

## PROGRAM MANAGEMENT SERVICES AGREEMENT

This PROGRAM MANAGEMENT SERVICES AGREEMENT ("**Agreement**") is entered into as of August 1, 2016 ("**Effective Date**"), by and between the Board of Education of the City of Chicago, a body politic and corporate commonly known as the Chicago Public Schools, having offices at 42 W. Madison Street, Chicago, Illinois 60602 ("**Board**") and Jacobs Project Management Co., a Delaware corporation having offices at 525 West Monroe Street, Ste. 200, Chicago, Illinois 60661 ("**Program Manager**" or "**Jacobs**").

### RECITALS

- A. On or about March 22, 2016, pursuant to Specification No. 16-350023, Board issued a Request for Proposals for Program Management Services ("RFP"), inviting responses from qualified companies to perform such program management services for Board.
- B. Jacobs responded to the RFP and was selected by Board based upon Jacobs' response and submittals and all of the obligations of Program Manager which are identified in the RFP.
- C. Board desires to engage Jacobs to perform the program management services as are more fully described herein under the terms and conditions of this Contract pursuant to Jacobs' response to the RFP.
- D. Jacobs represents that it has the requisite knowledge, experience, and skills, and other resources necessary to perform the program management services as are more fully described herein and desires to perform them under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing, for good and valuable consideration in hand paid, and the mutual covenants contained herein, the parties hereby agree as follows:

1. **Incorporation of Recitals.** The matters recited above are hereby incorporated into and made a part of this Agreement.
2. **Term of Agreement.** The term of this Agreement will be for a period commencing on the Effective Date and ending July 31, 2018 ("**Term**"), unless terminated sooner as provided in this Agreement. The Board will have three (3) options to renew this Agreement for periods of one (1) year each (each a "**Renewal Term**").
3. **Scope of Services and Delivery of Materials.**
  - 3.1. **Scope of Services.** The type of materials and services which Program Manager may be requested to provide under this Agreement is generally described in **Exhibit A** ("**Scope Of Services**") attached hereto and incorporated herein. Program Manager agrees to provide the services in accordance with the terms and conditions of this Agreement. "**Services**" means, collectively, the services, deliverables, duties and responsibilities described in this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement. The Board retains final authority with respect to all Services- related decisions.
  - 3.2. **Delivery of Materials.** If Program Manager is also providing goods, supplies or other materials (collectively, "**Materials**") as part of the Services under this Agreement, then the following

provisions shall apply:

a. Purchase Orders. Orders must be on the Board's Standard Purchase Order Form. The pre-printed terms and conditions found on the Board's Purchase Order shall apply to the extent that such terms supplement and are not inconsistent with the terms and conditions contained in this Agreement.

b. Packaging and Shipment and Risk of Loss. Program Manager shall package and ship all Materials in a commercially reasonable manner. All shipments shall be F.O.B. destination (as indicated on the Board's Purchase Order or some other written notification) with freight and insurance prepaid. The Board may request that shipment be made to any location that the Board designates as a Chicago Public School or a CPS facility. Any and all deliveries made to a Chicago Public School shall occur between the hours of 8:00 a.m. – 2:30 p.m. or at a time mutually agreed upon by the parties and Program Manager shall advise carrier of this restriction. **It is understood and agreed that the Board shall have no liability for any insurance charges not incorporated in the prices quoted, and that freight charges shall be limited to those specified in this Agreement.** The Board may adjust the Purchase Order shipping destination any time up to ten (10) business days prior to shipment. The risk of loss and damage to Materials ordered by the Board shall pass to the Board only after delivery to the destination designated by the Board. Time is of the essence to the delivery of all Materials ordered hereunder.

c. Uniform Commercial Code. In the absence of a governing provision under this Agreement, should any provision of this Agreement be construed by a court of competent jurisdiction as vague, the corresponding provision of the Uniform Commercial Code, Article 2, shall apply.

3.3. Survival. The provisions of this Section 3 shall survive the expiration or termination of this Agreement.

4. Compensation; Billing and Payment Procedures; Electronic Payments.

4.1. Compensation. Compensation for Services during the Term shall be payable in accordance with the Payment Schedule attached hereto and incorporated herein as **Exhibit B**, (the "Payment Schedule"). The total compensation for the Services to be provided by Program Manager during the Term of this Agreement, inclusive of any and all reimbursable expenses specifically identified herein, shall not exceed Fifteen Million Eight Hundred Thousand and 00/100 Dollars (\$15,800,000.00) ("**Maximum Compensation Amount**"), without the prior approval of the members of the Board and a written amendment to this Agreement. Reimbursables included in this Maximum Compensation Amount shall only be for parking (not to exceed \$5,000.00 per year) and mileage (not to exceed \$11,664.00 per year), as set forth on Exhibit B.

It is understood and agreed that the Maximum Compensation Amount referenced hereinabove is a 'not-to-exceed amount' and is not a guaranteed payment. Compensation shall be based on actual Services performed during the Term of this Agreement and the Board shall not be obligated to pay for any Services or deliverables not in compliance with this Agreement. In the event this Agreement is terminated early, the Board shall only be obligated to pay the fees incurred up to the effective date of termination and Program Manager shall promptly refund to the Board any payments received for Services and deliverables not provided.

4.2. Billing and Payment Procedures. All invoices must be submitted electronically via email in PDF format to [cpsinvoice@cps.edu](mailto:cpsinvoice@cps.edu). Each email may only contain one invoice and must include the Program Manager's name and the CPS Purchase Order number. All invoices must include:

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- Vendor name and payment address
- Unique invoice number (determined by Vendor)
- Valid purchase order number (only one PO number may be referenced on each invoice)
- Invoice date
- Itemized description of the services rendered and/or goods delivered
- Date the services were provided and/or goods were delivered to CPS
- Detailed pricing information such as quantities, unit prices, discount, and final net amount due

Invoices shall be submitted in a timely manner. The final invoice shall be submitted no later than ninety (90) days after the expiration or termination of this Agreement. If Program Manager has more than one contract with the Board, separate invoices must be submitted for each contract. The Board shall process payments in accordance with the Local Government Prompt Payment Act [50 ILCS 505/1 *et seq.*]. The Board reserves the right to request additional information and supporting documentation necessary for the Board to verify the Services provided under this Agreement.

4.3. Electronic Payments. Program Manager agrees that, at the Board's sole discretion, the Board may make payment electronically to Program Manager for any and all amounts due to Program Manager pursuant to this Agreement by means of the Board's procurement charge card account. Program Manager recognizes that any charge to the Board's procurement charge card that is in excess of the open remaining amount as stipulated in the applicable Purchase Order, or any charge unaccompanied by the requisite documentation and data as required by the Board, shall be deemed invalid and disputed by the Board. Program Manager further recognizes that, in the absence of any supporting documentation as may be required by the Board, payments associated with disputed charges shall be rescinded by the Board and deemed not owed by the Board. Program Manager agrees to comply with the rules, procedures and documentation required for electronic payment via the Board's procurement charge card as established by the Board's Department of Procurement.

5. Standards of Performance. Program Manager must perform all Services required of it under this Agreement with that degree of skill, care and diligence normally shown by a vendor performing services of a scope and purpose and magnitude comparable with the nature of the Services to be provided under this Agreement. Program Manager shall devote, and shall cause all of its staff and subcontractors to devote, such of their time, attention, best skill and judgment, knowledge and professional ability as is necessary to perform all Services effectively and efficiently and to the satisfaction of the Chief Procurement Officer ("CPO") and the Chief Facilities Officer (or if none, and the Chief Administrative Officer) or designee ("CFO"). Program Manager shall retain and utilize, as required by law or by this Agreement, professionals qualified and competent in the applicable discipline and appropriately licensed as required by law. Program Manager shall use efficient business administration methods and perform the Services in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and in an expeditious and economical manner consistent with the best interests of the Board, so as to assure, among other things, that the Services are performed at a reasonable cost to the Board and that Services performed by other entities or persons in connection with this Agreement are efficiently and cost-effectively delivered. Program Manager acknowledges that, if in the course of providing Services hereunder, it is entrusted with or has access to valuable and confidential information and records of the Board, that with respect to that information, Program Manager agrees to be held to the standard of care of a fiduciary. Any review, approval, acceptance of Services or deliverables or payment for any of the Services by the Board does not relieve Program Manager of its responsibility for the professional skill, care, and technical accuracy of its Services and deliverables. This provision in no way limits the Board's rights against the Program Manager under this Agreement, at law or inequity. Program Manager shall remain responsible for the professional and technical accuracy of all Services, including any deliverables furnished, whether by Program Manager or its subcontractors or others on its behalf.

6. Personnel.

6.1. Adequate Staffing. Program Manager must assign and maintain during the term of this Agreement and any renewal of it, an adequate staff of competent personnel that is fully equipped, licensed as appropriate, available as needed, qualified and assigned to perform the Services. Program Manager must include among its staff the Key Personnel and positions, if any, as identified in Exhibit C ("**Key Personnel**") attached hereto and incorporated herein. If the Board determines, in its sole discretion, that any employee, subcontractor or other person providing Services hereunder for Program Manager is not performing in accordance with the performance standards or other requirements of this Agreement, the Board shall have the right to direct Program Manager to remove that person from performing Services under this Agreement.

6.2. Key Personnel. Exhibit C lists individuals (who are either employed by Program Manager or with whom Program Manager has a contractor-subcontractor relationship) that Program Manager intends to utilize in its provision of Services under this Agreement and who have particular expertise on which the Board is relying ("**Key Personnel**"). Program Manager may not reassign or replace Key Personnel without the written consent of the Board, which consent shall not be unreasonably withheld or delayed. If one or more Key Personnel terminate their employment or contractual relationship with Program Manager or otherwise become unavailable for reasons beyond Program Manager's reasonable control, Program Manager shall promptly replace such person with another person with comparable training and experience, subject to the approval of the Board, which approval shall not be unreasonably withheld or delayed.

7. Non-appropriation. Expenditures not appropriated by the Board in its current fiscal year budget are deemed to be contingent liabilities only and are subject to appropriation in subsequent fiscal year budgets. In the event no funds or insufficient funds are appropriated and budgeted in any subsequent fiscal period by the Board for performance under this Agreement, the Board shall notify Program Manager and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. Payments for Services completed to the date of notification shall be made to Program Manager except that no payment shall be made or due to Program Manager under this Agreement beyond those amounts appropriated and budgeted by the Board to fund payments under this Agreement.

8. Termination, Suspension of Services, Events of Default, Remedies, and Turnover of Documents.

8.1. Early Termination. The Board may terminate this Agreement in whole or in part, without cause, at any time, by a notice in writing from the Board to Program Manager in accordance with the notice provisions herein. The effective date of termination shall be thirty (30) calendar days from the date the notice is received or the date stated in the notice, whichever is later.

After notice is received, Program Manager must restrict its activities and those of its subcontractors, to winding down any reports, analyses, or other activities previously begun. No costs incurred after the effective date of the termination are allowed. Payment for any Services actually and satisfactorily performed before the effective date of the termination is on the same basis as set forth herein in the provision regarding compensation and payment.

Program Manager must include in its contracts with subcontractors an early termination provision in form and substance equivalent to this early termination provision to prevent claims against the Board arising from termination of subcontracts after the early termination of this Agreement.

Program Manager shall not be entitled to make any early termination claims against the Board resulting from any subcontractor's claims against Program Manager or the Board to the extent inconsistent with this provision.

8.2. Suspension of Services. The Board may, upon thirty (30) calendar days written notice, direct Program Manager to suspend Services in whole or part. Program Manager shall promptly resume performance of Services upon written notice from the Board and upon such equitable extension of time as may be mutually agreed upon in writing by the Board and Program Manager. Responsibility for any additional costs or expenses actually incurred by Program Manager as a result of remobilization shall be determined by mutual agreement of the parties.

8.3. Program Manager's Events of Default. Events of default ("Events of Default") include, but are not limited to, the following:

- a. Any action or failure to act by Program Manager which affects the safety and/or welfare of students or Board staff.
- b. Any material misrepresentation by Program Manager in the inducement or the performance of the Contract.
- c. Breach of any term, condition, representation or warranty made by Program Manager in this Agreement.
- d. Failure of Program Manager to perform any of its obligations under this Agreement, including, but not limited to, the following:
  - i. Failure to timely perform any portion of the Services in the manner specified herein.
  - ii. Failure to perform the Services with sufficient personnel and equipment or with sufficient material to ensure the timely performance of the Services.
  - iii. Failure to perform the Services in a manner reasonably satisfactory to the Board, the CPO, or the CFO.
  - iv. Failure to promptly re-perform within a reasonable time and at no cost to the Board, Services that were determined by the Board to be incomplete or unsatisfactory.
  - v. Discontinuance of the Services for reasons within Program Manager's reasonable control.
  - vi. Failure to comply with any term of this Agreement, including but not limited to, the provisions concerning insurance and nondiscrimination, and any other acts specifically and expressly stated in this Agreement constituting an Event of Default.
- e. Default by Program Manager under any other agreement Program Manager may presently have or may enter into with the Board.
- f. Assignment by Program Manager for the benefit of creditors or consent by Program Manager to the appointment of a trustee or receiver or the filing by or against Program Manager of any petition or proceeding under any bankruptcy, insolvency or similar law.
- g. Where Services include contact with CPS students, any failure to comply with the Criminal History Records Check Section, in whole or in part.

8.4. Remedies. The Board, in its sole discretion, may declare Program Manager in default if Program Manager commits an Event of Default. The CPO may in her or his sole discretion give Program Manager an opportunity to cure the default within a certain period of time ("Cure Period"). The CPO shall

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give Program Manager written notice of a default, either in the form of a cure notice ("Cure Notice") or, if no opportunity to cure is granted, a default notice ("Default Notice"). If the CPO gives a Default Notice stating that s/he has decided to exercise his/her sole discretion to terminate this Agreement as a result of an Event of Default, then that decision is final and effective on giving such notice or on the date set forth in the notice, whichever is later. The CPO may give a Default Notice if Program Manager fails to effect a cure within the Cure Period, or, in the event that the default cannot be cured completely within the Cure Period, Program Manager fails to begin reasonable efforts to effect a cure within the Cure Period. If the CPO decides not to terminate, then s/he may decide at any time thereafter to terminate this Agreement in a subsequent Default Notice.

When a Default Notice is given, Program Manager must discontinue all Services, unless otherwise specifically directed in the Default Notice, and Program Manager must deliver to the Board all materials prepared or created in the performance of this Agreement, whether completed or in-process.

