ROCHESTER COMMUNITY SCHOOLS
PRIDE IN EXCELLENCE

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Memorandum of Recommendation
December 8, 2025

TO: Nicholas A. Russo, Superintendent

FROM: Matthew McDaniel, Assistant Superintendent for Business Operations

RE: **Recommendation for Approval of Energy Performance Contracting**

The district advertised a Request for Proposals for the Energy Performance Contracting project on September 17, 2025, in the local publication, the Rochester Post, and posted RFP documents on the Purchasing pages of the district's website, Sigma, and BidNet Direct. The district received seven (7) responses on the due date of October 23, 2025 by 2:00pm.

This request is to recommend engaging with the Trane Corporation to provide Energy Services Performance Contracting Services (ESPC). The recommendation is based on a thorough RFP process that included reviewing and evaluating the proposals that were received from the various firms. The scope of the agreement with Trane is to pursue energy savings projects in order to reduce energy consumption and energy costs for the District. Examples of the possible energy saving projects can consist of the following: lighting and HVAC replacements, roofing replacements, building envelope improvements such as caulking and sealing for leaks and window replacements to name a few of the possible projects. The cost of the energy savings projects are funded from the cost savings the energy saving projects produce. The process of providing energy saving projects utilizing the Energy Savings Performance Contracting format, is monitored and overseen by the State of Michigan's Department of Technology, Management and Budget (DTMB).

Upon approval, Trane, will conduct a thorough assessment of all District facilities to develop a list of potential energy savings projects to pursue along with the associated projected energy cost savings each potential project would provide. Only projects approved by the District are to be completed. To ensure the District is investing in the best overall option(s), the approval of projects will be based on factors such as the payback time and any operational impacts.

The requirements of the Energy Savings Performance Contracting process dictate that Trane is responsible for guaranteeing the projected energy savings of each project. Trane will reimburse the District for any shortfall between the actual energy savings realized compared to the projected savings that were calculated.

The proposals were evaluated by the district's Assistant Superintendent for Business Operations, Matthew McDaniel, the Director of Facilities and Capital Projects, Pete Muscio, the Facilities Supervisor, Theresa Kimble, and Charles Whetstone. Bids were analyzed for bid content and inclusion of required submittals by the Purchasing Supervisor, Jennifer Fickel.

The scoring matrix is attached. Proposal documents are on file in the Purchasing Department. The source of funding is the General Fund.

Based on this information, we recommend THAT **the District award a contract for the Energy Performance Contracting services to Trane U.S., Inc.**

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Energy Performance Contracting Services

November 12, 2025

Scoring:
5 = Exeptional
4 = Above Compliance
3 = In Compliance
2 = Below Compliance
1 = Not Addressed

	Trane Technologies	Energy Systems	Honeywell	Willdan Group	Johnson Controls	Centrix Partners	Ameresco
Evaluator							
Proposal Evaluation Score	3.30	2.70	3.20	3.30	3.00	3.20	2.90
Proposal Evaluation Score	3.45	2.90	3.20	2.90	3.40	3.15	3.05
Proposal Evaluation Score	3.95	4.00	3.95	3.25	3.75	3.00	3.15
Proposal Evaluation Score	3.40	3.20	3.20	2.95	3.40	3.30	3.25
Total Score	**14.10**	**12.80**	**13.55**	**12.40**	**13.55**	**12.65**	**12.35**
Average Score	**2.82**	**2.56**	**2.71**	**2.48**	**2.71**	**2.53**	**2.47**
Average Ranking	**1**	**4**	**2**	**6**	**2**	**5**	**7**

Overall Average Ranking

1 Trane Technologies
2 Honeywell
3 Johnson Controls
4 Energy Systems Group
5 Centrix Partners
6 Willdan Group
7 Ameresco

Energy Performance Contracting

Energy Performance Contracting refers to a contractual arrangement where state agencies (local governments, universities, and K-12 school districts, etc.) can contract with Energy Service providers to implement energy efficiency improvements, with no upfront capital costs. These contracts, which typically range from 10 - 20 years, guarantee energy savings by implementing. energy savings initiatives, such as energy efficiency equipment replacements or upgrades. This project delivery method is funded by utilizing the energy cost savings.

Michigan legislation has systems and processes in place that regulate and monitor the energy savings performance contracting (ESPC) firms. The program is supported by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) and the Department of Technology, Management & Budget (DTMB), which oversee and promote energy performance contracts. The Energy Services Coalition - Michigan Chapter plays an active role in education and advocacy around energy performance contracts.

Energy performance contracts typically involve comprehensive energy audits, guaranteed savings, and provisions for operation and maintenance. The projects cover a wide range of energy conservation measures and aim to improve efficiency without compromising the quality of building operations.

Key points:

- Contracts are based on the guaranteed energy savings over an agreed period of time (up to 20 years) to fund the upgrades.
- Michigan has approved the Energy Performance Contracting project delivery method to local governments & municipalities, universities, and K-12 school districts.
- Projects involve equipment upgrades and improvements such as LED lighting, HVAC equipment replacements and renewable energy sources.
- The program is supported, regulated and monitored by the State of Michigan (Public Act 625 of 2012 & M.C.L.A. 380.1274a)
- Several K-12 school districts have utilized this delivery method to reduce operational energy costs while preserving capital investments (Traverse City, Holt, Eastpoint, Alpena, Ypsilanti, Warren Woods, Crestwood, to name a few).
- Energy performance contracting can be implemented quickly as it generally only requires Board Approval to implement.

The Energy Performance Contracting project delivery method enables public entities to quickly and efficiently implement energy saving initiatives that reduce energy consumption, and lower costs. Links to legislation noted below for reference.

https://www.legislature.mi.gov/Laws/MCL?objectName=MCL-ACT-625-OF-2012
https://legislature.mi.gov/Laws/MCL?objectName=mcl-380-1274a&highlight=with,many,hands