

May 12, 2010

ITEM NO. A2

**AUTHORIZATION TO EXERCISE THE THIRD ONE (1) YEAR OPTION OF
CONTRACT NO. 6035 WITH FASTECH, INC. FOR SUN MAINTENANCE SERVICES**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners (“Board”) authorizes the Chief Executive Officer or his designee to exercise the third one (1) year option of Contract No. 6035 (“Contract”) with Fastech, Inc. for Sun Maintenance Services, for a twelve (12) month period, and to increase the Contract’s compensation by \$132,196.48. The Contract’s new aggregate compensation amount will be \$643,882.34

Funding
General Fund

RECOMMENDATION SUMMARY

Vendor:	Fastech, Inc. 11890 Old Baltimore Pike Beltsville, MD 20705
Contract Type:	Firm Fixed Price
Contract No.	6035
Original Contract Amount:	\$ 251,308.16
First Option Amount:	\$ 128,181.22
Second Option Amount:	\$ 132,196.48
Third Option Amount:	\$ 132,196.48
New Total Contract Amount:	\$ 643,882.34
Original Contract Period:	June 1, 2006 through May 31, 2008 (24 months)
First Option Period:	June 1, 2008 through May 31, 2009 (12 months)
Second Option Period:	June 1, 2009 through May 31, 2010 (12 months)
Third Option Period:	June 1, 2010 through May 31, 2011 (12 months)

M/W/DBE Participation:

Direct 100% MBE % WBE % DBE
Indirect: % MBE % WBE % DBE
Waiver (Yes/No)

Section 3: NA

 (#) Hiring (\$) Subcontracting (\$) Other Economic Opportunities

GENERAL BACKGROUND

The Chicago Housing Authority's ("CHA") information technology infrastructure is critical to daily operations in its ability to support planned and existing application systems. The CHA utilizes Sun hardware and software to support internal/external communications and the CHA's essential operating functions. Every CHA computer is linked together via Sun hardware and software components. Critical core applications, i.e., Lawson (ERP), Yardi, and the Relocation Management Tracking System, would be adversely affected should the Sun components cease to be operational, and the CHA would be unable to execute a timely recovery as a result. It would be imprudent not to assure maintenance agreements remain in place as a preventative precaution to avoid the risk of service disruption or impairment.

The CHA issued Invitation for Bid ("IFB") # 01441 on February 17, 2006. This IFB was advertised on February 17, 2006 and February 20, 2006 in the Chicago Sun-Times, and the week of February 17, 2006 in The Defender and El Dia. This IFB competitively solicited qualified firms and/or individuals who could provide Sun Maintenance Services to the CHA.

On March 21, 2006 at 11:00 a.m. CST eight (8) bid proposals were received and opened by CHA's Department of Procurements and Contracts. Two (2) bid proposals were deemed non-responsive because the vendors, Technology Consortium and Smart Technology, did not bid on all items in the maintenance list. Fastech, Inc., proposed the lowest total price of \$251,308.16.

Upon recommendation of the evaluation panel, the CHA entered into a maintenance contract with Fastech, Inc. for Sun Maintenance Services. The Contract was awarded at the firm fixed price of \$251,308.16 for a two (2) year base term, with the option of three, one (1) year term extensions, at a firm, fixed price of \$128,181.22, \$132,196.48, and \$132,196.48 for each of the respective successive option years.

Based on the foregoing, it is in the best interest of the CHA to authorize the Chief Executive Officer or his designee, to exercise the third one (1) year option of the Contract with Fastech for the period of June 1, 2010 through May 31, 2011, for an amount of \$132,196.48 to provide Sun Maintenance Services. The Contract's new aggregate compensation amount will be \$643,882.34.

RESOLUTION NO. 2010-CHA-56

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated May 12, 2010, “**AUTHORIZATION TO EXERCISE THE THIRD ONE (1) YEAR OPTION OF CONTRACT NO. 6035 WITH FASTECH, INC. FOR SUN MAINTENANCE SERVICES**”.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, The Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into the Third one (1) year option with Fastech, Inc., for Sun Maintenance Services in the amount of \$132,196.48.

