



Middle Cities



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MISEC - Michigan Schools Energy Cooperative

Vicksburg Community Schools
Attn: Charlie Glaes
301 S Kalamazoo St
Vicksburg, MI 49097

June 16, 2010

Dear Charlie Glaes:

Your district is a member of the Michigan Schools Energy Cooperative (MISEC) and is currently participating in an electric and/or gas service agreement with MISEC.

The Executive Committee of MISEC is proposing a new term of service and succession of officers for the Executive Committee which will help insure stability and experience in the oversight of MISEC's service and operation. Specifically it is proposed that each of the seven members of the Executive Committee serve a seven year term advancing in seniority until their sixth year (or when that member becomes the second most senior member of the Executive Committee) to serve as President.

In order to amend the attached interlocal agreement, it must be amended by two thirds of the boards of its member districts. Attached, please find an amendment which enables MISEC to improve the structure of its Executive Committee. The amendment also allows for the provision of a Diesel Fuel Program as well as the ability to provide members additional services more efficiently in the future.

Please review the attached board ready resolution and contact Doug McCall, 517.913.2155 or dmccall@middlecities.org if there is a question or concern regarding this process. A representative of MISEC will be contacting you in the near future regarding this resolution.

It is requested that your district's board of education consider and act on the attached amendment, either approving or disapproving it and then notify MISEC of its action as soon as possible. If your board of education approves the amendment to the Michigan Schools Energy Cooperative interlocal agreement, it should be signed and sent in the enclosed envelope to MISEC at 826 Municipal Way, Lansing, Michigan 48917. Besides notifying MISEC, no further action is required if the amendment is not approved.

MISEC is the largest of its kind in the country and promises to continue to help improve your district's energy purchasing program.

Sincerely,

Jim Hilgendorf, Superintendent, Johannesburg-Lewiston Schools
MISEC President

Michigan Schools Energy Cooperative 826 Municipal Way
Lansing, MI 48917 (517) 492-1380 Fax (517) 492-1368

**FIRST AMENDMENT TO
MICHIGAN SCHOOLS ENERGY COOPERATIVE
INTERLOCAL AGREEMENT**

As the FIRST AMENDMENT to the INTERLOCAL AGREEMENT ("Interlocal Agreement") establishing the Michigan Schools Energy Cooperative (the "Cooperative"), certain sections of the Interlocal Agreement shall be amended as provided herein.

Introductory Paragraph The introductory paragraph of the Interlocal Agreement is hereby amended by the addition of the following language, so as to expand the references to the "Cooperative Programs" in which the Cooperative may engage:

THIS INTERLOCAL AGREEMENT ("Agreement" or "Interlocal Agreement"), made among the undersigned public agencies of Michigan as Members, is for the purpose of enabling the Members to jointly exercise the power and authority which they share in common, and which each might exercise separately, to manage and purchase energy, either natural gas or electricity, to acquire and install energy conservation facilities, to manage and purchase transportation fuel, and to manage and purchase various other goods and services, all as hereinafter defined as "Cooperative Programs" and as such are authorized by Section 11 a of the Revised School Code, the Urban Cooperation Act, and other applicable law.

3.1 Cooperative Programs. Section 3.1 of the Interlocal Agreement is hereby amended, by adding the following subsections (d) and (e), to expand the Cooperative Programs in which the Cooperative may engage:

- (a) Development and implementation of a cooperative program for the coordinated purchase and management of natural gas, either aggregately or separately, for and on behalf of school districts and other entities, public or private, engaged in the field of education, and the provision of related services to such school districts and other entities.

- (b) Development and implementation of a cooperative program for the coordinated purchase and management of deregulated electricity, either aggregately or separately, for and on behalf of school districts and other entities, public or private, engaged in the field of education, and the provision of related services to such school districts and other entities.
- (c) Development and implementation of a cooperative program for the coordinated implementation and management of energy conservation project contracting and financing, either aggregately or separately, for and on behalf of school districts and other entities, public or private, engaged in the field of education, and the provision of related services to such school districts and other entities.
- d) Development and implementation of a cooperative program for the coordinated purchase and management of transportation fuel, diesel, gasoline, natural gas, or otherwise, either aggregately or separately, for and on behalf of school districts and other entities, public or private, engaged in the field of education, and the provision of related services to such school districts and other entities.
- e) Development and implementation of a cooperative program, if approved by a two-thirds vote of the Board of Directors, for the coordinated purchase and management of any goods or services necessary and useful for the operation or administration of a school or school district, either aggregately or separately, for and on behalf of school districts and other entities, public or private, engaged in the field of education, and the provision of related services to such school districts and other entities.

5.3 Executive Committee. The Executive Committee shall be elected by the Board of Directors from among those directors who represent Members who are fee-paying participants in Cooperative Programs. The Executive Committee initially shall consist of seven members, but may be increased by Bylaw. A representative of the Support Committee shall also serve on the Executive Committee as a non-voting ex officio member. The Executive Committee shall have the authority and duty to oversee (i) the implementation of the policies established by the Board of Directors, (ii) the preparation and adoption of the annual budget of the Cooperative, (iii) the actions of all standing and ad hoc committees, (iv) the

activities of Cooperative officers, employees, agents and contractors, and (v) generally oversee the Cooperative Programs. The Executive Committee shall authorize and approve all contracts of the Cooperative. The Executive Committee shall also have such authority, powers and duties as are granted elsewhere in this Agreement, or as are granted or limited by the Board of Directors, or as are necessary or incidental to its performance of its foregoing authority, powers or duties. Members of the Executive Committee may serve one seven-year term. During the 5th year on the executive committee, the member will serve as president elect, during the 6th year as president and during the 7th year as past president. If for any reason a member becomes the second most senior member on the executive committee and has not yet served 5 years on the executive committee, the member will serve as president on a continuing basis until finishing the 6th year of the member's term. Any member of the executive committee may be replaced by the Board of Directors at any time without cause.

Effectiveness: This First Amendment of the Interlocal Agreement shall become effective upon execution of the First Amendment by at least two-thirds of the Members of the Cooperative who are such Members on July 1, 2010, and any State of Michigan approvals or filings required under the Urban Cooperation Act.

IN WITNESS HEREOF, the undersigned party, pursuant to the authority granted by the Urban Cooperation Act, has caused this First Amendment to the Interlocal Agreement to be executed by its duly authorized signatories on the date indicated.

Secretary of the Board

Date: _____

(Name of School District)

By: _____
(Authorized Signatory)

Title: President of the Board or Superintendent

Address: _____

Attention: _____