

08-0827-PR16

APPROVE EXERCISING THE THIRD OPTION TO RENEW THE AGREEMENT WITH SENTINEL TECHNOLOGIES FOR LOCAL AREA NETWORK SYSTEM IMPROVEMENT SERVICES**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve exercising the third option to renew the agreement with Sentinel Technologies, Inc. ("Sentinel") to provide Local Area Network (LAN) System Improvement Services for Information & Technology Services ("ITS") at a total cost not to exceed \$20,764,620.70 for a one year renewal term, of which approximately \$17,000,153.80 is the discounted portion of eligible E-Rate services and/or products to be funded by the School and Libraries Division of the Universal Service Administrative Company ("SLD/USAC"). The Board shall only be responsible for the non-discounted portion of E-Rate eligible services and/or products and the cost of ineligible services and/or products, which shall not exceed \$3,764,466.90. Sentinel was selected pursuant to a duly advertised Request for Proposals (Specification No. 05-250061). A written document exercising this option is currently being negotiated. No payment shall be made to Sentinel 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 ninety days of the date of this Board Report. Information pertinent to this option is stated below.

SPECIFICATION NO.: 05-250061

VENDOR: Sentinel Technologies, Inc
2550 Warrenville Rd.
Downers Grove, Illinois 60515
Contact: Jack Reidy, Senior Sales Executive
Brian Osborne, Vice President of Sales and Marketing
Telephone No.: (630) 769-4300
Vendor No. 21472

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

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report No. 06-0125-PR14) in the amount of \$8,834,485.00 was for a term commencing July 1, 2006 and ending on June 30, 2007, with the Board having three options to renew for periods of one year each. Pursuant to Board Report 06-1220-PR9, this agreement was subsequently renewed in the amount of \$14,957,575.00 and was for a term commencing on July 1, 2007 and ending on June 30, 2008. Pursuant to Board Report 07-1114-PR11, this agreement was renewed again in the amount of \$14,957,575.00, for a term commencing July 1, 2008 and ending on June 30, 2009.

RENEWAL TERM: The term of this agreement shall commence July 1, 2009 and end June 30, 2010. This renewal term is necessary to coincide with, and allow for the participation in, Year 12 of the E-Rate program.

OPTION PERIODS REMAINING: There are no more options remaining.

SCOPE OF SERVICES: Sentinel will continue to provide the Board with project management, installation, network equipment, services, and associated construction at the schools during the renewal term. The work will include infrastructure assessment of the existing environments, ordering of equipment, coordinating shipment and staging of new equipment, and removal and replacement of hubs, switches, wireless access points and other network devices. Additionally, this work will include wireless assessments, installation of wireless access points, and installation of Wireless Network Interface Cards in Windows and Apple computers. Sentinel will also provide support services to include installation, integration, configuration, and testing of the equipment.

DELIVERABLES: Sentinel will continue to provide the Board with the following deliverables meeting the Board's specified requirements:

- Project plan
- Communication plan
- Project milestone dashboard
- Risk report
- Issues report
- Budget variance reports
- Resource tracking report
- Removed equipment report
- New equipment inventory
- School assessments
- Riser diagrams
- Wireless site surveys
- Visio diagrams of school LANs
- Testing/Acceptance reports

OUTCOMES: Sentinel's services will result in the Board having improved WAN and LAN services and features for the Chicago Public Schools. The Board will have outdated network equipment upgraded to current Board standards at the schools to ensure greater network stability, additional bandwidth, remote management capabilities, increased W/LAN security and increased network performance.

COMPENSATION: Vendor shall be paid as described in the agreement, at a total cost not to exceed \$20,764,620.70 for the renewal term, of which approximately \$17,000,153.80 is the discounted portion of eligible E-Rate services and/or products to be funded by the SLD/USAC. The Board shall only be responsible for the non-discounted portion of E-Rate eligible services and/or products and the cost of ineligible services and/or products during the renewal term, which shall not exceed \$3,764,466.90.

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

AFFIRMATIVE ACTION: This contract is in full compliance with the goals required by the Revised Remedial Program for the Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The M/WBE participation goals for the contract include: 35% total MBE and 5% total WMB.

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

Total 35% MBE:

Smart Technology
156 N. Jefferson
Chicago, IL 60661

Total 5% WBE:

B2B Strategic Solutions
150 N. Michigan Avenue; Ste 2800
Chicago, IL 60601

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

FINANCIAL:

| | FY10 |
|--|------------------------|
| Total Amount | \$20,764,620.70 |
| Annual Eligible | \$19,767,620.70 |
| NON-DISCOUNTED PORTION PAID BY THE BOARD- 14% | \$2,767,466.90 |
| DISCOUNTED PORTION FUNDED BY THE SLD/USAC- 86% | \$17,000,153.80 |
| Annual Ineligible | \$997,000.00 |
| | |
| TOTAL PAID BY CPS | |
| 12510-XXX-54105-254901-000000 | \$3,764,466.90 |
| TOTAL FUNDED BY THE SLD/USAC | \$17,000,153.80 |

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.

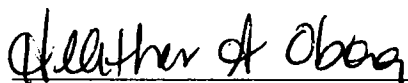
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their 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-P04), 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:



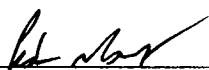
Heather A. Obora
Chief Purchasing Officer

Approved:



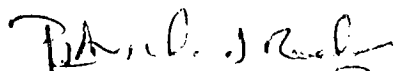
Arne Duncan
Chief Executive Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to Legal Form. 



Patrick J. Rocks
General Counsel