



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
www.chicityclerk.com

Legislation Text

File #: O2016-1684, **Version:** 1

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a home rule unit of local government under the 1970 Constitution of the State of Illinois and has the authority to promote the health, safety and welfare of its inhabitants, to furnish essential governmental services through its various departments and agencies and to enter into contractual agreements with units of local government for the purpose of achieving the aforesaid objectives; and

WHEREAS, on March 18, 1956, the City Council of the City (the "City Council") created the Public Building Commission of Chicago (the "Commission"), an Illinois municipal corporation, pursuant to the Public Building Commission Act of the State of Illinois (the "Act") for the purpose of facilitating the funding, acquiring and constructing of public buildings, improvements and facilities for use by local public agencies in the furnishing of essential governmental services; and

WHEREAS, the Commission has heretofore undertaken the acquisition, construction, alteration, repair, renovation, rehabilitation and equipping of buildings and facilities for use by various public bodies including the City, the Board of Education of the City of Chicago, the Chicago Park District, and the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois; and

WHEREAS, the City, acting through the Department of Fleet and Facility Management ("2FM") and the Chicago Public Library ("CPL"), has requested that the Commission provide planning, design and construction management services (including the development of the scope, schedule, budget and conceptual design drawings) for Early Childhood Learning Centers at 17 Regional and Branch Library Facilities and the Harold Washington Library located at 400 South State Street, Chicago, Illinois 60605 (the "Sites") (such activities at the Sites, the "Project"); and

WHEREAS, it is contemplated by the City and the Commission that the Commission will provide development services, including the design and construction of the Project, pursuant to

a written undertaking request, which will be signed on behalf of the City by the Commissioner of the Library and the Budget Director, approved by the Board of the Commission and acknowledged by the Chicago Public Library Foundation, an Illinois not-for-profit corporation ("CPLF"), the mission of which is to develop and augment the resources of CPL; and

WHEREAS, the City, acting primarily through 2FM and the Library but also through the Office of Budget and Management, intends in consultation with CPLF to participate actively with the Commission in the planning and implementation of the Project including, without limitation, review and approval of design elements and materials and review of the Project budget and schedule; and

WHEREAS, Exelon Corporation has pledged to grant up to \$2,500,000 to CPLF to expand early learning spaces across Chicago, the proceeds of which grant CPLF shall make available to the Commission for the Project; and

WHEREAS, the City has determined that it is necessary, desirable and in the public interest to enter into an agreement with the Commission in substantially the form attached hereto as an exhibit (the "Agreement") pursuant to the Intergovernmental Cooperation Act of the State of Illinois in order to set forth the City's and the Commission's respective objectives, duties and responsibilities and to describe the procedures and guidelines to be followed with respect to the implementation of the Project; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

Section 1. The recitals of this ordinance are hereby incorporated into this text as if set out herein in full.

Section 2. The Commissioner of the Library (the "Library Commissioner") and the Commissioner of 2FM (the "2FM Commissioner") and the Budget Director are each hereby authorized to execute, subject to the review of the Corporation Counsel as to form and legality, the Agreement and such other documents as are necessary, between the City and the Commission, which may contain such other terms as are deemed necessary or appropriate by

2

EXHIBIT

INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF CHICAGO AND THE PUBLIC BUILDING COMMISSION OF CHICAGO (EARLY CHILDHOOD LEARNING CENTERS)

This Intergovernmental Agreement (the "Agreement"), - dated as of
, 2016 is made by and between the City of Chicago, an Illinois

municipal corporation, having its principal offices at City Hall, 121 North LaSalle Street, Chicago, Illinois 60602 (the "City"), and the Public Building Commission of Chicago, an Illinois municipal corporation, having its offices at the Richard J. Daley Center, Room 200, Chicago, Illinois 60602 (the "Commission").

RECITALS

A. The City is a home rule unit of local government under the 1970 Constitution of the State of Illinois and has the authority to promote the health, safety and welfare of its inhabitants, to furnish essential governmental services through its various departments and agencies and to enter into contractual agreements with units of local government for the purpose of achieving the aforesaid objectives.

B. On March 18, 1956, the City Council of the City (the "City Council") created the Commission pursuant to the Public Building Commission Act of the State of Illinois (the "Act") for the purpose of facilitating the funding, acquiring and constructing of public buildings, improvements and facilities for use by local public agencies in the furnishing of essential governmental services.

C. [intentionally omitted]

D. The Commission has heretofore undertaken (the acquisition, construction, alteration, repair, renovation, rehabilitation and equipping of buildings and facilities for use by various public bodies including the City, the Board of Education of the City of Chicago, the Chicago Park District, and the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois.

A

E. The City, acting through the Department of Fleet and Facility Management ("2FM") and the Chicago Public Library ("CPL"), has requested that the Commission provide planning, design and construction management services (including the development of the scope, schedule, budget and conceptual design drawings) for Early Childhood Learning Centers at 17 Regional and Branch Library Facilities as listed on Exhibit A hereof and the Harold Washington Library located at 400 South State Street, Chicago, Illinois 60605 (the "Sites") (such activities at the Sites, the "Project").

F. It is contemplated by the City and the Commission that the Commission will provide development services, including the design and construction of the Project, pursuant to a written undertaking request, which will be

signed on behalf of the City by the Commissioner of the Library and the Budget Director, approved by the Board of the Commission and acknowledged by the Chicago Public Library Foundation, an Illinois not-for-profit corporation ("CPLF"), the mission of which is to develop and augment the resources of CPL.

G. The City, acting primarily through 2FM and the Library but also through the Office of Budget and Management, intends in consultation with CPLF to participate actively with the Commission in the planning and implementation of the Project including, without limitation, the development of the Building Program (as hereinafter defined), review and approval of design elements, materials and building systems, assistance with the preparation of the Budget and the Schedule (as hereinafter defined), and acceptance of the Project at Substantial Completion and Final Completion (as hereinafter defined).

H. Exelon Corporation has pledged to grant up to \$2,500,000 to CPLF to expand early learning spaces across Chicago, the proceeds of which grant CPLF shall make available to the Commission for the Project.

I. The parties have determined that it is necessary, desirable and in the public interest to enter into this Agreement pursuant to the Intergovernmental Cooperation Act of the State of Illinois in order to set forth their respective objectives, duties and responsibilities and to

5

describe the procedures and guidelines to be followed with respect to the implementation of the Project.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties hereby agree as follows:

DEFINITIONS

For purposes of this Agreement, each of the following terms shall have the respective meaning assigned to it as follows:

2FM: The Department of Fleet and Facility Management of the City.

Act: The Public Building Commission Act of the State of Illinois, 50 ILCS 20/1 et seq. (1994), as amended from time to time.

Architect of Record: The firm or entity employed by the Commission or its designee for the purpose of designing and observing the Work for compliance with the Contract Documents.

Authorized Commission Representative: The person or entity employed or retained by the Commission to provide planning, land acquisition, development, construction management, administration and/or coordination services for the Project.

Authorized 2FM Representative: The Commissioner of 2FM, including the duly designated representative thereof, who is designated as 2FM's representative in the planning and implementation of the Project.

Authorized Library Representative: The Commissioner of the Library, including the duly designated representative thereof, who is designated as the Library's representative in the planning and implementation of the Project.

Board: The Board of Commissioners of the Public Building Commission of Chicago.

