

**AMEND BOARD REPORT 01-1219-PR19  
APPROVE ENTERING INTO AN AGREEMENT WITH  
NUCLIO CORPORATION FOR  
WIDE AREA NETWORK MANAGEMENT SERVICES**

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

Approve entering into an agreement with the SevenSpace/Nuclio Corporation (formerly known as Nuclio Corporation) ("Consultant") to provide wide area network management services to the Office of Technology Services at a cost not to exceed ~~\$4,367,218.00~~ \$4,531,708.00. Consultant was selected pursuant to a duly advertised Request for Proposals (Specification No. 01-250291). A portion of these services is eligible for E-Rate discounts. A written agreement for Consultant's services is currently being negotiated. No payment shall be made to Consultant 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 ninety (90) days of the date of this Board Report. Information pertinent to this agreement is stated below.

This amendment is necessary to reflect Consultant's name change to SevenSpace/Nuclio Corporation, expand the scope of services to design and implement the content filtering solution which includes monitoring and management, and to increase the Contract dollar amount by \$164,490.00. A written amendment to the Contract is currently being negotiated. No payment for these additional services shall be made prior to the execution of the written amendment. The authority granted in this amended Board Report shall automatically rescind in the event a written amendment is not executed within ninety (90) days of the date of this amended Board Report.

**SPECIFICATION NO.:** 01-250291

**CONSULTANT:** SevenSpace/Nuclio Corporation  
(formerly known as Nuclio Corporation)  
1801 South Meyers Road  
Oak Brook Terrace, Illinois 60181  
Contact: Mr. Mark Pingry  
Director of Consulting Services  
Telephone No. (630) 678-6000  
Vendor No.

**USERS:** Department of Procurement and Contracts  
125 South Clark Street, 10th Floor  
Chicago, Illinois 60603  
Contact: Anita Rocha, Acting Chief Purchasing Officer  
Telephone: (773) 553-1300

Office of Technology Services  
125 South Clark Street, 3rd Floor  
Chicago, Illinois 60603  
Contacts: Elaine L. Williams, Chief Technology Officer  
Arlene Love, Deputy Chief Technology Officer -- Operations  
Telephone: (773) 553-1300

**TERM:** The term of this agreement shall commence on the date the agreement is executed and shall end on June 30, 2003. This agreement shall have three (3) options to renew for periods of one (1) year each. This term is necessary to provide an adequate transition period for the new management team and to coincide with, and allow for the Board's participation in, Year 5 of the E-Rate Program. Pricing for the option periods shall be in accordance with pricing formulas specified in the contract.

**EARLY TERMINATION RIGHT:** Either party shall have the right to terminate this agreement upon thirty (30) days written notice.

**SCOPE OF SERVICES:** Consultant will be required to provide network management services to monitor and maintain the Wide Area Network (WAN) and Local Area Network (LAN), including routers, ATM switches, WAN/LAN interfaces and other ancillary WAN/LAN equipment ("Services"). The Services will also include proactive remote monitoring services for the Chicago Public Schools' WAN/LAN equipment and management of WAN/LAN devices owned by the Board, with fault/error detection, reporting, analysis and correction of network-related problems. Services will also include 24x7x365 WAN/LAN network monitoring and support and will allow for equipment audits at regular intervals by the Board and will include modifications, as required. Additionally, services will include notice of outages, reporting and on-site repair services.

Consultant will design, deploy, monitor and manage the technical resources required to run Websense content filtering solution, including the installation of hardware and software, capacity planning for hardware, configuration of hardware and software, performance tuning and monthly tuning and problem resolution.

**DELIVERABLES:** Consultant will provide the following deliverables meeting the specified CPS requirements:

- Reporting (all reports accessible online, in a downloaded form and hard copy)
- Network Analysis
- Network Management and Network Monitoring
- General Management
- Service Level Agreements (SLA) and Implement agreed upon SLAs
- (94) School Server Monitoring and Level 1 Administration
- EMC Monitoring and Administration for CPS' enterprise storage
- One-time professional services to integrate remedy ticketing system

Consultant will also provide the following assigned dedicated resources:

- CCIE certified level Design Engineer
- Network Engineer (with a concentration in routing)
- Network Engineer (with a concentration in ATM/BPX switching)
- Customer Support (NOC) Engineer
- Field Engineering Manager
- Project/Program Manager

Consultant will provide the following deliverables for the Websense implementation requirements:

- Properly configured operating system and hardware
- Monitoring of connections and usage to determine ensure that the hardware meets CPS requirements
- Recommendation for additional hardware, if required
- Network diagram describing the Websense implementation
- Websense operational plan
- Implemented Websense software
- Windows 2000 platform tuned and optimized for Websense
- Updates to the Websense database, as directed by CPS
- Functional, load, security and acceptance testing

All assigned engineers will serve as primary resource with a secondary engineer (familiarized with CPS' network) acting as back up. Also, Consultant will have appropriate field personnel for the proper dispatches in order to meet or exceed the Service Level Agreements.

