



RENEWAL AGREEMENT FOR NATURAL GAS SERVICES
-- COVER PAGE --

Participant:	Morgan Hill Unified School District	School Project for Utility Rate Reduction ("SPURR")
Formal Contact for Notice:	Name: Kirsten Perez Title: Deputy Superintendent and CFO	Michael Rochman Managing Director
Formal Contact Mailing Address:	15600 Concord Circle Morgan Hill, CA 95037-7110	1850 Gateway Blvd Suite 235 Concord, CA 94520
Formal Contact Phone, Fax, and E-mail:	Phone (408) 201-6052 Ext: Fax: (408) 825-6257 E-mail: perezk@mhusd.org	Phone: 925-743-1292 Fax: 925-743-1014 E-mail: RochmanM@spurr.org
Operational Contact Information:	Name: Title: Director of Facilities Phone: (408) 201-6087 Ext: Email:	Customer Service Phone: (888) 400-2455
Billing Contact Information:	<u>For Billing to Participant:</u> Billing Contact: Accounts Payable Phone: (408) 201-6000 Ext: 51007 Email: Yeea@mhusd.org	For payment to SPURR PO Box 45526 San Francisco, CA 94145-0526 Phone: (888) 400-2455 Email: billing@spurr.org
Effective Date: <u>July 1, 2022</u> Termination Date: <u>June 30, 2027</u>		
SPURR, a California joint powers authority, will exercise natural gas procurement authority and will provide professional services for Participant under the attached General Terms and Conditions (<u>September 1, 2018</u> revision), which are incorporated by this reference.		
In witness whereof, the parties enter into this Agreement as of the Effective Date.		
Participant: Morgan Hill Unified School District By: _____ Print Name: _____ Title: _____ Signature Date: _____		SPURR: School Project for Utility Rate Reduction, a California joint powers authority By: _____ Michael Rochman Managing Director Signature Date: _____

Please send signed agreement to SPURR by scan and email to info@spurr.org or by US Mail to the Concord address shown above. SPURR will return countersigned agreement to Participant for its files.

RENEWAL AGREEMENT FOR NATURAL GAS SERVICES

-- GENERAL TERMS AND CONDITIONS --

BACKGROUND

A. SPURR is a California joint powers authority, whose members are California public K-12 school districts, community college districts, and county offices of education.

B. SPURR operates an aggregated natural gas acquisition program (the "Gas Program") for its members, other public agencies, and non-profit educational institutions in California.

C. Participant wishes to participate in the Gas Program. Natural gas will be delivered to Participant's facilities by the local natural gas distribution utility ("Utility").

D. These General Terms and Conditions are part of the Agreement for Natural Gas between SPURR and Participant (this "Agreement").

E. The following information is provided in the cover sheet attached to this Agreement (the "Cover Sheet"):

i. Participant's identity and addresses for notice, operations and billing.

ii. The Effective Date and Termination Date of this Agreement, subject to earlier termination pursuant to section 15 (Term and Termination) of this Agreement.

F. The account list attached to this Agreement (the "Account List") identifies Participant's natural gas accounts (the "Accounts") in the Gas Program, including the Utility's identification number, street address, city, and postal code for each Account.

AGREEMENT

For good and valuable consideration, the parties to this Agreement agree as follows:

1. Full Requirements Supply. Participant will purchase its full natural gas requirements for all of the Accounts exclusively through the Gas Program during the term of this Agreement. Accounts may be added to this Agreement at any time by agreement of the parties. Accounts may be deleted from this Agreement only if Participant ceases to operate the facility served by that Account.

2. Deliveries. SPURR will deliver natural gas supplied under this Agreement (the "Natural Gas") to one or more pipeline interconnections where Utility receives natural gas for service to Utility's natural gas market (the "Delivery Points"). The Natural Gas will be measured in accordance with procedures established by Utility at the Delivery Points. SPURR warrants good title to the Natural Gas upon delivery to the Delivery Points. Title and risk of loss for the Natural Gas will transfer from SPURR to Utility on behalf of Participant at the Delivery Points. Participant is responsible for Utility transportation services from the Delivery Points to Participant's facilities. Participant is responsible for all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Natural Gas at the Delivery Points and after the Delivery Points.

3. Authorization. Participant hereby authorizes SPURR (a) to act on behalf of Participant to obtain natural gas under applicable Utility tariffs to (b) complete and deliver on behalf of Participant all documents or instruments reasonably necessary to carry out the purposes of this Agreement and (c) to obtain historical information related to the Accounts from the Utility or from any third party acting on behalf of Utility or Participant.

