

EXECUTIVE SUMMARY

Recommendation of \$500,000 or Less 59-052E – Energy Expense Management Software

Introduction

Responsible: Procurement & Warehousing Services (PWS)

This request is to approve the recommendation to award the Agreement between Dude Solutions, Inc. (SchoolDude) and The School Board of Broward County, Florida (SBBC), for three (3) year(s), starting May 8, 2019 through August 30, 2022, with an option for two (2) additional one (1) year renewals periods. SchoolDude provides software utilized to manage more than 2,270 utility invoices received by SBBC every month since 2004.

Goods/Services Description

Responsible: Environmental Health & Safety Department (EH&S)

Broward County School District, Energy Conservation and Utility Management Department has been tasked with the responsibility of managing the cost of utilities for the entire District. The Department is responsible for managing the daily use of all the utilities necessary to efficiently operate all the District locations. The responsibilities include electrical consumption, water usage, natural gas, propane gas, and diesel fuel usage. The Department also manages the collection and disposal of all the solid waste and recyclable materials generated by all District Locations.

To efficiently manage and monitor spend and consumption, the Energy Conservation and Utility Management Department since 2004 has used a software system developed by Dude Solutions Incorporated. The tool, Utility Direct, is an online and web-based software program that allows users to enter site-specific billing and usage information directly from its vendor's invoices. This tool enables the Energy Conservation and Utility Management Team to track, measure, and analyze utility usage and cost for all the utilities vital to operating all District Facilities. The data available allows for the real-time management and tracking of actual spend results versus our budget by identifying trends and spend history. Data can be accessed throughout any given month in order to recognize and proactively react to usage variances. The District uses the data generated from Utility Direct to address those District locations that have an excessive month to month cost and usage variances. When discovered, the variances are cross-checked against any existing work orders pertaining to the high usage. Once the high usage is determined to be a new event, the Head Facilities Servicepersons are communicated with to determine the root cause of the issue. This process usually coincides with a work order being generated to inspect the site, determine the cause and solution needed to repair the issue(s) causing the excess usage.

Utility Direct is outdated and being phased out with a newer and improved utility tracking software known as Energy Manager. The benefits of using Energy Manager will greatly improve the timeliness of the utility data reporting, resulting in the District being able to achieve even greater savings on utility costs. Identifying higher than normal utility usage patterns, access and control variances with their root cause will save resources and costs. Energy Manager, like its predecessor Utility Direct, will not only enable the Department to improve our reaction time, it will result in expedited communications and resolutions.

The data generated by Utility Direct was vital to the implementation of the School District's energy conservation program, "Energy Tools for Schools." Since its implementation, the District has lowered its electrical consumption costs over the past eight (8) years by an average of 8 million dollars annually. Water usage, as well as waste removal, and fuel costs have all been reduced. The Utility Direct played a major role in the reduction of utility cost across the District, and this trend will only continue with the transition to Energy Manager.

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Energy Manager will also improve local and cloud-based data and statistical storage capabilities. Energy Manager will offer free online, as well as live, technical support. The department has explored other utility tracking software options and determined they are not as cost-effective or user-friendly as the product offered by SchoolDude.

Procurement Method
Responsible: PWS and EH&S

The direct negotiation was performed in accordance with Purchasing Policy 3320, VI (C)(5)(c), and Section 6A-1.012(14), F.A.C., permit the acquisitions of Information & Technology as defined in Section 282.0041(14), Florida Statutes.

Financial Impact
Responsible: PWS and EH&S

The total spending authority requested is \$90,125, which represents the cost of annual licensing, implementation, training and setup of the new version for the initial three (3) year term and will be funded by the Energy Conservation and Utility Management Department’s Operating Budget.

Cost breakdown is as follows:

Annual software subscription fee	\$	28,275
<u>Number of years in term</u>		<u>3</u>
Subtotal	\$	84,825
<u>Implementation, training, data conversion (one-time costs)</u>	\$	<u>5,300</u>
<u>Total spend authority</u>	\$	<u>90,125</u>

The District has made use of Utility Direct over the last ten (10) years as a key component to improving the management of utility costs. During that time, utility costs have been reduced by thirteen (13) percent; from approximately \$77,000,000 to \$67,000,000. With the approval of this item, the software will be upgraded to a more aggressive utility savings product called Energy Manager. To ensure continuity and continued successful decreases in the District’s utility expenses, Direct Negotiation was performed.

The approval of this recommendation does not mean the authorized spending amount will be spent.