

AMEND BOARD REPORT 06-1115-PR10
AMEND BOARD REPORT 06-0628-PR21
APPROVE EXERCISING THE FIRST AND SECOND OPTIONS TO RENEW THE AGREEMENT WITH
MESSAGE LABS
FOR MANAGEMENT AND SOFTWARE SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first and second options to renew the agreement with MessageLabs for Management and software services to the Office of Technology Services ("OTS") at a cost not to exceed ~~\$480,000.00~~ \$624,000.00. Vendor was selected on a competitive basis pursuant to Board Rule 5-4.1. A written renewal agreement is currently being negotiated. No payment shall be made to MessageLabs during the option period prior to the execution of the written agreement. 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

This amendment is necessary to simultaneously exercise the first and second option to renew the agreement in order to secure discounted pricing.

This second amendment is necessary to increase the compensation amount by \$144,000 for Anti-Virus, Anti-Spam, Image Control and Content Control for 150,000 additional individual user accounts generated by the student email implementation. An amendment to the renewal agreement is required. The authority granted herein shall automatically rescind in the event a written amendment is not executed within 90 days of the date of this amended Board Report.

VENDOR: MessageLabs
512 Seventh Avenue, 6th Floor
New York, NY 10018
Contact Person: Keith VonSeelen
Telephone No.: (646) 519-8172
Vendor No.: 80180

USERS: Office of Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contact: Robert W. Runcie, Chief Information Officer
Anthony L. McPhearson, LAN Services, Director
Telephone No.: (773) 553-1300

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 05-0928-PR7) in an amount not to exceed \$240,000.00 is for a term commencing October 1, 2005 and shall end June 30, 2006. This agreement shall have two (2) options to renew for a one (1) year period each.

OPTION PERIOD: The term of this Agreement is being extended for two years commencing July 1, 2006 and ending June 30, 2008.

OPTION PERIODS REMAINING: There are no option periods remaining.

SCOPE OF SERVICES: MessageLabs will continue to provide Anti-Virus (AV), Anti-Spam (AS), Image Control (IC), and Content Control (CC). All services will be provided through skilled resources performing technical support, management, support and problem identification and problem resolution for all associated systems as defined by the Chicago Public Schools.

DELIVERABLES: MessageLabs will continue to provide service on a twenty-four (24) hours/day by seven (7) days a week basis from MessageLabs Global Operations Centre. The service is monitored for hardware availability, service capacity and network resource utilization

OUTCOMES: MessageLabs services will ensure that inbound and outbound Email and attachments are scanned by leading Anti-Virus products and Skeptic.

COMPENSATION: MessageLabs shall be paid during the option period in accordance with a pricing schedule contained in the written agreement: total compensation not to exceed ~~\$240,000.00~~ \$312,000.00 per term for a total of ~~\$480,000.00~~ \$624,000.00.

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

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 35% total MBE and 5% WBE. However, the Waiver Committee recommends that a partial waiver of the MBE participation goals for this contract as required by the Revised Remedial Plan be granted because the contract scope is not further divisible.

Message Labs has agreed to mentor Advotek in a way that builds the company's technical and sales capability to market this technology to the private sector in the future.

Total 10% WBE:

Sunnyside Travel 5%
2100 South Indiana Avenue, Suite #109
Chicago, IL 60616

Advotek, Inc. 5%
148 Ogden Avenue
Downers Grove, IL 60515

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

FINANCIAL: Charge to the Office of Technology Services: ~~\$480,000.00~~ \$624,000.00
Budget Classification: Various operating budget lines.

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.

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:

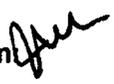


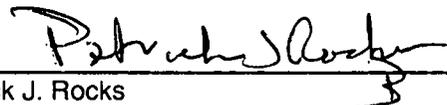
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to legal form 



Patrick J. Rocks
General Counsel