Budget: The budget(s) for the planning, design, and construction of the Project as set forth on Exhibit B attached hereto. For purposes of this Agreement, the term "Budget" includes, as the case may be and as agreed to by the Budget Director, the Authorized Library

6

Representative, the Authorized 2FM Representative, as a result of the review process more fully described in Section 2.2 hereof:

a) Formulation Budget(s) that permit the Commission to perform Formulation Services as defined in this Definitions Section;

b) Undertaking Budget(s) that will permit the Commission to begin design, bidding and construction of the Project; and

c) Revised Budget(s) as necessary to reflect bid results or changes in scope.

Budget Director: The Budget Director of the City, including the duly designated representative thereof, who is designated by the City to receive notices pursuant to this Agreement and otherwise act as the City's representative in implementing the financial requirements of this Agreement.

Building Program: The requirements specified by the Library and 2FM with respect to the Project including, but not limited to the nature, scope and extent of the Project and facilities and the size, type, function, spatial relationships,

and materials and building systems to be used in the design and construction of the Project.

Certificate of Final Acceptance: The certificate, substantially in the form attached hereto as Exhibit C2, which shall be delivered by the Commission to the Library and 2FM to certify that a Certificate of Final Completion has been issued by the Architect of Record for the Project, that the Commission has verified that all punch list work has been completed, and that all deliverables, including but not limited to the items as provided in Section 10.6, have been transmitted to 2FIV1 along with final occupancy certifications issued by the authority having jurisdiction.

Certificate of Occupancy: The certificate issued by the authority having jurisdiction to certify that the Project has been sufficiently completed to be occupied and used for its intended purpose.

Certificate of Substantial Completion: The certificate issued by the Architect of Record to certify that the Project has been essentially completed except for Punch List Work, the City is able to occupy and use the Project for the purpose intended, and the Contractor has obtained and delivered to the Commission a "Certificate of Occupancy" issued by the authority that has jurisdiction.

City: The City of Chicago, an Illinois municipal corporation. **City Council:** The City Council of the City.

Commission: The Public Building Commission of Chicago, an Illinois municipal corporation.

Contract: A contract, including all of the Contract Documents as described therein, between the Commission and a Contractor to perform services and/or provide labor, materials, equipment and other Work and facilities required for the completion of the Project. For purposes of this Agreement, the term "Contract" may include a professional services agreement, general construction contract, construction management contract or other form of agreement for Project-related activities.

Contract Documents: The drawings, specifications and program requirements (including, without limitation, civil, architectural, structural, mechanical, plumbing, fire protection and electrical drawings and technical specifications) developed by the Architect of Record for the construction of the Project as approved by the Authorized Commission Representative, the Authorized Library Representative and the Authorized 2FM Representative for compliance with the

approved Building Program and all other documents attached to the Contract and/or incorporated by reference into the Contract.

Contractor: An individual or firm that contracts with the Commission to perform services and/or provide Work in connection with the Project in accordance with the Standard of Performance as provided in this Agreement. For purposes of this Agreement, the term "Contractor" may include a general or specialty contractor, subcontractor, design entity,

8

construction manager, environmental consultant or other consultants engaged by the Commission to implement the Project.

Corporation Counsel: The Corporation Counsel, including the duly designated representative thereof, of the City.

Executive Director: The Executive Director, including the duly designated representative thereof, of the Commission.

Final Completion: The last date on which all of the following events have occurred: the Commission in consultation with the Authorized 2FM Representative and the Authorized Library Representative, has determined that all Punch List Work and any other remaining Work have been completed in accordance with the Contract Documents; final inspections have been completed and operating systems and equipment testing have been completed; final occupancy certifications have been issued; all deliverables as provided in Section 10.6 hereof including, but not limited to, all warranties, operations/maintenance manuals, and as-built drawings, have been provided to the Commission and forwarded to the Library and 2FM; any LEED Commissioning responsibilities required by the Contract Documents have been completed; and all contractual requirements for final payment to the Contractor have been completed.

Formulation Services: Formulation services refer to a range of planning and pre-development activities, including, without limitation, site selection, environmental testing, and concept design

IEPA: The Illinois Environmental Protection Agency.

Library: The Chicago Public Library.

Municipal Code: The Municipal Code of Chicago.

Notice of Substantial Completion: The certificate, substantially in the form attached hereto as Exhibit C1, which shall be delivered by the Commission to the Authorized Library Representative and the Authorized 2FM Representative along with a Certificate of Substantial

9

Completion issued by the Architect of Record, a copy of the Punch List and a Certificate of Occupancy issued by the authority having jurisdiction.

Project: As defined in the Recitals and Section II.

Project Account: An existing interest-bearing account of the Commission that will be used for purposes of depositing funds advanced by CPLF to pay the costs incurred by the Commission in implementing the Project as more fully described in Section 9.3 hereof. The Project Account may be subject to such restrictions (including but not limited to the escrowing of funds) as CPLF may require.

Punch List or Punch List Work: Minor adjustments or repairs in the Work as determined by the Architect of Record that must be completed prior to Final Completion and Acceptance of the Work and the issuance of the Certificate of Final Completion. The Authorized Commission Representative, the Authorized Library Representative and the Authorized 2FM Representative shall have the right of consult with the Architect of Record concerning the preparation and completion of the Punch List.

Schedule: The anticipated date or dates on which the Project or portions thereof shall be completed.

Sites: The real estate parcels or area upon which the Project will be constructed. Sites in addition to the Harold Washington Library will be identified in writing countersigned by both parties, and such written identifications will constitute amendments hereto.

Site Work: Any remediation of adverse environmental site conditions, demolition or other site development work in connection with the Project that may be undertaken by the Commission.

Standard of Performance. In addition to performing the Work in full compliance with the Contract Documents, the Contractor must perform, or cause to be performed, all Work required of it under the terms and conditions of the Contract with the degree of skill, care and diligence

normally exercised by qualified and experienced contractors in performing work in a project of a scope and magnitude comparable to the Work.

Substantial Completion: The date on which the Architect of Record has issued a Certificate of Substantial Completion certifying that the Project has been essentially completed in accordance with the Contract Documents except for Punch List Work that will not preclude the beneficial use and occupancy of the Project for the purpose intended. The date of Substantial Completion shall be the later of: (1) the date indicated in the Certificate of Substantial Completion used by the Architect of Record; (2) the effective date of Certificate of Occupancy issued by the authority that has jurisdiction, and (3) the date on which the independent commissioning agent has certified in writing that all systems are operating as designed; provided, however, if the City rejects the Project as not being substantially complete in accordance with Section 10.4, the date of Substantial Completion will be the date upon which PBC remedies any outstanding issues to the satisfaction of the City.

Work: Work means the obligations of the Contractor under the Contract Documents. Work includes, unless specifically excluded by the Contract Documents, the furnishing of all materials, labor, equipment, supplies, plant, tools, scaffolding, transportation, superintendence, permits, inspections, occupancy approvals, insurance, taxes and all other services, facilities and expenses necessary for the full performance and completion of the requirements of the Contract Documents. Work also means that which is furnished, produced, constructed, or built pursuant to the Contract Documents.

SECTION I

INCORPORATION OF RECITALS AND DEFINITIONS

The recitations and definitions set forth above constitute an integral part of the Agreement and are hereby incorporated herein by this reference with the same force and effect as if set forth herein as agreements of the parties.

