

AUTHORIZE THE FIRST, SECOND (FINAL) RENEWAL AGREEMENT WITH CANNON DESIGN, INC. DBA CANNON DESIGN AND THE GORDIAN GROUP, INC. FOR UNIT PRICING CONSTRUCTION MANAGEMENT SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the first and second (final) renewal agreement with Cannon Design, Inc. dba Cannon Design and The Gordian Group, Inc. to provide Unit Pricing Construction Management Services to the Department of Capital Planning and Construction at an estimated annual cost set forth in the Compensation Section of this report. A written document exercising this option is currently being negotiated. No payment shall be made to Vendors during the option period prior to execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification Number : 20-350017

Contract Administrator : Yi, Ann / 773-553-2280

VENDOR:

- 1) Vendor # 96547
Cannon Design, Inc. dba Cannon Design
225 N. MICHIGAN AVE., STE 1100
CHICAGO, IL 60601

Joseph Cassata
312 960-8253

Ownership: For Profit Corporation: The
Cannon Corporation - 100%

- 2) Vendor # 63187
THE GORDIAN GROUP, INC.
30 PATEWOOD DRIVE
GREENVILLE, SC 29615

Derek LaDuke
800 874-2291

Ownership: For Profit Corporation: TGG
Sub, Inc. - 100%

USER INFORMATION :

Project 11860 - Facility Operations & Maintenance
Manager: 42 West Madison Street
Chicago, IL 60602
Dye, Venguanette
773-553-2960

PM Contact: 11880 - Facility Opers & Maint - City Wide
42 West Madison Street
Chicago, IL 60602
Hansen, Ivan
773-553-2960

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report No. 20-0923-PR4) in the amount of \$10,000,000 was for a term commencing on October 1, 2020 and ending September 30, 2023, with the Board having two (2) options to renew for 1 year each. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-3.

OPTION PERIOD:

The term of this agreement is being renewed for 2 years commencing October 1, 2023 and ending September 30, 2025.

OPTION PERIODS REMAINING:

There are no option periods remaining.

SCOPE OF SERVICES:

Vendor will continue to provide unit price catalogs and proprietary software that set market-based, pre-established unit labor/materials prices, which are used by CPS job order contract (JOC) contractors for capital construction projects due to short timelines for construction. The services provided by the vendors will include: unlimited access to and support for the unit price catalogs and JOC software; review of JOC proposals and change orders for accuracy; training for CPS staff, consultants, and contractors; provision of customized construction task catalogs for recurring non-prepriced tasks; and development of new specifications for recurring non-prepriced tasks.

DELIVERABLES:

Vendor will continue to provide unit price catalogs, reports, training, software and management services for JOC projects. Vendors will also provide assistance in reviewing and approving proposals in their software systems to ensure that CPS is getting the best value and accurate proposals from the contractors. As part of their agreement, both Vendors will provide unlimited licenses to their proprietary software.

OUTCOMES:

Vendors' services will result in the Board being able to award JOC projects in a timely manner.

COMPENSATION:

Vendors shall be paid during this option period as follows:
Estimated annual costs for this option period are set forth below:
\$2,500,000, FY24
\$3,000,000, FY25
\$500,000, FY26

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written option document. Authorize the President and Secretary to execute the option document. Authorize Chief Operating Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION:

Pursuant to the Remedial Program for Minority and Women-Owned Business Enterprise Participation in Goods and Services contracts, (M/WBE Program), this contract is exempt as this agreement is

proprietary software.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Various Capital Funds, Department of Capital Planning and Construction, Unit 11860

\$2,500,000, FY24

\$3,000,000, FY25

\$500,000, FY26

Not to exceed \$6,000,000 for the two (2) year term. Future year funding is contingent upon budget appropriation and approval.

CFDA#: Not Applicable

GENERAL CONDITIONS:

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

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

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

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

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

Approved for Consideration:

PATRICIA HERNANDEZ
Acting Chief Procurement Officer

Approved:

PEDRO MARTINEZ
Chief Executive Officer

Approved as to Legal Form:

RUCHI VERMA
General Counsel