

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH
CHARTWELLS/THOMPSON FOR FOOD SERVICES MANAGEMENT**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with Chartwells/Thompson, a joint venture, to provide food services management to Chicago Public Schools at a cost for the option period not to exceed \$53,203,327. 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.

Specification Number : 10-250012
Contract Administrator : Nanzi Flores / 773-553-2273

CONSULTANT:

- 1) Vendor # 31351
CHARTWELLS/THOMPSON C/O
COMPASS GROUP
700 NORTH SACRAMENTO BLVD., STE
321
CHICAGO, IL 60612
Keith T. Cullian
773-722-4964
914-935-5550

USER:

Citywide Nutrition Support Services
125 South Clark Street 16th Floor
Chicago, IL 60603

Contact : Louise Esaian
Phone: 773-553-2830

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 10-0428-PR9) in the amount of \$61,712,146 is for a term commencing June 21, 2010 and ending June 20, 2011, with the Board having four options to renew for 1 year terms. The original agreement was awarded on a competitive basis pursuant to a duly advertised Bid Solicitation (Specification No. 10-250012).

OPTION PERIOD:

The term of this agreement is being extended for one year commencing June 21, 2011 and ending June 20, 2012.

OPTION PERIODS REMAINING:

There are 3 option periods for one of year remaining.

SCOPE OF SERVICES:

Vendor shall continue to provide management services in approximately 450 schools. The Vendor shall supply all food, except fluid milk, and must meet or exceed the CPS Nutrition Standards and 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, snacks in After School Care Programs, Charter Schools, Head Start Programs, catering programs, convenience stores, concession management, a la carte sales, promotions, outside contracted program, rehydration

water and any additional feeding program added through the contract period. Sites may be added or deleted at a later date to accommodate the Board.

DELIVERABLES:

During the option period Vendor will continue to supply breakfast, lunch, after-school snacks dinner, and services to Chicago Public Schools as set forth in the agreement.

OUTCOMES:

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

COMPENSATION:

Vendor shall be paid during this option period as specified in the agreement; total not to exceed the sum of \$53,203,327.

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 Purchasing 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 Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts. The M/WBE goals for this agreement are; 30% total MBE and 10% total WBE participation. The Vendor has identified the following:

Total MBE- 30%

Christina Foods, Inc.
1056 West Lake Street
Chicago, IL 60607
Contact: Cesar Dovalina

T&T Food Services, Inc.
2046 West Lake Street
Chicago, IL 60612
Contact: Andrea Chapman

Grandma Maud's
5020 South Lake Shore Drive
Chicago, IL 60615
Contact: Paul Fregia

Hensaal Management Group
1130 South Wabash Avenue
Chicago, IL 60605
Contact: Arnold Hennings

Swagger Foods Corporation
900 Corporate Woods Parkway
Vernon Hills, IL 60061
Contact: Terry Shin

Baja Foods, LLC
636 Root Street
Chicago, IL 60609
Contact: Art Velasquez

Total WBE-10%
Balton Corporation
8008 South Chicago Avenue
Chicago, IL 60617
Contact: Shari Wilson

Coffee, Tea, Me, Inc.
P.O. Box 7016
Villa Park, IL 60181
Contact: Gwen Maybin

Dori Wilson & Associates
200 East Walton Place, Suite 5
Chicago, IL 60611
Contact: Dori Wilson

The Comfort Cake Company
1243 South Wabash Avenue, Suite 201
Chicago, IL 60605
Contact: Amy Hillard

D&D Business, Inc. d/b/a DDI Printing
7830 Quincy Street
Willowbrook, IL 60520
Contact: Darmi Parikh

B&L Distributors, Inc.
7808 College Drive
Palos Heights, IL 60463
Contact: Donna Alm

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

FINANCIAL:
Charge to Lunchroom Fund: \$53,203,327

12050-312-53205-256009-000000-2012	\$50,935,117.00
12050-312-53205-256212-000000-2012	\$564,075.00
12050-314-53205-256009-000000-2012	\$1,704,135.00

CFDA#: Not Applicable

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

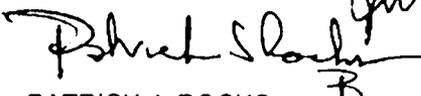
Approved:


TERRY MAZANY
Chief Executive Officer

Within Appropriation:


DIANA S. FERGUSON
Chief Financial Officer

Approved as to Legal Form:


PATRICK J. ROCKS
General Counsel