

FINAL

09-1216-PR17

APPROVE ENTERING INTO AN AGREEMENT WITH SENTINEL TECHNOLOGIES FOR LOCAL AREA NETWORK SYSTEM IMPROVEMENT SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Sentinel Technologies, Inc. ("Sentinel" or "Vendor") to provide local area network ("LAN") system improvement services for Chicago Public Schools at a total cost not-to-exceed \$62,598,429.87 for a three-year term, of which approximately \$44,153,942.34 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 \$18,444,487.53. No Board funds will be disbursed if E-Rate funding is denied except for Priority 2 Basic Maintenance Services as defined by SLD/USAC. Basic Maintenance Services are those that are necessary for the continuing operations of eligible equipment, including repair and upkeep of eligible hardware, wire and cable maintenance, basic technical support, and configuration changes. Sentinel was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement is currently being negotiated. No services shall be provided by Sentinel and no payment shall be made to Sentinel 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 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Specification Number : 09-250022
Contract Administrator : Ethan Sinnema / 773-553-3295

VENDOR:

Vendor # 21472
Sentinel Technologies, Inc.
2550 Warrenville Road
Downers Grove, IL 60515
Jack Reidy
630-769-4325

USER:

Information & Technology Services
125 South Clark Street - 3rd Floor
Chicago, IL 60603

Contact : Arshele Stevens

Phone: 773-553-1300

TERM:

The term of this agreement shall commence on July 1, 2010 and shall end June 30, 2013. This agreement shall have two options to renew for periods of one year each.

EARLY TERMINATION RIGHT:

The Board shall have the right to terminate this agreement with 30 days written notice.

SCOPE OF SERVICES:

Sentinel shall provide the Board with project management, installation, network equipment, services, and associated construction at the schools. The work shall 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 shall also provide support services to include installation, integration, configuration, and testing of the equipment.

DELIVERABLES:

Sentinel shall provide the Board with the following deliverables:

- Project plan
- Communication plan
- Project milestone dashboard
- Risk report
- Issues report
- Budget variance reports
- Resource tracking report
- Removed equipment report with Trade-in Value
- 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 wide area network ("WAN") and LAN services for Chicago Public Schools. The Board's network equipment at the schools will be upgraded to current Board standards to ensure greater network stability, additional bandwidth, remote management capabilities, increased WAN/LAN security, and increased network performance.

COMPENSATION:

Vendor shall be paid as described in the agreement, at a total cost not to exceed \$62,598,429.87, of which approximately \$44,153,942.34 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 \$18,444,487.53. No Board funds will be disbursed if E-Rate funding is denied except for Priority 2 Basic Maintenance Services as defined by SLD/USAC.

REIMBURSABLE 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 Information 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 Remedial Program for the Minority and Women Business Enterprise Contract Participation (M/WBE Program). The M/WBE participation goals for the contract include: 35% total MBE and 5% total WBE.

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

Total MBE 35%
Smart Technology
156 N. Jefferson
Suite 200
Chicago, IL 60661

Total WBE 5%
Solai & Cameron
2335 N. Southport
Chicago, IL 60614

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

FINANCIAL:
Please see attachment.

CFDA# : Not Applicable

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-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:


Opal L. Walls
Chief Purchasing Officer


Approved:


Ron Huberman
Chief Executive Officer

Within Appropriation:


CHRISTINA HERZOG
ACTING CHIEF FINANCIAL OFFICER

Approved as to Legal Form:


PATRICK J. ROCKS
General Counsel

FINANCIAL:

	FY11
Total Amount	\$20,866,143.29
Annual Eligible	\$16,353,311.98
NON-DISCOUNTED PORTION PAID BY CPS - 10%	\$ 1,635,331.20
DISCOUNTED PORTION FUNDED BY SLD/USAC - 90%	\$14,717,980.78
Annual Ineligible	\$ 4,512,831.31
TOTAL PAID BY CPS	
12510-499-54125-254901-000000-2011	\$ 6,148,162.51
TOTAL FUNDED BY THE SLD/USAC	\$14,717,980.78

	FY12
Total Amount	\$20,866,143.29
Annual Eligible	\$16,353,311.98
NON-DISCOUNTED PORTION PAID BY CPS - 10%	\$ 1,635,331.20
DISCOUNTED PORTION FUNDED BY SLD/USAC - 90%	\$14,717,980.78
Annual Ineligible	\$ 4,512,831.31
TOTAL PAID BY CPS	
12510-499-54125-254901-000000-2012	\$ 6,148,162.51
TOTAL FUNDED BY THE SLD/USAC	\$14,717,980.78

	FY13
Total Amount	\$20,866,143.29
Annual Eligible	\$16,353,311.98
NON-DISCOUNTED PORTION PAID BY CPS - 10%	\$ 1,635,331.20
DISCOUNTED PORTION FUNDED BY SLD/USAC - 90%	\$14,717,980.78
Annual Ineligible	\$ 4,512,831.31
TOTAL PAID BY CPS	
12510-499-54125-254901-000000-2013	\$ 6,148,162.51
TOTAL FUNDED BY THE SLD/USAC	\$14,717,980.78