Upon the occurrence of an Event of Default, the Board may invoke any or all of the following remedies:

- a. The right to take over and complete the Services or any part thereof, either directly or through others, as agent for and at the cost of Program Manager. In such event, Program Manager shall be liable to the Board for any excess costs incurred by the Board. Any amount due Program Manager under this Agreement or any other agreement Program Manager may have with the Board may be offset against amounts claimed due by the Board in exercising this remedy.
- b. The right to terminate this Agreement, in whole or in part, as to any or all of the Services yet to be performed, effective at a time specified by the Board.
- c. The right to suspend Services during the Cure Period if the default results from an action or failure to act by Program Manager which affects the safety and/or welfare of students or Board staff. In the event that Services are resumed, Program Manager shall not be entitled to seek reimbursement from the Board for any additional costs or expenses incurred as a result of remobilization.
- d. The right to specific performance, an injunction or any other appropriate equitable remedy.
- e. The right to receive from Program Manager any and all damages incurred as a result or in consequence of an Event of Default.
- f. The right to money damages.
- g. The right to withhold all or part of Program Manager's compensation under this Agreement for any and all damages incurred as a result or in consequence of an Event of Default.
- h. The right to withhold all or part of Program Manager's compensation under this Agreement that are due or future payments that may become due under this Agreement.
- i. Deem Program Manager non-responsible in future contracts to be awarded by the Board, and/or seek debarment of the Program Manager pursuant to the Board's Debarment Policy (08-1217-PO1), as may be amended from time to time.

The Board may elect not to declare Program Manager in default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the Board and that if the Board permits Program Manager to continue to provide the Services despite one or more Events of Default, Program Manager shall in no way be relieved of any responsibilities, duties or obligations under this Agreement or of consequences

of the Events of Default, and the Board shall not be deemed to have waived or relinquished any of its rights under this Agreement, at law, equity or statute, or any of the rights it has to declare an Event of Default in the future.

The remedies under the terms of this Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy shall be cumulative and shall be in addition to any other remedies, existing now or hereafter, at law, in equity or by statute. No Board delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default shall be construed as a waiver of any Event of Default or acquiescence thereto, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

If the Board's election to terminate this Agreement for default under this Section is determined by a court of competent jurisdiction to have been wrongful, then in that case the termination is to be considered an early termination pursuant to Section 8.1 above.

8.5. Turnover of Documents and Records. Upon demand of the Board after termination of this Agreement for any reason or the expiration of this Agreement by its terms, Program Manager shall turn over to the Board or its designee within five (5) days of demand, all materials, supplies, equipment owned or purchased by the Board, completed or partially completed work product or analyses, data, computer disks, documents and any other information relating in any way to this Agreement or the performance or furnishing of Services, except that Program Manager may keep a copy of such information for its own records.

9. Assignment. This Agreement shall be binding on the parties and their respective successors and assigns, provided however, that neither party may assign this Agreement or any obligations imposed hereunder without the prior written consent of the other party.

10. Confidential Information, Dissemination of Information, Ownership, Survival.

10.1. Confidential Information. In the performance of this Agreement, Program Manager may have access to or receive certain information that is not generally known to others ("Confidential Information"). Program Manager acknowledges that Confidential Information includes, but is not limited to, proprietary information, copyrighted material, business plans, financial data, educational records, student data, employee data, information relating to health records, and other information of a personal nature. Program Manager shall only use Confidential Information for the sole purpose of providing Services to the Board and shall not use or disclose any Confidential Information or any finished or unfinished, documents, screens, reports, writings, procedural manuals, forms, source code, object code, work flow charts, methods, processes, data, data studies, drawings, maps, files, records, computer printouts, designs, equipment descriptions, or other materials prepared or generated as a result of this Agreement ("**Work Product**") without the prior written consent of the Board. Program Manager shall use at least a commercially reasonable standard of care in the protection of the Confidential Information of the Board. Upon the expiration or termination of this Agreement, Program Manager shall promptly cease using and shall return or destroy (and certify in writing destruction of) all Confidential Information furnished by the Board along with all copies thereof in its possession including copies stored in any computer memory or storage medium.

10.2. Dissemination of Information. Program Manager shall not disseminate any Confidential Information and/or Work Product obtained or developed in performance or delivery of Services and/or Materials for the Board to a third party without the prior written consent of the Board. If Program Manager is presented with a request for documents by any administrative agency or with a *subpoena duces tecum* regarding any Confidential Information and/or Work Product which may be in Program Manager's possession as a result of Services provided under this Agreement, Program Manager shall immediately

give notice to the Board and its General Counsel with the understanding that the Board shall have the opportunity to contest such process by any means available to it prior to submission of any documents to a court or other third party. Program Manager shall not be obligated to withhold delivery of documents beyond the time ordered by a court of law or administrative agency, unless the request for production or subpoena is quashed or withdrawn, or the time to produce is otherwise extended. Program Manager shall cause its employees, agents, and subcontractors, if any, to undertake the same obligations regarding confidentiality and dissemination of information as agreed to by Program Manager under this Agreement.

10.3. Unauthorized Access, Use or Disclosure of Confidential Information. If Program Manager becomes aware of any unauthorized access, use, or disclosure of the Confidential Information, it shall: (i) notify the Board immediately, which shall be no more than twenty-four hours from Program Manager receiving notice of the unauthorized access, use, or disclosure of the Confidential Information; (ii) take prompt and appropriate action to prevent further unauthorized access, use, or disclosure; (iii) cooperate with the Board and any government authorities with respect to the investigation and mitigation of any such unauthorized access, use, or disclosure, including the discharge of the Board's duties under the law; and (iv) take such other actions as the Board may reasonably require to remedy such unauthorized access, use or disclosure, including if required under any federal or state law, providing notification to the affected persons.

10.4. Ownership. Program Manager agrees that, to the extent permitted by law, any and all Work Product shall exclusively be deemed "works for hire" within the meaning and purview of the United States Copyright Act, 17 U.S.C. 101§ et seq. To the extent any Work Product does not qualify as a "work for hire," Program Manager irrevocably grants, assigns, and transfers to the Board all right, title, and interest in and to the Work Product in all media throughout the world in perpetuity and all intellectual property rights therein, free and clear of any liens, claims, or other encumbrances, to the fullest extent permitted by law. All intellectual property, Confidential Information, and Work Product shall at all times be and remain the property of the Board. Program Manager shall execute all documents and perform all acts that the Board may request in order to assist the Board in perfecting or protecting its rights in and to the Work Product and all intellectual property rights relating to the Work Product. All of the foregoing items shall be delivered to the Board upon demand at any time and in any event, shall be promptly delivered to the Board upon expiration or termination of this Agreement within three (3) business days of demand. In addition, Program Manager shall return the Board's data in the format requested by the Board. If any of the above items are lost or damaged while in Program Manager's possession, such items shall be restored or replaced at Program Manager's expense.

10.5. Press Releases, Publicity, Board Intellectual Property. Program Manager shall not issue publicity news releases, grant press interviews, or use any intellectual property belonging to the Board, including but not limited to the CPS logo or the logos of any schools, during or after the performance of Services, nor may Program Manager photograph or film within any CPS school or facility without the express written consent of an authorized representative of the Board.

10.6. Injunctive Relief. In the event of a breach or threatened breach of this Section, Program Manager acknowledges and agrees that the Board would suffer irreparable injury not compensable by money damages and would not have an adequate remedy at law. Accordingly, Program Manager agrees that the Board shall be entitled to immediate injunctive relief to prevent or curtail any such breach, threatened or actual. The foregoing shall be in addition and without prejudice to such rights that the Board may have in equity, by law or statute.

10.7. Employees, Agents, and Subcontractors. Program Manager shall cause its employees, agents, and subcontractors, if any, to undertake the same obligations regarding confidentiality and dissemination of information as agreed to by Program Manager under this Agreement.



10.8. Survival. The provisions of this Section shall survive the termination or expiration of this Agreement.

**11. Representations and Warranties of Program Manager**. Program Manager represents and warrants that the following shall be true and correct as of the effective date of this Agreement and shall continue to be true and correct during the Term of this Agreement and any Renewal Terms.

11.1. Licensed Professionals. Program Manager is appropriately licensed under Illinois law to perform Services required under this Agreement and shall perform no Services for which a professional license is required by law and for which Program Manager, its employees, agents, or subcontractors, as applicable, are not appropriately licensed.

11.2. Compliance with Laws. Program Manager is and shall remain in compliance with all applicable federal, state, county, and municipal, statutes, laws, ordinances, and regulations relating to the Contract and the performance of Services in effect now or later and as amended from time to time, including but not limited to the Prevailing Wage Act, 820 ILCS 130/1 et seq., the Drug-Free Workplace Act, the Illinois School Student Records Act ("ISSRA"), the Family Educational Rights and Privacy Act ("FERPA"), the Protection of Pupil Rights Amendment and any others relating to non-discrimination. Further, Program Manager is and shall remain in compliance with all applicable Board policies and rules. Board policies and rules are available at <http://www.cps.edu/>.

11.3. Good Standing. Program Manager is not in default and has not been deemed by the Board to be in default under any other contract with the Board during the five (5) year period immediately preceding the effective date of this Agreement.

11.4. Authorization. In the event Program Manager is an entity other than a sole proprietorship, Program Manager represents that it has taken all action necessary for the approval and execution of this Agreement, and execution by the person signing on behalf of Program Manager is duly authorized by Program Manager and has been made with complete and full authority to commit Program Manager to all terms and conditions of this Agreement which shall constitute valid, binding obligations of Program Manager.

11.5. Financially Solvent. Program Manager warrants that it is financially solvent, is able to pay all debts as they mature and is possessed of sufficient working capital to complete all Services and perform all obligations under this Agreement.

11.6. Gratuities. No payment, gratuity or offer of employment was made by or to Program Manager in relation to this Agreement or as an inducement for award of this Agreement.

11.7. Contractor's Disclosure Form. The disclosures in the Contractor Disclosure Form, previously submitted by Program Manager, are true and correct. Program Manager shall promptly notify Board in writing of any material change in information set forth therein, including but not limited to change in ownership or control, and any such change shall be subject to Board approval which shall not be unreasonably withheld.

11.8. Criminal History Records Check. Program Manager represents and warrants that, at its own cost and expense, it shall have a complete fingerprint-based criminal history records check ("**Records Check**") conducted on any and all employees, agents and subcontractors who may have contact with CPS students (collectively "**Staff**") in accordance with the *Illinois School Code* (105 ILCS 5/34-18.5); the *Sex Offender and Child Murderer Community Notification Law* (730 ILCS 152/101 et seq.); and the *Murderer and Violent Offender Against Youth Registration Act* (730 ILCS 154/1 et seq.). It is understood and

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acknowledged that contact via text messages, live chats, emails or through any other means shall be considered "contact" for the purposes of this Section. A complete Records Check consists of the following:

- a) Fingerprint-based checks through the Illinois State Police (ISP) and the FBI,
- b) A check of the Illinois Sex Offender Registry, and
- c) A check of the Violent Offender Against Youth Database.

The purpose of the Records Check is to confirm that none of these persons have been convicted of any of the criminal or drug offenses enumerated in subsection (c) of 105 ILCS 5/34-18.5 or any offenses enumerated under the *Sex Offender and Child Murderer Community Notification Law*, or the *Murderer and Violent Offender Against Youth Registration Act*, or have been convicted within the past seven (7) years of any other felony under the laws of Illinois or of any offense committed or attempted in any other state or against the laws of the United States that, if committed or attempted in the State of Illinois, would have been punishable as a felony under the laws of Illinois.

Program Manager shall not allow any of its Staff to have contact with a CPS student until a Records Check has been conducted for that person and the results of the Records Check satisfy the requirements of 105 ILCS 5/34-18.5 and the requirements of all other Acts and Laws referenced in this Section, as may be amended. Within fifteen (15) business days before any Staff has contact with any CPS students and on or before the Contract's anniversary date(s) during the Term and any Renewal Term, Program Manager shall submit a written report to CPS's Chief Officer of Safety & Security and/or its Deputy Chief of Network Security ("CPS Safety Officer"). The report shall include at least the following information:

- a) The specific method of completing the Records Check;
- b) The names of each Staff member who satisfactorily passed the Records Check within the quarter before s/he has any contact with a CPS student; and
- c) The procedure to update each Staff member's Records Check through the Term of this Agreement including any Renewal Terms (intervals between each Staff member's updates should not be less than annually).

On a quarterly basis thereafter, Program Manager shall: i) periodically check the Illinois Violent Offender Against Youth Registry and the Illinois Sex Offender Database for each Staff member who has contact with students and shall immediately remove any Staff member who may be identified on either registry; ii) provide a written report to the CPS Safety Officer listing the names of all new Staff members who have contact with CPS students and certifying that Records Checks were satisfactorily completed for those individuals before s/he had any contact with CPS students; and iii) provide any other information requested by the Board.

If Program Manager fails to comply with this Section, in whole or in part, then, in addition to the Remedies set forth in this Agreement, the Board may exercise additional remedies, including but not limited to: (1) withholding payments due under this Agreement and any other agreements that Program Manager may have with the Board; (2) immediately terminating this Agreement, in whole or in part, without further obligation by the Board of any kind; or (3) seeking liquidated damages.

11.9. Research Activities and Data Requests. Program Manager acknowledges and agrees that in the event Program Manager seeks to conduct research activities in the Chicago Public Schools or use CPS student data for research purposes in connection with this Agreement, Program Manager shall comply with the Board's Research Study and Data Policy adopted on adopted on November 14, 2007, as may have

been modified by or supplemented by 09-0325-PO3, 10-0728-PO1, and 12-0328-RS2, as may be amended from time to time, and any subsequent policies on or related to Research Study and Data, which polic(ies) are hereby incorporated by reference into and made a part of this Agreement as fully set forth herein. Program Manager acknowledges and agrees that it may not begin any research activities or obtain data for research purposes without the prior written consent of the Chief Officer of the Office of Research, Evaluation and Accountability or his/her designee.

11.10. Debarment and Suspension. Program Manager certifies that it is not barred from contracting with any unit of State or local government as a result of violation of either Section 33E-3 (bid-rigging) or 33E-4 (bid rotating) (720 ILCS 5/33E). Program Manager further certifies that it, each of its joint venture members if a joint venture, and each of its subcontractors, if any, is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency or any unit of State or local government. Program Manager acknowledges that in performing the Services for the Board, Program Manager shall not utilize any firms that have been debarred from doing business with the Board under the Board's Debarment Policy (08-1217-PO1), as amended.

