(02/08/24) ORDINANCE NO. 2024-4366

ORDINANCE AUTHORIZING THE EXECUTION OF A LETTER OF INTENT WITH VEREGY

WHEREAS, the Corporate Authorities of the Village of Barrington, Cook and Lake Counties, Illinois (the "Village") have determined that it is in the best interest of its residents that the Village approve and authorize the execution of a Letter of Intent and Approval to Proceed with Investment Grade Audit (the "IGA") by Veregy; and

WHEREAS, the Village of Barrington ("the Village") wishes to contract with Veregy of Oakbrook Terrace, Illinois for the implementation of a performance contracting program ("Program") designed to improve and rehabilitate the infrastructure, as well as improve efficiencies at the Village's Wastewater Treatment Plant; and

WHEREAS, the Village has selected Veregy through a Request for Qualifications for Performance Contracting Services for a Wastewater Treatment Plant Rehabilitation Project that was released on November 13, 2023; and

WHEREAS, the Program will focus on projects at the Wastewater Treatment Plant and operational efficiencies assessed through an Investment Grade Audit ("Audit"), which will evaluate the below list of energy conservation measures (ECMs), which list may be modified further during the Audit:

ECM ID	ECM NAME	ECM ID	ECM NAME
1	Rehabilitate older sewer manholes	12	Replace digester blowers
2	Upgrade screening machine	13	Rehabilitate digesters
3	Replace influent pumps, valves, & VFDs	14	Re-build belt filter press
4	Retro-Commission (RCx) grit tank air pipe	15	Upgrade switchgear & MCCs
5	Replace grit classifier	16	Replace emergency generator
6	Rehabilitate primary and secondary clarifiers	17	Upgrade SCADA at WWTP
7	Replace aeration basin blowers	18	Install drains at secondary clarifiers
8	Rehabilitate aeration basins	19	Upgrade SCADA at RTUs
9	Filtration Improvements	20	Chlorine room improvements
10	Install UV system before chlorine contact tank	21	Install solar PV at the Plant
11	Replace plant water booster pumps	22	General clean-up and painting

; and

WHEREAS, Veregy will provide the following services ("Services") during the course of the Audit:

(1) Develop a statement of qualifications (SOQ) package for engineering services, as required by the State Revolving Fund (SRF);
(2) Procure engineering services through an SOQ process. Engineer will develop 30% design drawings and specifications for project bidding;

(3) Develop bidding packages for equipment procurement and installations. The general work scope is shown on the ECM list;
(4) Project bidding that complies with SRF bidding requirements;
(5) Assist the Village with procuring financing;
(6) Provide an agreement to implement ECMs shown on the above list, or as it may be modified
; and

WHEREAS, the Village also will have the opportunity to prioritize the measures to be implemented; and

WHEREAS, the Village and Veregy will cooperate to finalize the technical, legal, and financial components of the Program, and the Village intends to pursue financing for the Program through the Illinois EPA; and

WHEREAS, Veregy will use the results of the Audit as the basis for a draft Performance Contracting Agreement ("Agreement"); and

WHEREAS, the costs for developing the IGA will be $182,324, which costs associated with the IGA will ultimately be incorporated into the price which will be shown in the Performance Contracting Agreement; and

WHEREAS, if Veregy delivers the full IGA and the Village obtains IEPA funding approval, but the Village decides to not move forward with the Program and Project, then the Village agrees to pay Veregy the full project development fee within ninety (90) days after the IGA is delivered; and

WHEREAS, as part of the IGA, the Village will receive the following from Veregy as part of the IGA:

(a) An RFP package for engineering services for the Program and Projects which are part thereof;
(b) A bid tabulation for engineering services for the Program and the Projects;
(c) Equipment supply bid packages and construction bid packages for the ECMs listed above; and
(d) A full set of draft contract documents to complete the Program and the Projects:

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Barrington, Cook and Lake Counties, Illinois, in exercise of the authority of the Village as a Home Rule unit, as follows:

SECTION 1: The Corporate Authorities find that the facts set forth in the preamble to this Ordinance are true and correct and are incorporated herein as its findings of fact as if fully set forth in their entirety.

