



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: April 18, 2017

AGENDA ITEM: Consider Authorizing the Superintendent to Negotiate and Execute Electricity Contract for Aledo ISD

PRESENTER: Earl Husfeld

ALIGNS TO BOARD GOAL(S): Financial/Facilities – The District shall exhibit excellence in financial and facility planning, management, and stewardship.

BACKGROUND INFORMATION:

- Per Board Policy CH (Local), any single, budgeted purchase of goods or services that costs \$50,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place.

ADMINISTRATIVE CONSIDERATIONS:

- For several years, the District has purchased electricity by utilizing the aggregation pool, or stand alone, program offered by the Energy Services Division of the Texas Association of School Boards.
- The District is currently in an electricity contract that ends in June of 2018 with TASB/Direct Energy at \$0.05698 per kWh.
- Due to the need of setting up electricity service at Walsh Elementary School, coupled with the electricity market currently sitting at historical lows, now is the best time to negotiate and execute a new electricity contract.
- After a preliminary review of the electricity market, I am optimistic the District will be able to secure a new electricity contract at or under \$0.041 per kWh.
- Due to the volatile nature of pricing an electricity contract, I am asking the Board of Trustees to consider authorizing the Superintendent to negotiate and execute an electricity contract for Aledo ISD at an amount not to exceed \$0.041 per kWh.

FISCAL NOTE:

The cost of electricity purchased by the District will be paid from budgeted funds each fiscal year.

ADMINISTRATIVE RECOMMENDATION:

The Administration recommends the Board of Trustees authorize the Superintendent to negotiate and execute an electricity contract for Aledo ISD.