



Cover Memorandum/Staff Report

File #: 23-1233

Agenda Date: 9/18/2023

Item #: 7.E.

TO: Mayor and Commissioners
FROM: Peggy Cadeaux, Purchasing Division
THROUGH: Terrence R. Moore, ICMA-CM
DATE: September 18, 2023

APPROVAL OF RESOLUTION NO. 188-23 TO AWARD AN AGREEMENT WITH KAUFFS OF PALM BEACH, INC., FOR VEHICLE TOWING AND STORAGE SERVICES - \$156,712.50 FOR THE INITIAL THREE-YEAR TERM

Recommended Action:

Motion to approve Resolution No. 188-23 to award an Agreement with Kauffs of Palm Beach, Inc., for the Citywide Vehicle Towing and Storage Services in the estimated projected revenue amount of \$156,712.50 (\$52,237.50 per year) through 1 October, 2026 and authorizing the City Manager to approve renewal options, in the amount below, contingent upon appropriation of funds.

Background:

On February 24, 2023, a Request for Qualifications (RFQ) 2023-007 was advertised for Vehicle Towing and Storage Services. On April 12, 2023, the City received three (3) submittals in response to the RFQ, including proposals from Westway Towing, Inc., Priority Towing Inc., and Kauffs of Palm Beach Inc. On August 15, 2023 the City Commission made a decision to reject Westway Towing Inc. and Negotiate with Kauffs of Palm Beach Inc. On August 21, 2023 the first negotiation session was conducted and on August 28, 2023 the second negotiation meeting was held to finalize the terms of the Agreement.

The primary users of these services are the City Police Department, Neighborhood & Community Services Department, and Fleet Maintenance - Public Works Department. Under this Agreement, the cost of vehicle towing and storage will be borne by the vehicle owners and not by the City. The City, however, will not be charged for tows of City-owned vehicles. There is a 25% administrative fee that will be paid to the City by the towing firm. This fee is determined on a per-tow basis for each City directed tow. The towing firm must charge customers the rates established by Palm Beach County Code of Ordinance No. 2022-021.

The Original term of the Agreement is for three (3) years, effective October 1, 2023 through September 30, 2026, with up to two (2) additional one (1) year renewal periods. Should the City exercise the renewal options provided in the contract, the cumulative projected revenue value is provided below

Estimated Contract Value - Emergency Equipment for Vehicles		
Initial Term - Year 1	October 1, 2023- September 30, 2024	\$ 52,237.50
Initial Term - Year 1	October 1, 2024- September 30, 2025	\$ 52,237.50

Initial Term - Year 1	October 1, 2025- September 30, 2026	\$ 52,237.50
Renewal Term 1	October 1, 2026- September 30, 2027	\$ 52,237.50
Renewal Term 2	October 1, 2027- September 30, 2028	\$ 52,237.50
	Total:	\$ 261,187.50

This motion is in accordance with the Code of Ordinance Chapter 36, Commission Approval Required and Purchasing Policies.

City Attorney Review:

Approved as to form and legal sufficiency

Funding Source/Financial Impact:

This is a revenue generating contract.

001-00-000.323-910 - Administrative Fees Towing

Attachment:

1. Request for Qualifications 2023-007
2. Kauffs of Palm Beach, Inc. submittal
3. Resolution 188-23
4. Agreement
5. Legal Review Checklist