

**AMEND BOARD REPORT 04-1215-PR18**

**AMEND BOARD REPORT 04-1117-PR6**

**APPROVE ENTERING INTO AGREEMENTS WITH SBC GLOBAL SERVICES, INC. ON BEHALF OF ILLINOIS BELL TELEPHONE D/B/A AT&T GLOBAL SERVICES ON BEHALF OF ITS AFFILIATES, AMENDING AGREEMENTS AND EXERCISING OPTION TO RENEW**

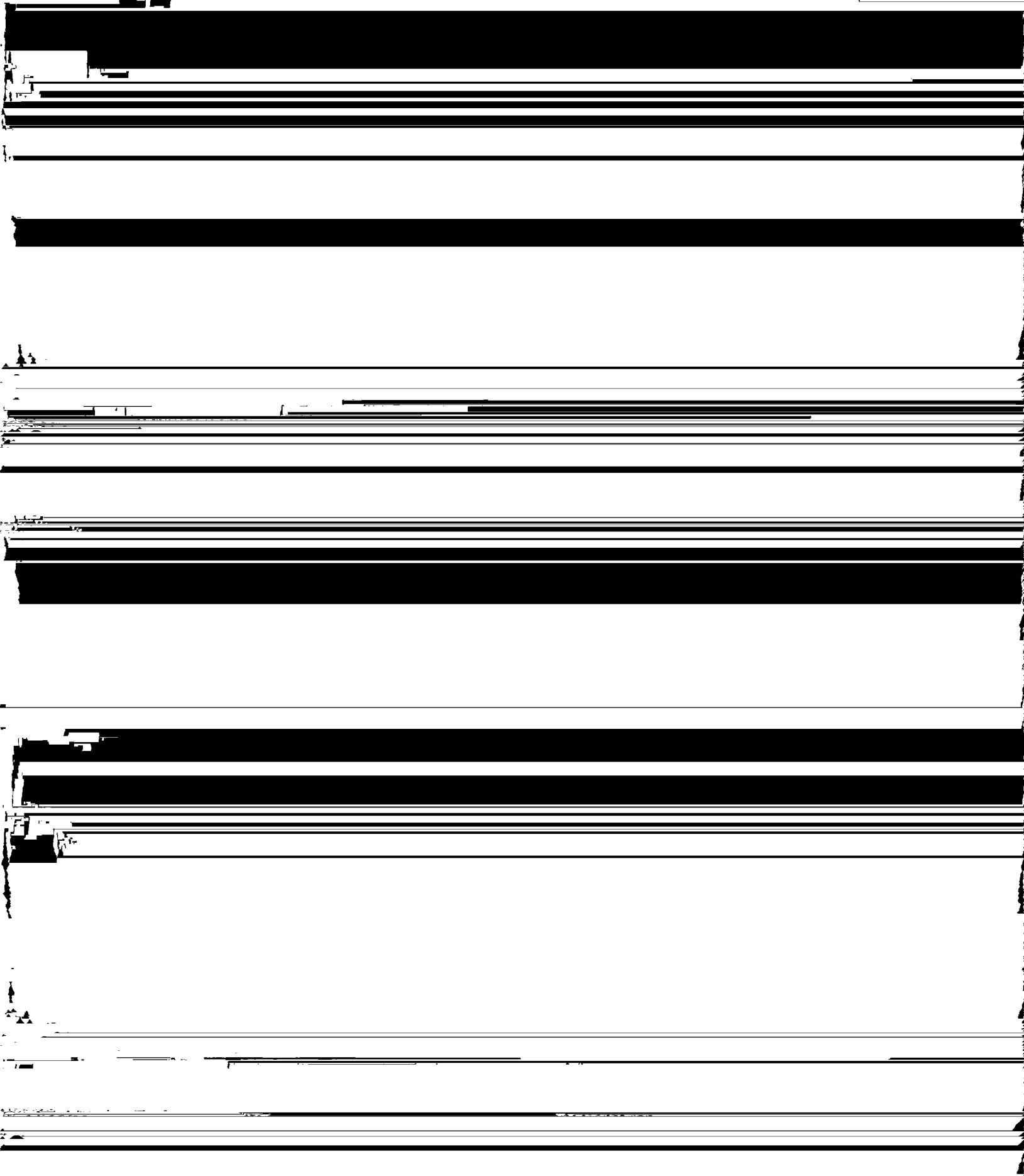
**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into a master agreement with SBC Global Services, Inc. d/b/a AT&T Global Services on behalf of its affiliates, approve amending the agreement(s) and exercising the first option to renew the

