

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AMENDMENT NO. 4 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF MIAMI BEACH AND CAMILLUS HOUSE, INC. FOR EMERGENCY SHELTER SERVICES, AMENDING SECTION 3.1 OF THE AGREEMENT, "FIXED FEE," TO STIPULATE RENEWAL TERMS OF THE AGREEMENT, AND AMENDING SECTION 3.2 OF THE AGREEMENT, "INVOICING", TO PERMIT ADVANCED PAYMENT FOR SHELTER BED SERVICES AND ASSOCIATED COSTS; AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE THE AMENDMENT; AND FURTHER AMENDING SECTION 4.6 OF THE AGREEMENT, "CHANGES AND ADDITIONS," TO AUTHORIZE THE CITY MANAGER AND CITY CLERK TO EXECUTE SUBSEQUENT AMENDMENTS, BASED ON NEED AND BUDGET APPROPRIATION.

WHEREAS, on September 25, 2017, the Mayor and City of Miami Beach ("City") Commission adopted Resolution No. 2017-30000, approving the award of Request for Proposal ("RFP") No. 2017-293-KB for Emergency Shelter Beds to Serve Homeless Population; and

WHEREAS, on March 21, 2018, the City and Camillus House Inc. (the "Contractor") executed a Professional Services Agreement pursuant to the RFP (the "Agreement"); and

WHEREAS, the Agreement included an initial term of five (5) years, with the option to renew for two-year renewal terms at the City Manager's sole option and discretion; and

WHEREAS, Section 3.1 of the Agreement established the following

Year 1- \$26.35 per bed, for a minimum of 12 beds not to exceed \$198,126.65
Year 2- \$27.14 per bed, for a minimum of 12 beds not to exceed \$ 204,069.42
Year 3- \$27.95 per bed, for a minimum of 12 beds not to exceed \$ 210,191.35
Year 4- \$28.79 per bed, for a minimum of 12 beds not to exceed \$ 216,497.25
Year 5- \$29.66 per bed, for a minimum of 12 beds not to exceed \$ 222,992.16; and

WHEREAS, although the RFP stipulated two (2) two-year renewal terms, Section 4.2 of the Agreement inadvertently states two (2) one-year renewal terms; and

WHEREAS, on November 10, 2020, following the determination that the City may require a greater amount of beds per year than originally anticipated to effectively manage the rise in demand for said beds, the City executed Amendment No. 1 to the Agreement, removing the not to exceed amount inadvertently incorporated in the Agreement and correcting the renewal terms of the Agreement from a two (2) one-year renewal terms to two (2) two-year renewal terms with the approval of the City Manager; and

WHEREAS, on December 14, 2022, the Mayor and City Commission approved item C2J, which authorized the increase in the rates by 3% for each additional daytime bed, pursuant to Section 4.6 of the Agreement, and further authorized the City Manager to execute the Amendment; and

WHEREAS, on April 5, 2023, the City executed Amendment No. 2 to the Agreement, adjusting the fixed fee price per bed, per day for the term of the renewal agreement, to reflect a 3% increase, for a fixed fee price of \$30.55 per bed, per day, and to stipulate that all expenditures are contingent upon annual budget appropriations; and

WHEREAS, on December 19, 2023, Camillus House presented the Office of Housing and Community Services with a proposal to increase the City's emergency shelter bed roster by six (6) beds, for a total of eighteen (18) emergency shelter beds at the current rate of \$30.54 per bed, per day; and

WHEREAS, on January 31, 2024, the Mayor and City Commission approved item C2K, authorizing the purchase of six (6) additional emergency shelter beds at the current rate of \$30.54 per bed, per day; and

WHEREAS, on March 4, 2024, the City executed Amendment No. 3 to the Agreement, increasing the City's emergency shelter bed roster by six (6) beds, for a total of eighteen (18) emergency shelter beds at the rate of \$30.54 per bed, per day; and

WHEREAS, on or around June 20, 2024, the Contractor notified the City of significant increases in operational costs that pose challenges in maintaining shelter beds and related services at the current rate of \$30.54, and proposed an increase to the daily bed rate to \$67.44 effective October 1, 2024; and

WHEREAS, the City indicated to the Contractor that it could not agree to pay a rate other than the rate required by the Agreement; and

WHEREAS, on September 10, 2024, the Contractor sent a letter to the City indicating it would discontinue services effective September 30, 2024; and

WHEREAS, on September 16, the City notified the Contractor that its September 10, 2024 letter constituted an anticipatory breach of the Agreement and demanded that the Contractor immediately rescind its termination notice and confirm that it would fully perform its obligations under the Agreement; and

WHEREAS, on October 18, 2024, the City agreed to amend certain terms of the Agreement, solely as an accommodation to the Contractor: and

WHEREAS, Section 3.1 of the Agreement is being amended by inserting the following sentence at the end of such Section: "Notwithstanding anything to the contrary in this Agreement, if the City elects to exercise its option to extend the Agreement for the second two-year renewal term, the City and Contractor acknowledge and agree that they shall negotiate in good faith the rate to apply to beds to be included in the roster of beds. The Contractor shall provide the City with documentation substantiating the cost of providing the shelter services, it being understood and agreed that the fee per bed to be charged will not exceed the actual, direct costs of providing the emergency housing services. For the avoidance of doubt, any rate increase agreed to by the parties shall only apply from and after April 1 2025."; and

WHEREAS, Section 3.2 is being amended to indicate that Contractor may submit a monthly invoice in advance of providing services via postal or Electronic (E-mail) mail forty-five (45) days prior to the month of service, which includes a description of the Services to be provided in the month of service, including the number of beds, associated costs, and clients served. If the City and Contractor are unable, despite good faith efforts, to agree on a new rate to apply to beds during the second renewal term, such rate to be based on the actual cost of providing the shelter services. then this Agreement shall terminate on March 31, 2025; and

WHEREAS, "Exhibit A", "Scope of Services" is amended to include indication that the Contractor has requested that the City reduced its bed roster by securing beds with alternative providers for the remainder of the term ending March 31, 2025; if the City secures shelter beds with alternative providers that are secured specifically to reduce the current bed roster for the duration of the Agreement, Camillus House, Inc. will absorb the difference in daily bed costs; and

WHEREAS, Section 4.6 of the Agreement, "Changes and Additions", stipulates that any changes and additions to the terms of the Agreement shall be by a written amendment, signed by the duly authorized representatives of the City and Contractor, and that no alteration, change, or modification of the terms shall be valid unless amended in writing, signed by the parties hereto, and approved by the City; and

WHEREAS, the Administration seeks the authorization of the City Manager to execute subsequent amendments to the Agreement based on need and budget appropriation.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby approve Amendment No. 4 to the Professional Services Agreement between the City of Miami Beach and Camillus House, Inc. for Emergency Shelter Services, amending Section 3.1 of the Agreement, "Fixed Fee," to stipulate renewal terms of the Agreement, and amending Section 3.2 of the Agreement, "Invoicing", to permit advanced payment for shelter bed services and associated costs; authorize the City Manager and City Clerk to execute the Amendment; and further amend Section 4.6 of the Agreement, "Changes and Additions," to authorize the City Manager and City Clerk to execute subsequent amendments, based on need and budget appropriation.

PASSED AND ADOPTED this _____ day of _____ 2024.

ATTEST:

RAFAEL E. GRANADO, CITY CLERK

STEVEN MEINER, MAYOR

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION



City Attorney

DM

11/13/2024

Date