

OMB Contract Review

Contract Name	Mainstream Partners IV, LLC				
GRANICUS	22-1340D	Contract #	N/A	Date:	11/28/2022

Mark all Applicable Boxes:

Type of Contract									
CIP		Grant		Other	X	Revenue		Project	

Contract information:

New Contract (Y/N)	N	Original Contract Amount – FY23	\$	677,600.00
Fund(s)	0001	Amount of Change – FY23	\$	31,848.00
Cost Center(s)	361410	Contract Amount – FY23	\$	709,448.00
Program(s)	1902	Amount Available	\$	677,600.00
Account(s)	5440001	Included in Applicable Budget? (Y/N)	Y	
Fiscal Year(s)	FY23			

Description & Comments

(What is it, any issues found, is there a financial impact to current/next FY, does this contract vary from previous FY, etc.)

Summary:

- The Fourth Amendment to the Mainstream Partners IV, LLC lease agreement will increase the contract amount to \$709,448.00 in FY23.
- If this amendment is approved, the contract will be over budget by \$31,848.00 in FY23.
- The department can likely absorb this increase if they remain within budget in other spending areas.

Background:

The Department of Administrative Services is proposing a Fourth Amendment to the lease agreement with Mainstream Partners IV, LLC (Mainstream) to expand existing warehouse space to support the Pinellas County Sheriff's Office Dive Team (PCSO) at the Mainstream warehouse located at 7200 114th Avenue North, Pinellas Park (premise). This agreement will add two (2) 2,400 square foot adjoining bay spaces, 7254 and 7262 114th Avenue, to the current PCSO footprint at the premise. This will expand the current PCSO footprint from five (5) bays to seven (7) and will expand it from 12,000 square feet to 16,800 square feet. There will be two options to renew, each with a five (5) year term.

The contract has had three (3) amendments approved to date, and the contract was budgeted for \$677,600.00 in FY23. The proposed Fourth Amendment will raise the fiscal impact to \$709,448.00 in FY23, which is \$31,848.00 over budget for this contract (Table 1).

FY23 Fiscal Impact Summary		
FY23 Budgeted Amount	FY23 Proposed Amount	Budget Impact – Over/Under
\$ 677,600.00	\$ 709,448.00	\$ 31,848.00

Table 1: FY23 Fiscal Impact Summary

If approved, Fourth Amendment will increase the monthly expense by 8.0% beginning in March 2023, with a total increase of 4.7% for FY23 overall when compared to the original contract (Table 2).

FY23 Contract Summary					
Year	Month	Original Contract	Fourth Amendment	Difference	Percent Change
2022	October	\$ 55,900.00	\$ 55,900.00	\$ -	0.0%
2022	November	\$ 55,900.00	\$ 55,900.00	\$ -	0.0%
2022	December	\$ 55,900.00	\$ 55,900.00	\$ -	0.0%
2023	January	\$ 55,900.00	\$ 55,900.00	\$ -	0.0%
2023	February	\$ 55,900.00	\$ 55,900.00	\$ -	0.0%
2023	March	\$ 55,900.00	\$ 60,372.00	\$ 4,472.00	8.0%
2023	April	\$ 55,900.00	\$ 60,372.00	\$ 4,472.00	8.0%
2023	May	\$ 55,900.00	\$ 60,372.00	\$ 4,472.00	8.0%
2023	June	\$ 57,600.00	\$ 62,208.00	\$ 4,608.00	8.0%
2023	July	\$ 57,600.00	\$ 62,208.00	\$ 4,608.00	8.0%
2023	August	\$ 57,600.00	\$ 62,208.00	\$ 4,608.00	8.0%
2023	September	\$ 57,600.00	\$ 62,208.00	\$ 4,608.00	8.0%
FY23	Total	\$ 677,600.00	\$ 709,448.00	\$ 31,848.00	4.7%

Table 2: FY23 Contract Summary

This contract has experienced steady and significant cost increases since 2019 (Year 1/Second Amendment)¹. If Fourth Amendment is approved, the contract will have grown by 26.8% since Year 1 (2019), with an average year-over-year growth rate of 5.9%. Furthermore, the Year 5 (2023) total is 8.0% higher than what was approved for Year 5 in Third Amendment and 12.5% higher than what was approved for Year 5 in Second Amendment.