SECTION 2: The Corporate Authorities of this Village hereby authorize the Village President or her designee to accept and execute the Letter of Intent with Veregy and the related Approval to Proceed with an Investment Grade Audit, and the Village Clerk is hereby authorized to attest thereto and to deliver to Veregy executed copies thereof, which shall all be substantially in the form attached hereto as Group Exhibit A, and to otherwise take all the necessary and appropriate actions, including but not limited to the execution and delivery of any other documents related thereto which are necessary or appropriate to implement the aforesaid Investment Grade Audit as hereinabove authorized, in order to accomplish the purposes and intent of this Ordinance.

SECTION 3: If any section, subsection, paragraph, sentence, clause or phrase of this Ordinance or any part thereof is, for any reason, held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance, or any part thereof. The Corporate Authorities hereby declare that they would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, invalid or ineffective.

SECTION 4: This Ordinance shall be effective after its passage and approval.

PASSED THIS 12TH DAY OF February, 2024, BY ROLL CALL VOTE OF THE CORPORATE AUTHORITIES AS FOLLOWS:

AYES: Trustee Lehmeyer, Bedrossian, Duncan, Moran, Riggle, President Darch

NAYS: None

ABSENT: Trustee Sholeen

ABSTAIN: None

RECUSE: None

APPROVED THIS 12 DAY OF February 2024

Karen Y. Darch

Karen Y. Darch, Village President

ATTESTED AND FILED THIS 12TH DAY OF FEBRUARY, 2024

Tony Ciganek

Tony Ciganek, Village Clerk

(SEAL)

PUBLISHED IN PAMPHLET FORM THIS 13 DAY OF February, 2024

GROUP EXHIBIT A

Letter of Intent and Approval to Proceed with Investment Grade Audit

Letter of Intent

Needs to be put on Village letterhead.

February 12, 2024

Danielle Melone

Veregy

Sr. Account Executive

17W635 Butterfield Rd, Suite 315

Oakbrook Terrace, IL 60523

RE: Letter of Intent and Approval to Proceed with Investment Grade Audit (IGA)

Dear Veregy Team:

The Village of Barrington ("The Village") intends to contract with Veregy for the implementation of a performance contracting program ("Program") designed to improve and rehabilitate the infrastructure, as well as improving efficiencies at the Village's Wastewater Treatment Plant. The Village formally selects Veregy through the Request for Qualifications for Performance Contracting Services for a Wastewater Treatment Plant Rehabilitation Project that was released on November 13, 2023.

The Program will focus on projects at the Wastewater Treatment Plant and operational efficiencies assessed through an investment grade audit ("Audit"), which will evaluate the below list of energy conservation measures (ECMs).

ECM ID	ECM Name
1	Rehabilitate older sewer manholes

ECM ID	ECM Name
12	Replace digester blowers

2	Upgrade screening machine	13	Rehabilitate digesters
3	Replace influent pumps, valves, & VFDs	14	Re-build belt filter press
4	Retro-Commission (RCx) grit tank air pipe	15	Upgrade Switchgear & MCCs
5	Replace grit classifier	16	Replace emergency generator
6	Rehabilitate primary and secondary clarifiers	17	Upgrade SCADA at WWTP
7	Replace aeration basin blowers	18	Install drains at secondary clarifiers
8	Rehabilitate aeration basins	19	Upgrade SCADA at RTUs
9	Filtration Improvements	20	Chlorine room improvements
10	Install UV system before chlorine contact tank	21	Install solar PV at the Plant
11	Replace plant water booster pumps	22	General clean-up and painting

This list may be modified slightly during the Audit.

Veregy will provide the following services ("Services") during the course of the Audit:

1. Develop a statement of qualifications (SOQ) package for engineering services, as required by the State Revolving Fund (SRF).
2. Procure engineering services thru an SOQ process.
3. Develop bidding packages for equipment procurement and installation. The general work scope is shown on the ECM list.
4. Project bidding that complies with SRF bidding requirements.
5. Assist the Village with procuring financing.
6. Provide an agreement to implement ECMs shown on attached list.

In order to accomplish the Audit, The Village must provide Veregy with the following data:

- 24 month of utility bills. (Previously provided)
- WWTP as-build drawings, specifications, and studies. (Previously provided)
- Monthly operating data to determine design requirements. (Previously provided)
- Any other information requested by Veregy reasonably necessary in order for Veregy to perform the Study.