**OUTCOMES:** The Board will have comprehensive managed services for its WAN/LAN. Consultant will provide the Board with management services, including monitoring maintenance, for the WAN/LAN. These services will result in the Board having managed services and appropriate reporting and maintenance for all CPS locations for its WAN/LAN, including network monitoring, fault management (detection and notification), fault isolation and resolution, configuration and software support, hardware/software dispatch with on-site repair, and technical assistance. Additionally, these services will result in the Board (i) being notified of outages and having the ability to view trouble tickets via a web-based ticketing system and reports; (ii) receiving appropriate on-site repair services dispatched to schools and central offices that experience outages related to WAN/LAN data equipment, and (iii) improved ability to maximize uptime.

CPS will have a content filtering solution implemented which allows CPS to enforce the Board's Internet Access Policy. CPS will be in compliance with the Federal Communications Commission (FCC) mandate in accordance with the Children's Internet Protection Act (CIPA). This will also allow the Board to qualify for E-Rate Year-5 funding.

**COMPENSATION:** Consultant shall be paid as follows: upon the execution of the agreement for the transition period ending June 30, 2002; and thereafter, upon invoicing, per deliverables/projects, as will be outlined in the agreement, not to exceed the sum of ~~\$4,217,218.00~~ \$4,531,708.00.

A portion of the services are eligible for, but not contingent upon, E-Rate discounts under the Federal Government's Universal Services program. Unless E-Rate funding is not approved, the Board shall be invoiced for all E-Rate eligible services and equipment at the then current Board discount level.

**REIMBURSEABLE 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 the Chief Technology 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 the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The M/WBE participation goals for the contract include: total 35% MBE participation, including 22% African American, 10% Hispanic and 2% Asian. The total WBE participation goal is 5%.

The vendor has identified and scheduled the following firms and percentages:

Total MBE 35.7% or \$1,239,126

Total African American: 22.7% or \$787,903

TEK Resources, Inc., 1401 Branding Lane, Downers Grove, IL, 5% or \$173, 547, certified until 01/30/02

IMC Automation, Inc., 233 E. Ontario, Chicago, IL, 17.7% or \$614,356, certified until 02/28/07 (includes a mentor protégé relationship)

Total Hispanic: 10% or \$347,094

Rico Enterprises, 7022 W. 73rd, Chicago, IL, 10% or \$347,094, certified until 06/30/06

Total Asian: 3% or \$104,128

Powerlan, Inc., 954 S. Chippendale Dr., Bartlett, IL, 3% or \$104,128, certified until 03/31/06

Total WBE: 5% or \$173, 547

Travel Duet, 175 W. Jackson, Chicago, IL, 5% or \$173,547, certified until 03/31/05

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

**FINANCIAL:** Charge to Office of Technology Services:  $\$4,367,218.00 + \$164,490.00 = \$4,531,708.00$   
 Budget Classifications: 0960-210-000-1618-5410 \$4,217,218.00 Fiscal Year 2003  
 0960-210-000-7536-5410 \$78,800.00 Fiscal Year 2002  
 0220-210-000-1108-5410 \$71,200.00 Fiscal Year 2002  
 0960-210-000-1116-5410 \$164,490.00 Fiscal Year 2002

**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.

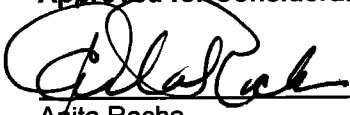
**Conflicts** – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of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

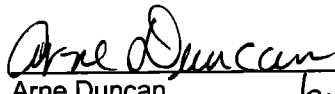
**Ethics** – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

**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).

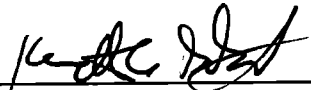
**Approved for Consideration:**

  
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 Anita Rocha  
 Acting Chief Purchasing Officer

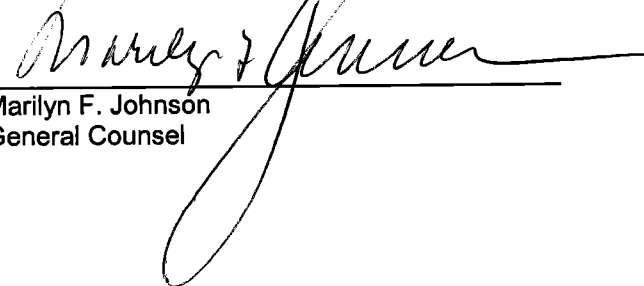
**Approved:**

  
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 Arne Duncan  
 Chief Executive Officer *by PAD*

**Within Appropriation:**

  
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 Kenneth C. Gotsch  
 Chief Fiscal Officer

**Approved as to Legal Form:**

  
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 Marilyn F. Johnson  
 General Counsel