

RESOLUTION NO. 2591

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 2016; and

WHEREAS, the City of Salisbury will solicit bids the City's electricity supply needs February through March 2016 to provide electricity supply services in the City's best interest for 12-36 months, to initiate at the end of the existing term; and

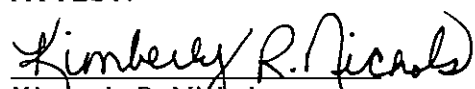
WHEREAS, the goal of this procurement process is to allow the flexibility in conducting the bid process and in responding to the daily changes in market prices for the selection of the optimum rates for the City's electricity accounts; and

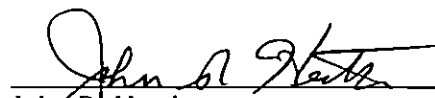
WHEREAS, the current electricity market is extremely volatile and decisions to award must be made within a four (4) hour window in order to guarantee pricing;

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 on behalf of the City of Salisbury.

THE ABOVE RESOLUTION was introduced and read aloud and passed at the regular meeting of the Council of the City of Salisbury held this 22 day of February 2016, and is to become effective immediately upon adoption.

ATTEST:


Kimberly R. Nichols
CITY CLERK


John R. Heath
COUNCIL PRESIDENT

APPROVED BY ME THIS

26th day of FEBRUARY, 2016.


Jacob R. Day
MAYOR

City of Salisbury



MARYLAND

JACOB R. DAY
MAYOR

M. THOMAS STEVENSON, JR.
INTERIM CITY ADMINISTRATOR

JULIA GLANZ
ASSISTANT CITY ADMINISTRATOR

Salisbury



2010

125 NORTH DIVISION STREET
SALISBURY, MARYLAND 21801
Tel: 410-548-3190 Procurement
Fax: 410-548-3192 Procurement

KEITH A. CORDREY
DIRECTOR OF INTERNAL SERVICES

JENNIFER MILLER
ASST. DIRECTOR OF INTERNAL
SERVICES

TO: City Council

FROM: Jennifer Miller
Asst. Director of Internal Services – Procurement & Parking

DATE: 2/16/16

RE: Energy Supply Procurement – Request for Proposals (RFP 08-16)

The current electricity supply contract for the City's municipal buildings and operations expires in June 2016; therefore, the Procurement Department is again soliciting competitive rates for the City's electricity accounts. In 2014, the City partnered with Wicomico County to leverage our collective electrical purchasing power, and the County has agreed to combine our usages again for this purchasing cycle. The solicitation will be posted in February.

The Procurement Department has chosen a two-step solicitation process. Step One consists of a qualifications review, data review and vendor "Electricity Purchase Agreement" review. Only those vendors meeting the evaluative criteria for selection will be asked to proceed on to the next step. Step Two consists of the price proposal and proposed term of contract.

Due to price fluctuations in the energy market, there is a very short window of opportunity to reply to a vendor with acceptance of a pricing proposal (approx. 6 hours or less). The Procurement Department seeks City Council approval of a Resolution (attached) which would allow the Administration the ability to sign a contract with the lowest responsive and responsible bidder in lieu of an award approved at a legislative meeting of the City Council. This process was utilized for the previous energy supply procurement in 2014 (See Resolution 2209).

cc: Jacob R. Day
Tom Stevenson
Keith Cordrey