

AMENDMENT TO DESIGN MANAGEMENT SERVICES AGREEMENT

THIS AMENDMENT TO DESIGN MANAGEMENT SERVICES AGREEMENT ("Amendment") is effective as of the last day written below ("Effective Date"), and is entered into between the Board of Education of the City of Chicago (the "Board") and Cannon Design Inc. (fka O'Donnell, Wicklund, Pigozzi and Peterson Architects) ("Design Manager").

RECITALS:

- A. The Board and Design Manager entered into that certain Design Management Services Agreement ("Agreement"), effective as of November 19, 2009, in connection with Design Manager's services as a design manager for the Board for a term ending November 18, 2012.
- B. The parties desire to amend the Agreement with respect to total compensation and the MBE/WBE plan on the terms and conditions set forth below, and are acceptable to both the Board and the Design Manager.

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein as though set forth in full, and for other good and valuable consideration in hand paid, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1. **DEFINED TERMS.** All of the defined terms used herein shall have the meaning set forth herein. Any other defined term shall have the same meaning as set forth in the Agreement, unless the context clearly requires a different meaning or connotation.
- 2. **AMENDMENTS TO AGREEMENT.** The following provisions of the Agreement are amended as follows:
 - A. Pursuant to Section 24 of the Agreement, Design Manager is required to provide a detailed compliance demonstration showing the manner in which the Design Manager will comply with the MBE and WBE requirements, including identifying the MBE and WBE firms who will participate in the projects under the Agreement. Once identified, substitution of any MBE or WBE firms must be approved by the Board's Office of Business Diversity ("OBD"). The Board and the Design Manager hereby acknowledge and agree that Design Manager has made some substitutions for some of the MBE and WBE firms originally provided to, and approved by, OBD and OBD has approved such substitutions.
 - B. Exhibit A of the Agreement is hereby stricken in its entirety and the attached Exhibit A is substituted therefor.
 - C. Exhibit B of the Agreement is hereby stricken in its entirety and the attached Exhibit B is substituted therefor. Total compensation to Design Manager, including reimbursables

shall not exceed a total of Twenty-One Million and 00/100 Dollars (\$21,000,000.00) for the entire Term, and shall be payable to Design Manager in accordance with the compensation terms set forth in Exhibit B, but no more than the amounts listed below for the various time periods:

<u>Time Period</u>	<u>Not to Exceed Amount</u>
November 19, 2009 - July 31, 2010	\$5,690,540.00
August 1, 2010 - July 31, 2011	\$7,000,000.00
August 1, 2011 - July 31, 2012	\$7,000,000.00
August 1, 2012 - November 18, 2012	<u>\$1,309,460.00</u>
Total Not-to-Exceed Amount	\$21,000,000.00

3. Exhibit C of the Agreement is hereby stricken in its entirety and the attached Exhibit C is substituted therefor.

4. **EXTENT OF AMENDMENT.** Except as specifically amended by this Amendment, the terms and conditions of the Agreement are and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have signed this Amendment as of the last day written below.

BOARD:

**BOARD OF EDUCATION OF
THE CITY OF CHICAGO**

By: 
Mary B. Richardson-Lowry, President

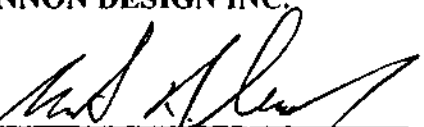
Attest: By: 
Estela G. Beltran, Secretary

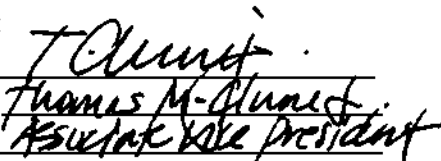
Date: 3/16/11

Board Report No: 11-0223-PR2 - 1

DESIGN MANAGER:

CANNON DESIGN INC.

