

May 27, 2003

APPROVE EXERCISING THE SECOND OPTION TO EXTEND THE AGREEMENT WITH BOVIS LEND LEASE, INC. FOR CONSTRUCTION MANAGEMENT SERVICES FOR NEW CONSTRUCTION**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve exercising the second option to extend the agreement with Bovis Lend Lease, Inc. to provide construction management services to the Department of Operations at a cost for the second option period not to exceed \$2,200,000. A written extension agreement for Bovis' services is currently being negotiated. No payment shall be made to Bovis during the option period prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this renewal agreement is stated below.

SPECIFICATION NO: 00-250201

CONSULTANT: Bovis Lend Lease, Inc.:
1 North Wacker Drive Suite 850
Chicago, Illinois 60606
Contact Person: Jeffrey L. Artfsen
312-245-1000
Vendor # 24001

USER: Department of Operations
125 South Clark
Bruce Washington
(773) 553-2900

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 00-0426-PR12, as amended by Board Report 01-0725-PR40), is for a term commencing June 1, 2000 and ending May 31, 2002, with the board having two options to renew for periods of one year each. The original agreement was further extended for a term commencing June 1, 2002 and ending May 31, 2003 pursuant to Board Report 02-0626-PR11. The original agreement was awarded pursuant to a duly advertised Request for Proposals (Specification No. 00-250201).

OPTION PERIOD: The term of this agreement shall be extended for a period commencing June 1, 2003 and ending December 31, 2003.

OPTION PERIODS REMAINING: There are no options remaining.

SCOPE OF SERVICES: Bovis Lend Lease, Inc. shall continue to render the following construction management services for new construction in the Capital Improvement Program:

Provide pre-construction and construction services. Review contract documents, construction methods, schedules, and budgets during the design and construction phase. Provide coordination, oversight, the administration of the construction process, including cost, schedules, and quality of work and timeliness of work for each project in accordance with the Construction Management Services Agreement, which includes but is not limited to: provide written monthly status reports, including completed project photos, contract award, percent complete of ongoing projects, anticipated completion dates, problems, budgets, budget concerns. Prepare an operation plans for projects to ensure that projects are completed on time and within program budget and coordinate construction activities with contractors and schools including construction sequence and site space assignments. Provide written recommendations during the design phases relative to feasibility of construction methods, availability of materials and labor, labor shortages, time requirements for procurement, installation and construction, factors related to construction cost including but not limited to: cost of alternative designs or materials, preliminary budgets, and possible economies. Perform construction cost estimates at 50% and 90% design and as needed for comparison

against managing architect, architect of record estimates, and program budget. Coordinate and expedite the ordering and the delivery of materials, shop drawing reviews, and other submittals. Select, retain, and coordinate the professional services of special consultants and testing laboratories for required projects. Develop and establish bidding schedules. Prepare and issue bid documents for multiple prime and/or trade contracts. Coordinate bidding, issue addenda, conduct pre-bid conferences with prospective bidders, make recommendations for award or rejection, and maintain record of bid information. Schedule and conduct all pre-construction and construction site meetings providing meeting minutes. Monitor the performance of all general contractors, rate performance, update schedules and cost during construction. Review and process pay applications and final payments. Request interpretations of drawings and specifications, review construction and contract changes, negotiate prices and monitor construction changes in contract and change orders. Review, evaluate, and document claims. Monitor the delivery, storage, protection and security of Board purchases, materials, systems, and equipment relative to projects. Observe with architect of record, the contractor's final testing and start-up of equipment, operational systems, and training of Board personnel. Prepare and document the execution and correction of the preliminary and final punch list items with the architect of record. Maintain daily logs and weekly summary reports on projects. Assist architect of record and contractor in coordination with all city and state agencies and obtaining building permits, certificate of occupancy and fire system approvals. Manage multiple prime and/or trade contractors. Bovis will provide additional services as construction manager relative to the Ameritech low voltage work, e-rate program coordination, PBC projects for CPS construction, and additional new construction projects not included in the original board report funding estimate.

DELIVERABLES: Bovis Lend Lease, Inc. shall continue to deliver construction manager services to the Office of Operations for the implementation of new schools and additions to existing facilities, including tie-ins to the facilities.

OUTCOMES: The construction manager services shall continue to result in the management of all design and construction cost for the Office of Operation's Capital Improvement Program.

COMPENSATION: Bovis Lend Lease, Inc. shall be compensated for services based upon actual payroll rate times an approved multiplier for actual overhead, burden, and profit, not to exceed 2.5. Authorization requests shall be submitted to, and approved by, the Program Manager and the Department of Operations for all services performed. The maximum compensation payable to Bovis during this option period shall not exceed the sum of \$ 2,200,000.

REIMBURSABLE EXPENSES: Bovis Lend Lease, Inc. shall be reimbursed for the following expenses: Transportation expenses for personal or company vehicles when used for travel to project sites only and required meetings outside of the CIP Program Management office; reproduction charges; remote telephone usage, and pagers; office expenses including office space, furnishings, computers, copiers, printers, office supplies, and materials for Consultant's personnel located within the CIP Program Management Office. The total compensation amount reflected herein is inclusive of all reimbursable expenses.

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.

AFFIRMATIVE ACTION: Based upon a review and analysis of the vendor's compliance with the M/WBE goals from the initial contract term, this contract is in full compliance with the original M/WBE participation goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The original M/WBE participation goals for the contract include: 35% total MBE; 22% total African-American; 12% Hispanic; 2% Asian; and 5% total WBE.

The vendor has identified and scheduled the following M/WBE firms and percentages.

Total MBE 32.12%**Total African-American 23.08%**

Riteway Construction Services Inc. 23.08% certified until November 30, 2003
 1030 East 87th St.
 Chicago, Illinois 60619

Total Hispanic 4.23%

Rodriguez and Associates 4.23% certified until June 30, 2003
 150 N. Michigan suite 1120
 Chicago, Illinois 60601

Total Asian 4.81%

Pacific Construction Services Inc. 4.81% certified until August 31, 2003
 3949 N. Pulaski Rd.
 Chicago, Illinois 60641

Total WBE 8.46%

Tyree and Company 4.62% certified until June 30, 2003
 111 W. Washington St. suite 1025
 Chicago, IL 60602

J.A Watts Inc. 3.85 certified until August 31, 2003
 5333 S. Laramie
 Chicago, Illinois 60638

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

FINANCIAL: Charge to Office of Operation: \$2,200,000 Fiscal Year: FY04
 Budget Classification: 0944-454-000-9316-5400
 Source of Funds: Capital Improvement Program

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:



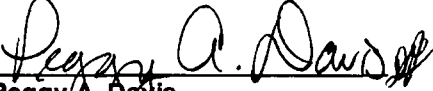
Sean P. Murphy
Chief Purchasing Officer

Approved:



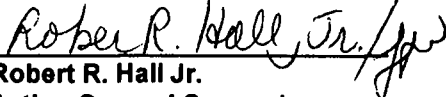
Arne Duncan
Chief Executive Officer

Within Appropriation:



Peggy A. Davis
Chief of Staff

Approved as to legal form:



Robert R. Hall Jr.
Acting General Counsel