



City of Columbus

Office of City Clerk
90 West Broad Street
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columbuscitycouncil.org

Legislation Text

File #: 0038-2012, **Version:** 1

BACKGROUND: This ordinance authorizes an increase of an existing contract with American Electric Power Service Corporation (AEPSC) for the purchase of capacity and energy for the Division of Power and Water.

Amount of additional funds to be expended: \$58,100,000.00

Reasons additional goods/services could not be foreseen: The Department of Public Utilities, Division of Power and Water, entered into a contract for capacity and energy with American Electric Power Service Corporation (AEPSC) in 2006 based upon the lowest, responsive proposal offered. The term of the contract is through May 2014. This legislation will authorize the funding for capacity and energy requirements in 2012.

Reason other procurement processes are not used: The City of Columbus, Department of Public Utilities is obligated by contract to obtain capacity and energy from American Electric Power Service Corporation (AEPSC).

How cost of modification was determined: The modification is based upon estimated requirements for 2012 at rates as established in the existing contract.

Emergency action is requested in order that the encumbering document may be established and funding in place so that services may continue uninterrupted and payments can be made in compliance with the terms of the contract.

Contract Compliance Number: 134922641, expires 04/04/2013.

FISCAL IMPACT: This legislation is contingent upon the passage of the 2012 operating budget, Ordinance #1996-2011. The amount budgeted in the Electricity Operating Fund 550 for purchase power is \$64,629,153. The total amounts spent for purchase power in 2010 and 2011 were \$62,971,078.62 and \$62,789,470.78, respectively.

..Title

To authorize the Director of Public Utilities to modify an existing contract with American Electric Power Service Corporation for capacity and energy for the Division of Power and Water; to authorize the expenditure of \$58,100,000.00 from the Electricity Operating Fund; and to declare an emergency. (\$58,100,000.00)

WHEREAS, Ordinance Number 0837-2006, passed May 22, 2006, waived the provisions of Columbus City Code Article 329.14, to authorize the Director of Public Utilities to negotiate and enter into contract for purchase power; and

WHEREAS, Contract DL012676 was established with American Electric Power Service Corporation (AEPSC) based upon the lowest responsive proposal received; and

WHEREAS, it is immediately necessary to provide funding for the purchase of capacity and energy required for the daily operation of the Division of Power and Water in 2012; and

WHEREAS, an emergency exists in the usual daily operation of the Division of Power and Water, of the Department of Public Utilities, in that it is immediately necessary to modify the existing contract with American Electric Power Service

Corporation to provide funding for capacity and energy for the 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 increase the existing contract with American Electric Power Service Corporation to obtain capacity and energy for the Division of Power and Water in accordance with terms and conditions of the contract.

SECTION 2. That this modification is in accordance with Section 329.16 of the Columbus City Codes.

SECTION 3. That the expenditure of \$58,100,000.00, or so much thereof as may be necessary, is hereby authorized from the Electricity Operating Fund 550, Division 60-07, OCA 600830, Object Level Three 2233, for this contract increase.

SECTION 4. 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.