

AUTHORIZE SETTLEMENT OF CLAIM BY ENVIRONMENTAL DESIGN INTERNATIONAL, INC.

THE GENERAL COUNSEL RECOMMENDS THE FOLLOWING:

Authorize a settlement and release between the Board and Environmental Design International, Inc. ("EDI") regarding EDI's claim for payment on invoices for environmental asbestos-related inspectional services rendered in the years 2005 through 2007 at various school facilities.

Information pertinent to this settlement agreement is as follows:

ENTITIES: **Environmental Design International, In.**
 c/o Deborah Sawyer, President & CEO
 33 West Monroe, Suite 1825
 Chicago, Illinois 60603
 General services contractor for asbestos inspections.
 Contracts: BR 01-0822-PR5 and 05-0727-PR17

HISTORY: In 2005 through 2007, EDI provided inspectional reporting services for mandated State of Illinois Asbestos reporting requirements for various school facilities as requested by the Board. In 2010, EDI submitted a claim to the Board for unpaid invoices for services totaling in excess of \$300,000.00.

DESCRIPTION OF SETTLEMENT: The Board claims that certain services were not authorized or ordered. EDI claims services were provided as set out in their contract and were not terminated until after a substantial portion of the work was underway or completed. CPS has negotiated a tentative final settlement in the amount of \$96,295.00 for full extinguishment of these claims. This settlement terminates all past, present, and future claims for payment related to any and all services rendered by EDI.

AUTHORIZATION: Authorize the General Counsel to negotiate and execute a settlement agreement as to legal form between the Board and EDI.

LSC REVIEW: LSC approval is not applicable to this report.

AFFIRMATIVE ACTION STATUS: Not applicable.

FINANCIAL: Charge \$300,000.00 to Law Department
 Budget Classification Fiscal Year 2011.....12150-436-56310-253543-000000

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.

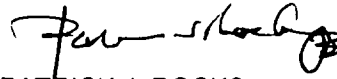
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their 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,



PATRICK J. ROCKS
General Counsel *WR*

Within Appropriation:



~~DIANA~~
~~DIANNA~~ FERGUSON
Chief Financial Officer