

May 27, 2003

APPROVE EXERCISING THE THIRD OPTION TO EXTEND THE AGREEMENT WITH SODEXHO-MARRIOTT MANAGEMENT, INC. FOR MEAL SERVICES IN REGIONS 1, 2, AND 4

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the third option to extend the agreement with Sodexo/Marriott Management, Inc. to provide meal services to the Department of Operations at a cost for the renewal period not to exceed \$30,956,787.53. A written extension document currently is being negotiated. No payment shall be made to Vendor during the extension period prior to the execution of the written extension agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 60 days of the date of this Board Report. Information pertinent to this option agreement is stated below.

SPECIFICATION NO.: 00-250346

Contract Administrator: Doris Williams 553-2257

VENDOR: Sodexo-Marriott Management, Inc.
3020 Woodcreek Dr. Suite B
Downers Grove, IL 60515
Contact Person: Jack Douda
(630) 810-1144
Vendor # 24016

USER: Department of Operations/ Food Services & Warehousing
125 South Clark Street, 16th Floor
Contact Person: Sue Susanke
553-2833

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 00-0426-PR1) is for a term commencing June 19, 2000 and ending June 18, 2001, with the Board having the option to extend the contract for four additional 12 month periods. The original agreement was extended for a term commencing June 19, 2001 and ending June 18, 2002 pursuant to Board Report 00-0523-PR12. The original agreement was further extended for a term commencing June 19, 2002 and ending June 18, 2003 pursuant to Board Report 02-0626-PR17. The original agreement was awarded pursuant to a duly advertised Bid Solicitation (Specification #00-250346).

OPTION PERIOD: The term of this agreement is being extended for a term commencing June 19, 2003 and ending June 18, 2004.

OPTION PERIODS REMAINING: There is one additional 12 month period remaining.

SCOPE OF SERVICES: Vendor shall continue to provide meal services in approximately 250 schools in Regions 1,2 and 4. The vendor shall continue to supply all food, except fluid milk, that must meet or exceed U.S. Department of Agriculture (USDA) requirements, as appropriate, for the Child Nutrition National School Lunch and Breakfast Program, Child and Adult Care Food Program, Summer Feeding Program, and any additional feeding program added through the contract period.

DELIVERABLES: Vendor shall continue to provide breakfast, lunch, after school, and snacks.

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

COMPENSATION: Vendor shall be paid the invoiced amount 30 days after receipt. Total not to exceed \$30,956,787.53 during the option term.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written extension agreement. Authorize the President and Secretary to execute the extension agreement.

AFFIRMATIVE ACTION: This contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan).

The M/WBE participation for the contract are: 26% Total MBE, 16% Total African American, 7.5% Total Hispanic, 2% Total Asian and 5% Total WBE.

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

Total MBE% 34.21%

Total African American – 16.78%

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| Art's Enterprises 409 E. Huron Chicago, IL 60607 | \$ 393,342.00 certified until January 31, 2007 | 1.269% |
| Bren Products Company 1594 Huntington Dr. Calumet City, IL 60409 | \$1,065,000.00 certified until March 31, 2006 | 3.435% |
| Comfort Cake 1243 S. Wabash Chicago, IL 60606 | \$ 189,475.00 certified until March 31, 2007 | 0.611% |
| CP Professional 644 E. 87 th St. Chicago, IL 60619 | \$ 20,000.00 certified until July 31, 2007 | 0.65% |
| Damron & Damron /Home Juice 4433 W. Ohio Chicago, IL 60624 | \$ 435,000.00 certified until January 31, 2007 | 1.403% |
| Damron/Country Pure 4433 W. Ohio Chicago, IL 60624 | \$ 380,000.00 certified until January 31, 2007 | 1.226% |
| Grandma Maudes 5307 S. Hyde Park Blvd. Chicago, IL 60615 | \$ 199,300.00 certified until May 31, 2007 | 0.643% |
| Harris Ice 3927 W. 5 TH Ave. Chicago, IL 60624 | \$ 5,000.00 certified until June 30, 2006 | 0.016% |
| Hensaal Management 1130 S. Wabash, Suite 301 Chicago, IL 60605 | \$ 200,750.00 certified until July 31, 2007 | 0.648% |
| M3 Products, Inc. 529 W. Taft Dr. Chicago, IL 60473 | \$ 10,350.00 certified until April 30, 2007 | 0.033% |
| Reggio's Pizza & Reggio's/Schwan 320 W. 83 rd St. Chicago, IL 60620 | \$ 2,000,350.00 certified until March 31, 2007 | 6.452% |

