

227 N. Fourth Street
Geneva, Illinois 60134
(630)463-3070
mwilkes@geneva304.org



Michael Wilkes
Director of Technology
Geneva School District 304

To: Dr. Kent Mutchler
From: Michael Wilkes
Date: March 12, 2018
Re: Revised Budget for the 2018-19 Technology Capital Plan

At the March 12, 2018 Board meeting there are two consent agenda items related to the 3-year network upgrade plan approved by the Board as part of the 2018-19 Technology Capital Plan. These two projects are core to the planned, future work, as they are the foundation for the network infrastructure and backbone cabling. Upon going through the RFP process for both projects, the bids came in totaling a higher amount than originally estimated. The fiber backbone cabling project, specifically, was significantly higher than estimated. The initial estimate was based on internal approximations of the cost of materials, distance, and labor. Three bids were received for this work and pricing for all three bids were higher than the estimate, however, they were relatively close to each other. The market price for said material and labor appear to be greater than initial projections. Fiber cabling has a long life and the fiber installed as part of this project will be warranted for 25 years. Additionally, the capacity rating for the specific type of cabling being recommended will likely support the District's need for the usable life of this cabling.

The combined pricing for these projects, however, does impact the budgetary needs of the O&M fund. The table below reflects the change in need.

Fund	Projected Budget Need	Revised (Actual) Budget Need
Ed	\$625,000	\$625,000
O&M	\$448,000	\$500,000 (up 11.6%)
Potential Offset (E-Rate)	Up to \$(167,000)	Up to \$(180,000)
Other Offsets (as shown in the initial plan)	\$(230,000)	\$(230,000)
Total	\$676,000	\$715,000 (up 5.7%)

The District is seeking E-Rate support for both projects; Because the cost of this work is greater than projected, the maximum amount that could be received through E-Rate also increases. E-Rate support is not guaranteed. Please also recall that there are two additional offsets, the Technology Service Fee and Fabyan Foundation, that directly apply to the Technology budget.

Thank you for your consideration.