

APPROVE ENTERING INTO AN AGREEMENT WITH SUN MICROSYSTEMS CORPORATION FOR NETWORK MONITORING, MANAGEMENT, AND MAINTENANCE SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Sun Microsystems, Inc. ("Sun") to provide network monitoring, management and maintenance services for Wide Area Network ("WAN"), Local Area Network, and Network Security Infrastructure located throughout the district for the Office of Technology Services ("OTS"), at a cost not to exceed \$12,478,078.00 of which \$9,895,163.00 is eligible for discounts in accordance with the guidelines and requirements of the Federal Government's Universal Services Program ("E-Rate"). It is anticipated that the school and Library Division/Universal Service Administrative Company ("SLD/USAC") will fund eligible E-Rate services and products, and the total cost to the Board shall not exceed \$2,582,915.00. Sun was selected pursuant to a duly advertised Request for Proposals (Specification No. 05-250034). A written agreement for Sun's services is currently being negotiated. No services shall be provided by Sun and no payment shall be made to Sun 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.

VENDOR: Sun Microsystems, Inc
4150 Network Circle
Santa Clara, CA 95054
Contact: Charles T. Lockman, Regional Sales Director
Mark Pingry, Customer Account Manager
Telephone No.: (217) 359-9805
Vendor No.: 89823

USER: Office of Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contact: Robert Runcie, Chief Information Officer
Edward Wagner, WAN Services Director
Telephone No.: (773) 553-1300

TERM: The term of this agreement shall commence on July 1, 2006 and shall end June 30, 2007. This agreement shall have three (3) options to renew for periods of one (1) year each at a cost to be negotiated at the time of renewal.

SCOPE OF SERVICES: Sun will provide onsite basic maintenance services in conjunction with the E-Rate Program to the Board. This will include management services to monitor and maintain the WAN, LAN, and Network Security Infrastructure including routers, switches, Firewall/VPN Appliances, Firewall/VPN Management stations, Websense content filtering system, Load Balancers, WAN/LAN interfaces, and other ancillary equipment ("Services"), including:

- Proactive remote monitoring and management of Board owned or leased equipment, pro-active and maintenance administration of systems, fault/error detection, reporting, analysis, and correction of issues.
- 24x7x365 network monitoring and support for designated infrastructure.
- Equipment audits at regular intervals with the Board and include changes to cover any device changes as required.
- Notice of outages, reporting and on-site repair services
- Break/Fix Switch maintenance services for school LAN Equipment

DELIVERABLES: Sun will provide the following deliverables meeting the Board's specified requirements:

- Reporting (all reports accessible online, in a downloaded form and hard copy)
- Network Analysis
- Network Management and Network Monitoring

- Firewall, VPN, and Websense filter change request management
- General Management
- 3rd Party Security Audit
- Service Level Agreements (SLA) and Implement agreed upon SLAs
- Installation and configuration of Cisco series switches at the schools
- Redeployment of existing school switches replaced by the new switches
- Removal of old equipment at the schools and in the core
- Incident management and onsite maintenance services for all school LAN equipment including switches, hubs, wireless access points, transceivers, and uninterruptible power supplies ("UPS").

Sun will also provide the following assigned dedicated resources:

- (2) Customer Service Managers
- (1) Technical Manager
- (1) Sr. Level Project Manager
- (4) Tier 3 Senior WAN Engineers
- (2) Tier 2 Senior WAN Engineers
- (2) Tier 2 Midlevel WAN Engineers
- (2) Senior Checkpoint Engineers
- (2) Senior PIX Engineers
- (1) Senior Windows Engineer
- (2) Senior LAN Engineer
- (1) Senior Network Engineer
- (1) Business Solution Analyst
- (1) QA Manager

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

OUTCOMES: The Board will have comprehensive managed services for its WAN, LAN, and Network Security Infrastructure. This will result in improved service and bandwidth to the Chicago Public Schools. Sun will provide the Board with management services, including monitoring and maintenance, for WAN, LAN, and Network Security Infrastructure. These services will result in the Board having managed services and appropriate reporting and maintenance for all CPS locations 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. 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 Office that experience outages related to WAN, LAN, and Network Security data equipment, and (iii) improved ability to maximize uptime. Sun will also provide installation and project management services for new equipment within the core network and at the Schools. School LAN equipment will be repaired in a timely fashion, reducing network downtime. The switches will have a common configuration and operating system that will improve uptime and reduce intermittent issues.

COMPENSATION: Sun shall be paid, as specified in the agreement, not to exceed the sum of \$12,478,078.00, of which \$9,895,163.00 is eligible for E-Rate discounts; the total cost to the Board shall not exceed \$2,582,915.00. If 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. If SLD/USAC denies funding for all or any portion of the eligible E-Rate services and products, the Board shall have the option of discontinuing the receipt of any such services and products for which funding was denied as specified in the agreement; and the Board shall only be responsible for the non-discounted portion of E-Rate eligible services and products and any expenses incurred 1) that have prior written approval of the Board and 2) for orders placed prior to the date of such suspension or discontinuation of services, termination or expiration of the agreement.

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: 35% total MBE, 25% total African American, 10% total Hispanic, 5% total WBE. **Sun has identified and scheduled the following firms and percentages:**

TOTAL 35% MBE:

Total 25% African American:

IMC Connect, Inc. **20.8%**
207 E. Ohio #293
Chicago, Illinois 60611

Thomas A. McCrary **2.2%**
16515 S. Prairie Ave.
South Holland, Illinois 60473

Instructional Management Innovations
765 E. 69th Place
Chicago, Illinois 60637

Total 10% Hispanic:

Computer Services & Consulting **10%**
1613 S. Michigan Ave.
Chicago, Illinois 60639

Total 5% WBE:

KMC Enterprises **5%**
13235 Hiawatha Drive
Homer Glen, Illinois 60491

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

FINANCIAL: Total Cost: \$12,478,078.00

Charge to Office of Technology Services: \$2,582,915.00 FY '07
Budget Classification: 0220-552-000-1618-5410

Charge to Schools and Library Division: \$9,895,163.00 FY '07

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.

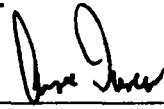
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Heather A Obora
Chief Purchasing Officer

Approved:



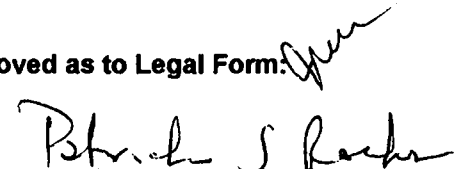
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to Legal Form:



Patrick J Rocks
General Counsel