11.11. Prohibited Acts. Within the three (3) years prior to the effective date of this Agreement, Program Manager or any of its members if a joint venture or a limited liability company, or any of its or their respective officers, directors, shareholders, members, managers, other officials, agents or employees (i) have not been convicted of bribery or attempting to bribe a public officer or employee of any public entity and (ii) have not been convicted of agreeing or colluding among contractors or prospective contractors in restraint of trade, including bid-rigging or bid-rotating, as those terms are defined under the Illinois Criminal Code.

11.12. Technical Accuracy. Program Manager warrants that all Services will be technically accurate and correct.

11.13. Warranty of Title. The Services (including without limitation any Materials) are free and clear from all liens, contracts, chattel mortgages or other encumbrances; that Program Manager has the lawful right to dispose of and sell the Services and that Program Manager shall warrant and defend its title against all claims.

12. Independent Contractor. It is understood and agreed that the relationship of Program Manager to the Board is and shall continue to be that of an independent contractor and neither Program Manager nor any of Program Manager's employees shall be entitled to receive Board employee benefits. As an independent contractor, Program Manager agrees to be responsible for the payment of all taxes and withholdings specified by law which may be due in regard to compensation paid by the Board. To the extent that Program Manager is subject to taxes under Section 4980H of the Internal Revenue Code, Program Manager shall be solely responsible for paying such taxes. Program Manager agrees that neither Program Manager nor its employees, staff or subcontractors shall represent themselves as employees or agents of the Board. Program Manager shall provide the Board with a valid taxpayer identification number as defined by the United States Internal Revenue Code, including but not limited to, a social security number or federal employer identification number.

13. Indemnification. Program Manager agrees to defend, indemnify and hold harmless the Board, its members, employees, agents, officers and officials from and against liabilities, losses, penalties, damages and expenses, including reasonable costs and attorney fees, arising out of all claims, liens, damages, obligations, actions, suits, judgments or settlements, or causes of action, of every kind, nature and character arising or alleged to arise out of the negligent or willful acts or omissions of the Program Manager, its officers, agents, employees and subcontractors in the performance of this Agreement. This includes, but is not limited to, the unauthorized use of any trade secrets, patent infringement, or trademark or copyright violation. In the event that the Board is determined to be liable for taxes under Section 4980H of the Internal

Revenue Code as a result of its use of Program Manager's employees under this Agreement, Program Manager shall indemnify the Board for any such liability.

Program Manager shall, at its own cost and expense, appear, defend and pay all attorney fees and other costs and expenses arising hereunder. In addition, if any judgment shall be rendered against the Board in any such action, Program Manager shall, at its own expense, satisfy and discharge such obligation of the Board. The Board shall have the right, at its own expense, to participate in the defense of any suit, without relieving Program Manager of any of its obligations hereunder. The Board retains final approval of any and all settlements or legal strategies which involve the interest of the Board.

However, if Program Manager, after receiving notice of any such proceeding, fails to immediately begin the defense of such claim or action, the Board may (without further notice to Program Manager) retain counsel and undertake the defense, compromise, or settlement of such claim or action at the expense of Program Manager, subject to the right of Program Manager to assume the defense of such claim or action at any time prior to settlement, compromise or final determination thereof. The cost and expense of counsel retained by the Board in these circumstances shall be borne by Program Manager and Program Manager shall be bound by, and shall pay the amount of, any settlement, compromise, final determination or judgment reached while the Board was represented by counsel retained by the Board pursuant to this paragraph, or while Program Manager was conducting the defense.

To the extent permissible by law, Program Manager waives any limits to the amount of its obligations to defend, indemnify, hold harmless, or contribute to any sums due under any losses, including any claim by any employee of Program Manager that may be subject to the Workers Compensation Act, 820 ILCS 305/1 *et seq.* or any other related law or judicial decision (such as *Kotecki v. Cyclops Welding Corporation*, 146 Ill. 2<sup>nd</sup> 155 (1991)). The Board, however, does not waive any limitations it may have on its liability under the Illinois Workers Compensation Act, the Illinois Pension Code, any other statute or judicial decision.

The indemnities set forth herein shall survive the expiration or termination of this Agreement.

**14. Non-Liability of Board Officials.** Program Manager agrees that no Board member, employee, agent, officer or official shall be personally charged by Program Manager, its members if a joint venture, or any subcontractors with any liability or expense under this Agreement or be held personally liable under this Agreement to Program Manager, its members if a joint venture, or any subcontractors.

**15. Board Not Subject to Taxes.** The federal excise tax does not apply to the Board by virtue of Exemption Certificate No. 36-600584, and the State of Illinois sales tax does not apply to the Board by virtue of Exemption No. E9997-7109-06. The compensation set forth in this Agreement is inclusive of all other taxes that may be levied or based on this Agreement, including without limitation sales, use, nonresident, value-added, excise, and similar taxes levied or imposed on the Services to be provided under this Agreement, but excluding taxes levied or imposed on the income or business privileges of Program Manager. Program Manager shall be responsible for any taxes levied or imposed upon the income or business privileges of the Program Manager.

**16. Insurance.** Program Manager, at its own expense, shall procure and maintain insurance covering all operations under this Agreement, whether performed by Program Manager or by subcontractors. All insurers shall be licensed by the State of Illinois and rated A-VII or better by A.M. Best or a comparable rating service. Program Manager shall submit to the Board satisfactory evidence of insurance coverage and upon request, shall promptly provide a certified copy of any applicable policy of insurance. Minimum insurance requirements include the coverage set forth below:

**16.1. Workers' Compensation and Employers' Liability Insurance.** Workers' Compensation Insurance affording workers' compensation benefits for all employees as required by law and Employers'

Liability Insurance covering all employees who are to provide Services under this Agreement with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence. The workers' compensation policy must contain a waiver of subrogation clause.

16.2. **Commercial General Liability Insurance.** Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the aggregate for bodily injury, personal injury and property damage liability. Coverage shall include, but not be limited to: all operations, contractual liability, independent contractors, products/completed operations (for a minimum of two (2) years following completion), and defense. General liability insurance may not exclude coverage for sexual abuse and/or molestation.

16.3. **Automobile Liability Insurance.** Automobile Liability Insurance when any motor vehicle (whether owned, non-owned or hired) is used in connection with Services to be performed, with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.

16.4. **Umbrella/Excess Liability Insurance.** Umbrella or Excess Liability Insurance with limits of not less than Four Million and 00/100 Dollars (\$4,000,000.00) per occurrence, which will provide additional limits for commercial general liability insurance and automobile liability insurance subject to that of the primary coverage.

16.5. **Professional Liability/Errors and Omissions.** When any professionals perform Services in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions in conjunction with the professional Services must be maintained with limits of not less than Two Million Dollars (\$2,000,000.00) for each claim. Coverage must include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with or precede start of Services under this Agreement. A claims-made policy, which is not renewed or replaced, must have an extended reporting period of two (2) years following completion of professional services.

16.6. **Fidelity Bond.** Fidelity bond coverage in the amount of at least One Million Dollars (\$1,000,000) with a responsible surety company with respect to all of Program Manager's employees as may be necessary to protect against losses including, without limitation, those arising from theft, embezzlement, fraud, or misplacement of funds, money, or documents. Coverage must extend to any losses incurred by the Board due to theft, embezzlement or fraud by Program Manager's subcontractors. The bond shall name the Board as a third party. Program Manager shall notify the Board in writing within five (5) days of filing a claim under such coverage and to assign to the Board, as the case may be, the proceeds of such coverage allocable to losses suffered with respect to the property of the Board.

16.7. **Additional Insured.** Program Manager shall have its General, Automobile, and Umbrella Liability Insurance policies endorsed to provide that "the Board of Education of the City of Chicago, a body politic and corporate (and the Public Building Commission of Chicago ["PBC"] and the City of Chicago ["City"], as their interests may appear as titleholders), and their members, employees and agents, and any other entity as may be designated by the Board are named as additional insured on a primary basis without recourse or right of contribution from the Board, PBC, or City".

The insurance company, or its representative, shall submit an insurance certificate evidencing all coverage as required hereunder and indicating the Additional Insured status as required above. The Board will not pay Program Manager for any Services if satisfactory proof of insurance is not provided by Program Manager prior to the performance of any Services. The Certificate must provide thirty (30) days prior written notice of material change, cancellation, or non-renewal be given to:

Risk Management

Board of Education of the City of Chicago  
42 W. Madison  
Chicago, Illinois 60602

Copy to: Chief Procurement Officer  
Board of Education of the City of Chicago  
42 W. Madison St., 9<sup>th</sup> Floor  
Chicago, Illinois 60602  
ATTN: Patricia Hernandez, CPPB

Any failure of the Board to demand or receive proof of insurance coverage shall not constitute a waiver of Program Manager's obligation to obtain the required insurance. The receipt of any certificate does not constitute agreement by the Board that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. Program Manager's failure to carry or document required insurance shall constitute a breach of Program Manager's Agreement with the Board. In the event Program Manager fails to fulfill the insurance requirements of this Agreement, the Board reserves the right to stop the Services until proper evidence of insurance is provided, or this Agreement may be terminated.

Any deductibles or self-insured retentions on referenced insurance coverage must be borne by Program Manager. Any insurance or self-insurance programs maintained by the Board, PBC, or City do not contribute with insurance provided by Program Manager under this Agreement.

All subcontractors are subject to the same insurance requirements of Program Manager unless otherwise specified in this Agreement. Program Manager shall require any subcontractors under this Agreement to maintain comparable insurance naming Program Manager, the Board (and the PBC and the City, as their interests may appear as titleholders), inclusive of their members, employees and agents, and any other entity designated by the Board, as Additional Insureds. Program Manager will maintain a file of subcontractor's insurance certificates evidencing compliance with these requirements.

The coverages and limits furnished by Program Manager in no way limit Program Manager's liabilities and responsibilities specified within this Agreement or by law. The required insurance is not limited by any limitations expressed in the indemnification language in this Agreement, if any, or any limitation that might be placed on the indemnity in this Agreement given as a matter of law.

Program Manager agrees that insurers waive their rights of subrogation against the Board (and the PBC and the City, as their interests may appear as titleholders), and shall cause all policies listed above to include a waiver of subrogation endorsement in favor of the Board, PBC, and City.

Program Manager must register with the insurance certificate monitoring company designated by the Board and indicated below, and must maintain a current insurance certificate on file during the entire time of providing services to the Board. Program Manager must register and pay the initial annual monitoring fee to the insurance certificate monitoring company prior to performing services for the Board. The initial annual monitoring fee is currently Twelve Dollars (\$12.00) per year, but the fee may subject to change.

**Each year, Board-approved, registered vendors will be notified 30 to 45 days prior to the expiration date of their required insurance coverage (highlighted on their latest submitted insurance certificate on file) in order to submit an updated insurance certificate with the insurance certificate monitoring company. Insurance certificate submissions and related annual fees are required to be made online at the dedicated website established by the certificate monitoring company (see URL below). Questions on submissions and payment options should be directed to the certificate monitoring company.**

Certificate Monitoring Company:  
Topiary Communications Inc.  
676 N. LaSalle - Suite 230  
Chicago, IL 60654  
Phone: (312) 494-5709  
Email: [dans@topiarycomm.net](mailto:dans@topiarycomm.net)  
URL: <http://www.cpsvendorcert.com> (designated website for online registration, insurance certificate submissions and annual fee payments)

**17. Audit and Document Retention.** Program Manager shall permit and cooperate in good faith in any audits by the Board, including its Department of Procurement, or its agents for compliance by the Program Manager with this Agreement. Program Manager shall furnish the Board with such information, supporting documentation and reports as may be requested relative to the progress, execution and costs of the Services and compliance with applicable MBE/WBE requirements. Failure of Program Manager to comply in full and cooperate with the requests of the Board or its agents shall give the Board, in addition to all other rights and remedies hereunder, the right to charge the Program Manager for the cost of such audit.

Program Manager shall retain all records relating to Program Manager's Services under this Agreement for five (5) years after the termination or expiration of this Agreement and such records shall be subject to inspection and audit by the Board. As used in this Section, "records" shall include all correspondence (including emails), receipts, vouchers, memoranda and all other communications and data, regardless of type and regardless of whether such items are in written form, electronic, digital, or in any other form. If any audit, litigation, or other action involving the records is being conducted or has not been resolved, all applicable records must be retained until the proceeding is closed. Program Manager shall require all of its subcontractors to maintain the above-described records and allow the Board the same right to inspect and audit said records as set forth herein.

**18. MBE/WBE Program.** Program Manager acknowledges that it is familiar with the requirements of the Board's "Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts" (the "Remedial Plan"), which Remedial Plan is available on Board's website at [http://www.csc.cps.k12.il.us/purchasing/uploadedfiles/doing\\_business/goods\\_services\\_master.pdf](http://www.csc.cps.k12.il.us/purchasing/uploadedfiles/doing_business/goods_services_master.pdf) and is incorporated by reference as if fully set forth herein. Program Manager agrees to adhere to the minimum participation goals (currently set at 30% MBE and 7% WBE participation) and to all other applicable MBE/WBE requirements as set forth in the Remedial Plan, as may be amended from time to time. Program Manager agrees to submit such documentation in connection with the Remedial Plan as may be requested by the Board.

**19. Right of Entry.** Program Manager and any of its officers, employees, subcontractors or agents, performing Services hereunder shall be permitted to enter upon Board property in connection with the performance of the Services hereunder, subject to the terms and conditions contained herein and those rules established by the Board and the subject school principal. Program Manager shall provide advance notice to the Board whenever applicable, of any such intended entry. Consent to enter upon a site given by the Board shall not create, nor be deemed to imply, the creation of any additional responsibilities on the part of the Board. Program Manager shall use, and shall cause each of its officers, employees and agents to use, the highest degree of care when entering upon any property owned by the Board in connection with the Services. Any and all claims, suits or judgments, costs, or expenses, including reasonable attorney fees, arising from, by reason of, or in connection with any such entries shall be treated in accordance with the applicable terms and conditions of this Agreement, including without limitation, the indemnification provisions contained in this Agreement.

