



Legislation Details (With Text)

File #: 0123-2024 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 12/27/2023 **In control:** Public Utilities & Sustainability Committee

On agenda: 1/22/2024 **Final action:** 1/24/2024

Title: To authorize the Director of Public Utilities to modify and increase the contract for the purchase of wholesale electric power and ancillary services with American Municipal Power, Inc. for the Division of Power; to authorize the expenditure of \$61,400,000.00 from the Electricity Operating Fund; and to declare an emergency. (\$61,400,000.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD 0123-2023 Financial Coding - AMP 2024 Purchase Power Agreement, 2. ORD 0123-2024 AMP 2024 Purchase Power Agreement Mod..pdf

Date	Ver.	Action By	Action	Result
1/24/2024	1	CITY CLERK	Attest	
1/23/2024	1	MAYOR	Signed	
1/22/2024	1	COUNCIL PRESIDENT	Signed	
1/22/2024	1	Columbus City Council	Approved	Pass

This ordinance authorizes the Director of Public Utilities to modify and increase the Master Services Agreement with American Municipal Power, Inc. (AMP, Inc.) to provide funding for the purchase of wholesale electricity and associated services in 2024 for the Division of Power. The funds authorized by this ordinance will cover the costs of power supply and additional ancillary services provided by AMP, Inc., such as diesel generator maintenance, representation on federal power issues, staff training, and customer development services.

This Ordinance is being submitted in accordance with the relevant provisions of Chapter 329 of City Code pertaining to contract modifications.

- Amount of additional funds: The total amount of additional funds needed for this contract modification #21 is \$61,400,000.00. \$60,700,000.00 is allocated for the purchase of wholesale electric power and \$700,000.00 for ancillary services provided by AMP, Inc. Total contract amount including this modification is \$398,055,534.00
- Reason additional funds were not foreseen: The need for additional funds was known at the time of the initial contract and this legislation authorizes funding to cover the wholesale electricity and ancillary services needs for 2024.
- Reason other procurement processes were not used: American Municipal Power, Inc. is a non-profit organization for state municipalities and, acting as a broker, has contracted for competitive prices on the City's behalf through a bidding process.
- How was cost determined: The modification is based upon estimated requirements for 2024 at rates established in the existing contract.

SUPPLIER:

American Municipal Power, Inc. | D365 Vendor #004495 | Federal EIN on file | Expired 2/4/2023 | Nonprofit

Organization

AMP, Inc. does not hold MBE/FBE status.

The company is not debarred according to the Excluded Party Listing System of the Federal Government or prohibited from being awarded a contract according to the Auditor of State Unresolved Findings for Recovery Certified Search.

FISCAL IMPACT:

\$61,400,000.00 is budgeted and available for this purchase.

This ordinance is contingent on the passage of the 2024 Operating Budget, Ordinance 3012-2023.

\$55,333,006.27 was spent in 2023

\$58,758,819.00 was spent in 2022

\$51,546,573.96 was spent in 2021

EMERGENCY DESIGNATION:

This ordinance is being submitted as an emergency in order to allow the purchase of power needed to keep the Division of Power's operations running safely. Invoices comprise the largest component of the Division of Power's budget, and timely payment requires access to 2024 operating funds soon after the expected passage of the budget.

To authorize the Director of Public Utilities to modify and increase the contract for the purchase of wholesale electric power and ancillary services with American Municipal Power, Inc. for the Division of Power; to authorize the expenditure of \$61,400,000.00 from the Electricity Operating Fund; and to declare an emergency. (\$61,400,000.00)

WHEREAS, the Division of Power has an existing contract for the purchase of wholesale electricity and associated services with American Municipal Power, Inc.; and

WHEREAS, it is necessary to modify and increase the existing contract with American Municipal Power, Inc. in the amount of \$61,400,000.00 and to authorize the expenditure in order to provide wholesale electric power and associated services required in 2024 by the Division of Power; and

WHEREAS, this ordinance is being submitted in accordance with the relevant provisions of Chapter 329 of City Code pertaining to contract modifications; and

WHEREAS, the expenditure of \$61,400,000.00 or so much thereof as may be needed, is hereby authorized in Fund 6300, Electricity Operating Fund, as \$60,700,000.00 from object class 02, Materials & Supplies, and \$700,000.00 from object class 03, Services, per the accounting codes attached to the ordinance; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Public Utilities, Division of Power, in that it is immediately necessary to authorize the Director of Public Utilities to modify and increase the current contract for the purchase of wholesale electricity and associated services with American Municipal Power, Inc., without delay, all for the immediate preservation of the public health, peace, property and safety; and now, therefore

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of Public Utilities is hereby authorized to modify and increase the contract with American Municipal Power, Inc. for the purchase of wholesale electricity and associated services for the Department of Public Utilities, in accordance with the terms and conditions as shown in the Master Service Agreement on file in the office of

the Division of Power. Modification No.21 to this contract includes \$60,700,000.00 for wholesale electric power and \$700,000.00 for ancillary services, for a total modification of \$61,400,000.00.

SECTION 2. That this modification is in accordance with the relevant provisions of Chapter 329 of City Code.

SECTION 3. That the expenditure of \$61,400,000.00 or so much thereof as may be needed, is hereby authorized in Fund 6300, Electricity Operating Fund, as \$60,700,000.00 from object class 02, Materials & Supplies, and \$700,000.00 from object class 03, Services, per the accounting codes attached to the ordinance.

SECTION 4. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated and the City Auditor shall establish such accounting codes as necessary.

SECTION 5. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 6. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this Ordinance is hereby declared to be an emergency measure, and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.