

**APPROVE EXERCISING THE FIRST OPTION TO EXTEND THE AGREEMENT WITH
OCA CONSTRUCTION, INC. FOR NEW MODULAR CLASSROOMS**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to extend the agreement with OCA Construction, Inc. to provide new modular classrooms to the Department of Operations at a cost not to exceed \$22,000,000. A written renewal agreement for Vendor's services is currently being negotiated. No payment shall be made to Vendor during the renewal term prior to the execution of the written renewal agreement. The authority granted herein shall automatically rescind in the event a written renewal agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this renewal agreement is stated below.

SPECIFICATION NO.: 02-250008

Contact Administrator: Patricia Hernandez 553-2256

VENDOR: OCA Construction, Inc.
8754 South Archer Ave.
Willow Springs, IL 60480
Kelly O'Connor
(708) 839-5605
Vendor # 31792

USER: Department of Operations
125 South Clark-16th Floor
Chicago, IL 60603
Bruce Washington
(773) 553-2900

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 02-0626-PR09) in the amount of \$3,498,157.25 is for a term commencing July 1, 2002 and ending June 30, 2003, with the Board having the option to extend the agreement for two (2) additional twelve(12) month periods. The original agreement was awarded pursuant to a duly advertised Bid Solicitation (Specification 02-250008).

EARLY TERMINATION RIGHT; Thirty days written notice by The Board of Education.

RENEWAL TERM: This agreement shall be extended for a term commencing July 1, 2003 and shall end June 30, 2004.

OPTION PERIODS REMAINING: There is one (1) twelve (12) month period option remaining.

SCOPE OF SERVICES: Vendor shall continue to furnish and install new modular classrooms.

COMPENSATION: OCA Construction, Inc. shall be paid on a per project basis in accordance with the unit prices indicated in the written contract. Total compensation amount shall not exceed \$22,000,000.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written renewal agreement. Authorize the President and Secretary to execute the renewal agreement.

AFFIRMATIVE ACTION: This contract is in partial compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The M/WBE participation goals for the contract include: 26% total MBE, 17% total African American, 7.5% total Hispanic, 2% total Asian and 5% total WBE. The vendor has received a partial waiver in the Asian category.

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

Total 44% MBE:

Total 32% African American:

Frank's Masonry 16%
33 South California
Posen, Illinois 60478
Gammon's Asphalt Paving 16%
1601 Lincoln Avenue
Harvey, Illinois 60426

Masonry, Concrete and
Excavation
Certified through 2/28/07
Asphalt Paving Services
Certified through 6/30/08

Total 12% Hispanic

Vista Supply 3%
14001 South Kostner
Crestwood, Illinois 60445
Fullerton Industrial Supply 3%
1456 West Fullerton
Chicago, Illinois 60614
Industrial Fence 3%
1300 South Kilbourn
Chicago, Illinois 60623
Unico Enterprises 3%
5155 South Hoyne
Chicago, Illinois 60609

Plumbing Supplies
Certified through 05/31/07
Plumbing Supplies
Certified through 02/28/07
Fencing Services
Certified through 07/31/07
Landscaping Services
Certified through 6/30/06

Total 56% WBE:

Stevenson Crane 5%
410 Stevenson Drive
Bolingbrook, Illinois 60440
OCA Construction 51%
8434 South Corcoran Road
Willow Springs, Illinois 60480

Crane Rental Services
Certified through 1/31/07
General Contracting Services

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

FINANCIAL: Charge to Operation: \$22,000,000
Budget Classification: 0944-454-000-9314-5400
Fiscal Year: FY03
Source of Funds: Capital Funds

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.

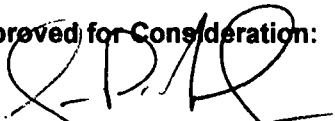
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted 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:


Sean P. Murphy
Chief Purchasing Officer

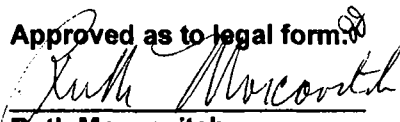
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Peggy A. Davis
Chief of Staff

Approved as to legal form:


Ruth Moscovitch
General Counsel