

C7 H A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AMENDMENT NO. 4 TO THE PROFESSIONAL SERVICES AGREEMENT WITH THE SALVATION ARMY FOR EMERGENCY SHELTER SERVICES; AMENDING SECTION 3.1 OF THE AGREEMENT, "FIXED FEE" TO STIPULATE THE RENEWAL TERMS OF THE AGREEMENT, APPROVING THE INCREASE IN THE DAILY BED RATE FOR EMERGENCY SHELTER BEDS FROM \$36.08 PER BED, PER DAY, TO \$38.00 PER BED, PER DAY; AND FURTHER AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT.

Applicable Area:



COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: February 26, 2025

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AMENDMENT NO. 4 TO THE PROFESSIONAL SERVICES AGREEMENT WITH THE SALVATION ARMY FOR EMERGENCY SHELTER SERVICES; AMENDING SECTION 3.1 OF THE AGREEMENT, "FIXED FEE" TO STIPULATE THE RENEWAL TERMS OF THE AGREEMENT, APPROVING THE INCREASE IN THE DAILY BED RATE FOR EMERGENCY SHELTER BEDS FROM \$36.08 PER BED, PER DAY, TO \$38.00 PER BED, PER DAY; AND FURTHER AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT.

RECOMMENDATION

The Administration recommends that the City Commission adopt the Resolution, approving Amendment No. 4 to the Professional Services Agreement with the Salvation Army ("Contractor").

BACKGROUND/HISTORY

On September 25, 2017, the Mayor and City Commission ("City Commission") approved Resolution No. 2017-30000, granting the award of Request for Proposal ("RFP") No. 2017-293-KB for Emergency Shelter Beds to Serve the Homeless Population. The City subsequently entered into an Agreement ("Agreement") with the Contractor on March 21, 2018, for the provision of twenty (20) emergency shelter beds per night for a duration of five (5) years, with a not-to-exceed amount for each service year, and two (2) one-year renewal options at the discretion of the City Manager. The Agreement has since been amended as follows:

- **Amendment No.1** was executed on February 28, 2019, to remove the not-to-exceed amount inadvertently incorporated in the Agreement and to correct the renewal terms from two one-year renewals to two two-year renewal terms with the City Manager's approval.
- **Amendment No. 2** was executed on June 12, 2023, following the City Commission's approval of item C2J at its December 14, 2022, Commission meeting to increase daily bed rates by 3% for each bed, increasing the approved rate to \$36.08 per bed, per day, and approving the purchase of a family room, inclusive of six (6) beds.
- **Amendment No. 3** was approved on July 24, 2024, by the City Commission via Resolution 2024-33188, authorizing the purchase of four (4) additional shelter beds. The Resolution also authorized the City Manager to execute the Amendment and add more beds to the Agreement as needed based on demand and budget availability. To address rising demand for emergency shelter beds, the Administration has also negotiated an additional nine (9) beds, at the same rate, for the remainder of the Agreement's term, which ends on March 20, 2025. The total cost for the thirteen (13) additional beds now amounts to \$73,098.08. Once Amendment No. 3 has been fully executed, the City's bed inventory at

the Salvation Army will total 32 single beds, one (1) family room (6 beds), and four (4) after-hour beds for the Miami Beach Police Department ("MBPD").

ANALYSIS

The initial 5-year term of the Agreement with the Contractor ended on March 20, 2023, with the option to extend the Agreement for an additional two (2), two (2) year renewals. The first renewal is set to expire on March 20, 2025.

In July 2024, when the City issued the Salvation Army an "Intent to Renew" letter for the second renewal, the Contractor informed the City of an updated cost matrix reflecting actual expenses for shelter bed maintenance, including food, case management, and other services which exceeded the current contract rates. Based on these costs, the Contractor requested an increase from \$36.08 to \$47.00 per bed per day, which represented a significant increase beyond the current contract rate.

