

**BCC Meeting: June 5, 2018
Research Notes**

**Item No. 8F4
File No. 181032**

Researcher: BM Reviewer: TD

RESOLUTION APPROVING ADDITIONAL EXPENDITURE AUTHORITY IN A TOTAL AMOUNT UP TO \$2,756,000.00 FOR PREQUALIFICATION POOL NO. 1046-1/21-1 FOR PURCHASE OF REFRIGERANT GASES FOR THE DEPARTMENT OF TRANSPORTATION AND PUBLIC WORKS

ISSUE/REQUESTED ACTION

Whether the Board should approve a resolution additional expenditure authority for Prequalification Pool No. 1046-1/21-1, Refrigerant Gases, for Department of Transportation and Public Works in the amount of \$2,756,000 for the purchase of refrigerant gases for air conditioning units on the Metrorail and Metromover cars and Metrobuses.

APPLICABLE LEGISLATION/POLICY

Section 2-8.1 of the County Code, Contracts and purchases generally, relates to the bid requirement for certain purchases. Per the County Code, the Board of County Commissioners, upon written recommendation of the Mayor or Mayor's designee, may, by resolution adopted by two-thirds vote of the members present, waive competitive bidding when it finds this is to be in the best interest of the County.

Below is a link relating to Section 2-8.1 of the County Code:

https://library.municode.com/fl/miami-dade-county/codes/code_of_ordinances?nodeId=PTIIICOR_CH2AD_ARTIINGE_S2-8.1COPUGE

Section 29-124(f) of the County Code requires the Citizens' Independent Transportation Trust (CITT) to submit a recommendation to the County Commission regarding contract awards where surtax proceeds are applied and for contract awards where no surtax proceeds are applied but the associated allocation is for a transit-related procurement valued at over \$1 million dollars.

https://library.municode.com/fl/miami-dade-county/codes/code_of_ordinances?nodeId=PTIIICOR_CH29TA_ARTXVIONHAONPECHCOTRSYSA_SUAUSE212.0551FLST2001_S29-124SPFUCRUSSUPPROCIINTRTR

(ii) Where no surtax proceeds are used to fund a contract, no County funds may be used to pay the costs of a contract where the portion procured by or on behalf of Miami-Dade Transit or for transit-related procurements is valued at over one million dollars (\$1,000,000.00) unless the Trust has submitted a recommendation to the County Commission regarding said contract award. The County Commission, if in agreement with the Trust's recommendation, may award a contract by majority vote. The County Commission may modify or reject the recommendation of the Trust by a majority vote. If the Trust has failed to forward a recommendation to the County Commission within 45 days of the County Mayor or County Mayor's designee filing an award recommendation with the Clerk of the Board, the County Commission may take action on the contract award recommendation without any Trust recommendation. Notwithstanding any other provision to the contrary, a committee of the Commission may consider a contract award recommendation prior to receipt of a recommendation of the Trust.

Implementing Order 3-38, Master Procurement Implementing Order, establishes the roles and responsibilities of the Internal Services Department (ISD), methods of purchasing goods and services, and the authority to award contracts. Additional policies and procedures relating to the County's procurement processes are detailed in the ISD Procurement Guidelines, other A.O.s and the County Code.

Below is a link relating to Implementing Order 3-38:

<http://www.miamidade.gov/aopdfdoc/aopdf/pdffiles/IO3-38.pdf>

**BCC Meeting: June 5, 2018
Research Notes**

Resolution No. R-187-12, adopted by the Board on February 21, 2012, directs the County Mayor to include due diligence information in memoranda recommending certain contract awards.

Below is a link to Resolution No. R-187-12:

<http://intra/gia/matter.asp?matter=120287&file=true&yearFolder=Y2012>

Resolution No. R-279-12, adopted by the Board on April 3, 2012, established the prequalification pool for the purchase of refrigerant gases for various County departments.

<http://intra/gia/legistarfiles/MinMatters/Y2012/120290min.pdf>

PROCEDURAL HISTORY

Prime Sponsor: None

Department/Requester: Internal Services Department

05/10/18: Forwarded to BCC with a favorable recommendation by TPWC; Passed 3 – 0.

FISCAL IMPACT

The \$2,756,000 additional expenditure allocation request is based on estimated usage by the Department of Transportation and Public Works. If approved by the Board, the cumulative contract value for prequalification pool will be \$7,247,000 and will expire on May 31, 2022. The additional expenditure requested is solely allocated to the Department of Transportation and Public Works.

Per information found in the Bid Tracking System on May 30, 2018, \$2,245,200 has been allocated to the current contract's Blanket Purchase Order, of which \$847,288 has been released leaving a balance of \$1,396,912. As it relates to Department of Transportation and Public Works, \$1,276,200 has been allocated to the current contract's Blanket Purchase Order, of which \$684,993 has been released leaving a balance of \$591,207.

ANALYSIS

Prequalification Pool No. 1046-1/21-1, Refrigerant Gases, for various County departments was approved by the Board on April 3, 2012, pursuant to Resolution No. R-279-12 for a five-year term with one five-year option to renew term. The pool currently expires on May 31, 2022. The pool is in its first option to renew valued at \$2,245,200.

Refrigerant gases are fluids used in the cooling process for various refrigerating equipment including air conditioners, central air conditioning systems, dehumidifiers, and automotive air conditioners. The Department of Transportation and Public Works requests the additional expenditure authority to continue purchasing refrigerant gases for air conditioning units on the Metrorail and Metromover cars and Metrobuses providing transit users a comfortable and safe environment.

The request for additional expenditure is due to the increase of use of refrigerant gases caused by the aging fleet. The department currently spends approximately \$65,000 per month maintaining this fleet. The use of refrigerant gases peaks in the warm summer months. A spot market quote was issued January 2018 which resulted in a price of approximately \$2,120 per unit.

The Department currently maintains approximately 835 buses and 135 train cars. The department is currently in the process of receiving a new fleet which expected to begin late-2018 or early 2019. The request for additional expenditure authority is made to sustain operation of the aging fleet until the end of the contract and the new cars/buses are operational.

BCC Meeting: June 5, 2018
Research Notes

Per information on the Bid Tracking System, as of May 30, 2018, there are currently nine prequalified vendors in the pool. Only one of the awarded vendors, JD Distributors Automotive Supplies, Inc., has a local address. The pool is meant to remain open so that vendors can be added to the pool at any time. A search of the Sunbiz website revealed that all of the awarded vendors, except for Coolgas, Inc., are currently registered to do business in the state of Florida. Below is a list of the prequalified vendors in the pool:

- Trane U S, Inc.
- JD Distributors Automotive Supplies, Inc.
- American Refrigerants, Inc.
- Airgas Refrigerants, Inc.
- Aspen Refrigerants, Inc.
- The Ware Group, LLC.
- W W Grainger, Inc.
- RTR Suppliers, Inc.
- Coolgas, Inc.

A search of the Miami-Dade County Small Business Enterprise Certified Firms list, as May 30, 2018, resulted in the following local vendors under Commodity Code 74055 - Refrigerant Gases (Except Ammonia):

- Done Wright A/C And Electric Service
- Electropower Utility Sales Company
- MAM A/C and Refrigeration Company

These vendors are not currently included in the prequalification pool.