**20. Non-Discrimination.** It shall be an unlawful employment practice for Program Manager or any of its subcontractors to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to compensation, or other terms, conditions, or privileges of employment, because of such individual's race, color, national origin, religion, sex, gender identity/expression, sexual orientation, age or disability; or to limit, segregate, or classify employees or applicants for employment in any way that would deprive or tend to deprive any individual from equal employment opportunities or otherwise adversely affect an individual's status as an employee because of such individual's race, color, national origin, religion, sex, gender identity/expression, sexual orientation, age or disability. Program Manager shall particularly remain in compliance at all times with: Civil Rights Act of 1964, 42 U.S.C.A. § 2000a, *et seq.*; the Age Discrimination in Employment Act, 29 U.S.C.A. § 621, *et seq.*; Section 504 of the Rehabilitation Act of 1973, 29 U.S.C.A. § 701, *et seq.*; the Americans with Disabilities Act, 42 U.S.C.A. § 12101, *et seq.*; the Illinois Human Rights Act, 775 ILCS 5/1-101, *et seq.*; the Illinois School Code, 105 ILCS 5/1-1 *et seq.*; the Illinois Public Works Employment Discrimination Act, 775 ILCS 10/0.01 *et seq.*; the Individuals with Disabilities Education Act (IDEA) 20 U.S.C.A. § 1400 *et seq.*; and, the Chicago Human Rights Ordinance, ch. 2-160 of the Municipal Code of Chicago, all as may be amended and all other applicable federal, state, and municipal statutes, regulations, ordinances and other laws. Nothing in this paragraph is intended nor shall be construed to create a private right of action against the Board or any of its employees. Furthermore, no part of this paragraph shall be construed to create contractual or other rights or expectations for Program Manager's employees or Program Manager's subcontractors' employees.

**21. Entire Agreement and Amendment.** This Agreement, including all exhibits attached to it and incorporated into it, constitutes the entire agreement of the parties with respect to the matters contained herein. All attached exhibits are incorporated into and made a part of this Agreement. No modification or amendment to this Agreement shall be effective unless such modification or amendment is in writing and signed by both parties hereto. Any prior agreements or representations, either written or oral, relating to the subject matter of this Agreement are of no force or effect.

**22. Governing Law.** This Agreement shall be governed as to performance and interpretation in accordance with the laws of the State of Illinois.

Program Manager irrevocably submits itself to the original jurisdiction of those courts located in the County of Cook, State of Illinois, with regard to any controversy arising out, or relating to, or in any way concerning the execution or performance of this Agreement. Program Manager agrees that service of process on the Program Manager may be made, at the option of the Board, by either registered or certified mail addressed to the office identified in the notice provision herein, by registered or certified mail addressed to the office actually maintained by Program Manager, or by personal delivery on any officer, director, or managing or general agent of Program Manager. If any action is brought by Program Manager against the Board concerning this Agreement, the action shall only be brought in those courts located within the County of Cook, State of Illinois.

**23. Freedom of Information Act.** Program Manager acknowledges that this Agreement and all documents submitted to the Board related to this contract award are a matter of public record and are subject to the Illinois Freedom of Information Act (5 ILCS 140/1) and any other comparable state and federal laws and that this Agreement is subject to reporting requirements under 105 ILCS 5/10-20.44. Program Manager has identified specific information as trade secrets and commercial or financial information where disclosure may cause competitive harm and claims that such information falls within a FOIA exemption. The Board shall redact those portions of the Agreement designated as trade secrets or proprietary information and Program Manager acknowledges that the redacted Agreement shall be posted on the Board's Internet website at [www.cps.edu](http://www.cps.edu). Program Manager agrees to defend, indemnify and hold the Board harmless from and against any loss, damage, expense, penalty, or cost, including any and all legal fees, sought in every claim or suit of any kind arising out of the Board redacting those portions of the Agreement designated as trade secrets or proprietary information.



24. **Continuing Obligation to Perform.** In the event of any dispute between Program Manager and Board, Program Manager shall expeditiously and diligently proceed with the performance of all its obligations under this Agreement with a reservation of all rights and remedies it may have under or pursuant to this Agreement at law or in equity.
25. **Conflict of Interest.** This Agreement is not 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 within a one year period following expiration or other termination of their office.
26. **Indebtedness.** Program Manager agrees to comply with the Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, which policy is hereby incorporated by reference into and made a part of this Agreement as fully set forth herein.
27. **Ethics.** No officer, agent or employee of the Board is or shall be employed by Program Manager or has or shall have a financial interest, directly, or indirectly, in this Agreement or the compensation to be paid hereunder except as may be permitted in writing by the Board's Code of Ethics Policy adopted May 25, 2011 (11-0525-PO2), as amended from time to time, which policy is hereby incorporated by reference into and made a part of this Agreement as fully set forth herein.
28. **Inspector General.** Each party to this Agreement hereby acknowledges that in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Board of Education of the City of Chicago 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.
29. **Waiver.** No delay or omission by the Board to exercise any right hereunder shall be construed as a waiver of any such right and the Board reserves the right to exercise any such right from time to time as often and as may be deemed expedient.
30. **Survival/Severability.** All express representations or indemnifications made or given in this Agreement shall survive the completion of Services or the termination of this Agreement for any reason. If any provision or part of this Agreement is held to be unenforceable, this Agreement shall be considered divisible and such provision shall be deemed inoperative to the extent it is deemed unenforceable, and in all other respects this Agreement shall remain in full force and effect; provided, however, that if any such provision may be made enforceable by limitation thereof, then such provision shall be deemed to be so limited and shall be enforceable to the maximum extent permitted by applicable law.
31. **Joint and Several Liability.** In the event that Program Manager, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination thereof, then, and in that event, each and every obligation or undertaking herein stated to be fulfilled or performed by Program Manager shall be the joint and several obligation or undertaking of each such individual or other legal entity.
32. **Authority.** Program Manager understands and agrees that Program Manager is not an authorized representative of the Board or the Chicago Public Schools. All agreements and approvals (written or verbal) of the Board or the Chicago Public Schools must be made by authorized Board employee(s).
33. **Service.** Under no circumstances shall Program Manager render any Services without an approved Purchase Order.
34. **Minimum Wage.** Program Manager must comply with the Board's Minimum Wage Resolution (14-1217-RS2) and any applicable regulations issued by the Board's CPO. The Board's resolution adopts Chicago Mayoral Executive Order 2014-1. As of December 17, 2014 the minimum wage to be paid pursuant to the Resolution is \$13.00 per hour (the "Minimum Wage"). A copy of the Mayoral Order may be

downloaded from the Chicago City Clerk's website at: <http://chicityclerk.com/wpcontent/uploads/2014/09/Executive-Order-No.-2014-1.pdf>; the Board's Resolution may be downloaded from the Chicago Public School's website at: [http://www.cpsboe.org/content/actions/2014\\_12/14-1217-RS2.pdf](http://www.cpsboe.org/content/actions/2014_12/14-1217-RS2.pdf). In the event of any discrepancy between the summary below and the Resolution and Order, the Resolution and Order shall control.

Program Manager must: (i) pay its employees no less than the Minimum Wage for work performed under this Agreement; and (ii) require any subcontractors, sublicensees, or subtenants, to pay their employees no less than the Minimum Wage for work performed under this Agreement.

The Minimum Wage must be paid to: 1) All employees regularly performing work on property owned or controlled by the Board or at a Board jobsite and 2) All employees whose regular work entails performing a service for the Board under a Board contract.

Beginning on July 1, 2015, and every July 1 thereafter, the Minimum Wage shall increase in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor, and shall remain in effect until any subsequent adjustment is made. On or before June 1, 2015, and on or before every June 1 thereafter, the City of Chicago may issue bulletins announcing adjustments to the Minimum Wage for the upcoming year.

The Minimum Wage is not required to be paid to employees whose work is performed in general support of Program Manager's operations, does not directly relate to the services provided to the Board under this Agreement, and is included in the contract price as overhead, unless that employee's regularly assigned work location is on property owned or controlled by the Board or at a Board jobsite. It is also not required to be paid by employers that are 501(c)(3) not-for-profits.

The term 'employee' as used herein does not include persons subject to subsection 4(a)(2), subsection 4(a)(3), subsection 4(d), subsection 4(e), or Section 6 of the Illinois Minimum Wage Law, 820 ILCS 105/1 et seq., in force as of the date of this Agreement or as amended. Nevertheless, the Minimum Wage is required to be paid to those workers described in subsections 4(a)(2)(A) and 4(a)(2)(B) of the Illinois Minimum Wage Law.

The Minimum Wage is not required to be paid to employees subject to a collective bargaining agreement that provides for different wages than those required by the Board's Resolution, if that collective bargaining agreement was in force prior to December 17, 2014 or if that collective bargaining agreement clearly and specifically waives the requirements of the Resolution. If the payment of a prevailing wage is required and the prevailing wage is higher than the Minimum Wage, then Program Manager must pay the prevailing wage.

**35. Information Security Policy.** If at any time, Program Manager has access to Board's computer network, Program Manager represents and warrants that it is and shall remain in compliance with Board's Information Security Policy adopted September 25, 2013 (13-0925-PO1), as may be amended from time to time, and any subsequent policies on or relating to Information Security, which polic(ies) are hereby incorporated by reference into and made a part of this Agreement as fully set forth herein.

**36. Disclaimer.** No provision of this Agreement, nor any act of the Board or Program Manager shall be deemed or construed by either of the parties, or by third persons, to create any relationship of third party beneficiary, or of principal or agent, or of limited or general partnership, or of joint venture, or of any association or relationship involving the Board or Program Manager.

**37. Favored Nation.** Program Manager shall perform the Services to the Board at the lowest price that Program Manager charges to other similarly customers of similar size and scope with a similar volume of annual Services purchased. If Program Manager overcharges, in addition to all other remedies, the Board shall: (a) be entitled to a refund in the amount of the overcharge, plus interest at the rate of one percent

**This Redacted Agreement Will Be Posted On The CPS Internet Website.**

(1%) per month on the amount of the overcharge from the date the overcharge was paid by the Board until the date refund is made; (b) have the right to offset any overcharge against any amounts due to Program Manager under this or any other contract between Program Manager; and (c) at the Board's sole option, have the right to declare Program Manager in default under this Agreement.

**38. Kickbacks.** Neither Program Manager nor any of its members, if a joint venture or limited liability company, has accepted and shall not accept from or on behalf of any subcontractor or any intermediate tier subcontractor, any payment, gratuity or offer of employment in relation to this Agreement or as an inducement for the acceptance of this Agreement. Program Manager is and shall remain in compliance with all applicable anti-kickback laws and regulations.

**39. Student/Apprentice Program.** Program Manager agrees that it may initiate and implement a student/apprentice program to the fullest extent practicable in performing the Services. Program Manager shall insure that such program adheres to any criteria established pursuant to the Illinois School Code or other applicable regulatory agency. Such program will include high school students (juniors and seniors) in work activities that expose them to various areas of the business environment. Program Manager shall submit monthly reports to the appropriate Board departments relative to the progress of the program.

**40. Participation By Other Local Government Agencies.** Other local government agencies ("Local Government Agencies") may be eligible to purchase Services pursuant to the terms and conditions of this Agreement: (a) If the Local Government Agency is authorized, by law or its governing body, to execute such purchase(s); (b) If such utilization by the Local Government Agency is permitted by Board's CPO; and (c) If such purchase(s) of the Services by the Local Government Agency has no significant net adverse effect on Board and results in no observed diminished ability of Program Manager to provide the Services to Board or Board's user departments. Local Government Agencies may include without limitation: City of Chicago, Chicago Park District, City Colleges of Chicago, Chicago Transit Authority, Chicago Housing Authority, Chicago Board of Elections, Metropolitan Pier & Exposition Authority (McCormick Place, Navy Pier), and the Municipal Courts. All purchases and payment transactions that are permitted hereunder pursuant to the requirements of (a) through (c) herein shall thereafter be made directly between the requesting Local Government Agency and any Program Manager(s) that are awarded work by that requesting Local Government Agency. Board shall not be responsible for payment of any amounts owed by any Local Government Agency to any Program Manager(s) that are awarded work by the requesting Government Agency. Board assumes no authority, liability or obligation on behalf of any Local Government Authority.

**41. Notices.**

41.1. All notices required under this Agreement shall be in writing and sent to the addresses and persons set forth below, or to such other addresses as may be designated by a party in writing. Any notice involving nonperformance or termination shall be sent by hand delivery or recognized overnight courier. All other notices may also be sent by facsimile or email, confirmed by mail. All notices shall be deemed to have been given when received, if hand delivered; when transmitted, if transmitted by facsimile or email; upon confirmation of delivery, if sent by recognized overnight courier; and upon receipt if mailed. Refusal to accept delivery has the same effect as receipt.

If to Board: Board of Education of the City of Chicago  
42 West Madison Street, 2nd Floor  
Chicago, Illinois 60602  
Attn: Chief Facilities Officer (or if none, Chief Administrative Officer)  
Fax: (773) 553-2951

Copy to: Board of Education of the City of Chicago  
One North Dearborn Street, 9<sup>th</sup> Floor

Chicago, Illinois 60602  
Attn: General Counsel  
Fax: (773) 553-1701

If to Program Manager:                    Jacobs Project Management Co.  
525 West Monroe Street, Ste. 200  
Chicago, IL 60661  
Attn: James McLean  
Fax: 312/251-3015

41.2. Board or Program Manager may, from time to time, change the address(es) and facsimile number(s) to which notices are to be given by notifying the other party in writing.

**42. Transitions.**

42.1. Start Up Transition at Effective Date of Agreement and Prior to Commencement of Full Services. Notwithstanding anything in this Agreement to the contrary, Program Manager acknowledges that, at its sole cost and expense, there shall be a specified start-up period in this Agreement commencing as of the Effective Date and ending at the close of business on September 16, 2016 (the "Transition Date"). Board shall compensate Program Manager in accordance with the Payment Schedule for Services performed after the Transition Date. Program Manager shall prepare to transition Board's existing programs (including, program, planning and design manager services; construction manager services; and project director services) to Program Manager's programs. During the start-up period, Program Manager shall familiarize itself with ongoing capital program activities, facilities, operations, equipment, materials, supplies, and other such matters.

Program Manager shall fully cooperate with other Board contractors, subcontractors and assigns and shall carefully plan and perform its own work to accommodate the work of other Board contractors. Program Manager shall not intentionally commit or permit any act which will interfere with the performance of work by any other Board contractors.

42.2. Transition at Termination/Expiration of Agreement. Upon expiration or early termination of this Agreement, Program Manager shall take all actions necessary to accomplish a complete and timely transition from Program Manager to Board, or to any replacement service providers designated by Board (collectively "New Provider"), without material impact on the Services or any other services provided by third parties. Program Manager shall provide Board and New Provider with all information regarding the Services that is needed for the transition. Program Manager shall provide for the prompt and orderly conclusion of all work, as Board may direct, including completion or partial completion of projects, documentation of work in process, and other measures to assure an orderly transition. Program Manager shall provide any additional transition services as Board requests in writing for a period of up to one year after the termination or expiration of this Agreement, on a time and materials basis, at a rate to be mutually agreed between Board and Program Manager.