SECTION II SCOPE OF PROJECT

2.1. Project. The Commission hereby agrees to provide administrative, technical, professional and legal services as required in order to acquire title in and to the Sites as necessary to construct the Project, free and clear of encumbrances that would preclude the use and development of the Sites for their intended purpose or the future conveyance thereof. The Commission will coordinate and manage the planning, design and construction of the Project on behalf of the City. The Project will be undertaken by the Commission pursuant to the terms of this Agreement, the Act, the Contract Documents, the Municipal Code and all other applicable rules, regulations, statutes and ordinances.

2.2 Review of Project. The parties by their designated representatives will review the proposed design, scope of the Work, the preliminary Budget, remediation of environmental conditions, site preparation work, zoning and any other factors that may affect the coordination or cost of the Project or the Schedule. Upon completion of such review procedures, the parties shall approve in writing the Building Program, the Conceptual Design, the Undertaking Budget and the Project Schedule in the form of the Undertaking Authorization for such Project. Following such approval, the Commission shall proceed with the design, bidding and construction of the Project in accordance with the terms of this Agreement. Subsequent to bidding, a Revised Budget shall be provided to the parties which shall reflect the Project cost after the competitive bidding process or as necessary to reflect any changes in scope after the Undertaking Budget; provided, however, as the Project is intended to be designed to not exceed the Project Budget, if the Revised Budget exceeds \$2,500,000 the parties will work diligently to change the scope of work in order to not exceed the Project Budget.

SECTION III RESPONSIBILITIES OF THE PARTIES

3.1 The Commission. In discharging its obligations to construct the Project on behalf of the City, the Commission will perform project planning, design oversight, construction administration and other project management services as may be needed to complete the Project. Specific responsibilities of the Commission with respect to the implementation of the

Building Program include, but are not limited to, the following (which are not necessarily presented in sequential order):

3.1.1-3.1.4 [intentionally omitted]

5 Participate in such interaction, consultation, meetings and other activities with community organizations, public agencies, elected officials and other interested parties as may be necessary for the efficient construction of the Project;

6 Engage or cause to be engaged the services of such environmental consultants as may be necessary in order to prepare bid and construction documents, monitor the Site Work and perform other services as directed by the Commission;

7 Determine the amount of relocation assistance to be paid to persons or businesses displaced as a result of the acquisition of the Sites in a manner consistent with the relocation policies of the Commission or the City and process applications for payment of such assistance;

8 Prepare, or cause to be prepared, and file real estate exemption complaints and undertake such action as may be necessary and appropriate in order to obtain the tax-exempt status of the Sites;

9 Prepare or cause to be prepared the terms and conditions of the Contract, which shall be forwarded by the Commission to the Authorized Library Representative and Authorized 2FM Representative for review and comment prior to the solicitation of bids and/or proposals for the Work upon request;

10 Solicit or cause to be solicited bids and/or proposals for the Contract and any other Work as may be required for the design and construction of the Project;

11 Engage the services of such architectural, engineering and other design and/or construction consultants as may be necessary for the completion of the Project, incorporating into the Contract with any such design entity the copyright provisions set forth on Exhibit D attached hereto and incorporated herein by reference.

The

13

Commission shall assign to the City any and all such copyrights which have been conveyed to the Commission;

12 Examine all documents submitted by the City, 2FM, the Library or a Contractor and render decisions pertaining thereto with reasonable promptness in order to avoid delay in the completion of the Project;

13 Obtain such surveys, title information, environmental tests and other reports and documents as may be necessary or advisable in order to determine the condition of the Sites and factors that may affect the cost of completion of the Project or the Schedule, and obtain approval of the environmental remediation plan, if required, from I EPA.

14 Determine the types and amounts of insurance and payment and performance bonds to be provided by the Contractor and the sufficiency of evidence that such coverages are in force as more fully described in Section 7.3 and Section 8.2 hereof;

15 Require and procure from the Contractor waivers for all liens or rights of lien for labor and materials furnished by or through it in the construction of the Project prior to processing interim and final pay requests as more fully described in Section 7.4 hereof;

16 Require, by appropriate provision in the Contract, that the Contractor indemnify, save and hold harmless the City and the Commission as more fully described in Section 8.1 hereof;

17 In consultation with the Authorized Library Representative, the Authorized 2FM Representative and the Budget Director, approve any and all changes to the Contract including increases or decreases in the scope of the Work of the Contractor and adjustments in the contract price occasioned thereby which do not result in an increase in the overall Budget for the Project;

14

3.1.18 Apply the funds deposited in the Project solely to obtain the full and faithful completion of the Project in accordance with the Budget unless otherwise authorized by the Budget Director;

19 Enforce the terms and conditions of the Contract and all other agreements pertaining to the Project, consistent with the requirements thereof;

20 Avail itself of the rights and remedies in the Contract and all other agreements pertaining to the Project, it being understood and agreed that the Work is under charge and care of the Commission to protect the best interests of the City; and

21 Provide for such additional services as may be requested in writing by the Budget Director, the Authorized 2FM Representative, or the Authorized Library Representative with respect to the Project provided

that sufficient funds are available to pay the costs of such services.

22 Enforce the Standard of Performance in all Work.

23 Upon request for assistance from 2FM, serve as the primary point of contact with the Contractor to resolve any design, construction, or other Project-related issues during the Warranty Period.

24 Incorporate into each Contract the following representation and warranty:

"Neither the Contractor nor any affiliate of the Contractor is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph only, the term 'affiliate,' when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise."

15

3.2 The City. The Authorized Library Representative, the Authorized 2FM Representative and the Budget Director, in consultation with the Authorized Commission Representative, shall determine the nature and scope of the Project. In no event shall the Commission be obligated to pay, nor shall the Commission disburse any funds from the Project Account that exceeds the overall Budget for the Project without the written approval of the Budget Director. In consultation with the Authorized Library Representative and the Authorized 2FM Representative, the Commission may re-allocate funds among line items within the Budget which do not increase the overall Budget for the Project as more fully described in Section 9.4 hereof. Specific responsibilities of the City include, but are not limited to, the following:

1 Provide information to the Commission regarding the requirements of the Library and 2FM for the Building Program, including the design objectives, constraints and criteria, space requirements and relationships, performance and maintenance requirements, building systems, and Site requirements, with reasonable promptness in order to avoid delay in the progress of such Project;

2 Provide a preliminary Budget for the Project which shall include, without limitation, contingencies for bidding, changes during construction and other costs and, in consultation with the Authorized Commission

Representative, determine the final Budget for the Project;

3 Designate the Authorized 2FM Representative and the Authorized Library Representative and their respective duly designated representatives to act on the City's behalf with respect to the Project for the purpose of attending meetings, examining documents and rendering timely decisions pertaining to the design, construction and acceptance of the Project;

4 In consultation with the Authorized Commission Representative, the Budget Director, the Authorized Library Representative, the Authorized 2FM

16

Representative shall review and approve in writing all change orders that cause the cost of the Project to exceed the overall Budget for this Project;

5 [intentionally omitted]

6 Cooperate with the Commission and its designated representatives in obtaining any and all approvals pertaining to the use of the Sites, and execute any applications for permit or the like as may be required in order to develop and construct the Project that will be constructed on property owned by the City;

7 [intentionally omitted]; and

8 Provide such additional assistance as shall be agreed by the parties.

SECTION IV SITE AVAILABILITY AND ACCESS

1 Selection and Approval of Sites. The Authorized Library Representative and the Authorized Commission Representative have reviewed the proposed location of the Project and any constraints or other factors that may affect the availability, accessibility, cost or Schedule, including but not limited to the need for the reservation or dedication of a portion of the Sites to the City for other public improvements as determined by the City.

