



Rep. Brandon W. Phelps

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LRB097 10230 PJG 50916 a

1 AMENDMENT TO HOUSE BILL 1504

2 AMENDMENT NO. _____. Amend House Bill 1504 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Procurement Code is amended by
5 changing Sections 20-5 and 25-45 and by adding the heading of
6 Article 32 and Sections 32-3, 32-4, 32-5, 32-10, 32-15, 32-20,
7 and 32-25 as follows:

8 (30 ILCS 500/20-5)

9 Sec. 20-5. Method of source selection. Unless otherwise
10 authorized by law, all State contracts shall be awarded by
11 competitive sealed bidding, in accordance with Section 20-10,
12 except as provided in Sections 20-15, 20-20, 20-25, 20-30,
13 20-32, 20-35, 30-15, and 40-20.

14 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

15 (30 ILCS 500/25-45)

1 Sec. 25-45. Energy conservation program. State purchasing
2 officers may enter into energy conservation program contracts
3 that provide for utility cost savings. The chief procurement
4 officer shall promulgate and adopt rules in accordance with
5 Article 32 of this Act for the implementation of this Section.

6 For the purposes of promoting energy conservation and
7 carbon reduction in State owned facilities, the State
8 purchasing officer of the Illinois Department of Corrections
9 (IDOC) shall work in conjunction with the State purchasing
10 officer of the Capital Development Board (CDB) to follow the
11 procedure prescribed in Article 32 of this Act for the
12 procurement of guaranteed energy saving contracts. After
13 evaluating proposals, IDOC shall enter into a contract with the
14 qualified provider to reduce energy usage and carbon footprints
15 of the correctional facilities administered by IDOC. If, in the
16 judgment of IDOC and CDB, it is in the State's best interest to
17 award contracts to more than one qualified provider, they may
18 do so. The State shall award any contracts under this paragraph
19 by March 1, 2012. This paragraph is no longer operative after
20 January 1, 2013.

21 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

22 (30 ILCS 500/Art. 32 heading new)

23 ARTICLE 32. ENERGY CONSERVATION MEASURES

24 (30 ILCS 500/32-3 new)

1 Sec. 32-3. Applicable laws. Other State laws and related
2 administrative requirements apply to this Article, including,
3 but not limited to, the following laws and related
4 administrative requirements: the Illinois Human Rights Act,
5 the Prevailing Wage Act, the Public Construction Bond Act, the
6 Public Works Preference Act, the Employment of Illinois Workers
7 on Public Works Act, the Freedom of Information Act, the Open
8 Meetings Act, the Illinois Architecture Practice Act of 1989,
9 the Professional Engineering Practice Act of 1989, the
10 Structural Engineering Practice Act of 1989, and the Contractor
11 Unified License and Permit Bond Act.

12 (30 ILCS 500/32-4 new)

13 Sec. 32-4. Applicability. In order to protect the integrity
14 of historic buildings, no provision of this Article shall be
15 interpreted to require the implementation of energy
16 conservation measures that conflict with respect to any
17 property eligible for, nominated to, or entered on the National
18 Register of Historic Places, pursuant to the National Historic
19 Preservation Act of 1966, or the Illinois Register of Historic
20 Places, pursuant to the Illinois Historic Preservation Act.

21 (30 ILCS 500/32-5 new)

22 Sec. 32-5. Definitions. As used in this Article, unless the
23 context clearly requires otherwise:

24 "Energy conservation measure" means any improvement,

1 repair, alteration, or betterment of any building or facility
2 owned or operated by the State or any equipment, fixture, or
3 furnishing to be added to or used in any such building or
4 facility, subject to all applicable building codes, that is
5 designed to reduce energy consumption or operating costs, and
6 may include, without limitation, one or more of the following:

7 (1) Insulation of the building structure or systems
8 within the building.

9 (2) Storm windows or doors, caulking or
10 weatherstripping, multiglazed windows or doors, heat
11 absorbing or heat reflective glazed and coated window or
12 door systems, additional glazing, reductions in glass
13 area, or other window and door system modifications that
14 reduce energy consumption.

15 (3) Automated or computerized energy control systems.

16 (4) Heating, ventilating, or air conditioning system
17 modifications or replacements.

18 (5) Replacement or modification of lighting fixtures
19 to increase the energy efficiency of the lighting system
20 without increasing the overall illumination of a facility,
21 unless an increase in illumination is necessary to conform
22 to the applicable State or local building code for the
23 lighting system after the proposed modifications are made.

24 (6) Energy recovery systems.

25 (7) Energy conservation measures that provide
26 long-term operating cost reductions.

1 "Guaranteed energy savings contract" means a contract for:
2 (i) the implementation of an energy audit, data collection, and
3 other related analyses preliminary to the undertaking of energy
4 conservation measures; (ii) the evaluation and recommendation
5 of energy conservation measures; (iii) the implementation of
6 one or more energy conservation measures; and (iv) the
7 implementation of project monitoring and data collection to
8 verify post-installation energy consumption and energy-related
9 operating costs. The contract shall provide that all payments,
10 except obligations on termination of the contract before its
11 expiration, are to be made over time and that the savings are
12 guaranteed to the extent necessary to pay the costs of the
13 energy conservation measures. Energy savings may include
14 energy reduction and offsetting sources of renewable energy
15 funds including renewable energy credits and carbon credits.