By: 
Name: RICHARD H. DEWAR
Title: PRINCIPAL

Attest: 
By: Thomas M. Dunne
Name: Thomas M. Dunne
Title: Assistant Vice President

Date: 3.10.11

Approved as to legal form:

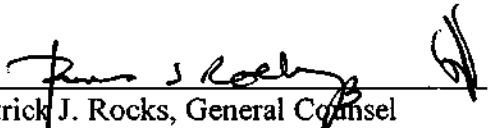

Patrick J. Rocks, General Counsel

EXHIBIT A
SCOPE OF SERVICES

A. GENERAL

- 1) **General.** The Chicago Public School Capital Improvement Program (CPS/CIP) is an extensive effort to improve school facilities in Chicago. Under the leadership of Mayor Daley, the CPS/CIP began in 1995 and has invested over \$4 billion in the Chicago Public Schools. The board anticipates maintaining a \$300 million per year—or more—Capital Improvement Program to carry out this initiative.

The Chicago Public Schools has established a general management structure for developing and implementing capital projects, which provides for a division of responsibilities among internal CPS resources, a Program Manager (PM), Design Manager (DM) (managing architect/engineer), Construction Manager (CM) and various consultants providing professional services. Several of these professional services—such as environmental testing and consulting; surveying; commissioning; and architectural/engineering design—are procured separately, as are construction contractors.

- 2) **Design Manager Relationship to CPS.** CPS, acting through the Chief Facilities Officer and Director of Capital Improvements/New Construction, shall direct the DM's performance of assigned capital projects, and shall retain final authority with regard to all project decisions. The DM is responsible for maintaining procedures to ensure that all functional groups—both internal staff and external consultants—responsible for overseeing the capital project's planning, design, and implementation—are coordinated. The DM is responsible for providing the Director of Capital Improvements/New Construction with timely information and recommendations regarding decisions needed to enable the Capital Improvement Program to be implemented in a timely and cost-effective manner.
- 3) **Time Accounting.** The DM will ensure that all time billed is allocated to specific projects where applicable to allow project costs to accurately reflect consulting time spent.

B. DETAIL OF SERVICES

- 1) **Organizational Structure.** Design Manager shall assemble a multi-disciplinary team of architects, structural, civil, and MEP engineers, ADA, LEED, and environmental consultants to handle multiple, complex renovations, additions, and upgrade projects for the CPS/CIP.

- a) This team will be further divided into specialty areas to better deliver a consistent scoping approach to the following broad categories of work:
 - i) Exterior Envelope: walls, parapets, lintels/shelf angles, cornices, windows, doors, exterior stairs and ramps, roof systems, chimneys, canopies, structural.
 - ii) Mechanical, electrical, plumbing, and fire protection: boilers (steam/hot water), ventilation systems (unit ventilators/fan-coil units/fresh-air intake/exhaust systems), chillers, condensers, cooling towers, temperature-control systems and sustainable energy systems and retrofits; power distribution, lighting, emergency systems, fire alarm/protection, security systems; water and waste systems, domestic water piping, hot-water storage tanks, pumps (booster/ejector/sump); fire pump, sprinkler systems.
 - iii) Interiors: interior finishes, stairwells, elevators, toilet rooms, specialty areas (libraries/science labs/computer labs/auditorium/natatorium/gymnasium/vocational labs/kitchen).
 - iv) Site Enhancements: parking, playlots, fencing, signage, landscaping, athletic fields, campus parks, modular classrooms.
 - v) Stadiums
 - vi) Environmental Team: provide support in the planning, management, and coordination of environmental projects. Support will include the following:
 - (1) Provide managing support services—facilitate the production of required environmental and budgetary documentation in conjunction with CPS's Managing Environmental Consultants. Prepare and modify financial reports as required. Review invoices for appropriate charges; develop work orders for Environmental Consultants utilizing an understanding of the work entailed to contain costs and maximize efficiency.
 - (2) Assist Schools and CPS facilities with proper chemical waste disposal and management. Coordinate with the Illinois Environmental Protection Agency in order to obtain chemical removal at school free of cost.
 - (3) Program Coordination—coordinate environmental requirements with all construction projects in the CIP and in Asset Management in the Department of Facilities, and provide oversight of environmental consultant's documentation.
 - (4) Environmental Support Services—Phase I, Phase II, underground storage-tank management, and Illinois Environmental Protection Agency Site Remediation Program. Provide technical and management support services for CPS to facilitate the completion and technical review of required environmental reports produced by environmental consultants in a cost-effective, technically-sound, and complete manner.
 - (5) Technical Support Services—respond to emergencies and develop environmental specifications related to lead, asbestos, pesticides, vectors, mold, indoor air quality, and waste management and disposal. Investigate industrial hygiene issues such as mold, indoor air quality, asbestos, and lead issues—utilizing the services of a

Certified Industrial Hygienist. Assure compliance with all regulatory programs. Maintain asbestos database and internet environment for school retrieval of required documents and reports.

