

The Board of Township Trustees of Hamilton Township, County of Warren, Ohio, met at its regular, 9:00am meeting on February 5, 2020, at Hamilton Township, Warren County, Ohio, with the following Trustees present:

Darryl Cordrey – Trustee, *Board Chair*
Joseph Rozzi – Trustee
Mark Sousa – Trustee

Mr. Cordrey introduced the following resolution and moved for its adoption:

**HAMILTON TOWNSHIP, WARREN COUNTY OHIO
RESOLUTION NUMBER 20-0205A**

**A RESOLUTION APPROVING A NATURAL GAS SUPPLY CONTRACT TO SUPPORT
THE CONTINUATION OF THE TOWNSHIP'S NATURAL GAS AGGREGATION
PROGRAM AND APPROVING THE CONTRACT EXECUTED BY THE TOWNSHIP
ADMINISTRATOR ON BEHALF OF HAMILTON TOWNSHIP**

WHEREAS, the Board of Township Trustees has previously established and entered into a natural gas aggregation program to provide competitive natural gas rate pricing to the Township and its residents;

WHEREAS, the Board of Township Trustees previously authorized the Township Administrator to execute any documents necessary to effectuate and administer the Hamilton Township natural gas aggregation program

WHEREAS, the Township Administrator executed the Fourth Amendment to the Master Agreement (the "Agreement") with Interstate Gas Supply, Inc. on January 15, 2020 regarding the Township's natural gas aggregation program. The Agreement extended the agreement between the Township and the natural gas aggregation program's supplier, Interstate Gas Supply, Inc., for an additional four (4) years, and reduced and secured a new fixed rate for natural gas services for the Township and its customers for the term of the Agreement;

NOW THEREFORE, be it resolved by the Hamilton Township Board Township Trustees, Warren County, Ohio:

SECTION 1. The Board approves the attached Fourth Amendment to Master Agreement by and between Hamilton Township and Interstate Gas Supply, Inc. executed by the Township Administrator on January 15, 2020. The Board further authorizes the Township Administrator to execute any other documents necessary to put the Agreement into effect and to carry out the purposes of the Hamilton Township natural gas aggregation program.

SECTION 2. This Resolution shall take effect on the earliest date allowed by law.

Mr. Rozzi seconded the Resolution and the following being called upon the question of its adoption, the vote resulted as follows:

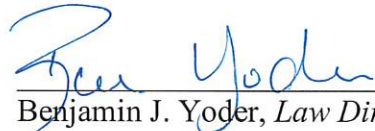
Darryl Cordrey –	Aye <u>✓</u>	Nay _____
Joseph Rozzi –	Aye <u>✓</u>	Nay _____
Mark Sousa –	Aye <u>✓</u>	Nay _____

Resolution adopted this 5th day of February, 2020.

Attest:


James D. Hunter, *Fiscal Officer*

Approved as to form:


Benjamin J. Yoder, *Law Director*

I, James D. Hunter, Fiscal Officer of Hamilton Township, Warren County, Ohio, hereby certify that this is a true and accurate copy of a Resolution duly adopted by the Board of Township Trustees of Hamilton Township, County of Warren, Ohio, at its regular meeting on February 5, 2020.

Date: 2-9-20


James D. Hunter, *Fiscal Officer*

To: Trustees
From: Brent Centers

RE: Hamilton Township's Natural Gas Aggregation Program

Program Overview:

1. Hamilton Township's current natural gas supply agreement with IGS Energy will end in April 2020.
2. Independent Energy Consultants (IEC) recently issued an RFP seeking supplier proposals to ensure a seamless continuation of the Township's Natural Gas Aggregation Program.
3. Hamilton Township's RFP was issued along with 3 other communities on similar timelines with IEC, in order to increase the Township's bulk bargaining power.
4. Independent Energy Consultants invited ALL eligible natural gas suppliers (138 sales representatives from 56 companies) to submit proposals, and received various price offers for various terms.
5. IGS, Hamilton Township's incumbent supplier, once again provided the best overall proposal.

6. Independent Energy Consultants' recommendation is to:

- a. Sign a 4-year contract amendment with IGS.
 - i. 4-year pricing is producing record-low rates and it makes sense lock in those attractive rates for a longer period.
- b. Select a 4-year "NYMEX plus" formula (which can be left as a variable rate or converted to a fixed rate at any time).
- c. Watch market conditions and use the formula to lock in a rate for the desired period, most likely the full four-year term, to provide price protection and budget stability for the Township's residents and small businesses.
- d. The Fixed-rates currently available are better than the historic rates Hamilton Township has set over the past ten years as shown on the table above.

Year	Average Program Rate (\$/Mcf)
2010	5.567
2011	5.354
2012	3.75
2013	4.595
2014	5.288
2015	3.73
2016	3.474
2017	4.266
2018	3.994
2019	3.638
Proposed Fixed Rate (Apr 2020 - Mar 2024)	3.49

7. IGS has prepared an amendment to the current contract for the Township's approval.
8. Letters would go out in March to residents and small businesses informing them of the new offer.
 - a. Residents and businesses who are currently in the program or are still supplied by the local utility will receive an opt-out letter and do not need to take any action to receive the new offer.
 - b. Residents and businesses who have chosen a supplier on their own will receive a similar letter inviting them to proactively enroll in the program if they wish.
 - c. IEC will prepare a news release and FAQs for the Township before any letters are sent.