

May 25, 2016

**AMEND BOARD REPORT 15-0624-PR19**  
**AMEND BOARD REPORT 14-0226-PR12**  
**AUTHORIZE A NEW AGREEMENT WITH SODEXOMAGIC, LLC FOR INTEGRATED FACILITY  
MANAGEMENT SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize a new agreement with SodexoMAGIC, LLC to provide fully integrated facility management (IFM) services to the Department of Facilities at a total cost not to exceed \$80,000,000. Vendor was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to 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 agreement is stated below.

This June 2015 amendment is necessary to authorize SodexoMagic, LLC to invest \$5 million in energy efficiency projects at various CPS schools. The investment will be amortized from the date the funds are provided through February 28, 2019. If the contract is terminated or not renewed, the Board must pay the unamortized amount and a 10% asset recovery fee. A written amendment is required. The authority granted herein shall automatically rescind in the event the amendment is not executed within 90 days of the date of this Board Report.

This May 2016 amendment is necessary to expand SodexoMagic, LLC's scope to include IFM services at approximately 30 additional schools. No increase to the compensation amount is required; a written amendment to the agreement is required. The authority granted herein shall automatically rescind in the event the amendment is not executed within 90 days of the date of this amended Board Report.

Contract Administrator : Hernandez, Miss Patricia / 773-553-2280

**VENDOR:**

- 1) Vendor # 99426  
SODEXOMAGIC, LLC  
9801 WASHINGTON BLVD.  
GAITHERSBURG, MD 20878  
John Klopstein  
301 987-4270  
Ownership: Magic Food Provision Llc -  
Member, Sodexo Operations Llc - Member

**USER INFORMATION :**

Contact: 11860 - Facility Operations & Maintenance  
42 West Madison Street  
Chicago, IL 60602  
Norgren, Mrs. Leslie  
773-553-2960

**TERM:**

The term of this agreement shall commence on March 1, 2014 and shall end February 28, 2017. This agreement shall have two (2) options to renew for periods of one (1) year each.

**EARLY TERMINATION RIGHT:**

The Board shall have the right to terminate this agreement with 60 days written notice.

**SCOPE OF SERVICES:**

Vendor will perform full integrated facilities management across a pre-selected group of schools. Currently 33 schools have been identified, but the number of schools may fluctuate over the term of the contract. Vendor will manage custodial services, engineering services, various trades, landscaping, snow removal and pest control for the pre-selected schools. Vendor will provide a consolidated data solution and a call center for the entire district (which will include the 33 pre-selected schools and schools outside the pre-selected schools). The consolidated data solution will manage other facilities management services providers across the entire district to ensure consistent delivery of service and establish a single point of contact for Principals. The call center will also manage other facilities management services providers across the entire district, excluding custodial services in schools outside the 33 pre-selected schools.

Vendor will be responsible for regularly assessing the conditions of the buildings, equipment, and systems; developing and implementing building operations, preventive maintenance, and establishing capital plan recommendations necessary to maintain, preserve, and keep the premises in good condition. As part of these responsibilities the Vendor will:

- 1) Invest in system upgrades and repairs which will improve and ensure the efficient performance of building automation systems and reduce overall energy spend with targeted upgrades;
- 2) Provide professional development for all CPS Board engineering employees to enhance their skills and improve productivity.
- 3) Ensure the quality of work performed and reduce the costs within the operational areas through the call center.
- 4) Create a partnership structure with CPS that will generate the necessary savings and framework for a gainsharing approach that offsets the cost of the data solution and call center.

**DELIVERABLES:**

Full integrated facility management for 33 pre-selected schools, including custodial services, engineering services, various trades, landscaping, snow removal and pest control.

Call center for the entire district for quick responses to school needs (excluding custodial services in schools outside pre-selected schools).

Consolidated data solution for the entire district.

Buildings cleaned to a level 2 APPA standard.

Best in class technology; equipment and training.

Comprehensive asset inventories.

Strong data systems to empower CPS to make data-driven long term financial decisions.

**LEASE OF SPACE:** The Board authorizes the lease of space in CPS facilities to the Vendor and delegates authority to the Chief Administrative Officer and General Counsel to negotiate the terms and conditions of the lease.

**OUTCOMES:**

Vendor will provide the skills and experience needed to manage every aspect of facility management to a group of pre-selected schools using cutting-edge building monitoring technology which provide data driven decision by CPS, such as repair vs. replacement of assets. The benefits and outcomes to CPS are:

- 1) Cost Efficiency - By managing services under one umbrella, costs will be managed more effectively.
- 2) Consistency - Establishing one standard level of services for all schools will result in consistent service across the District.

- 3) Improved Productivity - The ability to share resources and management will create enhanced levels of productivity.
- 4) Professional Development - CPS FM employees will receive comprehensive training and development on an ongoing basis to enhance their skills and the services they provide to the schools.
- 5) Communication - Vendor will coordinate many different service providers, the communication process will be simplified and more sophisticated communication tools will be created.
- 6) Turnkey/Convenience - Principals, staff, and CPS Leadership will quickly connect with the right person and resolve problems with a "turnkey" solution.
- 7) Responsiveness - Principals and their teams will have a high level of confidence that their FM Partner will respond quickly and efficiently.
- 8) Accountability - One partner will manage all processes and will be responsible for the program results.
- 9) Program Quality - The end result will be enhanced program quality that provides a safer, attractive more comfortable learning environment for all students.

**COMPENSATION:**

Vendor shall be compensated as specified in the agreement; total not to exceed the sum of \$80,000,000, for the three (3) year term.

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions, including any indemnities to be provided to Vendor, in the written agreement and amendment. Authorize the President and Secretary to execute the agreement and amendment. Authorize Chief Facilities Officer to execute all ancillary documents required to administer or effectuate this agreement.

**AFFIRMATIVE ACTION:**

Pursuant to the Remedial Programs for Minority and Women Owned Business Enterprise (M/WBE) Participation in Goods and Services and Construction Contracts, the overall M/WBE District goals for this award are 30% total MBE and 7% total WBE. The selected vendor has scheduled the following participation for their awarded category.

**57% of Total Contract Value With:**

**Total MBE: 50%**

RJB Properties, Inc.  
1229 N. Branch, Ste. 212 B  
Chicago, IL 60622  
Ownership: Ronald Blackstone

**Total WBE: 7%**

Christy Webber and Company  
2900 W. Ferdinand St.  
Chicago, IL 60612  
Ownership: Christy Webber

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Charge to Facilities Department  
Fund 230 - FY14, FY15, FY16, FY17 not to exceed \$80,000,000  
Future year funding is contingent on budget appropriation and approval.

**CFDA#:** Not Applicable

**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 May 25, 2011 (11-0525-PO2), 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:




SÉBASTIEN de LONGEAUX  
Chief Procurement Officer

Approved:



FORREST CLAYPOOL  
Chief Executive Officer

Approved as to Legal Form: 



RONALD L. MARMER  
General Counsel