

**APPROVE EXERCISING THE OPTION TO RENEW THE AGREEMENT  
WITH CHARTWELLS/THOMPSON FOR MEAL SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve exercising the option to renew the agreement Chartwells/Thompson to provide meal services to Department of Operations at a cost for the option period not to exceed \$54,457,406.20. A written document exercising this option is currently being negotiated. No payment shall be made to Consultant/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:** 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.<br>d/b/a Chartwells<br>2400 Yorkmont Road<br>Charlotte, NC 28217<br>Keith T. Cullinan<br>(914) 935-5500<br>Vendor # 31232 | b) | Thompson Hospitality Services, LLC<br>505 Huntmar Park Dr., # 350<br>Herndon, VA 20170<br>Warren Thompson<br>(703) 964-5500<br>Vendor # 29608 |
|----|---|----|---|

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

**ORIGINAL AGREEMENT:** The original Agreement (authorized by Board Report 05-0427-PR5) in the amount of \$52,871,266.15 is for a term commencing June 19, 2005 and ending June 18, 2006, with the Board having (4) four options to renew for 12 months each. The original agreement was awarded on a competitive basis pursuant to duly advertised Bid Solicitation (Specification No. 05-250005).

**OPTION PERIOD:** The term of this agreement is being extended for one year commencing June 19, 2006 and ending June 18, 2007.

**OPTION PERIODS REMAINING:** There are (3) three option periods for 12 months each remaining.

**SCOPE OF SERVICES:** Vendor shall continue to 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 continue to supply breakfast, lunch and after-school snacks to Chicago Public Schools.

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

**COMPENSATION:** During this renewal period vendor shall be paid the invoiced amount 30 days after receipt; not to exceed the sum of \$54,457,406.20.

**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 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 the contract include: 35% total MBE, 23% 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 African American = 23%**

Duerson Foods, LLC  
8922 102<sup>nd</sup> Street  
Pleasant Prairie, WI 53168

Grandma Maud's, Inc.  
5307 South Hyde Park Blvd.  
Chicago, IL 60615

Balton Corporation  
8008 South Chicago Avenue  
Chicago, IL 60617

T&T Foodservice, Inc.  
2046 West Lake Street  
Chicago, IL 60612

Reggio's Pizza, Inc.  
340 West 83<sup>rd</sup> Street  
Chicago, IL 60620

The Comfort Cake Company, LLC  
1243 South Wabash Avenue, Suite 201  
Chicago, IL 60605

Coffee, Tea, and Me, Inc.  
P.O. Box 7016  
Villa Park, IL 60181

Dori Wilson & Associates  
200 East Walton Place, Unit #5  
Chicago, IL 60611

Thompson Hospitality Services, LLC  
505 Hutmar Drive  
Herndon, Virginia 20170

Hensaal Management Group, Inc.  
1130 South Wabash  
Chicago, IL 60605

**Total Hispanic = 10%**

Christina Foods, Inc.  
1056 West Lake Street  
Chicago, IL 60607

Baja Foods  
636 West Root Street  
Chicago, IL 60607

LaPoloma Scientific Corporation  
1250 West Palmer Street  
Freeport, IL 61032

**Total Asian = 2%**

Swagger Foods  
900 Corporate Woods Parkway  
Vernon Hills, IL 60061

Ace Restaurant Supply  
53 East 25<sup>th</sup> Street  
Chicago, IL 60616

D&D Business, Inc.  
7830 Quincy Street  
Chicago, IL 60527

**Total WBE = 5%**

B&L Distributors, Inc.  
P.O. Box 295  
Argo, IL 60601

Robin's Food Distribution  
1200 West Randolph  
Chicago, IL 60607

Concession Services, Inc.  
1723 South Michigan Avenue  
Chicago, IL 60616

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

**FINANCIAL:** Charge to Food Services & Warehousing: \$54,457,406.20  
Budget Classification: 0941-270-000-7050-5340  
Source of Funds: Lunchroom Fund

Fiscal Year: FY06707

**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.

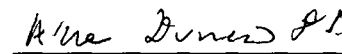
Ethics – The Board’s Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

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