

**APPROVE THE RENEWAL OF THE EXISTING AGREEMENT WITH d'ESCOTO, INC. FOR  
CONSTRUCTION MANAGEMENT SERVICES FOR EDUCATIONAL ENHANCEMENTS**

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

Approve the renewal of the existing agreement with d'Escoto, Inc. to provide construction management services for educational enhancements to the *Capital Improvement Program* in the *Department of Operations* at a cost for the renewal period not to exceed \$1,066,663.00. A written agreement is currently being negotiated. No payment shall be made to d'Escoto, Inc. during the renewal period 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:** 00-250201

**CONSULTANT:** d'Escoto Inc.

One East Erie, Suite 520  
Chicago, Illinois 60611  
Contact Person: Peter Antosh  
312-787-0707  
Vendor # 23729

**USER:** Department of Operations  
125 South Clark  
Sean P. Murphy  
(773) 553-2900

**ORIGINAL AGREEMENT:** The original agreement (authorized by Board Report 00-0628-PR7), is 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 extended for a term commencing June 1, 2002 and ending May 31, 2003 pursuant to Board Report 02-0626-PR12. The original agreement was further extended for a term commencing June 1, 2003 and ending December 31, 2003 pursuant to Board Report 03-0527-PR19. The original agreement was awarded pursuant to a duly advertised Request for Proposals (Specification No. 00-250201).

**RENEWAL PERIOD:** The agreement shall be renewed for a term commencing January 1, 2004 and ending no less than 3 months and no more than 6 months there after, upon 30 days notice of termination by the Board.

**SCOPE OF SERVICES:** d'Escoto Inc. shall continue to render the following construction management services to perform educational enhancements work in the *Capital Improvement Program*:

Provide pre-construction and construction services. Review contract documents, construction methods, schedules and budgets during the design and construction phase. Provide coordination, oversight, the administration of the construction process, including cost, schedules, quality of work and timeliness of work for each project in accordance with the *Construction Management Services Agreement*, which includes but is not limited to: provide monthly written status reports, including completed project photos, contract award, percent complete of ongoing projects, anticipated completion dates, problems, budgets, budget concerns. Prepare an operation plan for projects to ensure that projects are completed on time and within program budget and coordinate construction activities with contractors and schools including construction sequence and site space assignments. Provide written recommendations during the design phases relative to feasibility of construction methods, availability of materials and labor, labor shortages, time requirements for procurement, installation and construction, factors related to construction cost including but not limited to: cost of alternative designs or materials, preliminary budgets, and possible economies. Perform construction cost estimates at 50% and 90% design and as needed for comparison

against managing architect, architect of record estimates, and program budget. Coordinate and expedite the ordering and the delivery of materials, shop drawing reviews, and other submittals. Select, retain, and coordinate the professional services of special consultants and testing laboratories for required projects. Develop and establish bidding schedules. Prepare and issue bid documents for multiple prime and/or trade contracts. Coordinate bidding, issue addenda, conduct pre-bid conferences with prospective bidders, make recommendations for award or rejection, and maintain record of bid information. Schedule and conduct all pre-construction and construction site meetings providing meeting minutes. Monitor the performance of all general contractors, rate performance, update schedules and cost during construction. Review and process pay applications and final payments. Request interpretations of drawings and specifications, review construction and contract changes, negotiate prices and monitor construction changes in contract and change orders. Review, evaluate, and document claims. Monitor the delivery, storage, protection and security of Board purchases, materials, systems, and equipment relative to projects. Observe with architect of record, the contractor's final testing and start-up of equipment, operational systems, and training of Board personnel. Prepare and document the execution and correction of the preliminary and final punch list items with the architect of record. Maintain daily logs and weekly summary reports on projects. Assist architect of record and contractor in coordination with all city and state agencies and obtaining building permits, certificate of occupancy and fire system approvals. Manage multiple prime and/or trade contractors.

**DELIVERABLES:** d'Escoto, Inc. shall continue to deliver construction manager services to the Office of Operations for the educational enhancement including installation of modular units, playgrounds, athletic fields, and stadium work.

**OUTCOMES:** The construction manger services shall continue to result in the management of all design and construction costs for educational enhancements for the Department of Operation's Capital Improvement Program.

**COMPENSATION:** d'Escoto, Inc. shall be compensated for services based upon actual payroll rate times an approved multiplier for actual overhead, burden, and profit, not to exceed 2.5. Authorization requests shall be submitted to, and approved by, the Program Manger and the Department of Operations for all services performed. The maximum compensation payable to d'Escoto during this renewal agreement shall not exceed \$1,066,663.00.

**REIMBURSABLE EXPENSES:** d'Escoto, Inc. shall be reimbursed for the following expenses: Transportation expenses for personal or company vehicles when used for travel to project sites only and required meetings outside of the CIP Program Management office; reproduction charges; remote telephone usage, and pagers; office expenses including office space, furnishings, computers, copiers, printers, office supplies, and materials for Consultant's personnel located within the CIP Program Management Office. The total compensation amount reflected herein is inclusive of all reimbursable expenses.

**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:** 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 original M/WBE participation goals for the contract include: 35% total MBE; 22% total African-American; 12% Hispanic; 2% Asian; and 5% total WBE.

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

	<b>Total MBE 95%</b>	
<b><u>Total African-American 22%:</u></b>		
The Architects Enterprise	7%	certified until September 1, 2004

116 S. Michigan Ave. suite 700  
Chicago, Illinois 60603

Brown and Momen 15% certified until January 31, 2004  
823 E. Drexel Square  
Chicago, Illinois 60615

**Total Hispanic 71%** 71% certified until February 28, 2004  
D'Escoto Inc.  
1 E. Erie suite 520  
Chicago, Illinois 60611

**Total Asian 2%** 1% certified until December 31, 2003  
Site Design  
8 S. Michigan Ave. suite 1007  
Chicago, Illinois 60603

Shah Engineering Inc. 1% certified until March 31, 2003  
One IBM Plaza suite 3200  
Chicago, Illinois 60611

**Total WBE 5%** 5% certified until February 28, 2004  
O'Brien and Associates  
1235 E. Davis  
Arlington Heights, Illinois 60005

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

**FINANCIAL:** Charge to Office of Operations: \$1,066,663.00 Fiscal Year: FY04  
Budget Classification: 0944-458-000-9316-5410  
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.

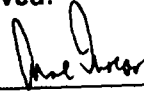
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Heather A. Obora  
Chief Purchasing Officer

Approved:



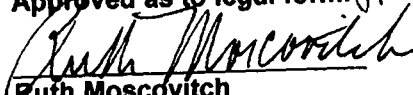
Arne Duncan  
Chief Executive Officer

Within Appropriation:



John Malorca  
Chief Financial Officer

Approved as to legal form: 



Ruth Moscovitch  
General Counsel