

OMB Granicus Review

Granicus Title	Award of bid to Waste Management Inc. of Florida for trash and recycling services.				
Granicus ID#	23-1129A	Reference #	23-0232-ITB	Date	August 24, 2023

Mark all Applicable Boxes:

Type of Review									
CIP		Grant		Other	X	Revenue		Project	

Fiscal Information:

New Contract (Y/N)	Y	Original Amount	N/A
Fund(s)	Multiple Funds	Amount of Change (+/-)	N/A
Cost Center(s)	Multiple Centers	Total Amount	\$ 4,942,153.50
Program(s)	Multiple Programs	Amount Available (FY24)	\$ 1,112,030.00
Account(s)	Multiple Accounts	Included in Applicable Budget? (Y/N)	Y
Fiscal Year(s)	FY24 – FY26		

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 proposed contract with Waste Management, Inc. of Florida has a not-to-exceed threshold of \$4,942,153.50 for 36-months.
- This only creates a not-to-exceed threshold, it does not guarantee an exact amount to be paid. Departments may use the full \$1,112,030.00 or less.
- This will be expensed from multiple funds, centers, programs, and accounts and will impact the operating expenses of requesting departments.
- This is partially budgeted for in FY24 at \$1,112,030.00. Departments will need to adjust spending in other areas or amend budgets to meet demands.

Background

The Department of Administrative Services' (DAS) Purchasing and Risk Division (Purchasing) is seeking approval of a new contract with Waste Management Inc. of Florida (WM) for countywide trash and recycling services at various County owned locations. The proposed new contract has a not-to-exceed threshold of \$4,942,153.50 for a term of 36-months and will replace contract number 178-0561-B with WM, which had a not-to-exceed threshold of \$4,884,332.00 for 60-months. The new not-to-exceed contract threshold represents an annual increase of \$670,518.10, or 68.6% over the previous contract and is due to rising inflationary costs related to fuel, fleet maintenance, and labor.

The previous contract (178-0561-B) has \$185,502.63 remaining, is 96.2% expensed, and will expire in September 2023. During the 60-month term, the total amount expensed has increased year-over-year (YoY), with the exception of FY21, which saw decreased expensed and PO utilization due to remote work and COVID-19 related office closures. Return to office and increased inflationary costs caused a significant spike in the amount expensed in FY22, and FY23's total has already surpassed FY22's final figures (Table 1 and Figure 1).

Contract 178-0561-B PO Summary				
Year	Amount	YoY Percent Change	Utilization	YoY Percent Change
FY19	\$ 691,375.14	-	137	-
FY20	\$ 753,983.77	9.1%	207	51.1%
FY21	\$ 532,820.02	-29.3%	69	-66.7%
FY22	\$ 1,347,725.11	152.9%	61	-11.6%
FY23 YTD	\$ 1,372,925.33	1.9%	116	90.2%
FY19 - FY23 Expensed	\$ 4,698,829.37		590	