1. Discounted Usage Rates for Local Services – See Appendix A

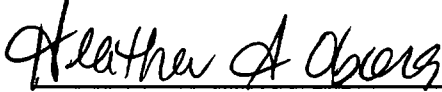
2. Leased Wide Area Network Fiber Transport Services – See Appendix B

AUTHORIZATION: Authorize the General Council to include other relevant terms and conditions in the




**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



John Maiorca  
Chief Financial Officer

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**APPROVE ENTERING INTO AN AGREEMENT**

Approve entering into an agreement with SBC Global Services, Inc ("SBC Global " or "Vendor") to provide cost discounts on local usage for Centrex and Non-Centrex Services for a three (3) year term for the Office of Technology Services ("OTS"). The discounted usage rates are based upon a minimum annual

IntraLATA Toll/800 USAGE

	<u>FIRST MINUTE</u>	<u>SUBSEQUENT MINUTES</u>
IntraLATA	\$0.035	\$0.035
Toll/800	\$0.035	\$0.035

**OUTCOME:** The Board will receive the discounted local, IntraLATA and Toll/800 usage rates.

**OPTIONS TO RENEW:** This Agreement shall have five (5) three year options to renew. After initial Term

should any rates be lower than currently offered, CPS will have the right to renegotiate to the lower rates

APPROVE ENTERING INTO A NEW AGREEMENT FOR LEASED WIDE AREA NETWORK

FIBER TRANSPORT SERVICES, AMENDING THE AGREEMENT  
AND EXERCISING FIRST OPTION TO RENEW

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**OPTIONS TO RENEW:** This Agreement shall have two (2) three-year options to renew.

**COMPENSATION:** [REDACTED]

invoicing, not to exceed the sum of \$13,278,583.38 \$18,761,127.65 of which \$13,278,583.38  
\$10,425,024.05 is eligible for, but not contingent upon, E-Data discounts. The approximate amount to be

APPROVE ENTERING INTO AN AGREEMENT FOR CENTREV SWITCHING SERVICES

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



**COMPENSATION:** SBC Global shall be paid during this period as follows: upon invoicing, not to exceed a total three (3) year sum of ~~\$16,033,950.00~~ \$14,150,331.06 of which a total of ~~\$15,853,950.00~~ \$11,868,686.92 is eligible for, but not contingent upon, E-Rate discounts, for a total cost to the Board not to exceed a total of ~~\$2,241,014.67~~ \$2,281,644.14. SBC Global shall be paid, during the first renewal term, as follows: upon invoicing, not to exceed the sum of \$9,131,638.50 of which \$8,454,838.50 is eligible for, but not contingent upon, E-Rate discounts. The approximate amount to be billed to the SLD is \$7,271,161.11 and the approximate total cost to the Board is not to exceed \$1,860,477.39.

**FINANCIAL:** Charge to the Office of Technology Services \$16,033,950.00  
Budget Classification: 0220-552-000-1614-5430 \$5,344,653.00 FY06  
0220-552-000-1614-5430 \$5,344,653.00 FY07  
0220-552-000-1614-5430 \$5,344,653.00 FY08

**SEE APPENDIX F FOR REVISED FINANCIALS**

**APPROVE THE PURCHASE OF TARIFF-BASED (NON-CENTREX) TELECOMMUNICATIONS SERVICES**

Approve the purchase of various tariff-based local telecommunications services from SBC Global Services, Inc ("SBC Global " or "Vendor"), including Basic Rate Interface (BRI) access, Direct Inward Dial (DID), Plain Old Telephone Service (POTS) and all other basic non-Centrex, measured business services to the Office of Technology Services ("OTS") at a cost not to exceed \$2,688,731.64 \$2,235,846.91 for an initial three (3) year period. A written document for these tariff-based services is not required. Information

pertinent to this matter is stated below:

This amendment is necessary to decrease the not to exceed amount for the initial purchase period by \$452,884.73; to authorize the purchase of various tariff-based local telecommunications services for the period July 1, 2008 through June 30, 2011 to cover FY09, FY10 and FY11 at a total cost not to exceed \$2,235,846.91 of which the Board has allocated funding in the amount of \$26,718.72 to cover any billing

to the Board as the Billed Entity for the CPS consortium. Payment for purchases so made shall be the responsibility of the charter schools, CPS consortium members, and City of Chicago sister agencies. Charter schools and City sister agencies shall pay vendor directly and consortium members shall reimburse the Board for such purchases. A written document for these tariff-based services is not required. Information pertinent to this matter is stated below.

