APPROVE ENTERING INTO AN AGREEMENT WITH VARIOUS VENDORS FOR THE PURCHASE OF BOILER AND BOILER EQUIPMENT

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into agreements with various Vendors for the purchase of boiler equipment for Chicago Public Schools, Department of Facility Operations and Maintenance at an aggregate cost not to exceed $1,098,664.00. Vendors were selected on a competitive basis pursuant to duly advertised bid solicitation (Specification No.: 08-250005). Written agreements for this purchase are available for signature. No goods may be ordered or received and no payment shall be made to any Vendor prior to the execution of their written agreements. The authority granted herein shall automatically rescind as to each Vendor in the event their written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to these agreements is stated below.

VENDOR:

1)
Illinois Mechanical Sales
2627 N Western Ave
Chicago, Il 60647
Michael J. Mallaney
773-342-8330
Vendor # 13306

2)
Barr Mechanical Sales Company
13719 West Laurel Dr.
Lake Forest, Il 60045
Warren Clohisy
847-680-1911
Vendor # 31829

USER:

Facility Operations & Maintenance
125 South Clark Street 16th Floor
Chicago, IL 60603
M. Hill Hammock
773-553-2900

TERM:
The term of each agreement shall commence on July 1, 2008 and end June 30, 2010. The agreements shall have 2 options to renew for periods of 12 months each.

EARLY TERMINATION RIGHT:
The Board shall have the right to terminate each agreement with 30 days written notice.

DESCRIPTION OF PURCHASE:
Goods: All steam or hot water boiler equipment, material, and labor
Quantity: as indicated in the contracts
Unit Price: as indicated in the contracts
Total Aggregate Cost Not to Exceed: $1,098,664

OUTCOMES:
This purchase will result in quality boiler equipment.

COMPENSATION:
Vendors shall be paid in accordance with the unit prices contained in their agreements. The total compensation payable to Illinois Mechanical Sales, Inc. shall not exceed $750,342.00 and the total compensation payable to Barr Mechanical Sales, Inc. shall not exceed $348,322.00; total aggregate amount not to exceed $1,098,664.00.

AUTHORIZATION:
Authorize the General Counsel to include other relevant terms and conditions in the written agreements. Authorize the President and Secretary to execute the agreements. Authorize Chief Operating Officer to execute all ancillary documents required to administer or effectuate the agreements.

AFFIRMATIVE ACTION:
Pursuant to section 5.2 of the Remedial Program for Minority and Women Owned Business Enterprise Participation this contract is exempt from review for this type of commodity purchase.

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

FINANCIAL:
Charge to Operations:$1,098,664.00 Fiscal Years: FY09-10
Budget Classification: Various Capital and O&M Funds
Source of Funds: Capital and Operations and Maintenance

GENERAL CONDITIONS:
Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

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

Indebtedness - The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

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

Approved for Consideration:

Heather A. Obora

HEATHER A. OBORA
Chief Purchasing Officer

Within Appropriation:

Pedro Martinez

PEDRO MARTINEZ
Chief Financial Officer

Approved:

ARNE DUNCAN
Chief Executive Officer

Approved as to Legal Form:

PATRICK J. ROCKS
General Counsel