

**CITY OF WILLCOX, COCHISE COUNTY, ARIZONA
RESOLUTION NO: 2011-76**

**A RESOLUTION OF THE CITY OF WILLCOX,
COCHISE COUNTY, ARIZONA [“CITY”]
APPROVING THE PURCHASE OF NATURAL GAS
ON A FORWARD PRICING CONTRACT BASIS
AND ON THE SPOT MARKET UNDER THE BASE
CONTRACT BETWEEN THE CITY AND BP
ENERGY COMPANY [“BP”] FOR A FOUR MONTH
TO TWO YEAR PERIOD WITHIN A RANGE,
AUTHORIZING THE MAYOR TO EXECUTE THIS
RESOLUTION AND DECLARING AN
EMERGENCY TO EXIST**

WHEREAS, the CITY is authorized pursuant to A.R.S. §§ 9-240(B) (2) to appropriate money and provide for payment of its debts and expenses and is authorized pursuant to A.R.S. §9-514 to engage in utility business; and

WHEREAS, the Mayor and Council desire to ratify and approve the purchase of natural gas on a forward pricing contract basis and on the spot market under the Base Contract with BP Energy Company for a four month to two year period within a range; and

WHEREAS, the CITY has had an on-going contractual relationship with Wasatch Energy, now known as BP Energy Company since 2001; and

WHEREAS, the CITY and BP have negotiated acceptable terms for sale/purchase transactions for the purchase of natural gas as necessary to meet the needs of the CITY and its customers; and

WHEREAS, the CITY currently purchases its natural gas requirements from BP Energy Company and desires to approve and confirm the delivery transaction period of October 1, 2011 through September 30, 2013 to enable the CITY to purchase needed natural gas supplies on a longer period of time and on better rates; and

WHEREAS, it is necessary for the preservation of the peace, health, and safety of the City of Willcox, Cochise County, Arizona, that an emergency be declared to exist to assure timely effectiveness of continued natural gas purchases, and that this Resolution shall be effective immediately upon its passage and adoption.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF WILLCOX,
COCHISE COUNTY, ARIZONA, AS FOLLOWS:**

Section 1: The Mayor and Council has determined that it is in the best interest of the CITY and the customers of the City’s gas utility to approve and authorize the

purchase of natural gas on a forward pricing contract basis and on the spot market under the Base Contract with BP Energy Company as presented.

Section 2: The Mayor and Council formally approve and confirm the purchase of natural gas on a forward pricing contract basis and on the spot market under the Base Contract with BP Energy Company for the delivery period of October 1, 2011 through September 30, 2013.

Section 3: The Mayor is authorized and empowered to execute the Purchase Contract documents with such changes thereto as the parties may deem appropriate to implement the City’s natural gas acquisition program.

Section 4: CITY Officials and Administrators are authorized and directed to take all action required to participate and perform under the City’s Natural Gas Acquisition Program as presented.

Section 5: The immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage by the City of Willcox, Cochise County, Arizona.

PASSED AND ADOPTED by the Council of the City of Willcox, Cochise County, Arizona, this 06 day of September, 2011.

APPROVED/EXECUTED:

/S/ GERALD W. LINDSEY _____
MAYOR, GERALD W. LINDSEY
Signed: 09-07-2011 .

ATTEST:

APPROVED AS TO FORM:

/s/ Cristina G. Whelan, CMC _____
City Clerk, Cristina G. Whelan, CMC

/s/ Hector M. Figueroa _____
City Attorney, Hector M. Figueroa

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