

ANCHORAGE SCHOOL DISTRICT
ANCHORAGE, ALASKA

ASD MEMORANDUM #228 (2000-2001)

March 19, 2001

TO: SCHOOL BOARD

FROM: OFFICE OF THE SUPERINTENDENT

SUBJECT: RENEWAL OF CONTRACT: NATURAL GAS SUPPLIES

RECOMMENDATION:

It is the Administration's recommendation that the School Board approve the award of a contract extension for Natural Gas Supplies to Aurora Power for the one-year period effective July 1, 2001 through June 30, 2002 at a discounted price of 10.9 percent off the regular ENSTAR price.

PERTINENT FACTS:

Three years ago the Anchorage School District entered into a competitively obtained one-year contract with three one-year extensions available with Aurora Power. This is the third one-year extension of that contract. From 1995 to 1998 we obtained natural gas supplies from Aurora Power at a 5 percent discount off the ENSTAR price. The existing contract is the first competitively obtained contract for Natural Gas Supplies. It has provided Anchorage School District with the 10.9 percent discount off the regular ENSTAR price. All terms and conditions of the original contract remain in effect. It is estimated that the School District saves approximately \$150,000 annually as a result of this contract.

We will continue to use the existing ENSTAR delivery system including ENSTAR meters at our schools/facilities. No changes in existing equipment will be necessary. This type of delivery arrangement is commonplace in the lower 48. We have also been assured by ENSTAR that should we choose to terminate the Aurora Power agreement for any reason, we will be able to reestablish use of ENSTAR supplied gas without interruption.

BC/BH/ts

Prepared by: Bob Henry, Director, Purchasing/Warehouse

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