

105 ILCS 5/Art. 19b

The Illinois Legislature gave Illinois schools a procurement tool to combine multiple, comprehensive infrastructure improvements into one turn-key, design-build project

This tool will:

- Reduce Utility Costs
- Reduce Operational Costs
- Modernize Infrastructure
- Improve the Learning Environment
- Provide School Districts with an alternative method to get things done

Since inception, millions of dollars in renovations have taken place in Illinois Cities, Counties, School Districts, and Universities using this legislative tool.

Building Condition Assessment

MECHANICAL

- Heating Systems
- Ventilation Systems
- Air Conditioning
- Plumbing/Drainage
- Building Controls
- Fire Prevention

ARCHITECTURAL/ STRUCTURAL

- Health Life Safety
- Roofing, Windows, Ext. Doors
- Foundation & Exterior Walls
- Flooring & Ceilings
- Interior Walls/Doors/Millwork
- Painting & Window Coverings
- Accessories & Equipment

ELECTRICAL

- Power & Distribution
- Interior Lighting
- Exterior Lighting
- Emergency Power
- Fire Alarm System
- Communication / IT systems
- Security Systems
- Clock Systems

PROPERTY / SITE

- Roadways / Driveways
- Paving & Walkways
- Retaining Walls
- Landscaping
- Fencing
- Underground Utilities

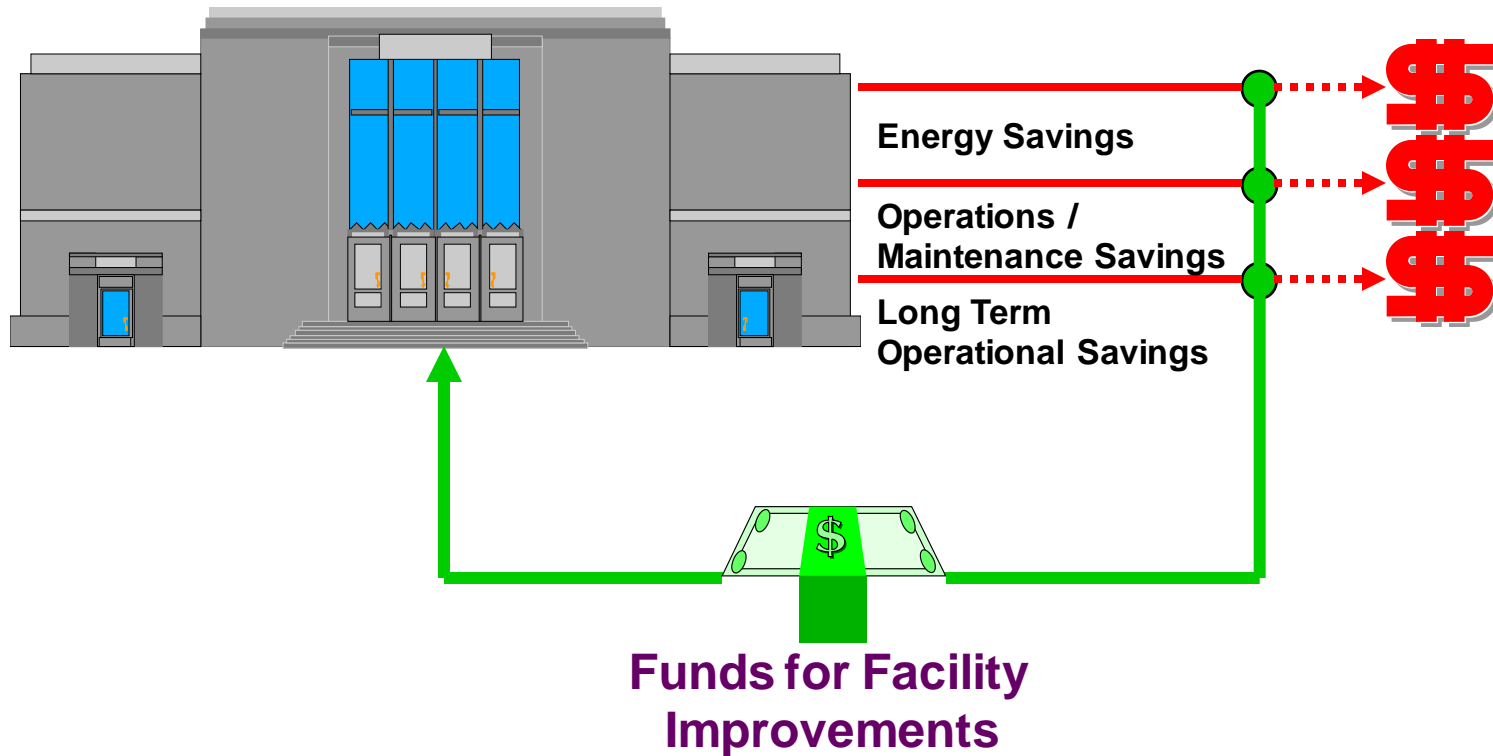


RENEWABLE OPPORTUNITIES

- Solar Panels
- Wind Turbine Generators
- Geothermal Installations

Existing Funds Pay for Improvements

Aging Infrastructure



Approach

Spec Bid Approach

Dollars spent before cost, scope and funding are finalized

Overall project cost is not known until project is completed

Who is Accountable for the success of the project

What if there is a change order after you sell bonds?

