

July 23, 2008

08-0723-PR11

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH  
TRANSPAR MANAGEMENT SERVICES, LLC**

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

Approve exercising the first option to renew the agreement with Transpar Management Services, LLC to provide student transportation management services to Chicago Public Schools at a cost for the option period not to exceed \$2,077,595.76. A written document exercising this option is currently being negotiated. No payment shall be made to Consultant during the option period prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

**CONSULTANT:**

Transpar Management Services, Llc  
18 Sw 3rd St., #200  
Lees Summit, Mo 64063  
Ruth A. Newby  
816-524-2033  
Vendor # 16185

**USER:**

Facility Operations & Maintenance  
125 South Clark Street 16th Floor  
Chicago, IL 60603  
M. Hill Hammock  
773-553-2900

**ORIGINAL AGREEMENT:**

The original Agreement (authorized by Board Report 05-0824-PR6, as amended by Board Report 06-0125-PR2) in the amount of \$5,553,333.00 is for a term commencing December 1, 2005 and ending September 30, 2008, with the Board having one option to renew for one year period. The original agreement was awarded on a competitive basis pursuant to a duly advertised Request for Proposal (Specification No. 05-250014).

**OPTION PERIOD:**

The term of this agreement is being extended for one year commencing October 1, 2008 and ending September 30, 2009.

**OPTION PERIODS REMAINING:**

There are no option periods remaining.

**SCOPE OF SERVICES:**

Consultant service will continue to provide overall management services for the Student Transportation Program ("Program"), including but not limited to, the following:

- a) Manage and supervise the Program as established by the Board in accordance with all policies and procedures;
- b) Prepare short and long-term plans, policies and procedures for Board approval;

- c) Work with the Board to maintain information systems that permit student transportation eligibility verification;
- d) Develop and monitor the annual transportation budget for approval by the Board;
- e) Assist the Chief Operating Officer in designing bus provider contracts and implement and monitor such contracts;
- f) Ensure that sufficient numbers of buses and drivers are available when school starts and at all times thereafter;
- g) Monitor bus vendor compliance with all terms and conditions set forth in the bus contracts;
- h) Develop strategies to implement efficient bus routing/scheduling;
- i) Develop and implement a system to monitor bus vendor performance;
- j) Operate an efficient complaint and inquiry resolution system;
- k) Process bus vendor invoices accurately and timely;
- l) Collect and maintain all operating and performance data required to comply with all Board, City, State and Federal reporting requirements within a schedule of report deadlines approved by the Board;
- m) Recruit, train and develop sufficient management, human resources, data analysis and general administrative staff to supervise and support the management of the Program;
- n) Assign substitute Child Welfare Attendants and Bus Aides upon notification by the Board;
- o) Assume management and oversight of the Board's Fleet Management vehicles consolidating the CPS Driver Education vehicles into the Program; and
- p) Assume management and oversight of the State of Illinois Parent/Guardian Pupil Transportation Program.

**DELIVERABLES:**

Consultant will continue to deliver monthly, quarterly and yearly management reports as specified and detailed in the written agreement, including performance reviews of bus operations, costs and budget, safety, reliability, services efficiency, vendor oversight, customer services, and initiatives.

**OUTCOMES:**

Consultant's services will result in the effective and efficient management of the Program.

**COMPENSATION:**

Consultant shall be paid during this option period as follows: monthly not to exceed the sum of \$173,132.98; total compensation not to exceed the sum of \$2,077,595.76.

**AUTHORIZATION:**

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

**AFFIRMATIVE ACTION:**

The M/WBE goals for this contract include: 35% total MBE and 5% total WBE. This vendor is currently in full compliance with its M/WBE goals. The vendor has scheduled to continue utilizing the following firms:

MBE - Total 38%:

Tidy International - (H): 30 W. 260 Butterfield #207, Warrenville, IL 60555

Midwest Benefit Communications - (AA): 330 S. Wells, Suite 1404, Chicago, IL 60606

Seville Temporary Services - (AA): 180 N. Michigan Ave., Suite 1510, Chicago, IL 60601

Sutton Ford - (AA): 21315 Central Ave., Matteson, IL 60443

WBE - Total 5%:

Meridian Travel Service; 2407 W. 22nd St., Oak Brook, IL 60523

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Charge to Student Transportation: \$2,077,595.76

Source of Funds: General Education Funds

0645-210-00000-3740-5410-2009

\$2,077,595.76

**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 June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), 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:



PEDRO MARTINEZ  
Chief Financial Officer

Approved as to Legal Form:



PATRICK J. ROCKS  
General Counsel