



City of Lambertville
Special Joint Session of Mayor & Council
with the Township of West Amwell
Thursday, December 5, 2013, 7 p.m.
150 Rocktown-Lambertville Road, Lambertville
Agenda

The joint meeting was called to order by Mayor DeVecchio at 7:10 p.m. with a statement of compliance with the open public meeting act, noting that the required notice was provided on Tuesday, December 03, 2013 to the Beacon, the Democrat, the Times, posting the agenda to the bulletin board at city hall, the website at www.lambertvillenj.org, and noticing various people on the list serve, inclusive of department heads, city attorney and city engineer.

ROLL CALL – West Amwell Township.

Present: Committeemen George A. Fisher and John Dale, Clerk Lora Olsen

Absent: Mayor Zachary T. Rich.

ROLL CALL – City of Lambertville.

Mrs. Ege called the roll as follows:

Present: Councilman Sanders, Councilwoman Warner, Council President Stegman, Mayor DeVecchio.

Absent: Councilwoman Asaro.

PLEDGE OF ALLEGIANCE.

Mayor DeVecchio led the public in the Pledge of Allegiance.

RESOLUTIONS.

Mayor DeVecchio informed the members of the public present that the City and West Amwell Township jointly adopted ordinances (number 19-2013) for community aggregation. Gabel Associates was hired through the South Hunterdon Renewable Energy Cooperative to provide assistance through the process and they are present this evening. Bob Chilton and Ken Esser of Gabel Associates gave an overview of the bid process. They had six companies prequalify for the bidding process. The lowest, most advantageous, price and other factors considered was given by First Energy Solutions for a 15 month contract which will go into effect in February/March of 2014. The bid for the residential and business accounts was \$0.08910/kwh. There is also a green component being offered to residents who will need to opt in at \$0.1041/kWh.

Council President Stegman asked if people could call with their average usage to obtain an estimated cost savings. Bob Chilton of Gabel Associates said they could call First Energy Solutions to obtain the cost savings before deciding on opting out. It is projected that the average homeowner will save \$100 over the duration of the 15 month contract.

Mayor DeVecchio asked what the process will be to renew. Bob Chilton said it would require the same steps to continue the program and would be started after the program has been in place for 10 months. Plumstead was the first municipality in the State of New Jersey to adopt an ordinance for community aggregation. The first time they went through the bid process they had approximately 5% of the community opt out. The second bid process they only had 7 people opt out.

George Fisher of West Amwell Township asked if anyone should opt out. Bob Chilton said that if you have solar power then it is probably in your best interest to opt out.

Council President Stegman asked about those who are participating in the budget billing. Bob Chilton stated that that was a requirement of the bid and will be offered through First Energy Solutions.

Council President Stegman asked if they could calculate the aggregated savings to the residents of the City of Lambertville and West Amwell Township. Bob Chilton responded that they estimate a cost savings right now of \$270,000. It could go down and is dependent on the drop out number.

Mayor DelVecchio asked if there were any other questions.

George Fisher of West Amwell Township read the resolution into the record which reads as follows: "Whereas, Gabel Associates were retained by the SHREC for the purpose of providing for a Community Energy Aggregation program to benefit residents of the participating municipalities with reduced energy costs; and, Whereas, a RFP was developed by Gabel Associates and six electrical suppliers qualified for the participation in the bid process; and, Whereas bids were received on December 5, 2013 and evaluated by Gabel Associates with the recommendation that an award be made to FirstEnergy Solutions at .08910 k/wh for a 15 month period of time; Whereas, the award of the bid is to be made by the City of Lambertville, as lead agency for the SHREC, with concurrence from West Amwell Township. Therefore be it resolved that the West Amwell Township Committee hereby agrees with the recommendation from Gabel Associates and authorized the City of Lambertville as Lead Agency for the SHREC, to enter into a contract with FirstEnergy Solutions for the purpose of acquiring reduced energy generation rates. The resolution was approved with both George Fisher and John Dale voting in favor.

Mayor DelVecchio asked for a motion to adopt Resolution Number 168-2013, awarding the bid to FirstEnergy Solutions at a rate of \$.08910 kWh for 15 months.

A Resolution to Accept/Reject the bid for Community Aggregation.

