

APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH MB REAL

ESTATE SERVICES, LLC FOR PROPERTY MANAGEMENT SERVICES AT 101 SOUTH CLARK

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THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with MB Real Estate Services, LLC to provide

SCOPE OF SERVICES:

Vendor during the option period will provide property management services, including maintenance and all operations of the Building, as follows:

Management Services

1. Manage, maintain and operate the Building;
2. Hire, supervise and oversee the building engineers;
3. Provide full financial accountability and report of income from and expenses of the Building;
4. Prepare financial and management reports and maintain appropriate records;

5. Manage and coordinate relations with Building occupants, including administration of all leases, communication with occupants, recording of rent collections, and provision of responsive occupant services;

6. Administer, interact with, and coordinate the performance of and pay for all goods and services from the Disbursement Account required in the operation of the Building;

expense for on-site administrative personnel

Total Management fee and payroll expenses	\$396,800	\$413,000	\$438,200	\$442,700
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FUNDING OF DISBURSEMENT ACCOUNT: The Board shall fund a 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. Vendor shall pay all vendor expenses and all other operations 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 Vendor will manage and monitor the utilities and capital projects for the Building, these expenses will be paid directly by the Board.

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 these 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