43. Counterparts and Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one instrument. A signature delivered by facsimile or electronic means shall be considered binding for both parties.

44. Termination Of Existing Agreement. The parties acknowledge that they are currently parties to that certain Project Director Services Agreement effective as of April 25, 2012 between Board and Jacobs, as amended and renewed by those certain: A) "First Renewal Of Project Director Services Agreement" effective as of January 1, 2014; B) Second Renewal Of Project Director Services Agreement effective as of January 1, 2015; and C) Third Renewal Of Project Director Services Agreement effective as of January 1, 2016 (collectively, the "Existing Agreement"). Board and Jacobs acknowledge and agree that, upon close of business on September 16, 2016, the Existing Agreement shall terminate and be of no force and

effect; provided, however, all covenants, obligations, representations and warranties contained therein that expressly (or impliedly by their terms) or otherwise as a matter of law are to survive any termination or expiration of the Existing Agreement shall continue to survive.

45. **Board Approval.** The execution of this Agreement is subject to approval by the members of the Chicago Board of Education.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By: Frank M. Clark  
Frank M. Clark, President

Attest By: Estela G. Beltran 9/23/16  
Estela G. Beltran, Secretary

Forrest Claypool  
Forrest Claypool, Chief Executive Officer

Board Report Nos. 16-0727-PR7 - 1

Approved as to legal form: Ronald L. Marmer  
Ronald L. Marmer, General Counsel

**EXHIBITS**

- Exhibit A Scope of Services
- Exhibit B Payment Schedule
- Exhibit C Key Personnel
- Exhibit D Potential Capital Plan

JACOBS PROJECT MANAGEMENT CO.

By: [Signature]  
Name: James E. McLean  
Title: Vice President

Attest By: Pamela A. Miller  
Name: Pamela A. Miller  
Title: Administrative Assistant  
Date: Sept. 14, 2016

**EXHIBIT A**

**SCOPE OF SERVICES**

**I. GENERAL**

**A. Background.**

Program Manager shall provide Program Management services to assist the Board in the continuation of its capital program, which consists of the long-term planning for—and prioritization of—capital needs, the ongoing improvement of Board facilities through capital construction and renovation projects. The complete range of Program Management services includes short and long term capital planning, budgeting, programming, design management, construction management, and closeout to achieve the quality, budget and schedule goals as established. The Program Manager ("PM") role combines the tasks of the current programming, planning, design, and construction managers and will have the primary duties of managing the efforts based on detailed project scopes, cost and schedule information as approved by the Board and directed by the Board's Facilities department. The potential capital program for the first Contract year is anticipated to be approximately \$100M; however, this may vary. **Exhibit D** includes a sample of the types of projects anticipated within the potential program for the first Contract year. The overall expenditure level and any individual projects or categories of projects are subject to change. As a result, the Program Manager shall offer flexibility in its approach, scalability of staff, the appropriate experience relevant to the project type, and the ability to adapt to changes that will occur throughout the contract duration.

**B. Board's Facilities and Capital Team Structure.**

The Board's Facilities Department is essentially composed of two teams that work closely together: a Capital Team, made up of Board employees and consultants, which programs, plans and manages the Capital Improvement Program (CIP); and an Asset Management Team, made up of central office-based, regional, school-based professionals and consultants, which manages facilities maintenance and repair, and smaller capital projects. The PM shall work closely with the Board's Facilities Department to provide the services as outlined in this Contract that will support the goals of the Board's Facilities Department.

**C. Team Composition and Expertise.**

- a) The PM must include a multi-disciplinary team of architects, technical specification writers, structural engineers, MEP engineers, civil engineers, ADA, LEED, environmental consultants, project managers and construction managers to handle multiple, complex new construction, renovation and upgrade projects for the CIP, as well as emergency or complex projects being handled by the Board's Capital or Asset Management teams. This team must include expertise in all areas, including, but not limited to:
- 1) Capital Planning and Budgeting: experience in developing strategy, budgets, and planning utilizing assessment and survey information for short and long term capital planning;
  - 2) Exterior Envelope: walls, parapets, lintels/shelf angles, cornices, windows, doors, exterior stairs, roof systems, chimneys, canopies, structural;
  - 3) ADA and other accessibility issues;
  - 4) Mechanical, electrical, plumbing, and fire protection: boilers (steam/hot water, VFR), ventilation systems (unit ventilators/fan-coil units/fresh-air intake/exhaust systems), chillers, condensers, cooling towers, temperature-control systems; power distribution, lighting, emergency systems, fire alarm/protection, security systems; low voltage systems;

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- water and waste systems, domestic water piping, hot-water storage tanks, pumps (booster/ejector/sump); fire pump, sprinkler systems;
- 5) Interiors: interior finishes, stairwells, elevators, toilet rooms, specialty areas (libraries/science labs/computer labs/auditorium/natorium/gymnasium/vocational labs/kitchen);
  - 6) Site Enhancements: parking, playlots, fencing, signage, landscaping, athletic fields, campus parks, modular classrooms;
  - 7) Site Work
  - 8) Stadiums; and
  - 9) Other capital projects.
- b) The PM team must also possess sufficient expertise in information technology and budgeting to properly design, implement and maintain data, document and financial tracking systems as required.
  - c) All team members shall be proficient in CPS' policies, standard details, guidelines and specifications.
  - d) The PM team shall propose a core team or "Key Personnel" to provide the services required and demonstrate the capacity to ramp up when work load demands. In addition, the Board expects the PM team to reduce staff when critical work has been completed such as the end of summer construction season and the end of the year following holiday breaks. All proposed staff (including without limitation subcontractors) must be approved in writing prior to commencing services and prior to returning for additional assignments.
  - e) The PM team shall possess all appropriate licenses, certifications and training, including safety and OSHA training to comply with industry standards.

**D. Relationship to the Board.**

The Board, acting through the Chief Facilities Office and Facilities staff shall direct the PM's performance of assigned capital projects, and shall retain final authority with regard to all project decisions. The PM 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, construction and closeout are coordinated. The PM is responsible for providing the Facilities Department leadership with timely information and recommendations regarding decisions needed to enable the Capital Improvement Program to be implemented in a timely and cost-effective manner.

**E. Staffing Levels & Location.**

The PM will maintain sufficient staff at the Board's CIP offices, in such quantity and experience levels that will successfully provide the required Services. Due to changes that may arise in the size of the annual CIP, the PM shall structure staff to be scalable to meet the needs of the Board. The Board may provide, at no cost, the PM with office space for some, but not necessarily all, of its staff. Current space utilization anticipates accommodating staff up to 8 - 12 people in cubicles or hoteling at the headquarters building. The Board reserves the right to identify the critical positions that may be located at the CIP offices for optimal collaboration. For the space that may be provided by the Board, the Board may provide office furniture, fixtures, copiers, and printers. The PM shall provide their own computers and software licensing required to successfully deliver the required services. The Board may provide five (5) AutoCad concurrent licenses for the PM to utilize. Other additional space, FF&E, copiers, printers or other equipment software or supplies required shall be provided by the PM. Any equipment and furniture supplied by the Board shall remain the property of the Board. The PM shall use Board approved strategic sourcing partners for office supplies required as directed. The PM shall propose and maintain staffing levels that reflect adequate coverage of the duties outlined. 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. The PM will provide, upon execution of the contract and then annually for Board review, its organizational chart and staffing plan, with individual names and titles. The PM and their subconsultants shall submit resumes of proposed staff and each proposed staff shall be approved in writing by the Board's Facilities Department prior to commencing work. This applies to the initial commencement of services and any staffing changes that occur throughout the contract duration.

**F. Time Reporting.**

Each member of the PM staff will track the time spent on each individual project and planning activity in a manner that is acceptable to the Board and provides a simple and effective way that fully accounts for all tasks.

**G. Types of Capital Projects.**

There are essentially four types of capital projects which require the services and overall management:

- a) **Board-Conducted Projects:** Board-Conducted projects can include new school construction, annexes, major renovations and all types of programmatic and infrastructural upgrades. This category also includes the projects that may be identified under the Asset Management team.
- b) **PBC-Conducted Projects:** The PM will manage the design and construction process for PBC projects as defined by the Board.
- c) **Third-Party Projects on Board Sites:** The PM will have minor responsibilities for projects on Board-owned property conducted by third parties. This includes projects such as charter school organizations that occupy Board facilities.
- d) **Third-Party Projects on Independent Sites:** For these projects, the PM will provide peer review and/or some limited oversight on behalf of the Board. Examples of these projects are those at non-CPS campuses that serve Chicago Public Schools students, such as independent-site charter schools.

**H. Evaluation of Services.**

The PM shall be evaluated based on certain criteria commonly known as Key Performance Indicators that shall be determined in consultation with the Board.

**I. Overview of Program Management Services.**

**Capital Planning, Programming, Design Management, Construction Management and Closeout:**

- a) Develop and manage the implementation of the Annual Capital Plan to ensure that all Board-Conducted Projects meet Board goals and requirements for scopes, schedules, budgets, and quality.
- b) Suggest and implement procurement methods that best suits the needs of the Board and provides a cost effective result. Advise on phasing, grouping of projects and other cost-saving approaches to construction. Make recommendations on bidding work to a pool of General Contractors, bidding or assigning work to a pool of Job Order Contracting contractors or bidding work to the pool of Various Trades contractors or other Vendor pools.
- c) Develop scopes of work, including recommendations regarding deferred maintenance, and prioritization of projects.
- d) Advise regarding project delivery systems and bid packaging strategies. Make recommendations to Board regarding ongoing modifications that may need to be considered and may impact sequencing, delays, and cost.



- e) Enforce, manage & coordinate scopes throughout the program to ensure consistency and compliance with Board standards.
- f) Develop project, scope, and production of transfer packages to architects of record.
- g) Assist in the selection of and communication with architects of record and engineers of record. Work with the architects and engineers to develop and refine designs to correlate design to budget. Manage design process through completion of bid documents.
- h) Advise and coordinate work of subconsultants such as soils, environmental or other specialty consultants. Participate in planning workshops. Attend meetings as may be required.
- i) Establish, manage, monitor and report on a quality control program that ensures a high-quality planning, design and construction program is delivered. Any requested substitution or variance must be approved in writing by the Board.
- j) Provide program and project controls to effectively track and manage cost and schedule compliance. Enforce, manage & coordinate established budgets throughout program to ensure completion of overall program as scoped and scheduled and within program budget.
- k) Work with the Board's separate independent cost estimator to verify program and project costs. Evaluate, monitor and process change orders.
- l) Work with the Board during the development of any Bond programs.
- m) Advise on an ongoing basis regarding communication with state and other agencies involved in construction process. Assist in regulatory requirements.
- n) Perform written constructability reviews at milestone stages of design. Prepare cost estimates. Assist with verification of site conditions.
- o) Advise regarding owner-supplied equipment and other potential cost saving measures.
- p) Prepare for, attend and participate in weekly Capital Improvement Program (CIP) team meetings. The purpose of this meeting is to inform the Board Facilities Department of issues that require resolution, provide weekly project and program updates and to be clear on team tasks.
- q) Attend and participate in monthly Technical and Standards Committee meetings.
- r) Advise the Board of any changes in the standards that the PM believes would benefit CPS and review and amend the standards monthly.
- s) Manage the construction, closeout, and warranty processes.
- t) Conduct and document pre-bid conferences.
- u) Schedule and conduct preconstruction meetings.
- v) Review and monitor that the contractor is in compliance with the safety plan.
- w) Document and report the progress of each project.
- x) Proactively address and identify solutions to potential schedule and budget variances and impacts.
- y) Coordinate with designated school officials as required.
- z) Set up programs to obtain and monitor warranty work. Advise Board's staff on systems operations and training.
- aa) Incorporate information from Needs Assessment process and various surveys (provided by others) throughout the capital planning and budget process.

## II. **DETAIL OF SERVICES.**

Outlined below are the various responsibilities of the PM team to fulfill the requirements of the Board in completing the annual CIP. The PM may also be responsible for other facilities-related duties as assigned.

### A. **Preparation of Capital Plans**

**Capital program planning** is primarily focused on creating the district's 1-, 5- and 10-year capital plans as required by Illinois statute P.L. 97-0474. Determine and project all district capital needs – for example, programmatic needs for Board departments, accessibility and sustainability improvements, construction and consolidation needs for efficient space utilization, and

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architectural/engineering needs for sustaining and improving existing structures. The PM will have access to the Needs Assessment data that will be provided by others. Advise the Board on efficiency and improvement strategies. Other planning requirements include planning for new construction (including annexes and additions), planning special facility or programmatic initiatives that may arise, providing planning guidance to the Board's educational partners, providing planning guidance to the Asset Management team, and addressing emergency capital needs.

**a) General Principles for All Capital Plan Proposals.**

- 1) Create capital plans that will, within the Board's priorities and funding levels: i) ensure that Board-owned campuses and facilities meet or exceed all regulatory and industry recommended occupant health, safety and welfare standards; ii) create effective learning environments; iii) reduce overcrowding and improve district-wide space utilization efficiency; iv) increase district-wide ADA accessibility; v) promote environmental sustainability; and vi) resolve code violations.
- 2) Integrate into capital plan analyses and proposals the Board's long-term and short-term priorities with any updated priorities, updated programmatic needs, facility assessment and principal survey data, information from recent capital and asset projects, industry best practices and other relevant information.

**b) Timing.** Currently, interdepartmental capital budget planning takes place from January through April, with a proposed 1-yr and 5-yr capital budget being published by May 1st, but this schedule is subject to change.

**c) PM Role in the Capital Plan Process.**

- 1) Assessing, ranking, scoping, and estimating projects to address facility condition needs, including any code violations;
- 2) Scoping and estimating projects to address the programmatic priorities of other Board departments;
- 3) Serving on, and providing information and reports to, budget planning committees to assist in prioritizing, briefing leadership and making formal proposals;
- 4) Providing information for revised proposals as necessary for a Board vote during the summer;
- 5) Providing information for revised plans as necessary throughout the year; and
- 6) Working with the Asset Management Group in developing, prioritizing and implementing a proactive maintenance program that complements the CIP.