CITY OF LAMBERTVILLE, HUNTERDON COUNTY

RESOLUTION NO. 168-2013

RESOLUTION OF THE CITY OF LAMBERTVILLE, COUNTY OF HUNTERDON, STATE OF NEW JERSEY, AUTHORIZING THE AWARD OF A CONTRACT TO A THIRD PARTY POWER SUPPLIER TO PROVIDE ELECTRIC GENERATION SERVICE TO SOUTH HUNTERDON RENEWABLE ENERGY COOPERATIVE COMMUNITY ENERGY AGGREGATION (SHREC CEA) PROGRAM PARTICIPANTS AND TO PROVIDE GOVERNMENT ENERGY AGGREGATION SERVICES IN CONNECTION WITH THE SHREC CEA PROGRAM PURSUANT TO N.J.A.C. 14:4-6

WHEREAS, the Government Energy Aggregation Act of 2003 (PL. 2003, C24) governs the establishment of a government energy aggregation program, which is a government-operated

purchasing cooperative through which multiple energy consumers join together for the purchase of electric utility services by a government aggregator; and

WHEREAS, the New Jersey Board of Public Utilities has promulgated rules (N.J.A.C. 14:4-6) for the implementation of government energy aggregation programs; and

WHEREAS, the City of Lambertville passed an ordinance dated October 10, 2013 (Ordinance No. 19-2013) authorizing the formation of a Government Energy Aggregation in the City of Lambertville, New Jersey, named the South Hunterdon Renewable Energy Cooperative Community Energy Aggregation ("SHREC CEA") Program; and

WHEREAS, the Township of West Amwell passed an ordinance dated September 9, 2013 (Ordinance No. 12, 2013) authorizing the formation of a Government Energy Aggregation in the Township of West Amwell, New Jersey, and authorizing the City of Lambertville to act as the Lead Agency for the program named the South Hunterdon Renewable Energy Cooperative Community Energy Aggregation ("SHREC CEA") Program

WHEREAS, the City of Lambertville is acting as the Lead Agency of the SHREC CEA; and

WHEREAS, the residents of Lambertville and West Amwell are included in the SHREC CEA on an "opt-out" basis, and the businesses of the City of Lambertville are included in the SHREC CEA on an "opt-in" basis, as set forth in applicable rules (N.J.A.C. 14:4-6); and

WHEREAS, by virtue of Ordinance No. 19-2013 and 12, 2013 and in accordance with New Jersey Board of Public Utilities rules (N.J.A.C. 14:4-6) and applicable law (PL. 2003, C24), the City of Lambertville is authorized to award a contract for electric generation service and government energy aggregation services on behalf of participating residential and business customers; and

WHEREAS, the City of Lambertville, in its capacity as Lead Agency, publicly noticed and issued on November 15, 2013 a Request for Proposals (RFP) for the provision of electric generation service and government energy aggregation services for the SHREC CEA Program and has solicited bids from qualified suppliers in New Jersey; and

WHEREAS, the RFP provided for a two stage process that included: Stage 1 for the submission of supplier questions and comments and the submission of qualification documents by interested New Jersey Board of Public Utilities (NJBPU) -licensed electric power suppliers; and Stage 2 for the submission of bid prices; and

WHEREAS, the RFP provides for the submission of separate pricing for electric generation service for two distinct bid groups, including: 1) Participating Residential Accounts; and 2) Participating Business Accounts, for potential contract terms of fifteen (15) and twenty-one (21) months, and the RFP provides for the award of a contract for all, none or some of the bid groups at the discretion of City of Lambertville and in accordance with the evaluation criteria set forth in the RFP; and

WHEREAS, during Stage 1 non-binding Notices of Intent and other qualification documents were received from six (6) NJBPU-licensed electric power suppliers; and

WHEREAS, a number of supplier questions and comments were received and, as a result, on November 25, 2013, Addendum No.1 to the RFP was issued and distributed to all suppliers that had submitted a Notice of Intent to Bid; and

WHEREAS, Stage 2 price bids and accompanying Transmittal Letters were submitted by six (6) NJBPU-licensed electric power suppliers by the 2:00 p.m. December 5, 2013 deadline set forth in the RFP; and

WHEREAS, the City of Lambertville, in consultation with its energy agent, has conducted extensive and in-depth evaluation of qualifications and analysis of bid prices, in accordance with the evaluation criteria set forth in the RFP and Addendum No.1; and

WHEREAS, as a result of the evaluation of qualifications and proposals and analysis of bid prices submitted, the City of Lambertville has determined that the proposal submitted by FirstEnergy Solutions for the 15-month term: 1) provides the most overall benefit for the SHREC CEA residential participants; 2) will provide for contract power supply prices that are lower than the applicable Jersey Central Power and Light Co. ("JCP&L") Basic Generation Service tariff prices for power supply, making it feasible to award a contract for the Residential Account bid group; and 3) provides the opportunity for residents currently receiving budget billing from JCP&L to continue to receive that service from the third party supplier; and

