

February 26, 2020

**AUTHORIZE A NEW AGREEMENT WITH SENTINEL TECHNOLOGIES
FOR DATA NETWORK UPGRADE SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize a new agreement with Sentinel Technologies to provide Data Network Upgrade services to schools district-wide. This agreement may be eligible for discounts to be funded by the Schools and Libraries Division of the Universal Service Administration Company ("SLD/USAC") as part of the E-Rate Program. The total amount of the agreement shall not exceed \$ 78,439,015, but the Board shall only be responsible for the non-discounted portion of E-Rate eligible services and/or products and the cost of the ineligible services and/or products which shall not exceed \$49,193,615, as set forth in the Compensation Section of this report. Vendor was selected on a competitive basis pursuant to Board Rule 7-3. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to the execution of their 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 : 19-350042

Contract Administrator : Forero, Mr. Bryan / 773-553-2280

VENDOR:

- 1) Vendor # 21472
SENTINEL TECHNOLOGIES, INC.
2550 WARRENVILLE ROAD
DOWNERS GROVE, IL 60515
Jack Reidy
630 769-4325

Ownership: Sentinel Technologies
Employees' Stock Ownership Plan 42.7%,
Other Management Shareholders (individual
ownership is less than 5%) 23.1%, Dennis
Hoelzer 16.7%; Mary Hoelzer 12.9%,
Non-management shareholders 4.6%

USER INFORMATION :

Project
Manager: 12510 - Information & Technology Services
42 West Madison Street
Chicago, IL 60602
Burnson, Mr. Richard A
773-553-1300

TERM:

The term of this agreement shall commence on July 1, 2020 and shall end June 30, 2023. This agreement shall have one (1) option to renew for periods of two (2) years.

EARLY TERMINATION RIGHT:

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

SCOPE OF SERVICES:

Services rendered by the Vendor are as follows: Sentinel will provide project management, design, equipment procurement and installation services for school and administrative office wired and wireless data network. These upgrades will enable the District to continue to leverage our standard systems and IT services without interruption, but also support an increasingly technology infused curriculum and online tests in our schools.

DELIVERABLES:

Deliverables to be provided by the Vendor are as follows:

- Continue with upgrading the data network in CPS schools district-wide.
- 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:

Upgraded wired and wireless data networks in schools district-wide to support the increasing need for devices, technology-infused curriculum and online testing.

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. Reimbursements and discounts under the federal E-Rate program are anticipated to be up to approximately \$9,750,000 in FY21, FY22 and FY23. Vendor will be provided reimbursement from E-Rate utilizing the Service Provider Invoice (SPI) process and will be compensated by the Board for non-subsidized costs.

Estimated annual costs for the three (3) year term are set forth below

FY21

E-Rate: \$9,748,466

CPS: \$16,397,872

Total not to exceed for FY21: \$26,146,338

FY22

E-Rate: \$9,748,466

CPS: \$16,397,872

Total not to exceed for FY22: \$26,146,338

FY23

E-Rate: \$9,748,466

CPS: \$16,397,872

Total not to exceed for FY23: \$26,146,338

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 Chief Information Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION:

Pursuant to the Remedial Program for Minority and Women-Owned Business Enterprise Participation in Goods and Services Contract (M/WBE Program), the goals for this contract are 30% MBE and 7% WBE. The Office of Business Diversity has granted a partial waiver and the Prime vendor has committed to 30% MBE and 10% WBE of applicable spend. The vendor has scheduled the following firms:

Total MBE: 30%

MZI Group, Inc.
1937 W. Fulton Street
Chicago, IL 60612
Ownership: Arthur Miller

B3 Integrated Solutions, Inc.
6500 W. 65th Street
Chicago, IL 60638
Ownership: Jason Bonaparte

Total WBE: 10%

Solai & Cameron, Inc.
3410 W. Van Buren Street
Chicago, IL 60624
Ownership: Mallar Solai

Illinois Business Communication
328 E. Irving Park Road
Wooddale, IL 60191
Ownership: Karen Krebasch

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Various Funds

FY21 CPS Funds - \$16,397,872
FY21 SLD/E-Rate Funds - \$9,748,466

FY22 CPS Funds - \$16,397,872
FY22 SLD/E-Rate Funds - \$9,748,466

FY23 CPS Funds - \$16,397,872
FY23 SLD/E-Rate Funds - \$9,748,466

Not to exceed \$78,439,015 for the three (3) 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:




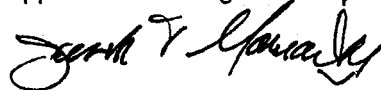
JONATHAN MAPLES
Chief Procurement Officer

Approved:



JANICE K. JACKSON
Chief Executive Officer

Approved as to Legal Form: 



JOSEPH T. MORIARTY
General Counsel