Approved by the Board of Trustees

September 19, 2024

**10**

Board Meeting

September 19, 2024

# ROLL CALL

# APPROVE ENERGY CONSERVATION PROJECT AND PROFESSIONAL AND CONSTRUCTION SERVICES AWARD, UNIVERSITY HALL AND BEHAVIORAL SCIENCES BUILDING, CHICAGO

**Action:** Approve Energy Conservation Project and Professional and Construction Services Award, University Hall and Behavioral Sciences Building

**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 University Hall and Behavioral Sciences Building at the University of Illinois Chicago as candidates for this program. These buildings were constructed in the late 1960s; consist of research, teaching, and office spaces; and have major mechanical systems that have reached the end of their useful lifespan. An energy audit was performed on these buildings to identify energy conservation measures to be implemented through energy and operational savings, which will 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”), in an amount not to

exceed $29,800,000, will include, but are not limited to, the replacement of air handling units, installation of digital building controls systems, upgrading of hot water pumps, and replacement of booster coil valves.

Accordingly, the chancellor, University of Illinois Chicago, and vice president, University of Illinois System, with the concurrence of the appropriate administrative officers, recommends that the energy conservation measures be approved with a budget of $29,800,000.

Additionally, for the project to proceed, it is necessary to employ an ESCO for the required professional and construction services. The selection of the ESCO for this project was in accordance with the requirements and provisions of the Public University Energy Conservation Act. [[1]](#footnote-1)

Accordingly, the chancellor, University of Illinois Chicago, and vice president, University of Illinois System with the concurrence of the appropriate administrative officers recommends that Ameresco of Chicago, IL, be employed for the professional and construction services award for Energy Performance Contracting on University Hall and Behavioral Sciences Building at Chicago be approved. The ESCO’s fees will be approximately $28,600,000. Supporting diverse business enterprises is a critical prerequisite of this contract, and Ameresco has committed itself to meet or exceed diverse business utilization rates of 31 percent for minority business enterprises and 3 percent for veteran-owned business enterprises.

 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.

 Funds for this project will be available from the institutional funds operating budget of the University of Illinois Chicago with an anticipated resulting account that will be reimbursed through guaranteed energy and operational cost savings.

 The president of the University of Illinois System concurs.

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| Table 1: Diverse Business Utilization |
| Awarded Vendor | Prime Contract $ | Diverse Subcontractor Value | Diverse Subcontractor % of Work |
| Ameresco, Chicago, IL | $28,597,124  |   |   |
|   | MBE (AFA) | $200,000 | 1% |
|   | MBE (ASA) | $2,406,020 | 8% |
|   | MBE (HA) | $3,049,192 | 11% |
|   | VOSB | $858,000 | 3% |
|   | WBE | $3,217,243 | 11% |
|   |  | **$9,730,455** | **34%** |

1. A selection committee consisting of Chris Rogan, University Office of Capital Programs and Real Estate Services; Amber Perfetti, UIUC energy engineer; Andrew Barrett, UIC Facilities Management; Andy Mitchel, UIC PSPM; Branko Bogicevic, UIC PSPM; Sandeep Kulkarni, UIC PSPM; and Sharla Roberts, Office of Procurement Diversity, interviewed and ranked as most qualified the following firms: Ameresco, Chicago IL; Noresco, Des Plaines, IL; and Energy Systems Group, Lisle, IL. The committee recommends Ameresco, Chicago, IL, as best meeting the criteria for the project. [↑](#footnote-ref-1)