

CLEVELAND PUBLIC LIBRARY

Finance Committee

February 18, 2020

**RESOLUTION TO AUTHORIZE DIRECTOR TO NEGOTIATE AND ENTER INTO
NATURAL GAS CONTRACT TO TAKE EFFECT AFTER EXPIRATION OF CURRENT
CONTRACT**

- WHEREAS, On August 9, 2018 the Board of Library Trustees ratified the natural gas agreement entered into by the Executive Director on June 19, 2018 with Volunteer Energy Services, Inc. at the rate of \$2.79 per Mcf for a 12-month term from November 1, 2018 through October 31, 2019; and
- WHEREAS, On September 26, 2019 the Board of Trustees ratified the agreement entered into by the Library on June 24, 2019 with CentralPoint Energy Services, Inc. for natural gas at the rate of \$2.85 per Mcf for a 12-month term effective from November 1, 2019 through October 31, 2020; and
- WHEREAS, North Shore Energy Consulting, LLC, the Library's energy broker, desires to run a competitive pricing analysis to evaluate the potential opportunity for the Library as the natural gas market is at the low point for all supplier agreements spanning now through 2021; and
- WHEREAS, North Shore Energy Consulting, LLC estimates gas rates to be at or below \$2.95 per Mcf for a 36-month agreement. This is higher than our current contract rate to allow us the option to enter into a 12, 24 or 36-month agreement as the 12-month prices are lower than our current contract rate and the 36-month prices are higher than our current contract rate; and
- WHEREAS, The Library Administration is requesting authority to negotiate a new natural gas rate to commence at the expiration of the Library's current gas contract after November 2020 in accordance with North Shore Energy's pricing; now therefore be it
- RESOLVED, That the Board of Library Trustees hereby authorizes the Executive Director, CEO or his designee, to negotiate and enter into a new agreement commencing November 2020 with a natural gas supplier that has the best fixed rate for a 12, 24 or 36-month term provided that the rate does not exceed \$2.95 per Mcf, which agreement shall be subject to review and approval of the Chief Legal Officer; be it further
- RESOLVED, That the contract entered into will be presented for ratification by the Board of Library Trustees at their next regularly scheduled meeting.