

AMEND BOARD REPORT 13-0227-PR13
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 first option to renew agreement with Sentinel Technologies, Inc. (Sentinel or Vendor) to provide Local Area Network (LAN) System Improvement Services for Information & Technology Services (ITS) at a total cost not to exceed ~~\$23,997,619.37~~ \$27,870,734.39 for the term, of which approximately \$15,141,859.17 is 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). 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 ~~\$8,855,760.20~~ \$12,728,875.22. Sentinel was selected pursuant to a duly advertised Request for Proposals (Specification No. 09-250022). A written renewal agreement is currently being negotiated. No payment shall be made to Sentinel prior to the execution of the written renewal agreement. The authority granted herein shall automatically rescind in the event the renewal agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

This May 2013 amendment is necessary to increase the dollar amount by \$3,873,115.02 to provide network equipment, installation services and associated project management for the welcoming school projects. These services are needed to support the iPad and security camera installations scheduled for this summer. A written amendment to the renewal agreement is required. The authority granted herein shall automatically rescind in the event the amendment is not executed within 90 days of the date of this amended Board Report.

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-2280

VENDOR:

- 1) Vendor # 21472
 SENTINEL TECHNOLOGIES, INC.
 2550 WARRENVILLE ROAD
 DOWNERS GROVE, IL 60515
 Jack Reidy
 630-769-4325

USER INFORMATION :

Contact: 12510 - Information & Technology Services
 125 South Clark Street - 3rd Floor
 Chicago, IL 60603
 Tidmarsh, Mr. Lachlan W.
 773-553-1300

Project 12510 - Information & Technology Services
 Manager: 125 South Clark Street - 3rd Floor
 Chicago, IL 60603
 Burnson, Mr. Richard A
 773-553-1300

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report #09-1216-PR17) in the amount of \$62,598,429.87 was for a term commencing July 1, 2010 and ending June 30, 2013, with the Board having two options to renew for one year terms. Approximately \$44,153,942.34 was the discounted portion of eligible E-Rate services; the Board was responsible only for the non-discounted portion of E-Rate eligible services/products and ineligible services/products at a cost not to exceed the amount of \$18,444,487.53. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.

OPTION PERIOD:

The term of this agreement is being extended for one year commencing July 1, 2013 and ending June 30, 2014.

OPTION PERIODS REMAINING:

There is one option period for one year remaining.

SCOPE OF SERVICES:

Sentinel shall continue to provide the Board with project management, installation, network equipment, services, and associated construction at the schools. The work shall 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 in Windows and Apple computers. Sentinel shall also provide support services to include installation, integration, configuration, and testing of the equipment.

DELIVERABLES:

Sentinel shall continue to provide the Board with the following: Project plan; Communication plan; Project milestone dashboard; Risk report; Issues report; Budget variance reports; Resource tracking report; Removed equipment report with Trade-in Value; New equipment inventory; School assessments; Riser diagrams; Wireless site surveys; Visio diagrams of school LANs; and, Testing/Acceptance reports.

OUTCOMES:

Sentinel's services will result in the Board having improved wide area network (WAN) and local area network (LAN) services and features for the Chicago Public Schools. The Board's network equipment at the schools will be upgraded to current Board standards to ensure greater network stability, additional bandwidth, remote management capabilities, increased WAN/LAN security, and increased network performance.

COMPENSATION:

Vendor shall be paid as described in the agreement, at a total cost not to exceed ~~\$23,997,619.37~~ \$27,870,734.39, of which approximately \$15,141,859.17 is the discounted portion of eligible E-Rate services and/or products to be funded by the SLD/USAC. 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 amount shall not exceed ~~\$8,855,760.20~~ \$12,728,875.22.

AUTHORIZATION:

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

AFFIRMATIVE ACTION:

This agreement is in full compliance with the goals required by the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts. The MBE/WBE participation goals for this agreement are: 35% total MBE and 5% total WBE participation.

The vendor has identified the following firms and percentages:

Total MBE - 35%

Smart Technology
156 North Jefferson, Suite 200
Chicago, Illinois 60661

Total WBE - 5%

Solai & Cameron
2335 North Southport
Chicago, Illinois 60614

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 115, 230 and various capital funds
Charge to Information and Technology Services, 12500
FY13: \$3,873,115.02
FY14: \$8,855,760.20
FY14: \$15,141,859.00 E-Rate
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:



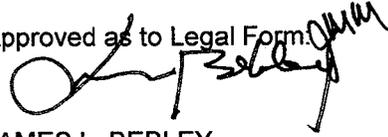
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



BARBARA BYRD-BENNETT
Chief Executive Officer

Approved as to Legal Form:



JAMES L. BEBLEY
General Counsel