- (6) Recycling Support Services—maintain the recycling database and modify performance reports as necessary. Provide oversight of vendor and vendor-supplied information to facilitate program improvement and participation.
- (7) Provide information support on other projects (e.g. FAA and USEPA grant-management and monitoring for compliance and reporting purposes, oversight for the implementation of the E-rate program). Provide technical and other support (special projects, space analysis, and new school feasibility) to the CIP as directed by the Chief Facilities Officer.

- b) The Design Manager will maintain sufficient staff (representing all disciplines) at the Board's CIP offices located at 125 S. Clark Street, 17th floor, Chicago, Illinois, in such quantity and experience levels that will successfully provide the required Services. The Board shall provide the Design manager with office space for some, but not necessarily all, of its staff, in such quantity and experience levels that will successfully provide the required Services. Currently there are sufficient work stations and at least one office for the DM staff (to be confirmed once proposed staffing is evaluated). Other additional space required shall be provided by the Design Manager. The Board shall provide office furniture, fixtures, computers, copiers, printers, and other equipment or software/program necessary to successfully deliver the required Service. All equipment and furniture supplied by the Board shall remain the property of the Board. Design Manager shall use CPS sources for all office supplies.
- c) It is important that Design Manager proposes staffing levels that reflect adequate coverage of the duties outlined herein. Special consideration should be given to ways to leverage off-site personnel for project-specific or specialized needs, so that overall staffing levels can be adjusted to best meet the needs of the program while maximizing efficiencies and encouraging cost savings.

2) Scope Development/Transfer Documents. Using the annual implementation plan and preliminary schedule developed by the CPS and the PM, develop detailed project scopes and schedules that reflect the standards of the CPS/CIP.

- a) Work with the CM to develop the project schedule; identify milestone dates for decisions by the PM; design services furnished by the AOR; completion of documentation; commencement of construction, substantial completion of the work, and commissioning of the systems. Schedule and coordinate all CIP work to minimize disruption to CPS educational programs and maximize value to the Board. Provide a schedule for all annual CIP projects and update weekly as required by CPS and the PM.
- b) At the onset of any project, review the scope of work in conjunction with the Board and discuss with the appropriate school personnel. Utilize standard forms and formats approved for the program and, as needed, develop new and more efficient ones. Obtain signoff from the Principal and/or LSC prior to transfer to the AOR. Document review meetings with the

City of Chicago departments and utilities including: water, sewers, Bureau of Electricity (BOE), CECO, Peoples Gas, Fire Prevention, MOPD, Zoning, and Planning.

- c) Program all approved projects by developing architectural and engineering transfer documents for new construction (modular classroom units or other), renovation and accessibility. Provide all design services required for this effort including architectural and engineering services, and coordinating all specialty consultants and subcontractors required to provide accurate and timely transfer documents. Coordinate environmental work required by relevant federal, state and local regulations. Provide additional scope as needed to comply with the Americans with Disabilities Act (ADA). Consider the value of alternative materials, building systems, and equipment, together with other considerations based on the program budgets and needs in developing the standard designs for projects. To the extent possible, incorporate sustainable design elements. Appropriate alternatives shall be incorporated into the project designs at the direction of CPS and the PM.
 - d) Develop project cost estimates based on required schedule and transfer documents. Verify that the transfer documents are designed to budget and manage the AORs to deliver accordingly. If an estimate exceeds the program budget, recommend an action to the PM to increase or decrease the budget, revise the scope of work or terminate the project due to costs. Provide all engineering and architectural services in conjunction with value engineering and other requested analyses of scope, schedule and budget options.
 - e) Provide construction scope documents for the transfer package of Design Development level of detail, based on the program requirements, schedule, budget, and scope of work. The construction documents shall set forth in detail the requirements for construction of the project. They shall include drawings and specifications that establish the quality levels of materials and systems required for the project. All documents shall be in accordance with CPS standards. This includes all embedded systems within the building. Review all designs prior to transfer for compliance with City, State and Federal disability laws, codes, ordinances and regulations. Coordinate with other CPS consultants during the design and construction phases for all Capital Improvement Projects as well as O&M projects.
 - f) Under the direction of CPS and in conjunction with the PM, develop program objectives, schedule constraints and criteria, requirements and relationships, special equipment, systems, and preliminary site requirements for incorporation into program projects.
 - g) Provide monthly input to CPS and the PM regarding existing CPS guideline specifications and standard new construction programming. Provide input to CPS and the PM regarding the CPS/CIP Procedure Manual annually.
 - h) Provide staff to participate in the CPS Standards Technical Committee to assure that standards and materials used in the Asset, CIP, and new construction programs reflect state-of-the-art design and construction principals.
- 3) **AOR/EOR Selection.** Assist CPS in selecting, reviewing, retaining, and coordinating the professional services of Architects and/or Engineers of Record (AORs/EORs), surveyors, specialty consultants, and geotechnical laboratories required for the project, when requested.

