

**(ATTACHMENT 1) ACTION ON A REQUEST TO WAIVE ADMINISTRATIVE POLICY 3.09(9)(e) AND AWARD E-RATE CONTRACTS**

*This item initiated by the Administration.*

**ADMINISTRATION'S RECOMMENDATION**

The Administration recommends that the Board authorize a waiver and approve the following contracts:

**RFPs 936,  
937 & 938**

**Authorization to Waive Administrative Policy 3.09(9)(e) and Enter into Three Contracts with Time Warner Cable Business, LLC**

The Administration is requesting authorization to waive the three-year-term limit of Administrative Policy 3.09(9)(e) and enter into three contracts with Time Warner Cable Business, LLC ("Time Warner"), for services associated with Leased Metro Ethernet, Internet Access Service and Connectivity, and ISDN PRI Telecommunications.

The E-Rate program, administered by the Federal Communications Commission ("FCC"), provides discounts on eligible telecommunications services to eligible schools and libraries. Discounts are available through an application process. The district has participated in this program since its inception in 1998.

E-Rate is governed by the Telecommunications Act of 1996 and the corresponding rules promulgated by the FCC as well as subsequent guidance and rule changes issued through FCC Orders. E-Rate is administered by the FCC's contractor, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company. The district must strictly adhere to the FCC's rules and orders, and sufficient funding must be available, to meet total funding demand for this category of services in order for its applications for E-Rate funding to be granted. The most significant requirements are: 1) to select the winning vendor via a competitive procurement where price is the primary factor, and 2) resulting contracts must be fully executed before submitting applications for funding requests to the SLD.

Time Warner was the chosen vendor in each of three separate competitive RFPs: 936, 937, and 938. These RFPs were issued in mid-December, posted for the requisite time period required by E-Rate rules, and closed on January 11 and 12, 2017.

The Administration requests a waiver of Administrative Policy 3.09(9)(e) to allow for the possibility of contract terms longer than three years. Each contract will run from July 1, 2017, through June 30, 2018 (the "Initial Term"), with four additional one-year options to extend. The Administration will return to the Board each year to request authorization.

It is anticipated that E-Rate will pay an estimated 90% of the contract amount for Leased Metro Ethernet Service and Internet Access Service and Connectivity. It is anticipated that E-Rate will pay an estimated 30% of the contract amount for eligible ISDN PRI telecommunications services.

The anticipated contract amounts, in the Initial Term, are as follows:

<b>RFP 936</b>	<b>Leased Metro Ethernet Service</b>	
	TOTAL CONTRACT AMOUNT:	\$6,146,400.00
	ANTICIPATED E-RATE REIMBURSEMENT:	\$5,531,760.00
	ANTICIPATED MPS SHARE:	\$ 614,640.00
<b>RFP 937</b>	<b>Internet Access Service and Connectivity</b>	
	TOTAL CONTRACT AMOUNT:	\$3,486,000.00
	ANTICIPATED E-RATE REIMBURSEMENT:	\$3,137,400.00
	ANTICIPATED MPS SHARE:	\$ 348,600.00
<b>RFP 938</b>	<b>ISDN PRI Telecommunications Services</b>	
	TOTAL CONTRACT AMOUNT:	\$ 470,148.00
	ANTICIPATED E-RATE REIMBURSEMENT:	\$ 136,544.40
	ANTICIPATED MPS SHARE:	\$ 333,603.60*

\*\$15,000 of total costs are ineligible under E-Rate. As such, the 30% E-Rate share is based on total E-Rate eligible costs of \$455,148.

Upon Board approval, the district will sign the contracts prior to filing E-Rate applications. The Administration will make a request for funds to pay its share of the contract costs during the FY17-18 budget process.

**Budget Code:**

TSV-0-0-TLN-DW-ECTS..... (E-Rate Contracts) .....\$10,102,548

**Time Warner Cable Business LLC d/b/a Time Warner Cable**

**HUB PARTICIPATION**

Required .....0%

Proposed .....N/A

\$ Value .....N/A

**STUDENT ENGAGEMENT**

Paid Student Employment Hour Commitment: 0 HOURS/12-mo contract

Student Career Awareness Commitment: 0 HOURS/12-mo contract