

RATIFY EXERCISING THE SECOND OPTION TO EXTEND THE AGREEMENT WITH THE CITY OF CHICAGO'S DEPARTMENT OF FLEET MANAGEMENT FOR THE PURCHASE OF FUEL

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify exercising the second option to extend the agreement with the City of Chicago's Department of Fleet Management (the "City") for the purchase of fuel and ancillary liquids for the Department of Operations at a cost not to exceed \$265,548.00. A written extension document for Vendor's services is currently being negotiated. No payment shall be made to the Vendor during the extension period 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 120 days of the date of this Board Report. Information pertinent to this option is stated below.

SPECIFICATION NO.: 00-250646

VENDOR: City of Chicago, Department of Fleet Management
1685 North Throop St.
Chicago, IL 60622
Contact Person: Nonanye Smith
(312) 744-0964
Vendor #29922

USER: Department of Operations- Food Services and Warehouse & Asset Management
125 South Clark- 16th Floor
Sue Susanke -Food Services - 553-2830
Deborah Johnson- Asset Management - 553-2924

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 00-0823-PR7) is for a term commencing October 1, 2000 and ending October 31, 2001 with the Board having two (2) options to renew for periods of twelve (12) months each. The agreement was extended (authorized by Board Report 01-0926-PR6) for a term commencing November 1, 2001 and ending October 31, 2002. The City's purchase agreement for the fuel is with Texor Petroleum, which agreement was awarded pursuant to a competitive bid solicitation process at the City.

RENEWAL TERM: This agreement shall be renewed for a term shall commencing on November 1, 2002 and ending on October 31, 2003.

OPTION PERIOD: There are no options remaining.

EARLY TERMINATION RIGHT: 60 days notice by either party.

DESCRIPTION OF PURCHASE:

Goods: Fuel and ancillary liquid

Quantity: To be purchased as needed

Unit Price: the cost of unleaded and diesel fuels to the City including all applicable taxes, plus an additional Per Gallon Charge of 30 cents per gallon.

Total Cost Not to Exceed: \$265,248.00 for this renewal term.

PAYMENT TERMS: Under the terms of the Agreement, the City shall be paid monthly upon invoice.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written renewal agreement. Authorize the President and Secretary to execute the renewal agreement.

AFFIRMATIVE ACTION: Pursuant to Section 3.7 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan) this contract is exempt from review because this is a City of Chicago Department.

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

FINANCIAL: Charge to Department of Operations:\$265,248.00 Fiscal Year: FY03
 Budget Classification: 0944-552-000-4453-5350-\$132,624.00
 0941-210-000-1150-5350-\$132,624.00
 Source of Funds: 552- O&M PBC Series A
 210-Food Services & Warehouse-gasoline for distribution trucks

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.

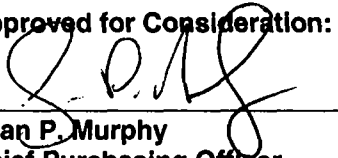
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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

Indebtedness – The Board’s Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board’s Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

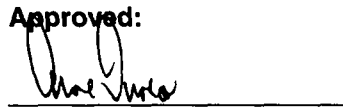
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



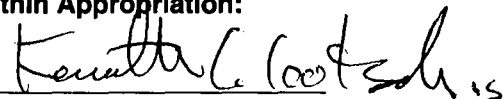
Sean P. Murphy
Chief Purchasing Officer

Approved:



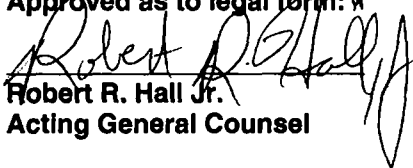
Arne Ducan
Chief Executive Officer

Within Appropriation:



Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:



Robert R. Hall Jr.
Acting General Counsel