



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 51

Agenda Date: June 22, 2023

In Control: City Council A Session

DEPARTMENT: Information Technology Services Department

DEPARTMENT HEAD: Craig Hopkins

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Approval of E-Rate contract with AT&T Corp for the provision of Switched Ethernet Service to Pre-K 4 SA and the San Antonio Public Library.

SUMMARY:

Ordinance approving a contract with AT&T E-Rate to provide E-Rate eligible services for Pre-K for SA and San Antonio Library locations at a discounted rate as part of the E-Rate program. Term of this agreement is from July 1, 2023 through June 30, 2026 in an estimated annual cost of \$122,400.00. Funding for remainder of FY 2023 in the amount of \$30,600.00 is available from the Information Technology Services Fund FY 2023 Adopted Budget. Funding for subsequent years is contingent upon City Council approval of the annual budget.

BACKGROUND INFORMATION:

The Federal Communications Commission's (FCC) E-Rate program began in 1997 and makes telecommunications and internet access services more affordable for schools and libraries. The program is funded through the 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 timeframe to execute E-Rate specific contracts is before July 1st.

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. Discounts offered by vendors can range from 20 to 90 percent and based on the poverty level of schools. Once the 28 days have concluded, all submitted proposals are reviewed and scored by the City's E-Rate evaluation panel. The panel consists of 3-5 Staff members. The proposals are score based on the cost of eligible items (highest weighted factor), prior experience, quality of service and ability to meet service needs. After scoring the proposals, the selected vendor(s) are notified via Letter of Intent, informing them Staff will recommend that City Council award them a contract based on their proposals. The Letters of Intent are placeholders, until contracts with the selected vendors are executed and approved. The contract execution must occur before July 1st, the start of the E-Rate year. A contract may be approved on or after July 1st, but contracted services will not be eligible for E-Rate reimbursement until such contract is executed and approved.

ISSUE:

The evaluation and award process for E-Rate services differs from the City's procurement process, with eligible cost 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.

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. The City would not be able to take advantage of the discounts offered by the vendor in the program.

FISCAL IMPACT:

Ordinance approving a contract with AT&T E-Rate to provide E-Rate eligible services for Pre-K for SA and San Antonio Library locations at a discounted rate as part of the E-Rate program. Term of this agreement is from July 1, 2023 through June 30, 2026 in an estimated annual cost of \$122,400.00. Funding for remainder of FY 2023 in the amount of \$30,600.00 is available from the Information Technology Services Fund FY 2023 Adopted Budget. Funding for subsequent years is contingent upon City Council approval of the annual budget.

RECOMMENDATION:

Staff recommends approval of the proposed AT&T E-Rate contract.

