

**RATIFY THE EXERCISING OF THE FIRST OPTION TO EXTEND THE AGREEMENT WITH  
TISHMAN CONSTRUCTION CORPORATION FOR CONSTRUCTION MANAGEMENT SERVICES FOR  
RENOVATION**

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

Ratify the exercising of the first option to extend the agreement with Tishman Construction Corporation of Illinois to provide construction management services for renovation work for the Capital Improvement Program in the Department of Operations at a cost for the option period not to exceed \$9,000,000.00. This option was exercised without prior Board approval. No payment shall be made to Tishman Construction Corporation of Illinois during the option prior to the execution of the written option agreement. The authority granted herein shall automatically rescind in the event a written option agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

**SPECIFICATION NO:** 00-250201

**Vendor:** Tishman Construction Corporation of Illinois  
One South Wacker Drive, Suite 2300  
Chicago, Illinois 60606  
Contact Person: Ronald E. Materick  
312-577-2310  
Vendor # 21055

**USER:** Department of Operations  
125 South Clark  
Timothy Martin  
(773) 553-2900

**ORIGINAL AGREEMENT:** The original agreement (authorized by Board Report #00-0628-PR9), was for a term commencing June 1, 2000 and ending May 31, 2002, with the board having two options to renew for periods of one year each. The original agreement was awarded pursuant to a public Request for Proposal (Specification No. 00-250201).

**OPTION PERIOD:** The term of this agreement shall be extended for a term commencing on June 1, 2002 and shall end May 31, 2003.

**OPTION PERIODS REMAINING:** There is one-one year option remaining.

**SCOPE OF SERVICES:** Tishman Construction Corporations shall continue to render the Services set forth in the Original Agreement.

**DELIVERABLES:** Tishman Construction Corporation of Illinois shall continue to deliver construction manager services to the Office of Operations for renovation work.

**OUTCOMES:** The construction manager services shall continue to result in the management of all design and construction cost for renovation work for the Office of Operation's Capital Improvement Program.

**COMPENSATION:** The maximum compensation payable to Tishman during the option period shall not exceed \$9,000,000.00.

**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.

**AFFIRMATIVE ACTION:** Based upon a review and analysis of the vendor's compliance with the M/WBE goals from the initial contract term, this contract is in full compliance with the original M/WBE participation goals required by the Revised Remedial Plan for minority and Women Business Enterprise Contract Participation (M/WBE Plan). The Professional Services participation goals for the contract include: 35% total MBE, 22% total African-American, 10% total Hispanic, 2% Asian and 5% total WBE.

The vendor has identified and scheduled the following original M/WBE firms and percentages:

**Total MBE 35%**

**Total African-American 23%**

UBM Inc. 14%  
223 W. Jackson Blvd. suite 1200  
Chicago, IL 60606

Louis Jones Enterprises 9%  
333 N. Michigan Ave. suite 625  
Chicago, IL 60601

**Total Hispanic 10%**

Primera Engineering 10%  
25 E. Washington suite 510  
Chicago, IL 60602

**Total Asian 2%**

Soodan and Associates 2%  
100 N. Lasalle suite 1800  
Chicago, IL 60602

**Total WBE 5%**

Bronner Group Inc. 5%  
120 N. Lasalle suite 1300  
Chicago, IL 60602

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

**FINANCIAL:** Charge to Office of Operation: \$ 9,000,000.00 Fiscal Year: FY03  
Budget Classification: various capital funds  
Source of Funds: Capital Improvement Program

**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 July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

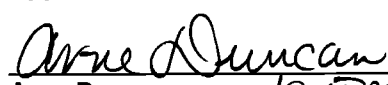
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

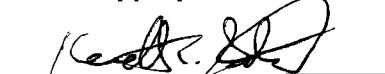
**Approved for Consideration:**

  
Anita Rocha  
Acting Chief Purchasing Officer


**Approved:**

  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
Kenneth C. Gotsch  
Chief Fiscal Officer

**Approved as to legal form:**

  
Marilyn F. Johnson  
General Counsel