

**APPROVE ASSIGNING THE PUBLIC BUILDING COMMISSION TO DEVELOP A FORMULATION
FOR AN ADDITION TO GWENDOLYN BROOKS COLLEGE PREP ACADEMY**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve assigning the Public Building Commission ("Commission") to develop a formulation of a project budget for an addition ("Addition") to Gwendolyn Brooks College Prep Academy (the "School") in two ways, namely: one with a \$20,000,000.00 budget cap and the other without a cap at a cost to Chicago Public Schools not to exceed \$200,000. Information pertinent to the assignment of the formulation is stated below.

BOARD REQUIREMENTS: The Board has completed the programming for the Addition, which programming along with the Owner's Project Requirements are collectively referred to herein as the "Board's Requirements".

FORMULATION: In accordance with the Board's Requirements, the PBC shall be requested to submit to the Board a formulation (including the project budget, schedule, conceptual design, necessary estimating, and investigative tasks) for the Addition in two ways, as follows:

The Twenty Million Dollar Addition. The Commission shall provide the Board a project budget inclusive of all project costs and schedule which will include those aspects of the Board's Requirements that can be completed for \$20,000,000.00.

The "All-In" Addition. The Commission shall provide the Board with a project budget inclusive of all project costs and schedule for all of the Board's Requirements.

USE: To be used by the Department of Operations in order to determine the feasibility of making the Addition to the School.

OFFICIAL INTENT: The Board has determined that it is advisable, necessary and in the best interests of the Board and the residents of the School District to construct the Addition to the School, all in accordance with the estimates of cost, including the Board's Capital Improvement Program, approved by the Board and on file in the office of the Secretary of the Board. The Board has paid within 60 days prior to the date hereof and/or intends to pay on or after the date hereof certain project costs, as herein described (hereinafter sometimes called "Original Expenditures"), and to reimburse the payment of such Original Expenditures with the proceeds of bonds or other evidence of borrowing (the "Bonds") to be issued subsequent to the payment of such Original Expenditures. The Board has determined that the funds to be advanced to pay Original Expenditures will be available only on a temporary basis and that it is necessary and desirable to declare the "official intent" of the Board to reimburse Original Expenditures with the proceeds of Bonds and otherwise to meet the requirements of Treasury Regulations § 1.150-2 (or successor provisions) promulgated under the Internal Revenue Code of 1986, as amended (the "Treasury Regulations").

AUTHORIZATION FOR AMENDMENT TO DOCUMENTS: The General Counsel is authorized to negotiate amendments to (i) the Intergovernmental Agreement Between the Board of Education of the City of Chicago and the Public Building Commission of Chicago Regarding the Modern Schools Across Chicago Program and Other Projects; and (ii) the Memorandum of Understanding Between the Public Building Commission of Chicago and the Board of Education of the City of Chicago, all as may be necessary to permit the Addition to the School.

AUTHORIZATION: Authorize the Chief Operating Officer to assign the formulation to the Commission. Authorize the General Counsel to execute all ancillary documents required to administer or effectuate the assignment of the formulation.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL:

Charge: The cost of the formulation shall not exceed \$200,000.00

Budget Classification: 47051-478-56215-009551-2008

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.

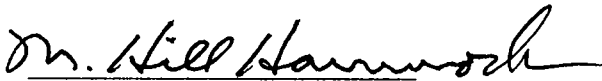
Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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.

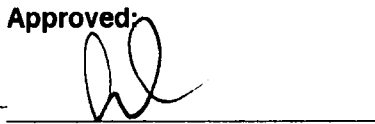
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:

Approved:



M. Hill Hammock
Chief Operating Officer



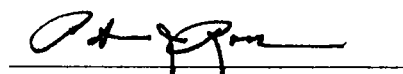
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to legal form:



Patrick J. Rocks
General Counsel