

## **SUPPLEMENTAL POSTING**

### **PLANO CITY COUNCIL MEETING NOTICE**

**WILL CONVENE INTO EXECUTIVE SESSION AT 5:00 P.M., JUNE 26, 2006, AND PRELIMINARY OPEN MEETING AND REGULAR SESSION IMMEDIATELY THEREAFTER, IN THE PLANO MUNICIPAL BUILDING, 1520 K AVENUE, IN COMPLIANCE WITH VERNON'S TEXAS CODES ANNOTATED, GOVERNMENT CODE, CHAPTER 551 (OPEN MEETINGS ACT), AS FOLLOWS:**

**Mission Statement: The mission of the City of Plano is to provide outstanding services and facilities, through cooperative efforts with our citizens, that contribute to the quality of life in our community.**

**In addition to items previously posted to the Consent Agenda:**

- (ee) A RESOLUTION OF THE CITY OF PLANO, TEXAS, AUTHORIZING THE CITIES AGGREGATION POWER PROJECT, INC. TO NEGOTIATE AN ELECTRIC SUPPLY AGREEMENT FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2007; AUTHORIZING CAPP TO ACT AS AN AGENT ON BEHALF OF THE CITY TO ENTER INTO A CONTRACT FOR ELECTRICITY; AUTHORIZING THE CHAIRMAN OF CAPP TO EXECUTE AN ELECTRIC SUPPLY AGREEMENT FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2007; AND COMMITTING TO BUDGET FOR ENERGY PURCHASES IN 2007 AND 2008 AND TO HONOR THE CITY OF PLANO'S COMMITMENTS TO PURCHASE POWER FOR ITS ELECTRICAL NEEDS IN 2007 AND 2008 THROUGH CAPP AND PROVIDING AN EFFECTIVE DATE.**

**Municipal Center is wheelchair accessible. A sloped curb entry is available at the main entrance facing Municipal Avenue, with specially marked parking spaces nearby. Access and special parking are also available on the north side of the building. Training Room A is located on the first floor. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary at 972-941-7120.**



**CITY OF PLANO  
COUNCIL AGENDA ITEM**

<b>CITY SECRETARY'S USE ONLY</b>		Reviewed by Purchasing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Budget	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> Not Applicable
Council Meeting Date:	<b>6/26/06</b>	Reviewed by Legal	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Department:	Customer and Utility Services		Initials	Date
Department Head	Mark Israelson	Executive Director		
Dept Signature:	<i>Mark Israelson</i>	City Manager	<i>[Signature]</i>	6/22/06
Agenda Coordinator (include phone #): <b>Nancy Rodriguez X7510</b>				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> OTHER				
<b>CAPTION</b>				
A RESOLUTION OF THE CITY OF PLANO, TEXAS, AUTHORIZING THE CITIES AGGREGATION POWER PROJECT, INC. TO NEGOTIATE AN ELECTRIC SUPPLY AGREEMENT FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2007; AUTHORIZING CAPP TO ACT AS AN AGENT ON BEHALF OF THE CITY TO ENTER INTO A CONTRACT FOR ELECTRICITY; AUTHORIZING THE CHAIRMAN OF CAPP TO EXECUTE AN ELECTRIC SUPPLY AGREEMENT FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2007; AND COMMITTING TO BUDGET FOR ENERGY PURCHASES IN 2007 AND 2008 AND TO HONOR THE CITY OF PLANO'S COMMITMENTS TO PURCHASE POWER FOR ITS ELECTRICAL NEEDS IN 2007 AND 2008 THROUGH CAPP AND PROVIDING AN EFFECTIVE DATE.				
<b>FINANCIAL SUMMARY</b>				
<input checked="" type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	<b>Prior Year (CIP Only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Budget	0	0	0	0
Encumbered/Expended Amount	0	0	0	0
This Item	0	0	0	0
<b>BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FUND(s):				
COMMENTS:				
<b>SUMMARY OF ITEM</b>				
This Resolution authorizes the Cities Aggregation Power Project, Inc. (CAPP) to act as an agent to negotiate and execute a contract for the City of Plano's electricity needs for 2007-2008.				
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies		

