



Wharton County Junior College

Proposed Agenda Item Board of Trustees Meeting

Complete this form and submit it to the Office of the President by noon on Monday of the week before the Tuesday evening meeting of the Board of Trustees. If this form does not provide enough space, you may use an expanded version *as long as you follow the format specified below.*

Date of Board Meeting: May 21, 2019 Date of This Proposal: May 6, 2019

SUBJECT:

Authorize the President to approve and sign the College's electricity agreement.

RECOMMENDATION:

Authorize the President to approve and sign an extension of the College's electricity agreement with Hudson should the new rates being discussed prove beneficial to the College.

BACKGROUND/RATIONALE:


Electricity rates in the future are currently trading unusually low. The College is currently under contract with Hudson through June 2021, however electricity rates farther out in the future are currently significantly lower. (maybe as much as 18% 3 or 4 years out) The College would like to explore options that might make sense to contract now for electricity. The most attractive option would be to take a 7% to 9% reduction in rates and make it effective immediately. Obviously the only company able to do that is Hudson, our current provider. Transactable electricity rates are usually only available for 3 or 4 hours making it impossible to get on the Board's agenda for approval, thus we are asking for permission to allow the President to act should the pricing prove attractive and beneficial to the College. Remember your electricity has 2 components, electricity & line charges.

**Estimated Cost & Budgetary Support (how will this be paid for?): \$205,000.00 in electricity only
Current Operating Budget**

RESOURCE PERSON(S) [name(s) and title(s)]:

Bryce D. Kocian, Vice President of Administrative Services
Philip Wuthrich, Director of Purchasing


SIGNATURES:



Originator

5-6-19

Date

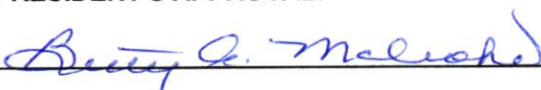


Cabinet-Level Supervisor

5/8/19

Date

PRESIDENT'S APPROVAL:



Date

5-8-19

Date