

APPROVE ENTERING INTO AN AGREEMENT WITH PREFERRED MEAL SYSTEMS FOR PREPARED MEALS-FROZEN PREPLATES AND DISTRIBUTION SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Preferred Meal Systems to provide prepared meals-frozen preplates services for the Board of Education at a total cost not to exceed \$24,027,653.00. Vendor was selected on a competitive basis pursuant to duly advertised Bid Solicitation (Specification No. 08-250016). A written agreement for Vendor's services is currently 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.

VENDOR:

1)
Preferred Meal Systems 3
5240 St. Charles Road
Berkeley, IL 60163
Arthur H. Bell
708-318-2520
Vendor # 31236

USER:

Facility Operations & Maintenance
125 South Clark Street 16th Floor
Chicago, IL 60603
Louise Esaian
773-553-2830

TERM:

The term of this agreement shall commence on September 1, 2008 and shall end June 13, 2009. This agreement shall have four (4) options to extend for a period of one (1) 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 provide and deliver frozen preplated frozen meals to the Chicago Public Schools and deliver heated meals to receiving schools pursuant to the terms and conditions of the written agreement. Sites may be added or deleted at a later date to accommodate the Board.

DELIVERABLES:

Vendor shall provide preplated frozen breakfasts, lunches and after school meals and snacks.

OUTCOMES:

Vendor's services shall result in the delivery of quality meal services for the Chicago Public Schools.

COMPENSATION:

Vendor shall be paid in accordance with the rates set forth in the written agreement; total cost not to exceed \$24,027,653.00.

REIMBURSABLE EXPENSES:

None.

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

AFFIRMATIVE ACTION:

This contract is in full compliance with the goals required by Remedial Program for Minority and Women Business Enterprise Contract Participation. (M/WBE Plan). The M/WBE participation goals for this contract are 35% MBE and 7% WBE. The vendor has identified and scheduled the following companies:

Total MBE 35%

Balton Corporation 12%
8008 S. South Chicago Ave.
Chicago, IL 60617

T & T Foodservice 22%
2046 W. Lake St.
Chicago, IL 60612

Gattco 0.3%
40 Shuman Ste 160
Naperville, IL 60563

Production Distribution Co. 0.7%
3815 W. 127th St.
Alsip, IL 60803

Total WBE 7%

Open Kitchens, Inc. 1.5%
1161 W. 21st St.
Chicago, IL 60617

Baja Foods 4%
636 W. Root St.
Chicago, IL 60609

White Glove 1.5%
336 E. Irving Park Rd.
Wood Dale, IL 60191

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Charge to Food Services: Estimated Total Cost \$ 24,027,653.00
Source of Funds: Lunchroom Fund

Fiscal Year: FY09

12050-312-53205-256009-000000-2009	\$22,887,511.00
12050-312-53205-256212-000000-2009	\$420,609.00
12050-314-53205-256009-000000-2009	\$719,533.00

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:



HEATHER A. OBORA
Chief Purchasing Officer

Approved:



ARNE DUNCAN
Chief Executive Officer

Within Appropriation:



PEDRO MARTINEZ
Chief Financial Officer

Approved as to Legal Form:



PATRICK J. ROCKS
General Counsel