**d) 1-Year (Annual) Capital Plan.** Assist Board leadership in creating and proposing an Annual Capital Plan of projects for the upcoming fiscal year. Board leadership will set priorities and funding levels, and Board departments will propose programs and projects. The PM will create scopes, schematics, budgets and schedules for all projects under consideration, including a ranked list of projects to address facility condition needs. For the May 1st proposal, the PM will provide Transfer-Level scopes, budgets and schedules wherever possible and Program-Level scopes where Transfer-Level scopes are not possible in the time allowed. For the proposal submitted for Board vote, the PM will submit Transfer-Level scopes, budgets and schedules for all proposed projects. The performance of the PM will ensure that, as measured by the scopes, schedules and budgets adopted by the Board in the Annual Capital Plan, the approved budgets are met and overall errors and omissions are significantly minimized.

**e) Annual Capital Expenditure Report.** Create a draft report, which includes all elements required by P.L. 97-0474, for review by the Board no later than August 30th each year, and revise the report as necessary for final distribution.

**f) 5-Year Capital Plan and Annual Efficiencies Review.** Create a 5-Year Capital plan, which will consist of year-by-year proposals for capital projects for the upcoming five fiscal years, and

will include: a ranking of proposed projects to fit into a range of up to three possible levels of capital budgets; and Program-Level scopes, schematics, budgets and schedules for all projects proposed. In addition, along with the 5-Year Capital Plan, the PM will create an Annual Efficiencies Review. The Annual Efficiencies Review will be a written report that proposes specific methods of saving cost and/or improving schedules (without sacrificing scope or quality) in short or long-term capital plan. The Review will be based on industry best practices and the specific needs of the Board, and it will discuss its proposed improvements in detail, with detailed financial projections and other metrics supporting any proposals.

- g) **10-Year Capital Plan.** Assist Board senior leadership in developing 10-year Capital Plan and Educational Facilities Master Plan updates; provide advice regarding historical data, industry standards, and best practices to project facility condition and utilization needs; provide projections of consolidation and construction needs; provide projections of funding needs; include program-level prototype scopes, schematics, budgets and schedules for all projects proposed, based, where appropriate on information from relevant Board programmatic departments; rank prioritized types of projects, as directed by CPS leadership; and recommend methods of saving cost, improving schedules and improving quality in short or long-term capital plans.

**B. Special Program or Project Planning**

Assist the Board in creating, designing and budgeting capital plans for programs and capital needs that arise outside of the regular capital planning process described above. The ideas for these programs and projects can arise from Board leaders or staff, school leaders or communities, government officials, corporate or non-profit partners, or others. Generally, these programs and projects will take one of the following forms.

**Project Scope Definitions:** For the purposes of this Scope of Services, "**Program-Level**" scope, budget, schedule or schematic means: a project scope that is determined based on data available from central office systems and archives (such as drawings, internet research, information from Board departments, and records of past projects) without facility walk-throughs, other on-site information or detailed independent cost estimates). A "**Transfer-Level**" scope, budget, schedule or schematic means: a project scope that is determined based on data available from central office systems and archives (such as drawings, internet research, information from Board departments, and records of past projects), plus actual walk-throughs of the facilities, and all other background investigation necessary to draft a full transfer package ready for submittal to an Architect or Engineer of Record, determine a detailed independently estimated order of magnitude budget and to schedule a reliable schedule for the start and ends of all project phases (pre-transfer & transfer; design; bid and award; permit & construction; close-out).

- a) **Large-Scale Planning:** Planning a multi-campus capital-involved program initiative without a defined group of campuses under consideration. The number of campuses involved in such planning can range from a small group to the entire Board portfolio. Some examples of such large-scale planning might be: examining overcrowding and underutilization in the district to evaluate solutions; examining the district for the number of campuses that could receive new playgrounds, window air conditioning or other upgrades over a multi-year period. Large-Scale Planning typically will require the PM to assist the Board in defining program parameters, such as:
- 1) Reviewing in-house district-wide facilities data;
  - 2) Defining the initiative's facility needs via meetings with experts, leaders, and visits to sites;
  - 3) Creating broad-based program-level prototype scopes and budgets;
  - 4) Preparing proposals, recommendations, reports and data analyses; and
  - 5) Participating in meetings with Board leaders and staff, government officials, community leaders, or other program stakeholders.

- b) **Medium-Scale Planning:** Planning a capital-involved program initiative with a defined group or short-list of campuses under consideration (generally between 10 and 75). Some examples of such medium-scale planning might be determining from a group of 15 campuses which would be the best choices for a new magnet program; determining whether capital investment would be needed in order for any of 5 high school campuses to host a particular career tech program; preparation of scopes and budgets related to school actions or similar activities; any large-scale planning initiative that has been pared down to consideration of a short-list of defined campuses. Medium-scale planning typically will require the PM to assist the Board in defining facility needs and evaluating locations for the program or projects, such as:
- 1) Defining facility-related program/project needs via meetings with program/project initiators, Board facilities leadership, experts and other stakeholders;
  - 2) Creating Program-Level or Transfer-Level scopes, schematics, schedules and budgets and revising these as necessary based on discussions with Board leadership and stakeholders;
  - 3) Preparing proposals, recommendations, reports and data analyses; and
  - 4) Participating in meetings with Board leaders and staff, government officials, community leaders, or other program stakeholders.
- c) **Individual Campus Program/Project Planning:** Planning a capital-involved program initiative for a single campus or school unit. Some examples of such individual campus programs or projects might be: evaluation of solutions for overcrowding or underutilization at a single campus; examination of a campus for the purpose of installation of a specialty classroom; evaluation of the cost of a new playground or auditorium renovation for outside funding; or evaluation of a Board-owned campus or campuses for a charter co-location or relocation. Individual campus programs/projects will typically require the PM to assist the Board in determining program/project capital needs, costs and options, such as:
- 1) Defining facility-related program/project needs and options via meetings with program/project initiators, Board facilities leadership, experts and other stakeholders;
  - 2) Creating a Transfer-Level scope, schematics, schedule and budget and revising these as necessary based on discussions with Board leadership and stakeholders;
  - 3) Preparing proposals, recommendations, reports and data analyses; and
  - 4) Participating in meetings with Board leaders and staff, government officials, community leaders, or other program stakeholders.
- d) **Emergency Capital Projects.** On occasion, situations may arise in which unforeseen capital needs must be evaluated and addressed quickly. In such situations, the PM will: contract with specialty consultants, such as structural engineers, as necessary; investigate by reviewing central office facilities data, visiting school sites, meeting with school or community personnel, and engaging special consultants; and propose effective immediate and, if applicable, permanent resolutions.

### C. **Program/Project Controls**

The PM will be responsible for establishing and implementing data and document systems to best serve the Board's capital program needs. The PM will be responsible for instituting overall program controls to ensure the program's smooth, efficient and responsible operation, for example: scope, schedule and budget coordination; maintenance of specifications; standards management; cost controls; program reporting; project reporting; quality controls; capital expenditure reporting; consultant evaluation; policy and procedure management; invoice management; and construction claims prevention management. The PM will work with the Board's separate Cost Estimating consultant who will provide independent cost estimating to the PM and the Board.

- a) **Data and Document System(s).** Manage and maintain the Board's capital data and document systems for storing and tracking project scopes, schedules, budgets, and all documents related to the long and short-term capital programs, strategic planning activities, capital planning, special program, project planning and each project. The PM will manage, maintain and control CIP information to ensure CIP data and documents are secure, complete, current and accurate.

1) **Current Systems Utilized:**

- i. Oracle software applications for document and project management, including Oracle Primavera Contract Manager version 14.0.2 (PCM) Oracle Primavera P6 and Oracle WebCenter Content;
- ii. Custom-developed software applications, based on the Oracle Enterprise Application Center, including data entry, work flow / approval and reporting to manage facility assessments, statements of purpose for proposed projects, project initiation for new systems and consultant time reporting;
- iii. Scheduling software currently in use is P6. The PM shall be required to provide P6 licenses as required for their staff to properly deliver the services.
- iv. Reporting systems for historical CIP data back to 1996, based on Microsoft Access; and
- v. Additional CIP reports, documents and data systems, based on Microsoft Excel spreadsheets and Google Apps.

2) **Future Systems:**

- i. During the term of this contract, the Board may change to one or more different capital data, document and project management software systems for these purposes. If the Board chooses to implement any new system or systems, the PM will provide trained staff who will utilize the project management software for collaboration, management and documentation of information. The Board may provide licenses to the PM for this new project management software system.

b) **Budget and Cost Control:**

- 1) Establish, enforce, and maintain up-to-date capital and related budgets, using Board-approved systems, including, but not limited to performing comprehensive reviews/audits of projects or programs as required by the Board.
- 2) Develop and maintain the overall program budget, including all financial information for each project, funding streams, current status, monthly cash flow requirements and forecast for the duration of the program. Include costs for all assumptions, allowances, temporary activities, hard and soft cost items.
- 3) Manage and coordinate with the separate Independent Cost Estimator to provide construction cost estimates during the schematic, design development and final construction documentation phases. Facilitate reconciliation of cost estimates if there are variations and differences that impact scope and budget.
- 4) Manage, conduct, participate and document the value engineering analyses and alternate approaches for equipment, materials and labor. Provide alternatives for review and approval. This may be accomplished by:
  - i. Establishing criteria for variations in the designs or materials specified
  - ii. Holding review sessions to discuss ideas and suggestions
  - iii. Investigating alternative design approaches with specialty contractors
  - iv. Investigating current market trends and capabilities

c) **Schedule Control:**

- 1) Enforce, manage and coordinate established planning, design and construction schedules throughout program to ensure completion of projects as scoped and budgeted and to minimize district wide disruption of school use;
- 2) Establish a master schedule that includes key milestones that best suits the needs of the Board. This includes scheduling projects to be issued for bid that coincide with the construction season and school and takes into account time frames for the procurement of long lead items.
- 3) Update the master schedule on a monthly basis, or more frequently during the summer months when construction activities increase and schedule is more critical. Identify activities that may present potential problems and cause delay; and work with the Board Facilities Department to make appropriate adjustments which are on the critical path, Identify owner activities such as FF&E, move-in, inspections, cleaning, etc. to ensure project is completed to meet Board's needs.
- 4) Review the contractor's construction schedule to ensure appropriate sequencing of tasks, long lead items are noted, sufficient time is allocated for submittal process, approvals, commissioning and closeout activities are all addressed.
  - i. Monitor the Contractor's Construction Schedule no less than bi-weekly and weekly for summer construction projects or projects with short durations.
  - ii. Ensure the schedule reflects accurately the work to be accomplished.
  - iii. The original baseline shall be reflected in the revised schedule to quickly identify deviations. Identify the cause and extent of deviations, the projected impact on Substantial Completion and the steps being taken to eliminate or reduce the extent of delay.

**d) All Projects: Data, Documents and Reporting**

- 1) Input and maintain all relevant data with regard to the capital program and all projects, updated to within no more than 48 hours, including projects that are in planning and/or not yet approved. This includes meeting minutes, daily reports, health and safety reports and inspections, Mayor's Report, pipeline reports, schedule reports, photographs, change orders, payment requests, punch lists and monthly summary reports.
- 2) Organize and maintain the document system and ensure that all documents, as defined in this Scope of Services, are properly retained.
- 3) Manage, maintain and control current and historic information to ensure CIP data and documents are secure, complete, current and accurate.
- 4) Submit reports at least weekly on the status of all projects, including projects that are in planning and/or not yet approved, on a project-by-project basis, detailing, at a minimum:
  - i. Scope development and changes;
  - ii. Schedule progress through all phases, including comparisons to originally approved timeframes;
  - iii. Budget progress and expenditures, including information tracking the estimated budget at Board-requested milestones; and
  - iv. Any actual or potential changes or other issues of concern.
- 5) Submit reports at least weekly on the overall financial status of the capital program;
- 6) Create program-wide information sheets as requested.
- 7) Submit quarterly reports analyzing root cause(s) of any significant scope, budget or schedule changes.
- 8) Assimilation and reporting of budget, schedule, and delivery method for other CPS Departments, sister agencies and the City. The PM shall coordinate with relevant CPS Departments and all CIP consultants with respect to design, project documents, pre-construction, construction and post-construction activities Board Reports and presentations.

**D. Individual Project Design and Construction Management Phases**

All projects require a project liaison between the Board's Facilities Department and all stakeholders, ensuring Facilities is consulted for approval regarding any potential scope, schedule or budget changes for projects on its sites and ensuring Facilities is informed of major issues on other projects.

Implement a Quality Control/Quality Assurance program to be approved by the Board that covers all aspects of the project from initial review of specifications and drawings for constructability, through procurement of materials including shop inspections for major components and critical items, construction phase administration, and, finally, by an on-site program of tests, inspections, and documentation through completion and closeout. This also includes creating a Lessons Learned and Best Practices Report and implementing as approved by the Board.

Working with the Board's Facilities department, assign either a part-time or full-time staff to the project, depending on the complexity, size, and duration of the project. The PM shall be flexible and be scalable to allow for staff changes based upon the needs of the Board and modifications of the program.

Below are the detailed services required for each of the four project types:

- a) BOARD CONDUCTED PROJECTS
- b) PBC CONDUCTED PROJECTS
- c) THIRD-PARTY PROJECTS ON BOARD SITES
- d) THIRD-PARTY PROJECTS ON INDEPENDENT SITES

a) **BOARD-CONDUCTED PROJECTS**

**1) PLANNING, PROGRAMMING AND DESIGN MANAGEMENT PHASE**

i. **Pre-Transfer and Transfer Phases.**

a. Create clear, complete and accurate architectural and engineering transfer documents to facilitate high quality design:

- Provide all design services required for this effort including architectural and engineering services, and coordinate all specialty consultants and subcontractors required to provide accurate and timely transfer documents;
- Coordinate and ensure transfer documents comply with environmental and accessibility work required by relevant federal, state and local regulations;
- Provide construction scope documents for the transfer package of sufficient 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;
- Obtain an independent pre-transfer estimate from the Board's separate independent cost estimator, and recommend changes to and revise/refine scope, transfer documents and pre-transfer estimate until Board approves. Provide all engineering and architectural services in conjunction with value engineering and other requested analysis of scope, schedule and budget options.

b. Obtain necessary or advisable pre-transfer investigatory consultations, for example, test & balance, Pre-Permit Review by Zoning (PPRZ), any specialty consults.

c. Coordinate management of environmental consultant review.

