

**AMEND BOARD REPORT 08-1119-PR13**  
**APPROVE EXERCISING THE FINAL 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 final option to renew two agreements with Sun Microsystems ("Sun" or "Vendor") 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 \$1,404,000.00 of which approximately ~~\$1,123,200.00~~ \$1,207,440.00 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 ~~\$280,800.00~~ \$196,560.00. 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 \$396,700.00, of which approximately ~~\$300,800.00~~ \$323,360.00 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 ~~\$95,900.00~~ \$73,340.00. Written documents exercising these options, are currently being negotiated. No payment shall be made to Vendor prior to the execution of the written renewal documents. The authority granted herein shall automatically rescind in the event written documents are not executed within 90 days of the date of this Board Report. Information pertinent to these options is stated below.

This January 2009 amendment is to correct the Board's maximum contribution for the non-discounted portion of E-Rate eligible services or products and the cost of ineligible services or products.

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

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

**ORIGINAL AGREEMENT:** The original agreements (authorized by Board Report # 07-0124-PR17) in the amount of \$2,580,000.00 were for a term commencing July 1, 2007 and ending on June 30, 2008, with the Board having two options to renew for periods of one year each. The agreements were extended for a term commencing July 1, 2008 and ending June 30, 2009 (authorized by Board Report 07-1219-PR13). Vendor was selected pursuant to a duly advertised Request for Proposals (Specification No. 06-250057). The original agreements were awarded on a competitive basis pursuant to Board Rule 5-4.1.

**OPTION PERIOD:** The renewal terms of these two agreements shall commence on July 1, 2009 and shall end on June 30, 2010.

**OPTION PERIODS REMAINING:** There are no option periods 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, Vendor will provide eligible and ineligible services that include the support and maintenance of wireless print servers, WEP key rotation services, and the purchase of wireless NICs for Apple devices and the installation of wireless NIC, for Windows devices and Apple devices.

**DELIVERABLES:** During the renewal of Contract #1, 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 NICs into the CPS wireless network;
- Configuration of security policies;
- Configuration of wireless NICs 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 limited 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 \$1,404,000.00 for the renewal term, of which approximately ~~\$1,123,200.00~~ \$1,207,440.00 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, which shall not exceed ~~\$280,800.00~~ \$196,560.00 during the renewal term of Contract #1. Vendor shall be paid as described in the renewal agreement of Contract #2, at a total cost not to exceed \$396,700.00 for the renewal term, of which approximately ~~\$300,800.00~~ \$323,360.00 is the discounted portion of eligible E-Rate services and/or products to be funded by 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 ~~\$95,900.00~~ \$73,340.00 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 Information Officer to execute all ancillary documents required to administer or effectuate this option agreement.

**AFFIRMATIVE ACTION:** This contract is in full compliance with the goals required by the Remedial Program for Minority and Women Business Enterprises Contract Participation (M/WBE Program). The M/WBE participation goals for this contract include: 29% total MBE, and 11% total WBE. Sun has identified and scheduled the following firms and percentages:

**Total 29% MBE**

**Total 4% African American**

IMC Connect, Inc. 4%  
 207 E. Ohio #293  
 Chicago, IL 60611

**Total 8% Asian**

Catalyst Consulting Inc. 8%  
 211 W. Wacker Drive  
 Chicago, IL 60606

**Total 9% Hispanic**

CS&C Julex Inc. 17%  
 1613 S. Michigan Avenue  
 Chicago, IL 60616

**Total 11% WBE**

KMC Enterprises Inc. 11%  
 13235 Hiawatha Drive  
 Homer Glen, IL 60491

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

**FINANCIAL:**

	<b>FY10</b>
Total Amount for Contract #1	\$1,404,000.00
<b>Annual Eligible</b>	\$1,404,000.00
<b>NON-DISCOUNTED PORTION PAID BY THE BOARD 20%</b>	<del>\$280,800.00</del> \$196,560.00
<b>DISCOUNTED PORTION FUNDED BY THE SLD/USAC 80%</b>	<del>\$1,123,200.00</del> \$1,207,440.00
<b>Annual Ineligible</b>	\$0
<b>TOTAL PAID BY CPS</b>	
all units – all funds – 54105-266418-all grants	<del>\$280,800.00</del> \$196,560.00
<b>TOTAL FUNDED BY THE SLD/USAC</b>	<del>\$1,123,200.00</del> \$1,207,440.00
Total Amount for Contract #2	\$396,700.00
<b>Annual Eligible</b>	\$376,000.00
<b>NON-DISCOUNTED PORTION PAID BY THE BOARD 20%</b>	<del>\$75,200.00</del> \$52,640.00
<b>DISCOUNTED PORTION FUNDED BY THE SLD/USAC 80%</b>	<del>\$300,800.00</del> \$323,360.00
<b>Annual Ineligible</b>	\$20,700.00

<b>TOTAL PAID BY CPS</b>	
all units – all funds – 54105-266418-all grants	<del>\$95,900.00</del> \$73,340.00
<b>TOTAL FUNDED BY THE SLD/USAC</b>	<del>\$300,800.00</del> \$323,360.00

**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.

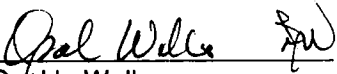
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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

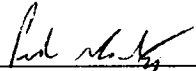
Ethics – The Board’s Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

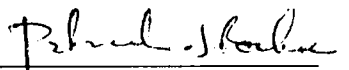
**Approved for Consideration:**

  
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Opal L. Walls  
Chief Purchasing Officer

**Within Appropriation:**

  
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Pedro Martinez  
Chief Financial Officer

**Approved as to Legal form:** 

  
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Patrick J. Rocks  
General Counsel 