

## EXECUTIVE SUMMARY

### Recommendation for Piggyback of \$500,000 or Less 14-054R – Supply of Natural Gas (CO-OP)

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This request is to approve the piggyback agreement 14-054R - Supply of Natural Gas (CO-OP). The purpose of this Bid is to provide natural gas for the school kitchens' gas boilers for heating and cooking food. In addition, natural gas is used for the occasional heating requirements of classrooms and administrative sites.

14-054R is part of a cooperative agreement between the City of Hollywood, Broward Sheriff's Office, and The School Board of Broward County, Florida. The City of Hollywood is the lead agency for this Invitation to Bid. By pursuing this cooperative strategy, all three (3) agencies benefit from the economies of scale of the aggregate demands; consequently, resulting in better prices for the District and the other agencies.

The lead agency, the City of Hollywood, has extended the cooperative agreement for 14-054R until January 31, 2018. The purpose and intent of the piggyback is to provide the school district the ability to participate in the lead agency (City of Hollywood) contract extension. The contract extension was executed to provide the City of Hollywood additional time to complete the release and award of a new CO-OP Agreement.

Procurement & Warehousing Services will monitor closely with the City of Hollywood on the new contract award for the Supply of Natural Gas and will bring to the School Board before the expiration date of January 31, 2018.

#### Financial Impact

The estimated financial impact to the District will be \$25,000. The funding source will come from Environmental Conservation/Utility Management's utility operating budget. The estimated request was based on the District's historical monthly average usage.

\$11,262	<u>historical average monthly spend</u>
x 2	<u>total number of months</u>
\$22,524	<u>estimated forecasted spend</u>
2,252	<u>ten (10) percent contingency</u>
\$24,776	<u>forecasted spend rounded to \$25,000</u>