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF PLANO, TEXAS, AUTHORIZING THE CITIES AGGREGATION POWER PROJECT, INC. TO NEGOTIATE AN ELECTRIC SUPPLY AGREEMENT FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2007; AUTHORIZING CAPP TO ACT AS AN AGENT ON BEHALF OF THE CITY TO ENTER INTO A CONTRACT FOR ELECTRICITY; AUTHORIZING THE CHAIRMAN OF CAPP TO EXECUTE AN ELECTRIC SUPPLY AGREEMENT FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2007; AND COMMITTING TO BUDGET FOR ENERGY PURCHASES IN 2007 AND 2008 AND TO HONOR THE CITY OF PLANO'S COMMITMENTS TO PURCHASE POWER FOR ITS ELECTRICAL NEEDS IN 2007 AND 2008 THROUGH CAPP AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Plano, Texas (City) is a member of Cities Aggregation Power Project, Inc. (CAPP), a nonprofit political subdivision corporation dedicated to securing electric power for its more than 86 members in the competitive retail market; and

**WHEREAS**, CAPP negotiated favorable contract terms and a reasonable commodity price for delivered electricity since 2002 resulting in significant savings off of the Price to Beat (PTB) rate for its members; and

**WHEREAS**, the CAPP Board and CAPP consultants are continuing to investigate long term contracting options, CAPP members must secure short term (2007 and 2008) power supplies or revert to high price standard contracts and independently shop for a power contract; and

**WHEREAS**, experience gained by the CAPP Board indicates that entering into a wholesale power contract, as distinct from a retail contract, effective January 1, 2007 may provide for greatest potential savings for CAPP members and facilitate an ultimate transition to fixed price long term agreements; and

**WHEREAS**, potential wholesale power providers desire to execute a contract with one, and only one, entity rather than have unique contracts for each CAPP member; and

**WHEREAS**, CAPP believes that the pricing opportunity window for favorable 2007 deliveries under either a wholesale or retail agreement will be short-lived (in the

late spring – early summer time period) and that CAPP must be able to commit contractually to prices within a 24-hour period in order to lock-in favorable prices; and

**WHEREAS**, experiences in contracting for CAPP load since 2002 demonstrated that Retail Electric Providers demand immediate response to an offer and may penalize delay with higher prices; and

**WHEREAS**, CAPP's current delivered energy prices provide savings when measured against the PTB rate, and aggregated rates contracted during favorable pricing periods are likely to be lower than prices obtained by the City contracting individually during the same time period; and

**WHEREAS**, wholesale suppliers demand assurance that CAPP will pay for all contracted load; and

**WHEREAS**, the City of Plano needs to assure CAPP that it will budget for energy purchases in 2007 and 2008 and honor its commitments to purchase power for its electrical needs in 2007 and 2008 through CAPP.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS:**

**Section 1:** That the CAPP Board and its consultants and advisors are agents authorized to negotiate for the City's electricity needs as a member of CAPP and to evaluate wholesale power supply contract options for 2007 as compared to a retail electric delivery contract for 2007 and, if feasible, 2008.

**Section 2:** That the Chairman of CAPP is hereby authorized to sign an electric power agreement for the City pursuant to the contract approved and recommended by the CAPP Board of Directors within 24 hours of said approval and recommendation.

**Section 3:** That the City will budget and approve funds necessary to pay electricity costs proportionate to the City's load under the supply agreement (whether wholesale or retail) arranged by CAPP and signed by the Chairman of CAPP for the City.

**Section 4:** That a copy of the resolution shall be sent to Mary Bunkley with the City Attorney's office in Arlington and Geoffrey M. Gay, legal counsel to CAPP.

**Section 5:** This Resolution shall become effective immediately upon its passage.

**DULY PASSED AND APPROVED** this the \_\_\_\_ day of \_\_\_\_\_,  
2006.

\_\_\_\_\_  
Pat Evans, MAYOR

ATTEST:

\_\_\_\_\_  
Elaine Bealke, City Secretary

Approved as to Form:

\_\_\_\_\_  
Diane C. Wetherbee, City Attorney