



**PEMBROKE PINES
CITY COMMISSION**

Frank C. Ortis
MAYOR
954-450-1020
fortis@ppines.com

Iris A. Siple.
VICE MAYOR
DISTRICT 3
954-450-1030
isiple@ppines.com

Angelo Castillo
COMMISSIONER
DISTRICT 4
954-450-1030
acastillo@ppines.com

Tom Good
COMMISSIONER
DISTRICT 1
954-450-1030
tgood@ppines.com

Jay D. Schwartz
COMMISSIONER
DISTRICT 2
954-450-1030
jschwartz@ppines.com

Charles F. Dodge
CITY MANAGER
954-450-1040
cdodge@ppines.com

INTER-OFFICE MEMORANDUM

TO: Mayor Frank C. Ortis
Members of the City Commission
Charles F. Dodge, City Manager
Aner Gonzalez, Deputy City Manager
Samuel Goren, City Attorney

CC: Jonathan Bonilla, Asst. Public Services Director

FROM: Dan O'Keefe, Commission Auditor
Eddy Castaneda, Senior Manager

DATE: June 14, 2023

RE: Commission Request to Review the Sixth Amendment to the Contractual Services Agreement with Compass Group USA, Inc.

During the Commission meeting on Wednesday June 7, 2023, the City Commission passed a motion for the Commission Auditor to review data provided by Compass Group regarding the Sixth Amendment to its service agreement contract. The purpose of the review was to provide the Commission with a recommendation on whether the City would be justified in paying the increased amount being asked for this service.

The Commission Auditor has reviewed the support that was provided by Compass to justify and support the request for the increase in the contract amount. The items reviewed included a comparison of costs incurred by Compass in the current year and prior year, on a cost per meal basis. Also included in this analysis was a wage increase set to start on February 1, 2023. This planned increase would bring Compass employees' wages from \$11.00 to \$13.00 and be paid retroactively to their employees. This was a result from the change in Florida minimum wage laws adopted by Florida voters in November 2020.

Based on our review, we had the City request a wage attestation statement from Compass. Since no such statement had previously been provided, we wanted to ensure the wage increase and associated costs were planned and in effect. The letter was provided on June 12, 2023, stating as such.

We believe the Commission is justified in paying an increased amount if the amendment is approved. However, based on conversations with Public Services, the amendment amount originally requested was based on an estimate and not a definite final amount. It is our opinion that while Compass may ask for an increase in contract amount, the City is not obligated to agree and pay the full amount requested. The City could negotiate with Compass on a final amount to be paid based on costs the City deems it will cover.

The cost analysis information provided by Compass has not been audited or verified by our Office.

Should you have any questions, please feel free to call me or Eddy.