



Broward County

Legislation Details (With Text)

File #: 20-523 **Version:** 1

Status: Agenda Ready

In control: Finance - Records, Taxes, and Treasury Division

On agenda: 3/31/2020 **Final action:** 3/31/2020

Title: MOTION TO AUTHORIZE amendments to the Agreements between Broward County and the four Private Tag Agency providers; adjusting certain customer fees, and allowing the Private Tag Agencies to accept out-of-county applications via email; and authorize the County Administrator to execute such amendments on behalf of the County, once approved as to form by the Office of the County Attorney.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit 1 - PTA Amendment Template, 2. Exhibit 2 - Letter from PTA Owner, 3. Exhibit 3 - Letter from DHSMV, 4. Exhibit 4 - PTA History, 5. Additional Material - Information

Date	Ver.	Action By	Action	Result
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Broward County Commission Regular Meeting

Director's Name: George Tablack

Department: Finance and Administrative Services **Division:** Records, Taxes, and Treasury

Information

Requested Action

MOTION TO AUTHORIZE amendments to the Agreements between Broward County and the four Private Tag Agency providers; adjusting certain customer fees, and allowing the Private Tag Agencies to accept out-of-county applications via email; and authorize the County Administrator to execute such amendments on behalf of the County, once approved as to form by the Office of the County Attorney.

Why Action is Necessary

Section 20-251(a) of the Broward County Code of Ordinances requires that any adjustments to the schedule of the Private Auto Tag Agency service fees shall be approved by the Board.

What Action Accomplishes

Authorizes the County Administrator to approve amendments to the Agreements with the County's Private Tag Agencies.

Is this Action Goal Related

No

Previous Action Taken

None

Summary Explanation/Background

THE FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT AND THE RECORDS, TAXES, AND TREASURY DIVISION RECOMMEND APPROVAL OF THE ABOVE MOTION.

Broward County Government is responsible for tag agency services and has an agreement in place with four providers for seven Private Auto Tag Agency (PTA) Services. One of the PTA owners has requested an increase to some of the service fees charged by the PTAs. The reasoning for the request was attributed to additional expenses incurred in the PTA environment, including new data circuit fees assessed by the State and a general increase in operating costs. A copy of this request letter from the PTA owner is attached as Exhibit 2.

On September 24, 2019 (Item No. 26), the Board approved a five-year extension of the PTA Agreements and amended to add another five-year extension to January 2030. During the discussion of this item, the Board also directed staff to work with the PTAs to negotiate the proper adjustment of fees to cover increases in operating expenses.

County staff met with the PTA owner and representatives to discuss the request. The following items were considered:

- The County has the option to periodically review PTA service fee rates and to adjust for inflation and other changes in operating conditions.
- An increase to the PTA fees was enacted as requested by the PTAs and approved by the Board on August 22, 2017 (Item No. 59). Except for the Fast Title fee, the fees were significantly increased in line with the corresponding increase in the Consumer Price Index over the period since the last fee increase (approximately 1997).
- The only new variable which was unknown at the time the PTA fees were increased in August 2017 is a new fee passed down from the Department of Highway Safety and Motor Vehicles (DHSMV). Specifically, effective October 2019, the DHSMV is passing along a monthly data circuit fee to non-County-owned tag agencies (PTAs). The fee totals approximately \$10,000 for each of the seven PTAs (\$70,000 total). A copy of the notification from DHSMV is attached as Exhibit 3.

As a result of the discussions, the County and the PTA owner and representatives have agreed to an increase in the following customer transaction fees:

- Fast Title (Fast Title Application and Fast Title Duplicate Application) from \$20 to \$25;
- Registration (for the issuance, transfer, replacement of license plate and/or decal and registration certificate) from \$3.50 to \$3.85; and
- Title Application for Original or Transfer Certificate of Title (all kinds, including lien recordings, verifications, all necessary forms, notarizations, sales tax collection or exemption) from \$15 to \$16.50.

According to the most-recent fiscal year transaction volumes obtained from the DHSMV, the proposed increases will generate an estimated revenue increase of approximately \$1.1M per year across all seven PTAs.

In conjunction with the fee increases, language has been added in the Amendment that allows the County to review the number of Fast Title transactions for a specified period and request a review and reduction of the associated customer transaction fee. Also, language has been included in the Amendment, which defines "Commercial Accounts" and allows the PTAs to accept work via email for such accounts. This request was due to an omission of the definition of such accounts, and due to changes in the PTA operating environments. Finally, language has been included to state there will be no additional customer transaction fee increases during the remaining term of the Agreement. A template Amendment to the PTA Agreements with these changes has been drafted by the County Attorney's Office and is attached as Exhibit 1.

A historical summary of the PTAs' establishment including contractual milestones is attached as Exhibit 4.

Source of Additional Information

Thomas Kennedy, Director, Records, Taxes and Treasury Division (954) 357-5777

Fiscal Impact

Fiscal Impact/Cost Summary

There is no fiscal impact to the County. These fees are paid by individuals utilizing private tag agency services.