

Staff Report

Subject: Renewal of the Gas South Agreement for natural gas services for multiple County buildings

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Department: Multiple

Meeting Date: August 15, 2023

Item Description: Renewal of the Gas South Agreements

Summary Recommendation: Staff recommends renewal of the Gas South Agreement for natural gas services for multiple County buildings

Executive Summary/Background:

- Currently Effingham County has agreements with Constellation with a rate of \$0.419 per therm and a DDDC rate of \$8.50. Their proposed new agreements list the new rate at \$0.669 with a DDDC rate of \$8.50 per. According to Constellation, the rate is steadily increasing.
- At the direction of the Board of Commissioners, staff requested quotes from Georgia Natural Gas and Gas South which were discussed at the March 1, 2022 meeting. Due to the difference in the therm rate and DDDC rate, the Board requested to move forward with Gas South.
- Due to the unstable market, Gas South couldn't guarantee the rate would remain until March 15, so the County Manager signed the agreement and we are asking for ratification. These Agreements were ratified in March of 2022.
- The County Attorney has reviewed the agreement and approved the agreement to form.

Alternatives for Commission to Consider

1. Renewal of the Gas South Agreement for natural gas services for multiple County buildings
2. Take no action

Recommended Alternative: 1

Other Alternatives: 2

Department Review: Purchasing, County Manager

Funding Source: Department Operating Budgets

Attachments:

1. Gas South Agreement for Natural Gas Services