

May 26, 2004

**APPROVE ENTERING INTO AGREEMENTS WITH VARIOUS CONSULTANTS  
FOR OWNER'S REPRESENTATIVE SERVICES FOR THE CAPITAL IMPROVEMENT PROGRAM**

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

Approve entering into agreements with the consultants identified below to provide owner's representative services to the Capital Improvement Program (CIP) at a cost not to exceed \$35,000,000 in the aggregate for a 2-year period. Consultants were selected on a competitive basis pursuant to a duly advertised Request for Proposals (Specification #04-25003). A written agreement for each Consultant's services is currently being negotiated. No payment shall be made to any Consultant prior to the execution of such Consultant's written agreements. The authority granted herein shall automatically rescind as to each Consultant in the event a written agreement for such Consultant is not executed within 90 days of the date of this Board Report. Information pertinent to these agreements is stated below.

Specification No.: 04-25003

**CONSULTANTS:**

- |  |  |
|--|--|
| <p>1. <b>Tishman Construction Corporation of Illinois</b><br/>One South Wacker Drive, Suite 2300<br/>Chicago, IL 60606<br/>James E. McLean<br/>(312) 577-2310<br/>Vendor # 21055</p> | <p>2. <b>Partnership for Chicago Schools, a Joint Venture</b><br/>122 South Michigan Avenue, Suite 1920<br/>Chicago, IL 60603<br/>Daniel Youngman<br/>(312) 939-1000<br/>Vendor # Pending</p> <p>a) <b>McKissack &amp; McKissack Midwest</b><br/>750 N. Rush, Suite 2303<br/>Chicago, IL 60611<br/>Deryl McKissack<br/>(312) 751-1598<br/>Vendor # Pending</p> <p>b) <b>O'Donnell Wicklund Pigozzi and Peterson Architects, Inc.</b><br/>111 W. Washington Street<br/>Suite 2100<br/>Chicago, IL 60602<br/>Richard H. Dewar<br/>(312) 960-8034<br/>Vendor # 36833</p> <p>c) <b>The Rise Group, LLC</b><br/>120 S. LaSalle, Suite 1750<br/>Chicago, IL 60603<br/>Leif Selkregg<br/>(312) 917-1000<br/>Vendor # Pending</p> <p>d) <b>URS Corporation</b><br/>122 S. Michigan Ave, Suite 1920<br/>Chicago, IL 60603<br/>Daniel Youngman<br/>(312) 939-1000<br/>Vendor # Pending</p> |
|--|--|

**USER:** Department of Operations/Capital Improvement Program  
125 South Clark 16<sup>th</sup> Floor  
Chicago, IL 60603  
Contact Person: Sean P. Murphy  
773-553-2900

**TERM:** The term of each agreement shall start on July 1, 2004, and end on June 30, 2006. Each agreement shall have two (2) options to renew for periods of twelve (12) months each.

**EARLY TERMINATION RIGHT:** The Board shall have the right to terminate either agreement upon 30 calendar days written notice.

**SCOPE OF SERVICES:** Consultant's shall be selected by the Chief Operating Officer to manage design and construction of various types of projects within the CIP. Consultants will 1) provide diligent and competent design and construction management services adhering to the Scope of Services; 2) assume Existing Projects at various stages of completion; 3) assume small and specialty projects, and 4) assume hourly rate projects as assigned.

**DELIVERABLES:** Consultant s shall develop detailed schedules and project scopes, develop project transfer packages and provide written construction progress reports.

**OUTCOMES:** Consultant's services will result in the effective and efficient management of the design and construction projects for the CIP.

**COMPENSATION:** Consultants shall be paid as follows:

- 1) Design and Construction Projects at a rate set at seven (7%) percent of the estimated construction cost and the final approved transfer package for each project or as may be re-negotiated by the Chief Operating Officer from time to time on an annual basis;
- 2) Assumed Existing Projects at a rate as determined by the Chief Operating Officer;
- 3) Small Projects and Specialty Projects at a rate to be negotiated on a case by case basis as determined by the Chief Operating Officer; and
- 4) Hourly Rate Projects at a rate in accordance with industry standards.

Total compensation to all consultants during the 2 year period shall not exceed \$35,000,000.

**REIMBURSABLE EXPENSES:** Consultants shall be reimbursed for the following expenses: 1) Specialty consultants; and 2) Other expenses to be negotiated on an individual basis as determined and approved by the Chief Operating Officer. Reimbursable expenses are included in the total compensation amount reflected above.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written agreements. Authorize the President and Secretary to execute the agreements. Authorize the Chief Operating Officer to negotiate fees and rates based on the types of projects granted to consultants; provided, however, the total compensation payable to both consultants shall not exceed the not to exceed amount stated in this Board Report. Authorize the Chief Operating Officer to execute all ancillary documents related to these agreements.

**AFFIRMATIVE ACTION:** These contracts are in full 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 these contracts include: 35% total MBE, 22% total African-American, 10% total Hispanic, 2% total Asian and 5% total WBE. M/WBE participation on these contracts will be monitored on a monthly basis.

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

**FINANCIAL:** Department of Operations: \$35,000,0000                      Fiscal Year: FY05&06  
 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.

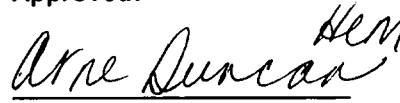
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:**

  
Heather A. Obora  
Chief Purchasing Officer

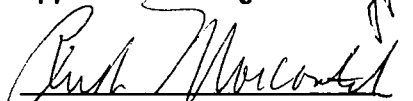
**Approved:**

  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
John Malorca  
Chief Financial Officer

**Approved as to legal form:**

  
Ruth M. Moscovitch  
General Counsel