Following negotiations, the Administration and the Contractor agreed to a fixed rate of \$38.00 per bed, per day for the second renewal term. The Contractor has submitted an "Intent to Renew" letter to the Procurement Department, stating that the renewal depends on the City's approval of the rate adjustment. The Office of Housing and Community Services has identified funds within its operating budget to cover the rate increase, effective March 21, 2025. This rate change is expected to add an estimated \$15,644.15 in costs for the remaining 194 days of the fiscal year.

FISCAL IMPACT STATEMENT

\$15,644.15

Does this Ordinance require a Business Impact Estimate?

(FOR ORDINANCES ONLY)

If applicable, the Business Impact Estimate (BIE) was published on:

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notices/>

FINANCIAL INFORMATION

011-0560-000349-23-405-575-00-00-00- Housing and Community Services

CONCLUSION

The Administration seeks the approval of Amendment No. 4 to the Professional Services Agreement with Salvation Army, amending Section 3.1 of the Agreement, "Fixed Fee", to increase the daily bed rates from \$36.08 to \$38.00 per day for the duration of the second renewal term, expiring on March 20, 2027.

Applicable Area

Citywide

Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?

No

Is this item related to a G.O. Bond Project?

No

Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying? No

If so, specify the name of lobbyist(s) and principal(s):

Department

Housing and Community Services

Sponsor(s)

Co-sponsor(s)

Condensed Title

Amendment 4 to PSA with Salvation Army, Emergency Shelter Services. HCS

Previous Action (For City Clerk Use Only)

**AMENDMENT NO. 4 TO THE PROFESSIONAL SERVICE AGREEMENT
BETWEEN
THE CITY OF MIAMI BEACH, FLORIDA
AND
THE SALVATION ARMY
FOR EMERGENCY SHELTER BEDS**

This Amendment No. 4 (Amendment) to the Professional Services Agreement, dated March 21, 2018, is entered into this _____, day of _____, 2024, with an effective date of March 21, 2025 ("Effective Date"), by and between the City of Miami Beach, Florida, a municipal corporation organized and existing under the laws of the State of Florida, having its principal place of business at 1700 Convention Center Drive, Miami Beach, Florida 33139 (City), and The Salvation Army, a non-profit Corporation, having its principal place of business at 1907 NW 38th Street, Miami FL 33142 (Contractor), and hereby amends the Agreement as follows:

RECITALS

WHEREAS, on September 25, 2017, the Mayor and City of Miami Beach ("City") 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 Contractor executed the Agreement with respect to the Emergency Shelter Services (the Agreement), which services include Emergency Housing and Emergency Shelter Beds, as set forth in Exhibit A and Exhibit B of the Agreement; and

WHEREAS, Section 3.1 established a "not-to-exceed" limit of two hundred twenty-seven thousand one hundred eighty-four dollars and ninety-four cents (\$227,184.94) for year one (1), two hundred thirty-four thousand dollars and forty-nine cents (\$234,000.49) for year two (2), two hundred forty-one thousand twenty dollars and fifty-one cents (241,020.51) for year three (3), two hundred forty-eight thousand two hundred fifty-one dollars and twelve cents (\$248,251.12) for year four (4), and two hundred fifty-five thousand six hundred ninety-eight dollars and sixty-five cents (\$255,698.65) for year five (5), for 20 beds per year; and

WHEREAS, the City may require a greater amount of beds per year than was originally anticipated if it is to effectively manage the rise in demand for said beds and the City Commission-approved resolution did not stipulate a "not-to-exceed" amount; and

WHEREAS, on February 28, 2019, the City Manager approved Amendment No. 1 to the Agreement removing the not-to-exceed amount; and updated the renewal terms of the Agreement from a two (2) one-year renewal terms to two (2) two-year terms with the approval of the City Manager; and

WHEREAS, on June 12, 2023, following the approval of the Mayor and City Commission of item C2J at its December 14, 2022 Commission meeting, the City Manager approved Amendment No. 2 to the Agreement, authorizing the increase in daily bed rates

by 3% for each bed, increasing the approved rate to \$36.08 per bed, per day, and approving the purchase of a family room, inclusive of six (6) beds; and

