



Board Action Required X

No Action Required

To: Coppel ISD Board of Trustees
From: Sid Grant
Date: March 27, 2008
cc: Dr. Jeff Turner, Kelly Penny, Denise Sullivan, Kevin Whitsett

Re: Energy Services Agreement with Amerex Brokers, LLC

Recommendation: That the Coppel ISD Board of Trustees approve the Energy Services Agreement for Electric Power by and between Coppel ISD and Amerex Brokers, LLC for a three (3) year term beginning April 1, 2008 and that the Superintendent or his designee be authorized to execute the Agreement.

As discussed in detail during the Special meeting of the Board of Trustees on March 10, 2008, Coppel ISD staff is recommending the approval of a three year Agreement with Amerex Brokers, LLC as exclusive consultant for our electricity procurement. Amerex will provide a closely managed “turn-key” product that includes careful market evaluation and negotiations with the Retail Electric Providers in order to obtain the best possible electric rates with terms that are most appropriate given the current market conditions. Given the steady increase in natural gas prices (a driver of electric costs) and the extreme volatility of the market, we believe having the flexibility of a closely managed product is the most fiscally responsible course of action as compared to simply “fixing” a price at the time of contract renewal.

The proposed Energy Services Agreement with Amerex was carefully reviewed and negotiated by Mr. Robert Luna and David Giddens of the Law Offices of Robert E. Luna.

As voted by the Board of Trustees on March 10, 2008, I have opted-out of the TASB Electric Aggregation program for the May, 2008 contract renewal, thereby setting the stage for the execution of the new contract with Amerex.

As a reminder, after conducting a formal Request for Proposal for this service, we learned that Amerex is not only one of the nations largest, most successful electricity brokers, but also partners with Aramark Education (our provider of energy management, maintenance services, and custodial services). Amerex and Aramark have worked closely with many educational institutions in developing holistic energy management and procurement programs in order to minimize energy consumption and secure the best rate per kWh possible for their clients.

Since Amerex representatives will not be attending the Board meeting on March 31st, I would encourage any Board member with any remaining questions to e-mail me as-soon-as-possible so that I can secure answers from Amerex prior to Monday night’s meeting.