WHEREAS, as a result of the evaluation of qualifications and proposals and analysis of bid prices submitted, the City of Lambertville has determined that the proposal submitted by FirstEnergy Solutions for the 15-month term: 1) provides the most overall benefit for the SHREC CEA Business participants; 2) will provide for contract power supply prices that are lower than the applicable Jersey Central Power and Light Co. ("JCP&L") Basic Generation Service tariff prices for power supply, making it feasible to award a contract for the Business Account bid group; and

NOW, THEREFORE, BE IT RESOLVED that the City of Lambertville Council hereby awards a contract for the provision of electric generation service to the Participating Residential Accounts bid group and the Participating Business bid group and the provision of government energy aggregation services in connection with the SHREC CEA Program to FirstEnergy Solutions in accordance with the terms and conditions of the RFP (including the form of Master Performance Agreement included therein), as amended pursuant to Addendum No. 1 to the RFP; and

FURTHER RESOLVED that government energy aggregation services to be provided by FirstEnergy Solutions, including implementation of the opt-out process for residential customers as set forth in the RFP and applicable NJBPU rules, shall commence immediately upon execution of the Master Performance Agreement, and that electric generation service to be provided by FirstEnergy Solutions to the SHREC CEA-participating customers shall commence with the March 2014 meter read date for each electric account served, and shall continue for a 15-month term; and

FURTHER RESOLVED that the following contract prices are awarded for electric generation service for the 15-month term beginning in March 2014:

<u>Bid Group</u>	<u>Bid Price</u>	<u>Term</u>
Residential Accounts	\$0.08910/kwh	15 months
Business Accounts	\$0.08910/kwh	15 months

FURTHER RESOLVED that FirstEnergy Solutions will offer a Voluntary SHREC CEA Renewable Energy Product Option which allows residential customers the option to voluntarily select a 100% renewable energy product at a fixed 'green premium' of \$0.015/kWh added to the awarded bid price. As such, for residential customers who select the Voluntary SHREC CEA Renewable Energy Product Option, the power supply contract price for such customers shall be \$0.1041/kWh; and

FURTHER RESOLVED that the Mayor of the City of Lambertville is authorized to execute a Notice of Award Letter to FirstEnergy Solutions, and Mayor of the City of Lambertville is authorized to execute and the Clerk to attest to the execution of the Master Performance Agreement, in the form included in the RFP (as amended pursuant to Addendum No. 1).

David M. DeVecchio, Mayor

CERTIFICATION

I, **Cynthia L. Ege**, Clerk of the City of Lambertville, do hereby certify that the foregoing resolution was duly adopted by the Lambertville Council at the Special Meeting held on the **5th** day of **DECEMBER, 2013**.

Cynthia L. Ege, City Clerk

Councilman Sanders made a motion to adopt Resolution Number 168-2013. Councilwoman Warner seconded the motion. An affirmative roll call vote was taken in favor of the motion by all members present. MOTION CARRIED.

ANNOUNCEMENTS.

FOCUS GROUP STUDY SEEKS PARTICIPANTS: Do you live in a floodplain? Do you rely on flood warnings and alerts to know when to prepare? Do you wish you had more information about your flood risk? The Nurture Nature Center is recruiting participants for two focus groups as part of a research project with the National Oceanic and Atmospheric Administration. This is not a focus group of the City of Lambertville.

RECYCLING OF FOOD WASTE: Attention, City residents! The City of Lambertville is interested in your feedback on a new initiative to collect and compost food scraps and other organic materials from your curb on a weekly basis. The City sends about 3.4 million pounds of trash a year to landfills or incinerators. This new program, if successful, would drastically reduce that amount, saving the City money and reducing our carbon footprint. In addition, residents would be entitled to free compost several times a year. Please click here

<https://www.surveymonkey.com/s/LvilleOrganicWaste2013> to complete a very short survey about the program. Also, the City is pleased to announce that it will now collect and recycle "K

City of Lambertville

Regularly Scheduled Session

March 19, 2013, 6:30 p.m.

Phillip L. Pittore Justice Center, 25 South Union Street, Lambertville

Agenda

Page 6

Cups", "Nespresso Capsules", and other similar single-serving coffee containers. A designated drop-off location has been established at the Quarry St Public Works yard. Please drop off your used single-serving coffee containers and spread the word to your neighbors!

PUBLIC PARTICIPATION/PETITION OF CITIZENS AND PUBLIC DISCUSSION – none.

ADJOURNMENT.

The meeting adjourned at 7:29 p.m. with a motion made by Council President Stegman and seconded by Councilwoman Warner. An unanimous roll call vote was taken in favor of the motion by all members present. MOTION CARRIED.

Respectfully submitted,



Cynthia L. Ege
CMR, RMC, City Clerk

APPROVED at the regularly scheduled session of Mayor and Council held on Tuesday, December 17, 2013.