WHEREAS, on July 24, 2024, the City Commission approved Resolution 2024-33188, approving Amendment No. 3 to the Agreement for the purchase of four (4) additional shelter beds at the existing rate of \$36.08 per bed, and further authorizing the City Manager to add additional beds to the current Agreement based on need and budget appropriation, and

WHEREAS, to address the rising demand for emergency shelter beds, the Administration has also negotiated an additional nine (9) beds, at the same rate, for the remainder of the Agreement's term, which ends on March 20, 2025; and

WHEREAS, the total cost for the thirteen (13) additional beds now amounts to \$73,098.08; and

WHEREAS, once Amendment No. 3 has been fully executed, the City's bed inventory at the Salvation Army will total 32 single beds, one (1) family room (6 beds), and four (4) after-hour beds for the Miami Beach Police Department ("MBPD"); and

WHEREAS, the initial 5-year term of the Agreement with the Contractor ended on March 20, 2023, with the option to extend the Agreement for an additional two (2), two (2) year renewals; and

WHEREAS, the first renewal is set to expire on March 20, 2025; and

WHEREAS, in July 2024, when the City issued the Salvation Army an "Intent to Renew" letter for the second renewal, the Contractor informed the City of an updated cost matrix reflecting actual expenses for shelter bed maintenance, including food, case management, and other services which exceeded the current contract rates; and

WHEREAS, based on these costs, the Contractor requested an increase from \$36.08 to \$47.00 per bed per day, which represented a significant increase beyond the current contract rate; and

WHEREAS, following negotiations, the Administration and the Contractor agreed to a fixed rate of \$38.00 per bed per day for the second renewal term; and

WHEREAS, the Contractor has submitted its "Intent to Renew" letter to the Procurement Department, noting that the renewal is contingent upon the City's approval of the rate adjustment; and

WHEREAS, the Office of Housing and Community Services has identified funds within its operating budget to cover the rate increase, effective March 21, 2025..

NOW THEREFORE, in consideration of the mutual promises and conditions contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and Contractor hereby agree to amend the Agreement as follows:

1. ABOVE RECITALS.

The above recitals are true and correct and are incorporated as part of this Amendment.

2. MODIFICATIONS.

The Agreement is hereby modified (deleted items ~~struck through~~ and inserted items underlined) as follows:

a) Section 3.1 is hereby amended as follows:

Additional beds may be purchased at the same rate, per bed, per day, if requested by the City and available. Rooms shall be made available to families and shall include six (6) beds at a price of ~~\$36.08~~ \$38.00 per bed, per day.

b) The fixed fee price per bed, per day, is hereby adjusted to reflect a 5% increase, for a fixed fee price of \$38.00 per bed, per day.

All expenditures are contingent upon budget appropriation.

3. RATIFICATION.

Except as amended herein, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect. In the event there is a conflict between the provisions of this Amendment and the Agreement, the provisions of this Amendment shall govern.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their appropriate officials, as of the date first entered above.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

FOR CITY:

CITY OF MIAMI BEACH, FLORIDA

ATTEST:

By:

Rafael E. Granado,
City Clerk

Eric T. Carpenter
City Manager

Date

FOR CONTRACTOR:

THE SALVATION ARMY

ATTEST:

By:

Secretary

Commander

Print Name

Print Name

Date

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 WITH THE SALVATION ARMY FOR EMERGENCY SHELTER SERVICES, AMENDING SECTION 3.1 OF THE AGREEMENT, "FIXED FEE" TO STIPULATE THE RENEWAL TERMS OF THE AGREEMENT; APPROVING THE INCREASE IN THE DAILY BED RATE FOR EMERGENCY SHELTER BEDS FROM \$36.08 PER BED, PER DAY, TO \$38.00 PER BED, PER DAY; AND FURTHER AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT.

