

EXECUTIVE SUMMARY

Recommendation for Renewal and Additional Spending Authority 18-207T – Gas Refrigerants

Introduction

Responsible: Procurement & Warehousing Services (PWS)

This request is to approve the first renewal and additional spending authority for Invitation to Bid (ITB) 18-207T – Gas Refrigerants through January 31, 2021. The term of this Bid is February 6, 2019 through January 31, 2020, and may, by mutual agreement between The School Board of Broward County, Florida (SBBC), and the Awardee, be renewed for two (2) additional one (1) year periods.

The additional spending authority being requested is \$126,000.

Goods/Services Description

Responsible: Physical Plant Operations (PPO)

This contract is utilized by the Central Stockroom for the benefit of the Physical Plant Operations Department (PPO); to supply in-stock and special order gas refrigerants needed for Preventive/Routine Maintenance and Capital Improvement Programs throughout the District. Items purchased on this ITB are used at school sites in order to maintain the Heating, Ventilation, Air Conditioning (HVAC) Systems, and Refrigeration Equipment throughout the District.

Procurement Method

Responsible: PWS

The solicitation for this ITB ran from October 29, 2018 through December 5, 2018. There were two hundred and eighty-six (286) vendors notified, and ten (10) vendors downloaded the ITB. Procurement & Warehousing Services (PWS) received two (2) bids, which are recommended for award to the vendors providing the lowest prices and who met all specifications, terms, and conditions of the bid. This is the first time the District has a contract for this type of commodity.

This Bid established a contract with two (2) suppliers, whereas the District purchases on a quote basis from the lowest price. This means there is no fixed price, and every purchase, the District is purchasing at the lowest price from one of the two awardees.

The School Board of Miami Dade and the School Board of Palm Beach County have similar contracts to this Bid, respectively, in which purchases are on a quote basis from the lowest price. Both Awardees in this Bid also participate in the neighbor Districts.

Financial Impact

Responsible: PWS and PPO

The total requested additional spending authority for the renewal period is \$126,000, as demonstrated in the breakdown below:

Historical average monthly expenditures	\$	26,057
<u>Number of months remaining on the current contract</u>		<u>4</u>
Estimated expenditure for four (4) months remaining in current contract (A)	\$	104,228
Plus (+)		
Historical average monthly expenditures	\$	26,057
<u>Number of months for renewal period</u>		<u>12</u>
Projected expenditures for renewal (B)	\$	312,684

**Recommendation for Renewal and additional Spending Authority
 18-207T – Gas Refrigerants
 November 6, 2019 Board Agenda
 Page 2**

Total projected expenditures (A + B)	\$ 416,912
Minus (-)	
<u>Current unused authorized spending</u>	<u>\$ 291,543</u>
Total estimated additional spending authority	\$ 125,369
Total requested additional spending authority (rounded)	\$ 126,000

PWS is responsible for the management of the District contracts’ spending authority. This action is performed through the unique Bid ID issued per solicitation, which only has a new number assigned when a new solicitation is awarded. In a renewal, the original Bid ID assigned to the contract does not change, therefore spending authority analysis is performed in its totality.

Financial Impact Table:

Action	Date	Term (years)	Amount
Original spending authority request	2/5/2018	1	\$ 500,000
1st renewal + additional spending authority (rounded)	11/6/2019	1	\$ 126,000
New total contract amount		2	\$ 626,000

The current contract award amount is \$500,000. The request is to increase the spending authority by \$126,000, bringing the new contract value to \$626,000.

Funding for this ITB will come from PPO’s operating budget. The amount requested was determined based on historical spend and the Department’s requirement to satisfy the needs of the District. The financial impact amount represents an estimated contract value; however, the amount authorized will not exceed the estimated contract award amount.