4. Gas Supply Services. SPURR will provide the following services (the "Services") under the Gas Program with respect to the Accounts:

a. Provide Natural Gas supply service, either "core" or "noncore" as applicable, in accordance with Utility's tariffs, regulations of the California Public Utilities Commission (the "CPUC"), other applicable law or regulation, and any code of conduct adopted by the SPURR Board from time to time.

b. Develop and implement, directly or indirectly, all functions necessary for Natural Gas supply service, including negotiation of prices with wholesale suppliers, transportation to the Delivery Points, scheduling and balancing to the Delivery Points, acquisition and usage of storage, and all related operational transactions.

c. Procure supplies in accordance with applicable law and regulation.

d. Execute and deliver necessary documentation to Utility on behalf of Participant, based upon information to be provided by Participant.

e. Deliver Natural Gas which meets or exceeds the quality, temperature and pressure requirements of Utility at the Delivery Points.

5. Additional Services. Under the Gas Program, SPURR will provide the following additional services (the "Additional Services"), to the extent directed by the SPURR Board of Directors:

a. Provide information to Participants regarding operations and costs under the Gas Program, including periodic updates delivered in electronic form or on paper.

b. Provide information to Participants regarding natural gas market issues and related Utility services and tariffs.

c. Develop and present to Participant for consideration programs designed to reduce or control costs for natural gas or other utilities services, or to provide additional value related to those services.

d. Represent the interests of SPURR constituents as consumers of natural gas and other utility services before the CPUC, the California Legislature, and other governmental or regulatory authorities, or in other legal proceedings.

6. Account Identification. Participant is responsible for identifying the Accounts covered under this Agreement. If SPURR provides a draft Account List, Participant will review and correct the draft as necessary. Participant will notify SPURR of any changes in the Account List within thirty (30) days of such changes.

RENEWAL AGREEMENT FOR NATURAL GAS SERVICES

-- GENERAL TERMS AND CONDITIONS --

7. Provisions Specific to Noncore Accounts. For any noncore Account, Participant will do each of the following:

a. Notify SPURR of any change in Participant's operations which may increase or decrease the consumption of natural gas by ten percent (10%) or more as compared to historical levels or to Participant's projected levels provided to SPURR. Participant will provide notice as soon as it is aware of the change(s), in advance where possible, and in each case not two (2) days after the change for any noncore Accounts. Examples of operational changes include addition or deletion of significant facilities or equipment served through an Account, major changes in hours of operation of a facility, scheduled or unscheduled shutdowns of facilities or equipment and renovation of facilities or equipment. Participant shall be responsible for any costs incurred by SPURR as a result of any failure to advise SPURR of operational changes.

b. Provide SPURR with good faith estimates of monthly consumption for the 12 months following the Effective Date.

8. Administrative Fees. As consideration for the Services and the Additional Services, Participant will pay fees to SPURR (the "Administrative Fees"). The amount of the Administrative Fees will be established by the SPURR Board on an annual basis, in accordance with the SPURR JPA Agreement. The Administrative Fees will be based on volumes consumed by Participant. The Administrative Fees will be subject to annual audit, as part of the annual financial audit of SPURR. A copy of the completed annual SPURR financial audit will be delivered to Participant at any time upon request.

9. Invoicing and Payment. Participant shall pay SPURR for Natural Gas in accordance with monthly invoices rendered by SPURR in commercially reasonable detail. SPURR shall provide Participant with summary invoices for all of its core Accounts or, if requested by Participant, with "cost center" invoices for sets of core Accounts.

10. Rates. The default rates for of Natural Gas charged to Participant under this Agreement will include Participant's pro rata share of all costs, expenses, and charges arising from acquisition, possession, and delivery of the Natural Gas under the Gas Program, the Administrative Fees, applicable Taxes, and any necessary, documented adjustments. SPURR will provide notice of rates and rate plans, including default rate plans, to the extent customary under the Gas Program. Specific arrangements other than default rate plans may be negotiated by the parties and documented as separate confirmations.

11. Late Payment. Invoices shall be due upon presentment and will be past due thirty (30) days after the invoice date. Late payment charges may be

imposed by SPURR at a rate equal to one and one-half percent (1.5%) per month on all outstanding balances. SPURR may also bill Participant for reasonable charges associated with costs of collection on past due accounts as well as reasonable charges associated with suspension and resumption of service under this Agreement. Payments not received within sixty (60) days from the invoice date are subject to journal voucher transfer by Participant's county office of education or county superintendent of schools.

