

**APPROVE EXERCISING THE FIRST OPTION TO EXTEND THE AGREEMENT
WITH LIPPERT, INC. FOR THE PURCHASE OF LUNCHROOM REFRIGERATION EQUIPMENT**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to extend the agreement with Lippert Inc. to provide the purchase of lunchroom refrigeration equipment to Department of Operations-Food Services and Warehousing at a cost for the option period not to exceed \$330,000. 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: Lippert, Inc.
600 W. 172nd Street
South Holland, IL 60473
David Wax
(708) 333-6900
Vendor # 44636

USER: Department of Operations-Food Services & Warehousing
125 South Clark-16th Floor
Chicago, IL 60603
Sue Susanke
(773) 553-2830

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report 04-0428-PR5) in the amount of \$500,000 is for a term commencing May 1, 2004 and ending April 30, 2005, with the Board having two option(s) to extend for 12- month periods. The original agreement was awarded on a competitive basis pursuant to a duly advertised Bid Solicitation (Specification No. 03-250252).

OPTION PERIOD: The term of this agreement is being extended for 12 -months commencing May 1, 2005 and ending April 30, 2006.

OPTION PERIODS REMAINING: There is one option for a 12-month period remaining.

SCOPE OF SERVICES: Various lunchroom refrigeration equipment shall continue to be ordered as needed, including items such as freezers, refrigerators, ice cube makers and ice cream freezers.

DELIVERABLES: Vendor will continue to provide quality lunchroom refrigeration equipment.

OUTCOMES: Vendor's services will result in quality lunchroom refrigeration equipment.

COMPENSATION: Vendor shall be paid during this option period for goods ordered by the Board at the unit prices stated in the contract; total not to exceed \$330,000.

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 the 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 Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE) Plan. The M/WBE participation goals for this contract include: 26% total MBE and 5% total WBE.

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

Total MBE: 26%

Arrow Lumber \$ 86,000 or 26%
5820 S. Ashland
Chicago, IL 60636 certified until September 1, 2005

Total WBE: 10%

Fran's Construction \$ 17,000 or 10%
700 Bruce Lane
Glenwood, IL 60425 certified until October 1, 2005

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

FINANCIAL: Charge to Food Service: \$330,000.00 Fiscal Year: FY05&06
Budget Classification: 0941-270-000-7050-5730
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 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.

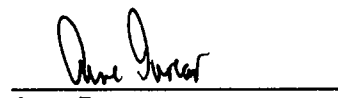
Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:


Heather A. Obora
Chief Purchasing Officer

Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


John Maiorca
Chief Financial Officer

Approved as to legal form: 


Patrick J. Rocks
General Counsel