

**RESOLUTION OF THE BOARD OF EDUCATION OF THE BOROUGH
OF METUCHEN IN THE COUNTY OF MIDDLESEX, NEW JERSEY,
AUTHORIZING THE AWARD OF A SOLAR POWER PURCHASE
AGREEMENT TO HESP SOLAR**

Whereas, The Board of Education of the Borough Metuchen in the County of Middlesex, New Jersey (the “School District”), expects to approve/has approved an Energy Savings Improvement Plan in accordance with the requirements of N.J.S.A. 18A:18A-4.6, which anticipates, among others, the use of a solar power purchase agreement as one of its energy conservation measures in order to help maximize energy savings under the plan; and

Whereas, the Board of Education of the School District, in the Fall of 2025, authorized the use of competitive contracting for the selection of a solar power purchase agreement provider, in accordance with N.J.S.A. 18A:18A-4.6 and *Local Finance Notice 2009-10*, dated June 12, 2009; and

Whereas, the successful solar power purchase agreement provider will be required, at its own expense (but subject to the District’s obligation to purchase energy generated from the System as defined below), to engineer, procure, install, interconnect, finance, operate and maintain the solar panels for a term not to exceed 15 years in accordance with N.J.S.A. 18A:18A-42(o), as well as guarantee the cost of electricity from the system during such term pursuant to the solar power purchase agreement (collectively, the “System”); and

Whereas the Board of Education advertised for the receipt of proposals pursuant to a Request for Proposals, and received proposals in accordance with the requirements of N.J.S.A. 18A:18A-4.1 *et seq.* and N.J.A.C. 5:34-4.1 *et seq.*, and

Whereas, the Request for Proposals established criteria for the evaluation of the power purchase agreement provider responses, for the purpose of evaluating each proposal and its ability to meet the School District’s technical, managerial and cost requirements; and

Whereas, the Board of Education actually received proposals from two respondents, Woodhollow Energy (deemed non-responsive to the RFP) and HESP Solar, all in accordance with its advertised Request for Proposals; and

Whereas, the HESP Solar proposal offers to sell electricity to the School District at a base price of \$0.036/kWh, and at a price for alternate number 1 at \$0.029/kWh, respectively (subject to an annual 2 percent escalator, in each case, over the 15 year term), which is considerably lower than the current price of energy for the School District; and

Whereas, the Board of Education now believes it is in the best interest of the School District to award the transaction to HESP Solar (referred to hereinafter as “HESP Solar”), based on its proposal to engineer, procure, interconnect, install, finance, operate and maintain the System and guaranty the cost of electricity produced in accordance with its proposal, applicable law and the power purchase agreement to be executed; and

Whereas, DCO Energy of Mays Landing, New Jersey (“DCO”), previously authorized by this Board of Education as Solar Development Energy Consultant, has recommended this award based on an evaluative report prepared by DCO, which is attached to this Resolution, prepared on behalf of the School District’s Business Administrator/Board Secretary, and the School District; and

Whereas, the DCO evaluative report was made available to the public when it was made available to the Board of Education, which was at least 48 hours prior to the adoption of this Resolution; and

Whereas, the proposed power purchase agreement, which was appended to the RFP and will serve as the basis for this award, has been or is in the process of being reviewed by McManimon, Scotland & Baumann, LLC, the School District’s special counsel (“Special Counsel”), in connection with the School District’s Energy Savings Improvement Program and this power purchase agreement award.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE BOROUGH OF METUCHEN IN THE COUNTY OF MIDDLESEX, NEW JERSEY as follows:

Section 1. The above Recitals are incorporated herein by reference as if set forth.

Section 2. The Board of Education hereby accepts and awards the proposal submitted by HESP Solar, in accordance with the Request for Proposals described herein, and determines to enter into a power purchase agreement with HESP Solar for them to, at their own cost and expense (but subject to the purchase of energy by the District under the power purchase agreement), provide, finance, interconnect, operate and maintain the System, for the agreed upon cost of electricity set forth above to be purchased by the District, and in its proposal.

Section 3. The Board of Education authorizes and directs the Board President and/or the Business Administrator/Board Secretary, as well as any necessary Board personnel and staff, to execute the power purchase agreement on behalf of the School District in substantially the form submitted to this Board of Education, with such changes approved by Special Counsel, and the signature of the authorized School District officials on such power purchase agreement shall be conclusive proof of such approval and execution.

Section 4. The Board of Education ratifies the distribution by DCO, the Business Administrator/Board Secretary and other appropriate School District officials of the attached evaluative report to the general public.

Section 5. This Resolution shall take effect immediately.