



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Details (With Text)

**File #:** 16-0169      **Version:** 1

**Type:** Agenda Item      **Status:** Adopted

**File created:** 2/9/2016      **In control:** Procurement Committee

**On agenda:** 2/18/2016      **Final action:** 2/18/2016

**Title:** Issue a purchase order and enter into an agreement with the Public Building Commission of Chicago to implement various Energy Efficiency Projects at the Stickney and Calumet Water Reclamation Plants, in an amount of \$4,250,000.00, Account 401-50000-645680, Requisition 1421030 (As Revised)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
2/18/2016	1	Board of Commissioners	Approved	Pass
2/18/2016	1	Committee of the Whole	Recommended	Pass

### TRANSMITTAL LETTER FOR BOARD MEETING OF FEBRUARY 18, 2016

#### COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue a purchase order and enter into an agreement with the Public Building Commission of Chicago to implement various Energy Efficiency Projects at the Stickney and Calumet Water Reclamation Plants, in an amount of \$4,250,000.00, Account 401-50000-645680, Requisition 1421030 *(As Revised)*

Dear Sir:

On November 15, 2012, the Board of Commissioners authorized the District to enter into an agreement with the Public Building Commission of Chicago (PBC) to conduct an energy audit of all buildings and to participate in the Multi-Agency Guaranteed Energy Performance Contracting Program.

On March 6, 2014, the Board of Commissioners authorized the PBC to conduct an Investment Grade Energy Audit, as part of the Intergovernmental Agreement. Noresco, an Energy Service Company (ESCO), chosen by the District as best qualified for this task, completed the Investment Grade Audit.

In the Investment Grade Energy Audit report, projects identified as beneficial to the District include installing steam blanket insulation in eleven locations at the Calumet WRP, upgrading HVAC controls in the Administration, New Lab, Grit Handling and Pump & Blower, and Trades buildings at the Calumet WRP and upgrading the interior lighting with LED fixtures at the Stickney and Calumet WRPs.

With the input and approval of the District as to terms and conditions, the PBC will enter into a contract directly with Noresco to implement the projects listed above.

It is estimated that the District will save approximately \$272,539.00 annually, resulting in a simple payback of

15.6 years. In addition, the District anticipates receiving Illinois Department of Commerce and Economic Opportunity rebates in the amount of \$314,000.00 for natural gas and \$243,400.00 for electricity.

It is anticipated that this project will be funded through the sale of Qualified Energy Conservation Bonds. These bonds will be almost entirely interest free bonds for the District because the U.S. Department of the Treasury subsidizes close to 100% of the interest cost. The bonds would be sold as part of the District's refunding bond sale scheduled for later this year.

The total cost of these projects is \$4,250,000.00. The estimated 2016 and 2017 expenditures are \$1,480,000.00 and \$2,770,000.00, respectively.

The Affirmative Action Ordinance, Revised Appendix D will be included. The type of work to be performed under the agreement is within the "Mechanical" category for establishing Minority-owned Business Enterprises (MBE), Women-owned Business Enterprises (WBE) and Small Business Enterprises (SBE) utilization goals. The WBE, MBE and SBE utilization goals for this contract are: 20% Minority Business Enterprises (MBE), 10% Women's Business Enterprises (WBE) and 10% Small Business Enterprises (SBE).

It is recommended that the Board of Commissioners authorize the Director of Procurement and Materials Management to issue a purchase order and enter into agreement with PBC to implement energy efficiency projects in an amount not to exceed \$4,250,000.00.

Funds are available in Account 401-50000-645680.

Requested, Manju P. Sharma, Director of Maintenance and Operations, AQ: SO'C:PD:JL  
Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management  
Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement  
Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for February 18, 2016