

CLEVELAND PUBLIC LIBRARY

Finance Committee

September 13, 2016

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

WHEREAS, On September 17, 2015 the Board of Library Trustees ratified the agreement entered into by the Executive Director in July of 2015 with Interstate Gas Supply, Inc. ("IGS") for natural gas at the rate of \$3.14 per Mcf for a 12- month term from November 2015 through October 2016, subject to automatic renewal; and

WHEREAS, On the advice of North Shore Energy Consulting, LLC, the Library has notified IGS of its intent not to renew the agreement for another year in order to take advantage of lower pricing announced by the leading gas suppliers starting November 2016; and

WHEREAS, The anticipated rates are estimated to be as low as \$3.080 per Mcf for a 12-month agreement and \$3.130 per Mcf for a 24-month agreement; and

WHEREAS, The Library Administration is requesting authority to negotiate a new natural gas rate that is lower than the current rate of \$3.14 per Mcf either directly with the gas suppliers or through a broker and to enter into a new agreement commencing November 2016; 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 new agreement commencing November 2016, either through a broker or directly, as the Library deemed appropriate, with suppliers that have the best fixed rates for periods of time up to and including 36 months, provided the rates do not exceed the rates currently being paid by the Library for gas, which agreement shall be subject to 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.