

RESOLUTION NO. 2016-03-01

A RESOLUTION AUTHORIZING THE CITY OF FORT MORGAN TO WITHDRAW FROM THE LEVELIZED PURCHASE PROGRAM WITH THE NATIONAL PUBLIC GAS AGENCY

WHEREAS, the City of Fort Morgan (“City”) purchases natural gas from the National Public Gas Agency (“NPGA”) as a part of the gas utility owned and operated by the City; and,

WHEREAS, for several years the City has participated in a Levelized Purchase Program (“LPP”), wherein the gas rates are levelized by NPGA to account for potential market volatility; and,

WHEREAS, the City received a report from its rates consultant, attached hereto as Exhibit A, that detailed the potential savings to the City by withdrawing from the LPP; and,

WHEREAS, the City is required to submit a 12-month notice for termination of its participation in the LPP to NPGA in order to withdraw from the program; and,

WHEREAS, based upon historical data provided and the continued decrease in volatility of the natural gas market the City could experience significant savings over time after withdrawing from the LPP, and

WHEREAS, the City acknowledges that future prices are unknown and savings are not guaranteed, but the potential benefits in costs savings outweigh the potential risks at this time; and,

WHEREAS, the City will have the ability to re-enroll into the LPP in the future as situations and circumstances change.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT MORGAN, COLORADO:

Section 1: The Mayor is hereby authorized to execute a notice to withdraw from the Levelized Purchase Plan on behalf of the City of Fort Morgan Gas Utility.

INTRODUCED, PASSED, APPROVED AND ADOPTED this 1st day of March 2016, the vote upon roll call being as follows:

Ayes: Mayor Ronald Shaver, Councilmembers Anderson, Castoe, Lindell, Marler, Northrup and Segura

Nays: None.

Absent /Abstain: None.

THE CITY COUNCIL OF THE CITY OF
FORT MORGAN, COLORADO



BY: Ronald Shaver
Ronald Shaver, Mayor

ATTEST:

John Brennan
John Brennan, City Clerk

STATE OF COLORADO)
COUNTY OF MORGAN) ss.
CITY OF FORT MORGAN)

CERTIFICATE

I, John Brennan, City Clerk of the City of Fort Morgan, Colorado, do hereby certify that the above and foregoing **Resolution** is a true, perfect and complete copy of the **Resolution** adopted by the City Council and is identical to the original thereof appearing in the official records of the City of Fort Morgan, Colorado, and that the same has not been, since its adoption, in any respect, rescinded or amended.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the City of Fort Morgan this 1st day of March, 2016.

John Brennan
John Brennan, City Clerk