



To: David A. Hulseberg
Village Manager

From: Timothy Sexton
Director of Finance

Date: June 9, 2010

Subject: Electricity Supply Contract – Street Lighting

On May 20, 2010, the Village Board approved Resolution 97-10 which authorized the Northern Illinois Municipal Electric Cooperative (NIMEC) to serve as the broker for the Village in regard to obtaining bids from electricity providers and authorizing the Village Manager or Director of Finance to approve a contract with the lowest cost electricity provider.

Bidding was conducted by NIMEC on May 28, 2010, for the electrical needs for the Village's street lighting. There were three bids submitted, from Constellation NewEnergy, Inc (CNE), Exelon and Mid-American. Exelon was the low bidder for both one year and three year pricing. Staff decided that it was in the best interest of the Village to lock in pricing for our largest account, which represents about 60% of street lighting electrical usage, for a three year period. The remaining smaller accounts were locked in for a one year period. This option gives the Village a fairly stable pricing for the next three years without fully committing to the current price.

In accordance with the authorization provided for in Resolution 97-10, the contract was executed on May 28, 2010. As provided for in that resolution, the contract is to be placed on the first available Village Board meeting following the execution thereof by the Village Manager for ratification by the President and Board of Trustees.