

**APPROVE ENTERING INTO AN AGREEMENT WITH SIEMENS BUILDING TECHNOLOGIES, INC.
FOR ENERGY MANAGEMENT SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Siemens Building Technologies, Inc. to provide energy management and consulting services to Chicago Public Schools at a cost not to exceed \$1,267,837.70 over the three year period. Consultant was selected on a competitive basis pursuant to a duly advertised Request for Proposal (Specification No. 09-250023). A written agreement for Consultant's services is currently being negotiated. No services shall be provided by Consultant and no payment shall be made to Consultant 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.

VENDOR:

1)
Siemens Building Technologies 1
585 Slawin Ct.
Mt. Prospect, IL 60056
Jeff Carroll
866-866-4775
866-958-1328
Vendor # 14664

USER:

Facility Operations & Maintenance
125 South Clark Street 16th Floor
Chicago, IL 60603
Brian Martin
773-553-3748

TERM:

The term of this agreement shall commence on July 1, 2009 and shall end June 30, 2012. This agreement shall have 2 options to extend for periods of one year each.

EARLY TERMINATION RIGHT:

The Board shall have the right to terminate this agreement with 30 days written notice.

SCOPE OF SERVICES:

Consultant shall render both administrative services and consultative expertise in three core areas: (i) supply and maintain energy management system, (ii) bill validation and retention, and (iii) energy information analysis.

DELIVERABLES:

Consultant will deliver the following services:

- a. Provide and maintain a database for tracking usage and cost by facility, energy reports, and cost saving reports to be accessed by central office as well as the district on a limited level.
- b. Monitor the actual usage of natural gas and electricity at all Chicago Public Schools facilities with the ability to notify the Board of any energy anomalies at sites.
- c. Verify the statistical accuracy of all energy local distribution companies and supplier invoices and represent the Board in investigating and reconciling discrepancies that may arise by the local distribution company or supplier of approximately 2500 accounts.

- d. Audit primary utility data using historic profiles and known billing determinants to validate accuracy of billing.
- e. Electronic encoding and digital scanning of all utility bills (approximately 2500 accounts) to support the record retention requirements of the Board's Accounts Payable Department.
- f. Benchmark facilities via the Energy Star Program Tool and set baseline targets for usage at each of our schools.
- g. Develop load and consumption profiles.

OUTCOMES:

Consultant's services will result in the following:

- a. The ability to monitor usage and cost throughout the district and provide the schools with the tools to monitor usage and identify target usage goals.
- b. Monthly data files documenting natural gas and electric usage by account and by selected electricity meters.
- c. Improved capability to control utility cost by pro-active intervention when abnormal energy usage patterns begins.
- d. Capability to document historic usage and payment history, thereby avoiding cost to the Board resulting from post-dated utility collections claims.
- e. Capability to identify Board accounts which are not included in monthly bills and those accounts included in monthly bills that are not Board accounts, thereby avoiding costly recovery payments which often cover multiple fiscal years.

COMPENSATION:

Consultant shall be paid as follows: upon invoicing, which shall not occur more than once a month, at rates set out in the written agreement; total not to exceed the sum of \$1,267,837.70 over the three year term.

REIMBURSABLE EXPENSES:

None.

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize Chief Administrative Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION:

This contract is in full compliance with the goals required by the Remedial Program for Minority and Women Owned Business Enterprise Participation (M/WBE Program) in Goods and Services Contracts. The M/WBE participation goals for this contract include: 35% total MBE and 5% WBE. The vendor has identified the following firms:

Total MBE: 35%

Quantum Crossings, LLC (H)
111 E. Wacker Dr. #990
Chicago, IL 60601

East Gate Energy, Inc. (AA)
326 Forest Blvd.
Park Forest, IL 60466

Level 1 Global Solutions, LLC (AA)
70 W. Madison, suite 1400
Chicago, IL 60602

Total WBE: 5%

The Haven Group
825 Rose Lane
Matteson, IL 60443

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Charge to Department of Facilities: \$410,184 Fiscal Year: FY10
Source of Funds: Capital Funds

12150-436-54105-25351-011128-2010

\$410,184.00

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.

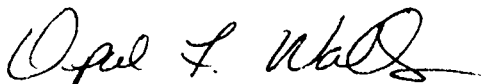
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness - The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Opal L. Walls
Chief Purchasing Officer

Approved:



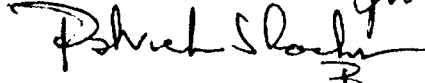
Ron Huberman
Chief Executive Officer

Within Appropriation:



PEDRO MARTINEZ
Chief Financial Officer

Approved as to Legal Form:



PATRICK J. ROCKS
General Counsel