

**RECORD OF EMERGENCY MEETING
ELLSWORTH CITY COUNCIL**

DATE: OCTOBER 3, 2014

TIME: 8:45 AM

PLACE: ELLSWORTH CITY HALL COUNCIL CHAMBERS

**CITY COUNCIL PRESENT: BEATHEM, BLANCHETTE, CROSTHWAITE,
FORTIER, MOORE, AND PHILLIPS.**

CITY COUNCIL ABSENT: PERKINS

**KEY SPEAKERS PRESENT: CITY MANAGER MICHELLE BEAL, TAMMY
MOTE, AND TERI DANE.**

Call to Order.

Chairman Phillips called the emergency meeting of the Ellsworth City Council to order at 8:45 AM.

This meeting was considered an Emergency Meeting as the heating fuel and propane market is very volatile and the pricing may only be this low for a very limited time.

Council Order #101400, Request of the Finance Director to award a heating fuel and propane contract.

Tammy Mote, Finance Director stated she provided the Council with the bid documents as attached in attachment #1. The results indicate that No Frills is the apparent low bidder. Mote is recommending the pricing included in alternate #3, a fixed rate of \$2.8746 from November 1, 2014 through April 30, 2015. During this same time frame, propane will be set at \$1.599. During the off season of May 1, 2015 through October 31, 2015, the heating fuel will be based on a margin over rack pricing of \$0.0480 and the propane price will be a margin over rack of \$0.1100. Mote stated the City paid an average price of \$3.316 for heating fuel last year, making the price significantly less this year. Councilor Fortier inquired if this pricing was locked in or based on pre-buying fuel. This bid is for a fixed rate November 1, 2014 through April 30, 2014 and would not require pre-buying fuel. Mote added that the City currently has a contract with No Frills; it has been a very good working relationship with no issues. Councilor Crosthwaite stated the Emerson bid appears to be lower; however, they do not offer a fixed price. Mote confirmed Emerson only offers a price over margin which at the end of the heating season will not be the lowest option. City Manager, Michelle Beal questioned whether the City had to accept the propane price as part of the contract. Mote stated it would be up to the Council whether they wanted to award the propane contract to No Frills as well, or to a different company. Chairman Phillips provided the current propane price as contained in this week's warrant as being \$1.51 per gallon. Beal noted this is not a fixed price. Phillips confirmed that and stated the price did vary a bit over the winter based on supply and demand. There was some discussion on the propane pricing in regards to the number of gallons used and the locations within the City that utilize propane. Mote also noted there may be a discrepancy in the gallons used by the School Department within the bid documents. No Frills

Call to Order.

Approved - Council Order #101400, accept the Finance Director's recommendation on the fixed heating fuel from No Frills and propane from No Frills at the specified pricing on the bid documents, as contained in attachment #1.

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confirmed the price bid for propane would not change if the gallons requested decreased over the season. Councilor Blanchette asked if the City or School owned the propane tanks at all the locations that utilize propane. It was confirmed they do. It was generally agreed by all members present that a fixed price of a \$1.599 per gallon of propane was a great price.

On a motion by Fortier, seconded by Crosthwaite, it was unanimously

RESOLVED to approve Council Order #101400, accept the Finance Director's recommendation on the fixed heating fuel from No Frills and propane from No Frills at the specified pricing on the bid documents, as contained in attachment #1.

Adjournment.

On a motion by Moore, seconded by Fortier, it was unanimously

RESOLVED to approve adjournment at 8:50 AM.

A TRUE COPY

ATTEST: _____
HEIDI-NOËL GRINDLE

**Approved -
Adjournment at 8:50
AM.**