The Village and Veregy will cooperate to finalize the technical, legal, and financial components of the Program, and the Village may pursue financing for the Program, possibly with assistance from Veregy. Both parties shall maintain fully adequate, comprehensive insurance on their respective goods, services, and operations, as applicable. The Village also will prioritize the measures to be implemented, and Veregy will use the results of the Audit as the basis for a draft Performance Contracting Agreement ("Agreement").

The costs for developing the IGA is $182,324. The costs associated with the IGA will be incorporated into the price shown in the Agreement. Both the Village and Veregy believe the IEPA will provide project funding approval by July 1st, 2024. If the IEPA approves funding on July 1st, 2024, project bidding will occur in July and August and the full IGA should be complete in October of 2024.

However, if the IEPA does not approve funding by July 1st, 2024, then the Village agrees to pay Veregy for their services completed to date – 50% of the project development fee - within ninety days (90) days of IEPA funding denial. Veregy will then continue project development in the next EPA funding cycle that starts in March of 2025. If the IEPA does not approve funding in July of 2025, the Village agrees to pay Veregy the second half of the project development fee.

If Veregy delivers the full IGA and the Village has IEPA funding approval - and the Village decides to not move forward with the project, then the Village agrees to pay Veregy the full project development fee within 90 days after the IGA is delivered.

Below is a list of what the Village will receive resulting from the full IGA delivery.

Project Deliverables:	**Timeline:**
RFP package for engineering services	February 28, 2024
Bid tabulation for engineering services	March 31, 2024
IEPA Completed Application	March 31, 2024
6-10 Equipment supply bid packages for all ECM's	June 15, 2024
5-8 Construction bid packages for all ECM's	June 15, 2024
Bid tabulations and evaluations for all equipment supply packages	September 15, 2024
Bid tabulations and evaluations for all construction bid packages	September 15, 2024
Full contract documents to complete the work	October 15, 2024

If the IEPA loan application is not approved on July 1, 2024, bids will not be released. We will resubmit an IEPA loan application and if approved, bids will be released after July 1, 2025 IEPA loan approval.

Indemnification

To the fullest extent permitted by law, the Veregy shall indemnify and hold harmless the Village, its officials, employees and volunteers against all injuries, deaths, loss, damages, claims, suits, liabilities, judgments, cost and expenses, which may in anyway accrue against the Village, its officials, employees and volunteers, arising in whole or in part in consequence of the negligent or willful performance of the Audit by Veregy, its employees, or subcontractors, or which may in any way result therefor, except that arising out of the negligence or willful act of the Village, its officials, employees and volunteers. If any judgment shall be rendered against the Village, its officials, agents, employees and volunteers, in any such action, Veregy shall, at its own expense, satisfy and discharge the same.

Notwithstanding any other provision of this Letter of Intent, nothing contained in this Letter of Intent shall require Veregy to indemnify or hold harmless another person from that person's own negligent acts or omissions.

Confidentiality

Veregy shall not at any time, either directly or indirectly, disclose, use or communicate or attempt to disclose, use or communicate to any person, firm, or corporation any confidential information or any other information concerning the business, services, finances or operations of The Village except as expressly authorized by the Village. Veregy shall always treat such information as confidential. Veregy acknowledges that each of the following can contain confidential information of The Village and that the disclosure of any of the following by Veregy without the Village's express authorization would be harmful and damaging to the Village's interests:

A. All information relating to the Audit being performed by Veregy under this Letter of Intent, regardless of its type or form and which are not otherwise known to the public.

B. Financial information. This itemization of confidential information is not exclusive; there may be other information that is included within this covenant of confidentiality. This information is confidential whether or not it is expressed on paper, disk, diskette, magnetic media, optical media, monitor, screen, or any other medium or form of expression. The phrase "directly or indirectly" includes, but is not limited to, acting through Veregy's employees' wives, children, parents, brothers, sisters, or any other relatives, friends, partners, trustees, agents or associates.

Signature Page:

Village of Barrington

Signed: Karen Y. Darch

Print Name: Karen Y. Darch

Title: Village President

Date: 2/12/2024

Veregy

Signed: _____

Print Name: _____

Title: _____

Date: _____