

## FACILITIES MANAGEMENT

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## **MEMORANDUM**

Date: August 28, 2025

To: Members of the Public Works Committee

Members of the Transportation Committee

Members of the Health and Human Services Committee

From: Nick Kottmeyer, Chief Administrative Officer

RE: Natural Gas Bid – Constellation New Energy – Gas Division, LLC.

On Wednesday, August 27<sup>th</sup>, 2025, we opened the County's latest natural gas supply bid. 5 (five) bids were received and staff from Facilities Management, Public Works, Department of Transportation, and Procurement, with consultation from the State's Attorney Office, reviewed the bids with respect to both bid numbers and content of their utility contract. The bid included fixed pricing for 12, 24, 36 and 48-month periods of time. Within this interval pricing, options were presented allowing for fixed yearly unit pricing over the selected term of the agreement. The bid amount includes only the natural gas supply and the separate accounts for Facilities Management, Public Works, Division of Transportation, and Care Center.

All parties agreed, after a thorough review, on Thursday, August 28th, 2025, that the lowest responsive, responsible bidder for Bid #25-101-FM presented an acceptable and beneficial bid for DuPage County. The bidder, Constellation New Energy – Gas Division, LLC., was determined to meet all contractual documentation requirements. Staff has decided that the most cost-effective and prudent course of action was to lock in fixed pricing for each of the next two 12-month periods (24 months total). The natural gas bid resulted in an average increase of 12.6% over the two-year contract term, however, this was anticipated given the escalation of the natural gas pricing since entering the previous fixed price contract in 2021. Our current contract pricing was locked in at a favorable rate to the County and represents one of the lowest market pricing that The County has experienced. The current draft of the budget already incorporates this increase. This fixed pricing strategy will provide the County with budget stability and predictability through 2027 with respect to our natural gas supply expenses.

The results of the bid were as follows:

Constellation New Energy – Gas Division, LLC.: \$1,699,700 (2-year fixed pricing total for FM, PW, DOT, Care Center)

This new contract represents an average increase of 12.6% or a cumulative increase of approximately \$190,000 over a two-year contract term.

Per the previously adopted County Board resolution concerning energy contracts, this contract has now been ratified and approved by the Chairman's designee, and this memo is being offered for informational purposes only.