2 [intentionally omitted]

3 Right of Entry. It is expressly acknowledged and agreed that the Commission and the City and their respective employees, consultants and the Contractor shall have the right to enter upon the Sites or portion thereof owned by the Commission or the City for purposes associated with the development and implementation of the Project and other related facilities and the completion of the Project without further authorization by the Commission or the City.

Any Contractor that may enter upon the Sites for such purposes at the direction of the Commission or the City, as applicable, will be required to indemnify the Commission or the City, as applicable, and their respective commissioners, officials, employees, agents and representatives from and against all claims arising out of such entry and to provide to the Commission and 2FM, upon request, certificates of insurance evidencing the types and limits of

17

insurance as specified on Exhibit E. The Commission and the City shall be named as additional insured on all such insurance policies. The City shall cooperate with the Commission and its designated representatives in obtaining any and all approvals pertaining to the use of the Sites, and execute any applications for permit or the like as may be required in order to develop and construct the Project.

4 Unpermitted Encumbrances. Neither the Commission nor the Contractor nor any of their respective commissioners, officials, representatives, designees, agents, successors or assignees shall engage in any financing or other transaction the effect of which creates an encumbrance or lien upon the Sites.

5 Relocation Assistance. In the event that any persons or businesses are displaced as a result of the construction of the Project, such persons or businesses shall receive relocation assistance based upon the relocation procedures and practices of the Commission or the City as modified from time to time.

SECTION V ENVIRONMENTAL CONDITIONS

1 Reports and Studies. It shall be the responsibility of the Commission, at the sole cost and expense of the City, to investigate and determine the soil and environmental condition of the Sites, including obtaining a Phase I environmental audit and, if applicable, a Phase II environmental audit of the Sites. A copy of any such reports that may have been obtained by the Commission regarding the environmental condition of the Sites or the geology thereof shall be provided to the City after such report becomes available to the Commission. Neither the City nor the Commission makes any covenant, representation or warranty as to the environmental condition of the Sites or the suitability of the Sites for the Project.

2 Environmental Remediation. In the event that adverse environmental conditions of any of the Sites are discovered as a result of the investigation of the soil and environmental conditions that preclude the use of that Site for its intended purpose, the Commission will undertake or cause to be undertaken the remediation of such adverse

environmental condition

18

with funds allocated in the Budget for such purpose or, where applicable, will provide an engineered barrier to such condition during construction in accordance with 35 Illinois Administrative Code 742. All environmental costs and expenses that exceed the amount allocated in the Budget for such purpose shall be subject to the prior written approval of the Budget Director. The nature and extent of such remediation will be determined by the Commission in consultation with representatives of the Library, 2FM and IEPA, if applicable. If deemed necessary by 2FM, 2FM will direct the Commission to enter the Sites into the Site Remediation Program and secure a No Further Remediation determination consistent with the future use of the Sites. In no event shall the Commission incur any cost or expense as a result of the condition of the Sites or the remediation of environmental conditions thereon in excess of the amount provided by the City. If the cost of the environmental remediation action exceeds the budgeted amount approved by the City, the Commission shall promptly notify the Budget Director and the parties shall mutually agree upon appropriate action to be taken. In the event the Commission shall have obtained title to the Sites on behalf of the City, the City or the Commission shall have the right to pursue all legal means available to recover the cost of such remediation from the former owner of the Sites.

5.3 Environmental Laws. The Commission agrees that at all times during its performance of this Agreement, it shall cause the Contractor to comply, with all "Environmental Laws." "Environmental Laws" mean any and all Federal, State or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited: (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act

19

(33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section

2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago, including but not limited to the Municipal Code of Chicago, Sections 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560. Upon the City's request, the Commission and/or the Contractor will provide evidence satisfactory to the City of such current compliance.

SECTION VI CONSTRUCTION OF THE PROJECT

1 Preparation of Contract Documents. The Commission shall determine whether to appoint an Architect of Record as defined above or other design entity, to prepare design documents, issue a request for proposals that includes the preparation of the design documents, or proceed in some other manner to obtain design documents that are sufficiently complete to solicit bids or proposals for the construction of the Project. The Commission shall provide a copy of such design submittals to the Authorized Library Representative and the Authorized 2FM Representative for review and approval to determine compliance with the Building Program. The Library and 2FM shall use their best efforts to provide written comments to the Commission within (10) business days from the receipt of each submittal. If the Library and/or 2FM provide written comments to the Commission on the final design review submittal, such review submittal being denoted as final by the Commission, then the Commission will work diligently with the Library and 2FM to address the comments in a manner satisfactory to all parties. The Commission shall include in the Contract Documents a space for the Library and 2FM to confirm their acceptance of the final design.

2 Selection of Contractor. Upon completion of the Contract Documents, the Commission shall, solicit bids or proposals for the construction of the Project or portion thereof by public advertisement, or from pre-qualified contractors in consultation with the Authorized Library Representative and the Authorized 2FM Representative, as determined by the

Commission in accordance with its usual and customary procurement procedures. The Commission shall review and evaluate the bids or proposals received for the construction of the Project and conduct such investigations as may be necessary and appropriate to determine the responsiveness of the bid or proposal and the proposed cost of constructing

the Project in accordance with the Budget. During the bid review period, the Authorized Library Representative, the Authorized 2FM Representative and the Budget Director shall have the right to attend meetings and participate in the evaluation process. Following the bid review process, the Board upon recommendation of the Executive Director shall award the Contract to the lowest responsible and responsive bidder, subject to Section 6.5 hereof.

3 Limited Applicability of Approval. Any approvals of the design of the Project, Site Work or the Contract Documents made by the Authorized Library Representative and/or the Authorized 2FM Representative for purposes of this Agreement only and do not affect or constitute approvals required for building permits or approvals required pursuant to federal, state or local law, code or any ordinance or order of the City, nor shall any such approval constitute approval of the quality, structural soundness or the safety of the Project. It is understood and agreed that the Commission shall act on behalf of the City in ensuring the Contractor's compliance with all applicable laws and requirements.

4 Ownership of Documents. All documents, including but not limited to, all data, certificates, schematics, warranties, environmental remediation documents, prototype and other design documents, copyrights and Contract Documents with regard to the development and construction of the Project shall be the property of the City. The Commission shall assign and transfer ownership of all such documents and materials that it may have obtained from the Contractor or others to the Library and 2FM on behalf of the City at Final Completion of the Project.

21

6.5 Debarred Vendors. The Commission shall not retain for the Project any architect, consultant, contractor, materials provider or other vendor that has been debarred or otherwise disqualified from doing business with the City by its Chief Procurement Officer.

SECTION VII ADMINISTRATION OF THE PROJECT

1 Enforcement of Contract. The Commission shall comply, and cause the Contractor to comply, with the terms and conditions of the Contract as appropriate and applicable, including all applicable federal, state and local laws, codes, ordinances and orders now or hereafter in force. Such requirements include, but are not limited to, accessibility standards for persons with disabilities or environmentally limited persons, Illinois Prevailing Wage Act, the Chicago

Human Rights Ordinance, EEO and affirmative action requirements, the Commission's Special Conditions regarding MBE and WBE participation, Chicago residency requirements and community hiring requirements, which are incorporated herein by reference.

