

October 28, 2015

**AUTHORIZE A NEW AGREEMENT WITH EFFICIENCY ENERGY LLC FOR 179D ENERGY CONSULTANT SERVICES****THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize a new agreement with Efficiency Energy LLC to provide 179D energy consultant services to the Department of Facilities at an estimated annual cost set forth in the Compensation Section of this report. Vendor was selected on a competitive basis pursuant to a Request for Proposal (#14-01300) for Energy Policy Act Coordinator Services issued by the Chicago Housing Authority (CHA). Subsequently, Efficiency Energy LLC and the CHA entered into a Professional Services for such services (Contract #11466). The Board desires to purchase these services based upon that Professional Services Agreement pursuant to Board Rule 7-2.4, which authorizes the Board to purchase non-biddable and biddable items through contracts entered into between another governmental entity and its vendor. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by and no payment shall be made to Vendor prior to execution of its written agreement. The authority granted herein shall automatically rescind in the event the agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Ref Contract No. 11466  
Chicago Housing Authority

Contract Administrator : Hernandez, Miss Patricia / 773-553-2280

**VENDOR:**

- 1) Vendor # 16590  
EFFICIENCY ENERGY LLC  
1250 24TH STREET NW  
WASHINGTON, DC 20037  
William Volker  
202 776-7709

Ownership: Enlightened Ventures Llc -  
78.49%, Gordon Yale - 8.8%, Robert Hartnett  
- 4.24%, Rick Juday - 8.47% And Larua  
Christman - 5%

**USER INFORMATION:**

Contact:

11860 - Facility Operations & Maintenance  
42 West Madison Street  
Chicago, IL 60602  
Osland, Mr. Paul G.  
773-553-2960

**TERM:**

The term of this agreement shall commence upon execution and shall end on December 31, 2018. This agreement shall have two (2) options to renew for periods of one (1) year each.

**EARLY TERMINATION RIGHT:**

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

**SCOPE OF SERVICES:**

Vendor will provide consulting services to assist the District to maximize tax benefits available relating to capital and operational improvements to facilities pursuant to federal, state, and local incentives such as the Energy Policy Act of 2005.

**DELIVERABLES:**

Allow the Board to integrate 179D tax deduction revenue to help reduce project cost.

**OUTCOMES:**

Vendor's services will result in assisting the Board in integrating the Federal 179D Tax Deduction into all of the Board's relevant construction projects. In addition, there is an opportunity to work with contractors to revise their tax statements and share in savings for completed projects. Construction designers are motivated to share in the savings with the Board since the building owner must sign a waiver allowing the construction designer to recoup the tax deduction.

**COMPENSATION:**

Vendor will be paid on a multi-tiered contingency basis conditioned upon the successful completion and closing of monetized EPACT or similar tax credits/deductions for the receipt and/or benefit of the Board. The amount of the contingency fee shall not exceed 25% of the actual total monetized benefits. The Board as property owner may allocate the right to receive such tax benefits to underlying vendors who are tax-paying entities (Underlying Vendors). A proportion of those tax benefits received by Underlying Vendors will be paid to or credited to the Board pursuant to transfer agreements between the Board and Underlying Vendors. The transfer agreements may include provisions for reimbursement of expenses incurred to obtain the tax benefits, which expenses would be deducted prior to calculation of the Board's agreed-upon proportionate share.

**REIMBURSABLE EXPENSES:**

*None to Efficiency Energy LLC; transfer agreements may include reimbursement for processing costs including certification, legal and accounting, as set forth above.*

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written agreement and any transfer agreements with Underlying Vendors. Authorize the President and Secretary to execute the agreement. Authorize the Chief Facilities Officer to execute all ancillary documents, including transfer documents with Underlying Vendors, required to administer or effectuate this agreement.

**AFFIRMATIVE ACTION:**

Pursuant to Board Rule 7-2.4, the Board is authorized to purchase these biddable items through federal, state, county city or sister agency contracts. This CHA piggyback original agreement was not subjected to M/WBE goals; therefore, due to the nature of this agreement with no cost to the Board, this contract will be exempt from M/WBE participation.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

No cost to the Board.

**CFDA#:** Not Applicable

**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 May 25, 2011 (11-0525-PO2), 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:



SÉBASTIEN de LONGEAUX  
Chief Procurement Officer

Approved:



FORREST CLAYPOOL  
Chief Executive Officer

Approved as to Legal Form: *garcia*



CHERYL J. COLSTON  
Acting General Counsel