

APPROVE EXERCISING THE OPTION TO EXTEND THE AGREEMENT WITH CARLO STEEL CORPORATION/LEJEUNE, JOINT VENTURE FOR STRUCTURAL STEEL

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the option to extend the agreement with Carlo Steel Corporation/Lejeune, joint venture to provide structural steel to the Department of Operations for the Capital Improvement Program not to exceed \$10,859,462.00 during the option period. A written renewal agreement for Contractor's services is currently being negotiated. No payment shall be made to Contractor during the renewal term prior to the execution of the renewal agreement. The authority granted herein shall automatically rescind the renewal agreement in the event a written renewal agreement is not executed within 60 days of the date of this Board Report. Information pertinent to this renewal agreement is stated below.

SPECIFICATION NO.: 01-250170

CONTRACTOR: Carlo Steel Corporation/Lejeune, joint venture
3100 East 87th Street, Chicago, IL 60617
Nelson Carlo (773) 375-9600 Vendor # 34680
a) Carlo Steel Corporation
3100 E. 87th Street, Chicago, IL 60617
Nelson Carlo (773) 375-9600 Vendor #21948
b) Lejeune Steel Company
118 W. 60th Street, Minneapolis, MN. 55419
Lee R. Anderson (612) 861-3321 Vendor # Pending

USER: Department Of Operations
125 South Clark- 16th Floor
Timothy Martin
(773) 553-2900

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 01-1219-PR9) is for a term commencing January 1, 2002 and ending December 31, 2002, with the Board having the option to extend the agreement for one additional twelve (12) month period. The original agreement was awarded pursuant to a duly advertised Bid Solicitation (Specification # 01-250170).

RENEWAL TERM: This agreement is being renewed for a term commencing January 1, 2003 and ending December 31, 2003.

OPTION PERIODS REMAINING: There are no options remaining.

SCOPE OF SERVICES: Contractor will continue to provide fabrication, furnishing and delivery of structural steel for new schools and additions for the Board.

DELIVERABLES: The Contractor will continue to supply parts and pieces for a complete structural frame system, ready for installation.

OUTCOMES: Structurally sound new schools and/or additions.

COMPENSATION: Contractor shall be paid in accordance with the rates set forth in the contract, not to exceed the amount of \$10,859,462.00.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written renewal agreement. Authorize the President and Secretary to execute the renewal agreement. Authorize the Chief Operating Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: This contract is not subject to M/WBE review because M/WBE requirements are being fulfilled through the sheltered market portion of this scope of services.

LSC REVIEW: Local School Council approval is not applicable to this report.

FINANCIAL: Charge to Operations: \$10,859,462.00 Fiscal Year: FY03&04
Budget Classification: Various Capital Funds
Source of Funds: Capital Funds

GENERAL CONDITIONS:

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).


Approved for Consideration:

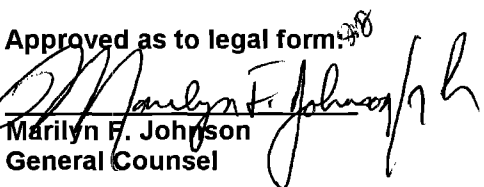

Anita Rocha
Acting Chief Purchasing Officer

Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:

Marilyn F. Johnson
General Counsel