12. Collection of Utility's Transportation Charges. As a convenience to Participant, SPURR will accept from Utility invoices for Utility's transportation charges (including any applicable Taxes) for Participant's core Accounts. SPURR will pay Utility as invoiced and will include such charges in SPURR's invoices to Participant. Utility transportation charges will be passed through to Utility upon collection by SPURR. SPURR reserves the right to cease collecting Utility's transportation charges, upon sixty (60) days notice to Participant. SPURR will not collect Utility transportation charges for noncore Accounts except pursuant to express agreement between the parties.

13. Escrow Account. SPURR has established an escrow account for Gas Program receipts and payments. The instructions for this escrow account have been approved by the Board of Directors of SPURR, and include a list of the authorized recipients of payments from the account. Only SPURR management may authorize release of funds from the escrow account.

14. Indemnification. Each party will indemnify and hold harmless the other party, together with their respective board members, officers, directors, employees, agents, and representatives, from and against all claims, damages, losses and expenses (including reasonable attorney's fees), but exclusive of consequential damages, arising out of or resulting from (a) any action or inaction related to the Natural Gas during the period when title to the Natural Gas is vested in the indemnifying party or (b) any breach of a covenant, representation or warranty under this Agreement by the indemnifying party. As a condition of its indemnification obligations, the indemnifying party must receive prompt notice of the indemnified claim and must have the right to control the investigation, defense, and settlement of such claim.

15. Term and Termination.

a. Service Start Date. Service under this Agreement will commence for each Account on the earliest practicable date on or after the Effective Date on which Utility recognizes SPURR or its nominee as providing gas to an Account.

b. Scheduled Termination. Subject to earlier termination as provided below, this Agreement will terminate on the Termination Date.

c. Early Termination by Participant. Participant may terminate this Agreement, for any or all Accounts, effective on June 30 of any year by giving

RENEWAL AGREEMENT FOR NATURAL GAS SERVICES

-- GENERAL TERMS AND CONDITIONS --

SPURR notice of such termination on or before March 1 of that year.

d. **Early Termination By SPURR.** SPURR may terminate this Agreement (i) upon thirty (30) days notice to Participant if Participant has failed to comply with any material obligations under this Agreement, including the failure to pay amounts owed to SPURR, (ii) effective on June 30 of any year by giving Participant notice of termination on or before March 1 of that year, or (iii) upon enactment or implementation by the CPUC or other governmental or regulatory authority, or by Utility, of a law, regulation, rule, or practice which conflicts with sound business practices, imposes significant unanticipated risk on either party to this Agreement, or substantially prevents either party from performing its obligations under this Agreement (other than the obligation of Participant to make payments, if any, due to SPURR), upon sixty (60) days notice to Participant, which notice shall specifically identify the regulation, rule, or practice,

e. **Surviving Obligations. Notwithstanding any other provision of this Agreement,** (i) termination of this Agreement will not terminate the obligations of either party arising before the effective date of termination, including any pricing arrangements specifically entered into by the parties, (ii) Participant will pay SPURR for Natural Gas or services, if any, delivered by SPURR and received by Participant at any time, even if after the date of termination, and (iii) if Participant terminates this Agreement before the Termination Date and does not provide Notice of such early termination as prescribed above, Participant shall pay SPURR the commercially reasonable costs and expenses, including administrative overhead, attributable to liquidating forward Natural Gas supply purchases or other arrangements entered by SPURR in reliance on Participant's presence in the Gas Program.

16. **Force Majeure.** Except for Participant's obligation to make payments to SPURR when due, if either party is delayed, interrupted or prevented from performing any of its obligations under this Agreement, and such delay, interruption or prevention is due to acts of God, governmental act or failure to act, labor dispute, war, riot, civil disturbance, fire, earthquake, landslide, lightning, storm, flood, explosion, unavailability of materials, or any other cause outside the reasonable control of the party claiming suspension, and which, by the exercise of due diligence, that party is unable to prevent or overcome, then the time for performance of the affected obligations will be suspended during the continuance of the effects of the cause. The party whose performance is prevented by Force Majeure must provide Notice to the other party. Initial Notice may be given orally; however, written Notice with reasonably full particulars of the event or occurrence is required as soon as reasonably possible.

17. **Representations.** Each party represents and warrants to the other that it has the power and is authorized to enter into this Agreement. Participant represents and warrants to SPURR that, as of the

Effective Date, the Accounts are subject to any other natural gas aggregation or supply agreement.

