

OAKLAND CITY COUNCIL

RESOLUTION NO. 79264

OFFICE OF THE CLERK
C.M.S.
2005 MAY 12 AM 11:50

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR, WITHOUT RETURNING TO CITY COUNCIL, TO NEGOTIATE AND ENTER INTO A CONTINUING AGREEMENT WITH ABAG POWER, THE CITY'S CURRENT NATURAL GAS SUPPLIER, TO PURCHASE NATURAL GAS SUPPLIES AND TRANSPORTATION FOR CITY BUILDINGS AND VEHICLES

WHEREAS, the City joined the Association of Bay Area Governments Publically Owned Energy Resources (ABAG POWER) Natural Gas Aggregation Program (NGP) on March 15, 1996; and

WHEREAS, the ABAG POWER NGP focuses primarily on providing price stability for natural gas supply purchases while maximizing efforts to saving money; and

WHEREAS, the City's share of NGP program costs for the two fiscal years from July 2002 through June 2004 were approximately 3.5% lower than Pacific Gas & Electric Co. (PG&E) prices for the same natural gas supplies; and

WHEREAS, if the NGP savings continue to follow the same trend as for the period from July 2002 through June 2004 and average market prices remain the same, the City would save an estimated \$22,000 per year in Fiscal Year 2005-2006 compared to PG&E prices; and

WHEREAS, the City Council finds and determines that it is in the best interests of the City to enter into this agreement without going through a formal bidding process, and is therefore exempt pursuant to Section 2.04.050 I of the Oakland Municipal Code; now, therefore, be it

RESOLVED: That the City Administrator or her designee is hereby authorized and directed to notify ABAG POWER by July 31, 2005, that the City intends to enter into a new negotiated agreement with the ABAG POWER NGP; and be it

FURTHER RESOLVED: That the City Administrator or her designee is authorized to execute all documents including but not limited to agreements, amendments and

related actions that may be necessary to enter into and execute a new continuous agreement for an indefinite term with the ABAG POWER NGP subject to no more than a 37 month advance cancellation by notice, and continue purchasing natural gas supplies from the ABAG POWER NGP without an interruption in service.

IN COUNCIL, OAKLAND, CALIFORNIA, JUN 07 2005, 20

PASSED BY THE FOLLOWING VOTE:

AYES- BRUNNER, CHANG, BROOKS, NADEL, REID, QUAN, ~~AND~~
PRESIDENT DE LA FUENTE, *AND KERNIGHTON-8*

NOES- *0*

ABSENT- *0*

ABSTENTION- *0*

ATTEST:

Latonda Simmons

LATONDA SIMMONS
City Clerk of the Council and
of the City of Oakland California