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## Miami-Dade County Commission on Ethics and Public Trust

# Memo

**To:** Mike Murawski, independent ethics advocate  
**From:** Karl Ross, ethics investigator  
**Date:** Feb. 21, 2008  
**Re:** K08-017 Alex Gonzalez/ Waste Management of South Florida Inc.

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**Background:** The investigation seeks to determine whether Mr. Alex Gonzalez improperly lobbied city officials in Opa-locka in his capacity as governmental affairs director for Waste Management of South Florida, the city's solid waste contractor for commercial and residential waste since 2003. This investigation is an offshoot of K07-071 in which the Miami-Dade Commission on Ethics and Public Trust and Miami-Dade police looked into business dealings facilitated by Mr. Gonzalez between his employer and Opa-locka Commissioner Rose Tydus.

**Investigative Summary:** By the admission of Waste Management's legal counsel for this matter, Mr. Gonzalez represented the company as a lobbyist in Opa-locka where, in 2006, the company successfully renewed its contracts. Mr. Gonzalez represented Waste Management at selection committee meetings for RFP No. 06-0142 (Commercial Solid Waste Collection & Disposal) and RFP No. 06-0911 (Residential Solid Waste Collection and Disposal). He also represented the company at numerous city commission meetings relating to these and other Waste Management issues, and sustained regular contact with city officials on behalf of the firm. A review of internal company records and public documents shows that Gonzalez regularly lobbied city officials on behalf of Waste Management. The investigation further revealed that Gonzalez failed to register as a lobbyist in apparent violation of the county's ethics ordinance and Opa-locka city code.

**Findings:** Documents obtained over the course of the investigation show Mr. Gonzalez was actively engaging Opa-locka officials in talks about business

opportunities for Waste Management of South Florida since at least 2002. In 2003, thanks in part to the efforts of Mr. Gonzalez, Waste Management transitioned the city from a municipal-run solid waste program to privatized operations. The city's initial agreement for solid waste services was a multi-year deal beginning on or about Oct. 1, 2003, and ending on or about Sept. 30, 2005. In 2006, the city issued separate RFPs for commercial and residential solid waste collection and disposal services.

Evidence shows Mr. Gonzalez was the city's primary point of contact for all questions and concerns pertaining to Waste Management's activities in the city. In an Oct. 14, 2005, letter to Mayor Joseph Kelley and other city leaders, Gonzalez referenced a meeting with City Manager Jannie Beverly in which he negotiated a six-month contract extension for commercial services, and encouraged "any staff members or elected officials to call upon me directly if I may be of any assistance in further clarifying and confirming Waste Management's sincere desire to continue servicing the great City of Opa-locka for many, many years in the future." In a subsequent letter to Beverly on Oct. 17, 2005, Gonzalez stated that in order to carry out the six-month extension a rate increase would be required. He also stated Waste Management's interest in modifying the terms of the existing contract and "exploring the feasibility of exercising a longer-term renewal (than six months) ..."

The above letters demonstrate Gonzalez sought to amend the terms of the contract by increasing rates and to seek its further modification by obtaining a longer-term extension of the agreement. Such activity would appear to fall within the definition of lobbying in the county's ethics ordinance [Section 2-11.1(s)(b)], which states in applicable part that "Lobbyist" means *all persons, firms, or corporations employed or retained by a principal who seeks to encourage the passage, defeat or modifications of any matter that may come before appointed or elected officials, such as the city of Opa-locka's contracts for solid waste services.* At the time Gonzalez contacted city officials, the city was preparing to issue RFPs that would enable the city to seek the most advantageous terms for its citizens for solid waste services.

During the subsequent RFP process in 2006, the investigation found that Gonzalez represented Waste Management at both the May 19 selection committee meeting for RFP No. 06-0412 (commercial waste) and at the September 25 selection committee meeting for RFP No. 06-0911 (residential waste), and that Gonzalez argued the merits of retaining Waste Management as the city's solid waste vendor. City officials have confirmed Gonzalez's participation in this capacity, as well as Mr. William Hernandez, vice president of sales for rival firm Choice Environmental Services Inc. Hernandez told COE that Gonzalez "absolutely" lobbied the city during each of the selection committee meetings. It is worth noting that Choice Environmental Services did retain a lobbyist in connection with the above RFPs, and that said individual, Bobbie Mumford, was the only lobbyist to register as such in the city of Opa-locka during a three-year period for which COE examined lobbyist records.

In addition to representing Waste Management before selection committees and at city commission meetings, as governmental affairs director Gonzalez had regular

dealings with elected officials. Internal company records show, Gonzalez's duties included recommending which city officials should receive campaign contributions from Waste Management and its subsidiaries. Accordingly, records show Gonzalez helped procure contributions for Mayor Kelley, former Vice Mayor Terence Pinder, Commissioner Timothy Holmes, current Vice Mayor Dorothy "Dottie" Johnson and Tydus. He has also requested contributions from Waste Management for nonprofit organizations with ties to commissioners – including Johnson and Tydus. A related COE investigation also found that Gonzalez facilitated business dealings between Tydus and Waste Management involving the sale of holiday gift baskets worth several thousand dollars in possible violation of the county's ethics ordinance.

All of the above activities are part of the regular duties of Mr. Gonzalez in his capacity as governmental affairs director for Waste Management of South Florida. An internal memo prepared by Waste Management lawyers dated Nov. 6, 2007, addresses the alleged conflicts arising from Mr. Gonzalez's dealings with Commissioner Tydus. In that letter, the lawyers state that Gonzalez "is paid by Waste Management to lobby on their behalf." The letter goes on to state that Gonzalez is a registered lobbyist with the state of Florida, Miami-Dade County and – incorrectly – the City of Opa-locka.

In a subsequent conversation with Assistant State Attorney Joseph Centorino, one of Waste Management's lawyers acknowledged that Gonzalez never lobbied with the city of Opa-locka. According to Mr. Centorino's notes of the conversation dated Nov. 20, 2007, Gonzalez felt he did not have to register with the city because he felt that his activities were part of services provided in connection with the contract.

**Conclusions:** While it may be true that some of Mr. Gonzalez's activities were ministerial in nature and tied to the service aspect of the company's contracts – i.e. monitoring garbage collection, fielding inquiries from city officials – other job-related activities were clearly intended to curry influence among elected officials. These would include brokering campaign contributions, charitable donations and even, in the case of Tydus, business opportunities. Letters from Gonzalez directed to the mayor, city manager and other officials make it clear Gonzalez sought to influence decision-makers in order to modify contractual terms and gain advantage for his employer. He also represented the company at selection committee meetings, the purpose of which was to influence the awarding of contracts worth millions of dollars.

As a full-time, professional lobbyist with an industry leader in environmental services, Mr. Gonzalez should be thoroughly familiar with state and local lobbyist laws. That Opa-locka also has a lobbyist registration requirement should not have been lost on him either. City commission minutes show Mr. Gonzalez has attended numerous meetings on behalf of Waste Management. The cover page for all meeting agendas clearly states that, as per city of Opa-locka Ordinance No. 91-12 adopted Sept. 11, 1991, "all persons appearing in a paid or remunerated [sic] representative capacity before the city staff, board, committees and the city commission shall register with the City Clerk before engaging in lobbying activities." Accordingly, Gonzalez should have registered with the clerk's office prior to lobbying city officials.