

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH
AMERICAN BOTTLING COMPANY TO PROVIDE BEVERAGE VENDING MACHINE SERVICES
(REVENUE GENERATING)**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with American Bottling Company to provide beverage vending machine services to Chicago Public Schools. This contract is revenue generating and is expected to provide revenue in the amount of \$68,000.00 per month. A written document exercising this option is currently being negotiated. No payment shall be made to Vendor during the option period prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information

sporting venue. American Bottling Company will pay for any and all electrical connections required for new vending machines where economically feasible. American Bottling Company will handle and resolve all repairs and services calls within 24 hours of a service call. If machine is not serviced, American Bottling will pay CPS a penalty amount for each additional day that the machine is not serviced/repaired.

DELIVERABLES:

American Bottling Company will continue to provide monthly sales, and revenue reports for all CPS Units. Quarterly meetings will be held to review implementation, performance, services and revenues and evaluate new beverage products.

OUTCOMES:

The beverage vending agreement will result in estimated projected revenues of \$68,000 per month and will offer healthy drinks for students.

COMPENSATION:

Expected revenue is \$68,000 per month

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written option document. Authorize the President and Secretary to execute the option document. Authorize the Chief Operating Officer to execute all ancillary documents required to administer or effectuate this option.

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