- d. Review plans or issues with the City of Chicago departments and utilities including: water, sewers, Bureau of Electricity (BOE), CECO, Peoples Gas, Fire Prevention, MOPD, Zoning, and Planning.
- e. Review the scope of work with and obtain sign-off from the appropriate central office and school personnel, using a standard sign-off form that has been approved by the Board.

ii. **Select and manage Architect of Record/Engineer of Record (AOR/EOR)**

- a. Advise selection of AOR/EOR with expertise and workload capacity to ensure qualifications match project scope, schedule & budget; establish and negotiate AOR/EOR compensation in accordance with Board established contract terms; and transfer scope via Transfer Meeting with AOR/EOR, and Board and school stakeholders.
- b. Manage all aspects of AOR/EOR's and its sub-consultants' services and performance to administer the design of their projects. Ensure that the project meets scope, schedule, budget and quality requirements through design, bidding, construction and closeout.
- c. Ensure that the AOR's/EOR's designs properly implement scope, schedule, legal and code requirements, quality & budget approved by Board.
- d. Review designs and estimates at milestones. Review must include comments for each architectural and engineer discipline (e.g., civil, mechanical, electrical, plumbing, architectural, landscaping, zoning, special systems, furniture, fixtures and equipment). Ensure that the AOR/EOR incorporates all appropriate comments into drawings.
- e. Lead value engineering efforts that may be required to improve efficiency, provide cost savings, and maintain budget parameters.
- f. Conduct pre-milestone check-ins with AORs/EORs: schedule an in-person check-in meeting with the AOR/EOR for at least one week prior to the date each milestone drawing is due, for the purpose of checking on the AOR's/EOR's drawing progress and discussing any project issues.
- g. Coordinate and manage review of and sign-off on designs by school leaders, Board department stakeholders, Board Facilities staff, project construction manager and any relevant experts.
- h. When requested for particular projects, 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).
- i. Provide written confirmation that the project is ready for bid and meets all the above requirements.
- j. Coordinate commissioning services as provided by a separate consultant with obtaining LEED certification.
- k. Manage the AOR/EOR through construction, ensuring they are providing construction administration duties as outlined by their contract, including but not limited to providing all deliverables, attending meetings, and providing timely responses for RFI's, supplemental drawings, reviews of shop drawings and submittals, change orders, bulletins, and all other construction administration requirements.
- l. Enforce requirements for as-built drawings. Ensure AOR/EOR submits accurate as-built drawings no later than 30 days after Preliminary Acceptance.
- m. Establish, manage, and monitor a quality control program that ensures a high-quality planning, design and construction program is delivered.
- n. Monitor and track performance by AOR/EOR related to Error and Omissions. Investigate Error and Omissions raised and propose recommendations and



corrective actions to mitigate financial loss due to consultant performance. Propose initiatives to reduce losses, including report-card database and damage-recovery guidelines and procedures.

- o. At the completion of each assignment, provide consultant evaluation, compliance with Key Performance Indicators.

iii. **Other Design Phase Tasks**

- a. Provide constructability reviews for at three milestones phases, generally 30%, 60% and 90%. Review shall evaluate the feasibility of construction methods; availability of materials and labor, time requirements for procurement; installation and construction; factors related to construction costs, including but not limited to, costs of alternative designs or materials, preliminary budgets and possible economies. Reviews shall also include reviewing and editing front end documents of the specifications.
- b. Create and coordinate Construction Operations Plans for each project. Each Construction Operations Plan shall be included in issue for bid documents and shall identify times and areas of when and where work can occur, shall take into account the sequence of construction, identify areas for staging of materials and equipment, and shall account for any school specific requirements that affects the work. These plans shall include procedures for building access off hours during the school year and during school breaks. These plans are to be reviewed and agreed upon by both a school representative and a Department of Facilities designee. Written authorization is required by both parties prior to the document being issued in the Construction Documents for bidding.
- c. Assist the Board in selecting, managing and coordinating specialty professional consultant services such as material testing services or managing environmental consultants or other specialty consultants required for the project. The PM is responsible for estimating the cost of the work for the consultant services to make a recommendation to the Board for purchase order values, reviewing and approving invoices within five business days once they are submitted to the Board. If additional funds are required, then the PM is to provide written explanation for approval prior to exceeding the purchase order contract value.

iv. **Vendor Management**

Manage all aspects of vendor participation in the Board's capital program, including management of the overall vendor pools and management of individual vendors on individual projects. This includes the following vendors who work closely with the Board's Facilities Department:

- Architect of Record
- Engineer of Record
- Material and Soils Testing
- Environmental Consulting and Testing
- Roofing Consultants
- Civil Investigations
- Surveyors

- a. **Management of Vendor Pools.** Manage pools of capital plan vendors effectively, including assigning projects among vendor pools to maintain a balanced and effective portfolio of projects that effectuates all Board requirements, such as MBE/WBE goals; creating/refining vendor Key

Performance Indicators and rating all vendors in accordance with them within 30 days after preliminary acceptance or other substantial completion of their project, and updating the rating within 30 days after project close-out; taking action to improve vendor performance where necessary during a project; and assisting the Board in issuing vendor Requests for Proposals and Requests for Qualifications and in evaluating submissions in those processes.

- b. **Management of Vendor Invoicing and Payment.** Ensure that invoices are submitted no later than 30 days after work was performed; review and submit accurate invoices to Board staff within 5 business days of receipt; and issue a monthly spreadsheet report to the Board regarding the status of all invoices expected, received and paid during the annual capital program.
- c. **Establish a system to manage and monitor the Quality Control/Quality Assurance (QA/QC).** This process applies to all Vendors and ensures that projects are constructed strictly according to project drawings and regulatory requirements and that materials and workmanship are high quality.

## **2) PERMIT AND BIDDING PHASES**

- i. Manage the permit process, including attending plan and permit review meetings with permitting agencies, ensuring that permit drawings reflect Board standards, guidelines & policies; and ensure that permit drawings reflect the established, Board-approved scopes, budgets, schedules and quality controls. Coordinate as required for the various projects within two weeks of initial submission to the Department of Buildings or other governing agency. Coordinate with all City, State and Federal agencies, including but not limited to zoning, planning, sidewalks, Bureau of Underground, Bureau of Forestry, Landmarks, Department of Health (City and State), Bureau of Electricity, water, sewer, IDOT, ComEd and People's Gas.
- ii. Prepare bid packages, review bids and prepare Notices of Awards.
- iii. Coordinate efforts between the Board's Department of Procurement to facilitate the bidding of all CIP projects in accordance with the Board's policies and procedures.
- iv. Develop and coordinate bid schedule, working with the Board's Department of Procurement. Provide a weekly bid and award schedule.
- v. Coordinate and schedule pre-bid conferences with Board's Department of Procurement; review procedures, schedule and other matters relevant to project and distribute meeting minutes to all parties within three business days.
- vi. Prepare and analyze bids received for each project and make a written recommendation to the Board for award or rejection of the bids within three business days of receipt of bids. The reviews shall contain an analysis of the bids versus other bids as well as a comparison with the out-to-bid estimate, review of diversity goals, bond insurance and any other relevant factors.
- vii. Facilitate and expedite submission of documentation required for issuance of Notices to Proceed.

## **3) CONSTRUCTION PHASE**

Provide construction contract oversight, management of cost, schedule, quality, safety, administration, and related services to coordinate the successful completion of all projects by the responsible contractors.

Notwithstanding anything contained herein to the contrary, the general contractor(s) shall have responsibility for the implementation of the actual construction means, methods, techniques, sequences or procedures performed by any construction contractors in accordance with the terms of their respective contracts. The general contractor(s) and any other construction contractors shall be responsible for properly executing the construction means and methods required during the construction phase in accordance with the project specifications in accordance with the terms of their respective contracts. In addition, the construction contractors shall be responsible for executing the construction safety precautions and programs in connection with their services as delineated in their respective contracts and scopes of work. By way of clarification, and as an example, the Program Manager shall not dictate the use of a crane for a specific aspect of the execution of the project versus some alternate safe work delivery means or method; this shall be the responsibility of the construction contractors. However, the language in the preceding four sentences in no way limits, alters, or otherwise modifies the responsibility of the Program Manager to perform all activities set forth in this Scope in accordance with the applicable standard of care set forth in this Agreement, including without limitation all required management, oversight, and monitoring of compliance with specifications, the requirements of the respective construction contracts, safety requirements, quality controls, and safety plan establishment and implementation.

**i. Construction Administration**

- a. Develop a plan for the area of work which will ensure adequate supervision is maintained while construction projects are on-going and resources are adequately ramped down in the off-season.
- b. Perform site visits, daily reports or weekly reports, depending on project size. For projects that a staff person is required by the Board to be on site full-time or majority basis, issue on a daily basis reports recording the weather, number of workers, work accomplished, site problems encountered and similar relevant data.
- c. Schedule and conduct all pre-construction, pre-installation, close out and construction site meetings to discuss matter of procedure, progress and scheduling and prepare and distribute meeting minutes to all parties within three business days.
- d. Monitor and manage the submittal and shop drawings process to ensure compliance with the contractor's schedule and that architect of record responds in a timely manner and in accordance with contract requirements.
- e. The PM shall ensure the contractor is maintaining copies of all contracts, drawings, specifications, addenda, change orders, and other documentation at each project site. An updated red line set shall be maintained by the contractor at all project sites.
- f. Assist the architect in issuing Notices of Non-Compliance and follow up to ensure the contractor resolves the issues within 30 days.
- g. Within 10 business days of project commencement, submit recommendations on final cleaning to the Board. Coordinate the post-construction cleaning (final cleaning). Make recommendations for the responsible party, either the contractor or Board's cleaning vendor, based on the completion date of the work and the most cost efficient manner for the final cleaning to be performed. Provide written recommendations on cleaning if the contractor fails to meet the completion date and notify the Board immediately of the issue and proposed solution.
- h. Coordinate with the Board's staff for delivery and storage of Board purchased furniture, fixtures and equipment to allow time within the schedule,

coordination with the contractor's activities and any other necessary communication with stakeholders or school staff.

- i. Manage the commissioning process and participate in the monthly commissioning meetings. Ensure the contractor has completed the required scope elements in order for commissioning to commence. Coordinate commissioning tasks prior to Closeout to ensure that appropriate time has been allocated within the schedule to complete the commissioning tasks. Work with the architect to resolve issues that affect functionality of the mechanical system and precludes the start of commissioning. Depending on the season and requirements, develop a plan that is acceptable to the Board that ensures appropriate commissioning tasks will be completed.
- j. Monitor internship program established by the Board for contractors providing construction services.

ii. **Cost Management**

- a. Manage completion of each project in accordance with the latest approved project budget and construction award. Provide written updates within five business days of receiving a cost report to inform the Board of status and any corrective actions if necessary.
- b. Review, validate, negotiate and provide recommendation for approval or rejection of a change request. Provide or have Independent Cost Estimator provide cost estimates to verify change order proposal as required. Negotiate cost for changes to the contract within fifteen business days of receipt of a completed change order from the contractor. Obtain sign-off from Board's Facilities designee prior to any work for items outside the contract. Once a change is approved, the PM is responsible for monitoring the work associated with the change. Review and verify any work that has been approved to be performed on a time and material basis.
- c. Review, evaluate and issue written recommendations on claims submitted by contractors within 15 business days of receipt of the claim. Maintain written accounts of all negotiations relative to claims and contract changes. If a claim has a request for a time extension, analyze the time impact and provide a recommendation to the Board.
- d. Recommend action to the Board's Facilities designee on retention reduction within five business days of receiving the written request from the contractor.
- e. Review lien waivers and assist the architect in determining the percentage completion for all progress payments. Review and make recommendations for approval of schedule of values and pay estimates within five business days of receipt of invoice.
- f. Review and monitor certified payroll reports and diversity reports for contract compliance, and compliance with the Board's requirements and the Office of Business Diversity's requirements and contract. Should issues arise that require attention or modification, provide recommendation to Board's Facilities designee.

iii. **Schedule**

- a. Review and validate project schedules that are submitted by the contractor. The Board uses Primavera P6 for scheduling. Perform reviews on a bi-weekly basis for each project and include major components, long lead time items, and Board's occupancy requirements. During summer construction season, review and validate weekly. Issue written feedback on proposed bidding schedules to ensure bids will obtain at the best value for the Board. If a schedule update indicates the project schedule may not be met, recommend written correction action to the Board within five days of receipt of the schedule

or schedule update. Written approval of a schedule update is to be submitted within five days of receipt of the schedule or schedule update.

- b. Identify, manage and minimize the overtime process for Board's school building staff for each project. Overtime shall be avoided to every extent possible. If it has been determined the project schedule absolutely cannot proceed without the use of overtime by Board employees or Board vendors (other than the PM), submit a written request for the overtime to the Board Facilities designee with the estimate of the hours required for the building staff during the construction work. The overtime required for a project shall be approved one month in advance of work occurring.
- c. Coordinate with the Board's staff to identify and allocate time for owner activities that must occur prior to construction commencement such as disposal and removal of furniture.

iv. **Quality**

- a. Implement a quality assurance program that ensures construction activities are performed in accordance with approved drawings, specifications, applicable codes and standards, and contractual requirements. Responsibilities and authority for administration shall be managed by the PM in collaboration with the designers and engineers.
- b. In conjunction with the architect, determine if work conforms to the contract documents. Manage additional testing if required. If work is unacceptable, Issue non-conformance notice and follow up with team for efficient resolution.
- c. Provide written recommendations to the Board's Facilities designee on contractors who require contractual remedy (Notice to Cure).

v. **Safety**

- a. Review the contractor's health and safety submittals/programs and regularly audit this plan on a monthly basis to ensure it meets OSHA requirements and provide written comments within five business days of review. In the event of a jobsite incident, conduct a post incident/accident review and issue a written report within 5 days of the incident/accident. Ensure the contractor is accountable for a safe work environment for students and staff as well as the trade workers.
- b. Immediately report all emergencies and accidents to the Department of Facilities designee and to the Department of Risk Management. Follow up and further coordinate as required with various Board departments.

