Beach County Code, Section 2-421 – 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.
8. **No Third Party Beneficiary.** No provision of this Agreement is intended to, or shall be construed to create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including but not limited to any citizen or recipient, or official, employee, or volunteer of either party.
9. **No Agency.** Nothing contained herein is intended to nor shall create an agency relationship between the parties.
10. **No Assignability.** Neither this Agreement nor any obligation hereunder shall be assigned, subcontracted, transferred or otherwise encumbered by either party without consent from the other.
11. **Entire Agreement.** This Agreement sets forth the entire agreement between the parties. There are no promises or understandings other than those stated herein.
12. **Nondiscrimination.** All parties warrant and represent that all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity and expression, or genetic information. The parties further warrant and agree that no person shall be excluded from the benefits of or be subjected to any form of discrimination under any activity carried out in the performance of this Agreement.
13. **Waiver.** If any party shall waive any provisions of the Agreement or fail to enforce any of the conditions or provisions of this Agreement, such waiver shall not be deemed a continuing waiver and shall never be construed as such.
14. **Severability.** If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

15. **Notice:** Any notice, request, instruction, demand, consent, or other communication required or permitted to be given under this Agreement shall be in writing and shall be delivered either by hand or by certified mail, postage prepaid, and certified return receipt requested to the following addresses or such other addresses as the parties may provide to each other in writing:

With a copy to:

To: **CLERK** Hampton C. Peterson  
Legal Counsel & Ethics Officer  
Clerk & Comptroller, Palm Beach County  
301 N. Olive Ave, 9<sup>th</sup> Floor  
West Palm Beach, FL 33401

To: **COUNTY:** GLENN MEEDER Jr.  
Collections Coordinator, OFMB  
301 N. Olive Avenue, 7<sup>th</sup> floor  
West Palm Beach, FL 33401  
(Telephone: 561-355-4010)

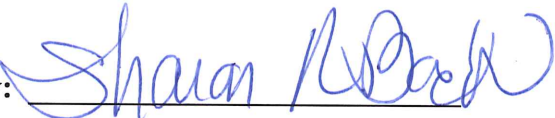
To: **COUNTY:** County Attorney's Office  
Palm Beach County Board of County Commissioners  
301 Olive Avenue, Suite 601  
West Palm Beach, FL 33401  
(Attn: David Behar, Esq.)

IN WITNESS WHEREOF, the parties have each caused this Agreement to be executed by its duly authorized official as of the date first set forth above.

ATTEST:

Sharon R. Bock, Clerk & Comptroller

Palm Beach County, By Its  
Board of County Commissioners


By:   
Deputy Clerk

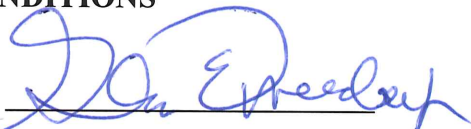
By: \_\_\_\_\_  
Mack Bernard, Mayor

(SEAL)

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

APPROVED AS TO TERMS AND  
CONDITIONS

By:   
County Attorney

By:   
Glenn Meeder Jr., OFMB