

**AUTHORIZE THE FIRST (AND FINAL) RENEWAL AGREEMENT WITH SENTINEL TECHNOLOGIES, INC FOR DATA NETWORK UPGRADE SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize the first (and final) renewal agreement with Sentinel Technologies, Inc. to provide Data Network Upgrade Services district-wide. The agreement may be eligible for discounts to be funded by the Schools and Libraries Division of the Universal Service Administrative Company ("SLD/USAC") as part of the E-Rate Program. The total amount of the agreement shall not exceed the amount 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 Sentinel Technologies, Inc. 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 : 19-350042

Contract Administrator : Munoz, Rigoberto / 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 12510 - Information & Technology Services  
Manager: 42 West Madison Street  
Chicago, IL 60602  
Burnson, Richard A  
773-553-1300

**ORIGINAL AGREEMENT:**

The original Agreement (authorized by Board Report 20-0226-PR9) in the amount of \$78,439,015 is for a term commencing July 1, 2020 and ending June 30, 2023, with the Board having one (1) option to renew for a two (2) year term. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-3.

**OPTION PERIOD:**

The term of this agreement is being renewed for two (2) years commencing July 1, 2023 and ending June 30, 2025.

**OPTION PERIODS REMAINING:**

There are no option periods remaining.

**SCOPE OF SERVICES:**

Vendor shall continue to provide project management, design, equipment procurement and installation services for school and administrative offices concerning wired and wireless data network(s). These upgrades will enable the District to continue to leverage our standard systems and IT services without interruption, while also supporting 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 that the systems are designed in a cost effective way and that 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 in accordance with the terms of the agreement, with invoicing based on a per school completion. The Board is authorized to pay approved invoices up to the not-to-exceed amount set forth in this report. The agreement may be eligible for discounts to be funded by the SLD/USAC as part of the E-Rate Program. The Board shall only be responsible for the non-discounted portion of the E-Rate eligible services and/or products. Reimbursements and discounts under the federal E-Rate program are anticipated to be up to approximately \$7,920,000 in FY24 and FY25. 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 two (2) year term are set forth below

**FY24**

E-Rate: \$3,960,000  
CPS: \$17,900,000  
Total not to exceed for FY24: \$21,860,000

**FY25**

E-Rate: \$3,960,000  
CPS: \$18,150,000  
Total not to exceed for FY25: \$22,110,000

**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 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 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

New Frontier Electrical Construction, Inc.  
1323 Ada Street  
Joliet, IL 60432  
Ownership: James Foster

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

Total WBE: 10%  
CCC Holdings, Inc. DBA Chicago Commercial Construction  
18660 Graphics Dr. Suite 200  
Ownership: Jennifer Cullen

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Various Funds  
FY24  
SLD/E-Rate Funds - \$3,960,000  
CPS Funds - \$17,900,000

FY25  
SLD/E-Rate Funds - \$3,960,000  
CPS Funds - \$18,150,000

Not to exceed \$43,970,000 for the 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:




PATRICIA HERNANDEZ  
Acting Chief Procurement Officer

Approved:



PEDRO MARTINEZ  
Chief Executive Officer

Approved as to Legal Form: 



JOSEPH T. MORIARTY  
General Counsel