

NATURAL GAS MANAGEMENT AGREEMENT *between*
THE MICHIGAN SCHOOLS ENERGY COOPERATIVE as (MANAGER)
and

Bangor Township Schools (DISTRICT)

served by

Michigan Schools Energy Cooperative (UTILITY)

The District agrees to engage the Manager as the sole and exclusive energy manager to arrange and monitor its entire natural gas requirements.

Manager agrees to solicit quotations and arrange for a Michigan Public Service Commission (MPSC) licensed Alternative Gas Supplier (Supplier) to sell to the District and the District agrees to buy natural gas from Suppliers arranged by Manager for the Program. Manager and the District agree to comply with all the requirements, terms, and conditions of the Program as approved by the MPSC.

Manager agrees to arrange for quantities of gas as specified by the Natural Gas Utility for a term beginning on the Commencement Date as defined in the Gas Purchase Agreement executed, on behalf of the District, between the Manager and a Supplier. The "Commencement Date" shall be no earlier than the first day of the April 2011 billing month.

The Manager shall determine the base price for the initial weather adjusted volume of gas as specified by the Natural Gas Utility. Upon determination of a base price, Manager shall authorize Supplier to enroll the District's facilities.

Additionally, the District understands the Natural Gas Utility may periodically require volume adjustments due to significant weather or consumption fluctuations. These adjustments may require pricing adjustments, which may result in additional charges or refunds from the base price above.

This agreement shall automatically renew on an annual basis unless terminated by either party with *thirty days* written notice prior to the end of the initial one-year term, or prior to the end of each additional renewal year.

The Michigan Schools Energy Cooperative

Bangor Township Schools

(District Name)

Signature: _____

Signature: Dr. Shawn P. Bishop

Name: _____

Name: Dr. Shawn P. Bishop

Title: _____

Title: Superintendent

Date: _____

Date: 10-1-12

BOARD OF EDUCATION OF

Bangor Township Schools
(the "District")

**RESOLUTION AUTHORIZING SCHOOL DISTRICT
MEMBERSHIP IN, THE MICHIGAN SCHOOLS ENERGY COOPERATIVE ("MISEC"),
AND PARTICIPATION IN ITS COOPERATIVE ENERGY PROGRAMS**

INTRODUCTION

This resolution describes the cooperative efforts of school districts across the State of Michigan to create the Michigan Schools Energy Cooperative ("MISEC"), and to establish cooperative programs for the coordinated purchase and/or management of natural gas, electricity, transportation fuel programs, and any goods or services (the "Energy Programs") necessary and useful for the operation or administration of a school or school district under the auspices of MISEC. By this resolution, the Board of Education authorizes membership of the District in MISEC and, subject to determinations of the Superintendent and the Chief Financial Officer¹ of the District as to timing and economic and other interests of the District, the participation of the District in the Energy Programs.

PREMISES

A. A coalition of school districts has organized, under the provisions of the Revised School Code and the Urban Cooperation Act, an energy cooperative to be known as the Michigan Schools Energy Cooperative ("MISEC").

B. MISEC will provide its members with:

(1) A coordinated and proactive voice for school interests during ongoing energy deregulation and utility negotiations.

(2) A central resource that allows schools to share contracts, energy strategies, and information regarding deregulated energy purchasing.

(3) A means to aggregate loads and energy supply bids so that school districts can take full advantage of their combined purchasing power.

(4) A common administrative framework that provides all members with access to deregulated energy expertise and services, and enables members to share the savings from avoiding duplication of the administrative efforts associated with effective deregulated energy programs.

¹. *Insert position title of official (e.g. business/finance manager) in the District who is responsible for reviewing the MISEC Energy Programs.*

(5) A cooperative program for the coordinated financial management of diesel fuel.

C. MISEC has retained through a competitive selection and negotiation process, the services of experienced and expert Energy Advisors who will structure and administer the Energy Programs, and recommend competitive bid processes, timing, purchasing and pricing strategies.

D. The Superintendent and Chief Financial Officer¹ of the District have had opportunity to consider and advise the Board concerning:

- (1) the governance and oversight of MISEC by its participating district members;
- (2) the tasks which would be performed by MISEC on behalf of the District; and
- (3) the commitments and obligations of the District to MISEC for the coordinated financial management of diesel fuel and the exclusive purchase of natural gas and/or electricity by the District for minimum terms if the District, in addition to its membership in MISEC, becomes a participant in such Energy Programs.

E. The District is authorized and empowered by the Urban Cooperation Act and Revised School Code to establish, incorporate, organize, and join as a member in MISEC, and participate in the Energy Programs.

NOW, THEREFORE, the Board of Education of the District hereby resolves:

Membership in MISEC.

1. The Board supports the establishment of a separate legal entity to be known as the Michigan Schools Energy Cooperative ("MISEC"), and the Board hereby approves membership by the District in MISEC, and the Superintendent is hereby authorized to execute the Interlocal Agreement establishing MISEC, and to take any additional steps or execute any related documents necessary for the District to become a member of MISEC.

2. The District's representative on the MISEC Board of Directors shall be:

Mark Orihel, CFO
[Insert Representative's Name Here]

The named representative, with the signed concurrence of the Superintendent thereon, may give a proxy to another person affiliated with the District to attend and vote at a MISEC Board of Directors meeting instead of the named representative.

Authorization for Participation in Energy Purchase Programs.

¹. *Insert position title of official (e.g. business/finance manager) in the District who is responsible for reviewing the MISEC Energy Programs.*

3. If the Superintendent and the Chief Financial Officer¹ of the District, based upon financial information and projections provided to the District by MISEC and its Energy Advisors, and such other information, documentation and advice from such other sources as the Superintendent and the Chief Financial Officer¹ deemed necessary or desirable, determine that the Energy Program(s) will be conducted by MISEC in terms and conditions which are competitive with the most favorable conditions reasonably available, and that such Energy Program (s) are otherwise in the economic interest of the District, then the Superintendent is hereby authorized to execute coordinated financial management, purchase, transportation, transmission, storage, nomination, energy information request, and similar or related energy contracts, certificates, instruments or papers necessary or convenient to effectuate District participation in the Energy Program(s), including agreements directly with MISEC Energy Advisors or local energy distribution companies.

CERTIFICATE

¹. *Insert position title of official (e.g. business/finance manager) in the District who is responsible for reviewing the MISEC Energy Programs.*

I certify that the foregoing is a true and complete copy of a Resolution adopted by the Board of Education of the Bangor Township Schools School District, Bay County, State of Michigan, at a Regular Board Meeting held on September 24, 2012 and that the meeting was conducted and public notice of the meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Michigan Public Acts, 1976, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.

I further certify that the following Members were present at the meeting:

Richard Kowalski, John Loop, Tim Allen, Brian Tobin, [INSERT NAMES OF MEMBERS PRESENT] Melissa Kaczmarek, Patrick Shaffer, Mark Seymour

and that the following Members were absent:

NONE [INSERT NAMES OF MEMBERS ABSENT]

I further certify that Member Tim Allen moved adoption of the Resolution, and that Member Melissa Kaczmarek supported the Resolution.

I further certify that the following Members voted for adoption of the Resolution:

Richard Kowalski, John Loop, Tim Allen, Brian Tobin, [INSERT NAMES OF MEMBERS VOTING FOR ADOPTION] Melissa Kaczmarek, Patrick Shaffer, Mark Seymour

and the following Members voted against adoption of the Resolution:

NONE [INSERT NAMES OF MEMBERS VOTING AGAINST ADOPTION]

The Resolution was declared adopted.

Timothy A. Allen
Board Secretary

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