

## ENERGY PROCUREMENT SERVICES AGREEMENT EXTENSION

This Extension Agreement is entered into by and between the **City of Parma**, a City under the laws of the State of Ohio, located at 6611 Ridge Road, Parma, Ohio 44129, its permitted successors and assigns ("City") and **Strategic Aggregation Consultants, LLC**, ("SAC" or "Company"), an Ohio Corporation located at 3700 Massillon Road, Suite 341, Uniontown, Ohio, 44685, its permitted successors and assigns and is effective as of January 1, 2018.

### Witnesseth

Whereas, the City and SAC entered into an agreement for consulting services for electric aggregation issues on October 30, 2014, as authorized by Ordinance No. 185-14; and (a copy of said Agreement is attached as Exhibit 1).

Whereas, this consulting agreement was to track the electric supply agreement with FES; and,

Whereas, the City and SAC are desirous of extending the consulting agreement through the end of the FES Supply Agreement, which is set to expire on May 31, 2018;

Now, therefore, in consideration of the mutual premises contained herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties, intending to be legally bound, do hereby agree as follows:

1. The prior Energy Procurement Services Agreement (attached as Exhibit 1 herein) shall hereby be extended through May 31, 2018; and,
2. The terms of the prior Energy Procurement Services Agreement, unless otherwise modified herein, shall remain in full force and effect.

**CITY OF PARMA**

**STRATEGIC AGGREGATION  
CONSULTANTS, LLC**

\_\_\_\_\_  
By: **Brian Higgins**

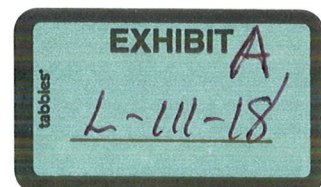
\_\_\_\_\_  
By: **Brenda Fargo**

Its: Service Director

Its: President

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## ENERGY PROCUREMENT SERVICES AGREEMENT

THIS AGREEMENT ("Agreement") is entered into by and between The City of Parma, a City under the laws of the State of Ohio, located at 6611 Ridge Road, Parma, Ohio 44129 its permitted successors and assigns ("City"), and Strategic Aggregation Consultants, LLC ("SAC" or "Company"), an Ohio corporation located at 3700 Massillon Road, Suite 341, Uniontown, Ohio, 44685, its permitted successors and assigns, and is effective as of September \_\_\_\_\_ 2014.

### WITNESSETH

WHEREAS City is interested in reducing its residents and businesses overall electric costs through its electric aggregation program; and

WHEREAS Company offers aggregation services and approaches that will assist the City in its continued implementation of the aggregation program; and

WHEREAS City would like Company to perform such services consistent with the terms and conditions of this Agreement.

NOW THEREFORE in consideration of the mutual promises contained herein and for other good and valuable consideration the receipt of which is hereby acknowledged as received, the parties, intending to be legally bound, do hereby agree as follows:

#### 1.0 SERVICES

1.1 Company shall provide aggregation services ("Services"), the scope of which is set forth in Statement of Work ("SOW"), which is attached to this Agreement. Additional SOW's may be attached and incorporated herein after the execution of this Agreement by mutual agreement of the parties.

1.2 Each SOW shall be deemed incorporated by reference into this Agreement and be subject to the terms and conditions hereof.

1.3 Each SOW shall be signed by both parties and shall contain, at a minimum:

- a. a complete description of the change in or addition to the Services;
- b. milestones and a schedule for performance;
- c. the fees for such Services;
- d. assumptions made, if any; and
- e. responsibilities of the parties.

1.4 Any terms or conditions set forth in a SOW that contradict or conflict with those set forth in this Agreement shall be superseded by those set forth herein, unless expressly stated otherwise in the SOW.



1.5 No SOW shall replace another SOW, unless otherwise expressly stated therein.

## 2.0 COMPENSATION

2.1 Fees for the Services performed shall be as set forth in the SOW.

## 3.0 INTELLECTUAL PROPERTY

3.1 City shall be the owner of all rights, title and interest in and to the work product resulting from the Services. Notwithstanding the foregoing, if Company incorporates into, or utilizes any of its existing, independently developed, or licensed intellectual property in the performance of the Services, any use of such property shall be subject to separate agreements negotiated and signed by the parties and Company shall not be prohibited in any manner from performing similar services for third parties.

## 4.0 INDEPENDENT CONTRACTOR

4.1 Company shall, at all times, during the performance of the Services be an independent contractor. The parties shall not have the authority to bind, represent or commit the other as a result of this Agreement.