Table 1: Contract 178-0561-B PO Summary

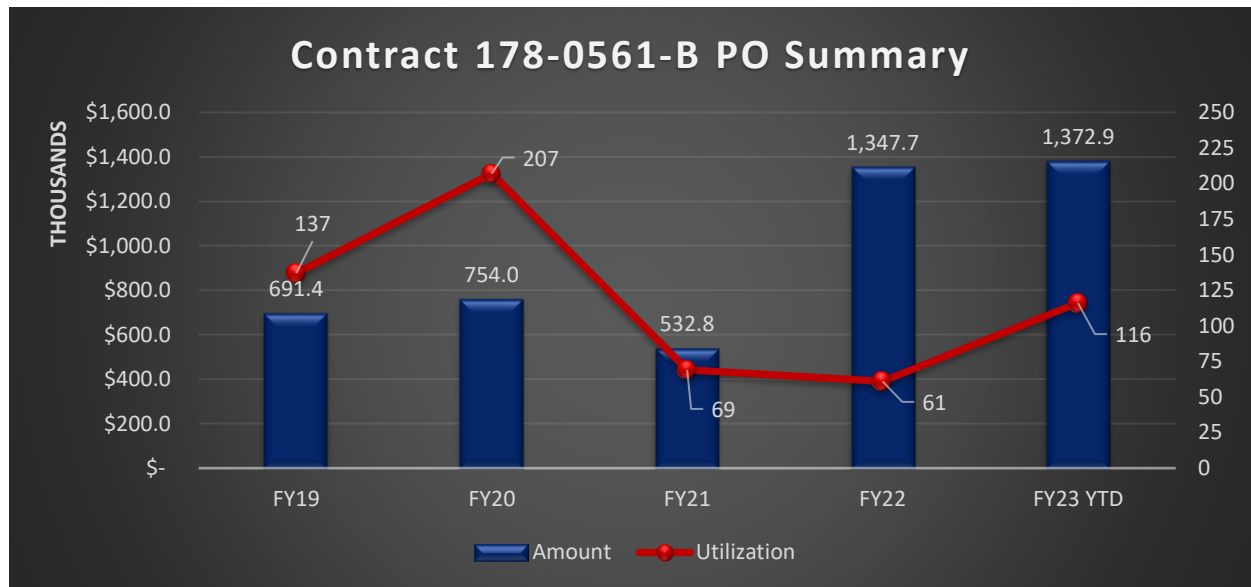


Figure 1: Contract 178-0561-B PO Summary

This contract is used by multiple departments and funding is derived from multiple Funds, Centers, Accounts, and Programs; however, DAS, Parks and Conservation Resources (PCR), and Pinellas County Utilities (PCU) are the highest users. Approval for the use of funds and whether budgetary conditions are met will need to be made on a department-by-department basis. Departments have specifically budgeted \$1,112,030.00 in FY24 (Table 2), which is \$535,354.50 or 32.5% less than the contract’s projected annual average of \$1,647,384.50. This suggests that departments are not budgeting enough to meet the demands of this contract. Departments will need to adjust spending in other areas or amend their budgets to meet demands.

FY24 Budget Summary	
Department	Amount
Department of Administrative Services	\$ 291,550.00
Parks and Conservation Resources	\$ 499,320.00
Pinellas County Economic Development	\$ 36,940.00
Pinellas County Utilities	\$ 284,220.00
Total	\$ 1,112,030.00

Table 2: FY24 Budget Summary

Analyst: Shane Kunze

Ok to Sign:

Instructions/Checklist

1. Upon receipt of a request for review and notification in Granicus, review the Agenda and document for language and accuracy. Make sure there are available funds, the dept. is not overextending itself, was it planned, etc.
2. Use the Staff Report section to give a summary of the contract and include your thoughts and pertinent information.
3. Complete the form above using the Granicus attachments and the County's accounting & budgeting systems (i.e., OPUS, Chart of Accounts, Questica Budget Software).
4. Include a statement in both the Fiscal Impact section of the Staff Report and the Granicus Review form to indicate if the activity is planned in the current budget.
 - a. Sample language: **"The (contract, agreement, MOU, activity, etc.) is included in the FY23 Adopted Budget and the preliminary FY24 budget submission from the department. The annual amount expected to be spent on the (contract, agreement, MOU, activity, etc.) is approximately the same as has been spent in most recent years (or is ___ percent higher or lower due to ___)"**.
5. Save the form with the following naming convention:
 - a. **OMB.Review_XX-XXXX_Department_Subject_Date)**
 - b. (e.g., OMB Review_22-529A_PW_Sidewalk_28-DEC-2022).
6. Upload to Granicus as a numbered attachment.
 - a. Upload a copy of the Granicus review into the appropriate department review folder on SharePoint. (OMB/OMB Document Library/GRANICUS.RVW).