

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
APRIL 13, 2010 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Purchase of Electric Utility Service	✓ Resolution Ordinance Motion Discussion Only	Judy Buttny Finance Director

SYNOPSIS

A Resolution has been prepared authorizing the execution an agreement for purchase of Electric Utility Service effective May 10, 2010 from Champion Energy Services for a period of three years.

STRATEGIC PLAN ALIGNMENT

The Five Year Plan Goals for 2010-2014 identified *Exceptional Municipal Organization* objective of this goal is *Financially Sound and Sustainable Village Government*.

FISCAL IMPACT

Current electric rates are \$.08053 per kilowatt hour (kwh). At the time the contract is executed, the new rate will be set. The rate under the new contract will be approximately .05585 per kwh. Based on this estimate, the new contract should save the Village approximately \$30,000 per year compared to the current price.

RECOMMENDATION

Approval on the April 20, 2010 active agenda.

BACKGROUND

The Village of Downers Grove has a franchise agreement with Commonwealth Edison (ComEd), where all Village facilities that are non-revenue generating receive electricity free of charge. In return, ComEd has the ability to use the Village's rights-of-way. The Village pays for electricity in the revenue generating facilities, including the parking deck, water pumping stations, train station and rental properties. For these facilities, ComEd is no longer interested in selling electricity on a retail basis.

An RFP was sent out for a Retail Electric Supplier for revenue generating facilities. The Village received responses from Integrys Energy and Champion Energy. Integrys Energy did not meet the requirements of the Village's RFP. The rate as of April 9, 2010 as quoted by Champion is .05585 per kwh. The actual rate will not be locked in until the contract is signed. The contract will likely be executed on April 21, 2010. Staff estimates that it should be close to the .05585 per kwh as quoted on April 9. This rate will be locked in for a three year contract. A three year contract is recommended to take advantage of historically low pricing in the energy market.

ATTACHMENTS

Resolution
 Bid Contract Form
 Campaign Disclosure Form

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING EXECUTION OF AN
AGREEMENT AND ADDENDUM THERETO BETWEEN
THE VILLAGE OF DOWNERS GROVE
AND CHAMPION ENERGY, LLC**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. That the form and substance of a certain Agreement (the “Agreement”), between the Village of Downers Grove (the “Buyer”) and Champion Energy, LLC (“Champion”), for the receipt of electric power, as set forth in the form of the Agreement and Addendum A submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Village Manager and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Agreement and Addendum A, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Agreement and Addendum A.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

Mayor

Passed:

Attest: _____

Village Clerk

IV. PROPOSAL/CONTRACT FORM

*****THIS PROPOSAL, WHEN ACCEPTED AND SIGNED BY AN AUTHORIZED SIGNATORY OF THE VILLAGE OF DOWNERS GROVE, SHALL BECOME A CONTRACT BINDING UPON BOTH PARTIES.**

Entire Block Must Be Completed When A Submitted Bid Is To Be Considered For Award

PROPOSER:

CHAMPION ENERGY SERVICES

Date: 11-30-09

Company Name

MSMITH@CHAMPIONENERGYSERVICES.COM

Email Address

13831 NW. FWY

MIKE SMITH

Contact Name (Print)

Street Address of Company

HOUSTON TX 77040

877-653-5090

24-Hour Telephone

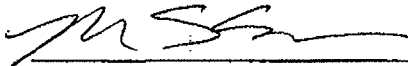
City, State, Zip

6306651452

Business Phone

7133668819

Fax



Signature of Officer, Partner or Sole Proprietor

Mike S. Smith, SVP OPERATIONAL & Chief Marketing officer

Print Name & Title

ATTEST: If a Corporation


Signature of Corporation Secretary

VILLAGE OF DOWNERS GROVE:

Authorized Signature

ATTEST:

Title

Signature of Village Clerk

Date

Date

In compliance with the specifications, the above-signed offers and agrees, if this Proposal is accepted within 90 calendar days from the date of opening, to furnish any or all of the services upon which prices are quoted, at the price set opposite each item, delivered at the designated point within the time specified above.

CAMPAIGN DISCLOSURE CERTIFICATE

Any contractor, proposer, bidder or vendor who responds by submitting a bid or proposal to the Village of Downers Grove shall be required to submit with its bid submission, an executed Campaign Disclosure Certificate, attached hereto.

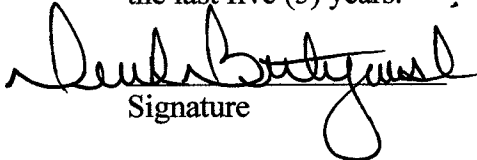
The Campaign Disclosure Certificate is required pursuant to the Village of Downers Grove Council Policy on Ethical Standards and is applicable to those campaign contributions made to any member of the Village Council.

Said Campaign Disclosure Certificate requires any individual or entity bidding to disclose campaign contributions, as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4), made to current members of the Village Council within the five (5) year period preceding the date of the bid or proposal release.

By signing the bid documents, contractor/proposer/bidder/vendor agrees to refrain from making any campaign contributions as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4) to any Village Council member and any challengers seeking to serve as a member of the Downers Grove Village Council.

Under penalty of perjury, I declare:

Bidder/vendor has not contributed to any elected Village position within the last five (5) years.


Signature

DEREK BETLEJEWSKI
Print Name

Bidder/vendor has contributed to an elected Village position within the last five (5) years.

Print the following information:

Name of Contributor: _____
(company or individual)

To whom contribution was made: _____

Year contribution made: _____ Amount: \$ _____

Signature

Print Name