

iWG November Meeting

November 18, 2020 – 12:30-2pm

Committee Attendees: Morgan White, Sarah Gediman, Jonah Messinger, Brian Bundren, Sandy Yoo, Qu Kim, Marcus Jackson, Creen Ahmad, Matthew Tomaszewski, Meredith Moore

Guests: Rob Roman, Josh Whitson, Tony Spurlock, Karl Helmink

1. Energy conservation funding/energy performance contracts presentation (*Josh Whitson, Rob Roman, Karl Helmink, Tony Spurlock*)
 - a. Josh Whitson presented “Energy Performance Contracts” (see attached PowerPoint); Energy Services Company (ESCO) – Energy Performance Contracting is delivery method for getting the work done by an ESCO.
 - b. **Project benefits of EPCs:** Guaranteed utility and energy savings; focus on the utility savings.
 - i. Projects able to address deferred maintenance.
 - ii. Goals are aligned with the EPC, focused on energy reductions. These projects are guaranteed maximum impact.
 - iii. Bidding process – they are selective (can invite consultants, for example).
 - c. **History:** Completed \$75 million worth of projects; 11 buildings under 4 projects; guaranteed savings to date \$40 million
 - d. **Performance:** Vet Med, College of Engineering, Laboratory Facilities (current project)
 - e. There are a lot of opportunities going forward, especially with smaller projects (quick payback); these projects pay for themselves. Investments are recovered over a 20-year period or less.
 - f. The challenge is the need to have the money up front to pay for these projects.
2. Discussion
 - a. Qu – It is good to see these positive results. There have been great benefits from this work. Even during the pandemic, we still have a lot of research going on, so water and energy is still being used. It is important to consider how funding can be addressed in the current budget model and given the current situation.
 - b. Morgan – Reminder: the role of the iWG is not to decide the budget but to review the carefully developed recommendations by the SWATeams; these groups are all advisory. The iWG provides an assessment (like a second draft) which is submitted forward to the appropriate unit. This recommendation (Energy004) will likely go to the Sustainability Council for review.
 - c. Rob – When we talk about sustainability, we talk about resiliency, including financial resiliency. This is an opportunity to invest money to save money and increase financial resiliency.
 - i. Leans toward the quick payback projects because it is beneficial to the university quickly.
 - ii. The university will likely feel the financial burden of the pandemic for a few years, so we have to strategize the return on investments and what is best in the long run.

- d. Karl – \$100 million has been spent in the past 10 years; it would be disappointing to see a disconnect in funding and lose a couple of years. Hopefully these savings are continuously realized: “How can you afford not to do this?”
- e. Sarah – Anything that can make the university more sustainable and economically viable, it should be an automatic “yes”. The iWG can play a role in supporting this initiative and moving it forward.
- f. Creen – This is a great initiative. Creen said that she supports anything that we do to be more economical and sustainable. Overall, it is a great idea and she is excited about the potential.
- g. Sandy – Is there a list of priority projects and what is needed for each of these? By sharing this list, there may be individuals aware of sources of additional funding.
 - i. Funding drives how everything goes. Time is money and getting things done quickly is key. Coming from Capital, there has always been coordination to make sure that EPC is the best method and the only way to deliver that specific scope instead of joining with a Capital project because there are efficiencies when you pull money and efforts together.
 - ii. Josh said that this list of priority projects can be shared.
- h. Rob said that we are always looking for greater efficiencies and there are certainly opportunities for efficiency improvements. Good to see others are also looking at this perspective.
- i. Brian – Because of the cost savings, clearly these are high priority project. Greatest challenge is finding how much we can support but cannot neglect deferred maintenance and energy reduction opportunities.
 - i. Getting this documented as university goals is a great step to move forward.
 - ii. This list of projects identified will be helpful so that when funding is available, there is a list of projects already prepared.
- j. Jonah – Smaller projects with quick turnaround are going to be more attractive to the university right now. It sounds like these are funded with \$10 million over five years – perhaps we can make an ask to the Provost office because it would be helpful to have greater funding.
 - i. Morgan said that \$10 million may not be helpful enough and we should strive for \$40 million.
 - ii. Jonah suggested two separate recommendations that wouldn’t necessarily need to go to the Sustainability Council and instead directly to the Provost Office. There should be a thorough assessment of what it would look like to put out an RFP for the \$95 million in bulk.
 - o Idea to develop a proposal to Sustainability Council in the spring for the \$95 million for large-scale projects that would be financed outside of the university.
 - iii. Sandy – P3 (Public-Private Partnership) – goes through System Office. University contribution is the land; developer is allowed to use and develop the land.
 - o In return, developer has the land for a certain number of years and then it is returned so eventually it is owned by university.
 - o Developed for university use and benefit; university “rents” it. Details are important to consider, e.g., who is going to maintain the land.
 - iv. Brian said that we have to be able to financially support the payback and that we must have the ability to enter into this agreement.

- v. Morgan said that this sounds similar to the Solar Farm agreement, where we didn't need to have the upfront capital to get it built.
 - vi. Rob – There are many different types of P3s. This was investigated at UIC. The cost of capital is far higher than bond issue or a commercial loan. A P3 is a manner of getting capital. Must consider other sources of capital besides what has been the norm for EPCs.
 - k. There will be additional discussion with the Provost Office on energy conservation funding.
3. Sustainability Council Meeting recap
- a. Morgan said that this was a great meeting with good attendance. Chancellor Jones was present for the entire meeting and Provost Cangellaris was in attendance for 30 minutes.
 - b. A lot of information and status of projects shared.
 - c. Two focus points discussed
 - i. Sustainability training: over 900 people have watched the training and over 100 have taken the survey.
 - ii. Chancellor Jones said that we cannot mandate the training but we can look at different ways to promote the video.
 - iii. Divestment and sustainable investment: highlighted sustainable investments, such as Black Rock, \$160 million in sustainable investing which is a good first step.
 - o Discussed the need to get a letter from the Chancellor, and discussed how to bring in the university president and collaborate with the other campuses.
 - o Even if it is not the Board of Trustees decision, iSEE Interim Director Madhu Khanna is going to reach out to Barry Benson about how to facilitate this letter. iWG will be able to contribute to the content. Hopefully it will be an iterative process.
 - iv. Listed the objectives that members/offices of the council are responsible for, e.g., local foods, space policy, regenerative ag.
4. SSC
- a. Sarah said that SSC is low on funds because student fees have been paused due to the pandemic
 - b. Trying to brainstorm other ways that SSC can fund projects. Welcome to any ideas besides student fees.
 - c. Morgan suggested to Madhu that she could consider suggesting this issue to the donors.
5. ISG
- a. Creen said that the committee is meeting with Board of Education 11/19 to discuss sustainability gen-ed and then will likely bring resolution to Senate.
 - b. Planning an interactive RSO event, with a few campaigns to also incorporate the plastic bag recycling program.
 - c. Had a teach-in in October regarding the Fifth and Hill campaign.
 - d. Received a lot of positive feedback regarding the micro-nuclear reactors; any negative feedback that was received was forwarded to the nuclear professors.

Items for future discussion:

- Revisit priorities from iWG and SWATeams – are there potential recommendations that the SWATeams could start to develop?
- Ideas for spring Sustainability Council meeting

Next meeting will be scheduled in December