



Legislation Text

File #: 16438, **Version:** 1

Fiscal Note

The annual costs associated with this agreement are approximately \$50,000 and have been included in the 2010 Water Utility Executive Operating Budget.

Title

Authorizing the Mayor and the City Clerk to enter into an Electric Service Agreement for the Purchase of Backup Generation Service with Madison Gas & Electric Company, for a period of ten years to commence not later than December 31, 2009, at the rate of \$2.00 per KW per day for each of 9 unit wells.

Body

WHEREAS, the initial ten year term of the current agreement is due to expire; and

WHEREAS, upon expiration of that term, the prices will automatically increase to the standard rate, and the standard rate is going to increase in January 2010 to a higher rate than what is currently being offered to the city; and

WHEREAS, Madison Water Utility desires to promptly renew the Backup Generation Service agreement to avoid the automatic rate increase; and

WHEREAS, Madison Gas & Electric is offering a rate of \$2.00 per KW per day for backup generation service; and

WHEREAS, this service and the accompanying rates are only available from one source, and the rates are established by tariff regulated by the Public Service Commission of Wisconsin, therefore this contract meets the criteria of MGO 4.26(4)(a)2. and 6. as an exception to the competitive selection process otherwise required for service contracts under that ordinance; and

WHEREAS, the Madison Water Utility has determined that the following nine Unit Wells are integral in its mission to provide a safe and reliable source of water and backup generation service assists in providing uninterrupted water service to the customers of the Madison Water Utility:

- #13 1201 Wheeler Road
- #14 5130 University Ave
- #15 3900 East Washington Ave
- #16 6706 Mineral Point Road
- #18 1925 South Park St
- #19 1525 lake Mendota Dr
- #24 115 North Livingston St

#25 5415 Queensbridge Rd
#27 18 North Randall Ave,

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Clerk are authorized to sign an "ELECTRIC SERVICE AGREEMENT FOR PURCHASE OF BACKUP GENERATION SERVICE" with Madison Gas & Electric Company, for a period of ten years with an automatic renewal clause for annual renewals to commence not later than December 31, 2009, at the rate of \$2.00 per KW per day for the purposes described above.