


# Memorandum



**Date:** March 6, 2012  
**To:** Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners  
**From:** Carlos A. Gimenez  
Mayor   
**Subject:** Recommendation for Approval to Award: Natural Gas

Agenda Item No. 8(F)(3)

## RECOMMENDATION

It is recommended that the Board of County Commissioners approve award of this contract to Peninsula Energy Services for purchase of natural gas for the Miami-Dade Water and Sewer Department.

**CONTRACT NUMBER:** 5731-1/22  
**CONTRACT TITLE:** Supply of Natural Gas  
**TERM:** Five Years with one, five year option-to-renew  
**APPROVAL TO ADVERTISE:** August 1, 2011  
**METHOD OF AWARD:** To the responsive and responsible bidder offering the lowest firm fixed service adder price.  
**PREVIOUS CONTRACT AMOUNT:** \$9,200,000 for one year  
**CONTRACT AMOUNT:** \$46,000,000\*  
\* If the County chooses to exercise the one, five year option-to-renew, the cumulative value will be \$ 92,000,000.

## BACKGROUND

This contract allows purchase of natural gas for the Miami-Dade Water and Sewer Department (WASD). WASD uses natural gas for the operation of generators, pumps, and kilns used for the treatment of municipal water and wastewater. The gas is delivered via the Florida Gas Transmission (FGT) pipeline and other interconnects on the gas pipeline.

For this solicitation, the quantity of natural gas to be purchased was estimated in therms. Therms are a unit of measure used in the measurement of gaseous elements. The price to be paid for the natural gas per therm is a sum of its Federal Energy Regulatory Commission (FERC) index price, FGT fuel fee, FGT usage fee, and the fixed service adder. The vendor is required to hold pricing on the fixed service adder for the duration of the contract. The County may, at any time, request a firm fixed price for natural gas based on the New York Mercantile Exchange (NYMEX) pricing, if it provides more advantageous pricing to the County than the contract price.

**USING/MANAGING AGENCY  
 AND FUNDING SOURCE:**

Department	Allocation	Funding Source	Contract Manager
Miami-Dade Water and Sewer Department	\$ 46,000,000	Proprietary Funds	Gregory Hicks
<b>Total</b>	<b>\$ 46,000,000</b>		

**PROCUREMENT CONTRACTING OFFICER:** Kml Ra

**VENDOR RECOMMENDED  
 FOR AWARD:**

Awardee	Address	Principal
Peninsula Energy Services (Non-Local Vendor)	909 Silver Lake Boulevard, Dover, DE 19904	Joseph Cummiskey

**PERFORMANCE DATA:** There are no performance issues with the recommended firm.

**COMPLIANCE DATA:** There are no compliance issues with the recommended firm.

**VENDORS NOT  
 RECOMMENDED FOR AWARD:**

Proposer(s)	Reason for Not Recommending
Infinite Energy, Inc. (Non-Local Vendor)	The vendor qualified its bid by taking exception to the County's terms and conditions, and was deemed non-responsive by the County Attorney's Office
Interconn Resources, Inc. (Non-Local Vendor)	The vendor's fixed service adder price was higher than that offered by the vendor being recommended for award.

**REVIEW COMMITTEE DATE:** June 9, 2011

**CONTRACT MEASURES:** The Small Business Enterprise (SBE) Bid Preference was applied in accordance with the Ordinance.

**LIVING WAGE:** The services being provided are not covered under the Living Wage Ordinance.

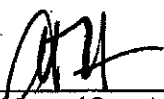
**USER ACCESS PROGRAM:** The User Access Program provision will apply. The 2% program discount will be collected on all purchases.

**LOCAL PREFERENCE:** The Local Preference was applied in accordance with the Ordinance.

**ESTIMATED CONTRACT**

**COMMENCEMENT DATE:** ~~Ten days after date adopted by the Board of County Commissioners,~~  
unless vetoed by the Mayor.

**DELEGATED AUTHORITY:** If this item is approved, the County Mayor or designee will have the authority to exercise, at their discretion, contract modifications, subsequent options-to-renew, and extension in accordance with the terms and conditions of the contract.



\_\_\_\_\_  
Deputy Mayor/County Manager

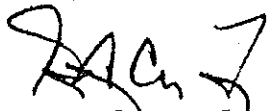


# MEMORANDUM

(Revised)

**TO:** Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners

**DATE:** March 6, 2012

**FROM:**   
R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Agenda Item No. 8(F)(3)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's \_\_\_\_, 3/5's \_\_\_\_, unanimous \_\_\_\_) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 8(F)(3)  
3-6-12

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AWARDING CONTRACT 5731-1/22, SUPPLY OF NATURAL GAS, TO PENINSULA ENERGY SERVICES, IN A TOTAL AMOUNT OF UP TO \$46,000,000 FOR THE INITIAL TERM, OR \$92,000,000 IF THE RENEWAL OPTION IS EXERCISED, AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO MODIFY CONTRACT, EXERCISE, IN THEIR DISCRETION, ANY CANCELLATION AND RENEWAL PROVISIONS IN ACCORDANCE WITH THE TERMS OF THE CONTRACT ON BEHALF OF MIAMI-DADE COUNTY, AND ANY OTHER RIGHTS CONTAINED THEREIN

**WHEREAS**, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board hereby directs the County Mayor or County Mayor's designee to award Contract No. 5731-1/22, Supply of Natural Gas, to Peninsula Energy Services, in the amount of \$46,000,000 for the initial term, or \$92,000,000 if the renewal option is exercised; authorizes the County Mayor or County Mayor's designee to modify contract, exercise, in their discretion, any cancellation and renewal provisions in accordance with the terms and conditions of the contract on behalf of Miami-Dade County, and any other rights contained therein.

The foregoing resolution was offered by Commissioner  
who moved its adoption. The motion was seconded by Commissioner  
and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman	
Audrey M. Edmonson, Vice Chairwoman	
Bruno A. Barreiro	Lynda Bell
Esteban L. Bovo, Jr.	Jose "Pepe" Diaz
Sally A. Heyman	Barbara J. Jordan
Jean Monestime	Dennis C. Moss
Rebeca Sosa	Sen. Javier D. Souto
Xavier L. Suarez	

The Chairperson thereupon declared the resolution duly passed and adopted this 6<sup>th</sup> day of March, 2012. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: \_\_\_\_\_  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.

HB/

Henry N. Gillman

6