

APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH DELL MARKETING, LP DELL FINANCIAL, SENTINEL TECHNOLOGIES (CISCO), INC. AND VION CORPORATION (HITACHI) FOR THE PURCHASE AND/OR LEASE OF NETWORK SERVERS

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreements with Dell Marketing L.P., Dell Financial, Sentinel Technologies, Inc., and Vion Corporation for the purchase and/or lease of network servers for use by all schools, networks, and central office departments at an aggregate cost not exceed \$2,619,469.00. A written document exercising this option is currently being negotiated. No payment shall be made to vendors 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 : 10-250057

Contract Administrator : Hernandez, Miss Patricia / 773-553-2280

USER INFORMATION :

Contact:

12510 - Information & Technology Services

125 South Clark Street - 3rd Floor

Chicago, IL 60603

Tidmarsh, Mr. Lachlan W.

773-553-1300

Project Manager: 12510 - Information & Technology Services

125 South Clark Street - 3rd Floor

Chicago, IL 60603

Vashi, Mr. Sandip N

773-553-1300

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report #11-0223-PR4 as amended by Board Report #11-1214-PR7) in the amount of \$4, 650,000.00 was for a term commencing upon execution and ending June 30, 2012, with the Board having four options to renew for a one year term. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.

OPTION PERIOD:

The term of each agreement is being renewed for one (1) year commencing July 1, 2012 and ending June 30, 2013.

OPTION PERIODS REMAINING:

There are three (3) option periods remaining for one (1) year each.

SCOPE OF SERVICES:

Vendors will continue to provide Dell, Cisco, and Hitachi servers and associated installation, configurations, extended warranty and maintenance service. Schools, network offices, and central office

departments shall purchase equipment at their option via requisition to the Department of Procurement and Contracts, abiding by current procurement processes. School purchases shall be consistent with school improvement plans (S.I.P.). School-based purchases that exceed \$25,000.00 must be approved by the corresponding Network Chief. In the Central Office, purchases over \$25,000.00 must be approved by the Chief of the appropriate department and the Chief Information Officer.

DELIVERABLES:

Vendors will continue to provide the following deliverables meeting the Board's specified requirements under the agreements; reporting (all reports accessible online, in a downloaded form and hardy copy; equipments management asset and order tracking; service level agreements (SLA) and implementation of agreed upon SLAs; installation and configuration of equipment; incident management and onsite maintenance services for all designated equipment.

OUTCOMES:

These agreements will result in the ability to purchase and/or lease network servers and associated accessories for existing and new applications.

COMPENSATION:

Each vendor shall be paid in accordance with the unit prices contained in their agreement; not to exceed the sum of \$2,619,469.00 in the aggregate for all Vendors.

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written option documents, including any indemnities by the Board. Authorize the President and Secretary to execute the option document. Authorize Chief Information and Chief Purchasing Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION:

The M/WBE goals for this agreement include 10% total MBE and 5% total WBE participation. However, pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, the aggregated compliance method for M/WBE compliance will be utilized. Thus, orders for subsequent vendors from the pool created by this agreement will be subjected to aggregated compliance reviews and monitored on a quarterly basis.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Charge to various schools and departments
Total amount not to exceed \$2,619,469.00
Fiscal Year 2013
Budget Classification :
5730 - Equipment
5320 - Supplies
5470 - Services/Repair Contracts

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:



SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



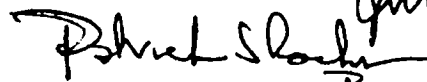
JEAN-CLAUDE BRIZARD
Chief Executive Officer

Within Appropriation:



DAVID G. WATKINS
Chief Financial Officer

Approved as to Legal Form:



PATRICK J. ROCKS
General Counsel

1)

Vendor # 44646
DELL MARKETING L.P.
1 DELL WAY, MAIL STOP 8707
ROUND ROCK, TX 78682
Angela Woods
800-766-3355

2)

Vendor # 21472
SENTINEL TECHNOLOGIES, INC.
2550 WARRENVILLE ROAD
DOWNS GROVE, IL 60515
Brian Osborne
630-769-4325

3)

Vendor # 52926
VION CORPORATION
1055 THOMAS JEFFERSON ST., N.W. STE
406
WASHINGTON, DC 20007
Robert Bryar
202-467-5500

4)

Vendor # 14600
DELL FINANCIAL SERVICES - LEASING
12234 N .IH35 BLDG. B
AUSTIN, TX 78753
Brad Webster
800-455-3355