

**MINUTES OF THE SPECIAL MEETING OF THE
MOUNT LAUREL TOWNSHIP MUNICIPAL UTILITIES AUTHORITY**

May 20, 2015

Chairman Smith called the meeting of the Mount Laurel Township Municipal Utilities Authority to order at 3:37 p.m. in the conference room at the 1201 S. Church Street Administration Building.

Those in attendance were:

Christopher Smith	Chairman
Elwood Knight	Secretary
Cheryl Coco-Capri	Member

Those connected via teleconference were:

John Francescone	Vice Chairman
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Also in attendance were:

Thomas Dickinson	Energy Advisor, L5E, LLC
Anthony Drollas	Solicitor
Pamela Carolan	Executive Director
David Wiest	Finance Director
Jane Rottau	Purchasing Agent

Chairman Smith announced that the notice requirements of the “Senator Byron M. Baer Open Public Meetings Act” have been satisfied. Annual notice has been transmitted to two newspapers; it has been prominently posted on the Municipal Bulletin Board and filed with the Mount Laurel Township Clerk.

Public Comment

There were no members of the public in attendance.

Contracts

Mr. Thom Dickinson, L5E LLC (“5”), Energy Advisor was in attendance.

Mr. Dickinson provided a brief synopsis of the 3rd party electricity supply bid opening that occurred this afternoon. Three bids were received and Constellation New Energy (“Constellation”) was the lowest bidder in conformance with the specifications at \$0.06573/kWh. Mr. Dickinson noted that the bid spec had been restructured in response to an unacceptable bid opening in April. According to 5, bidder uncertainty regarding transmission and capacity costs was the main reason April bids came in higher than expected. Mr. Dickinson explained that non-energy cost components make up nearly half of the total cost to suppliers. This led to the restructuring of the spec for today’s bid opening, where transmission and capacity costs are treated as pass through costs, separately billable to the Authority. This, in turn, led to more comfort for the potential bidders, as these cost components are more uncertain to project for multiple years. After analyzing the three submittals and adding the same transmission and capacity costs to each, 5 determined that the lowest effective rate was offered by Constellation at \$0.09475/kWh. The rates submitted by Constellation are most attractive with a 48 month term, which 5 recommends the Authority lock in. The agreement will become effective beginning with the electric meter readings of October 2015.

Mr. Wiest noted that the Constellation bid was approximately \$27,000 higher than budgeted amounts for the upcoming fiscal year 2016. He did not express concern, as this is a small amount when compared to the overall electric expense budget of \$1.2 million. In addition, when compared to the bids received in April, the rebid

resulted in a significantly lower cost per kWh. (\$0.103 compared to \$0.09475 effective rate). This translates into over \$60,000 per year in “savings”; \$240,000 over the term of the contract.

Following a motion made by Mr. Knight, and seconded by Mrs. Coco-Capri, the Board unanimously approved Resolution No. 2015-05-59 Resolution Approving award of Contract No. 2015-05 for 3rd Party Electricity Supply to Constellation NewEnergy, Inc. in the amount of \$0.06573 per kilowatt hour, with affirmative votes from Mr. Smith, Mr. Francescone, Mr. Knight and Mrs. Coco-Capri.

Total votes: 4 ayes, 0 nays, 0 abstentions, 1 absent.

Following a motion made by Mr. Francescone, seconded by Mrs. Coco-Capri, and with unanimous agreement from the members, the meeting was adjourned at 3:54 p.m.