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ADOPTED - BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
OCTOBER 2, 2008

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
County of Cook and State of Illinois

NATURAL GAS PURCHASE CONTRACT
LOCK IN AGREEMENT OCTOBER 2008 – APRIL 2009
ALL DISTRICT FACILITIES

THE CHANCELLOR

REPORTS

that locking in favorable gas pricing for the district provides budget stability with utilities; and

that gas pricing trended downward for the first time in several months; and

that Administrative Services has been closely tracking gas prices with its supplier Integrys Energy Services and Technical Resource Manager from Johnson Controls and determined that the opportune time was September 11, 2008 and locked in a gas price of \$0.837 per therm, which is less than a \$0.01 increase from last year's lock-in rate ; and

that the District's gas supplier purchased 1,400,000 therms of gas at the lock-in rate for the District's consumption over the course of the upcoming winter months; and

that the purchase of natural gas is exempt from competitive bidding; and

that the Office of Contract Compliance has reviewed the above referenced transaction and determined that the opportunities for direct participation for certified Minority and Women Owned businesses is limited for this commodity and therefore a waiver from compliance with the Board approved Participation Plan is recommended.

THE CHANCELLOR.

RECOMMENDS

that the Board authorize the Chairman to approve the lock-in pricing contract with Integrys Energy Services for the winter 2008-2009 months thereby purchasing 1,400,000 therms of natural gas at \$0.837.

FINANCIAL

\$1,171,800 – District Wide Utility Account 05501- dept – various – 00076 – 00000-571100

Respectfully submitted:

Wayne D. Watson
Chancellor

October 2, 2008-Administrative Services-District Office