4.2 Nothing in this Agreement shall be deemed or construed to create a joint venture, partnership, or employee-employer relationship between the parties for any purpose.

4.3 In the event Company, or one of its agents or contractors are on City's premises, City shall have the right, but not the obligation, to direct and supervise such individuals as they perform the Services.

4.3.1 While on City's premises, Company's employees, agents and contractors shall be subject to the safety and workplace rules generally applicable to the employees of City, provided such rules are made known to Company in a timely manner so as to allow Company to develop a compliance program.

4.3.2 Any non-compliance by Company of such rules shall be immediately made known to Company so that it can take actions to rectify the matter.

## 5.0 TERM

5.1 The term of this Agreement shall commence on the date set forth at the beginning of this Agreement and shall continue in full force and effect until the earlier of (a) sixty (60) days after written notice of termination by either party is received by the other; or (b) until all Services have been performed consistent with the terms and conditions of this Agreement and any related SOW's.

5.1.1 Notwithstanding termination, any provision, including but not limited to warranties and limitations of liability that have accrued prior to termination of this Agreement, shall be deemed to survive until they expire by the time frames set forth in this Agreement.

## 6.0 LIMITATION OF LIABILITY

6.1 LIABILITY: EACH PARTY ACKNOWLEDGES THAT IT WILL BE RESPONSIBLE FOR DIRECT CLAIMS AND DAMAGES TO THE EXTENT ARISING FROM ITS ACTIONS AND/OR OMISSIONS IN ITS PERFORMANCE OF THIS AGREEMENT TO THE EXTENT PERMITTED BY LAW. NOTHING IN THIS AGREEMENT SHALL IN ANY MANNER DIMINISH AND/OR LIMIT ANY LEGAL IMMUNITIES EITHER PARTY MAY HAVE.

## 7.0 INSURANCE

7.1 Liability Insurance. SAC carries various types of liability insurance. Specific coverage provided include:

- a. General Aggregate Limit (other than products-completed operations) 2,000,000
- b. Products - Completed Operations Aggregate Limit 2,000,000
- c. Personal and Advertising Injury Limit 1,000,000
- d. Each Occurrence Limit 1,000,000

## 8.0 ASSIGNMENT AND SUBCONTRACTING

8.1 Except for mergers, acquisitions, reorganizations, assignment for collateral purposes and other situations that do not affect the intent of this Agreement, neither party shall assign the whole or any part of this Agreement without the other party's written consent, with such consent not being unreasonably withheld. Notwithstanding the foregoing, Company may assign the Agreement in whole to an affiliate upon reasonable written notice to City.

8.2 Company shall be permitted to use subcontractors to perform any of the obligations of Company under this Agreement and all SOW's; however, such use does not relieve Company of its obligations to the City under this Agreement.

8.3 In the event subcontractors are used by Company, the performance of Services by such subcontractors must be consistent with the terms and conditions of this Agreement.

9.0 ENTIRE AGREEMENT AND AMENDMENTS

9.1 This Agreement and any SOW's and other attachments referenced herein constitute the entire understanding of the parties and supersede all prior agreements, arrangements, representations, and communications, whether oral or written.

9.2 This Agreement may only be amended in writing by a duly authorized representative of each party.

10.0 INTERPRETATION

10.1 If any term or provision of this Agreement is found by a court of competent jurisdiction to be illegal, invalid, or otherwise unenforceable, such term or provision shall not affect the other terms or provisions of this Agreement. Such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable. The rights and obligations of the parties shall be construed and enforced, preserving to the fullest permissible extent the intent and the agreements of the parties.

10.2 No conflicting or additional terms and conditions of any subsequent purchase order of City or sales order acknowledgement of Company shall be binding on the parties.

10.3 This Agreement shall be governed by, construed in accordance with, subject to the jurisdiction of, and interpreted in accordance with the courts and laws of the State of Ohio.

10.4 Notwithstanding state or federal law to the contrary, the parties agree to be bound by a statute of limitations on any cause of action arising out of this Agreement which shall be the lesser of the actual statute or two (2) years.

11.0 FORCE MAJEURE

11.1 Neither party shall be liable for any delays or failures in performance due to circumstances beyond their respective control.

12.0 NOTICES

12.1 Any notice or other communication required or permitted under this Agreement shall be in writing and shall be effective upon personal delivery; delivery by a recognized, reputable delivery or courier service; five (5) days following deposit in the United States mail (first-class, postage prepaid); or upon actual receipt by the addressee of a telefax or e-mail message.

12.2 Notices should be initially addressed to City and Brenda Fargo for Company at their respective addresses set forth in the beginning of this Agreement, and thereafter to such other person or at such other location as indicated in a writing consistent with the terms and conditions of this paragraph.

