

FOR IMMEDIATE RELEASE

April 24, 2013

Contact: Mayor Jonathan Hornik

732-536-0200 ext. 1200

MAYOR HORNİK ANNOUNCES \$510,000 TAXPAYER SAVINGS AGREEMENT

Shared Service Electric Agreement with Schools Light Up with Savings

MARLBORO TOWNSHIP, NEW JERSEY (April 24, 2013)– Township taxpayers will save an estimated \$510,000 through a shared services and joint purchasing agreement between the Township Administration and Marlboro Township Board of Education for electricity, Mayor Jon Hornik announced today.

“Shared services and thinking outside the box on purchasing creates real efficiencies and savings for the taxpayers,” Hornik said.

The Township and school board received approval from the New Jersey Division of Local Government Services to establish a cooperative pricing system and to seek the lowest bids possible for energy.

The savings are the result of an internet based reverse auction conducted on April 17, 2013 which invited companies to offer the lowest prices to power the Township’s street lights, government buildings, schools and other electric accounts. There were seven qualified bidders and the lowest price for non-street lighting was provided by Hudson Energy Services, LLC and for street lighting was Constellation New Energy, Inc. The Township and Board of Education each entered into a two-year agreement for electricity supply which begins in July.

“The agreement reflects a 17 percent savings in non-street lighting costs and more than 27 percent for street lighting,” Hornik said. “These savings were achieved as a direct result of the Township and the Board of Education joining together and combining their electric power demands to secure the most advantageous pricing. I’m also happy to report that these savings were the result of a largely ‘in-house’ effort by both parties..”

“The Board of Education has always been committed to obtaining financial savings and exploring options for alternative revenue sources. Creating a shared services agreement with the Township has enabled both government to save monies for the benefit of the taxpayers in Marlboro,” Board President, Michael Lilonsky said.

The anticipated energy cost reductions are substantial. Based upon 2012 electric power demands and the “JCP&L Price to Compare”, it is anticipated that the new contract pricing will yield annual savings for the Township of \$152,793 per year, or \$305,586.00 over the life of the contract, and \$102,107.00 per year, or \$204,214.00 over the life of the contract for the Board of Education.

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