

DEPARTMENT: Information Technology Services Department

DEPARTMENT HEAD: Craig Hopkins, Chief Information Officer

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Charter Communications, LLC E-Rate Contract for San Antonio Public Library and Pre-K 4 SA.

SUMMARY:

The E-rate program began in 1997 to help make internet access for eligible schools and libraries affordable. The program is funded through the Federal Communications Commission (FCC) and administered by the Universal Service Administrative Company (USAC).

BACKGROUND INFORMATION:

The E-rate solicitation and award process requires that a listing for services and equipment be published on USAC's website for 28 days. The posting (FCC Form 470) is publicly advertised and open to any vendor to submit a proposal. Once the 28 days have concluded, all submitted proposals can then be reviewed and scored by the E-rate evaluation panel. The panel consists of 3-5 E-rate Team members that review the proposals and score based on cost of eligible items (highest weighted factor), prior experience with service and meets service needs. After scoring the proposals, the vendors are then notified via Letter of Intent to award them a contract based on their proposals. The Letters of Intent are placeholders, until contracts with the awarded vendors are drafted, reviewed and executed. The contract execution must occur before the E-rate year starts on July 1 so charges for these services are eligible for E-rate reimbursement.

The two City departments that are eligible for E-rate reimbursements are Pre-K 4 SA and San Antonio Public Library. In order to become eligible for E-rate reimbursements, a specific evaluation and award process must be adhered to.

The term of the Charter contract is for 36 months, and the cost over the life of the contract is \$48,024.

ISSUE:

The evaluation and award process for E-rate differs from the City's procurement process in that E-rate eligible cost is the primary factor for award. Also, the E-rate year is from July 1st to June 30th. Formal filing of all documents and contract execution must be complete before July 1st under USAC guidelines.

ALTERNATIVES:

If the contract is not approved and executed by July 1st, the City will not be eligible for E-rate discounts for the time period that the contract is not executed.

FISCAL IMPACT:

This ordinance authorizes an AT&T E-rate Master Contract to provide E-rate eligible services for an estimated cost of \$245,616 annually. The services are provided at a discounted rate as part of the E-Rate program. In addition to the discounts, USAC has committed reimbursements of \$317,725 in eRate Funding Year 2018, for Pre-K 4 SA and San Antonio Public Library for E-rate eligible services.

RECOMMENDATION:

Staff recommends the approval Charter contract.