

**AMEND BOARD REPORT 07-0725-PR5
APPROVE EXTENDING THE AGREEMENT
WITH C&M JV1 CO., LTD FOR MILK AND MILK PRODUCT**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve extending the agreement with C&M JV1 Co., Ltd to provide milk and milk products to Chicago Public Schools at a cost for the extension period not to exceed ~~\$13,893,746~~ \$15,820,547.00. A written agreement extending the agreement is currently being negotiated. No payment shall be made to Vendor during the extension period prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

This amendment is necessary to extend the term of the agreement until August 31, 2008 and to increase the dollar amount. A written amendment to the renewal agreement is required. The authority granted herein shall automatically rescind in the event a written amendment is not executed within 90 days of the date of this amended Board Report.

VENDOR: C&M JV1 CO., LTD
16408 S. Pulaski Road
Markham, IL 60426
Christine Stajszczak
(708) 596-3436
(708) 596-3441 (fax)
Vendor # 39550

USER: Department of Operations, Logistics
125 South Clark-16th Floor
Chicago, IL 60603
Louise Esaian
(773) 553-2830

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report 05-0824-PR8) is for a term commencing September 1, 2005 and ending August 31, 2007. The original agreement was awarded on a competitive basis pursuant to duly advertised bid solicitation (Specification No. 05-250039).

EXTENSION PERIOD: The term of this agreement is being extended for ~~40-month~~ a period commencing September 1, 2007 and ending ~~June 18, 2008~~ August 31, 2008 ("the Renewal Period").

SCOPE OF SERVICES: Vendor shall provide the delivery of milk and milk products to Chicago Public Schools pursuant to the terms and conditions of the written agreements.

DELIVERABLES: Vendor will provide milk and milk products.

OUTCOMES: Vendor's services will result in the delivery of quality milk and milk products for the Chicago Public Schools.

COMPENSATION: During the Renewal Period, vendor shall be paid an amount not to exceed ~~\$13,893,746~~ \$15,820,547.00.

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

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 26% total MBE and 5% total WBE. However, the Waiver Review Committee recommends that a partial waiver of the M/WBE participation goals

for this contract as required by the Revised Remedial Plan be granted because the vendor has demonstrated good faith efforts.

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

Total MBE- 8.4%

Total African American: .02%

World Printing & Specialties .01%
303 W. Wacker Drive
Chicago, IL 60601

Merchandise Distributors .01%
4253 N. Kedzie
Chicago, IL 60618

Total Hispanic: .82%

Petromex .8%
14702 S. Hamlin
Markham, IL 60606

Chico & Nunez .02%
333 W. Wacker Drive #1650
Chicago, IL 60606

Total WBE: 7%

C&C Dairy 4%
16408 S. Pulaski
Markham, IL 60426

Krystal Dairy Service 3%
18121 Highwood Ave.
Homewood, IL 60430

LSC REVIEW: Local School Council approval is not applicable to this report.

FINANCIAL: Charge to Food Services: ~~\$13,893,746~~ \$15,820,547.00
Budget Classification: 0941-270-000-7050-5340
Source of Funds: Lunchroom Fund

Fiscal Year: FY08

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 member during the one year period following expiration or other termination of their terms of office.

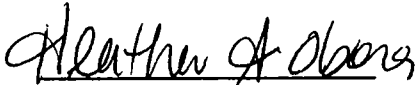
Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

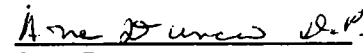
Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:

Approved:

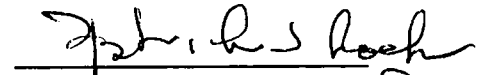

Heather A. Obora
Chief Purchasing Officer


Arne Duncan
Chief Executive Officer

Within Appropriation:


Pedro Martinez
Chief Financial Officer

Approved as to legal form 


Patrick J. Rocks
General Counsel