

**APPROVE ENTERING INTO AN AGREEMENT WITH BAYVIEW TECHNOLOGY GROUP LLC
FOR THE PURCHASE AND INSTALLATION OF THE VENDINGMISER APPLICATION SYSTEM**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Bayview Technologies Group LLC for the purchase and installation of the VendingMiser application system for the Department of Operations at a cost not to exceed \$200,000.00. Vendor was selected on a non-competitive basis because it is the only manufacturer of this type of application system that will reduce the energy consumption of cold drink vending machines. A written agreement for this purchase is currently being negotiated. No goods may be received, no installation of this system shall occur and no payment shall be made to Vendor 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 agreement is stated below.

VENDOR: Bayview Technology Group LLC
2601 Blake Street, Suite 302
Denver, CO 80205
(800) 770-8539
Contact: Ryan Wood, Director of Sales & Marketing

USER: Department of Operations
125 South Clark Street, 16th Floor
Donald C. Barnes
(773) 553-3252

TERM: The term of this agreement shall commence on the date the agreement is signed and shall end when the last VendingMiser Control System is installed.

DESCRIPTION OF PURCHASE: VendingMiser Load Control System
Quantity: 1,000
Unit Price: \$156.00; Installation Cost: \$39.00 per Unit
Total Cost Including Installation Not to Exceed: \$200,000.00

OUTCOMES OF THIS PURCHASE: This reimbursable project will reduce energy consumption by the CPS beverage vending machines between 25% and 47% for an annual savings of \$61,114 to \$113,982. ComEd has tested this product independently with CPS to acknowledge qualification for reimbursement by the Energy Efficiency Fund.

COMPENSATION: Vendor shall be paid net thirty (30) days of delivery and installation of all 1,000 systems. Funds shall be secured through the Department of Operations and the Board shall be reimbursed by ComEd through the Energy Efficiency Fund established pursuant to the Electricity Service Agreement dated July 1, 1999.

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

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 35% total MBE, 22% total African American, 0% total Hispanic, 2% total Asian 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 contract scope is not further divisible.

The vendor has, however, identified and scheduled the following firm and percentage for installation:

Total WBE 15%	
Royal Electric Alarm Services	P.O. Box 388, River Grove, IL 60171
\$39,000.00	Certified through 6/1/03

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

FINANCIAL: Charge to: Department of Operations: \$200,000.00 Fiscal Year: 2003
Budget Classification: 0944-476-000-9308-5400
Source of Funds: Commonwealth Edison Energy Efficiency Grant

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.

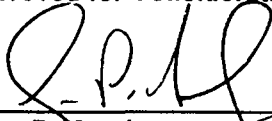
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

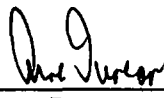
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Sean P. Murphy
Chief Purchasing Officer

Approved:



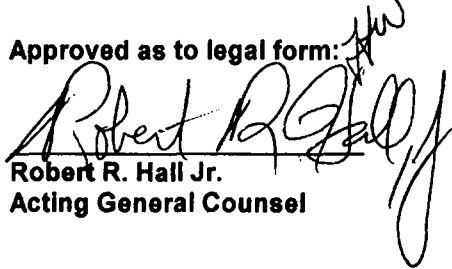
Arne Duncan
Chief Executive Officer

Within Appropriation:



Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:



Robert R. Hall Jr.
Acting General Counsel