

FINAL

09-1216-PR19

**APPROVE ENTERING INTO AGREEMENTS WITH SUN MICROSYSTEMS OR SENTINEL  
TECHNOLOGIES FOR NETWORK MAINTENANCE SERVICES**

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

Approve entering into agreements with Sun Microsystems or Sentinel Technologies ("Vendor") to provide network monitoring and maintenance services for the Chicago Public Schools' ("CPS") wide area network ("WAN"), local area network ("LAN"), and network security infrastructure. The cost for the Basic Maintenance Contract, or Contract #1, shall not exceed \$37,897,213.56, of which approximately \$27,968,838.90 will be the discounted portion of eligible E-Rate services and/or products to be funded by the School and Libraries Division of the Universal Service Administrative Company ("SLD/USAC"). Under this first agreement, the Board shall only be responsible for the non-discounted portion of E-Rate eligible services and/or products and the cost of ineligible services and/or products, which shall not exceed \$9,928,374.66. No Board funds will be disbursed if E-Rate funding is denied except for Priority 2 Basic Maintenance Services as defined by SLD/USAC. Basic Maintenance Services are those that are necessary for the continuing operations of eligible equipment, including repair and upkeep of eligible hardware, wire and cable maintenance, basic technical support, and configuration changes. The cost for the term, for the second agreement, shall not exceed \$8,913,169.32. None of the services provided under Contract #2 are E-Rate eligible. Vendor was selected on a competitive basis pursuant to Board Rule 5-4.1. Written agreements are currently being negotiated. No services shall be provided and no payment shall be made to Vendor prior to the execution of the written agreements. The authority granted herein shall automatically rescind in the event written agreements are not executed within 90 days of the date of this Board Report. Information pertinent to these agreements is stated below.

**Specification Number :** 09-250030

**Contract Administrator :** Ethan Sinnema / 773-553-3295

**VENDOR:**

- 1) Vendor # 89823

Sun Microsystems, Inc  
4150 Network Circle  
Santa Clara, Ca 95054  
Mark Pingry  
217-359-9805

- 2) Vendor # 21472

Sentinel Technologies, Inc.  
2550 Warrenville Road  
Downers Grove, Il 60515  
Brian Osborne  
630-769-4325

**USER:**

Information & Technology Services  
125 South Clark Street - 3rd Floor  
Chicago, IL 60603

Contact :            Arshele Stevens

Phone:               773-553-1300

**TERM:**

The term of this agreement shall commence on July 1, 2010 and shall end June 30, 2013. This agreement shall have three options to renew for periods of 12 months each.

**EARLY TERMINATION RIGHT:**

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

**SCOPE OF SERVICES:**

Vendor will provide the Board with services described below during the contract term:

Under Contract #1 covering services eligible for the E-Rate discount shall be as follows:

Vendor will provide onsite basic maintenance services in conjunction with the E-Rate Program to the Board.

This will include management services to monitor and maintain the WAN, LAN, and network security infrastructure, including routers, switches, firewall/VPN appliances, firewall/VPN management stations, load balancers, WAN/LAN interfaces, and other ancillary equipment ("Services"), including; Remote management of Board owned or leased equipment, maintenance administration of systems, fault/error detection, reporting, analysis, and correction of issues.

Support for designated infrastructure 24 hours a day, seven days a week, 365 days a year.

Notice of outages, reporting, and on-site repair services; Break/fix switch maintenance services for school LAN equipment.

Under Contract #2: Vendor will provide management services to monitor and maintain the WAN, LAN, and network security infrastructure, including routers, switches, firewall/VPN appliances, firewall/VPN management stations, content filtering system, load balancers, WAN/LAN interfaces, and other ancillary equipment ("Services"), including:

Proactive remote monitoring and management of Board owned or leased equipment, pro-active and maintenance administration of systems, fault/error detection, reporting, analysis, and correction of issues.

Network monitoring for designated infrastructure hours a day, seven days a week, 365 days a year.

