

AN ACT concerning local government.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Local Government Energy Conservation Act is amended by changing Sections 5, 20, and 25 as follows:

(50 ILCS 515/5)

Sec. 5. Definitions. As used in this Act, unless the context clearly requires otherwise:

"Energy conservation measure" means any improvement, repair, alteration, or betterment of any building or facility owned or operated by a unit of local government or any equipment, fixture, or furnishing to be added to or used in any such building or facility, subject to all applicable building codes, that is designed to reduce energy consumption or operating costs, and may include, without limitation, one or more of the following:

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

(2) Storm windows or doors, caulking or weatherstripping, multiglazed windows or doors, heat absorbing or heat reflective glazed and coated window or door systems, additional glazing, reductions in glass area, or other window and door system modifications that

reduce energy consumption.

(3) Automated or computerized energy control systems.

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

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

(6) Energy recovery systems.

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

"Guaranteed energy savings contract" means a contract for: (i) the implementation of an energy audit, data collection, and other related analyses preliminary to the undertaking of energy conservation measures; (ii) the evaluation and recommendation of energy conservation measures; (iii) the implementation of one or more energy conservation measures; and (iv) the implementation of project monitoring and data collection to verify post-installation energy consumption and energy-related operating costs. The contract shall provide that all payments, except obligations on termination of the contract before its expiration, are to be made over time and that the savings are guaranteed to the extent necessary to pay the costs of the energy conservation measures. Energy savings may include

energy reduction and offsetting sources of renewable energy funds including renewable energy credits and carbon credits.

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

"Request for proposals" means a competitive selection achieved by negotiated procurement. The request for proposals shall be announced through at least one public notice, at least 14 days before the request date in a newspaper published in the territory comprising the unit of local government or, if no newspaper is published in that territory, in a newspaper of general circulation in the area of the unit of local government, from a unit of local government that will administer the program, requesting innovative solutions and proposals for energy conservation measures. Proposals submitted shall be sealed. The request for proposals shall include all of the following:

(1) The name and address of the unit of local government.

(2) The name, address, title, and phone number of a

contact person.

(3) Notice indicating that the unit of local government is requesting qualified providers to propose energy conservation measures through a guaranteed energy savings contract.

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

(5) The evaluation criteria for assessing the proposals.

(6) Any other stipulations and clarifications the unit of local government may require.

"Unit of local government" means a county, township, municipality, or park district.

(Source: P.A. 94-1062, eff. 7-31-06.)

(50 ILCS 515/20)

Sec. 20. Guarantee. The guaranteed energy savings contract shall include a written guarantee of the qualified provider that either the energy or operational cost savings, or both, will meet or exceed within 20 ~~10~~ years the costs of the energy conservation measures. The qualified provider shall reimburse the unit of local government for any shortfall of guaranteed energy savings projected in the contract. A qualified provider shall provide a sufficient bond to the unit of local government for the installation and the faithful performance of all the measures included in the contract. The guaranteed energy

savings contract may provide for payments over a period of time, not to exceed 20 ~~10~~ years from the date of the final installation of the measures.

(Source: P.A. 88-173; 88-615, eff. 9-9-94.)

(50 ILCS 515/25)

Sec. 25. Installment payment contract; lease purchase agreement; ~~or other agreement~~. A unit of local government, or units of local government in combination, may enter into an installment payment contract or ~~7~~ lease purchase agreement ~~, or other agreement~~ with a qualified provider or with a third party, as authorized by law, for the funding or financing of the purchase and installation of energy conservation measures by a qualified provider. Every unit of local government may issue certificates evidencing the indebtedness incurred pursuant to the contracts or agreements. Any such contract or agreement shall be valid whether or not an appropriation with respect thereto is first included in any annual or supplemental budget adopted by the unit of local government. Each contract or agreement entered into by a unit of local government pursuant to this Section shall be authorized by official action of the unit of local government's governing body. The authority granted under this Section is in addition to any other authority granted by law.

If an energy audit is performed by an energy services contractor for a unit of local government within the 3 years

immediately preceding the solicitation, then the unit of local government must publish as a reference document in the solicitation for energy conservation measures the following:

(1) an executive summary of the energy audit provided that the unit of local government may exclude any proprietary or trademarked information or practices; or

(2) the energy audit provided that the unit of local government may redact any proprietary or trademarked information or practices.

A unit of local government may not withhold the disclosure of information related to (i) the unit of local government's consumption of energy, (ii) the physical condition of the unit of local government's facilities, and (iii) any limitations prescribed by the unit of local government.

The solicitation must include a written disclosure that identifies any energy services contractor that participated in the preparation of the specifications issued by the unit of local government. If no energy services contractor participated in the preparation of the specifications issued by the unit of local government, then the solicitation must include a written disclosure that no energy services contractor participated in the preparation of the specifications for the unit of local government. The written disclosure shall be published in the Capital Development Board Procurement Bulletin with the Request for Proposal.

(Source: P.A. 95-612, eff. 9-11-07.)

Section 10. The School Code is amended by changing Sections 19b-1.2, 19b-1.4, 19b-3, and 19b-5 as follows:

(105 ILCS 5/19b-1.2) (from Ch. 122, par. 19b-1.2)

Sec. 19b-1.2. Guaranteed energy savings contract. "Guaranteed energy savings contract" means a contract for: (i) the implementation of an energy audit, data collection, and other related analyses preliminary to the undertaking of energy conservation measures; (ii) the evaluation and recommendation of energy conservation measures; (iii) the implementation of one or more energy conservation measures; and (iv) the implementation of project monitoring and data collection to verify post-installation energy consumption and energy-related operating costs. The contract shall provide that all payments, except obligations on termination of the contract before its expiration, are to be made over time and that the savings are guaranteed to the extent necessary to pay the costs of the energy conservation measures. Energy saving may include energy reduction and offsetting sources of renewable energy funds including renewable energy credits and carbon credits.

