

AMEND BOARD REPORT 12-0925-PR4
APPROVE ENTERING INTO AN AGREEMENT WITH RADIANT RFID, LLC (RADIANT) FOR ASSET TRACKING AND RFID TAGGING SYSTEM

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Radiant RFID, LLC (Radiant) for an asset tracking and RFID tagging system solution to be used by central office and schools at a total cost not to exceed ~~\$465,000~~ \$1,435,333. Radiant was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement for Radiant's services is currently being negotiated. No services shall be provided by and no payment shall be made to Radiant 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.

This July 2013 amendment is to increase the not to exceed amount by \$970,333 to \$1,435,333 and to update not to exceed amount for renewal options. A written amendment to the agreement is required. The authority granted herein shall automatically rescind in the event the amendment is not executed within 90 days of the date of this amended Board Report.

Specification Number : 11-250056

Contract Administrator : Seanior, Miss Pamela Dorcas / 773-553-2280

VENDOR:

- 1) Vendor # 97411
 RADIANT RFID, LLC
 12912 HILL COUNTRY BLVD., STE F-245
 AUSTIN, TX 78738
 MATTHEW PADON, Director
 512 351-4915 X 101

USER INFORMATION :

Project 12410 - Corporate Accounting
 Manager: 125 South Clark Street 14th Floor
 Chicago, IL 60603
 Tate, Miss Williedean
 773-553-2710

TERM:

The term of this agreement shall commence on the date the agreement is signed and shall end 24 months thereafter. This agreement shall have 2 options to renew for periods of 1 year each at a cost for each option period not to exceed ~~\$149,000~~ \$309,123.

USE OF SOFTWARE:

The Radiant Fixed Asset tracking solution includes software, hardware (readers) and tags.

a. Software: Radiant RFID will provide a complete solution designed specifically for physical location tracking of assets and inventory. Virtual Asset Tracker will track the exact location and the expected location of assets and allow for resolution of discrepancies. The software contains detailed reporting including Total Inventory, Matching, Exception, Lost, and Deficiency Reports. All reports can be customized by the system administrator or designated user. Radiant RFID will host the server database

for CPS on a cloud server and will maintain the software and perform software maintenance and upgrades as required and as coordinated with CPS. The server database will contain all CPS asset data, as provided by CPS, including location hierarchy and specific asset description information. Radiant will provide up to 100 mobile client licenses of Virtual Asset Tracker to CPS.

c. Hardware: Radiant will maintain and provide 20 RFID handheld bundles to CPS. The bundle will include RFID handheld (Motorola model 3190Z or equivalent), cradle with spare battery charge slot, cables, power supply, spare battery, and 3 year Bronze Service Warranty that covers accidental breakage as well as device failure. The handheld bundle will be kitted in a hard shell carry case. Radiant will test, configure and maintain the software on the devices and will handle any maintenance or service issues on behalf of CPS. The devices can be stored at Radiant and deployed to CPS as needed. This hardware is leased as part of the solution and Radiant is responsible for all service and warranty issues and will offer a device refresh if needed. Radiant will also maintain five additional readers provided by CPS.

d. RFID Tags: Radiant will work with CPS to select and design RFID tags that meet CPS requirements for read performance, size, and aesthetics. Radiant will manage all programmed Electronic Product Code (EPC) sequences for all RFID tags to insure no duplication of numbers and will follow all CPS guidelines for logo presentation, sequencing, and any other required tag information.

OUTCOMES:

Vendor's services will result in the following:

1. Increased accuracy and timeliness of the Board's fixed asset data
2. Reduction in the district's exposure to theft
3. Strengthened internal controls in regard to fixed assets
4. Reduced cost of replacing stolen or misplaced assets
5. Reduced cost of paying staff extended hours to conduct the physical inventory observation
6. Reduced vendor and administrative costs

LICENSE FEE:

Radiant shall be paid as specified in the agreement; total compensation for the 2-year agreement not to exceed ~~\$465,000~~ 1,435,333.

MAINTENANCE FEE:

Not applicable.

AUTHORIZATION:

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

AFFIRMATIVE ACTION:

This agreement is exempt from the requirements of the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, as this agreement is for a software license subscription.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Total cost for the 2-year agreement should not exceed ~~\$465,000~~ \$1,435,333 including software license, hardware, hardware, consulting fees and tags.

Cost for each option period should not exceed ~~\$149,000~~ \$309,123 (software license plus tags) with a total cost of ~~\$298,000~~ \$618,246 for both one year options.

While central office will cover the cost of software licensing, hardware and services as well as the tags used in the initial implementation, the cost for subsequent tag purchases will be shared by all asset owning units. The Cost for tags is distributed annually as follows:

2013: \$175,000 (initial tags covered by Central Office)

Fund 115, General Education

2014 (charge to Department of Finance, 12410 for initial tagging): \$800,000 (\$200K School Actions, \$600K Remaining Schools)

2014: ~~\$20,000~~ (Various schools and departments): \$170,333 (subsequent tagging)

~~2015: \$20,000~~

~~2016: \$20,000~~

~~FY14 - FY16 funding is contingent upon budget appropriation and approval:~~

12410-115-54125-252502-000000-2013	\$141,000.00
12410-115-53405-252502-000000-2013	\$175,000.00
12410-115-54125-252502-000000-2014	\$129,000.00

CFDA#: Not Applicable

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 May 25, 2011 (11-0525-PO2), 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:

SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:

BARBARA BYRD-BENNETT
Chief Executive Officer

Approved as to Legal Form:

JAMES L. BEBLEY
General Counsel