2 Coordination with the City. The Commission shall inform the Authorized Library Representative, the Authorized 2FM Representative, the Corporation Counsel and the Budget Director of the status of progress regarding the implementation of the Project not less frequently than on a monthly basis and, upon request, provide the Authorized 2FM Representative, the Authorized Library Representative and the Budget Director with a copy of any reports or other documents that may have been obtained by the Commission. As soon as reasonably practicable, the Commission shall provide the Authorized Library Representative, the Authorized 2FM Representative and the Budget Director with any information which may result in an exceedance of the Budget or may cause the construction of the Project to be delayed beyond the dates specified in the Schedule. The Authorized 2FM Representative and the Authorized Library Representative shall have the right to inspect the Project at all reasonable times and to attend meetings with representatives of the Commission, the Contractor and others regarding the Project. In order to protect the City and the Commission from incurring additional costs as a result of unauthorized work, any requests or directions that the Authorized 2FM Representative

22

or the Authorized Library Representative may have with respect to the construction of the Project shall be directed to the Authorized Commission Representative and not to the Contractor. The Authorized 2FM Representative and the Authorized Library Representative, as applicable, will provide to the Commission prompt, accurate and complete information regarding the requirements of 2FM or Library, as applicable, so that the progress of the Project will not be impeded. All data provided by 2FM or the Library shall be evaluated by the Authorized Commission Representative, who shall have the right to recommend alternative approaches and value engineering in order to reduce costs while maintaining the overall quality of the Project and the Schedule.

3 Payment and Performance Bond. The Commission, as set forth in Section 3.1.14, shall determine the type and amount of payment and performance bonds required for the Project and require the Contractor to provide a payment and performance bond to ensure that the terms and conditions of the Contract Documents will be faithfully

performed. The payment and performance bond shall be in the amount specified in the Contract and issued by a surety company licensed to do business in the State of Illinois and approved by the Commission. If the surety fails or is deemed by the Commission to be insufficient security for the completion of the Project, the Commission will require the Contractor to furnish an additional bond in such amount as may be determined by the Commission. Any proceeds derived by the Commission as a result of the payment and performance bond shall be credited to the Project Account and applied as agreed by the Commission and the Budget Director.

4 Waiver and Release of Liens. The Commission, as set forth in Section 3.1.15 shall require and procure from the Contractor waivers of liens or rights of lien for all labor and materials furnished in the constructing or improving the Project. This provision shall be construed as being solely for the benefit of the Commission and the City and shall not confer any rights hereunder for the benefit of the Contractor or its subcontractors. To ensure payment of lien claims, the Commission shall retain the amounts of the liens claimed by subcontractors

23

or suppliers from payments to the Contractor unless an appropriate waiver or mechanic's lien bond is provided or the lien funds are deposited with the Circuit Court of Cook County, Illinois in accordance with applicable Illinois, legal requirements and the Contract Documents. Except as provided above, the Commission shall not make final payment to Contractor nor shall any part of the amounts retained for lien claims be paid until the Contractor shall have delivered to the Commission a complete release of all liens, financial obligations or claims from the Contractor, subcontractor, and other agents acting on its behalf in connection with the Work or arising out of the Work and an affidavit that so far as the Contractor has knowledge or information, releases all the labor and material for which a claim could be made or a lien could be filed. If any lien remains unsatisfied after all payments have been made, then the Contractor shall be required to refund to the Commission all moneys that the latter may be compelled to pay in discharging such lien, including all costs and reasonable attorney's fees. Any amounts so refunded shall be for the benefit of the City and credited to the Project Account.

7.5 Default by Contractor. In the event that the Contractor defaults in its obligations under the Contract, the Commission shall pursue all rights and remedies afforded to it pursuant to the terms of the Contract, at law or in equity., Upon request by the Authorized Library Representative, the Budget Director or the Corporation Counsel and approval by

the Board, the Commission shall assign any of its rights and remedies for default by the Contractor to the City.

24

SECTION VIII INDEMNITY AND INSURANCE

1 Indemnity. Each Contract awarded by the Commission for the Project shall require the Contractor to indemnify, save and hold harmless the Commission and the City, and their respective commissioners, officers, agents, employees and representatives, individually and collectively, from all claims, demands, actions and the like, made or instituted by third parties arising or alleged to arise out of the Work as a result of any act or omission of the Contractor or any of its subcontractors or any of their respective employees or agents.

2 Insurance. The Commission, as set forth in Section 3.1.14, shall require the Contractor to purchase and maintain during the implementation of the Site Work and/or the performance of the Work, the types and amounts of insurance as shall be specified by the Commission substantially in the form attached hereto as Exhibit E or as otherwise agreed to by the City's Risk Management Office. Prior to the commencement of Work on the Project, the Commission shall obtain from the Contractor certificates of insurance evidencing the required insurance and certifying the name and address of the Contractor, the description of work or services covered by such policies, the inception and expiration dates of the policies and the specific coverages to be provided. The City and the Commission shall be included as named insureds as their respective interests may appear on the Contractor's insurance policies. A copy of any and all such insurance certificates shall be provided by the Commission to the Authorized Library Representative and/or the Authorized 2FM Representative upon request. All such insurance shall be placed in financially responsible companies,

satisfactory to the Commission and authorized under the insurance laws of the State of Illinois to do business in the State of Illinois. Upon issuance of the Notice of Substantial Completion as described in Section 10.4 hereof, the City shall be responsible for insuring the Sites including all improvements thereon.

25

SECTION IX PAYMENT OF PROJECT COSTS

1 Cost of the Project. It is the intent of the parties that the cost of completing the Project shall not exceed the sums specified in the final Budget for the Project. All plans, specifications and estimates of costs shall be reviewed by the duly designated representatives of the parties. The fee for the Commission's services for the management and administration of the Project will be fixed as a lump sum within the Budget. The Commission's fee shall not exceed three percent (3%) of the estimated construction cost of the Project (excluding acquisition) and, after being fixed in the Undertaking Budget, will neither increase nor decrease. The City shall not pay or otherwise be liable for any costs of the Project, including but not limited to the Commission's legal fees, costs and expenses, if any.

2 [intentionally omitted]

3 Payment of Project Costs. The Commission shall provide the City with a cash flow for the Project upon request. The Commission shall prepare and provide to the Budget Director, on a quarterly basis in advance, the estimated amounts that will be required to pay the cost of the Project during the next succeeding ninety (90) days. Requests for payment shall include professional services, construction, administrative costs, contingency reserves and such other items as shall have been agreed by the parties ("Request for Payments"). Within thirty (30) days following receipt of a quarterly estimate and Request for Payment, the Budget Director shall deny or approve the Request for Payment and forward the approved Request for Payment to the Commission and CPLF at the address listed in Section 11.1 hereof, which payment shall consist of the estimated amounts required for payment of the costs of the Project during the next succeeding ninety (90) day period as such amounts may be adjusted from time to time by mutual agreement of the parties. The Commission will deposit such funds disbursed by CPLF in the Project Account to pay eligible costs of the Project, respectively, in accordance with the procedures specified in the Contract Documents for interim and final

payments. Payments for professional services and other costs of the Project shall be on the basis of

26

invoices approved by the Commission pursuant to its usual and customary payment procedures. In the event that such Request for Payment has not been paid to the Commission within thirty (30) days following the receipt of such Request for Payment, the Commission shall have the right to suspend its performance of this Agreement until payment is received.

