

Date: January 17, 2023

To: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

From: Daniella Levine Cava
Mayor



Agenda Item No. 8(P)(5)

Subject: Request for Additional Expenditure Authority to 120617-CAT, Electrical Energy
Power Generation with Related Parts, Supplies, and Services Resolution No. R-33-23

Summary

This item is requesting additional expenditure authority of \$22,967,400, already included as part of the fiscal year 2022-2023 County Budget, to enable the Miami-Dade County Water and Sewer Department (WASD) to purchase eight additional power generators and associated services for its Central District Wastewater Treatment Plant (CDWWTP). The generators will provide emergency power to new facilities that will be constructed to comply with the Ocean Outfall Legislation and will reduce WASD's reliance on existing generators that are at the end of their life cycles. The new Tier 4 engine generators meet the highest level of clean air regulations, resulting in lower emissions at the wastewater treatment plants.

As part of the program to meet the State of Florida's Ocean Outfall Legislation, WASD is implementing multiple capital projects to enhance the treatment process and reroute the flow to an alternative disposal method to meet the legislation of eliminating the normal use of ocean outfalls. These projects include the installation of one oxygenation train, three final settling tanks, nine municipal injection wells, and two industrial injection wells. The eight additional generators requested in this item are required as a back-up, emergency power source for the additional infrastructure.

On July 20, 2021, the Board of County Commissioners (Board) authorized the County's access of *Contract No. 120617-CAT, Electrical Energy Power Generation with Related Parts, Supplies, and Services* (Contract) through Resolution No. R-766-21. That Resolution contemplated the County accessing the Contract to purchase needed engine generators for the County's wastewater treatment plants. The original expenditure authority authorized spending \$23,281,543 to purchase 11 engine generators for the South District Wastewater Treatment Plant (SDWWTP) as part of the first phase of replacing and standardizing the generators at the County's wastewater treatment plants. The County has encumbered the entirety of those funds to pay for the SDWWTP engine-generator shop drawings, fabrication and installation, based on the schedule established by the letter of agreement that was entered pursuant to the approval by the Board.

This item authorizes an increase in additional expenditure authority so that the County may purchase eight engine generators for the CDWWTP to continue with the second phase of the standardization project. Lastly, WASD anticipates two additional expenditure approvals for similar upgrades of engine-generators at the CDWWTP and the North District Wastewater Treatment Plant.

Recommendation

It is recommended that the Board authorize additional expenditure authority under the Contract in the amount of \$22,967,400. The requested allocation for the purchase of eight engine generators also includes a 10 percent contingency for unforeseeable costs, and a dedicated allowance account for price escalation. The Contract is a competitively established contract by National Joint Powers Alliance (now known as Sourcewell) that the County may access until expiration of its term on January 29, 2023. The purchase of additional power generators will further WASD's goal of standardizing power equipment at the wastewater treatment plants.

After a lengthy evaluation of qualitative and quantitative factors including overall capital, operational and maintenance costs, Commercial Demand Reduction (CDR) agreements with Florida Power and Light (FPL), and market availability, WASD has determined that standardization of power generation equipment for all wastewater treatment plants, with Caterpillar's C175-16, 60Hz, 2600 kW continuous rated diesel (EPA Tier 4) engine-generators, is the most cost-effective alternative for standby power generation. These Tier 4 engine-generators meet the highest level of clean air regulations resulting in lower emissions at the wastewater treatment plants, while providing unrestricted standby power use. The upgraded equipment will allow Water and Sewer to continue the CDR agreement with FPL, which curtails power during high frequency periods and translates into a significant reduction in power rates for the County.

Background

In 2008, and as amended in 2013, the Florida Legislature approved, and the Governor signed, a law requiring all wastewater utilities in southeast Florida utilizing ocean outfalls for disposal of treated wastewater to reduce nutrient discharges by 2018; eliminate the normal use of the outfalls by the end of 2025; and if technically, environmentally, and economically feasible implement reuse for 60 percent of the baseline wastewater flow by 2025. These improvements, coupled with general growth in the area, will require additional power availability at all the County's wastewater treatment plants, which in turn will require additional standby generation capacity be provided by engine generators. Additionally, the majority of the existing engine generators located in the Electrical Distribution Buildings (EDBs) at the various wastewater treatment plants are at the end of their life cycles and require replacement. WASD is planning to upgrade the standby power generation capacity at all wastewater treatment plants. Given that the overall energy requirements will exceed 117 megawatts, roughly 47 new units will be required for all plants.

In furtherance of meeting the legislative goal by 2025, this Board approved Resolution No. R-766-21, on July 20, 2021 and authorized the County to access the Contract established by National Joint Powers Alliances through a competitive Request for Proposal (RFP) process with the intent of establishing contracts to make available vendors capable of providing electrical energy power generating systems, related parts, and services. The RFP resulted in three awarded contracts, in which WASD has used the awarded contract 120617-CAT to procure power generation equipment (generators and associated services) for the County's wastewater treatment plants.

The 11 generators purchased under Resolution No. R-766-21 are under fabrication and will be delivered to the SDWWTP by August 2024. If this request is approved, the additional eight generators for CDWWTP will be delivered by November 2025.

Scope

The CDWWTP is located in Commission District 7, which is represented by Commissioner Raquel Regalado, however the impact of the project is Countywide in nature.

