

APPROVE EXERCISING THE FIRST OPTION TO EXTEND THE AGREEMENT WITH C AND M JV1 COMPANY, LTD FOR MILK SUPPLY AND DELIVERY SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to extend the agreement with C&M JV1 Company, Ltd to provide milk supply and delivery to Chicago Public Schools at cost for the option period not to exceed \$18,550,191.00. No written extension document is required. Written notice of the Board's exercise of its option to extend shall be sent to Vendor. Information pertinent to this option to extend is stated below.

VENDOR:

1)
C & M Jv1 Company, Ltd.
16408 S. Pulaski Road
Markham, IL 60426
Christine Stajazczak
708-596-3436

Vendor # 39550

USER:

Citywide Food Services
125 South Clark Street 16th Floor
Chicago, IL 60603
Louise Esaian
773-553-2830

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 08-0723-PR12) in the amount of \$15,266,320.05 is for a term commencing September 1, 2008 and ending June 13, 2009 with the Board having four (4) options to extend for one (1) year each. The original agreement was awarded on a competitive basis pursuant to duly advertised Bid Solicitation (Specification No. 08-250015).

OPTION PERIOD:

The term of this agreement is being extended for one-year commencing June 14, 2009 and ending June 13, 2010.

OPTION PERIODS REMAINING:

There are 3 option periods for one year each remaining.

SCOPE OF SERVICES:

Vendor shall continue to supply and deliver milk to Chicago Public Schools as set forth in the original Agreement.

DELIVERABLES:

Vendor shall continue to provide supply and deliver milk as set forth in the original Agreement.

OUTCOMES:

Vendor's services shall continue to result in the delivery of quality milk products for Chicago Public Schools.

COMPENSATION:

Vendor shall be paid in accordance with the pricing terms and rates set forth in the original agreement; total cost for the extension period not to exceed \$18,550,191.00.

AUTHORIZATION:

Authorize the Chief Purchasing Officer to send written notification of extension to Vendor.

AFFIRMATIVE ACTION:

The M/WBE goals for this contract include: 30% MBE and 7% WBE. However, the Waiver Review Committee recommends that a partial waiver of the MBE participation goals for this contract as required by the Remedial Program granted because the vendor has demonstrated good faith efforts. The vendor has identified and scheduled the following firms and percentages:

Total MBE - 1%

Merchandise Distributors, Inc. AA-.0096%
4141 N. Rockwell
Chicago, IL 60618

Petromex - 1%
14702 S. Hamlin
Markham, IL 60426

Total WBE 52%

C & C Dairy, Inc. - 26%
16408 S. Pulaski Rd.
Markham, IL 60453

McMahon Food Corp. - 26%
2110 S. Marshall Blvd
Chicago, IL 60623

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Charge to Food Services: \$18,550,191.00
Source of Funds: Lunchroom Funds

12050-312-53205-256009-000000-2009 \$18,550,191.00

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.

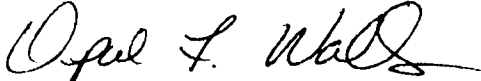
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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



Opal L. Walls
Chief Purchasing Officer

Within Appropriation:



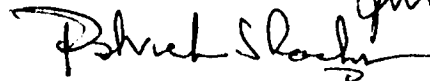
PEDRO MARTINEZ
Chief Financial Officer

Approved:



Ron Huberman
Chief Executive Officer

Approved as to Legal Form:



PATRICK J. ROCKS
General Counsel