



Legislation Text

File #: 0153-2008, Version: 1

BACKGROUND: This ordinance authorizes the Director of Public Utilities to modify Contract Numbers CT-07199 and CT-09743 with American Municipal Power-Ohio, Inc. (AMP-Ohio) to provide funding for the purchase of wholesale electricity and associated services in 2008 for the Division of Power and Water.

Amount of additional funds to be expended: \$5,421,720

Reasons additional goods/services could not be foreseen: The Division of Power and Water (Power) currently has contracts in place with AMP-Ohio for the purchase of wholesale electricity. This legislation authorizes increases in the amounts of the contracts to cover needs for 2008.

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

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

Contract Compliance Number: 310943223, expires 01/24/2010

Amp-Ohio 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 legislation is contingent upon passage of the 2008 budget. \$57,302,956 is budgeted in the Electricity Fund 550 for purchase power and an additional \$174,000 is budgeted for Amp-Ohio service fees. The total purchased power expenditures for 2006 and 2007 were \$37,677,109.56 and \$53,866,755, respectively.

To authorize the Director of Public Utilities to modify contracts for the purchase of wholesale electric power with American Municipal Power-Ohio, Inc. for the Division of Power and Water; to authorize the expenditure of \$5,421,720.00 from the Electricity Operating Fund; and to declare an emergency. (\$5,421,720.00)

WHEREAS, the City and American Municipal Power-Ohio (AMP-Ohio) have entered into a generic contract agreement dated March 11, 1986, Contract Number CT-07199, under which certain services may be provided by AMP-Ohio to the City via schedules pursuant thereto; and

WHEREAS, the City and AMP-Ohio 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 2008; 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 immediately necessary to modify contracts with American Municipal Power-Ohio, 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 generic AMP-Ohio contract, CT-07199, and the Gorsuch contract, CT-09743, by increasing the contract amounts by \$5,421,720.00, as follows:

| <u>CONTRACT NUMBER</u> | <u>AMOUNT</u> |
|-------------------------|---------------------|
| CT-07199-001 (Generic) | \$ 856,000.00 |
| CT-07199-002 (Services) | 165,720.00 |
| CT-09743 (Gorsuch) | <u>4,400,000.00</u> |
| TOTAL | \$ 5,421,720.00 |

SECTION 2. That these contract modifications are in compliance with Section 329.16, of Columbus City Codes, 1959.

SECTION 3. That to pay the cost of the aforesaid contract modifications, the expenditure of \$5,421,720.00, 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 | \$5,256,000.00 |
| Object Level Three: 3333 | <u>165,720.00</u> |
| Total: | \$5,421,720.00 |

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.