Concerns about Speed and flexibility of the project

It is difficult to ensure competent and /or local contractors in a low bid situation

Sends message to the community that you are spending taxpayer dollars

What professionals do you hire and when?

Many bids and many contracts

Specification based

Energy Services Performance Contracting Approach

No Dollars spent until all details of the project are known

Guaranteed project investment is known before proceeding with agreement

Accountable for all aspects of the project

No Change Orders

Complete flexibility to change course midstream and on time completion guaranteed

Responsible for securing competent contractors and local worker participation

This process sends message to the community that you are saving taxpayer dollars

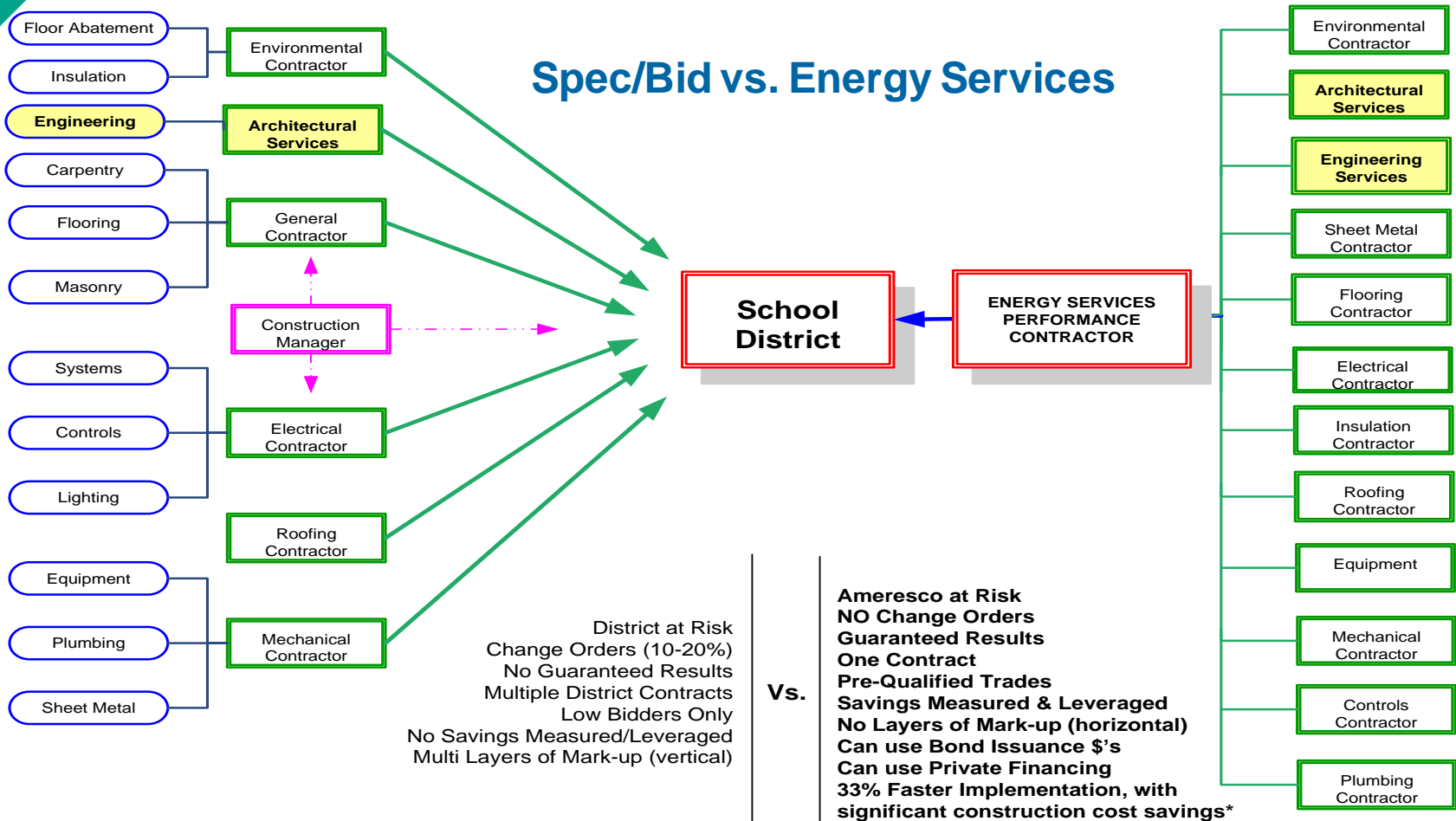
Turn Key process

Compressed time frame with one contract

Solution based

Performance Contracting

Spec/Bid vs. Energy Services



District at Risk
 Change Orders (10-20%)
 No Guaranteed Results
 Multiple District Contracts
 Low Bidders Only
 No Savings Measured/Leveraged
 Multi Layers of Mark-up (vertical)

Vs.

Ameresco at Risk
NO Change Orders
Guaranteed Results
One Contract
Pre-Qualified Trades
Savings Measured & Leveraged
No Layers of Mark-up (horizontal)
Can use Bond Issuance \$'s
Can use Private Financing
33% Faster Implementation, with significant construction cost savings*

* 1997 Construction Industry Institute study, in conjunction with Penn State University, 351 projects studied in 37 states

The Process

- Memorandum of Understanding
- Establish Timeline
- Identify Technical and Financial Requirements
- Verification Meeting - Consensus and Project Alignment
- Request for Proposal
- Competitive Selection Process
- Determine Specific Scope
- Contract
- Project Implementation