October 8, 2007

To the Public Works Committee

Subject: Common Council File Number 070855 Guaranteed Energy Savings Performance Contract

Dear Honorable Members:

The Common Council authorized the Department of Public Works to issue a Request for Proposals for a Guaranteed Energy Savings Performance Contract to implement energy reduction and other cost savings improvements at the Milwaukee Safety Academy, and on part of the City's traffic signal system under Common Council File Number 060153. Proposals were received from Johnson Controls, Inc. and Honeywell International in response to the RFP. A Committee appointed by the President of the Common Council pursuant to File Number 060153 completed review of the proposals, and has recommended selection of the proposal submitted by Johnson Controls, Inc. Please contact us if you wish to review either of the two proposals, and we will provide a copy of these documents to you.

Energy conservation and facilities improvements anticipated to be included in the performance contract include building control and equipment upgrades at the Milwaukee Safety Academy building, and for the upgrade of traffic signals to replace existing incandescent lamps in signal indications with brighter and more energy efficient light emitting diode signal indications.

Passage of this Resolution will approve the selection of Johnson Controls, Inc. to proceed to develop a performance contract consistent with the requirements of Section 66.0133 of Wisconsin State Statutes. It will also authorize them to conduct an energy audit of building systems and equipment at the Milwaukee Safety Academy building, and of portions of the City's signal system, and determine a proposed scope of work, contract guarantees, and financial terms for an energy savings performance contract.

Public Works Committee October 8, 2007 Page 2

Upon satisfactory completion of the energy audit and agreement as to scope, guarantees and financial terms, an energy savings performance contract will be negotiated, which will require subsequent approval to award by the Common Council of the City of Milwaukee.

Very truly yours,

Jeffrey S. Polenske City Engineer

Jeffrey J. Mantes Commissioner of Public Works

RWB:lja Attachments c. Mr. Venu Gupta, Buildings and Fleet Mr. Len Moye, Buildings and Fleet Ms. Linda Burke, City Attorney's Office

RESOLUTIONS/RESOLUTIONS2007/ENERGY PERFORMANCE CONTRACT LETTER (10-05-07)