THE CHANCELLOR RECOMMENDS:
that the Board of Trustees authorizes the Chair, upon final approval of the General Counsel of the legal form of such agreements, to execute a fixed price agreement with Constellation Energy Services to procure an estimated 53,243,230 kWh of electricity power at an estimated cost of $1,854,461.70 annually based on the lock in rate of $0.03483 and that usage which represents our full electrical usage in FY2018 for the period beginning December 1, 2018 through December 31, 2020, for all City Colleges of Chicago facilities.

VENDOR: Constellation Energy Services, Inc.
20 N. Wacker Drive Suite 2100
Chicago, IL 60606

USER: District Wide

TERM:
The term of the agreement with Constellation Energy Services shall begin December 1, 2018 through December 31, 2020 when the lock expires.

SCOPE OF SERVICES:
Constellation Energy Services will continue to supply electricity and manage the City Colleges account. Electricity supply pricing has trended downward and is currently near an historic six year low. Administrative Services has been closely tracking electricity prices with its supplier, Constellation Energy Services, and determined that this was an opportune time to lock in an electricity price. The Vice Chancellor for Administrative Services was granted continuing authorization to sign lock-in pricing contracts with Constellation Energy Services (previously Integrys Energy Services) pursuant to Board Reports #29665 and #29518, authorizing approval of utility contracts when pricing is advantageous based on utility contracts being exempt from competitive bidding.

BENEFIT TO CITY COLLEGES OF CHICAGO:
These services will provide a level of budget certainty to the City Colleges of Chicago facilities district wide in its purchase of electricity. Based on usage, it is anticipated that City Colleges will save in excess of $200,000 per year on the supply side of electric procurement. The district also reports the payments of utilities each month to the board through the Utility, Postage and Other Monthly expenditures summary.
VENDOR SELECTION CRITERIA:
The contract being utilized as a part of the joint purchasing agreement has been advertised and awarded in accordance with the procurement procedures of the City of Chicago, Contract PO #29707 and Modification #297074.

Pursuant to State law, contracts for goods and services procured from another governmental entity are exempt from the District’s competitive bidding requirements. Also, Constellation Energy Services is the electricity supplier for the Chicago Transit Authority, Chicago Public Schools, the State of Illinois, and Chicago Housing Authority.

MBE/WBE COMPLIANCE:
The Office of Contract Compliance has reviewed the proposed transaction and recommends a full waiver of the WBE goal and a partial waiver of the MBE participation goal due to the nature of the services (electricity purchase) and limited subcontracting opportunities.

<table>
<thead>
<tr>
<th>Vendor</th>
<th>MBE or WBE</th>
<th>%</th>
<th>Direct or Indirect</th>
<th>Certifying Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shelton Solutions, Inc. 7643 South Indiana Chicago, IL 60619-2328</td>
<td>MBE</td>
<td>3</td>
<td>Direct</td>
<td>State of IL--CMS</td>
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</tbody>
</table>

GENERAL CONDITIONS:
Inspector General – It shall be the duty of each party to the agreement to cooperate with the Inspector General for City Colleges of Chicago in any investigation conducted pursuant to the Inspector General’s authority under Article 2, Section 2.7.4(b) of the Board Bylaws.

Ethics – It shall be the duty of each party to the agreement to comply with the applicable provisions of the Board’s Ethics Policy adopted January 7, 1993, and as amended by the Board.

Contingent Liability – Pursuant to Section 7-14 of the Illinois Public Community College Act, all agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year.

FINANCIAL
Total: $1,854,461.70 annually
Charge to: Office of Administrative and Procurement Services
Source of Funds: Operations and Maintenance Fund
FY19: 573000-05501-0005031-70000
573000-05501-XX70800-70000

Respectfully submitted,

Juan Salgado
Chancellor

November 1, 2018 – Office of Administrative and Procurement Services