

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: December 19, 2019

File: BIS 20-061

File: TMP-2019-833

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO RENEW THE EXISTING AGREEMENT WITH BIOSOLIDS DISTRIBUTION SERVICES, LLC. FOR REMOVAL AND DISPOSAL OF BIOSOLIDS IN AN ESTIMATED ANNUAL EXPENDITURE OF \$1,550,000.00.

Statement of Budget Impact:

1. ☐ No Budget Impact associated with this action;
2. ☒ Sufficient budgetary resources identified/available;
3. ☐ Budgetary resources not identified/unavailable;
4. ☐ Potential Revenue is possible with this action;
5. ☒ Will not increase the cost of Housing;
6. ☐ May increase the cost of Housing; (CDAB review required)

Explanation:

The Department of Public Utilities desires to enter into a second renewal of a contract with Biosolids Distribution Services, LLC (BDS); the current contract ends on February 14, 2020, and the renewal term would be for five (5) years. This contract consists of an agreement to provide biosolids hauling and disposal services to the City of Hollywood.

The base hauling rates of this contract renewal are subject to an annual increase equal to either 3 percent or the annual percent increase in the Consumer Price Index (CPI) for "All Urban Consumers, South Region", whichever is less. Additionally, based on a comparison between the Current Index Price and the Fuel Benchmark Price of diesel fuel, either a surcharge or discounted hauling rate will be applied quarterly, depending on the difference between the two indexes. An annual quantity surcharge or discount will be applied based on the Benchmark Quantity of wet tons of biosolids hauled; annual hauling

of 10 percent or higher above the Benchmark Quantity will result in a credit, and annual hauling of 10 percent or lower than the Benchmark Quantity will result in a surcharge.

Funding is available in the FY 2020 Adopted Operating Budget account number 442.400601.53600.543600.000000.000.000, and will be budgeted in subsequent fiscal years' operating budget subject to the approval and adoption by the City Commission.

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