

AUTHORIZE PLACEMENT OF THE BOARD'S POLLUTION LIABILITY INSURANCE PROGRAM THROUGH MESIROW INSURANCE SERVICES, INC.

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize Mesirow Insurance Services, Inc. to place the following insurance policy on behalf of the Board for pollution liability insurance in the aggregate amount not to exceed \$327,413 for a 33 month period. This placement will be arranged through Mesirow Insurance Services, Inc. (Mesirow), selected on a competitive basis pursuant to Board Rule 5-4.1 (Specification No. 05-250055). The policies of coverage constitute the contract between the Board and insurance carriers.

Specification No. 05-250055

Contract Administrators: Demetra Knowles (773) 553-3256

Pollution Liability Carrier

Lexington Insurance Company
 200 State, 4th
 Boston MA 02110

INSURANCE BROKER:

Mesirow Insurance Services, Inc.
 353 N. Clark
 Chicago, Illinois 60654
 Michael Mackey, Senior Managing Director
 (312) 595-7900

USER:

Law Department/Risk Management
 125 South Clark Street-7^h Floor
 Patrick J. Rocks, Chief Counsel
 (773) 553-1687
 James Bebley, First Deputy, General Counsel
 (773) 553-1752

TERM: The term of pollution liability policy shall commence on November 1, 2010 and shall end June 30, 2013.

DESCRIPTION OF POLICIES:

The pollution liability coverage is provided on an occurrence basis subject to the following limits and retention. The coverage is provided on a claims made basis subject to the following limits, retentions, and deductibles.

Coverage	Description	Limits	Retention or Deductible	Not to Exceed
Pollution	Liability for damages or injuries to 3 rd parties caused by escape of pollutants.	\$10,000,000 per occurrence, \$10,000,000 aggregate	\$500,000	\$327, 413.00

PREMIUM: All premium payments will be made through Mesirow based on premiums reported to the Bureau of Risk Management. Allowable premiums are outlined above and may be subject to change in the event of a change in rates, property values or coverage specifications. Any premium change that causes the premium to exceed the maximum amounts stated above shall require additional Board authority.

AUTHORIZATION: Authorize the General Counsel to execute all ancillary documents required to administer or effectuate the policy.

AFFIRMATIVE ACTION: Pursuant to section 3.7 of the M/WBE Plan, this transaction is excluded from M/WBE review because this vendor is merely a conduit of funds and receives no payments under this transaction.

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

FINANCIAL:

Charge to Bureau of Risk Management: \$327,413 Fiscal Year: 2011
Budget Classification: 12470-210-54530--231114-000000
Liability Insurance

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.

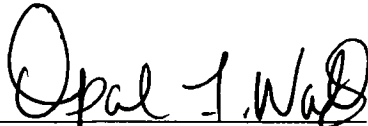
Conflicts – Any agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted July 26, 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 – Any 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:



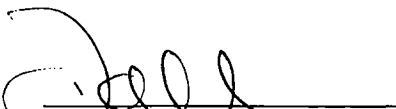
Opal L. Walls
Chief Purchasing Officer

Approved:



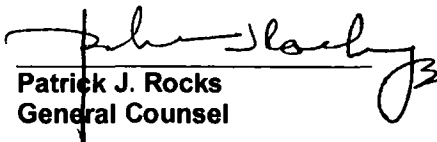
Ron Huberman
Chief Executive Officer

Within Appropriation:



Chief Financial Officer
Diana S. Ferguson

Approved as to legal form:



Patrick J. Rocks
General Counsel