13.0 REPRESENTATION OF AUTHORITY

13.1 Each party represents and warrants that it has the requisite corporate and/or governmental authority to enter into this Agreement, and to be bound by the terms and conditions hereof. Each party represents and warrants that the person signing on behalf of each party is a duly authorized representative of the party and that the individual's signature will legally bind the party to the terms and conditions of this Agreement. Both parties waive any argument that this Agreement is not binding because the person signing on its behalf was not authorized to do so.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and represent that the persons whose signatures appear below are duly authorized to execute the same.

City of Parma  
(City)

Strategic Aggregation Consultants, LLC  
(Company)

By: 

By:   
Brenda Fargo

Its: DIRECTOR OF PUBLIC SERVICES

Its: President

On: 10-7-14

On: 10-30-14

**STATEMENT OF WORK (SOW) - 1  
ENERGY CONSULTING  
SERVICES AGREEMENT**

The parties hereto, the City of Parma, Ohio a duly organized city by charter and under the laws of the State of Ohio and located at 6611 Ridge Road, Parma, Ohio 44129, ("City") and Strategic Aggregation Consultants, LLC ("SAC" or "Company") a duly organized corporation doing business within the State of Ohio, and located at 3700 Massillon Road, Suite 341, Uniontown, Ohio 44685, do state the following to be their complete understanding and agreement which is a made a part of the Energy Consulting Services Agreement signed by City on September \_\_\_\_\_, 2014, as to the purchase of professional services by City from Company upon the terms and conditions contained herein.

The City of Parma, having passed the necessary legislation by a vote of their citizens on November 7, 2000, in order to authorize City to aggregate the electric customers within their boundaries pursuant to Section 4929.26 of the Ohio Revised Code, City having adopted an "Opt-Out" Aggregation Program, herein after referred to as "Program" and City by act of City Council having found a real and present need to contract with Company in order to acquire the Company's expertise and experience within the electric industry and receive advice and assistance in City's efforts to develop a plan for electric aggregation under Section 4929.26 and do all acts necessary to implement an aggregation plan for the solicitation of alternative electric energy suppliers and provide and do all acts necessary in the managing of its Program, as described below, after a supplier has been chosen, ensuring compliance and acceptable service in order to best serve the citizens of Parma.

**1. Scope of Service.**

Strategic Aggregation Consultants will provide the following services:

- Review the Plan of Operation and Governance for the City's program
- Facilitate and assist, as needed, in any service issues with FES
- Coordinate with FES on continued program implementation
- Review GAGG files to ensure accuracy
- Monitor mailing lists to be certain only eligible accounts are included
- Attend Council meetings as needed
- Provide educational assistance for the public as needed including public forums, community meetings, etc.
- Assist with any needed press releases, letters to PUCO and/or FES
- Assist in customer service issues as needed including interface with the FES
- Review the electric accounts of the City of Parma, including street lights, to determine any additional savings opportunities.
- Review FES produced quarterly report to the City containing program participants and estimated savings
- Monitor PUCO/Statehouse regulatory activity and update the City as needed
- Report on any substantive FE/FES PUCO filings that may impact the City's program
- Prepare RFP/Bid materials for future solicitation of generation suppliers

2. Agreement Term

The Term of this agreement shall be for three years beginning on the \_\_\_ day of September, 2014 and continuing until the \_\_\_ day of September, 2017. Either party may terminate the Agreement at any time upon sixty days written notice to the other.

3. Compensation

Supplier shall compensate Company for the aforementioned services in the following manner:

- (1) An annual management fee of \$22,500, payable by the supplier selected or by City for the length of the term of the supplier contract or any extension thereof unless otherwise mutually agreed.
- (2) Such fee shall be paid on a quarterly basis.

4. Termination

This SOW-1 may be terminated by the City with sixty (60) days prior written notice to Company.

9. Notification

Any correspondence required herein shall be forwarded to: Brenda Fargo, President, Strategic Aggregation Consultants, LLC, 3700 Massillon Rd., Suite 341, Uniontown, Ohio 44685 on behalf of the Company or on behalf of the City.

This document represents the parties understanding as to the Statement of Work and as such is made a part thereof, that being the Energy Consulting Services Agreement executed by the parties.

CITY OF PARMA

(City)

By: Brian A. Higgins

Its: DIRECTOR OF PUBLIC SERVICE

On: 10-7-14

STRATEGIC AGGREGATION

CONSULTANTS, LLC

(Company)

By: Brenda Fargo  
Brenda Fargo

Its: President

On: 10-30-14