



City of San Antonio

Agenda Memorandum

File Number:21-3960

Agenda Item Number: 36.

Agenda Date: 6/17/2021

In Control: City Council A Session

DEPARTMENT: Information Technology Services Department

DEPARTMENT HEAD: Craig Hopkins, Chief Information Officer

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Approval of Charter Communications, LLC E-rate Contract for the provision of Fiber Internet Access Service 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). The procurement process for E-rate vendors is different from the City procurement process, and the E-rate year is from July 1 through June 30.

BACKGROUND INFORMATION:

All eligible schools and libraries identify goods and services they need and submit their requests for competitive bids to the USAC. 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 6 member E-rate evaluation panel. The proposals are scored based on cost of eligible items (highest weighted factor), prior experience with service and whether proposals meet service needs. After scoring the proposals, the selected vendors are notified via Letter of Intent that informs them City Staff will recommend that City Council award them a contract based on submitted proposals. The Letters of Intent are placeholders, until contracts with the awarded vendors are reviewed, approved and executed. The

contract execution must occur before July 1, the start of the E-rate year. A contract may be approved on or after July 1 but contracted for services are not eligible for E-rate reimbursement until such contract is executed and approved.

The two City departments eligible for E-rate reimbursements are Pre-K 4 SA and the San Antonio Public Library.

The term of the Charter contract is for 36 months, with a monthly fee of \$650.00 and the cost over the life of the contract is \$23,400.00.

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 1 to June 30. Under USAC guidelines, the formal filing of all documents and contract execution must be complete before July 1.

ALTERNATIVES:

If this contract is not approved, the City would not be eligible to apply significant E-rate discounts to the agreement, resulting in a \$48,564 increase in costs and impact to City budget.

FISCAL IMPACT:

This ordinance authorizes a Charter Communications E-rate Contract to provide E-rate eligible fiber internet access services for an estimated cost of \$7,800.00 annually. Funding for the remainder of FY 2021 in the amount of \$1,950.00 is available in the FY 2021 Information Technology Services Fund Budget. Funding for future years is contingent upon future City Council appropriations.

RECOMMENDATION:

Staff recommends the approval Charter E-rate contract.