

**APPROVE ENTERING INTO AN AGREEMENT WITH THE CITY OF CHICAGO'S DEPARTMENT OF FLEET MANAGEMENT FOR THE PURCHASE OF FUEL**

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

Approve entering into an 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 \$443,834.62. The City, through a competitive bid, purchases gas through Texor Petroleum Corporation, Inc. under document Specification Number 14480, which expires October 30, 2006. A written agreement for the purchase of fuel is currently being negotiated. No payment shall be made to the City 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 the agreement is stated below.

**SPECIFICATION NO.:**

**VENDOR:** City of Chicago, Department of Fleet Management  
1685 North Throop St.  
Chicago, IL 60622  
Contact Person: Catalino Pagcatigunan  
(312) 744-7586  
Vendor #29922

**USER:** Department of Operations- Food Services and Warehouse  
125 South Clark- 16<sup>th</sup> Floor  
Sue Susanke -Food Services - 553-2830

**TERM:** The term of this agreement shall commence on May 1, 2005 and shall end June 30, 2006.

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

**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 34 cents per gallon.

Total Cost Not to Exceed: \$443,834.62 for this agreement

**OUTCOMES:** This purchase will result in Chicago Public Schools vehicles being supplied with fuel.

**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 agreement. Authorize the President and Secretary to execute the agreement.

**AFFIRMATIVE ACTION:** Pursuant to sections 3.7 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan) this contract is exempt from M/WBE review because the service provided is a unique transaction.

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

<b>FINANCIAL:</b>	Charge to Operations: \$143,834.62	Fiscal Year: FY05
	\$300,000	Fiscal Year: FY06
	Budget Classification: 0643-210-000-4462-5350	April 27, 2005-June 30,2005
	TBD	July 1, 2005-June 30, 2006
		Source of Funds: General Education Fund

**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.

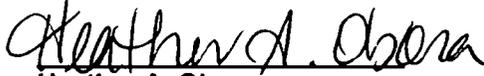
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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

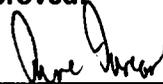
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

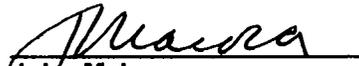
**Approved for Consideration:**

  
 Heather A. Obora  
 Chief Purchasing Officer

**Approved:**

  
 Arne Ducan  
 Chief Executive Officer

**Within Appropriation:**

  
 John Maiorca  
 Chief Financial Officer

Approved as to legal form   
  
 Patrick J. Rocks  
 General Counsel