

**RATIFY EXERCISING THE SECOND OPTION TO RENEW THE AGREEMENT
WITH SWELL PICTURES, INC. d/b/a S2
FOR EDUCATIONAL TELEVISION PRODUCTION SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify exercising the second option to renew the agreement with Swell Pictures, Inc, d/b/a ("S2") to provide Educational Television Production Services to the Communications Department at a cost not to exceed \$575,465.00. A written document exercising this option is currently being negotiated. No payment shall be made to S2 during the option period prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written renewal agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

CONSULTANT:

Swell Pictures, Inc. d/b/a S2
237 E. Ontario
Chicago, IL 60610
Contact Person, Mike Topel
Phone: 847-922-3253
Vendor # - 42477

USER:

Communications Department
125 S. Clark Street
Chicago, Illinois 60603
Contact Person: Celeste Garrett
Phone: 773-553-1620

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report No. 06-0125-PR18) in the amount of \$189,078.90 was for a term commencing March 14, 2006 and ending June 30, 2006, with the Board having (2) one-year options to renew the agreement. Supplier was selected pursuant to a duly advertised RFP (specification #05-250050). The agreement was extended for one year (authorized by Board Report #06-0726-PR19) for a term commencing July 1, 2006 and ending June 30, 2007.

OPTION PERIOD: The term of this agreement is being extended for one year period, commencing July 1, 2007 and ending June 30, 2008.

OPTION PERIODS REMAINING: There are no option periods remaining.

SCOPE OF SERVICES: During the option period, S2 will produce a bi-weekly half hour (magazine type) program to highlight the current events in Chicago Public Schools. (Magazine Type – Multiple Stories per show, possible with on camera host or Narration V/O. Similar to 20/20, 48 hours or Entertainment Tonight). This television show will air a new episode every two (2) weeks during the school year and is designed to educate, inform and entertain the public. The television show should have 4-5 segments per episode. S2 will work in conjunction with the TV department in the Office of Communications at Chicago Public Schools to develop segments and show format. Creative supervision will be provided by the TV Producer (Office of Communications) who will act as Executive Producer. The program is expected to air its first episode in September 2007 and will air every two weeks until completion of the school year. This will include twenty (20) original programs and one (1) end of year (wrap up) program. The end of the year program will utilize segments from the prior twenty (20) programs.

DELIVERABLES: During the option period, an original half hour program will be produced every two weeks; airing will begin at the start of the 2007/2008 school year. Producer will determine start date for production to reach that goal. A total of twenty-one (21) programs will be produced. Two (2) BetaCam tapes will be processed for each program, in addition to a BetaCam copy of individual segment breakouts with time slot tags through June 30, 2008.

OUTCOMES: The purpose of the show is to educate, inform and entertain the public. The target audiences are students, parents, CPS staff and the public. Other goals of the program include increasing public awareness of CPS initiatives, building CPS pride and increase awareness (of students and parents) of educational opportunities within CPS.

COMPENSATION: S2 shall be compensated in the amount of \$27,730.00 per show for the first twenty (20) shows. Payment for the twenty-first (21st) show will be \$13,865.00. At the Board's option, if modifications to the existing graphics components are requested, then \$2,000.00 will be payable to S2. Also, at the Board's option, if additional music is requested, then 5,000.00 will be payable to S2. The total payments will not exceed \$575,465.00 during the option period. It is understood that the Board may request said modifications to either the graphics or music.

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

AFFIRMATIVE ACTION: This contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The M/WBE participation goals for the contract include: 26% total MBE and 5% total WBE.

The vendor has identified and scheduled the following firms and percentages:

Total MBE – 31%

Diego Lopez – 6.0%
6336 N. Magnolia
Chicago, Illinois 60660 independent consultant

Tara Nance – 2.0%
600 S. Michigan
Chicago, Illinois 60605 independent consultant

Joe Flores – 4.0%
PO Box 413
Palos Park, IL 60464 independent consultant

Judith McCray – 8.0%
1807 W. Sunnyside – 2C
Chicago, IL 60640 independent consultant

Alicia Healy – 7.0%
1754 W. Cortland Ave
Chicago, Illinois 60622 independent consultant

Bridget Rowley-Sarno – 4.0%
1459 W. Balmoral
Chicago, IL 60640 independent consultant

Total WBE – 6.8%

JoAnn Milivojevic – 2.4%
7420 N. Washtenaw Street
Chicago, Illinois 60645 independent consultant

Carey Lundin – 2.4%
1930 W. George Street
Chicago, Illinois 60657 independent consultant

Carol O'Leary – 2.0%
3824 W. 83rd Place
Chicago, Illinois 60652 independent consultant

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

FINANCIAL: Charge to Office of Communications: \$575,465.00
Budget Classification: 10510-115-54125-221210-000000
Requisition Number:

Fiscal Year: 2008
Source of Funds: Local

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 member during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

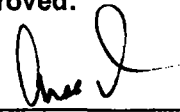
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Heather A. Obora
Chief Purchasing Officer

Approved:




Arne Duncan
Chief Executive Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

 **Approved as to legal form:**



Patrick J. Rocks

General Counsel