



## COUNCIL MINUTES

April 19, 2018

The City Council of the City of Mesa met in a Special Council Meeting in the lower level meeting room of the Council Chambers, 57 East 1st Street, on April 19, 2018 at 7:33 a.m.

### COUNCIL PRESENT

John Giles\*  
David Luna  
Mark Freeman  
Christopher Glover  
Francisco Heredia  
Kevin Thompson  
Jeremy Whittaker

### COUNCIL ABSENT

None

### OFFICERS PRESENT

Christopher Brady  
Dee Ann Mickelsen  
Jim Smith

(\*Mayor Giles participated in the meeting through the use of telephonic equipment.)

### 1. Take action on the following resolution:

- 1-a. Approving, and authorizing the City Manager to contract for, the purchase of 15 megawatts of firm, base load electric power and energy supplies, beginning October 1, 2018 and extending for a period of four years. (**Districts 1 and 4**) – Resolution No. 11122

Energy Resource Coordinator Anthony Cadarin explained weather dictates energy demand, therefore the time to issue a Request for Proposals (RFP) is in March and April when the energy prices are typically the lowest. He advised the proposed contract is 38% of the City's annual energy supply and emphasized the need to act quickly as a move of \$1 in the price would cause an annual increase of approximately \$131,000. He also added the City has switched to a network transmission and as a result the annual savings is approximately one million dollars. He stated this allows the City to take energy from multiple points, such as the Lake Mead hub, and over the course of three years this transition will save the City approximately 1.3 million dollars.

In response to a question posed by Councilmember Whittaker, Energy Resources Department Director Frank McRae indicated the savings presented are not incorporated in the current budget and would further reduce the City's electric energy cost adjustment factor supply cost.

In response to questions posed by Councilmember Freeman, Mr. McRae advised new bidders responded to the RFP that the City has not done business with before and stated this could be due to the City's transition to the network transmission service.

It was moved by Councilmember Glover, seconded by Councilmember Thompson, that Resolution No. 11122 be adopted.

Carried unanimously.

2. Adjournment.

Without objection, the Special Council Meeting adjourned at 7:42 a.m.

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JOHN GILES, MAYOR

ATTEST:

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DEE ANN MICKELSEN, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Council Meeting of the City Council of Mesa, Arizona, held on the 19<sup>th</sup> day of April, 2018. I further certify that the meeting was duly called and held and that a quorum was present.

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DEE ANN MICKELSEN, CITY CLERK

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