18. **Further Assurances.** The parties will perform such further actions, including execution and delivery of other documents or instruments, as may be necessary or desirable to carry out the purposes of this Agreement.

19. **Complete Agreement.** This Agreement contains the complete agreement of the parties with respect to its subject matter and supersedes any other agreements between the parties as to that subject matter. This Agreement may be amended only by a writing signed by the parties.

20. **Severability.** If any term of this Agreement is held by a court of competent jurisdiction to be unenforceable, the remainder of this Agreement will not be affected and will be enforceable to the fullest extent permitted by law.

21. **Successors and Assigns.** This Agreement is binding on the successors and assigns of the parties.

22. **Notices.** All, invoices, payments and other communications made pursuant to this Agreement ("Notices") shall be in **writing** and delivered to the addresses specified in writing by the respective parties from time to time. All Notices may be sent by facsimile or mutually acceptable electronic means, a nationally recognized courier service, or hand delivered Notice shall be given when received on a business day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a business day or is after 4:00 PM PT on a business day, then such facsimile shall be deemed to have been received on the next following business day. Notice by courier shall be deemed to have been received on the next business day after delivery was confirmed by courier to the sending party.

23. **PG&E Required Text.** For accounts on the PG&E system, Participant (a) authorizes SPURR to act on Participant's behalf to obtain natural gas under PG&E's tariffs for Core Aggregation Service or noncore service, as applicable, (b) understands that Participant remains responsible for payment of PG&E transportation charges, even if Participant authorizes PG&E to send transportation charges to SPURR, (c) understands that the CPUC does not regulate SPURR under Core Aggregation Service, (d) understands that SPURR is not an agent of PG&E and that PG&E is not liable for SPURR's acts or omissions, and (e) authorizes PG&E to provide SPURR with Participant's billing and payment information related to Natural Gas, including information regarding payment plans entered between PG&E and Participant.

**PLEASE VERIFY THE ATTACHED ACCOUNT LIST
INCLUDING ACCOUNT NUMBERS AND COMPLETE
SITE ADDRESSES.**

**TO ADD ADDITIONAL ACCOUNTS, PLEASE FAX
COPIES OF LATEST UTILITY BILLS TO SPURR AT
925-743-1014 OR EMAIL TO
BILLING@SPURR.ORG.**

RENEWAL AGREEMENT for Natural Gas Services

--Account List--

Customer Name: Morgan Hill Unified School District
Customer Number: 24189

Utility Account	AccountName	City	State	Zip
6283574542	Sobrato High School - 401 Burnett Avenue	MORGAN HILL	CA	95037
9041418005	Adult School - 17960 Monterey Rd	MORGAN HILL	CA	95037
3210078081	Britton Middle School - 80 West Central Avenue	MORGAN HILL	CA	95037
1369580005	Burnett Warehouse - Tilton Ave	MORGAN HILL	CA	95037
1411247005	Central High School - 85 Tilton Ave	MORGAN HILL	CA	95037
8198575005	District Office - 15600 Concord Circle	MORGAN HILL	CA	95037
3961534005	El Toro- 455 E. Main	MORGAN HILL	CA	95037
0122153005	Jackson - 2700 Fountain Oaks Drive	MORGAN HILL	CA	95037
3898973005	LOHS - 1505 E. Main	MORGAN HILL	CA	95037
9580994005	Los Paseos - 121 Avenida Grande	SAN JOSE	CA	95139
4565846520	Martin Murphy Middle School - 141 Avenida Espana	SAN JOSE	CA	95139
8034112796	Barrett Elementary School - 895 Barrett Ave	MORGAN HILL	CA	95037
7304725005	Nordstrom - 1425 E. Dunne Ave	MORGAN HILL	CA	95037
4332264005	PA Walsh - 355 W. Main Ave	MORGAN HILL	CA	95037
9744573005	Paradise Valley - 1400 La Cross	MORGAN HILL	CA	95037
4173573254	San Martin/Gwinn - 13745 Llagas Ave	SAN MARTIN	CA	95038
1805999005	San Martin/Gwinn - 13745 Llagas Ave	SAN MARTIN	CA	95046
4212405005	San Martin/Gwinn - 13745 Llagas Ave	SAN MARTIN	CA	95038
6261560235	Morgan Hill Transportation- 105 Edes St	MORGAN HILL	CA	95037

To ADD accounts, please email copies of the latest utility bills to billing@spurr.org