

Board Meeting  
July 24, 2014

ROLL CALL

EMPLOY PROFESSIONAL SERVICES CONSULTANT, ENERGY  
CONSERVATION PROJECT, COLLEGE OF ENGINEERING BUILDINGS,  
URBANA

**Action:** Employ Professional Services, Energy Conservation Project, College of Engineering Buildings

**Funding:** Institutional Funds Operating Budget

The Public University Energy Conservation Act (110 ILCS 62/1 et seq.) allows the University to undertake “energy conservation measures” (ECMs) by engaging energy service companies. The guaranteed energy savings agreement shall include a written guarantee from the energy service company (ESCO) that either the energy or operational costs savings, or both, will meet or exceed within 20 years the costs of the energy conservation measures. The ESCO shall reimburse the public university for any shortfall of guaranteed energy savings projected in the contract.

The University has identified five College of Engineering buildings as candidates for this program. An investment grade energy audit will be performed on these buildings to identify ECMs as well as design of these ECMs to be implemented in a subsequent Energy Services Agreement that will use energy savings to fund or repay

design and construction costs in accordance with the Public University Energy Conservation Act.

The ECMs (also referred to herein as the “project”) for inclusion in the final project will be evaluated in this energy audit and may 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 may also include upgrading or replacing, steam system components, fume hoods, dual duct boxes, motors, building automation systems, and air handling units.

In order for the project to proceed, it is necessary to employ an ESCO for the required professional services. The selection of the ESCO for this project was in accordance with the requirements and provisions of the Public University Energy Conservation Act.<sup>1</sup>

It is recommended that Energy Systems Group, LLC, (ESG) of Newburgh, Indiana, be employed for the professional services required through the completion of the project. The ESCO’s fee will not exceed \$1.4 million.

Funds for this project will be available from the institutional funds operating budget of the Urbana-Champaign campus. Any project planning incurred

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<sup>1</sup> A selection committee consisting of Chris Rogan (Chairperson, University Office of Capital Programs and Real Estate Services); Greg Larson (College of Engineering Facilities); Mike Marquissee (Budgeting and Resource Planning); David Hardin (Utilities and Energy); Joshua Whitson (Energy Services Administration); interviewed and ranked as most qualified the following firms: Chevron Energy Solutions Company, Oak Brook, IL; Energy Systems Group, LLC, Newburgh, IN; NORESKO, LLC, Des Plaines, IL; and Schneider Electric Buildings Americas, Inc., Homewood, IN. The committee recommends ESG, Newburgh, IN, as best meeting the criteria for the project.

prior to realization of energy savings will be from the institutional funds operating budget with anticipated reimbursement from guaranteed energy savings.

Accordingly, the Chancellor, University of Illinois at Urbana-Champaign, and Vice President, University of Illinois with the concurrence of the appropriate administrative officers recommends that the professional services award for Energy Performance Contracting on the College of Engineering buildings at Urbana-Champaign be approved.

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.