

**AUTHORIZE THE SECOND RENEWAL AGREEMENT WITH CONSTELLATION ENERGY SERVICES -
NATURAL GAS, LLC TO SUPPLY NATURAL GAS**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the second renewal agreement with Constellation Energy Services - Natural Gas, LLC to provide natural gas to the Department of Facilities at an estimated annual cost set forth in the Compensation Section of this report. A written document exercising this option is currently being negotiated. No payment shall be made to Vendor during the option period prior to 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.

Specification Number : 13-250075

Contract Administrator : Hernandez, Miss Patricia / 773-553-2280

VENDOR:

- 1) Vendor # 76798
CONSTELLATION ENERGY SERVICES-
NATURAL GAS, LLC
1716 LAWRENCE DRIVE
DEPERE, WI 54115
Jay Beasley
312 681-1899

Ownership: Subsidiary Of Exelon Corp,
Over 100 Shareholders

USER INFORMATION :

Contact:
11860 - Facility Operations & Maintenance

42 West Madison Street

Chicago, IL 60602

Norgren, Mrs. Leslie

773-553-2960

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 14-0122-PR9) in the amount of \$90,000,000 is for a term commencing February 18, 2014 and ending March 31, 2016, with the number and period of renewal options to be determined by the Chief Financial Officer dependent upon pricing and market conditions. The agreement was renewed (authorized by Board Report 14-1022-PR8) in the amount of \$30,000,000 for a term commencing April 1, 2016 and ending March 31, 2017. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.

OPTION PERIOD:

The term of this agreement is being renewed for two (2) years commencing April 1, 2017 and ending March 31, 2019.

OPTION PERIODS REMAINING:

There are a number of option periods remaining, to be determined by the Chief Financial Officer or Chief Facilities Officer dependent upon pricing and market conditions.

SCOPE OF SERVICES:

Supplier will continue to supply the Board's full requirements for natural gas including, but not limited to, space and hot water heating to all of the Board's facilities.

DELIVERABLES:

Supplier will continue to deliver natural gas supply.

COMPENSATION:

Supplier shall be compensated at the rates set forth in the renewal agreement.

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 Chief Facilities Officer and Executive Director of Facilities - Operations to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION:

Exempt.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund: 230

Charge to Department of Facilities, Unit # 11880

FY17, FY18, and FY19, Not to exceed \$25,400,000

Future year funding is based on appropriation and approval.

CFDA#:

Not Applicable

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 May 25, 2011 (11-0525-PO2), 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:



SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



FORREST CLAYPOOL
Chief Executive Officer

Approved as to Legal Form: *JLM*



RONALD L. MARMER
General Counsel