

APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH SENTINEL TECHNOLOGIES FOR LOCAL AREA NETWORK SYSTEM IMPROVEMENT SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with Sentinel Technologies, Inc. ("Sentinel") to provide school Local Area Network ("LAN") infrastructure upgrades and associated construction for the Office of Technology Services ("OTS"), at a cost not to exceed \$14,957,575.00 for a one (1) year term of which approximately \$12,863,515.00 is eligible for and contingent upon, discounts in accordance with the guidelines and requirements of the Federal Government's Universal Services Program ("E-Rate"); for a total cost to the Board not to exceed \$2,094,061.00. A written document exercising this option for Sentinel's services is currently being negotiated. No payment shall be made to Sentinel 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.

VENDOR: Sentinel Technologies, Inc
2550 Warrenville Rd.
Downers Grove, Illinois 60515
Contact: Jack Reidy, Senior Sales Executive
Brian Osborne, Vice President of Sales and Marketing
Telephone No.: (630) 769-4300
Vendor No. 21472

USER: Office of Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contact: Robert Runcie, Chief Information Officer
Edward Wagner, WAN Services Director
Telephone No.: (773) 553-1300

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 06-0125-PR14) in the amount of \$8,834,485.00 was for a term commencing July 1, 2006 and ending on June 30, 2007, with the Board having three (3) options to renew for periods of one (1) year each. Sentinel was selected pursuant to a duly advertised Request for Proposals (Specification No. 05-250061).

OPTION PERIOD: The term of this agreement shall be extended for one (1) year commencing on July 1, 2007 and ending June 30, 2008. This renewal term is necessary to coincide with, and allow for the participation in Year 10 of the E-Rate program.

OPTION PERIODS REMAINING: There are two (2) one-year options to renew for one year remaining. Pricing for the option period shall be in accordance with pricing formulas specified in the agreement.

SCOPE OF SERVICES: Sentinel will provide project management, installation, network equipment, services, and associated construction at the schools. The work will include infrastructure assessment of the existing environments, ordering of equipment, coordinating shipment and staging of new equipment, and removal and replacement of hubs, switches, wireless access points and other network devices. Additionally, this work will include wireless assessments, installation of wireless access points, and installation of Wireless Network Interface Cards ("NICs") in Windows and Apple computers. Sentinel will also provide support services to include installation, integration, configuration, and testing of the equipment.

DELIVERABLES: Sentinel will provide the following deliverables meeting the Board's specified requirements:

- Project Plan
- Communication Plan
- Project Milestone Dashboard
- Risk Report
- Issues Report
- Budget Variance Reports
- Resource Tracking Report
- Removed Equipment Report
- New equipment inventory
- School Assessments
- Riser Diagrams
- Wireless Site Surveys
- Visio Diagrams of school LANs
- Testing/Acceptance Reports

OUTCOMES: Sentinel's services will result in improved WAN and LAN services and features for the Chicago Public Schools. The Board will have outdated network equipment upgraded to current Board standards at the schools to ensure greater network stability, additional bandwidth, remote management capabilities and increased network performance.

COMPENSATION: Sentinel shall be paid for this one (1) year period as follows: upon invoicing, per deliverables/projects, as will be outlined in the agreement, not to exceed the sum of \$14,957,575.00, of which approximately \$12,863,515.00 is eligible for, and contingent upon, E-Rate discounts, for a total cost to the Board not to exceed \$2,094,061.00. Payment for purchases so made shall be the responsibility of the District schools, charter schools, CPS consortium members, and City of Chicago sister agencies. Charter schools and sister agencies shall pay vendor directly and CPS District schools and consortium members shall reimburse the Board for such purchases.

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

AFFIRMATIVE ACTION: This Contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The 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. Sentinel has identified and scheduled the following firms and percentages:

Total 35% MBE:

Total 35% African American:

Smart Technology Services

150 N. Jefferson
Chicago, Illinois 60661

Total 5% WBE:

~~R.L. Canning~~ B2B Strategic Solutions, Inc.

~~1112 N. Paulina, Suite #3 Street~~ 35 E. Wacker Drive, Suite 3450
Chicago, Illinois ~~60622~~ 60601

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

FINANCIAL:

		FY08
Annual Eligible		\$14,957,575.00
	CPS-14%	\$2,094,061.00
	SLD-86%	\$12,863,515.00
CPS PAYS	0220-XXX-000-9595-54100 Capital Funds	\$2,094,061.00
SLD PAYS		\$12,863,515.00
		\$14,957,575.00

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.

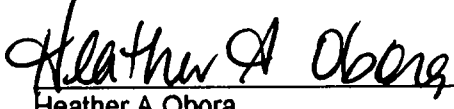
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted July 26, 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 June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

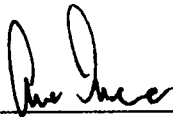
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Heather A. Obora
Chief Purchasing Officer

Approved:



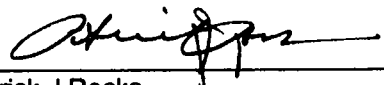
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to Legal Form: 



Patrick J. Rocks
General Counsel