4 Reallocation of Funds; Insufficient or Excess Funds. In consultation with the Authorized Library Representative and the Authorized 2FM Representative, the Commission may re-allocate any line item in the Budget of the Project to any other cost or activity of the Project so long as the overall Budget for the Project is not exceeded. In the event that the amounts paid to the Commission by CPLF. for the Project pursuant to the Project Budget, respectively, shall be insufficient to complete the construction of the Project, the Commission shall notify the Budget Director in writing and the parties shall agree in writing on any future action that may be appropriate. In no event shall the Commission be obligated to expend any funds for the Project in excess of the amounts provided by CPLF. Any balance remaining in the Project Account 90 days after the date of Final Completion for the Project shall be disbursed as directed by the Budget Director.

5 Value Engineering; Alternate Project Approaches. If the Commission determines during project planning, design, or construction that Value Engineering or an Alternate Project Approach is necessary to meet the Project Budget or Schedule, the Commission shall submit such Value Engineering Recommendations or Alternate Project Approaches to 2FM, the Library, and the Office of Budget and Management for approval prior to implementation.

6 Records; Audit. The Commission shall maintain records and accounts of all financial transactions relating to the implementation of the Project. The City shall have the right to inspect the books and records of the Commission pertaining to the Project at all reasonable times.

SECTION X COMPLETION OF THE PROJECT

27

1 Standards for Site Work and Construction. The Commission shall require the Contractor to provide for the

Project materials that are new and Work of good quality, free from faults or defects, and implement any Site Work that may be required consistent with the requirements for environmental remediation approved by the Commission in consultation with representatives of 2FM and the IEPA, and construct the Project in conformity with the Standard of Performance set forth in this Agreement and the requirements of the Contract and the Contract Documents. The Commission shall also require that the Contractor correct any deficient or defective work or materials in accordance with the procedures described in the Contract Documents or as prescribed by law. For a period of one (1) year commencing no earlier than the date of Final Acceptance, or such longer period as may be required to enforce any applicable special warranty in any of the various subcontracts to the Contract, by the manufacturer or by law ("Contractor's Warranty"), the Commission shall assist the City by causing the Contractor to correct, repair or replace any such deficient or defective work or materials and any damage caused by such work and materials. Any equipment or material that is repaired or replaced will have the warranty period extended for a minimum period of one year from the date of the last repair or replacement if standard in the industry and consistent with the applicable warranty. Repairs or replacements that the Contractor makes under this provision must also include a manufacturer's warranty, if standard with the manufacturer, in addition to the Contractor's Warranty. In the event that the City requires the Commission's assistance to enforce the provisions of the Contract or the manufacturer's warranty, the Commission will cooperate with the City to enforce such Contract and cause the Contractor to correct any such deficient or defective Work or materials and any damage caused by such Work or materials.

2 Completion Requirements. The Commission shall require the Contractor to comply with the requirements of the Contract Documents with respect to the close-out of the Site Work and construction of the Project including, but not limited to, the completion of Punch List Work, the furnishing of material and equipment guarantees, warranties, operating and

maintenance data, manuals and record and "as-built" drawings, shop drawings, waivers of lien, certified payrolls and such other documents as may be required to comply with the terms of the Contract. Upon Final Completion, the Commission will cause five (5) copies of the Certificate of Final Completion issued by the Architect of Record and all other relevant documents to be delivered to 2FM. Any liquidated damages that may

be assessed by the Commission against a Contractor for non-performance or delay will be credited to the Project Account or otherwise disbursed as agreed by the Budget Director.

3 Inspections. All Work and materials constituting the Project shall be inspected by the Authorized Commission Representative, the Architect of Record, the Authorized 2FM Representative, the Authorized Library Representative, and any other personnel as designated by the City. The Commission shall notify the Authorized Library Representative and the Authorized 2FM Representative when the Project has been scheduled for inspections to certify Substantial Completion and Final Completion. The Authorized Library Representative and the Authorized 2FM Representative shall have the right to attend any and all such inspections. The Commission will monitor completion of Punch List Work by the Contractor and update the Authorized Library Representative and the Authorized 2FM Representative on a periodic basis.

4 Notice of Substantial Completion. Upon issuance of the Certificate of Substantial Completion by the Architect of Record, the Commission shall deliver to the Authorized Library Representative and the Authorized 2FM Representative a copy of such certificate and the Certificate of Occupancy issued by the authority having jurisdiction. Upon delivery to the Authorized Library Representative and the Authorized 2FM Representative of such certificates along with the Notice substantially in the form attached hereto as Exhibit C1, the Library and 2FM shall use best efforts to review the Certificate within ten (10) business days from receipt of the Certificate and provide a written acceptance thereof. If, however, the Library and/or 2FM contest the Certificate of Substantial Completion, the Commission and 2FM and/or the Library agree to work together with all diligence to remedy any outstanding issues to the satisfaction of

29

2FM and/or the Library, at which point 2FM and/or the Library will accept the Project as Substantially Complete.

5 Transfer of Responsibility. Within five (5) business days following acceptance by 2FM of the documents as provided in Section 10.4 above, the City shall assume responsibility for the Project from that date forward including, without limitation, costs of operation and maintenance, electricity, gas, water, telecom and other utilities, security and personnel, and insurance to a level as determined to be appropriate by the City.

6 Certificate of Final Acceptance. Upon issuance of the Certificate of Final Completion by the Architect of

Record, the Commission shall deliver to the Authorized Library Representative and the Authorized 2FM Representative a Certificate of Acceptance, substantially in the form attached hereto as Exhibit C2 along with a copy of the Certificate of Final Completion issued by the Architect of Record and the final occupancy certifications by the authority having jurisdiction. The Certificate of Final Acceptance shall certify that each of the following have been completed and appropriate documentation delivered to the Library and 2FM: environmental reports; permits and licenses; shop drawings; "as-built" contract drawings; operation and maintenance manuals; training of 2FM and Library personnel; subcontractor/manufacturers warranties; QA/QC Certification of testing and start-up; commissioning (BAS, HVAC, etc.); and LEED Commissioning to USGBC. Upon delivery of such certificates by the Authorized Commission Representative to the Authorized Library Representative and the Authorized 2FM Representative, the Library and 2FM shall use best efforts to review the Certificates within (10) business days from receipt of the Certificates and provide a written acceptance thereof. If, however, the Library and/or 2FM contest the Certificates of Final Completion and Final Acceptance, the Commission and 2FM and/or the Library agree to work together with all diligence to remedy any outstanding issues to the satisfaction of 2FM and/or the Library, at which point the Commission shall submit revised

30

Certificates of Final Completion and Final Acceptance to 2FM and the Library for review and final approval as described previously in this paragraph.

10.7 Final Payment to Contractor. Unless otherwise provided by the Contract, upon completion of all the Work required to be completed by the Contract Documents and issuance of a Certificate of Final Completion by the Architect of Record, the Commission shall process final payment to the Contractor in accordance with the procedures set forth in the Contract Documents.

