06-0823-PR1 **August 23, 2006**

APPROVE ENTERING INTO AN AGREEMENT WITH CENTRAL POLY CORP. FOR THE PURCHASE OF PLASTIC TRASH LINERS

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Central Poly Corp. for the purchase of plastic trash liners for all schools at a cost not to exceed $10,000,000.00. Vendor was selected on a competitive basis pursuant to Board Rule 5-4.1. This agreement is subject to the Board's Strategic Sourcing Policy. A written agreement for this purchase is available for signature. No goods may be ordered or received and no payment shall be made to Vendor prior to the execution of their 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.

Specification No. 06-250030

VENDOR: Central Poly Corp.
18 Donaldson Place
Linden, NJ 07036
Tel: 908-862-7570 / 800-480-2247
Fax: 908-862-9019
Contact Person: Andrew Hoffer
Vendor No.: 24630
Category I (Plastic Liners (Clear Only)
Category II (Recycle Plastic Liners)

USER: Department of Procurement and Contracts
125 S. Clark Street, 10th Floor
Chicago, IL 60603
Pamela Seanior
773-553-2254

TERM: The term of the agreement shall commence on the September 1, 2006 and shall end August 31, 2008. This agreement shall have one option to renew for a period of twenty-four months.

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

DESCRIPTION OF PURCHASE:
Goods: Plastic Trash Liners
Quantity: Unlimited
Unit Price: Various
Commencing January 1, 2007 and every six months thereafter, price escalation will be considered by the Chief Purchasing Officer when the vendor can show cause substantiating the need for an increase. The vendor will be required to furnish a certified statement or affidavit which states that the increase represents the costs for materials only and in no way represents an increase for its profits, labor or other overhead. The vendor must justify its request for an increase by submitting evidence from the manufacturers which details the pricing escalation, the effective date for the price escalation and any other information requested by the Chief Purchasing Officer to verify the price escalation. In no event shall the foregoing price escalation exceed the lesser of $10,000.00 or five percent (5%) of the original bid price.
Total Cost Not to Exceed: $10,000,000.00

OUTCOMES: This contract will result in better products and better pricing for all schools.

COMPENSATION: Vendor shall be paid in accordance with the unit prices contained in the agreement. The total cost shall not exceed $10,000,000.00.

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

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 26% total MBE and 5% total WBE.

However, the Waiver Review Committee recommends that a partial waiver of the M/WBE participation goals for this contract as required by the Revised Remedial Plan be granted because the contract is not further divisible.

The vendor has identified and scheduled the following firm:

Alternative Packaging, Inc. (WBE)
530 Spruce Lane
Lisle, Illinois 60532
Awarded $ 50,000.00 certified through 05/31/2007

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

FINANCIAL: Charge to various schools Fiscal Year: 2007 - 2008
Budget Classification: 5320 - Supplies Source of Funds: various

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

Within Appropriation:

John Maiorca
Chief Financial Officer

Approved as to legal form:

Patrick J. Rocks
General Counsel

Approved:

Arne Duncan
Chief Executive Officer