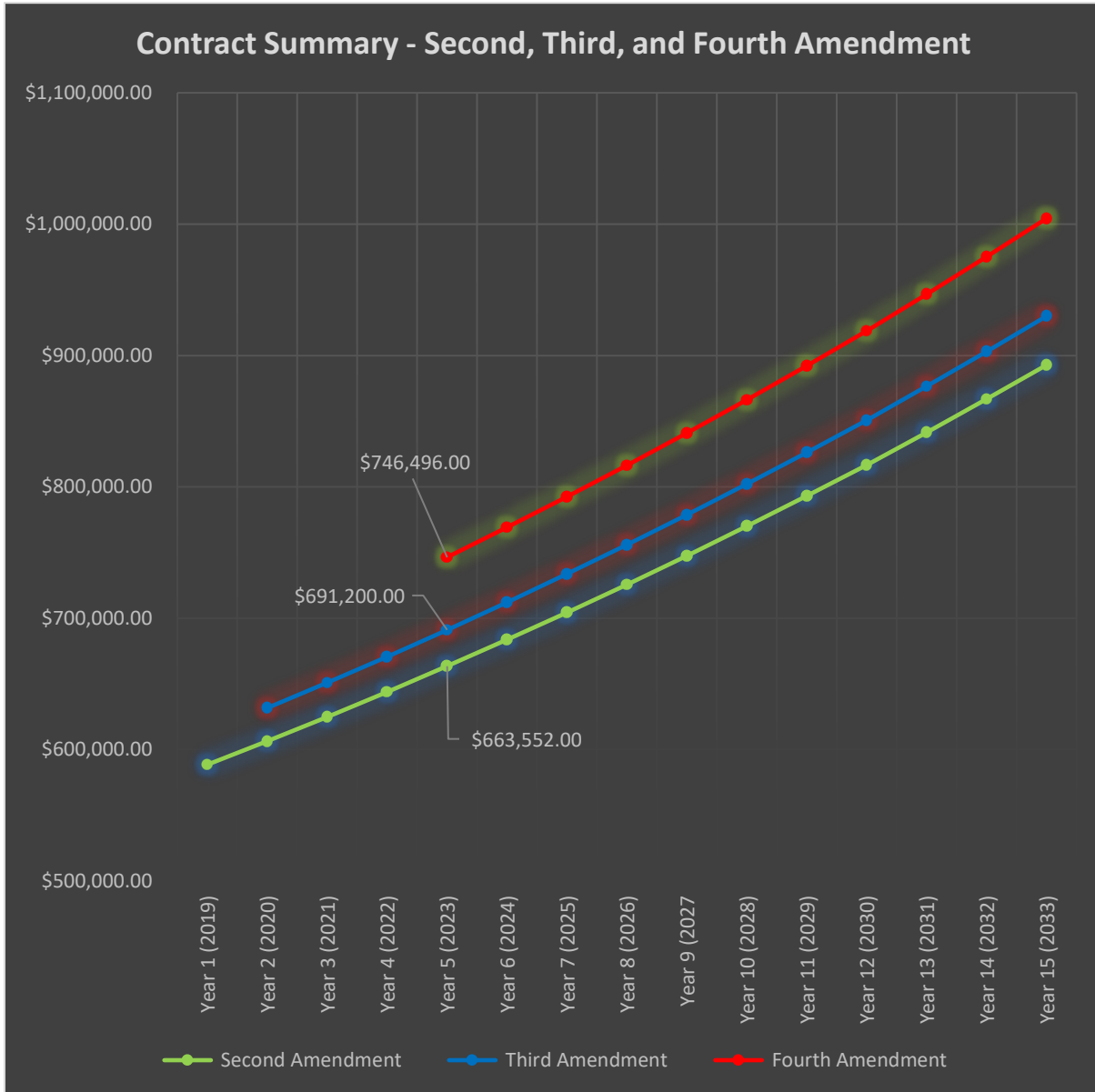


Figure 1: Contract Summary - Second, Third, and Fourth Amendment

¹ The Second Amendment established lease terms of June 1st through May 31st of the following year. For example, Year 1 (2019) has a term of June 1, 2019, to May 31, 2020, and Year 5 (2023) has a term of June 1, 2023, to May 31, 2024. Thus, the contract term does not follow fiscal year, which is why there is a variance between the cost spent in FY23 (Table 2) and the cost of Year 5 (2023) in Figure 1.

This Account (5440001) and Center (361410) have historically had enough lapse funds to absorb this increase, however, both went over budget in FY22. The Budget Control Center (36131) has also historically had lapse funds, but they are minimal overall and met Budget Control once in the last five (5) years.

Real Property Leases Budget Summary - Percent Expensed			
Year	Account - 5440001	Center - 361410	Budget Control - 36131
2018	88%	98%	96%
2019	86%	88%	100%
2020	85%	87%	99%
2021	95%	95%	99%
2022	103%	104%	99%

Table 3: Real Property Leases Budget Summary - Percent Expensed

Real Property Budget Summary - Dollars Lapsed			
Year	Account - 5440001	Center - 316410	Budget Control - 36131
2018	\$ 536,415.24	\$ 98,734.46	\$ 1,546,174.33
2019	\$ 712,765.45	\$ 653,312.19	\$ (20,432.83)
2020	\$ 795,893.78	\$ 727,355.83	\$ 212,859.79
2021	\$ 240,899.13	\$ 279,625.36	\$ 198,550.54
2022	\$ (133,706.71)	\$ (198,754.30)	\$ 216,940.13

Table 4: Real Property Budget Summary - Dollars Lapsed

Analyst: Shane Kunze

Ok to Sign:

Instructions/Checklist

1. Upon receipt of a contract and notification in Granicus, review the Agenda and Contract for language and accuracy. Make sure there are available funds, the dept is not overextending itself, was it planned, etc.
2. Complete the form above using the contract document and the County accounting & budgeting systems.
3. Use the Staff Report section to give a brief summary of the contract and include your thoughts and pertinent information.
4. Upload to Granicus as a numbered attachment.
5. Upload a copy of the contract review into the appropriate contract review Sharepoint folder. (OMB/OMB Document Library/Contract.RVW/)