

AS AMENDED ON OCTOBER 8, 2012

RESOLUTION No. 2209

A RESOLUTION OF THE CITY OF SALISBURY TO AUTHORIZE THE CITY ADMINISTRATOR AND THE DIRECTOR OF INTERNAL SERVICES TO ACT ON BEHALF OF THE CITY IN EXECUTING A CONTRACT FOR THE SUPPLY OF ELECTRICITY.

WHEREAS, electric deregulation became effective in July 2002 and the City of Salisbury is now purchasing electricity on the open market, with signed contracts ending June 2014; and

WHEREAS, the City of Salisbury will solicit for bids the City's electricity supply needs October during through December 2012 to provide electricity supply services in the City's best interest for 12-36 month; to initiate at the end of the existing contract term; and

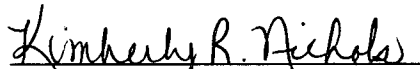
WHEREAS, the goal of this procurement process is to allow the flexibility in conducting the bid process and in responding to the daily changes in market prices for the selection of the optimum rates for the City's electricity accounts; and

WHEREAS, the current electricity market is extremely volatile and decisions to award must be made within a four (4) hour window in order to guarantee pricing;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Salisbury, Maryland that the City Administrator and the Director of Internal Services, or their designees for the City of Salisbury are authorized to act on behalf of the City to conduct an electricity procurement process in accordance with City purchasing regulations and to award and execute a contract for electricity supply services with the selected supplier prior to the close of the market the day price proposals are received, without further authorization or approval by Council. The City Administrator and the Director of Internal Services, or their designees will consult with the Mayor and/or the Council President either in person or on the phone, if available, on the recommended selection but, nevertheless, they shall have the full authorization of the City to proceed with the selection and contract award of, behalf of the City of Salisbury.


THE ABOVE RESOLUTION was introduced and read and passed at the regular meeting of the Council of the City of Salisbury held this 8th day of October, 2012, and is to become effective immediately upon adoption.

ATTEST:


Kimberly R. Nichols
CITY CLERK


Terry E. Cohen
COUNCIL PRESIDENT

Approved by me this 9th
day of Oct 2012.


James Iketon, Jr.
MAYOR

Memorandum

To: Council Members
CC: Mayor, James Ireton, Jr., City Administrator John Pick, Acting Internal
Services Director-Gerri Moore
From: Catrice Parsons *CP 10/02/12*
Date: 10/2/2012
Re: Energy RFP

Considering the current electric contract expires in June 2014 the City wishes to solicit electric services for its accounts. As such, the City intends to rebid its electric services in the fall of 2012. The City has reached out to and expressed an interest to partner with Wicomico County in hopes to combine and leverage our electrical purchasing power, collectively. The collective purchasing power of the City and County will hopefully reduce our current electric rates. The County is currently reviewing contractual language with CQI, the City's energy consultant, in hope of partnering with the City and its energy consultant.

The City wishes to make the electric solicitation process a two step process. The first step would to send out an RFP, receive in vendor agreements, legal counsel(s) will review and negotiate favorable terms for the City/County, vendors with favorable terms will move on to step 2. Step 2 will include soliciting proposals from the approved vendors that are identified in Step 1.

Due to a four (4) hour window of opportunity to get the awarded contract signed, due to price fluctuations in the market, the City has previously requested City Council sign a resolution allowing the Administration the ability to sign a contract with the lowest responsive and responsible bidder. Given the aforementioned, Administration is requesting Council's approval once again to sign a Resolution giving the City's Administration the authority to sign a Contract with the lowest responsive and responsible electric services vendor at the time of bid opening without the award going to a Council meeting. As such, the City is requesting that Council consider the approval of the attached Resolution.