



Roll Call Number

Agenda Item Number

24

Date April 11, 2016

WHEREAS, it is desirous to procure natural gas supplies through a third party marketer in an effort to eliminate the higher than market cost of supply from the local regulated utility and implement an energy risk management program; and

WHEREAS, on May 7, 2012, by Roll Call No. 12-0716, the City Council approved an agreement with Constellation New Energy for natural gas supplies through a third party marketer ("Master Natural Gas Agreement") that had been competitively bid by the State of Iowa for an initial term of 2 years with two 12 month renewals; and

WHEREAS, the Procurement Administrator has determined that natural gas supplies through a third party marketer have been competitively bid and are available again from Constellation New Energy - Gas Division, LLC, 10 S. Dearborn Street, Chicago IL, Joseph Nigro, CEO, per State of Iowa Contract number MA-005-16213 ("Constellation New Energy"); and

WHEREAS, Municipal Code section 2-726 (c) provides for the procurement of goods and/or services from contracts established by the State of Iowa General Services or Department of Transportation, pursuant to procedures established by Iowa Code Chapter 8A and rules and regulations promulgated thereunder, without conforming to the competitive bidding requirements of the Procurement Division; and

WHEREAS, the Finance Department recommends continued use of the Master Natural Gas Agreement with Constellation New Energy for an initial period of 1 year with up to five 12 month renewals; and

WHEREAS, funding is available from various departmental operating budgets.

NOW THEREFORE BE IT RESOLVED, that the Des Moines City Council hereby accepts and approves the procurement of natural gas supplies and services from Constellation New Energy for the administrative fee set by State of Iowa Contract number MA-005-16213; and

BE IT FURTHER RESOLVED, that the Master Natural Gas Agreement is approved for an additional period of one year with up to 5 one year renewals, and the Finance Director is authorized and directed to negotiate and execute implementing ancillary orders and agreements and up to five 1 year renewals at the then current State of Iowa Contract administrative rate, subject to approval as to form by the Legal Department.

(Council Communication No. 16-202)

Moved by _____ to adopt.

Approved as to Form:

Ann DiDonato, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GRAY				
HENSLEY				
MOORE				
WESTERGAARD				
TOTAL				

MOTION CARRIED

APPROVED

Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk