

AMEND BOARD REPORT 08-0227-PR6
AMEND BOARD REPORT 07-1219-PR13
APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENTS
WITH SUN MICROSYSTEMS FOR WIRELESS NETWORK INTERFACE CARD (NIC)
SUPPORT AND BASIC MAINTENANCE SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew two agreements with Sun Microsystems ("Sun") to provide Wireless Network Interface Card (NIC) Support and Maintenance for Information & Technology Services (ITS). The first agreement being renewed is for basic maintenance services eligible for the E-Rate discount ("Basic Maintenance Contract" or "Contract #1") at a total cost for the renewal term not to exceed ~~\$1,749,000.00~~ \$972,000.00, of which approximately ~~\$1,399,200~~ \$777,600.00 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 during the renewal term of Contract #1 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 ~~\$349,800.00~~ \$194,400.00. The second agreement being renewed is for non-basic maintenance eligible and ineligible services ("Contract #2"). For the renewal term of Contract #2, the total cost will not exceed ~~\$831,000.00~~ \$776,860.00, of which approximately ~~\$492,000.00~~ \$300,800.00 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 during the renewal term of Contract #2 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 ~~\$639,000.00~~ \$476,060.00. Written documents exercising these options are currently being negotiated. No payment shall be made to Vendor prior to the execution of the written renewal agreements. The authority granted herein shall automatically rescind in the event the written renewal agreements are not executed within ninety (90) days of the date of this Board Report. Information pertinent to these options is stated below.

This first amendment is to clarify that the Board shall only be responsible during the renewal term of Contract #2 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 \$639,000.00 instead of \$647,400.00. No written amendment is required for this matter.

This January 2009 amendment is necessary to correct the compensation amounts to reflect the reduction in services as requested by Information & Technology Services. Written amendments to the two renewal agreements are currently being prepared. The authority granted herein shall automatically rescind in the event the written amendments are not executed within ninety (90) days of the date of this Board Report.

SPECIFICATION NO.: 06-250057

VENDOR: Sun Microsystems, Inc.
4150 Network Circle
Santa Clara, CA 95054
Contact: Charles Tom Lockman, Regional Sales Executive
Telephone No.: (217) 359-9805
Vendor No.: 89823

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. 07-0124-PR17) in the amount of \$2,580,000.00 was for a term commencing July 1, 2007 and ending on June 30, 2008, with the Board having two (2) options to renew for periods of one (1) year each. Vendor was selected pursuant to a duly advertised Request for Proposals (Specification No. 06-250057).

RENEWAL TERM: The term of each agreement is being extended for a term commencing on July 1, 2008 and ending on June 30, 2009.

OPTION PERIODS REMAINING: There is one option period for one year remaining.

SCOPE OF SERVICES: During the renewal term under Contract #1, Vendor will continue to provide the Board with basic maintenance services in conjunction with the E-Rate program to the Board. This will include wireless network interface card (NIC) Support and Basic Maintenance Services. These services will include district-wide hardware and software driver support for all laptops, desktops and printers, which contain components that support wireless connectivity to all Chicago Public Schools network. Additionally, these supported laptops and desktops will have to meet the Chicago Public Schools' minimum hardware, software, and network standards. During the renewal term of Contract #2, Consultant will provide eligible and ineligible services that include the support and maintenance of wireless print servers, WEP key rotation services and the purchase wireless NICs for Apple devices and the installation of wireless NIC devices for Windows devices and Apple devices.

DELIVERABLES: During the renewal of Contract #1, the Vendor will continue to provide the Board with:

- Basic Maintenance services of Wireless NIC devices at Eligible Board Schools and facilities
- Providing replacement NICs for malfunctioning out-of-warranty wireless NICs
- Configuration of wireless NIC into the CPS wireless network
- Configuration of security policies
- Configuration of wireless NIC using Windows, Cisco, and MAC configuration utility
- Reconfiguration of wireless attached devices on locations currently out of compliance
- Testing of computers to ensure proper connection to CPS networks
- Continual enforcement of wireless security standards
- On-site resolution of issues including timely ticket entry and coordination with CPS
- Handling the warranty replacement of DOA and malfunctioning in-warranty wireless NICs
- Reporting, which includes, but is not to, Failure Rates, Replacement Reports, Ticket activity and other reports as requested by the Board.

