



FINANCE COMMITTEE AGENDA

June 26th, 2017

Honorable John P. Daley
Chairman, Finance Committee of the Cook County Board of Commissioners
And Members of the Finance Committee of the Cook County Board
118 N. Clark Street
Chicago, Illinois 60602

Re: Response to Questions from the Finance Committee Chair

The Department of Capital Planning & Policy within the Bureau of Asset Management respectfully submits this following responses to your questions related to our four (4) items up for consideration at the upcoming Finance Committee meeting on June 28th, 2017: 17-1888, 17-1933, 17-1934, and 17-1935. These items are all related to the County's Guaranteed Energy Performance Contracts (GEPCs).

- 1) Have we realized any tangible energy savings as of yet or do we have a timeline that will demonstrate when we expect to begin realizing significant savings from the infrastructure updates, retrofitting projects and overall modernization efforts the County has implemented?

Two of our four GEPCs (covering CCHHS and DOC/JTDC) have entered the Measurement & Verification (M&V) portions of the contract, with the last two set to be completed by the end of this fiscal year. According to data provided by the Bureau of Administration (BOA), we are already seeing significant decreases in our energy usage in these two portfolios and as soon as funding for the M&V portions of these contracts is approved, the detailed and extensive process related to capturing our annual savings can begin.

Additional insights into the benefits and importance of these energy performance upgrades, and the changes in energy usage we are already seeing at the DOC Campus, can be seen in **Chart 1**, below. This chart shows our kBtu usage in tandem with our Energy Use Intensity (EUI) at DOC. The EUI is a metric currently being tracked by the Performance Management Office; it details our energy usage per gross square foot, representing a preliminary look at the reduction in energy consumption across the DOC campus.

- 2) Can these savings be verified independently?

Yes; the Bureau of Asset Management (BAM) has hired a new Energy Manager, Jamie Meyers, who will cross-check annual reports provided from the GEPC contractors against the detailed parameters set in the contracts and data from ComEd and BOA. Jamie will also serve as an additional check to be sure that staff with the Department of Facilities Management (DFM) have made the necessary corrections or repairs flagged in the quarterly reports received from the GEPC contractors. With these quarterly M&V reports and the necessary GEPC expertise and familiarity with the totality of upgrades completed during construction, the County achieves a more streamlined process to identify and correct deviations that could go unrealized for far longer before corrective action.

TONI PRECKWINKLE

PRESIDENT

Cook County Board
of Commissioners

RICHARD R. BOYKIN
1st District

ROBERT STEELE
2nd District

JERRY BUTLER
3rd District

STANLEY MOORE
4th District

DEBORAH SIMS
5th District

EDWARD M. MOODY
6th District

JESUS G. GARCIA
7th District

LUIS ARROYO, JR
8th District

PETER N. SILVESTRI
9th District

BRIDGET GAINER
10th District

JOHN P. DALEY
11th District

JOHN A. FRITCHEY
12th District

LARRY SUFFREDIN
13th District

GREGG GOSLIN
14th District

TIMOTHY O. SCHNEIDER
15th District

JEFFREY R. TOBOLSKI
16th District

SEAN M. MORRISON
17th District

3) What County facilities have yet to be updated? When will all the infrastructure updates be completed?

The remaining GEPCs in the final phase is Package 2, at our Courthouses and Highway Maintenance Facilities. This project is set to be completed by the end of this fiscal year.

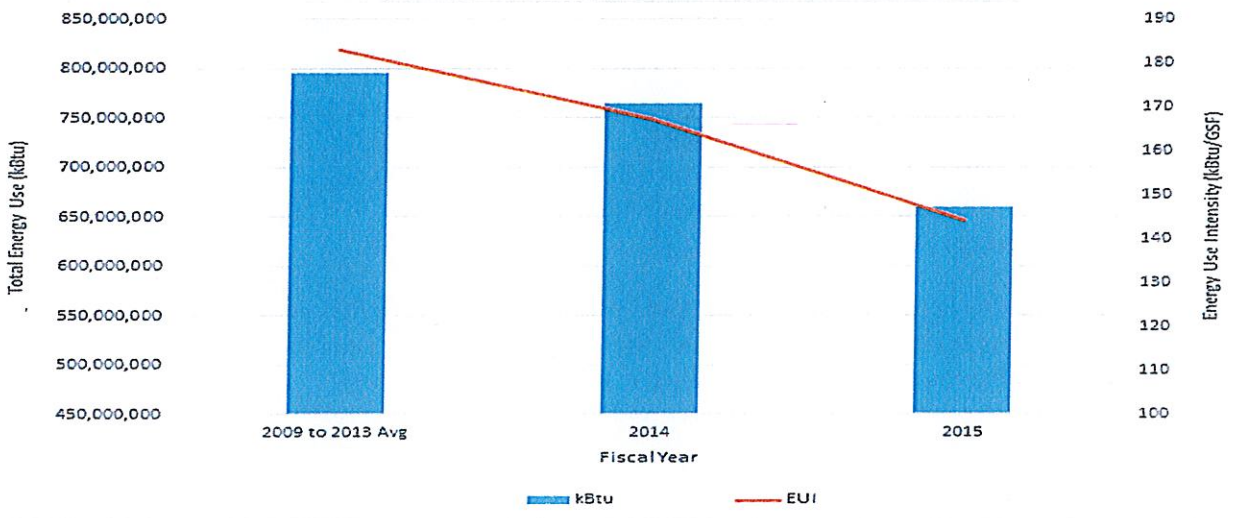
4) Are any of the upgrades being performed by in-house personnel versus contractors?

Design, installation and construction of these energy conservation upgrades were completed by the GEPC contractors. However, throughout the life-cycle of the M&V period, any work flagged as necessary to return systems to within the contracted parameters will be completed by in-house trades within DFM. DFM staff will be integral to the County's adherence to our portion of the contract obligations in order to maximize savings achieved through this extensive GEPC programming.

5) Is it possible for the County to utilize in-house personnel for measurement and verification purposes rather than outside contractors?

It is industry standard to utilize the GEPC contractor that performed the construction installation to complete the M&V services because this is the most cost effective approach to provide quality control of project savings. In order to achieve this in-house, the County would have to hire multiple additional staff with the requisite expertise to conduct the equipment calibrations and evaluations of all the upgrades covered with these GEPCs. As such, it is in the financial best-interest of the County to utilize the engineers provided to us through these GEPCs as opposed to taking on more FTEs. What is an additional benefit, however, is that DFM trades are incorporated into the M&V process, and in that they will be with the contracted engineers as they conduct their work so that our trades may perform immediate corrective action to ensure we stay on track to realize maximum energy savings. Having this collaborative County and GEPC measurement and verification process in place provides a checks and balance to insure savings.

Chart 1: Energy Use Intensity at the DOC Campus



If you have any additional questions or concerns, please do not hesitate to contact me at 312-603-0331 or Earl.Manning@cookcountyil.gov.

Sincerely,


Earl Manning
Director, Department of Capital Planning & Policy

cc: Anthony Scalise, Chief of Staff to the Finance Committee Chairman
Erik Varela, Special Assistant – Legislative and Governmental Affairs (President's Office)
Molly Lavaja, Legislative Coordinator (President's Office)
Ann P. Kalayil, Bureau Chief, Bureau of Asset Management