- a) Transfer all CIP projects to pre-approved CPS AOR/EORs and manage all projects in design to verify compliance with Board standards for capital improvement work.
 - b) Communicate project intent, schedule and scope to individual schools involved with the CIP. Provide school sign-off on projects in a consistent format. Coordinate AOR graphic presentations as required to communicate intent of projects to the public.
- 4) Consultant Management.** Manage the Architect of Record's (AOR) services and administer the design of their projects. Coordinate with CPS and the PM, attend project design meetings, communicate with members of the project team and issue monthly progress reports to the PM. Coordinate the services provided by the AOR and its sub-consultants with those services provided directly by CPS or by the PM.
- a) Provide design reviews as necessary to verify that all work conforms to budget, schedule and Board standards. Issue written comments and cost estimates in a consistent format for CPS review. Provide written confirmation that CIP projects are ready for bid to pre-approved CPS General Contractors (GCs). Coordinate environmental design services and verify that appropriate environmental work is included in construction documents.
 - b) Perform peer review of construction documents prepared by the AOR. Peer reviewers shall prepare comments for each architectural and engineering discipline (i.e. civil, mechanical, electrical, plumbing, architectural, landscaping, zoning, special systems, furniture, fixtures, and equipment, etc.). Verify that the AOR has adhered to all comments. Manage the permit issuance process in conjunction with the CM and assure that AORs/EORs respond timely to comments from all City and State agencies involved in the project permitting process.
 - c) Provide a written monthly status report indicating project designs completed, status of programming activities, designs started, percent complete of ongoing design projects, problems, and budget concerns. This report shall be delivered to the PM two weeks prior to the Board Meeting. The format for this report shall be approved by the PM. All peer-review comments shall be included with the monthly report on a school-by-school basis.
 - d) Verify that the AORs are performing services in accordance with their contracts. Provide reviews and ratings of their services following the completion of every project.
 - e) Manage, review and make recommendations regarding AOR invoices and additional service requests. Review invoices prior to submittal to CPS for accuracy and appropriateness.
- 5) Project Coordination.** Assist CPS and the PM in connection with the filing of documents required for approval from federal, state, or local government authorities having jurisdiction over the project.
- a) When requested, prepare and make presentations to explain the design elements of the project to the PM, Principals, Local School Council (LSC), elected officials, and the Board, including site plans, floor plans, elevations, and (if needed) aerial and other perspective views.
 - b) Provide all consultant services associated with obtaining the United States Green Building Council Leadership in Energy and Environmental Design (LEED) Chicago Standard rating

(except commissioning) for all projects associated with the CPS/CIP. Coordinate commissioning services as provided by a separate consultant with obtaining LEED certification for those selected projects associated with the CPS/CIP.

