

**RESOLUTION NO. 1677**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALISBURY TO AUTHORIZE THE CITY ADMINISTRATOR AND ASSISTANT DIRECTOR OF INTERNAL SERVICES-PROCUREMENT TO ACT ON BEHALF OF THE CITY IN EXECUTING A CONTRACT FOR NATURAL GAS SUPPLY FOR THE WASTEWATER TREATMENT PLANT (WWTP).

WHEREAS, natural gas deregulation is effective for large users of gas and the City of Salisbury purchased natural gas for the WWTP on the open market, signing a contract ending September 30, 2008 with Washington Gas Energy Service (WGES); and

WHEREAS, the open enrollment period set by decentralized regulation requires a third party supplier designation by August 15, 2008;

WHEREAS, the City of Salisbury will be renewing the City's natural gas supply needs either under a fixed rate contract or a floating index rate contract with a conversion option to lock into a set rate to provide natural gas supply services for the period of October 1, 2008 to September 30, 2009; and

WHEREAS, the goal of this procurement process is to allow the flexibility in conducting the bid to respond to the daily changes in market prices for the selection of the optimum rates for the City's natural gas accounts; and

WHEREAS, the current natural gas market is extremely volatile and decisions to lock in to a set conversion rate must be made within a four (4) hour window in order to guarantee pricing;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Salisbury, Maryland to authorize the City Administrator and the Assistant Director of Internal Services-Procurement for the City of Salisbury, to act on behalf of the City to conduct a natural gas procurement in accordance with City purchasing regulations and to execute a fixed rate contract or a lock-in conversion option for natural gas supply services with WGES prior to the close of the market the day a favorable price proposal is received, without further authorization or approval by Council. The City Administrator and the Assistant Director of Internal Services -Procurement will consult with the Mayor and/or the Council President either in person or on the phone, if available, on the recommended selection but have the full authorization of the City to proceed with the selection and award on behalf of the City of Salisbury.

THE ABOVE RESOLUTION was introduced and read and passed at the regular meeting of the Council of the City of Salisbury held on this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

ATTEST:

\_\_\_\_\_  
Brenda J. Colegrove  
CITY CLERK

\_\_\_\_\_  
Louise Smith  
CITY COUNCIL PRESIDENT

APPROVED by me this \_\_\_\_\_  
day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
Barrie P. Tilghman  
MAYOR, City of Salisbury