

AUTHORIZE THE EXTENSION OF THE AGREEMENT WITH OMICRON TECHNOLOGIES, INC. FOR SCHOOL KEY CARD SYSTEMS AND ASSOCIATED SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the extension of the agreement with Omicron Technologies, Inc. for the purchase of software and support services to all schools at an estimated annual cost set forth in the Compensation Section of this report. A written extension document is currently being negotiated. This request was presented to the Single/Sole Source Committee on February 7, 2017 and approved by the Chief Procurement Officer or their designee. Upon approval as a Single Source, the item was published on the Procurement website on February 8, 2017, found here: <http://csc.cps.k12.il.us/purchasing/>. The item will remain on the Procurement website until the May 24, 2017 Board Meeting. This process complies with the independent consultant's recommendations for single source procurements and the Board's Single/Sole Source Committee Charter. No payment shall be made to the Vendor during this extension period prior to execution of their written document. The authority granted herein shall automatically rescind in the event their written document is not executed within 90 days of the date of this Board Report. Information pertinent to this extension is stated below.

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-5180

VENDOR:

- 1) Vendor # 22049
OMICRON TECHNOLOGIES, INC.
6348 N MILWAUKEE AVE., STE 328
CHICAGO, IL 60646

Lionel Rabb
773 553-8267

Ownership: Lionel Rabb - 100%

USER INFORMATION :

Project
Manager: 12510 - Information & Technology Services

42 West Madison Street

Chicago, IL 60602

Gallagher, Mr. Patrick F.

773-553-3475

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 04-0922-PR9) in the amount of \$5,000,000.00 was for a term commencing October 1, 2004 and ending September 30, 2009, with the Board having two (2) options to renew for one (1) year terms each. The agreement was renewed (authorized by Board Report 09-0923-PR10) for a period commencing October 1, 2009 and ending September 30, 2010. The agreement was further renewed (authorized by Board Report 10-0922-PR10) for a period commencing

October 1, 2010 and ending September 30, 2011. The agreement was subsequently extended (authorized by Board Report 11-0928-PR8) for a period commencing October 1, 2011 and ending September 30, 2012 and amended (authorized by Board Report 11-0928-PR8) to add an additional option to renew. The agreement was further extended (authorized by Board Report 12-0925-PR7) for a period commencing October 1, 2012 and ending June 30, 2013. The agreement was further extended (authorized by Board Report 13-0626-PR36) for a period commencing July 1, 2013 and ending June 30, 2015. The agreement was further extended (authorized by Board Report 15-0826-PR9) in the amount of \$3,000,000.00 for a term commencing July 1, 2015 and ending June 30, 2017. The original agreement was awarded on a non-competitive basis.

EXTENSION PERIOD:

The term of this agreement is being extended for two (2) years commencing July 1, 2017 and ending June 30, 2019.

SCOPE OF SERVICES:

Vendor will continue to provide software, hardware and associated installation services for elementary and high school student and staff IDs (including Ventra Cards, Ventra/CPS combination cards, and reloadable CTA cards). Vendor will provide safety, security planning, training, and support services on an individual school and district office basis.

DELIVERABLES:

Vendor will continue to provide a variety of services that will enable CPS students access to discounted rates for CTA transportation:

1. Ventra ID fulfillment includes: handling of inventory, activation, and shipping Ventra Cards to schools (cards are purchased by the schools and activated by Vendor's Verify System).
2. Vendor will provide continued support for the combined card initiative currently in place. The Board hopes to expand this program for the term of the agreement.
3. Vendor will continue to provide help desk services via phone and the web. Services are provided throughout the school year including summer classes/school.
4. Vendor will be used to assist in the development of re-loadable cards targeted towards specialty programs listed below:

- Verify.net applications
- ID Module
- Building Access
- Student Finance Module
- Textbook Module
- Visitor tracking module
- Discipline tracking module
- SCC Module (student code of conduct)
- Behavior analytics
- Expulsion Module

- Security Guard Module

OUTCOMES:

Vendor's services will result in the implementation and operation of school districts ID systems. Specific outcome areas are listed below:

District Office Access, Districtwide Reporting, Uniform Business Rules, Centralized Monitoring and Alerts, Additional Equipment and Supplies, Hard-Card Printers, ID Cameras, Barcode Scanners, Printers, Mobile Solutions, Software Licensing, Training Services, Card Printing Services, Turnstiles, Badge Readers, and Receipt Paper.

COMPENSATION:

Vendor shall be paid during this extension period according to the terms of their agreement. Estimated annual costs for the two (2) years are set forth below:

\$1,250,000.00, FY18

\$1,250,000.00, FY19

AUTHORIZATION:

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

AFFIRMATIVE ACTION:

Pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation (M/WBE Program), this contract is not further divisible and there are no MWBE goals for proprietary software contracts.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Various funds, all units:

\$1,250,000.00 FY18

\$1,250,000.00 FY19

Not to exceed \$2,500,000.00 for two (2) year term. Future year funding is contingent upon budget appropriation and approval.

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.

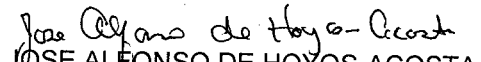
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their 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 May 25, 2011 (11-0525-PO2), 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).

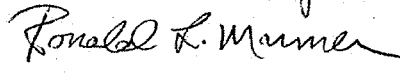
Approved for Consideration:


JOSE ALFONSO DE HOYOS-ACOSTA
Chief Administrative Officer

Approved:


FORREST CLAYPOOL
Chief Executive Officer

Approved as to Legal Form: 


RONALD L. MARMER
General Counsel