

**APPROVE ENTERING INTO AN AGREEMENT WITH C&M JV1 COMPANY, LTD. FOR MILK
SUPPLY AND DELIVERY SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with C&M JV1 Company, Ltd. ("C&M" or "Vendor") for the purchase of milk supply and delivery services for Chicago Public Schools at a cost not to exceed \$20,163,001.00. Vendor was selected on a competitive basis pursuant to Board Rule 5-4.1. 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.

SPECIFICATION NO.: 09-250053

Contract Administrator: Patricia Hernandez

VENDOR: C&M JV1 Company, Ltd.
16408 S. Pulaski Road
Markham, IL 60426
Contact: Christine Stajazczak
Telephone No.: (708) 596-3436
Vendor No.: 39550

USER: Citywide Food Services
125 South Clark Street, 16th Floor
Chicago, IL 60603
Contact: Louise Esaian
Telephone No.: (773) 553-2830

TERM: The term of this agreement shall commence on September 1, 2009 and shall end June 18, 2010. The Board shall have four options to extend the agreement for periods of one year each.

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

SCOPE OF SERVICES: Vendor shall supply and deliver milk to Chicago Public Schools as set forth in the agreement.

DELIVERABLES: Vendor shall supply and deliver milk as set forth in the agreement.

OUTCOMES: Vendor's services shall result in the delivery of quality milk products for consumption by Chicago Public School students.

COMPENSATION: Vendor shall be paid in accordance with the pricing terms and rates set forth in the agreement; the total cost shall not exceed the sum of \$20,163,001.00.

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 Purchasing Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 10% MBE and 15% WBE participation. However, pursuant to section 9.5 of the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, the Waiver Review

Committee recommends that a partial waiver of the MBE goal be granted, as the vendor has demonstrated reasonable good faith efforts in achieving participation.

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

Total MBE – 1%

Petromex
14702 S. Hamlin
Markham, IL 60426
Contact: Felipe Estrada

Total WBE – 99%

C & C Dairy, Inc.
16408 S. Pulaski Rd.
Markham, IL 60453
Contact: Christine Stajszczak

McMahon Food Corporation
2110 S. Marshall Blvd.
Chicago, IL 60623
Contact: Bridget McMahon

Krystal Dairy Service, Inc.
18121 Highwood Ave.
Homewood, IL 60430
Contact: Mary Catherine Hrascinski

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

FINANCIAL: Charge to Food Services: \$20,163,001.00
Source of Funds: Lunchroom Funds
12050-312-53205-256009-000000-2010 \$20,163,001.00

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.

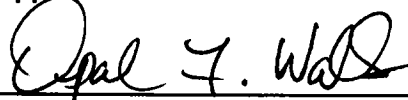
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Approved:



Ron Huberman
Chief Executive Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to Legal Form



Patrick J. Rocks
General Counsel