

**APPROVE ENTERING INTO AN AGREEMENT WITH HILL ENVIRONMENTAL OPERATIONS, INC
FOR BUILDING ENGINEERING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Hill Environmental Operations, Inc. to provide building engineering services to the Department of Operations at a cost not to exceed \$12,000,000 for a three-year period. Consultant was selected on a competitive basis pursuant to a duly advertised Request for Proposals (Specification #04-250056). A written agreement for Consultant's services is currently being negotiated. No payment shall be made to Consultant prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

SPECIFICATION NO.: 04-250056

CONSULTANT: Hill Environmental Operations, Inc.
17W220 22nd Street, Suite 530
Oakbrook Terrace, IL 60181
Harold Hacker
(630) 617-4700
Vendor # 24034

USER: Department of Operations
125 South Clark- 16 Floor
Chicago, IL 60603
Roberta Fichter
(773) 553-3264

TERM: The term of this agreement shall commence on October 1, 2004 and shall end September 30, 2007. This agreement shall have two options to renew for periods of 12 months each.

EARLY TERMINATION RIGHT: The Board shall have the right to terminate this agreement with 30 days written notice.

SCOPE OF SERVICES: Consultant will provide the following services:

- A. Various Schools shall be cleaned and groomed
- B. The building exteriors shall be graffiti-free
- C. The building interior surfaces shall be cleaned
- D. Washrooms shall be cleaned, odor-free, and adequately supplied
- E. Drinking fountains shall be cleaned and operational
- F. The lighting shall be operational, including exit and directional signs
- G. The temperature of the buildings shall be comfortable and consistent throughout
- H. Door locks, door closers, and other hardware items shall be operational
- I. Requests from Principals shall be completed promptly
- J. Fire suppression equipment shall be inspected and tested on a regular basis
- K. Boilers, univents and other HVAC equipment shall receive routine maintenance in accordance with manufacturers specifications.

DELIVERABLES: The Vendor shall provided licensed operating engineers at Chicago Public Schools Citywide.

OUTCOMES: Vendor's services shall result in the continued safe and economical operation and maintenance of mechanical and other operating systems at Chicago Public Schools Citywide.

COMPENSATION: Consultant shall be paid as follows: upon monthly invoicing; not to exceed the sum of \$3,900,000 for the first year of the agreement, \$4,000,000 for the second year of the agreement, and \$4,100,000 for the third year of the agreement.

REIMBURSABLE EXPENSES: None.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Operating Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: Pursuant to Section 3.7 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan), this contract is exempt from review because services rendered classify as a unique transaction.

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

FINANCIAL: Charge to Operations: \$3,200,000 Fiscal Year: FY05
\$ 3,250,000 Fiscal Year: FY06
\$ 3,300,000 Fiscal Year: FY07
Budget Classification: 0944-552-000-4450-5410
Source of Funds: PBC O&M

Charge to Operations: \$700,000 Fiscal Year: FY05
\$750,000 Fiscal Year: FY06
\$800,000 Fiscal Year: FY07
Budget Classification: 0643-210-000-4462-5400
Source of Funds: General Educations Fund

GENERAL CONDITIONS:

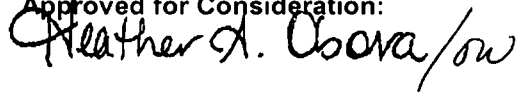
Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel 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:


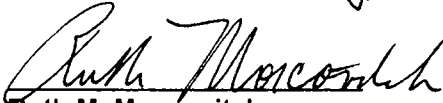
Heather A. Osora *HA*
Chief Purchasing Officer

Within Appropriation:



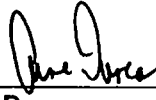
John Maiorca
Chief Financial Officer

Approved as to legal form: 



Ruth M. Moscovitch
General Counsel

Approved:



Arne Duncan
Chief Executive Officer