Delegated Authority

The County Mayor or the County Mayor's designee will have the authority to exercise all provisions of the Contract, including any renewal, cancellation or extension, pursuant to Section 2-8.1 of the County Code and Implementing Order 3-38.

Fiscal Impact/Funding Source

The fiscal impact for the purchase of eight engine generators and required services is \$22,967,400. The accessed contract expires on January 29, 2023. The contract has a current cumulative allocation of \$23,281,543. If this request is approved, the contract will have a modified cumulative allocation of \$46,248,943. The requested increase in expenditure authority is based on the cost of the eight engine

generators as well as the cost of the delivery to the plant, estimated storage costs, short/long term storage charges, maintenance on the generators while storing the units for installation, startup services and training after installation of the generators and a 10 percent contingency cost. The additional expenditure for this year was approved by the Board as part of the fiscal year 2022-2023 County budget, project Ocean Outfalls Legislation, OMB# 962670, page # 82 in the FY 2022 – 23 Proposed Budget and Multi-Year Capital Plan.

Department	Existing Cumulative Allocation	Additional Allocation Requested	Modified Cumulative Allocation	Funding Source	Contract Manager
Water and Sewer	\$23,281,543	\$22,967,400	\$46,248,943	WIFIA Loan (Federal Funding), Wastewater Connection Charges, Wastewater Renewal Fund, Wastewater Special Construction Fund, WASD Revenue Bonds Sold, WASD Subordinate Debt Sold, State Revolving Loan Wastewater, Future WASD Revenue Bonds, and Future Subordinate Debt	Susan Pascul
Total:	\$23,281,543	\$22,967,400	\$46,248,943		

Track Record/Monitor

Alonzo Joseph of the Strategic Procurement Department is the Procurement Contracting Manager.

Awarded Vendor

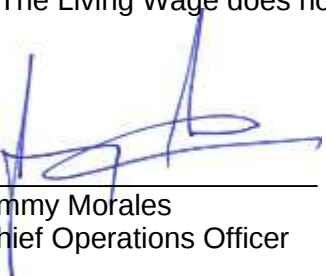
Vendor	Principal Address	Local Address	Principal
Pantropic Power, Inc.	8205 NW 58 Street Miami, FL	Same	Luis Botas

Due Diligence

Pursuant to Resolution No. R-187-12, due diligence was conducted in accordance with the Strategic Procurement Department's Procurement Guidelines to determine contractor responsibility, including verifying corporate status and review of performance and compliance issues through various vendor responsibility lists and a keyword internet search. The lists referenced include convicted vendors, debarred vendors, delinquent contractors, suspended vendors, and federal excluded parties. There were no adverse findings relating to contractor responsibility.

Applicable Ordinances and Contract Measures

- The two percent User Access Program provision does not apply due to funding sources.
- The Small Business Enterprise Bid Preference and Local Preference do not apply.
- The Living Wage does not apply.



Jimmy Morales
Chief Operations Officer



MEMORANDUM

(Revised)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: January 17, 2023

FROM: 
Gen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 8(P)(5)

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
- ☐ Statement of social equity required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____ to approve
- ☒ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved Daniella Lemi Caro Mayor
Veto _____
Override _____

Agenda Item No. 8(P)(5)
1-17-23

RESOLUTION NO. R-33-23

RESOLUTION AUTHORIZING ADDITIONAL EXPENDITURE AUTHORITY IN AN AMOUNT UP TO \$22,967,400.00 FOR A MODIFIED CONTRACT AMOUNT OF \$46,248,943.00 FOR CONTRACT NO. 120617-CAT FOR THE PURCHASE OF ELECTRICAL ENERGY POWER GENERATION WITH RELATED PARTS, SUPPLIES, AND SERVICES FOR THE MIAMI-DADE WATER AND SEWER DEPARTMENT; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXERCISE ALL PROVISIONS OF THE CONTRACT, INCLUDING ANY RENEWALS, EXTENSION OR CANCELLATION PROVISIONS, PURSUANT TO SECTION 2-8.1 OF THE COUNTY CODE AND IMPLEMENTING ORDER 3-38

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:

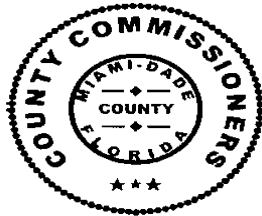
Section 1. This Board authorizes additional expenditure authority in an amount up to \$22,967,400.00 for a modified contract amount of \$46,248,943.00 for Contract No. 120617-CAT for the purchase of electrical energy power generation with related parts, supplies, and services for the Miami-Dade Water and Sewer Department.

Section 2. This Board authorizes the County Mayor or County Mayor's designee to exercise all provisions of the contract, including any renewals, extension or cancellation provisions, pursuant to section 2-8.1 of the County Code and Implementing Order 3-38. A copy of the contract is on file with and available upon request from the Strategic Procurement Department.

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

Oliver G. Gilbert, III, Chairman	aye		
Anthony Rodríguez, Vice Chairman	aye		
Marleine Bastien	aye	Juan Carlos Bermudez	aye
Kevin Marino Cabrera	aye	Sen. René García	aye
Roberto J. Gonzalez	aye	Keon Hardemon	absent
Danielle Cohen Higgins	aye	Eileen Higgins	aye
Kionne L. McGhee	aye	Raquel A. Regalado	aye
Micky Steinberg	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 17th day of January, 2023. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.



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

LUIS G. MONTALDO, CLERK AD INTERIM

By: 
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Oren Rosenthal