



## Executive Summary Facilities Committee Meeting

DATE: May 15, 2018  
TOPIC: Master Electric Energy Sales Agreement with ENGIE Resources LLC  
PREPARED BY: Bob Ciserella

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### Recommended Action:

Action:     X    

Discussion:           

Information:           

### Purpose:

The Board of Education approves all contracts of the District.

### Fiscal Impact:

The attached Master Electric Energy Sales Agreement between ENGIE Resources LLC and Lincolnwood School District 74 is attached for committee review. District legal counsel has reviewed the attached agreement and made the following comments:

Section 2.15, ENGIE reserves the right to adjust rates if there are changes in laws, administrative regulations, tariffs or fees imposed by the electricity distribution company. While this is not ideal, it is fairly typical for electric utility contracts, and ENGIE refused to delete this provision. Also of note, in the unlikely event of nonpayment or breach by the District, ENGIE may require the District to respond to requests for credit assurance within 7 business days and notices of default within 10 business days. (See Sections 2.4 and 2.6). Last, the contract includes a mutual waiver of consequential damages, which limits the types of compensation available if ENGIE breaches the contract. (See Section 2.8.) Again, this is fairly standard for utility contracts, but worth being aware of as the Board enters the agreement.

The final rates will be determined the morning after Board of Education approval of the Agreement on June 8, 2018.

**Recommendation:**

The Administration requests that the Facilities Committee support the recommendation to enter into an Agreement with ENGIE Resources LLC for supply of electric services for a period of two years.