(Source: P.A. 87-1106.)

(105 ILCS 5/19b-1.4) (from Ch. 122, par. 19b-1.4)

Sec. 19b-1.4. Request for proposals. "Request for proposals" means a competitive selection achieved by

negotiated procurement. The request for proposals shall be submitted to the administrators of the Capital Development Board Procurement Bulletin ~~announced in the Illinois Procurement Bulletin~~ for publication and through at least one public notice, at least 30 ~~14~~ days before the request date in a newspaper published in the district or vocational center area, or if no newspaper is published in the district or vocational center area, in a newspaper of general circulation in the area of the district or vocational center, from a school district or area vocational center that will administer the program, requesting innovative solutions and proposals for energy conservation measures. Proposals submitted shall be sealed. The request for proposals shall include all of the following:

(1) The name and address of the school district or area vocation center.

(2) The name, address, title, and phone number of a contact person.

(3) Notice indicating that the school district or area vocational center is requesting qualified providers to propose energy conservation measures through a guaranteed energy savings contract.

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

(5) The evaluation criteria for assessing the proposals.

(6) Any other stipulations and clarifications the

school district or area vocational center may require.

(Source: P.A. 95-612, eff. 9-11-07.)

(105 ILCS 5/19b-3) (from Ch. 122, par. 19b-3)

Sec. 19b-3. Award of guaranteed energy savings contract. Sealed proposals must be opened by a member or employee of the school board or governing board of the area vocational center, whichever is applicable, at a public opening at which the contents of the proposals must be announced. Each person or entity submitting a sealed proposal must receive at least 13 days notice of the time and place of the opening. The school district or area vocational center shall select the qualified provider that best meets the needs of the district or area vocational center. The school district or area vocational center shall provide public notice of the meeting at which it proposes to award a guaranteed energy savings contract of the names of the parties to the proposed contract and of the purpose of the contract. The public notice shall be made at least 10 days prior to the meeting. After evaluating the proposals under Section 19b-2, a school district or area vocational center may enter into a guaranteed energy savings contract with a qualified provider if it finds that the amount it would spend on the energy conservation measures recommended in the proposal would not exceed the amount to be saved in either energy or operational costs, or both, within a 20-year period from the date of installation, if the recommendations in

the proposal are followed. Contracts let or awarded must be submitted to the administrators of the Capital Development Board Procurement Bulletin for publication ~~published in the next available subsequent Illinois Procurement Bulletin.~~

(Source: P.A. 95-612, eff. 9-11-07.)

(105 ILCS 5/19b-5) (from Ch. 122, par. 19b-5)

Sec. 19b-5. Installment payment contract; lease purchase agreement. A school district or school districts in combination or an area vocational center may enter into an installment payment contract or lease purchase agreement with a qualified provider or with a third-party ~~lender~~, as authorized by law, for the funding or financing of the purchase and installation of energy conservation measures by a qualified provider. Every school district or area vocational center may issue certificates evidencing the indebtedness incurred pursuant to the contracts or agreements. Any such contract or agreement shall be valid whether or not an appropriation with respect thereto is first included in any annual or supplemental budget adopted by the school district or area vocational center. Each contract or agreement entered into by a school district or area vocational center pursuant to this Section shall be authorized by official action ~~resolution~~ of the school board or governing board of the area vocational center, whichever is applicable. The authority granted in this Section is in addition to any other authority granted by law.

If an energy audit is performed by an energy services contractor for a school district within the 3 years immediately preceding the solicitation, then the school district must publish as a reference document in the solicitation for energy conservation measures the following:

(1) an executive summary of the energy audit provided that the school district may exclude any proprietary or trademarked information or practices; or

(2) the energy audit provided that the school district may redact any proprietary or trademarked information or practices.

A school district may not withhold the disclosure of information related to (i) the school district's consumption of energy, (ii) the physical condition of the school district's facilities, and (iii) any limitations prescribed by the school district.

The solicitation must include a written disclosure that identifies any energy services contractor that participated in the preparation of the specifications issued by the school district. If no energy services contractor participated in the preparation of the specifications issued by the school district, then the solicitation must include a written disclosure that no energy services contractor participated in the preparation of the specifications for the school district. The written disclosure shall be published in the Capital Development Board Procurement Bulletin with the Request for

Proposal.

(Source: P.A. 95-612, eff. 9-11-07.)

Section 15. The Public University Energy Conservation Act is amended by changing Sections 5-15 and 25 as follows:

(110 ILCS 62/5-15)

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

(Source: P.A. 90-486, eff. 8-17-97.)

(110 ILCS 62/25)

Sec. 25. Installment payment contract; lease purchase agreement. A public university or 2 or more public universities in combination may enter into an installment payment contract or lease purchase agreement with a qualified provider or with a third-party ~~lender~~, as authorized by law, for the funding or financing of the purchase and installation of energy conservation measures by a qualified provider. Each public university may issue certificates evidencing the indebtedness incurred pursuant to the contracts or agreements. Any such contract or agreement shall be valid whether or not an appropriation with respect thereto is first included in any annual or additional or supplemental budget proposal, request, or recommendation submitted by or made with respect to a public university under Section 8 of the Board of Higher Education Act or as otherwise provided by law. Each contract or agreement entered into by a public university pursuant to this Section shall be authorized by official action ~~resolution~~ of the board of trustees of that university. The authority granted in this Section is in addition to any other authority granted by law.

(Source: P.A. 95-612, eff. 9-11-07.)

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