

**(ATTACHMENT 1) ACTION ON THE AWARD OF PROFESSIONAL SERVICES CONTRACTS**

*This item initiated by the Administration.*

**ADMINISTRATION'S RECOMMENDATION**

The Administration recommends that the Board approve the following professional services contracts:

**RFPs 936,  
937 & 938**

**Authorization to Extend Three Contracts with Time Warner Cable Business, LLC for Leased Metro Ethernet, Internet Access Service and Connectivity, and ISDN PRI Telecommunications**

The Administration is requesting authorization to extend 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. The original contracts provided for four additional one-year extensions to be exercised solely in the discretion of MPS. These will each be the first one-year extension.

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 10% of the contract amount for eligible ISDN PRI telecommunications services.

The contract extensions will run from July 1, 2018 through June 30, 2019. The total contract amounts in the first extension year are as follows:

<b>RFP 936</b>	<b>Leased Metro Ethernet Service</b>	
	TOTAL CONTRACT AMOUNT:	\$6,182,700.00
	ANTICIPATED E-RATE REIMBURSEMENT:	\$5,521,500.00
	ANTICIPATED MPS SHARE:	\$ 661,200.00*
<b>RFP 937</b>	<b>Internet Access Service and Connectivity</b>	
	TOTAL CONTRACT AMOUNT:	\$ 270,000.00
	ANTICIPATED E-RATE REIMBURSEMENT:	\$ 243,000.00
	ANTICIPATED MPS SHARE:	\$ 27,000.00

<b>RFP 938</b>	<b>ISDN PRI Telecommunications Services</b>	
	TOTAL CONTRACT AMOUNT:	\$ 485,508.00
	ANTICIPATED E-RATE REIMBURSEMENT:	\$ 46,483.00
	ANTICIPATED MPS SHARE:	\$ 439,025.00**

\*\$47,700 of total costs are ineligible under E-Rate. As such, the 90% E-Rate share is based on total E-Rate eligible costs of \$6,135,000.

\*\*\$20,676 of total costs are ineligible under E-Rate. As such, the 10% E-Rate share is based on total E-Rate eligible costs of \$464,832.

Upon Board approval, the District will sign the contract extensions prior to filing E-Rate applications. The Administration will make a request for funds to pay its share of the contract costs during the FY18-19 budget process.

**Budget Code:**

PIN-0-0-TLN-DW-ETEL .....(E-Rate Contracts) .....\$6,938,208

**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