

ORDINANCE NO. 2010-18

AMENDING SECTION I OF ORDINANCE NO. 2010-1
REGARDING PAYMENT ASSOCIATED WITH PUBLIC UTILITY
SERVICES TO INCORPORATE THE CITY'S DESIRE TO
PARTICIPATE IN THE DUKE ENERGY RETAIL SALES
GUARANTEED SAVINGS OFFER PROGRAM ASSOCIATED
WITH ELECTRICITY; AND DECLARING AN EMERGENCY

WHEREAS, Section 9.12 of Article IX of the Charter of the City of Blue Ash, Ohio, provides the method under which the City Manager shall make certain purchases and enter into contracts on behalf of the City, including those associated with public utility services and contracts with other governmental units; and

WHEREAS, Section I of Ordinance No. 2010-1 passed by Council on January 14, 2010 authorized payment to Duke Energy for the provision of electricity and/or natural gas in 2010 for City-owned facilities and property for an amount not to exceed \$833,000; and

WHEREAS, the Administration has been working with Duke Energy Retail Sales (DERS) towards the potential of participating in its guaranteed savings offer, which would provide a significant cost benefit for the City for electric energy delivered to City-owned facilities and properties otherwise required for municipal purposes; and

WHEREAS, since Section I of Ordinance No. 2010-1 varies from the contractual obligation associated with DERS's guaranteed savings offer, the need exists to amend Section I of Ordinance 2010-1 to comply with audit guidelines and to authorize appropriate payment; and

WHEREAS, given amendment to Section I of Ordinance No. 2010-1 affecting the delivery of electricity to City-owned facilities, the need exists to restate authorization for payment for natural gas services provided by Duke Energy, as outlined in Section II below.

Be it ordained by the Council of the City of Blue Ash, Ohio, not less than five (5) members thereof concurring,

SECTION I.

Section I of Ordinance No. 2010-1 is hereby amended to read as follows:

SECTION I.

The City Manager is hereby authorized to enter into a contract with Duke Energy Retail Sales, an affiliate of Duke Energy Ohio, Inc., for the provision of and payment for electricity at a guaranteed discount of 18% off generation and transmission services (including 3% shopping credit and waiver of SRT Rider) for City-owned facilities and property otherwise required for municipal purposes. This authorization shall continue for energy delivered to these City-owned facilities through December 31, 2011; however, payment for these services may extend into 2012 to accommodate the utility's billing cycle. Any requirement to follow formal bidding procedures for such services is hereby waived.

SECTION II.

The City Manager is hereby authorized to continue to make payment to Duke Energy for the provision of natural gas for City-owned facilities and property otherwise required for municipal services in 2010. Payment for these natural gas services may extend into 2011 to accommodate the utility's billing cycle. Any requirement to follow formal bidding procedures for such services is hereby waived.

SECTION III.

The Treasurer and Deputy Treasurer are hereby authorized to expend the necessary funds therefor, which funds are hereby appropriated.

SECTION IV.

This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare of the City of Blue Ash, Ohio; the reason for the emergency being the need to comply with general audit guidelines and to contract immediately with Duke Energy Retail Sales in order to take advantage of this cost-savings program. Therefore, this ordinance shall take effect and be in force from and after its passage.

PASSED this 8th day of April, 2010.

Mark F. Weber, Mayor

Jamie K. Eifert, Clerk of Council

APPROVED AS TO FORM:

Bryan Pacheco, Deputy Solicitor