SECTION XI NOTICES

11.1 Notices to Parties. Any notice, certificate or other communication provided pursuant to this Agreement shall be in writing and shall be mailed, postage prepaid by registered or certified mail with return receipt requested, or hand delivered and receipted, as follows:

If to the City:

Budget Director

Office of Management and Budget
City of Chicago
121 North LaSalle Street
Room 604, City Hall
Chicago, Illinois 60602

And the 2FM

Representative: Commissioner

Department of Fleet and Facility Management City of Chicago
30 North LaSalle Street - Suite 300 Chicago, Illinois 60602

And the Library

Representative: Commissioner

Chicago Public Library City of Chicago 400
South State Street Chicago, Illinois 60605

with a copy to:

Corporation Counsel
Department of Law City of Chicago 121 North
LaSalle Street Room 600, City Hall Chicago,
Illinois 60602

31

Attn: Finance and Real Estate Division

and

Chicago Public Library Foundation 20 North Michigan Avenue,
Suite 520 Chicago, Illinois 60602 Attention:

and

William Miceli
325 North LaSalle Street, Suite 350 Chicago, Illinois 60654

If to the Commission:

Executive Director
Public Building Commission of Chicago 50 West Washington
Street - Room 200 Chicago, Illinois 60602

with a copy to:

Neal & Leroy, LLC
203 North LaSalle Street - Suite 2300 Chicago, Illinois 60601

and

Chicago Public Library Foundation 20 North Michigan Avenue,
Suite 520 Chicago, Illinois 60602 Attention:

and

William Miceli
325 North LaSalle Street, Suite 350 Chicago, Illinois 60654

Notices are deemed to have been received by the parties three (3) days after mailing (return receipt) or upon receipt if

hand delivered.

11.2 Changes. The parties, by notice given hereunder, may designate any further or different addressee or addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION XII MISCELLANEOUS PROVISIONS

32

1 Entire Agreement; Amendment. Except as otherwise provided herein, this Agreement contains the entire agreement of the parties with respect to the subject matter herein and supersedes all prior agreements, negotiations and discussions with respect thereto, and shall not be modified, amended or changed in any manner whatsoever except by mutual consent of the parties as reflected by written instrument executed by the parties hereto.

2 Conflict of Interest. No member of the Board nor any member of any agency, board, commission or department of the City nor any official or employee of the City or the Commission shall have any financial or ownership interest, direct or indirect, in the Sites or any Contract; nor shall any such member, official or employee participate in any decision which affects his or her personal interest or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No representative of the City or the Commission shall be personally liable for the performance of the City or the Commission of the terms and conditions of this Agreement.

3 Mutual Assistance. The parties agree to perform their respective obligations, including the execution and delivery of any documents, instruments and certificates, as may be necessary or appropriate, consistent with the terms and provisions of this Agreement.

4 Disclaimer. No provision of this Agreement, nor any act of the City or the Commission shall be deemed or construed by any 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 City or the Commission.

5 Headings. The headings of the various sections and subsections of this Agreement have been inserted for convenient reference only and shall not in any manner be construed as modifying, amending or affecting in any way the express terms and provisions hereof.

6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

7 Successors and Assigns. The terms of this Agreement shall be binding upon the City and the Commission. None of the rights, duties or obligations under this Agreement may be assigned without the express written consent of the parties except as otherwise provided in this Agreement.

8 Severability. If any provision of this Agreement, or any paragraph, sentence, clause, phrase, or word, or the application thereof, in any circumstance, is held invalid, the remainder of this Agreement shall be construed as if such invalid part were not included herein and the remainder of the terms of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

9 Counterparts. This Agreement shall be executed in several counterparts, each of which shall constitute an original instrument.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Intergovernmental Agreement between the City of Chicago and the Public Building Commission of Chicago regarding Early Childhood Learning Centers to be executed, all as of the date first written above. CITY OF CHICAGO

By:
Commissioner Chicago Public Library

By:
Commissioner
Department of Fleet and Facility Management

By:
Budget Director
Office of Budget and Management

PUBLIC BUILDING COMMISSION OF CHICAGO

By:
Executive Director

Approved as to form and legality for the Public Building Commission of Chicago:

EXHIBIT A

THE SITES

Harold Washington Library

Early Childhood Learning Centers, Regional and Branch Library Facilities (subject to final determination by the City):

Little Village

West Pullman

Austin

Austin-Irving Budlong Woods Legler

Lincoln Belmont Lincoln Park Lozano

Sulzer Regional

Toman

Kelly

Sherman Park South Chicago Thurgood

Marshall West Englewood Woodson Regional

EXHIBIT B

PROJECT BUDGET ([Early Childhood Learning Centers])

[NOT ATTACHED FOR PURPOSES OF ORDINANCE]

EXHIBIT C-1 NOTICE OF SUBSTANTIAL COMPLETION

Date:

Name:

Commissioner City of Chicago
Dept. of Fleet and Facility Management 30 North LaSalle Street, Suite 300 Chicago, IL 60602
Name:
Commissioner City of Chicago Chicago Public Library 400 South State Street Chicago, IL 60605

Re:

Dear Commissioners:

Enclosed please find a Certificate of Substantial Completion as issued by the Architect of Record, a copy of the Punch List, along with a Certificate of Occupancy for the above-referenced Project, and a letter from the independent commissioning agent certifying that all systems are operating as designed.

The Public Building Commission is in the process of completing the remaining punch list work. Copies of all warranties, operations/maintenance manuals and as-built drawings are currently being assembled and will be transmitted to you upon Final Completion of the Project. Training of Department of Fleet and Facility Management staff has been completed, all keys have been turned over, and draft copies of warranties and operation/maintenance manuals have been provided to the 2FM building engineer.

Please confirm your acceptance of the Project by signing in the space provided below and returning a copy of this letter to the attention of the Executive Director, Felicia Davis.

Please contact the writer at (312) should you have any questions.

Very truly yours,

Public Building Commission of Chicago

PBC Project Manager

Enclosure

cc: Deputy Commissioner - 2FM AECM
Felicia Davis, Executive Director- PBC

ACCEPTED BY:

Commissioner, Department of Fleet and Facility Management Date

38

EXHIBIT C-2 CERTIFICATE OF FINAL ACCEPTANCE

Date:

Name: Title:
City of Chicago
Dept. of Fleet and Facility Management 30 North LaSalle Street, Suite 300 Chicago, IL 60602

Name: Title:

City of Chicago Chicago Public Library 400 South State Street Chicago, IL 60605

Project Name and Number:

Dear _____ :

Enclosed please find a Certificate of Final Completion as issued by the Architect of Record, along with a final occupancy certifications for the above-referenced Project.

The Public Building Commission has verified that all punch list work has been completed. Copies of all warranties, operations/maintenance manuals and as-built drawings are transmitted to you concurrently with this certificate.

Please confirm your acceptance of the Project by signing in the space provided below and returning a copy of this letter to the attention of the Executive Director, Felicia Davis.

Please contact the writer at (312) _____ should you have any questions.

