

## RESOLUTION 97-10

**A RESOLUTION AUTHORIZING 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**

**WHEREAS**, the President and Board of Trustees find as follows:

A. On January 2, 2007, the State of Illinois implemented a plan to deregulate Commonwealth Edison;

B. Under the aforementioned deregulation plan, Commonwealth Edison no longer generates electricity for its customers, but continues to provide electric power through its distribution system;

C. As a result of this deregulation, electricity is purchased based on market price and Exelon, the parent company of Commonwealth Edison, no longer is the sole supplier of electricity in Northern Illinois, resulting in new electricity suppliers competing against Exelon, and competitive market forces dictating the price of electricity;

D. During fiscal year 2009, the Village spent almost \$543,000 on electricity, with over 41.6% of the total being in regard to street lighting;

E. Since Commonwealth Edison had prices fixed for the nine (9) years prior to the end of deregulation on January 2, 2007 by the Illinois Commerce Commission (ICC), the cost of electricity has risen significantly since this time;

F. Municipalities across the State looked at ways to enter the market to purchase electric power in order to mitigate some of the economic impact of these rising rates, which, on a practical basis, can only be done using a third party who will serve as a broker for the municipalities and has the knowledge and experience to seek bids from the various electricity providers;

G. In September 2006, Village Staff conducted broker interviews and, based on said interviews, Village Staff recommended, and the Village Board approved, that the Northern Illinois Municipal Electric Cooperative (NIMEC) serve as the Village's broker relative to the acquisition of electrical energy for the period of January 2007 through May 2008, due to NIMEC's more reasonable pricing structure, municipal experience, and the fact that NIMEC is a municipal cooperative which will be pooling the energy needs of members of the cooperative in order to secure more competitive pricing based on higher volumes than can be provided individually to a single municipality;

H. That the cost to join NIMEC was a one time fee of \$100, with the amount of compensation that NIMEC receives, if the Village chooses the NIMEC electricity supplier, being built into the prices bid by the electricity supplier, so there will be no direct payments made to NIMEC by the Village other than the one time fee that was previously paid;

I. That because of the way the bidding process works, the Village Manager or Director of Finance will need to have the authority to sign a contract with the lowest cost electricity provider within hours of the bids being received by NIMEC; and

**WHEREAS**, it is in the best interest of the Village to use NIMEC as its electricity supply broker;

**NOW, THEREFORE, BE IT RESOLVED**, by the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, that the Northern Illinois Municipal Electric Cooperative (NIMEC) is hereby appointed as the Village's broker for purposes of obtaining a supply of electricity for the Village's municipal needs, and Village Staff is hereby directed to take all actions necessary to establish said broker relationship.

**BE IT FURTHER RESOLVED** that, in light of the time constraints applicable to the acceptance of a competitive bid for a supply of electricity, once the bids are received by NIMEC, the Village Manager or Director of Finance is hereby authorized to sign the contract with the lowest bidder, provided the bid is at a rate that is less than is being offered through Commonwealth Edison, with Village Staff being hereby directed to place said contract on the first available Village Board meeting following the execution thereof by the Village Manager, for ratification by the President and Board of Trustees.

**ADOPTED** this 20th day of May, 2010, pursuant to a roll call vote as follows:

Ayes; Trustees Gron, Wilson, Moreau, Fitzpatrick and Ware

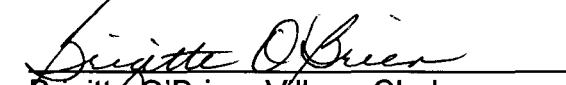
Nays: None

Absent: None

Approved this 20th day of May, 2010.

  
William J. Mueller, Village President

ATTEST:

  
Brigitte O'Brien, Village Clerk