WHEREAS, on September 25, 2017, the Mayor and City of Miami Beach ("City") 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 executed an Agreement with the Salvation Army ("Contractor") with respect to the Emergency Shelter Services (the Agreement), which services include Emergency Housing and Emergency Shelter Beds, as set forth in Exhibit A and Exhibit B of the Agreement; and

WHEREAS, Section 3.1 of the agreement established a "not-to-exceed" limit for twenty (20) beds per year; and

WHEREAS, on February 28, 2019, the City Manager approved Amendment No. 1 to the Agreement, removing the not-to-exceed amounts; and updated the renewal terms of the Agreement from two (2) one-year renewal terms to two (2) two-year terms with the approval of the City Manager; and

WHEREAS, on June 12, 2023, following the approval of the Mayor and City Commission of item C2J at its December 14, 2022 Commission meeting, the City Manager approved Amendment No. 2 to the Agreement, authorizing the increase in daily bed rates by 3% for each bed, increasing the approved rate to \$36.08 per bed, per day, and approving the purchase of a family room, inclusive of six (6) beds; and

WHEREAS, on July 24, 2024, the City Commission approved Resolution 2024-33188, approving Amendment No. 3 to the Agreement for the purchase of four (4) additional shelter beds at the existing rate of \$36.08 per bed, and further authorizing the City Manager to add additional beds to the current Agreement based on need and budget appropriation, and

WHEREAS, to address the rising demand for emergency shelter beds, the Administration has also negotiated an additional nine (9) beds, at the same rate, for the remainder of the Agreement's term, which ends on March 20, 2025; and

WHEREAS, the total cost for the thirteen (13) additional beds now amounts to \$73,098.08; and

WHEREAS, once Amendment No. 3 has been fully executed, the City's bed inventory at the Salvation Army will total 32 single beds, one (1) family room (6 beds), and four (4) after-hour beds for the Miami Beach Police Department ("MBPD"); and

WHEREAS, the initial 5-year term of the Agreement with the Contractor ended on March 20, 2023, with the option to extend the Agreement for an additional two (2), two (2) year renewals; and

WHEREAS, the first renewal is set to expire on March 20, 2025; and

WHEREAS, in July 2024, when the City issued the Salvation Army an "Intent to Renew" letter for the second renewal, the Contractor informed the City of an updated cost matrix reflecting actual expenses for shelter bed maintenance, including food, case management, and other services which exceeded the current contract rates; and

WHEREAS, based on these costs, the Contractor requested an increase from \$36.08 to \$47.00 per bed per day, which represented a significant increase beyond the current contract rate; and

WHEREAS, following negotiations, the Administration and the Contractor agreed to a fixed rate of \$38.00 per bed per day for the second renewal term; and

WHEREAS, the Contractor has submitted its "Intent to Renew" letter to the Procurement Department, noting that the renewal is contingent upon the City's approval of the rate adjustment; and

WHEREAS, the Office of Housing and Community Services has identified funds within its operating budget to cover the rate increase, effective March 21, 2025; and

WHEREAS, the impact amount will result in an estimated additional cost of \$15,644.15 for 194 days left in the fiscal year; and

WHEREAS, the Administration recommends approving Amendment No. 4 to the Professional Services Agreement with the Contractor, amending the Fixed Fee to stipulate the terms of the second renewal term, commencing on March 21, 2025, and expiring on March 20, 2027.

NOW, THEREFORE, BE IT DULY 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 with the Salvation Army for Emergency Shelter Services, amending Section 3.1 of the Agreement, "Fixed Fee" to stipulate the renewal terms of the Agreement; approve the increase in the daily bed rate for emergency shelter beds from \$36.08 per bed, per day, to \$38.00 per bed, per day; and further authorize the City Manager to execute the Amendment.

PASSED AND ADOPTED this _____ day of _____ 2025.

ATTEST:

Steven Meiner, Mayor

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

City Attorney *af* 2/14/2025
Date