Very truly yours,

Public Building Commission of Chicago

PBC Project Manager

Enclosure

cc: Deputy Commissioner - 2FM AECM
Felicia Davis, Executive Director- PBC

ACCEPTED BY:

Commissioner, Department of Fleet and Facility Management Date

EXHIBIT D COPYRIGHT PROVISIONS

The parties intend and agree that, to the extent permitted by law, the drawings, specifications and other design documents to be produced by the Architect and its subconsultants pursuant to this Agreement (the "Work") shall conclusively be deemed works made for hire within the meaning and purview of Section 101 of the United States Copyright Act, 17 U.S.C. 101 et seq., and that the Commission, the City, 2FM and the Library (the City, 2FM and the Library collectively referred to in this Exhibit D as the "User Agency") and their successors and assigns, will be the copyright owner of all aspects, elements and components thereof in which copyrights can subsist. To the extent that any

of the foregoing does not qualify as a "work made for hire," the Architect hereby irrevocably grants, conveys, bargains, sells, assigns, transfers and delivers to the Commission and the User Agency and their successors and assigns, all right, title, and interest in and to the copyrights and all U.S. and foreign copyright registrations, copyright applications and copyright renewals thereof, and all other intangible, intellectual property embodied in or pertaining to the Work contracted for under the Agreement, free and clear of any liens, claims or other encumbrances, to the fullest extent permitted by law. The Architect will execute all documents and, at the expense of the Commission, perform all acts that the Commission may reasonably request in order to assist the Commission and the User Agency and their successors and assigns, in perfecting their rights in and to the copyrights relating to the Work.

The Architect warrants to the Commission and the User Agency and their successors and assigns, that (1) the Work constitutes a work of authorship; (2) on the date hereof the Architect is the lawful owner of good and marketable title in and to the copyrights for the Work (including the copyrights on designs and plans relating to the Work); (3) the Architect has the legal right to fully assign any such copyright with respect to the Work; (4) the Architect has not assigned any copyrights nor granted any licenses, exclusive or non-exclusive, to any other party; (5) the Architect is not a party to any other agreement or subject to any other restrictions with respect to the Work; and (6) the plans and designs for the Work will, upon completion of the Services be complete, entire and comprehensive. Further, the Architect agrees that it will not restrict or otherwise interfere with the Commission's and/or the User Agency's future actions in authorizing the use, adaptation, revision, or modification or destruction of the Work provided that the Architect is indemnified for any damages resulting from any such future re-use or adaptation of the Work as may be authorized by the Commission or by the User Agency, as applicable.

40

EXHIBIT E INSURANCE REQUIREMENTS

City of Chicago Contract Insurance Requirements

The Contractor must provide and maintain at Contractor's own expense, until Contract completion and during the time period following final completion if Contractor is required to return and perform any additional work, the minimum insurance coverages and requirements specified below, insuring all operations related to the Contract.

INSURANCE TO BE PROVIDED

1) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Contract and Employers Liability coverage with limits of not less than \$1,000,000 each

accident or illness.

2) **Commercial General Liability (Primary and Umbrella)**

Commercial General Liability Insurance or equivalent with limits of not less than \$5,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, (for minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The Public Building Commission and the City of Chicago are to be named as additional insureds on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

Subcontractors performing work for Contractor must maintain limits of not less than \$1,000,000 per occurrence with the same terms herein.

3) **Automobile Liability (Primary and Umbrella)**

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor must provide Automobile Liability Insurance, with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The Public Building Commission and the City of Chicago are to be named as additional insureds on a primary, non-contributory basis.

Subcontractors performing work for Contractor must maintain limits of not less than \$1,000,000 per occurrence with the same terms herein.

4) **Contractors Pollution Liability**

When any work is performed which may cause a pollution exposure, Contractors Pollution Liability must be provided covering bodily injury, property damage and other losses caused by pollution conditions that arise from the Contract scope of services with limits of not less than \$2,000,000 per occurrence. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Contract. A claims-made policy, which is not renewed or replaced, must have an

41

extended reporting period of two (2) years. The Public Building Commission and the City of Chicago are to be named as additional insureds on a primary, non-contributory basis.

Subcontractors performing work for Contractor must maintain limits of not less than \$1,000,000 per occurrence with the same terms herein.

5) **Professional Liability**

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Contract, Professional Liability Insurance covering acts, errors, or omissions must be maintained with limits of not less than \$1,000,000. Coverage must include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Contract. A claims-made policy, which is not renewed or replaced, must have an extended reporting period of two (2) years.

6) **Builders Risk**

When Contractor undertakes any construction, including improvements, betterments, and/or repairs, the Contractor must provide All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverage must include but are not limited to the following: right to partial occupancy, collapse, water including overflow, leakage, sewer backup, or

seepage, damage to adjoining or existing property, debris removal, scaffolding, faulty workmanship or materials, mechanical-electrical breakdown, testing, and equipment stored off site or in transit. The Public Building Commission and the City of Chicago are to be named as additional insureds and loss payees

The Contractor is responsible for all loss or damage to Commission and/or City property at full replacement cost.

The Contractor is responsible for all loss or damage to personal property (including but not limited to materials, equipment, tools, and supplies) owned, rented, or used by Contractor.

7) Railroad Protective Liability

When any work is to be done, adjacent to or on railroad or transit property, Contractor must provide, with respect to the operations that Contractor or subcontractors perform, Railroad Protective Liability insurance in the named of railroad or transit entity. The policy must have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the , aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

B. **ADDITIONAL REQUIREMENTS**

Contractor must furnish the Public Building Commission Procurement Department, Richard J. Daley Center, Room 200, Chicago, IL 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Contract, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Contract. The Contractor must submit evidence of insurance to

42

the Public Building Commission prior to Contract award. The receipt of any certificate does not constitute agreement by the Commission that the insurance requirements in the Contract have been fully met or that the insurance policies indicated on the certificate are in compliance with all Contract requirements. The failure of the Commission to obtain certificates or other insurance evidence from Contractor is not a waiver by the Commission of any requirements for the Contractor to obtain and maintain the specified coverages. The Contractor shall advise all insurers of the Contract provisions regarding insurance. Non-conforming insurance does not relieve Contractor of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Contract, and the Commission retains the right to stop work until proper evidence of insurance is provided, or the Contract may be terminated.

The Commission and/or City of Chicago reserve the right to obtain copies of insurance policies and records from the Contractor and/or its subcontractors at any time upon written request.

The insurance must provide for sixty (60) days prior written notice to be given to the Commission in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or self-insured retentions on referenced insurance coverages must be borne by Contractor.

The Contractor agrees that insurers waive their rights of subrogation against the Public Building Commission, its employees, elected officials, agents, or representatives and the City of Chicago.

The coverage and limits furnished by Contractor in no way limit the Contractor's liabilities and responsibilities specified within the Contract or by law.

Any insurance or self-insurance programs maintained by the Commission and City of Chicago do not contribute with insurance provided by the Contractor under the Contract.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in

this Contract or any limitation placed on the indemnity in this Contract given as a matter of law.

If contractor is a joint venture, the insurance policies must name the joint venture as a named insured.

The Contractor must require all subcontractors to provide the insurance required herein, or Contractor may provide the coverage for subcontractors. All subcontractors are subject to the same insurance requirements of Contractor unless otherwise specified in this Contract.

If Contractor or subcontractor desires additional coverage, the party desiring the additional coverage is responsible for the acquisition and cost.

The Public Building Commission maintains the rights to modify, delete, alter or change these requirements.

43

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

March 16,2016

TO THE HONORABLE, THE CITY COUNCIL OF THE
CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Library Commissioner, I transmit herewith an ordinance authorizing the execution of an intergovernmental agreement with the Public Building Commission for early learning areas.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

CHICAGO, April 13, 2016

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an Ordinance authorizing the execution of an intergovernmental agreement between the City of Chicago and the Public Building Commission necessan rbr the development of Early Childhood Learning Centers at various locations; and having had the same under advisement, begs leave to report and recommend that Your Honorable Body pass the Ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the Committee.

1/Vme>grb&rs\n^f^

" dissenting votei_vST.

Carrie M. Austin Chairman