



Fulton County

Legislation Text

File #: 23-0047, Version: 1

Department

Real Estate and Asset Management

Requested Action *(Identify appropriate Action or Motion, purpose, cost, timeframe, etc.)*

Request approval of a statewide contract - Department of Real Estate and Asset Management, SWC99999-001-SPD0000164-0002, Natural Gas Services Provider for Firm Accounts not to exceed \$700,000.00 with Scana Energy Marketing, LLC (Atlanta, GA), to provide natural gas services to all County facilities including the Fulton County Jail Complex. Effective upon BOC approval through December 31, 2023. **(APPROVED)**

Requirement for Board Action *(Cite specific Board policy, statute or code requirement)*

In accordance with Purchasing Code Section 102-462, requests for approval of statewide contracts of more than \$100,000.00 shall be forwarded to the Board of Commissioners for approval.

Strategic Priority Area related to this item *(If yes, note strategic priority area below)*

Open and Responsible Government

Commission Districts Affected

- All Districts
- District 1
- District 2
- District 3
- District 4
- District 5
- District 6

Is this a purchasing item?

Yes

Summary & Background Request approval to utilize statewide contract to provide Natural Gas Services to all County facilities for FY2023.

Scope of Work: This contract provides natural gas services to all Fulton County facilities 107 firm delivery accounts which include the Fulton County Jail Complex for fiscal year 2023. The cost for this natural gas services contract is projected based on the consumption during the previous year from the fixed firm accounts and adjusted for inflation and escalating gas prices for projected usage for the next 12 months.

In using this statewide contract for natural gas, the County can save money on the fluctuating cost of

natural gas by participating in volume buying.

Key benefits of utilizing the statewide contract includes:

- Transportation pricing is an average of 30% less than what was offered on the prior statewide contract.
- Natural gas program manager is available to assist customers in obtaining their natural gas along with explaining options and services provided.
- Dedicated contract management team who will manage the daily operations of this statewide contract.
- Each pool group, in its entirety, is covered by one supplier.

Community Impact: This service is necessary for the comfort of the patrons and employees in County facilities.

Department Recommendation: The Department of Real Estate and Asset Management recommends approval.

We previously provided natural gas services for the County Jail through an Interruptible account, however, after analysis of future natural gas rates, it was determined that it would be in the best financial interest of the County to switch to a firm, fixed account.

The requested spending authority in the total amount of \$700,000.00 is due to the anticipation of a very volatile energy costs rate increase for G11 Firm accounts for FY2023. According to the State of Georgia Natural Gas Representative, the demand for Firm Capacity has increased only for economic access AGL rate G11. The G-11 analysis use the NY Mercantile rate Plus \$0.134 per Therm Plus \$6.50 Times the Dedicated Design Day Capacity Charge (DDDC). The total spending authority will be more than enough to cover all firm accounts for FY2023.

Historical Expenditures:

- FY2022: The County expenditure as of 12/19/2022, is \$585,300.47
- FY2021: The County spent \$554,707.73
- FY2020: The County spent \$444,758.79
- FY2019: The County spent \$489,382.33
- FY2018: The County spent \$790,258.26
- FY2017: The County spent \$499,614.84

Project Implications: This contract provides natural services at all County facilities, including the Fulton County Jail Complex. Disconnection in gas services would force our facilities to shut down immediately and would limit the services that can be provided to our citizens.

Community Issues/Concerns: None of which the Department is aware.

Department Issues/Concerns: If this contract is not approved, the County facilities will not have natural gas service provided to them.

Contract Modification: This is a new request.

Contract & Compliance Information *(Provide Contractor and Subcontractor details.)*

Not Applicable

Exhibits Attached *(Provide copies of originals, number exhibits consecutively, and label all exhibits in the upper right corner.)*

- Exhibit 1: SWC Benefits Sheet
- Exhibit 2: SWC#99999-001-SPD0000164-0002
- Exhibit 3: Contractor Performance Report
- Exhibit 4: Justification Form for use of Statewide Contract

Contact Information *(Type Name, Title, Agency and Phone)*

Joseph N. Davis, Director, Department of Real Estate and Asset Management, (404) 612-3772

Contract Attached

Yes

Previous Contracts

Yes

Total Contract Value

Original Approved Amount:	\$0.00
Previous Adjustments:	\$0.00
This Request:	\$700,000.00
TOTAL:	\$700,000.00

Grant Information Summary

Amount Requested:	<input type="checkbox"/>	Cash
Match Required:	<input type="checkbox"/>	In-Kind
Start Date:	<input type="checkbox"/>	Approval to Award
End Date:	<input type="checkbox"/>	Apply & Accept
Match Account \$:		

Fiscal Impact / Funding Source

Funding Line 1:

100-999-S666-1492: General, Non-Agency, Gas- \$700,000.00 "Subject to availability of funding adopted for FY2023 by BOC"

Key Contract Terms	
Start Date: 1/1/2023	End Date: 12/31/2023
Cost Adjustment:	Renewal/Extension Terms:

Overall Contractor Performance Rating: 3.80

Would you select/recommend this vendor again?

Yes

Report Period Start:
7/1/2022

Report Period End:
9/30/2022