

**APPROVE EXERCISING THE FIRST OPTION TO EXTEND THE AGREEMENT WITH CHICAGO UNITED INDUSTRIES LTD. FOR THE PURCHASE OF DISHWASHING EQUIPMENT**

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

Approve exercising the first option to extend the agreement with Chicago United Industries Ltd. for the purchase of dishwashing equipment for the Department of Operations- Food Services and Warehousing at a cost not to exceed \$150,000 during the first option period. A written extension agreement for this purchase is currently being negotiated. No payment shall be made to Vendor during the extension period prior to the execution of the written extension agreement. The authority granted herein shall automatically rescind in the event a written extension agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this extension agreement is stated below.

**SPECIFICATION NO.:** 03-250178

**Contract Administrator:** Carol Scaggs 553-2290

**VENDOR:** Chicago United Industries Ltd.  
53 W. Jackson Blvd. -Suite 1450  
Chicago, IL 60604  
George Loera  
(773) 786-1471  
Vendor # 31789

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

**ORIGINAL AGREEMENT TERM:** The original agreement (authorized by Board Report 04-0128-PR4) is for a term commencing February 1, 2004 and ending January 31, 2005 with the Board having the option to extend for two (2) additional twelve (12) month periods. The original agreement was awarded on a competitive basis pursuant to a duly advertised Bid Solicitation (Specification No.03-520178).

**OPTION PERIOD:** The agreement is being extended for a term commencing February 1, 2005 and ending January 31, 2006

**DESCRIPTION OF PURCHASE:**

**1. Goods: Automatic Tank (Electric)**  
Unit Price: \$6,250.00

**2. Goods: Automatic Tank (Gas)**  
Unit Price: \$6,900.00

**3. Goods: Booster Heater**  
Unit Price: \$1,085.00

**4. Goods: Pre-Rinse Spray**  
Unit Price: \$345.00

**5. Goods: Single Rack Conveyor (Electric)**  
Unit Price: \$10,325.00

**6. Goods: Single Rack Conveyor (Gas)**  
Unit Price: \$11,112.00

**7. Goods: Booster Heater**  
Unit Price: \$1,527.00

**8. Goods: Double Tank Rack Conveyor (Electric)**  
Unit Price: \$18,206.00

**9. Goods: Double Tank Rack Conveyor (Gas)**  
Unit Price: \$20,000.00

**10. Goods: Double Tank Rack Conveyor (Gas)**  
Unit Price: \$20,000.00

**11. Goods: Double Tank Rack Conveyor (Electric)**  
Unit Price: \$18,206.00

**12. Goods: Booster Cables**  
Unit Price: \$1,690.00

**13. Goods: Single Tank Rack Conveyor (Electric)**  
Unit Price: \$14,125.00

**14. Goods: Single Tank Rack (Gas)**  
Unit Price: \$14,782.00

**15. Goods: Booster Heater**  
Unit Price: \$1,532.00

**COMPENSATION:** Vendor shall be paid for goods ordered by the Board at the unit price stated above; total not to exceed \$150,000 during the first option period.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written extension agreement. Authorize the President and Secretary to execute the extension 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 this contract include: 26% total MBE and 5% total WBE.

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

Total MBE – 95%

Chicago United Industries, Ltd.  
53 West Jackson Blvd., Suite 1450  
Chicago, Illinois 60604  
\$ 142,500

certified through 09/30/2004

Total WBE – 5%

Alko Automotive, Inc.  
6113 W. Roosevelt Road  
Chicago, Illinois 60804  
\$ 7,500

certified through 09/30/2004

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

**FINANCIAL:** Charge to Food Services & Warehousing: \$150,000  
Fiscal Year: \$75,000-FY05  
\$75,000-FY06  
Budget Classification: 0941-270-000-7050-5730  
Source of Funds: Lunchroom Funds

**GENERAL CONDITIONS:**

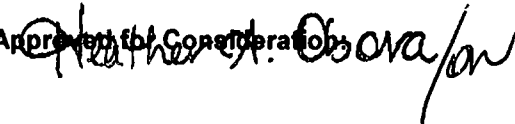
Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel 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.

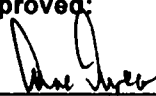
Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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: 

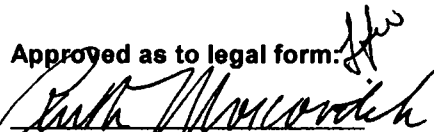
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Heather A. Obora *H.A.*  
Chief Purchasing Officer

Approved: 

\_\_\_\_\_  
Arne Duncan  
Chief Executive Officer

Within Appropriation:

  
\_\_\_\_\_  
John Maiorca  
Chief Financial Officer

Approved as to legal form:   
\_\_\_\_\_  
Ruth Moscovitch  
General Counsel