

February 28, 2007

**APPROVE ENTERING INTO AN AGREEMENT WITH TAC AMERICAS, INC.
TO PROVIDE ENERGY PERFORMANCE CONTRACTING SERVICES AT
125 SOUTH CLARK STREET CHICAGO, ILLINOIS
(REVENUE NEUTRAL)**

~~THE SALES PERFORMANCE OFFICER REQUESTS THE FOLLOWING DECISION:~~

~~Approve entering into an agreement with TAC Americas, Inc. to provide energy performance contracting~~

- Installation of new, efficient chilled water system to replace the existing district chilled water system.

Modification of the existing chilled water distribution system

- Installation of a building automation system to operate the heating, ventilating and air conditioning systems.
- Replace the existing light fixtures with new, efficient fixtures.
- Install a state-of-the-art, effective lighting control system.
- Replace the existing windows.

DELIVERABLES: The Vendor will provide documentation that each ECM in the contract is complete, commissioned and operational; included in this documentation will be the information required to maintain any and all equipment installed as part of the ECM. During the guarantee portion of the agreement, the Vendor will provide annual reconciliation of the actual energy savings relative to the usage prior to the execution of the agreement. The Vendor will provide ongoing measurement and verification of the ECM performance and regular reporting of the results.

OUTCOMES: After the implementation of all ECM, the energy usage of the 125 South Clark Street building will be 60% or less of the level used in fiscal year 2006.

COMPENSATION: Currently the Board includes \$2,150,000.00 in its annual utility budget to pay the utilities

for the 125 South Clark Street building. The compensation to the vendor will be that specific portion of that amount of the fiscal year 2007 budget that is saved by the Vendor's performance of each ECM, also known as the Savings Guarantee (final amount to be set at contract signature, but currently set at \$1,449,100.00). The Board will remain responsible for the remainder of the utility budget, known as Post-Retrofit Energy Usage.

GENERAL CONDITIONS:

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.