4) **CLOSEOUT PHASE**

- i. In conjunction with the architect, confirm a contractor's formal written request for preliminary acceptance and issue a written recommendation to the Board on the completion date. Obtain sign off from the various consultants and departments on the certificate of preliminary acceptance. The certificate of preliminary acceptance shall be issued within 10 business days of the preliminary acceptance date.
- ii. Ensure the architect issues a punch list within five business days of the preliminary acceptance walk through or as deemed appropriate by the Board's Facilities designee. Ensure that the contractor completes items listed on the punch list within 30 days of issuance of the punch list. In conjunction with the architect, provide written recommendations to the Board that all corrections to work are completed in accordance with the contract documents.
- iii. Observe the contractor's final testing and start-up of all equipment, operational systems and the training of Board personnel in the various systems installed as a

- part of the project. Maintain written records of the testing and training sessions and ensure the contractor is videotaping all training sessions.
- iv. Ensure the proper quantities and types of materials (attic stock) are provided to the facility and work with the building engineer or the Department of Facilities designee to determine a location for attic stock storage on site. Ensure the attic stock is submitted within 30 business days of preliminary acceptance issuance.
  - v. Manage, review and ensure transmission of close out documentation in accordance with contract documents. Ensure the contractor submits complete close out paperwork within 60 business days of preliminary acceptance. This includes the time for the architect to review and approve the documentation.
  - vi. Review, approve and process invoices for the contractor's final payment in accordance with contract documents. The contractor's final invoice shall be submitted within 60 days of the approval of close out documents and corrective work; but no more than 90 days after preliminary acceptance.
  - vii. Coordinate the post construction cleaning (final cleaning) based upon the approved approach for final cleaning. Provide written recommendations on cleaning if the contractor fails to meet the completion date and notify the Board immediately of the issue and proposed solution.
  - viii. Manage the commissioning process and participate in the commissioning meetings. Ensure the contractor has completed the required scope elements in order for commissioning to commence. Written confirmation the contractor is ready to begin commissioning shall be submitted to the Department of Facilities designee and to the commissioning authority. Work with the architect to resolve issues that affect functionality of the mechanical system and precludes the start of commissioning. Ensure all projects are commissioning within the season in which the project is completed. If a project is not commissioning within the season it was completed, provide a written justification of why the commissioning cannot be completed and propose corrective actions to resolve the issue by March 15th for the heating season and August 30th for the cooling season.
  - ix. Make written recommendations to the Board on final acceptance of the project. Final acceptance means all work and corrected work has been completed, all close out documentation has been approved and submitted, attic stock has been transmitted to the school and commissioning is complete (if applicable). Ensure the contractor submits the final invoice within 10 business days of issuance of the final acceptance. Ensure all other consultants (architect, material testing lab, surveyor etc.) submit their final invoices within 90 days of final acceptance.
  - x. Facilitate and schedule the 11-month warranty walk through. This walk through should review the work installed and identify any project issues that have recently surfaced or have not yet been addressed. Document the identified items and issue minutes to the Board and the contractor for resolution within 3 business days of the 11-month walk through meeting. Manage the contractor to address the corrective work within 10 business days of issuance of the minutes.
  - xi. Gather, maintain and hold four Lessons Learned meetings per year. The lessons learned data shall include both positive and negative lessons learned for each project, and an implementation plan for corrective action and process improvement. The Lessons Learned and implementation plan shall be updated monthly with responsible party, resolution path, and status.
  - xii. Working with the Board's Facilities designee, evaluate contractors working on the CIP. Conduct analysis and report 360 reviews for all major project members at the completion of each project.

**b) PBC-CONDUCTED PROJECTS**

- i. **Program Development.** Develop program needs and design principles, through discussions with Board departments and other research, and develop Program-Level scopes, schedules and budgets; create documents reflecting these project parameters to be submitted to the PBC; and coordinate and manage review of and sign-off on designs by school leaders, Board department stakeholders, Board Facilities staff, and the Board's relevant experts.
- ii. **PBC Design, Construction and Close-Out Phases.**  
Provide staff to assist the Board's staff as directed for typical activities listed below:
  - a. Coordinate and manage additional review of and sign-offs, where needed, by school leaders, Board department stakeholders, Board Facilities staff, the Board's project construction manager and any relevant experts;
  - b. Reviewing designs and estimates at milestones established by the Board and PBC, drafting comments for Board review, and ensuring, through re-review of actual drawings, that all appropriate comments are incorporated into drawings and that the designs properly implement scope, schedule, legal and code requirements, quality & budget approved by Board;
  - c. Providing assistance, if requested, during permitting;
  - d. Representing the Board with community groups, elected officials and government agencies as directed.
  - e. Assisting the Board's representative during construction as requested.

**c) THIRD-PARTY PROJECTS ON BOARD-OWNED SITES**

Monitor, coordinate and, if necessary, manage these projects to ensure that the scopes and final projects adhere to the Board's standards and guidelines and any regulatory requirements, do not conflict with or adversely affect the Board's educational environments, short- or long-term property or financial interests, and that the project produces high quality results; monitor and enforce scopes and schedules (with drawings reviews and written comments) to ensure completion of projects as scoped and to minimize disruption of school use; conduct QA/QC procedures, as described above, on these projects; and provide written training materials regarding Board standards, guidance, policies and lessons learned to third-parties involved in these projects..

Act as project liaison on all projects between the Board's Facilities Department and all stakeholders, ensuring Facilities is consulted for approval regarding any potential scope, schedule or budget changes for projects on its sites and ensuring Facilities is informed of major issues on other projects.

**d) THIRD-PARTY PROJECTS ON INDEPENDENT SITES**

Overall, establish and implement procedures for monitoring these projects and providing information about them to the Board, including peer review, drawing review, submitting comments on scopes, drawings, schematics, budgets and schedules, and providing written training materials regarding Board standards, guidance, policies and lessons learned to third-parties involved in the design and construction of the projects.

Act as project liaison on all projects between the Board's Facilities Department and all stakeholders, ensuring Facilities is consulted for approval regarding any potential scope, schedule or budget changes for projects on its sites and ensuring Facilities is informed of major issues on other projects.

[This Redacted Agreement Will Be Posted On The CPS Internet Website.]

**EXHIBIT B**

**PAYMENT SCHEDULE**  
**(See Attached.)**



**Chicago Public Schools  
Program Management Services  
Exhibit B**

Position	Name	Bill Rate Year 1	Firm Name
Abatement DM / Review	LeeAnn Tomas-Foster	\$174.30	Arcadis
ADA DM / Review	Bob Taras	\$108.42	LCM
Arch DM / Review	Dave Periolat	\$94.71	Altusworks
Arch DM / Review	Ken Allen	\$117.76	Altusworks
Arch DM / Review	Danielle Tillman	\$77.56	Bkl
Arch DM / Review	TBD	TBD	TBD
Arch DM / Review	Eben Smith	\$126.99	Jacobs
Arch DM / Review	Ben Kogan	\$109.37	Descoto
Arch DM / Review	Mehernosh Mistry	\$112.77	Jacobs
Civil DM / Review	Mark Kozlowski	\$119.60	ICI
Civil DM / Review	TBD	TBD	TBD
Code Compliance and Permit Manager	Barbara Chun	\$116.65	Jacobs
Construction CM/FM	TBD	TBD	TBD
Construction CM/FM	Ahmad Basrawi	\$120.41	CCC
Construction CM/FM	TBD	TBD	TBD
Construction PM/CM/FM	David Grouzard	\$115.54	Ardmore
Construction PM/CM/FM	TBD	TBD	TBD
Construction PM/CM/FM	Vince Scalia	\$122.37	Descoto
Construction PM/CM/FM	Anthony Givens-Belsley	TBD	TBD
Construction PM/CM/FM	TBD	TBD	TBD
Construction PM/CM/FM	Sara Lee	\$146.05	Jacobs
Construction PM/CM/FM	Tom Arey	\$141.35	Jacobs
Controls - Database Engineer	John Renkar	\$97.61	KFA
Controls Engineer / Asst. PM	Dan Moore	\$85.82	Jacobs
Controls Engineer / Asst. PM	Jennie Miller	\$85.82	Jacobs
Controls Project Engineer	Cynthia King	\$93.94	Descoto
Director - Planning, Programming and Design	Lynne Sorkin	\$123.15	Bkl
Doc Control	Jamal Quinn	\$71.18	Jacobs
Existing Database	Wes Cheng	\$170.00	TBD
Lead - Construction PM/CM/FM	John O'Connell	\$157.50	DSR
MEP DM / Review	Michael Belczak	\$178.60	Primera
MEP DM / Review	Rosa Lazebnik	\$160.88	Primera
MEP DM / Review	TBD	TBD	TBD
MEP Grants	TBD	TBD	TBD
Ops / Project / Controls Manager	Jason Ide	\$160.18	Jacobs
PM Systems	TBD	TBD	TBD
Program Director / Program Controls	Sandeep Parasnis	\$225.23	Jacobs
Programmer / Planner	Keisha Johnson	\$103.52	Cotter
Programmer / Planner	Justin Starr	\$103.52	Cotter
Programmer / Planner	David Favarro	\$146.88	SP Murphy
Lead Programmer / Planner	Dawit Hadgu	\$168.93	SP Murphy
Project Engineer	TBD	TBD	TBD
Project Engineer	TBD	TBD	TBD
Safety Manager	Ted Kuzel	\$130.26	Jacobs
Spec Writer	George Witazek	\$99.25	Jacobs
Strategic Advisor	Sean Murphy	\$200.00	SP Murphy
Structural DM / Review	Lai Lau	\$123.75	Perry
Structural DM / Review	Christopher Perry	\$175.01	Perry
Structural DM / Review	Kevin Gerby	\$86.54	Perry
Structural DM / Review	Jared DeBoer / Staff Engineer	\$95.18	Perry

Total budget Fee including Reimbursables is Not to Exceed \$15,800,000 (Fifteen Million, Eight Hundred Thousand Dollars) for a 2 year term per BR16-0727PR-7 from August 1, 2016 through July 31, 2018. This includes the following:

- Fee for labor - Not to Exceed \$15,766,672
- Mileage - Not to Exceed \$23,328
- Parking - Not to Exceed \$10,000
- Phone Service - Not to Exceed \$0
- Misc / Other - Not to Exceed \$0

Position	Name	Bill Rate Year 1	Firm Name
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Internship - Not to Exceed \$0

**Notes:**

1. Firms: Jacobs, Comprehensive Construction Consulting, Ardmore Associates LLC, SP Murphy Inc., Infrastructure Engineering Inc., Onyx Architecture, d'Escoto Inc., DSR Group, Allusworks, Cotter Consulting, Kristine Fallon Associates Inc., Bkl, Perry & Associates, Primera, LCM, Arcadis.
2. Bill rate includes fringe benefits, overhead and profit. The multipliers represents these items. There shall be no fees, costs or expenses charged to the Board by or for the project executive. Multiplier amounts are capped as stated.
3. Raw rates for "TBD" personnel names will be negotiated rates that must be approved by Board's Chief Facilities Officer or designee and Chief Procurement Officer or designee in writing. Such approved rates shall be firm. Raw rates may be adjusted each contract year after the first contract year, by no more than 3% average per employee for each respective Raw Rate during personnel performance review cycle. All such Raw rate adjustments must be approved in writing by the Board's Chief Facilities Officer or designee.
4. It is recognized that there may be additions, deletions, or substitutions to the individual and/or firm names set forth in this table. All such changes, including without limitation any adjustments in raw rates, must be approved in writing by the Board's Chief Facilities Officer or designee and Chief Procurement Officer or designee; provided however, any adjustments in raw rates pursuant to footnote 3 regarding adjustments after the first contract year shall only be made no sooner than 12 months from the substituted or added staff person's first billable hour.
5. Pricing is based on the assumption that CPS will provide 25 office spaces, FF&E (workstation), office supplies, desk-top computers, network infrastructure, printers, faxes, desk phones. Notwithstanding the foregoing, if Primera or LCM has a minimum of two full time employees for a minimum period of one (1) year throughout the agreement, the following multipliers will apply after the one (1) year: Primera's Multiplier will be (2.25 from 2.30); LCM Multiplier will be (2.15 from 2.20)
6. Over the initial Term, Program Manager agrees to not exceed an aggregate hourly rate of \$122.80/HR (Actual fee/Actual hours) for the Initial Term. In the event that it has exceeded the aggregated hourly rate, the Program Manager will reimburse CPS for any overages at the end of the initial Term. This will only apply if the staffing levels are equal to or exceed 25 personnel during the initial Term.
7. Program Manager will provide two (2) interns for 6 weeks during the summers at no cost to CPS throughout the life of the agreement.
8. Program Manager shall be entitled to reimbursement for direct Project expenses related solely to Project activities based upon actual expenses incurred with supporting documentation, without any administrative or handling charge and subject to the limitations outlined herein ("Reimbursable Expenses"), and shall be limited to the following and to the amounts set forth above:
  - A. Reimbursable Expenses: • Mileage for personal or company vehicles when used for travel to multiple project sites only are reimbursable up to \$11,664 per contract year. Rate shall be determined by the Board's Chief Facilities Officer; • Travel outside the City of Chicago requires pre-authorization and written approval by the Board's Chief Facilities Officer; • Project related parking fees are reimbursable up to \$5,000 per contract year. All other expenses are not reimbursable.

EXHIBIT C

KEY PERSONNEL

1. Sandeep Parasnis (Jacobs Project Management Co.): Program Director / Program Controls
2. Lynne Sorkin (Bkl): Capital Planning, Programming & Design Manager
3. Jack O'Connell (DSR Group): Lead Project / Construction / Field / QA Manager
4. Jason Ide (Jacobs Project Management Co.): Operations / Project / Controls Manager

**EXHIBIT D**

**POTENTIAL CAPITAL PLAN**

The potential Capital Program for the first year of the Contract Term consists of the following types of projects by category:

<b><u>Project Type</u></b>	<b><u>Project Status (as of 7/1/16)</u></b>	<b><u>Budget</u></b>
<b><u>Board Conducted Projects</u></b>		
Renovations (2)	Design	\$ 40.0M
Renovations/upgrades (6)	Construction awarded/commenced	\$ 47.0M
Chimney Replacements (4)	Construction awarded	\$ 2.2M
Playlots (21)	Design completed	\$ 5.5M
Misc. Repairs/Maintenance	Various stages	\$ 20.0M

**PBC Projects**

Currently CPS staff serve as liaison and oversight related to CPS schools. The Program Manager ("PM") may be requested to provide staff for design or construction phase oversight.

**Third Party Projects on Board Sites**

Currently there are various projects within this category that include special assignments related to charter schools or other special initiatives. The PM shall propose staff with the qualifications to provide support in this category.

**Third Party Projects on Independent Sites**

Periodically, the PM may be requested to provide limited support for special assignments within this category.

The PM should propose appropriate staff with experience aligned to the above types of projects. In addition, the PM should propose additional resources available should the capital program and projects expand or contract within any category throughout the duration of the Contract.

Any Capital Plans must be approved by the Board and may change depending on available and approved funding sources and other matters.