

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH
CAL COMMUNICATIONS, INC. FOR
TELECOMMUNICATIONS MAINTENANCE SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with Cal Communications, Inc. to provide telecommunications maintenance services and installation materials to the Office of Technology Services at a cost not to exceed \$776,670.00 for the option period. This agreement is eligible for E-Rate discounts. A written document exercising this option is currently being negotiated. No payment shall be made to the vendor during the option period prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this option is stated below:

SPECIFICATION NO: 00-250768

VENDOR: Cal Communications, Inc.
1340 Busch Parkway
Buffalo Grove, Illinois 60089
Contact: Carlos A. Lopez
Telephone No. 847-537-2425
Vendor No. 47765

USER: Office of Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contacts: Elaine L. Williams, Chief Technology Officer
Arlene Love, Deputy Chief Technology Officer -- Operations
Telephone No. (773) 553-1300

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report No. 00-1220-PR8) in the amount of \$749,900.04 is for a term commencing July 1, 2001 and ending June 30, 2002, with the Board having two (2) one-year options to renew the agreement. Vendor was selected pursuant to a duly advertised RFP (Specification No. 00-250768).

RENEWAL PERIOD: The Board is exercising its first option and is renewing this agreement commencing July 1, 2002 and ending June 30, 2003. This renewal term is necessary to coincide with, and allow for the Board's participation in, Year 5 of the E-Rate program.

OPTION PERIOD: There is one (1) one-year option period remaining.

SCOPE OF SERVICES: Cal Communications will continue to provide telephone equipment and telecommunications maintenance services, including, but not limited to, repairs and/or replacement of associated common equipment cards and components, associated station equipment, wiring and cross-connections to trunk/lines and hour cabling, and station/line cords, handset cord, and power supply cords.

DELIVERABLES: Cal Communications will continue to collect damaged telephone components and replace with new and/or refurbished equipment. Vendor will continue to be dispatched to replace damaged equipment in the field. The equipment must be replaced with 12-24 hours, after the Board has notified vendor. Vendor will continue to supply daily status of tickets and other supplemental reports.

OUTCOMES: The Board will have a single point of contact for all telephone and associated equipment repair, replacement, maintenance and installation materials for fiscal year 2003.

COMPENSATION: Cal Communications shall be paid a fixed monthly fee of \$60,222.50 for all maintenance services and an annual payment not to exceed \$54,000.00 for installation materials required on an as needed basis. Total cost not to exceed \$776,670.00. The services provided herein are eligible

for, but not contingent upon E-Rate discounts under the Federal Government's Universal Services program.

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

AFFIRMATIVE ACTION: Based upon a review and analysis of the vendor's compliance with the M/WBE goals from the initial contract term, this contract is in full compliance with the original M/WBE participation goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The original M/WBE participation goals for the contract include:

35% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE.

The vendor has identified and scheduled the following original M/WBE firms and percentages:

Total: 16% African American			
Advanced Telecom Systems Inc.	2023 W. Carroll Chicago, IL. 60612	\$120,000.00	16% 8/31/02
Total: 77% Hispanic			
Cal Communication, Inc.	1340 Busch Parkway Buffalo Grove, IL	\$577,500.00	77% 7/31//02
Total: 2% Asian			
WIT Enterprises LLC	12560 Holiday Drive Unit A, Alsip, IL.60803	\$15,000.00	2% 1/31/02
Total: 5% WBE			
Karen O. Stancick	17 N. 950 Hidden Hills Trail Dundee, IL.60118	\$37,500.00	5% 5/31/02

The City of Chicago Department of Procurement Services certifies each identified firm. The identified firms are subject to change upon approval from the Procurement and Contract's Division of Compliance and Vendor Services without further Board approval.

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

FINANCIAL: Charge to Office of Technology Services:	\$776,670.00	Fiscal Year 2003
Budget Classification: 0960-552-000-1614-5430		\$722,670.00
0960-[various funds]-000-1614-5730		\$54,000.00

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 July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.



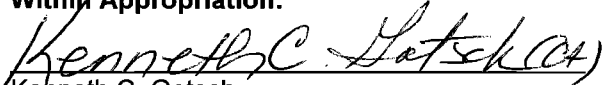
Anita Rocha
Acting Chief Purchasing Officer



Arne Duncan
Chief Executive Officer

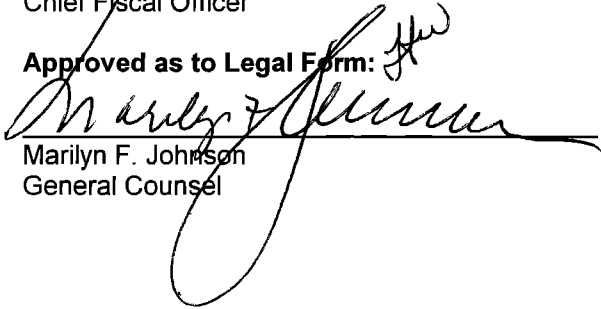
by PAD

Within Appropriation:



Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to Legal Form:



Marilyn F. Johnson
General Counsel