- c) In conjunction with the CM, coordinate the project activities with the Managing Environmental Consultant (MEC) assigned to the region where the project will be performed.
 - d) Assist the AOR and CM as needed to respond to questions involving standards and scope during bidding. Participate in pre-bid and preconstruction meetings organized by the CM or AOR.
 - e) Review bulletins for change orders developed by the AOR during construction for adherence to the scope of work and standards being used in the program. Where appropriate, coordinate with the AOR to make sure all bulletins are consistent and complete. If required, supplemental drawings and documents shall be prepared and distributed in response to requests for information.
- 6) **Program Controls/Reporting.** Update the existing CIP database as required to provide weekly and monthly summaries. Monthly summaries shall include information regarding project phase (design, bid and award, or construction) as well as percent complete and actual versus projected budget. The CIP database is supplied, owned and supported by the Board.
- a) Maintain document control of all projects. This shall include all CAD files of each school, specifications, drawings, O&M manuals, warranties, environmental surveys, AHERA reports, project correspondence, etc. All documents shall be forwarded to the PM for processing with CPS archives.
 - b) In conjunction with the PM and CPS, implement an Errors & Omissions committee to oversee and monitor E&O performance by AOR/EORs, and recommend procedures and corrective actions to mitigate financial loss due to consultant performance. Propose initiatives to reduce E&O losses including maintaining an AOR report-card database, and damage-recovery guidelines and procedures.

This list is not exhaustive and the Board reserves the right to add additional services as necessary.

**Exhibit B
Compensation and Reimbursables**

Part A - 17th Floor (Full-Time) Staff			Period 1	Period 2	Period 3	Period 4
Description	Name	Firm	Nov. 2009 - Dec 2009	1% incl. over P1 Jan 2010-Dec 2010	3% incl. over P2 Jan 2011 - Dec 2011	3% incl. over P3 Jan 2012 - Dec 2012
Executive & Support						
Design Executive	Thomas Clune	Cannon Design	\$49	\$50	\$52	\$54
Design Director	Susan Boeman	Cannon Design	\$44	\$45	\$46	\$48
Project Coordinator	Henu Kumar	Cannon Design	\$25	\$26	\$27	\$27
Financial Coordinator	Angelica Luppino	J.A. Watts	\$24	\$25	\$25	\$26
Administrative Assistant	Aquanetta Baker	Cannon Design	\$22	\$23	\$23	\$24
Archives Manager	Eula Davis	Infrastructure Engineering	\$28	\$29	\$29	\$30
Assistant Network Administrator	Patrick Stammer	Cannon Design	\$40	\$41	\$42	\$44
Architecture						
Arch. Design Manager	Beth Haydon Bodin	Bailey Edward Architects	\$35	\$36	\$37	\$38
Arch. Design Manager	Anthony Givens-Belsley	Bailey Edward Architects	\$35	\$36	\$37	\$38
Arch. Design Manager	Alfred Varble	Infrastructure Engineering	\$50	\$52	\$53	\$55
Arch. Design Manager	Justin Cafferty	Cannon Design	\$34	\$35	\$36	\$37
ADA Design Administrator	Robert Taras	LCM Architects	\$52	\$54	\$55	\$57
Arch. Design Manager	Charles Bassett	LCM Architects	\$58	\$59	\$61	\$63
Arch. Design Manager	Michael Goddings	LCM Architects	\$40	\$41	\$42	\$44
Arch. Design Manager	Christine Johnson	J.A. Watts	\$28	\$28	\$29	\$30
Arch. Design Manager	John Titus	CCJM Engineers	\$50	\$52	\$53	\$55
Arch. Design Manager	Lupe Romo	Architrave	\$32	\$32	\$33	\$34
MEP/FP						
MEP Design Manager	Ghassem Poushanchi	Cannon Design	\$52	\$53	\$55	\$56
MEP Design Manager	Paul Ghassan	CCJM Engineers	\$59	\$61	\$63	\$65
Environmental						
Environmental Manager	Craig Edgerly	EDI	\$45	\$46	\$47	\$49
Environmental Manager	Catherine Krick	EDI	\$43	\$44	\$45	\$47
Part B - Off-Site (As-Needed) Project Design & Management Staff						
Firm/Description (MBE/WBE)						
Cannon Design (n/a)						
Architectural Design Manager	Teri Wright		\$49	\$50	\$52	\$54
Architectural Design Manager	Michael Zanco		\$34	\$35	\$36	\$37
Mechanical Design Leader	Keith Hammelman		\$58	\$60	\$62	\$63
Mechanical Design Support	Hal Dalton		\$52	\$53	\$55	\$56
Electrical Design Leader	John Economou		\$58	\$60	\$62	\$63
Electrical Design Support	Steven Roys		\$54	\$56	\$57	\$59
Structural Design Leader	David Blahs		\$64	\$66	\$68	\$70
Structural Design Support	Jennifer Korynski		\$28	\$29	\$30	\$31
Code Consulting	Glenn Rasmussen		\$44	\$45	\$46	\$48
Standards Committee Member	Richard Ray		\$44	\$45	\$46	\$48
Architrave (H)						
Architectural Design Manager	Angela Tosic		\$34	\$35	\$36	\$37
Bailey Edward Architects (W)						
Architectural Design Manager	Michael Petri		\$43	\$42	\$43	\$45
Architectural Design Manager	Omar Bailey		\$33	\$34	\$35	\$36
CCJM Engineers (A)						
MEP Design Support	Matthew Wickstrom		\$42	\$43	\$45	\$46

