

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT
WITH HILL ENVIRONMENTAL OPERATIONS, INC FOR BUILDING ENGINEERING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with Hill Environmental Operations, Inc. to provide for building engineering services to Department of Facilities Operations at a cost for the option period not to exceed \$4,200,000. A written document exercising this option is currently being negotiated. No payment shall be made to Consultant during the option period prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

CONSULTANT: Hill Environmental Operations, Inc.
11045 Gage Ave.
Franklin Park, IL 60131
Harold Hacker
(630) 617-4700
Consultant # 24034

USER: Department of Operations
125 South Clark-16th Floor
Chicago, IL 60603
M. Hill Hammock
(773) 553-2900

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report 04-0922-PR4) is for a term commencing October 1, 2004 and ending September 30, 2007, with the Board having two options to renew for periods of 12 months each. The original agreement was awarded on a competitive basis pursuant to a duly advertised Request for Proposals (Specification #04-250056).

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

OPTION PERIODS REMAINING: There is one option period for 12 months remaining.

SCOPE OF SERVICES: Consultant will continue to provide the following services:

1. Various Schools shall be cleaned and groomed
2. The building exteriors shall be graffiti-free
3. The building interior surfaces shall be cleaned
4. Washrooms shall be cleaned, odor-free, and adequately supplied
5. Drinking fountains shall be cleaned, odor-free, and adequately supplied
6. The lighting shall be operational, including exit and directional signs
7. The temperature of the buildings shall be comfortable and consistent throughout
8. Door locks, door closers, and other hardware items shall be operational
9. Requests from Principals shall be completed promptly
10. Fire suppression equipment shall be inspected and tested on a regular basis
11. Boilers, univents and other HVAC equipment shall receive routine maintenance in accordance with manufactures specifications.

DELIVERABLES: The Consultant shall continue provide licensed operating engineers at Chicago Public Schools.

OUTCOMES: Consultant's services shall result in the continued safe and economical operation and maintenance of mechanical and other operating systems at Chicago Public Schools Citywide.

COMPENSATION: Consultant shall be paid during this option period as follows: upon monthly invoicing; not to exceed the sum of \$4,200,000.

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 Chief Operating Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION: Consultant agrees to comply with the requirements within the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Service contracts.

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

FINANCIAL: Charge to Operations: \$3,350,000 Fiscal Year: FY08
Budget Classification: 11880-230-54125-254002-000000-2008
Source of Funds: PBC O&M

Charge to Operations: \$850,000 Fiscal Year: FY08
Budget Classification: encumbered under P.O. # 1401054
Source of Funds: General Education Fund

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.

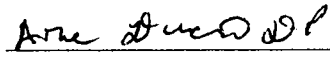
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Heather A. Obora
Chief Purchasing Officer

Approved:



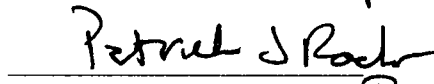
Arne Duncan
Chief Executive Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to legal form 



Patrick J. Rocks
General Counsel