

January 24, 2018

**AUTHORIZE THE FIRST RENEWAL AGREEMENT WITH SENTINEL TECHNOLOGIES FOR SCHOOL DATA NETWORK UPGRADE SERVICES****THE ACTING CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize the first renewal agreement with Sentinel Technologies to provide data network upgrade services to schools district-wide at an estimated annual cost set forth in the Compensation Section of this report. A written document exercising this option is currently being negotiated. No payment shall be made to Vendor during the option period prior to execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification Number : 14-350033

Contract Administrator : Matthayasack, Ms. Souly / 773-553-2906

**VENDOR:**

- 1) Vendor # 21472  
SENTINEL TECHNOLOGIES, INC.  
2550 WARRENVILLE ROAD  
DOWNERS GROVE, IL 60515  
Jack Reidy  
630 769-4325  
Ownership: Sentinel Technologies Employee  
Stock 38.0%, Dennis Hoelzer, President And  
Ceo 14.9%, Mary Hoelzer, Business Systems  
Manager 11.5%, Jim Emmel, Chief Operating  
Officer 8.5%, Other- Mgmt Shareholders  
24.5%, Non-Mgmt Shareholders 2.6%

**USER INFORMATION :**

Project  
Manager: 12510 - Information & Technology Services  
42 West Madison Street  
Chicago, IL 60602  
Burnson, Mr. Richard A  
773-553-1330

**ORIGINAL AGREEMENT:**

The original Agreement (authorized by Board Report 15-0225-PR12) in the amount of \$101,000,000.00 is for a term commencing July 1, 2015 and ending June 30, 2018 with the Board having two (2) options to renew for one (1) year terms. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.

**OPTION PERIOD:**

The term of this agreement is being renewed for one (1) year commencing July 1, 2018 and ending June 30, 2019.

**OPTION PERIODS REMAINING:**

There is one (1) option period for one (1) year remaining.

**SCOPE OF SERVICES:**

Vendor will continue to provide project management, design, equipment procurement and installation services for school and administrative office wired and wireless data network installations. These upgrades will enable the District to continue to support an increasingly technology infused curriculum and online tests in our schools.

**DELIVERABLES:**

Vendor will continue with:

1. Upgrading the data network in CPS schools district-wide.
2. The services will ensure the systems are designed in a cost effective measure and cabling work is bid out to a pool of trades vendors to keep construction costs down.

**OUTCOMES:**

Vendor's services will result in:

1. Upgraded wired and wireless data networks in schools district-wide to support the increasing need for devices, technology infused curriculum and online testing.
2. Deployed security cameras at the discretion of the safety and Security Team to the schools deemed most at risk.

**COMPENSATION:**

Vendor shall be paid as follows: Invoicing based on a per school completion. The Board is authorized to pay approved invoices up to the not-to-exceed amount. Reimbursement under the federal E-Rate program is anticipated to be up to approximately \$16.8 million in FY18. Vendor will be provided reimbursement from E-Rate utilizing the SPI (Service Provider Invoice) process and will be compensated by the Board for non-subsidized costs.

FY18, \$32,100,000

Total not to exceed for FY18: \$32,100,000

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written option document. Authorize the President and Secretary to execute the option document. Authorize Chief Information Officer and or designee 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 in Goods and Services Projects, (M/WBE Program), the prime vendor has agreed to fulfilling the goals of 30% MBE and 7% WBE, throughout the life of the contract by utilizing the services of the pre-qualified various trades contractors (Board Report 17-0125-PR2).

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Fund 115, General Funds, Fund 484, Capital Funds

FY17 Capital funds: \$20,900,000.00

FY18 Capital funds: \$10,000,000.00

FY19 Operating Funds: \$200,000.00

FY18/19 Capital Funds: \$1,000,000.00

Total one (1) year spend: July 2018- June 2019 : \$ 32,100,000

**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.

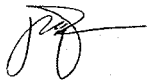
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

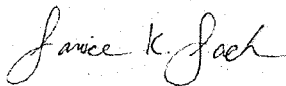
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



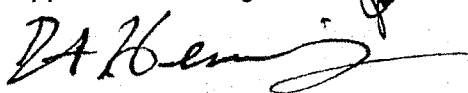
JONATHAN MAPLES  
Chief Procurement Officer

Approved:



JANICE K. JACKSON  
Acting Chief Executive Officer

Approved as to Legal Form:



DOUGLAS A. HENNING  
Acting General Counsel