

Legislation Text

File #: 0103-2008, Version: 1

<u>BACKGROUND</u>: This ordinance authorizes a modification of EL-000658 with Bio-Energy (Ohio), LLC, for the purchase of wholesale electricity in 2008.

Amount of additional funds to be expended: \$494,525.00

Reasons additional goods/services could not be foreseen: The Division of Power and Water (Power) currently has a fifteen-year contract in place with Bio-Energy (Ohio) LLC to purchase electrical energy generated from a landfill gas-fueled electric power station at the model landfill on Jackson Pike. This legislation authorizes an increase in the amount of the contract to cover needs for 2008.

Reason other procurement processes are not used: Bio-Energy (Ohio) LLC, provides a unique source of energy generated from landfill gas at the model landfill. The existing contract with Bio-Energy is in effect until 2015.

How cost of modification was determined: Modification is based upon estimated requirements for 2008 at rates as established in the existing contract.

Contract Compliance Number: 760559826, Expires: 5/14/09

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

FISCAL IMPACT: The 2008 Electricity Operating budget authority for purchase power is \$57,302,956. The total amount spent for purchase power in 2006 and 2007 was \$37,677,110 and \$53,866,755, respectively.

To authorize the Director of Public Utilities to modify a contract for the purchase of landfill gas-fueled electric power with Bio-Energy (Ohio) LLC, to authorize the expenditure of \$494,525.00 from the Electricity Operating Fund, and to declare an emergency. (\$494,525.00)

WHEREAS, on August 29, 2000, under the authority of Ordinance Number 1825-00, passed July 24, 2000, the City of Columbus entered into Contract Number EL-000658 with Bio-Energy (Ohio), LLC, for the purchase of landfill gas-fueled electric power; and

WHEREAS, the Department of Public Utilities, Division of Power and Water, has a need for said electrical power; and

WHEREAS, it is necessary to modify the existing contract to provide funding for the purchase of wholesale electric power needs for 2008, under the provisions of Section 329.16, Columbus City Codes, 1959; and

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

WHEREAS, an emergency exists in the usual daily operation of the Division of Power and Water, Department of Public Utilities, in that it is immediately necessary to modify an existing contract with Bio-Energy (Ohio), LLC, for the purchase of wholesale electric

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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 existing Contract Number EL-000658 with Bio-Energy (Ohio), LLC, by increasing the contract amount by \$494,525.00.

SECTION 2. That this contract 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 \$494,525.00, or so much thereof as may be needed, is hereby authorized from Electricity Operating Fund 550, Division No. 60-07, OCA Code 600830, Object Level Three 2233.

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.