During the renewal of Contract #2, Vendor will continue to provide the following deliverables:

- Configuration of security policies
- Configuration of wireless NIC using Windows, Cisco, and MAC configuration utility
- Rotation of security keys
- Purchase of Apple wireless NICs
- Installation of new laptop, desktop and printer NIC and antennas for Windows and Apple systems
- Testing of computers and printers to ensure proper connection to CPS networks
- Providing replacement NICs for malfunctioning out-of-warranty wireless NICs
- Continual enforcement of wireless security standards
- On-site resolution of issues including timely ticket entry and coordination with CPS
- Handling the warranty replacement of DOA and malfunctioning in-warranty wireless NICs
- Reporting, which includes, but is not to, Failure Rates, Replacement Reports, Ticket activity and other reports as requested by the Board.

OUTCOMES: Vendor's services will result in the Board having improved, and upgraded NIC and Basic maintenance Services for the entire Chicago Public Schools network. Additionally, the services provided will include enhanced warranty services.

COMPENSATION: Vendor shall be paid as described in the renewal agreement of Contract #1, at a total cost not to exceed ~~\$1,749,000.00~~ \$972,000.00 for the renewal term, of which approximately ~~\$1,399,200~~ \$777,600.00 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 ~~\$349,800.00~~ \$194,400.00 during the renewal term of Contract #1. Vendor shall be paid as described in the renewal agreement Contract

#2, at a total cost of not exceed ~~\$831,000.00~~\$776,860.00 for the renewal term, of which approximately ~~\$192,000.00~~ \$300,800.00 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 ~~\$639,000.00~~ \$476,060.00 during the renewal term of Contract #2.

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

AFFIRMATIVE ACTION: The M/WBE goals for this contract include:

The Vendor has scheduled the following firms:

Total 10.1% African American:
IMC Connect, Inc. 22% ~~10.1%~~
207 E. Ohio #293
Chicago, Illinois 60611

Total 11.5% Hispanic:
Computer Services & Consulting 9% ~~11.5%~~
1613 S. Michigan Ave.
Chicago, Illinois 60639

Total 12.9% Asian:
Catalyst Consulting Group, Inc. 4% ~~12.9%~~
211 E. Wacker Drive, Suite 450
Chicago, IL 60606

Total 5% WBE:
KMC Enterprises 5%
13255 Hiawatha Drive
Homer Glen, Illinois 60491

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

FINANCIAL:

	FY09
Total Amount for Contract #1	\$1,749,000.00 <u>\$972,000.00</u>
Annual Eligible	<u>\$1,749,000.00</u> <u>\$972,000.00</u>
NON-DISCOUNTED PORTION PAID BY THE BOARD	20% \$349,800.00 <u>\$194,400.00</u>
DISCOUNTED PORTION FUNDED BY THE SLD/USAC	80% \$1,399,200.00 <u>\$777,600.00</u>
Annual Ineligible	\$0
TOTAL PAID BY CPS	
all units – all funds – 54105-266418-all grants	<u>\$349,800.00</u> <u>\$194,400.00</u>
TOTAL FUNDED BY THE SLD/USAC	<u>\$1,399,200.00</u> <u>\$777,600.00</u>
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Total Amount for Contract #2	\$831,000.00 <u>\$776,860.00</u>
Annual Eligible	\$240,000.00 <u>\$376,000.00</u>
NON-DISCOUNTED PORTION PAID BY THE BOARD	20% \$48,000.00 <u>\$75,200.00</u>
DISCOUNTED PORTION FUNDED BY THE SLD/USAC	80% \$192,000.00 <u>\$300,800.00</u>
Annual Ineligible	\$591,000.00 <u>\$400,860.00</u>
TOTAL PAID BY CPS	
all units – all funds – 54105-266418-all grants	\$639,000.00 <u>\$476,060.00</u>
TOTAL FUNDED BY THE SLD/USAC	\$192,000.00 <u>\$300,800.00</u>

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.

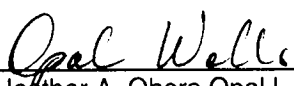

Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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

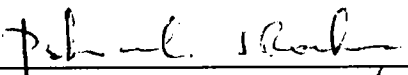
Heather A. Obera Opal L. Walls
Chief Purchasing Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to Legal Form: 



Patrick J. Rocks
General Counsel 