

# County of Passaic

## Board of County Commissioners



### OFFICE OF COUNTY COMMISSIONERS

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Administrator  
Nadege D. Allwaters, Esq.  
County Counsel  
Louis E. Imhof, RMC  
Clerk Of The Board

Date: Feb 13, 2024 - 5:30 PM

Agenda: RESOLUTION AUTHORIZING A CONTRACT EXTENSION TO DIRECT ENERGY BUSINESS MARKETING, LLC AND UGIES, LLC TO PROVIDE NATURAL GAS SUPPLY SERVICES TO PARTICIPATING MEMBERS OF THE PASSAIC COUNTY ENERGY REGIONAL COOPERATIVE PRICING SYSTEM, PURSUANT TO N.J.S.A. 40A:11-15 AND SB-21-059

THIS RESOLUTION WAS REQUESTED BY:  
PURCHASING

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REVIEWED BY:

Matthew P. Jordan, Esq.

APPROVED AS TO FORM AND LEGALITY:

Nadege D. Allwaters, Esq.

Official Resolution#	
Meeting Date	2/13/2024
Introduced Date	1/30/2024
Adopted Date	
Agenda Item	4.
CAF#	
Purchase Req. #	
Result	

Administration and Finance

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COMMITTEE NAME

**RESOLUTION AUTHORIZING A CONTRACT EXTENSION TO DIRECT ENERGY BUSINESS MARKETING, LLC AND UGIES, LLC TO PROVIDE NATURAL GAS SUPPLY SERVICES TO PARTICIPATING MEMBERS OF THE PASSAIC COUNTY ENERGY REGIONAL COOPERATIVE PRICING SYSTEM, PURSUANT TO N.J.S.A. 40A:11-15 AND SB-21-059**

**WHEREAS**, pursuant to N.J.S.A. 40:20-1, the Board of County Commissioners of the County of Passaic (“Board”) is vested with managing the property, finances, and affairs of the County; and

**WHEREAS**, pursuant to N.J.S.A. 48:3-93.1, et seq. and N.J.A.C. 14:4-6.1, et seq., the County is authorized to establish a government aggregator and energy aggregation program to provide for the purchase of electric generation service and natural gas; and

**WHEREAS**, on September 24, 2013, the Board approved Resolution No. R2013731, establishing a government energy aggregation program pursuant to N.J.S.A. 48:3-93.1, et seq. and N.J.A.C. 14:4-6.1, et seq. (“Energy Aggregation Program”); and

**WHEREAS**, the purpose of the Energy Aggregation Program is to increase the competition of electric generation and natural gas services, thereby lowering electric and natural gas rates for County residents and non-resident users; and

**WHEREAS**, as part of the Energy Aggregation Program, the County requires qualified New Jersey Board of Public Utilities licensed third-party electric and/or natural gas suppliers to provide electric and natural gas services to participating members of the Passaic County Energy Regional Cooperative Pricing System (“PCERCPS”) ID #203PCERCPS; and

**WHEREAS**, on October 1, 2021, the Passaic County Purchasing Agent issued SB-21-059, Natural Gas Supply Service for the Participating Members of the Passaic County Energy Regional Cooperative Pricing System ID#203PCERCPS (“SB-21-059”), seeking licensed third-party electric and/or natural gas suppliers; and

**WHEREAS**, pursuant to N.J.S.A. 40A:11-1, et seq., on November 23, 2021, the Board passed Resolution No. R20211060, authorizing a contract award to the lowest responsible bidders to SB-21-059, as follows: (1) Direct Energy Business Marketing, LLC for Bid Group 1; and (2) UGIES, LLC for Bid Groups 2 and 3, to provide natural gas supply services to participating members of the Passaic County Energy Regional Cooperative Pricing System, ID#203PCERCPS, in an amount not to exceed one million six hundred seventy five thousand five hundred dollars (\$1,675,500.00) for a three (3) year term, commencing December 1, 2021 and expiring November 30, 2024; and

**WHEREAS**, pursuant to the bid documents and N.J.S.A. 40A:11-15, the County retained the right to extend the Agreements under SB-21-059, provided the following conditions are met: (1) the County adopts a resolution extending the Agreement and includes a finding by the County that the services contracted for under SB-21-059 are being performed in an effective and efficient manner; (2) any price change included as part of the extension is negotiated to provide ID#203PCERCPS participants with savings relative to applicable BGSS; (3) the terms and conditions of the Agreements remain substantially the same; and (4) no contracts are extended so that they run for more than a total of five (5) consecutive years; and

**WHEREAS**, in a letter dated January 23, 2023, attached hereto and made part of this Resolution, Concord Engineering recommended to extend the contracts under SB-21-059, given advantageous market circumstances that will result in savings to ID#203PCERCPS participants while maintaining all existing terms and conditions unchanged; and

**WHEREAS**, the Passaic County Purchasing Agent is recommending to exercise a two (2) year extension to Direct Energy Business Marketing, LLC for Bid Group 1 and UGIES, LLC for Bid Groups 2 and 3, commencing December 1, 2024 and expiring November 30, 2026, in an amount not to exceed one million six thousand dollars (\$1,006,000.00); and

**WHEREAS**, the services provided under SB-21-059 by Direct Energy Business Marketing, LLC and UGIES, LLC are being performed in an effective and efficient manner, the prices negotiated for the two (2) year extension will result in savings to ID#203PCERCPS participants, the

terms and conditions of the Agreements under SB-21-059 will remain substantially the same, and the contract term will run for no more than five (5) consecutive years; and

**WHEREAS**, this matter was discussed at the February 7, 2024 Administration & Finance Committee meeting, and is being recommended to the Board for approval; and

**NOW, THEREFORE, LET IT BE RESOLVED**, pursuant to N.J.S.A. 40A:11-5, the Board of County Commissioners of the County of Passaic authorizes a two (2) year contract extension to Direct Energy Business Marketing, LLC and UGIES, LLC to provide natural gas supply services to participating members of the Passaic County Energy Regional Cooperative Pricing System ID#203PCERCPS, commencing December 1, 2024 and expiring November 30, 2026, as follows:

December 1, 2024 - December 31, 2024	\$80,000.00
January 1, 2025 - December 31, 2025	\$501,000.00
January 1, 2026 - November 30, 2026	\$425,000.00

Direct Energy Bid Group 1	Fixed Basis Upcharge \$2.00/DTH
UGIES Bid Group 2	Fixed Basis Upcharge \$1.45/DTH
UGIES Bid Group 3	Fixed Basis Upcharge \$1.60/DTH

**LET IT BE FURTHER RESOLVED**, that the Clerk of the Board, County Counsel, Purchasing Agent and Director of the Board are authorized to take any action necessary to carry out the purpose of this Resolution.

SF

February 13, 2024