

ADOPTED – BOARD OF TRUSTEES COMMUNITY
COLLEGE DISTRICT NO. 508
NOVEMBER 2, 2009

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

**NATURAL GAS PURCHASE CONTRACT
LOCK IN AGREEMENT NOVEMBER 2009 – MARCH 2010
ALL DISTRICT FACILITIES**

THE CHANCELLOR

REPORTS

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

that gas pricing has trended further downward for the last month; requiring an expeditious authorization to enable the District to take advantage of the best possible price; and

that Administrative Services has been closely tracking gas prices with its supplier Integrys Energy Services and the Technical Resource Manager from Johnson Controls and determined that this was an opportune time to lock in a gas price of \$0.565 per therm which is \$0.27 less than last year's lock in rate; and

that the District's gas supplier purchased 1,300,000 therms of gas in June 2009, which represents 75% of the district's average usage for the winter months and in September 2009 purchased 365,000 therms representing the balance of the expected usage for the upcoming winter; and

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

that the Board will continue to receive reports on the utility costs and purchases; responding appropriately in the best interest of the District; 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 ratify the Chairman's approval of the lock-in pricing contract with Integrys Energy Services for the winter 2009-2010 months thereby purchasing 365,000 therms of natural gas at \$0.565 and authorizes the Chairman, Chancellor, or Associate Vice Chancellor for Administrative Services the continuing authority to sign utility lock-in contracts at times when the pricing is advantageous to the District.

FINANCIAL

\$206,225 – District Wide Utility Account 05501- dept – various – 00076 – 00000-571100

Respectfully submitted,

Deidra J. Lewis
Interim Chancellor