



Legislation Details (With Text)

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Type: Ordinance **Status:** Passed

File created: 1/13/2010 **In control:** Utilities Committee

On agenda: 2/22/2010 **Final action:** 2/24/2010

Title: To authorize the Director of Public Utilities to modify the contract for the purchase of wholesale electric power with American Municipal Power, Inc. for the Division of Power and Water and to authorize the expenditure of \$6,498,730.00 from the Electricity Operating Fund; and to declare an emergency. (\$6,498,730.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD0136-2010AmpMod Info.pdf

Date	Ver.	Action By	Action	Result
2/24/2010	1	CITY CLERK	Attest	
2/23/2010	1	MAYOR	Signed	
2/22/2010	1	Columbus City Council	Approved	Pass
2/22/2010	1	COUNCIL PRESIDENT	Signed	
2/2/2010	1	Utilities Drafter	Sent for Approval	
2/2/2010	1	CITY ATTORNEY	Reviewed and Approved	
2/2/2010	1	Utilities Drafter	Sent to Clerk's Office for Council	
2/1/2010	1	EBOCO Reviewer	Sent for Approval	
2/1/2010	1	ODI DIRECTOR	Reviewed and Approved	
2/1/2010	1	Utilities Drafter	Sent for Approval	
2/1/2010	1	Auditor Reviewer	Contingent	
2/1/2010	1	CITY AUDITOR	Reviewed and Approved	
1/28/2010	1	Utilities Drafter	Sent for Approval	
1/27/2010	1	Finance Reviewer	Reviewed and Approved	
1/27/2010	1	Finance Reviewer	Reviewed and Approved	
1/27/2010	1	FINANCE DIRECTOR	Reviewed and Approved	
1/27/2010	1	Utilities Drafter	Sent for Approval	
1/26/2010	1	Utilities Reviewer	Sent for Approval	
1/26/2010	1	UTILITIES DIRECTOR	Reviewed and Approved	
1/26/2010	1	Utilities Drafter	Sent for Approval	
1/25/2010	1	Utilities Reviewer	Reviewed and Approved	
1/25/2010	1	Utilities Drafter	Sent for Approval	

1/22/2010	1	Utilities Reviewer	Reviewed and Approved
1/22/2010	1	Utilities Drafter	Sent for Approval
1/21/2010	1	Utilities Drafter	Sent for Approval
1/20/2010	1	Utilities Drafter	Sent for Approval
1/20/2010	1	Utilities Drafter	Sent for Approval
1/20/2010	1	Utilities Drafter	Sent for Approval
1/13/2010	1	Utilities Drafter	Sent for Approval

BACKGROUND: This ordinance authorizes the Director of Public Utilities to modify Contract Number CT09743 and EL008750 with American Municipal Power, Inc. to provide funding for the purchase of wholesale electricity and associated services during 2010 for the Division of Power and Water.

Amount of additional funds to be expended: \$6,498,730

Reasons additional goods/services could not be foreseen: The Division of Power and Water (Power) currently has contracts in place with American Municipal Power, Inc. for the purchase of wholesale electricity. This legislation authorizes increases in the amounts of the contracts to cover needs for 2010.

Reason other procurement processes are not used: American Municipal Power, Inc. is a non-profit organization for state municipalities and, acting as a broker, has contracted competitive prices on the City's behalf through a bidding process.

How cost of modification was determined: This modification is based upon estimated requirements for 2010 at rates as established in the existing contract.

Contract Compliance Number: 310943223, expires 12/15/2011

American Municipal Power, Inc. does not hold MBE/FBE status.

Emergency action is requested in order that purchases may continue without interruption and payments can be made on a timely basis.

FISCAL IMPACT: This ordinance is contingent upon the passage of the 2010 operating budget. The amount budgeted in the Electricity Operating Fund 550 for purchase power is \$66,458,000. The total amounts spent for purchase power in 2008 and 2009 were \$53,763,139 and \$57,531,882, respectively.

To authorize the Director of Public Utilities to modify the contract for the purchase of wholesale electric power with American Municipal Power, Inc. for the Division of Power and Water and to authorize the expenditure of \$6,498,730.00 from the Electricity Operating Fund; and to declare an emergency. (\$6,498,730.00)

WHEREAS, the City and American Municipal Power, Inc. have entered into a Master Services Agreement dated December 16, 2008 under which certain services may be provided by American Municipal Power, Inc. to the City via schedules pursuant thereto; and

WHEREAS, the City and American Municipal Power, Inc. have entered into a contract agreement dated July 11, 1988, Contract Number CT-09743 for energy supplied from the Gorsuch Station; and

WHEREAS, it is necessary to increase the existing contracts to provide for wholesale electric power and associated services required in 2010 by the Division of Power and Water; and

WHEREAS, emergency action is requested in order that purchases may continue without interruption and payments for purchased power may be made on a timely basis; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Public Utilities, Division of Power and Water, in that it is necessary to modify contracts with American Municipal Power, Inc. for the purchase of wholesale electric power for the immediate preservation of the public health, peace, property, safety and welfare; now, therefore,

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

SECTION 1. That the director of Public Utilities be and is hereby authorized to modify the Master Services Agreement Contract

EL008750 and the Gorsuch Contract CT-09743 with American Municipal Power, Inc. by increasing the amounts by \$6,498,730.00, as follows:

<u>CONTRACT NUMBER</u>	<u>AMOUNT</u>
EL008750-001 (Master Services Agreement)	\$ 848,700
EL008750-002 (Membership Services)	167,130
CT09743 (Gorsuch)	<u>5,482,900</u>
Total	\$6,498,730

SECTION 2. That this modification is in compliance with Section 329.16 of Columbus city Codes, 1959.

SECTION 3. That to pay the cost of the aforesaid contract modification, the expenditure of \$6,498,730, or so much thereof as may be needed, is hereby authorized from Electricity Operating Fund 550, Division No. 60-07, OCA Code 600830, and shall be disbursed among the following Object Level Three Codes:

Object Level Three 2233	\$6,331,600
Object Level Three 3333	<u>167,130</u>
Total	\$6,498,730

SECTION 4. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is 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.