Equipment audits at regular intervals with the Board, including covering any device changes as required.

Vendor will also provide installation, configuration, and project management for the following equipment and initiatives:

Replacement of network equipment at approximately seventy schools to include replacement of switches, wireless access points, and wireless network interface cards.

This also will include incidental low voltage cabling and minor construction.

Upgrades to school MDF room network equipment.

Upgrades and installation of core networking equipment.

**DELIVERABLES:**

Vendor will provide the Board with the following deliverables meeting the Board's specified requirement under both agreements.

Reporting (all reports accessible online, in a downloaded form and hard copy)

Network analysis

Network management and network monitoring

Firewall, VPN, and content filter change request management

General management

Third-party security audit

Service level agreements (SLAs) and implementation of SLAs

Installation and configuration of Cisco series switches and other related equipment at schools and in the core network

Redeployment of existing school switches, replaced by the new switches

Removal of old equipment at the schools and in the core

Incident management and onsite maintenance services for all school LAN equipment, including switches, hubs, wireless access points, transceivers, and uninterruptible power supplies. Vendor will also provide the following assigned dedicated resources to service both agreements:

- (2) Customer Service Managers
- (1) Technical Manager
- (1) Sr. Level Project Manager
- (2) Tier 2 Senior WAN Engineers
- (2) Tier 2 Midlevel WAN Engineers
- (2) Senior Checkpoint Engineers
- (2) Senior PIX Engineers
- (1) Senior Windows Engineer
- (2) Senior LAN Engineer
- (1) Senior Network Engineer
- (1) Business Solution Analyst
- (1) QA Manager

All assigned engineers will serve as primary resources, with a secondary engineer (familiarized with the Board's network) acting as a back-up.

Also, Vendor will have appropriate field personnel for the proper dispatches in order to meet or exceed SLAs.

**OUTCOMES:**

Vendor's services will result in the Board having comprehensive managed services for its WAN, LAN, and network security infrastructure, which will result in improved service and bandwidth to CPS. These services will also continue to result in the Board having managed services and appropriate reporting and

maintenance for all CPS locations, including network monitoring, fault management (detection and notification), fault isolation and resolution, configuration and software support, hardware/software dispatch with on-site repair and technical assistance. These services will result in the Board (i) being notified of outages and having the ability to view trouble tickets via a web-based ticketing system and reports; (ii) receiving appropriate on-site repair services dispatched to schools and Central Office that experience outages related to WAN, LAN, and network security data equipment; and (iii) improved ability to maximize network uptime. Vendor will provide installation and project management services for new equipment within the core network and at the schools. School LAN equipment will be repaired in a timely fashion, reducing network downtime. The switches will have a common configuration and operating system that will improve uptime and reduce intermittent issues.

**COMPENSATION:**

Vendor shall be paid during Contract #1 as follows: at a total cost not to exceed the sum of \$37,897,213.56, of which approximately \$27,968,838.90 is the discounted portion of eligible E-Rate services and/or products to be funded by the SLD/USAC. The CPS portion of the cost for the non-discounted portion of E-rate eligible services and/or products and the cost of ineligible services and/or products shall not exceed \$9,928,374.66. No Board funds will be disbursed if E-Rate funding is denied except for Priority 2 Basic Maintenance Services as defined by SLD/USAC. Vendor shall be paid during Contract #2 as follows: at a total cost to the Board not to exceed the sum of \$8,913,169.32. None of the services provided under Contract #2 are E-Rate eligible.

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

**AFFIRMATIVE ACTION:**

Pursuant to Section 6.2 of the Remedial Program for Minority and Women Business Enterprise Contract Participation (M/WBE Program) in Goods and Services, the Per Contract and Category Goals method for M/WBE participation will be utilized. The M/WBE participation goals for this contract include: 35% total MBE and 5% total WBE. The vendors will be reporting on their M/WBE participation on a monthly basis.