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| T & T Foodservice 2046 W. Lake St. Chicago, IL 60612 | \$ 300,000.00 | 0.968% |
| | certified until March 31, 2007 | |

Total Hispanic – 7.511%

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| Cristina Foods 1056 W. Lake St. Chicago, IL 60607 | \$ 730,000.00 | 2.355% |
| | certified until June 30, 2006 | |

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| Chicago Contract Cleaning & Supply 5115 N. Ravenswood Ave. Chicago, IL 60640 | \$ 867,000.00 | 2.797% |
| | certified until April 30, 2007 | |

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| LaCriolla & LaCriolla/Fernando's 907-909 W. Randolph Chicago, IL 60630 | \$ 585,000.00 | 1.887% |
| | certified until April 30, 2007 | |

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| Definite Results 1658 N. Milwaukee – Box 128 Chicago, IL 60647 | \$ 62,600.00 | 0.202% |
| | certified until May 31, 2007 | |

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| RT Beverages 6850 W. 63 rd St. Chicago, IL 60638 | \$ 32,000.00 | 0.103% |
| | certified until March 31, 2007 | |

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| Thermographics 1500 S. Western Chicago, IL 60608 | \$ 51,600.00 | 0.166% |
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Total Asian - 2.116%

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| Ace Restaurant & Supply 53 E. 25 th Street Chicago, IL 60616 | \$ 395,250.00 | 1.275% |
| | certified until July 31, 2007 | |

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| K & R Foodservice 2141 S. Racine Chicago, IL 60608 | \$ 95,500.00 | 0.308% |
| | certified until March 31, 2007 | |

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| DD Image Printing 7830 Quincy St. Willowbrook, IL 60521 | \$ 165,250.00 | 0.553% |
| | certified until August 31, 2007 | |

Total WBE – 5.510%

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| BPS Staffing 200 N. LaSalle St. Chicago, IL 60601 | \$ 1,200.00 | 0.004% |
| | certified until June 30, 2006 | |

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| B & L Distributors 7808 College Drive Palos Heights, IL 60463 | \$ 65,000.00 | 0.210% |
| | certified until June 30, 2006 | |

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| Buedel 7661 S. 78 th Ave. Bridgeview, IL 60455 | \$ 45,000.00 certified until July 31, 2007 | 0.145% |
| Coffee, Tea & Me P.O. Box 7016 Villa Park, IL 60181 | \$ 210,000.00 certified until July 31, 2007 | 0.677% |
| Concession Services 1723 S. Michigan Ave. Chicago, IL 60616 | \$ 95,400.00 certified until March 31, 2007 | 0.308% |
| DFM-Diversity Food Management 17637 Oakwood Ave. Country Club Hills, IL 60478 | \$ 15,000.00 certified until July 31, 2007 | 0.048% |
| Interior Garden Services 2000 W. Fulton Chicago, IL 60612 | \$ 1,200.00 certified until March 31, 2007 | 0.004% |
| Robin's Food Distribution 1200 W. Randolph Chicago, IL 60607 | \$ 1,275,000.00 certified until May 31, 2007 | 4.113% |
| LBM Security 6646 S. Keating Chicago, IL 60629 | \$ 500.00 certified until May 31, 2006 | 0.002% |

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

FINANCIAL: Charge to Foodservices & Warehousing: \$30,956,787.53
Fiscal Year: FY04
Budget Classification: 0941-270-000-7050-5340
Source of Funds: Lunchroom Fund

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).

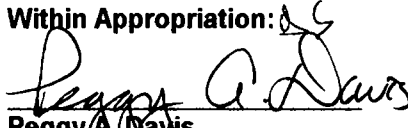
Approved for Consideration:


Sean P. Murphy
Chief Purchasing Officer

Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Peggy A. Davis
Chief of Staff

Approved as to legal form:


Robert R. Hall Jr.
Acting General Counsel