

OMB Granicus Review

Granicus Title	Award of bid to Viktor Construction Corp for painting services for building exteriors, infrastructure systems, and pressure washing for various county departments.				
Granicus ID#	23-0832A	Reference #	23-0145-ITB- Services	Date	06/15/2023

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	\$ 2,683,500.00
Program(s)	Multiple Programs	Amount Available (FY23)	At Least \$660,510.00
Account(s)	Multiple Accounts	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 proposed contract will have a not-to-exceed threshold of \$2,683,500.00 for a 36-month term.
- This only creates a not-to-exceed threshold, it does not guarantee an exact amount to be paid. Departments may use the full \$2,683,500.00 or less.
- Departments have budgeted at least \$660,510 in FY23, which is less than the annual average, but is aligned with historical expenses. The FY24 is less as well, however, it is more aligned with FY23 actuals.

Background

On June 17, 2017, Pinellas County approved Contract 178-0405-B with L&T Brothers, doing business as Lowes Commercial Painting (Lowes) in the amount of \$4,105,000.00 for 60 months, with an annual average expenditure of \$821,000.00.

Since FY18, the blanket purchase agreements (BPA) affiliated with this contract, BPA #432400 and 432401, have expensed a total of \$2,496,917.02 per the PO Summary Report. This contract has \$1,608,082.98, or 39.2% remaining, indicating departments did not utilize this contract as much as projected. Expenses and usage have ebbed and flowed overall since FY18, but expenses have mostly plateaued between \$600,000.00 and \$700,000.00 since FY20 (Table 1).

BPA Agreements 432400 and 432401 PO Summary				
Year	Amount	YoY Percent Change	Utilization	YoY Percent Change
FY18	\$13,524.04	-	24	-
FY19	\$353,316.96	2512.5%	268	1016.7%
FY20	\$663,837.42	87.9%	412	53.7%
FY21	\$613,893.87	-7.5%	336	-18.4%
FY22	\$657,160.62	7.0%	383	14.0%
FY23 YTD	\$195,184.11	-70.3%	166	-56.7%
FY18 - FY23 Total Expensed	\$2,496,917.02	-	1589	-

Table 1: BPA Agreement PO Summary

Spending trends for FY23 are inconsistent with past years, with FY23 having the lowest amount expensed from October – June (Table 2). This trend suggests that spending for this contract is more aligned with 2019 figures than more recent years, and it is not projected that this contract will expense as much as FY22, FY21, or FY20 and will not likely meet the contract’s annual average expense either.

October - June Expenditures Summary			
Year	OCT - JUN Expenditures	\$ Difference	% Difference
FY19	\$ 264,359.54	\$ (69,175.43)	-26.2%
FY20	\$ 495,767.25	\$ (300,583.14)	-60.6%
FY21	\$ 474,412.70	\$ (279,228.59)	-58.9%
FY22	\$ 333,732.46	\$ (138,548.35)	-41.5%
FY23	\$ 195,184.11	-	-

Table 2: October - June Expenditures Summary

This contract is nearing the end of its 60-month term and was put to bid in 2023. Viktor was the lowest bidder and is being recommended by the Department of Administrative Services (DAS) for contract approval. The proposed contract will have a not-to-exceed threshold of \$2,683,500.00 for thirty-six months, with an annual average of \$894,500.00, which is a \$73,500.00, 9.0%, increase per year compared to the existing Lowes contract. This type of increase has been common in recent contracts due to wage, supply, and material increases for vendors.

This contract is used by multiple departments and funding is derived from multiple Funds, Centers, Accounts, and Programs. 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 \$660,510.00 in FY23 for painting and pressure washing services¹, which is \$233,990.00, or 26.2% lower than the annual average, but is aligned with historical actuals. Departments may have included these services as a lump sum in repair and maintenance accounts, however, approval for those funds to meet the demands of this contract will also need to be made on a department-by-department basis². Departments have budgeted at least \$485,130.00 for painting and pressure washing services in FY24;

¹ Only Fund 1018 (STAR Center) mentions the current vendor Lowes in the budget for \$45,000.00. All other departments just reference painting and/or pressure washing services.

² As an example, DAS has approved POs with the current vendor, however, the GL string used has a budgeted lump sum for repair and maintenance and does not specifically call for this vendor or these services.

however, more may be bundled in repair and maintenance line items³. This budget is lower than the FY23 budget, but is more closely aligned with FY23 actuals.

FY23 Budget Summary					
Department	Fund	Center	Account	Program	Amount
Economic Development Total	1018	361610	5460001	1904	\$ 45,000.00
PCR Total					\$ 330,000.00
	0001	252100	5340001	1004	\$ 30,000.00
	0001	254011	5340001	1390	\$ 300,000.00
Public Works Total					\$ 23,000.00
	0001	436031	5462000	2206	\$ 3,910.00
	0001	436031	5462000	2202	\$ 12,420.00
	1094	436031	5462000	2205	\$ 6,670.00
Solid Waste Total					\$ 9,890.00
	4021	431340	5462000	2224	\$ 280.00
	4021	431350	5462000	2224	\$ 100.00
	4021	432925	5529000	2224	\$ 5,000.00
	4021	432932	5462000	2223	\$ 4,510.00
Utilities					\$ 252,620.00
	4031	431320	5462000	2321	\$ 35,000.00
	4031	431340	5462000	2321	\$ 360.00
	4031	431350	5462000	2321	\$ 2,900.00
	4031	431415	5529000	2321	\$ 1,000.00
	4051	431340	5462000	2421	\$ 1,360.00
	4051	431350	5462000	2421	\$ 2,000.00
	4051	431360	5462000	2421	\$ 150,000.00
	4051	435120	5462000	2421	\$ 60,000.00
Total					\$ 660,510.00

Table 3: FY23 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.

³ Again, only Fund 1018 budgeted \$50,000.00 for the current vendor. All other departments just reference painting and/or pressure washing.

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).