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To: Dr. Kent Mutchler
From: Michael Wilkes
Date: January 28, 2019
Re: Internet Bandwidth Services

The District's current Internet bandwidth contracts expire on June 30, 2019. To this end, the District has sought new proposals for Internet bandwidth from service providers (ISPs). The District followed the E-Rate process to publish a request for proposals (RFP). This was published to USAC's portal on November 14, 2018 with a due date for proposals of December 12, 2018. Six proposals were received for the District's Coultrap Educational Services Center (CESC) location, and seven were received for the GMS South (South) location. At the 1Gbps level, monthly recurring pricing ranged from \$1,661.80 to \$3,560. Additional pricing was requested and provided for multiple bandwidth capacities between 1Gbps and 10Gbps, to provide the District with an understanding of potential future costs. Today's connections (2), each provide 1Gbps of bandwidth. Over the next three years, the District may need to increase capacity if demand for Internet-based resources increases.

After a thorough review of all proposals, I am recommending that MetroNet be awarded the contract for each location (CESC and South). MetroNet's proposals scored the highest for each location, with price being the highest weighted criterion. The details are below.

The following table details the associated monthly (MRC) and non-monthly (NRC) recurring charges. These figures are based on an initial capacity of 1Gbps per location, for 36 months. The annual, pre-discount, amount is \$42,120. For reference, this amount is roughly \$22,000 per year lower than current contracts. The District is eligible for E-Rate reimbursements equal to 40% of the annual cost. **The total cost of the contracts over three years is \$126,360, at the 1Gbps per connection level. Effective date: 7/1/2019.**

Provider	MRC	NRC	Total Annual Cost (MRC)
MetroNet (CESC)	\$1,755	\$0.00	\$21,060
MetroNet (South)	\$1,755	\$0.00	\$21,060
Total (pre-discount)	\$3,510	\$0.00	\$42,120
<i>Est. Annual E-Rate Reimb.</i>			<i>\$(16,848)</i>

The MRC breaks down to \$1,695 for bandwidth services, plus \$60 for public IP addresses, per connection. Under the new agreements, the pre-discount cost per megabit per month reduces from \$2.70 to \$1.75.

The District has secured pricing for additional bandwidth capacity between 1Gbps and 10Gbps. During the life of the agreements, the District may require additional bandwidth capacity. This would likely mean an increase to 2Gbps for each location. At this level, monthly pricing increases from \$1,755 to \$2,210 per location. Even at this higher cost, the District would realize a cost savings over the current contract pricing. The agreements include a financially-backed service level (SLA) which allows for up to 100% of the MRC to be reimbursed in the event of a prolonged service outage.

Thank you for your consideration.