

Board Meeting
January 21, 2016

ROLL CALL

INCREASE PROJECT BUDGET AND AMEND PROFESSIONAL AND CONSTRUCTION SERVICES AWARD FOR ENERGY CONSERVATION PROJECT, SCIENCE AND ENGINEERING LABORATORIES COMPLEX, CHICAGO

Action: Increase Project Budget and Amend Professional and Construction Services Award for Energy Conservation Project, Science and Engineering Laboratories Complex

Funding: Institutional Funds Operating Budget, Academic Facilities Maintenance Fund Assessment Fund, and Proceeds from Tax-Exempt and/or Taxable Installment Purchase or Lease Purchase Agreement

In July 2013, the University received Board approval to undertake “energy conservation measures” (ECMs) by engaging energy service companies and to employ AMERESCO, Inc., of Chicago, Illinois, for the professional and construction services required through the completion of the project.

The Science and Engineering Laboratories Complex at Chicago (East Side Energy Performance Contract Phase I) was identified for this program. The Science and Engineering Laboratories Complex is comprised of four teaching and laboratory buildings and a supporting office building. An energy audit was performed on these buildings to identify Energy Conservation Measures to be implemented through energy savings which will fund or repay design and construction costs in accordance with the Public University Energy Conservation Act.

The ECMs, in an amount estimated not to exceed \$65,000,000, will include, but are not limited to, the installation of items such as lighting retrofits, occupancy sensors, water conservation plumbing fixtures, and heat recovery systems. ECMs (also referred to herein as the “project”) may also include upgrading or replacing steam generators, dual duct boxes, motors, fume hoods, building automation systems, and air handling units.

Subsequent to this approval and during walkthroughs and scope/design review meetings, the process of changing the control system in the Engineering Research Facility from pneumatic to electronic has been recommended. The existing pneumatic lines are fouled, leaking, and have moisture in several areas. Some of the lines are beyond repair and are located in areas that are inaccessible. Eliminating the pneumatic actuators and valves and replacing them with electronic actuators and valves is the most logical and cost saving solution to providing the proper temperature environment.

The process of adding fume hood exhaust redundancy has also been recommended after the initial proposal. The proposed fume hood exhaust system had a twenty-five percent stand-by capacity. The new design change will add one additional exhaust fan in order to provide full stand-by capacity and was recommended by the Environmental Health and Safety Office.

These measures must be taken in order to fully realize the benefits from the energy conservation program. In order for the project to proceed, it is necessary to increase the project budget and amend the Professional and Construction Services award.

Accordingly, the Chancellor, University of Illinois at Chicago and Vice President, University of Illinois, with the concurrence of the appropriate administrative officers recommends that the Board approve the increase in project budget for this project to \$65,412,000, an increase of \$412,000.

In order for the project to proceed, it is necessary to amend the professional and construction services agreement. Accordingly, the Chancellor, University of Illinois at Chicago and Vice President, University of Illinois with the concurrence of the appropriate administrative officers recommends that AMERESCO, Inc., of Chicago, Illinois, continue to be employed and their contract be increased by \$1,370,776, for a total contract amount of \$65,062,893 for the professional and construction services required through the completion of this project, and all within the project budget of \$65,412,000.

Funds for this project will be available from the institutional funds operating budget of the Chicago campus, Academic Facilities Maintenance Fund Assessment Fund, and through an installment payment contract to be paid by both guaranteed energy savings and a recurring operating budget allocation set aside for this purpose. Any project planning and construction cost incurred prior to realization of energy savings will be from the institutional funds operating budget with anticipated reimbursement from guaranteed energy savings.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The*

General Rules Concerning University Organization and Procedure, and Board of Trustees policies and directives.

The President of the University concurs.