16 "Qualified provider" means a person or business whose
17 employees are experienced and trained in the design,
18 implementation, or installation of energy conservation
19 measures. The minimum training required for any person or
20 employee under this paragraph shall be the satisfactory
21 completion of at least 40 hours of course instruction dealing
22 with energy conservation measures. A qualified provider to whom
23 the contract is awarded shall give a sufficient bond to the
24 State agency for its faithful performance.

25 "Request for proposals" means a competitive selection
26 achieved by negotiated procurement. The request for proposals

1 shall be announced through public notice, at least 14 days
2 before the request date, in the Illinois Procurement Bulletin,
3 from the State purchasing officer that will administer the
4 program, requesting innovative solutions and proposals for
5 energy conservation measures. Proposals submitted shall be
6 sealed. The request for proposals shall include all of the
7 following:

8 (1) The name and address of the State agency.

9 (2) The name, address, title, and phone number of the
10 State purchasing officer.

11 (3) Notice indicating that the State agency is
12 requesting qualified providers to propose energy
13 conservation measures through a guaranteed energy savings
14 contract.

15 (4) The date, time, and place where proposals must be
16 received.

17 (5) The evaluation criteria for assessing the
18 proposals.

19 (6) Any other stipulations and clarifications the
20 State agency may require.

21 (30 ILCS 500/32-10 new)

22 Sec. 32-10. Evaluation of proposal. Before entering into a
23 guaranteed energy savings contract under Section 32-15, a State
24 purchasing officer shall submit a request for proposals. The
25 State purchasing officer shall evaluate any sealed proposal

1 from a qualified provider. The evaluation shall analyze the
2 estimates of all costs of installations, modifications, or
3 remodeling, including, without limitation, costs of a
4 pre-installation energy audit or analysis, design,
5 engineering, installation, maintenance, repairs, debt service,
6 conversions to a different energy or fuel source, or
7 post-installation project monitoring, data collection, and
8 reporting. The evaluation shall include a detailed analysis of
9 whether either the energy consumed or the operating costs, or
10 both, will be reduced. If technical assistance is not available
11 by a licensed architect or registered professional engineer on
12 the State agency's staff, then the evaluation of the proposal
13 shall be done by a registered professional engineer or
14 architect who is retained by the State agency. Any licensed
15 architect or registered professional engineer evaluating a
16 proposal under this Section may not have any financial or
17 contractual relationship with a qualified provider or other
18 source that would constitute a conflict of interest. The State
19 agency may pay a reasonable fee for evaluation of the proposal
20 or include the fee as part of the payments made under Section
21 32-20.

22 (30 ILCS 500/32-15 new)

23 Sec. 32-15. Award of guaranteed energy savings contract.
24 Sealed proposals must be opened by the State purchasing officer
25 at a public opening at which the contents of the proposals must

1 be announced. Each person or entity submitting a sealed
2 proposal must receive at least 10 days notice of the time and
3 place of the opening. The State purchasing officer shall select
4 the qualified provider that best meets the needs of the State
5 agency. The State agency shall provide public notice of (i) the
6 meeting at which it proposes to award a guaranteed energy
7 savings contract, (ii) the names of the parties to the proposed
8 contract, and (iii) the purpose of the contract. The public
9 notice shall be made at least 10 days prior to the meeting.
10 After evaluating the proposals under Section 32-10, the Capital
11 Development Board may enter into a guaranteed energy savings
12 contract with a qualified provider if it finds that the amount
13 the State agency would spend on the energy conservation
14 measures recommended in the proposal would not exceed the
15 amount to be saved in either energy or operational costs, or
16 both, within a 20-year period from the date of installation, if
17 the recommendations in the proposal are followed.

18 (30 ILCS 500/32-20 new)

19 Sec. 32-20. Guarantee. The guaranteed energy savings
20 contract shall include a written guarantee of the qualified
21 provider that either the energy or operational cost savings, or
22 both, will meet or exceed within 20 years the costs of the
23 energy conservation measures. The qualified provider shall
24 reimburse the State agency for any shortfall of guaranteed
25 energy savings projected in the contract. A qualified provider

1 shall provide a sufficient bond to the State agency for the
2 installation and the faithful performance of all the measures
3 included in the contract. The guaranteed energy savings
4 contract may provide for payments over a period of time, not to
5 exceed 20 years from the date of the final installation of the
6 measures.

7 (30 ILCS 500/32-25 new)

8 Sec. 32-25. Operational and energy cost savings. The State
9 agency shall document the operational and energy cost savings
10 specified in the guaranteed energy savings contract and shall
11 designate and appropriate that amount for an annual payment of
12 the contract. If the annual energy savings are less than
13 projected under the guaranteed energy savings contract, the
14 qualified provider shall pay the difference as provided in
15 Section 32-20.

16 Section 99. Effective date. This Act takes effect upon
17 becoming law."