

APPROVAL ENTERING INTO AN AGREEMENT WITH ELECTRIC CITY CORP. TO PROVIDE AND INSTALL AN ENERGY SAVER SYSTEM AND SOFTWARE CONTROL SYSTEM

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Electric City Corp. to provide and install base load variable demand side energy management equipment and centralized control software to the Department of Operations at a cost not to exceed \$4,000,000.00. Vendor was selected on a non-competitive basis because this product is fully tested, used by other government entities with large numbers of satellite sites, and is the same energy saving software system installed at Kelly, Portage Park, and Ravizza. To obtain favorable results, it is necessary that all schools utilize the same energy saver system and software control system. No payment shall be made to Vendor prior to the execution of the written

agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below:

Specification No.: 02-250185

VENDOR: Electric City, Corp.

Elk Grove Village, IL 60007

Mike McHugh
(847) 437-1666
Vendor # 33183

USER: Department of Operations
125 South Clark-16th Floor
Chicago, IL 60603
Timothy Martin
(773) 553-3227

TERM: The term of this agreement shall commence on October 1, 2002 and shall end September 30, 2005. This agreement shall have the option to renew for a period of two (2) years.

Install energy saving units and software control systems at 411 schools and at three Central Office sites. Mechanically, the equipment is attached to a central panel switch, controllable by computer, and acts as a modulating valve, controlling the flow of electricity to lighting fixtures. In particular, the software provided allows monitoring of electrical usage at a school at any time.

SCOPE OF SERVICES: Vendor shall furnish and install energy saving units and software control systems at 411 schools and at three Central Office sites. Mechanically, the equipment is attached to a central panel switch, controllable by computer, and acts as a modulating valve, controlling the flow of electricity to lighting fixtures. In particular, the software provided allows monitoring of electrical usage at a school at any time.

REQUIREMENTS: The system will centralize control of the lighting systems with state of the art building automation software and control energy expense.

DELIVERABLES: automation software

The system will allow the Chicago Public Schools to immediately recognize and correct usage patterns and to provide appropriate levels of lighting for security purposes.

OUTCOMES: The system will allow the Chicago Public Schools to immediately recognize and correct usage patterns and to provide appropriate levels of lighting for security purposes.

2% total Asian and 5% total WBE

The vendor has identified and scheduled the following firms and percentages:

Total MBE% - 26%

Total African American - 16%

Dorlan Electric Company

3502 West 95th Street
Evergreen Park, IL 60808
\$620,000 - 8%

certified until 03/31/06

Foster Electric

125 W. 76th Street
Chicago, IL 60600

Chicago, IL 60620

\$420,000 - 18%

certified until 07/31/06

Total Hispanic - 8%

Suarez Electric

4439 W. Montrose Ave.
Chicago, IL 60641

\$320,000 - 8%

certified until 0

Total Asian - 2%

GIM Electric Company

4150 North Milwaukee Ave
Chicago, IL 60641

\$40,000 - 1%

certified until 07/31/06

Comtel Technologies

5705 N. Lincoln Ave.
Chicago, IL 60650

\$40,000 - 1%

certified until 06/30/07

Total WBE% - 5%

USI Power

435 N. Michigan Ave.
Chicago, IL 60011

certified until 07/31/07

\$200,000 - 5%

net of Procurement Services as defined by the firm. The identified firm may
subject to change upon approval from the Procurement and Contract's Division of Compliance and
Vendor Services without further Board approval

The City of Chicago Procurement

FINANCIAL Charge to Operations: \$4,000,000.00

Fiscal Year: PY03

Budget Classification: 0944-454-000-930

Source of Funds: Capital Funds

GENERAL CONDITIONS:

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS

Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel

legally binding on the Board if entered into in violation of the provisions of 103 ILCS 3-34-21.5 which restricts the employment of, or the letting of contracts to, former Board member 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-FX3) as amended

shall be incorporated into and made a part of the agreement.

Contingent Liability – The Board shall not incur any liability in any fiscal year if deemed a contingent liability, subject to appropriate budget(s).

Approved: _____ Approved for Consideration: _____

[Handwritten Signature]
Anita Kocha
Acting Chief Purchasing Officer

[Handwritten Signature]
Arno Duncan
Chief Executive Officer

Within Appropriation: *[Handwritten Mark]*

[Handwritten Signature]
Kenneth C. Götsch
Chief Fiscal Officer

Approved as legal counsel:
[Handwritten Signature]
Marilyn E. Johnson
General Counsel