EDI (n/a)					
Environmental Manager/back-up	Gary Henige	\$61	\$62	\$64	\$66
Certified Industrial Hygienist	Edie Scala-Hampson	\$60	\$62	\$64	\$66
HMS Engineers (A)					
M&P Design Manager	Haneef Shakeel	\$58	\$59	\$61	\$63
Infrastructure Engineering (AA)					
Civil Design Leader	Harish Goyal	\$44	\$45	\$46	\$48
Civil Design Manager	Russel Pozer	\$33	\$34	\$35	\$36
J.A. Watts (W)					
Cost Estimating Support	Marc Klein	\$37	\$38	\$39	\$42
Matrix Engineering (AA)					
Structural Design Manager	Aphrodite Angelakos	\$55	\$57	\$58	\$61
Perry & Associates (n/a)					
Structural Design Manager	Chris Perry	\$70	\$72	\$74	\$76
Structural Design Manager	Quentin Plock	\$38	\$40	\$41	\$42
Probe Consulting (A)					
Structural Design Manager	Suresh "Doc" Pinjarkar	\$60	\$62	\$64	\$66
Structural Design Support	Orendeff Steele	\$50	\$52	\$53	\$55
Structural Design Support	Vijay Mohan	\$70	\$71	\$71	\$72
Shed Studio (W)					
Sustainability Design Manager	Rashmi Ramaswamy	\$45	\$46	\$48	\$49
Singh & Associates (A)					
M&P Design Support	Angeia Giovannone	\$43	\$44	\$46	\$47
Terry Guen Design Associates (W)					
Landscape Design Leader	Terry Guen	\$56	\$58	\$59	\$61
Landscape Design Manager	Ted Halfner	\$75	\$76	\$77	\$77
Landscape Design Manager	Laura DeMink	\$71	\$72	\$73	\$73

Monthly invoices will be calculated based on direct labor rate x hours, as follows:

For On-Floor Staff, Cannon Design and all DM Consultants: x 2.5 multiplier
For Off-Floor Staff, Cannon Design only: x 3.25 multiplier
For Off-Floor Staff, all DM Consultants: x 2.75 multiplier

Reimbursable Expenses

Archives warehouse rental from Cushing & Co.
Transportation - auto rental and leases, parking, fuel at cost, mileage for personal vehicles
Contractor costs related to structural investigations: lifts, masonry openings, etc.
Shipping & messenger
Telephone including cell phone charges for CPS-related calls only
Cameras and supporting equipment and supplies

Additional Resources

Additional resources will be billed at their current direct rates x hours x applicable multiplier, and monthly invoices will include a narrative documenting activities performed

Exhibit C

Key 17th Floor Personnel - Design Management Team

<u>Role Description</u>	<u>Name</u>	<u>Firm</u>
Design Executive	Thomas Clune	Cannon Design
Design Director	Susan Boeman	Cannon Design
Assistant Network Administrator	Patrick Stammer	Cannon Design
ADA Design Administrator	Robert Taras	LCM Architects
ADA Design Manager	Charles Bassett	LCM Architects
MEP Design Manager	Ghassem Poushanchi	Cannon Design
Environmental Manager	Craig Edgerly	EDI

Alterations or additions to the list of Key Personnel shall be made by mutual agreement between CPS and Cannon Design.