

**APPROVE EXERCISING THE FIRST OPTION TO EXTEND THE AGREEMENTS
FOR STUDENT TRANSPORTATION SERVICES
(SCHOOL BUS SERVICE)**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to extend the agreements with various Bus Companies to provide Student Transportation Services to the Department of Operations for students enrolled in various programs in the Chicago Public Schools at a cost not to exceed \$95,000,000 for the agreement term running through the last day of the school year (including summer school) for 2012. Written document exercising these options are currently being negotiated. No payment shall be made to any Vendor during the option period prior to the execution of their written documents. The authority granted herein shall automatically rescind as to each Vendor in the event a written agreement for such Vendor is not executed within 90 days of the date of this Board Report. Information pertinent to these option agreements is stated below.

VENDORS AND BUS AWARDS:

(Individual route prices based on type of service and category of bus are on file in the Purchasing Department.)

It is estimated that approximately 2,500 routes for about 1,500 school buses, of various sizes and configurations will be awarded pursuant to these agreements. The number of buses actually required to provide services to students will not be known until the school year is underway. Because of the number of buses required is estimated, the total cost of the agreement is also estimated. The annual and contract term cost estimates are based upon the combined regular school year and summer school calendars established by the Board. The Chicago Public Schools reserves the right, during the agreement period, to order the services of more or fewer vehicles than originally awarded through this agreement as the needs of students and/or programs change. The Board is only obligated for costs of buses actually operating CPS routes.

Non-Lift Equipped Buses:

Bus Company	Total Bus Award	CATEGORY I – Non-Lift Buses			
		Regular Service		Rapid Response Service	
		North Bus Award	South Bus Award	North Bus Award	South Bus Award
A.M. Bus Company – Vendor #20287	98	3	95	0	0
Alltown Bus Service – Vendor #46491	155	80	75	0	0
Ammons Transportation- Vendor #32700	20	0	18	0	2
Bryden Transportation Vendor #39952	18	0	18	0	0
Caravan Transportation – Vendor #35153	39	37	2	0	0
Dunbar Transportation- Vendor #21809	17	0	17	0	0
Falcon Transportation- Vendor #24922	68	61	7	0	0
Illinois Central School Bus- Vendor #72017	145	80	65	0	0
Illinois Student Transportation- Vendor #19722	30	30	0	0	0
Jack Harris Transportation- Vendor #11085	9	0	9	0	0
J.L. Harris- Vendor #23269	10	0	10	0	0
Jewel's Bus Company- Vendor#12475	115	55	60	0	0
Latino Express – Vendor #39549	90	45	45	0	0
O'Neal's Transportation- Vendor #21807	30	0	30	0	0
R & D Bus Company- Vendor #11556	79	75	2	2	0
Ransom Transportation- Vendor #48098	16	0	16	0	0
Sunrise Transportation- Vendor #41526	191	41	150	0	0
United Quick Transportation- Vendor #43809	53	26	27	0	0
Walls Transportation- Vendor #16230	16	7	9	0	0
White Transportation- Vendor #50226	36	0	36	0	0

Lift Equipped Buses:

Bus Company	Total Bus Award	CATEGORY II – Lift Buses			
		Regular Service		Rapid Response Service	
		North Bus Award	South Bus Award	North Bus Award	South Bus Award
A.M. Bus Company	23	4	17	0	2
Alltown Bus Service	93	55	38	0	0
Bryden Transportation	7	0	7	0	0
Caravan Transportation	2	1	1	0	0
Falcon Transportation	6	3	2	1	0
Jack Harris Transportation	2	0	2	0	0
Jewel's Bus Company	3	0	3	0	0
Illinois Central School Bus	56	36	20	0	0
Illinois Student Transportation	2	2	0	0	0
Latino Express	3	0	3	0	0
R & D Bus Company	10	9	0	1	0
Sunrise Transportation	42	10	32	0	0

USER: Department of Operations
125 South Clark- 17th Floor
Chicago, IL 60603
Patricia L. Taylor
(773) 553-2900

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report 08-0827-PR5) was for a term commence from the date of award of the Contract as stated on the Bid Execution Page and end thereafter on the last day of the school year of 2011 as formally determined by the Board ("Term"), with the Board having the option to renew the Contract for two (2) additional one year periods, or any shorter period of time as determined by the Board. Vendors were selected on a competitive basis in accordance with Board Rule 5-4.1 pursuant to a duly advertised bid solicitation (Specification No. 08-250020).

OPTION PERIOD : The term of these agreements shall commence on the first day of school for the Track E session and ending the last day of school (including summer school) occurring in August 2012 for transportation services for the schools served by each vendor.

OPTION PERIOD REMAINING: There is one option period remaining

EARLY TERMINATION RIGHT: The Board shall have the right, in its sole discretion, to terminate any Vendor's agreement for convenience with thirty (30) days written notice, for any reason.

SCOPE OF SERVICES: Vendors shall provide school bus services to and from school and other related activities to eligible students participating in designated programs as per program guidelines and as set out in the written agreement. Services will be provided during regular and summer school terms. Programs served by school bus services include are not necessary limited to: Special Education, Options for Knowledge, Controlled Enrollment Receiving Schools, Homeless, No Child Left Behind and other programs as the Board deems appropriate. Limited mid-day services will be provided as determined by the Chief Operating Officer.

COMPENSATION: Vendors shall be paid monthly in accordance with prices indicated in the contract, as invoiced by the vendor. Total Compensation to all Vendors for the option period shall not exceed \$95,000,000.

AUTHORIZATION: Authorize the President and Secretary to execute the agreements. Authorize the General Counsel to include other relevant term and conditions in written agreement. Authorize the Chief Executive Officer to determine annually the number of Bus Aides, if any, to be provided by the Vendors through these agreements. Authorize the Chief Operating Officer to execute all ancillary documents required to administer or effectuate any agreements awarded hereunder.

AFFIRMATIVE ACTION: Pursuant to Section 6.2 of the Revised Remedial Plan for minority and women Business Enterprise Contract Participation (M/WBE Plan), the Per Contract and Category Goals method for M/WBE participation will be utilized. Thus, contracts for subsequent vendors from the pool created by this contract will be subject to compliance reviews on a contract-by-contract basis. Compliance of the vendors in the pool will be reported on a monthly basis.

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

FINANCIAL: Charge to Bureau of Student Transportation:	\$95,000,000	
FY 12 0945-various funds-various projects-various programs-5510 (Bus Services)		\$95,000,000

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.

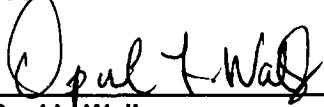
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

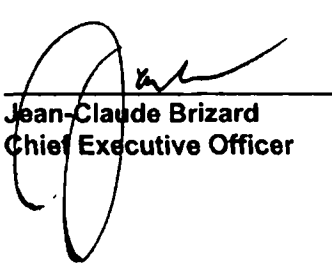
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:




Opal L. Walls
Chief Purchasing Officer

Approved:



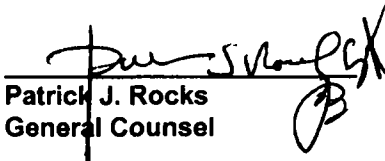
Jean-Claude Brizard
Chief Executive Officer

Within Appropriation:



Melanie A. Shaker
Interim Chief Financial Officer

Approved as to legal form:



Patrick J. Rocks
General Counsel