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ADOPTED
BOARD OF TRUSTEES COMMUNITY COLLEGE DISTRICT NO. 508
FEBRUARY 3, 2022

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
COUNTY OF COOK AND STATE OF ILLINOIS

NATURAL GAS PURCHASE CONTRACT
LOCK IN AGREEMENT APPROVAL & AUTHORITY
CONSTELLATION NEWENERGY- GAS DIVISION, LLC
OFFICE OF ADMINISTRATIVE AND PROCURMENT SERVICES
DISTRICT WIDE

THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chair, upon final approval of the General Counsel as to the legal form of such agreements, to execute an agreement with Constellation New Energy- Gas Division, LLC. to procure natural gas at an estimated cost of \$1,200,000 based on the lock in rate of \$0.564 per Therm for the period from December 1, 2021 through April 30, 2022, for all City Colleges of Chicago facilities.

VENDOR: Constellation New Energy- Gas Division, LLC
9400 Bunsen Parkway, Suite 100
Louisville, KY 40220

USER: District Wide

TERM:

The term of the agreement began on December 1, 2021 and shall end on April 30, 2022.

SCOPE OF SERVICES:

Constellation New Energy- Gas Division, LLC. will continue to supply natural gas and manage the City Colleges account. The Office of Administrative Services has been closely tracking natural gas prices with its supplier, Constellation New Energy- Gas Division, LLC. and has determined that this is an opportune time to lock in a natural gas price. The Associate Vice Chancellor for Administrative Services was granted continuing authorization to sign lock-in pricing contracts with Constellation New Energy- Gas Division, LLC. pursuant to Board Reports #29518, #33001, and #33842 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 natural gas. 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 Chicago Public Schools, Contract #14-0122-PR9 and Renewal #18-1205-PR9-1.

Pursuant to State law, contracts for goods and services procured from another governmental entity are exempt from the District’s competitive bidding requirements.

MBE/WBE COMPLIANCE:

The Office of Contract Compliance has reviewed the proposed transaction and recommends a waiver of the Board Approved Participation plan due to the nature of the services (natural gas purchase) and the absence of subcontracting opportunities.

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: \$1,200,000

Charge to: Office of Administrative and Procurement Services, the Colleges

Source of Funds: Operations & Maintenance Fund

FY22: 571000-05501-XX70800-70000

Respectfully submitted,

Juan Salgado

Chancellor

February 3, 2022 – Office of Administrative and Procurement Services – District Office