

**APPROVE EXERCISING THE THIRD OPTION TO RENEW THE AGREEMENT WITH  
CHARTWELLS/THOMPSON FOR MEAL SERVICES**

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

Approve exercising the third option to renew the agreement with Chartwells/Thompson to provide meal services to Department of Food Services and Warehousing at a cost for the option period not to exceed \$57,773,862.00. A written document exercising this option is currently being negotiated. No payment shall be made to Vendor during the option period prior to the 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.

**VENDOR:** Chartwells/Thompson C/O Compass Group  
Lock Box, P O Box 91337  
Chicago, Il 60693-1337  
Keith T. Culin  
914-935-5504  
Vendor # 31351

a. Compass Group  
2400 Yorkmont Road  
Charlotte, Nc 28217  
Keith T. Culin  
704-329-4000  
Vendor # 31232

b. Thompson Hospitality Services  
505 Huntmar Park Drive., Ste 350  
Herndon, Va 20170  
Warren Thompson  
703-964-5500  
Vendor # 29608

**USER:** Facility Operations & Maintenance  
125 South Clark Street 16th Floor  
Chicago, IL 60603  
Louise Esaian  
773-553-2833

**ORIGINAL AGREEMENT:**

The original Agreement (authorized by Board Report 05-0427-PR5) in the amount of \$52,871,266.15 is for a term commencing June 19, 2005 and ending June 18, 2006, with the Board having (4) options to renew for 12 months each. The agreement was extended (authorized by Board Report 06-0426-PR2) for a term commencing June 19, 2006 and ending June 18, 2007. The agreement was extended (authorized by Board Report 07-0425-PR2) for a term commencing June 19, 2007 and ending June 18, 2008. The original agreement was awarded on a competitive basis pursuant to duly advertised Bid Solicitation (Specification No. 05-250005).

**OPTION PERIOD:**

The term of this agreement is being extended for one year commencing June 19, 2008 and ending June 18, 2009.

**OPTION PERIODS REMAINING:**

There is (1) one option period for 12 months remaining.

**SCOPE OF SERVICES:**

Vendor shall continue to provide meal services in approximately 450 schools. The vendor must supply all food, except fluid milk, and must meet or exceed U.S. Department of Agriculture (USDA) requirements, as appropriate, for the Child Nutrition School Lunch and Breakfast Program, Child and Adult Care Food Program, Seamless Summer Feeding Program, and any additional feeding programs added through the contract period.

**DELIVERABLES:**

Vendor will continue to supply breakfast, lunch and after-school snacks to Chicago Public Schools.

**OUTCOMES:**

Vendor's services will continue to result in nutritious and appealing meals that meet federal, state and local regulations.

**COMPENSATION:**

During the renewal period vendor shall be paid as specified in the option document; not to exceed the sum of \$57,773,862.

**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:**

This contract is in full compliance with the goals required by the Remedial Program for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The M/WBE participation goals for this contract include: 35% total MBE and 5% total WBE.

The vendor has identified and scheduled the following firms and percentages:

**Total African American = 23%**

T & T Foodservice, Inc. 2046 West Lake Street Chicago, IL 60612	8.80%
Balton Corporation 8005 S. South Chicago Chicago, IL 60617	5.50%
Reggios Pizza 340 W. 83 <sup>rd</sup> St. Chicago, IL 60620	3.00%
Grandma Maud's, Inc. 5020 S. Lake Shore Dr. Ste 307 Chicago, IL 60615	1.70%

Coffee, Tea & Me of Chicago 1.20%  
P.O. Box 7016  
Villa Park, IL 60181

The Comfort Cake Company 1.20%  
1243 S. Wabash Ave. Ste 201  
Chicago, IL 60605

Hensaal Management Group, Inc. 1.00%  
1130 S. Wabash Ave., Ste 503  
Chicago, IL 60605

Dori Wilson & Associates .10%  
200 E. Walton Place, Ste 5  
Chicago, IL 60611

**Total Hispanic = 10.01%**

Cristina Foods, Inc. 7.40%  
1056 W. Lake St.  
Chicago, IL 60607

LaPaloma Corporation 2.30%  
1250 W. Palmer  
Freeport, IL 61032

Baja Foods, LLC .40%  
636 Root St.  
Chicago, IL 60609

**Total Asian = 2%**

Ace Restaurant Equipment & Supplies 1.6%  
53 East 25<sup>th</sup> St.  
Chicago, IL 60616

D & D Business, Inc. .3%  
7830 Quincy St.  
Willowbrook, IL 60527

**Total WBE = 5.2%**

Swagger Foods Corp. .2%  
900 Corporate Woods Parkway  
Vernon Hills, 60061

Robin's Foods Distribution, Inc. 4.0%  
1200 West Randolph St.  
Chicago, IL 60607

B & L Distributors, Inc. 1.0%  
7808 College Dr., Ste 4NE  
Palos Heights, IL 60463

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Charge to Food Services and Warehousing: \$57,773,862  
Fiscal Year: FY09/10

12050-312-53205-256009-000000-2009	\$54,273,862.00
12050-312-53205-256212-000000-2009	\$1,000,000.00
12050-314-53205-256009-000000-2009	\$2,500,000.00

**GENERAL CONDITIONS:**

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

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

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

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

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

Approved for Consideration:



HEATHER A. OBORA  
Chief Purchasing Officer

Within Appropriation:



PEDRO MARTINEZ  
Chief Financial Officer

Approved:



ARNE DUNCAN  
Chief Executive Officer

Approved as to Legal Form:



PATRICK J. ROCKS  
General Counsel