

APPROVE EXERCISING THE SECOND OPTION TO EXTEND THE AGREEMENT WITH CHICAGO SCHOOL ASSOCIATES (CSA) FOR THE PROGRAM MANAGEMENT SERVICES FOR THE CAPITAL IMPROVEMENT PROGRAM

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the option to extend the agreement with Chicago School Associates (CSA), a joint venture, to provide program management services to Department of Facility Operations and Maintenance at a cost for the option period not to exceed \$7,500,000.00. 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:

1)
Chicago School Associates
303 E. Wacker Dr., Suite 600
Chicago, IL 60601-0000
Kenneth Z. Crumrine
312-938-0030
Vendor # 29459

USER:

Facility Operations & Maintenance
125 South Clark Street 16th Floor
Chicago, IL 60603
M. Hill Hammock
773-553-2900

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 04-0922-PR6) in the amount of \$15,000,000.00 is for a term commencing October 1, 2004 and ending September 30, 2007, with the Board having 2 options to renew for 12 months each. The Agreement was extended (authorized by Board Report 07-0926-PR3) for a term commencing October 1, 2007 and ending September 30, 2008. The original agreement was awarded on a competitive basis pursuant to duly advertised Request for Proposal (Specification #04-2500080).

OPTION PERIOD:

The term of this agreement is being extended for one-year commencing October 1, 2008 and ending September 30, 2009.

OPTION PERIODS REMAINING:

There are no option periods remaining.

SCOPE OF SERVICES:

Consultant will continue to provide program management services as follows:
Coordinate with Chicago Public School senior management staff and develop a long term capital improvement plan.
Develop annual budgets for the Board consideration that reflect this plan.
Coordinate all proposed projects and develop an implementation plan and preliminary schedule.
Provide overall cost control, accounting and successful completion of all CPS CIP projects.
Establish a CPS CIP that meets the educational and financial requirements of the Board.

Oversee the updating and maintenance of CPS CIP database and reporting function.

DELIVERABLES:

Consultant will continue to provide full oversight, accountability and reporting for the Capital Improvement program and prepare the annual operating, and capital expenditure budget relating to the services provided under the Program Management Services Agreements.

OUTCOMES:

Consultant's services will continue to result in the Capital Improvement Program operating in an efficient manner in the best interest of the Board.

COMPENSATION:

Consultant shall be paid during this option period as follows: in accordance with the rates set forth in the contract; not to exceed the sum of \$7,500,000.00.

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:

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

Total MBE: 34% Total African American: 22%

Infrastructure Engineering 21%

29 S. LaSalle St. Suite 345

Chicago, Illinois 60603

Kevin T. Jones 1%

815 E. Drexel Drive

Chicago, Illinois 60615

Total Hispanic: 10%

HWR Inc. 10%

1410 Chicago Ave., Suite 602

Evanston, Illinois 60201

Total Asian: 2%

Greatway Consulting 2%

8 S. Michigan, Suite 1310

Chicago, Illinois 60603

Total WBE: 7.5%

Vistara Construction Services 2%

728 W. Jackson, Suite 526

Chicago, Illinois 60661

J.A. Watts Inc. 5%

222 S. Morgan

Chicago, IL 60607

Cushing and Color .5%

325 W. Huron, Suite 610

Chicago, Illinois 60610

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Charge to Operations: \$7,500,000.00 FY09/10

Source of Funds: Capital Funds

12150-499-54105-009422-000000-2009

\$7,500,000.00

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 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:



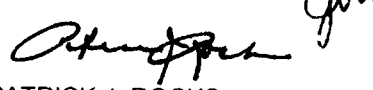
ARNE DUNCAN
Chief Executive Officer

Within Appropriation:



PEDRO MARTINEZ
Chief Financial Officer

Approved as to Legal Form:



PATRICK J. ROCKS
General Counsel