**SPECIFICATION NO:** E-Rate Form 470 Posting: 785950000500456

**TERM:** The term of this purchase is authorized for a period of three (3) years commencing July 1, 2005

**APPROVE ENTERING INTO AN AGREEMENT FOR DS1 PRIMARY RATE INTERFACE (PRI) SERVICES, AMENDING THE AGREEMENT AND EXERCISING FIRST OPTION TO RENEW**

Approve entering into an agreement with SBC Global Services, Inc ("SBC Global" or "Vendor") for the provision of channelized DS1 Primary Rate Interface (PRI) access for an initial three (3) year term for the Office of Technology Services ("OTS") at a cost not to exceed ~~\$4,303,799.64~~ \$4,499,729.20. A written agreement is currently being negotiated. No payment shall be made to Vendor 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.

~~Approve amending the original agreement as set forth below and exercising the first option to renew the~~

agreement for a three-year term to cover FY09, FY10 and FY11. The cost for the option period shall not exceed \$7,140,375.00.

This amendment for Appendix E is necessary to i) adjust the E-Rate percentage discount from 87% to 86% due to recent SLD rulings, ii) add language allowing charter schools, CPS consortium members and City of Chicago sister agencies to purchase services under the agreement and iii) to increase the funding amount by \$27,627.60 to cover any billings to the Board as the Billed Entity for the CPS consortium.

**COMPENSATION:** SBC Global shall be paid, during the initial term of the Agreement, as follows: upon monthly invoicing, not to exceed a three-year total of ~~\$4,303,799.64~~ \$4,499,729.20 for Non-Centrex services of which approximately a total of ~~\$4,174,685.64~~ \$3,766,557.82 is eligible for, but not contingent upon, E-Rate discounts, for a total cost to the Board not to exceed a total of ~~\$674,922.12~~ \$733,171.29.

SBC Global shall be paid, during the first renewal term, as follows: upon invoicing, not to exceed the sum of \$7,140,375.00 of which \$6,922,575.00 is eligible for, but not contingent upon, E-Rate discounts. The

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GRAND TOTAL
1,227,160.25
3,976,826.40
5,039,443.75
5,243,430.40
7,734,080.26
7,509,350.14
\$450,000.00
\$882,420.00
\$342,400.00
1,674,820.00
5,918,250.40
3,408,900.26
7,509,350.14
<del>3,918,250.40</del>
\$297,600.00
\$0.00
\$0.00
\$297,600.00
\$41,664.00
\$255,936.00
\$40,000.00
\$0.00
\$0.00
\$40,000.00
\$337,600.00
\$81,664.00
\$255,936.00
\$337,600.00
3,480,564.26
7,765,286.14
7,255,850.40

FINAL

	GRAND TOTAL
766.50	\$20,539,541.24
187.31	\$2,875,535.77
279.19	\$17,664,005.47
900.00	\$450,332.32
666.50	\$20,989,873.56
287.31	\$3,325,868.09
279.19	\$17,664,005.47
666.50	\$20,989,873.56
772.00	\$1,716,096.00
190.08	\$240,253.44
381.92	\$1,475,842.56
100.00	\$576,000.00
172.00	\$2,292,096.00
190.08	\$816,253.44
381.92	\$1,475,842.56
172.00	\$2,292,096.00
177.39	\$4,142,121.53
161.11	\$19,139,848.03
388.50	\$23,281,969.56

	GRAND TOTAL
.00	\$4,399,920.00
.00	\$615,988.80
.00	\$3,783,931.20
.00	\$425,296.91
.00	\$4,825,206.91
.00	\$1,041,275.71
.00	\$3,783,931.20
.00	\$4,825,206.91
.00	\$190,848.00
.04	\$26,718.72
.96	\$164,129.28
.00	\$0.00
.00	\$190,848.00
.04	\$26,718.72
.96	\$164,129.28
.00	\$190,848.00
.04	\$1,067,984.43
.96	\$3,948,060.48
.00	\$5,016,054.91

	GRAND TOTAL
0.00	\$11,104,953.40
9.80	\$1,554,693.48
3.20	\$9,550,259.92
0.00	\$337,810.80
0.00	\$11,442,764.20
9.80	\$1,892,504.28
0.20	\$9,550,259.92
0.00	\$11,442,764.20
5.00	\$197,340.00
0.70	\$27,627.60
4.30	\$169,712.40
0.00	\$0.00
5.00	\$197,340.00
0.70	\$27,627.60
4.30	\$169,712.40
5.00	\$197,340.00
0.50	\$1,920,131.88
4.50	\$9,719,972.32
5.00	\$11,640,104.20