

**APPROVE THE RENEWAL OF THE AGREEMENT WITH MB REAL ESTATE SERVICES LLC FOR PROPERTY MANAGEMENT SERVICES AT 125 S. CLARK STREET AND APPROVE THE CONTINUED FUNDING OF THE DISBURSEMENT ACCOUNT RELATED THERETO**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

management services for the 125 South Clark Street Building (the "Building") at a cost not to exceed \$374,355.00 for a one-year term, which cost includes payroll for management site personnel and administrative fees. A written renewal agreement for Consultant's services is currently being negotiated. The authority granted herein shall automatically renew in the event

- 6) Administer, interact with, coordinate the performance of and pay for all goods and services from the Disbursement Account required in the operation of the Building;
- 7) Administer and coordinate capital improvements as directed by the Board;

cleanliness, state of repair, and aesthetic appeal are sustained in compliance with specifications as determined by the Board;

- 9) Develop and maintain an emergency plan that satisfies minimal building operation in

**OUTCOMES:** The services of Consultant under the Property Management Agreement will enable the Building to operate on a day-to-day basis.

**COMPENSATION:** Consultant shall be paid a management fee in the amount of \$374,355.00, which fee includes payroll for the Consultant's site personnel and Consultant's administrative fee, profit and overhead.

**FUNDING OF DISBURSEMENT ACCOUNT:** The Board shall continue to fund the Disbursement

Account in the amount of the annual approved budget for the operation of the Building, which account will be funded on a monthly basis in the amount equaling approximately 1/12 of the annual budget. Some monthly fluctuation may occur due to seasonal and/or one-time expenses. Consultant shall pay all vendor expenses and all other operation and management expenses for the Building from this account on behalf of the Board and shall account for all expenses paid from this account. The Disbursement Account shall not include funding for utilities or capital expenses for the Building. Although consultant will manage and monitor the utilities and capital projects for the Building, these expenses will be paid directly by the Board.

**AUTHORIZATION:** Authority is hereby granted to the Board to execute the Property Management Agreement with the Consultant.

**FINANCIAL: FOR PROPERTY MANAGEMENT FEE:**

Charge to Real Estate: \$271,255

FY 08/09

Budget Classification: 11910-115-54125-254009-000000-2009

**FOR FUNDING OF DISBURSEMENT ACCOUNT:**

Charge to Real Estate: \$3,502,000

FY 08/09

**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