The vendors have identified and scheduled the following firms:

**Sun Microsystems, Inc.**

Total MBE 35%  
IMC Connect Inc.  
207 E. Ohio Avenue #293  
Chicago, IL 60631

CS&C-Julex Inc.  
1613 S. Michigan Ave.  
Chicago, IL 60613

Total WBE 5%  
KMC Enterprises INC.  
13235 Hiawatha Drive  
Homer Glen, IL 60491

**Sentinel Technologies**

Total MBE 35%  
Samrt Technologies, Inc.  
150 N. Jefferson  
Chicago, IL 60661

Total WBE 5%  
Solai & Cameron  
2335 N. Southport  
Chicago, IL 60614

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Please see attachment.

**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.

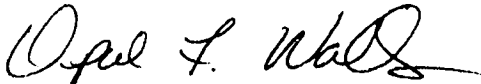
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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



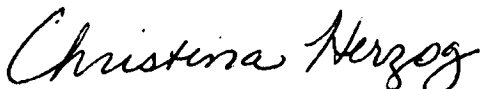
**Opal L. Walls**  
Chief Purchasing Officer

**Approved:**



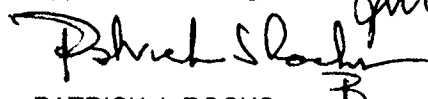
**Ron Huberman**  
Chief Executive Officer

Within Appropriation:



**CHRISTINA HERZOG**  
ACTING CHIEF FINANCIAL OFFICER

Approved as to Legal Form:



**PATRICK J. ROCKS**  
General Counsel

**FINANCIAL:**

	<b>FY11</b>
Total Amount for Contract #1	\$12,632,404.52
<b>Annual Eligible</b>	\$10,358,829.22
NON-DISCOUNTED PORTION PAID BY THE BOARD 10%	\$1,035,882.92
DISCOUNTED PORTION FUNDED BY THE SLD/USAC 90%	\$9,322,946.30
<b>Annual Ineligible</b>	\$2,273,575.30
<b>TOTAL PAID BY CPS</b>	
<b>12540-230-54125-254901-000000-2011</b>	\$3,309,458.22
<b>TOTAL FUNDED BY THE SLD/USAC</b>	\$9,322,946.30
Total Amount for Contract #2	\$2,971,056.44
<b>TOTAL PAID BY CPS</b>	\$2,971,056.44
<b>12540-230-54125-254901-000000-2011</b>	

	<b>FY12</b>
Total Amount for Contract #1	\$12,632,404.52
<b>Annual Eligible</b>	\$10,358,829.22
NON-DISCOUNTED PORTION PAID BY THE BOARD 10%	\$1,035,882.92
DISCOUNTED PORTION FUNDED BY THE SLD/USAC 90%	\$9,322,946.30
<b>Annual Ineligible</b>	\$2,273,575.30
<b>TOTAL PAID BY CPS</b>	
<b>12540-230-54125-254901-000000-2012</b>	\$3,309,458.22
<b>TOTAL FUNDED BY THE SLD/USAC</b>	\$9,322,946.30
Total Amount for Contract #2	\$2,971,056.44
<b>TOTAL PAID BY CPS</b>	\$2,971,056.44
<b>12540-230-54125-254901-000000-2012</b>	

	<b>FY13</b>
Total Amount for Contract #1	\$12,632,404.52
<b>Annual Eligible</b>	\$10,358,829.22
NON-DISCOUNTED PORTION PAID BY THE BOARD 10%	\$1,035,882.92
DISCOUNTED PORTION FUNDED BY THE SLD/USAC 90%	\$9,322,946.30
<b>Annual Ineligible</b>	\$2,273,575.30
<b>TOTAL PAID BY CPS</b>	
<b>12540-230-54125-254901-000000-2013</b>	\$3,309,458.22
<b>TOTAL FUNDED BY THE SLD/USAC</b>	\$9,322,946.30
Total Amount for Contract #2	\$2,971,056.44
<b>TOTAL PAID BY CPS</b>	\$2,971,056.44
<b>12540-230-54125-254901-000000-2013</b>	