

**APPROVE ENTERING INTO AN AGREEMENT WITH CHARTWELLS/THOMPSON
FOR MEAL SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Chartwells/Thompson to provide meal services to Department of Operations at a cost not to exceed \$52,871,268.15. Vendor was selected on a competitive basis in accordance with Board Rule 5-4.1 pursuant to a duly advertised Bid Solicitation (Specification No. 05-250005).

A written agreement for Vendor's services is available for signature. No services shall be provided by Vendor 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: Chartwells/Thompson, a joint venture
3 International Drive
Rye Brook, NY 10573
Keith T. Cullinan
(914) 935-5504
Vendor # 31351

- | | | | |
|----|---|----|---|
| a) | Compass Group USA, Inc.
d/b/a Chartwells
2400 Yorkmont Road
Charlotte, NC 28217
Keith T. Cullinan
(914) 935-5500
Vendor # Pending | b) | Thompson Hospitality Services, LLC
505 Huntmar Park Dr., # 350
Herndon, VA 20170
Warren Thompson
(703) 964-5500
Vendor # Pending |
|----|---|----|---|

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

TERM: The term of this agreement shall commence on June 19, 2005 and shall end June 18, 2006. This agreement shall have four options to renew for periods of 12 months each.

EARLY TERMINATION RIGHT: The Board shall have the right to terminate this agreement with 30 days written notice.

SCOPE OF SERVICES: Vendor shall provide meal services in approximately 420 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 supply breakfast, lunch and after-school snacks to Chicago Public Schools.

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; not to exceed the sum of \$52,871,268.15.

REIMBURSABLE EXPENSES: None

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: 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 the contract include: 35% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE.

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

Total MBE% - 54%

Total African American – 36.5%

Grandma Maud's, Inc.
5307 South Hyde Park Blvd.
Chicago, Illinois 60615
\$ 544,519 – 1%

Balton Corporation
8008 South Chicago Avenue
Chicago, Illinois 60617
\$ 2,232,527 – 4.1%

T & T Foodservice Inc.
2046 West Lake Street
Chicago, Illinois 60612
\$ 3,757,179 – 6.9%

Reggio's Pizza, Inc.
340 West 83rd Street
Chicago, Illinois 60620
\$ 1,742,460 – 3.2%

The Comfort Cake Company, LLC
1243 South Wabash Avenue, Suite 201
Chicago, Illinois 60605
\$ 353,937 – 0.65%

Coffee, Tea and Me, Inc.
P.O. Box 7016
Villa Park, Illinois 60181
\$ 353,937 – 0.65%

Dori Wilson & Associates
200 East Walton Place, Unit #5
Chicago, Illinois 60611
\$ 25,000 – 0.05%

Thompson Hospitality Services, LLC
505 Huntmar Drive
Herndon, Virginia 20170
\$ 10,890,374 – 20%

Total Hispanic – 10%

Cristina Foods, Inc.
1056 West Lake Street
Chicago, Illinois 60607
\$ 3,539,372 – 6.5%

Baja Foods
636 West Root Street
Chicago, Illinois 60609
\$ 816,778 – 1.5%

LaPaloma Scientific Corporation
1250 West Palmer Street
Freeport, Illinois 61032
\$ 1,089,037 – 2%

Total Asian – 2%

Ace Restaurant Supply
53 East 25th Street
Chicago, Illinois 60616
\$ 952,908 – 1.75%

Swagger Foods
900 Corporate Woods Parkway
Vernon Hills, Illinois 60061
\$ 136,130 – 0.25%

Total WBE – 5.3%

B & L Distributors, Inc.
P.O. Box 295
Argo, Illinois 60501
\$ 544,519 – 1%

Robin's Food Distribution
1200 West Randolph
Chicago, Illinois 60607
\$ 1,905,815 – 3.5%

Concession Services, Inc.
1723 South Michigan Avenue
Chicago, Illinois 60616
\$ 408,389 – 0.75%

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

FINANCIAL: Charge to Food Services & Warehousing: \$52,871,268.15
Fiscal Year: FY06
Budget Classification: 0941-270-000-7050-5340(NSLP) -\$51,802,931.18
0941-271-000-7052-5340 (Adult and Child Care Program-\$1,068,336.97
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.

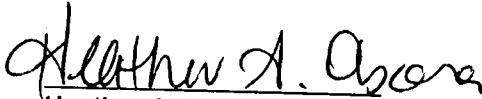
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

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

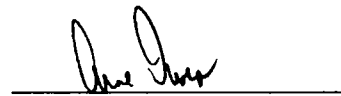
Ethics – The Board’s Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

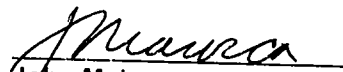
Approved for Consideration:


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