

Amendment to Verizon Customer Service Agreement

July 28, 2020

SUMMARY:

This item requests approval of the amendment between Denton ISD and Verizon Wireless. This new contract reflects the latest TEA Operation Connectivity offerings as of July 15th, 2020.

BOARD GOAL:

Growth & Management - Demonstrate effective and efficient management of district resources

PREVIOUS BOARD ACTION:

None

BACKGROUND INFORMATION:

May of 2020, 1,000 Verizon jetpacks were purchased for summer school students without access to reliable internet, with the intention of purchasing and additional 1,000 for the beginning of 2020-21 school year. Within days of taking possession of the 1,000, Verizon re-approached DISD with an exclusive offer of \$15 per month plus one-time cost of \$57 for each jetpack with a minimum of 5,000 to order and retain for 12 months. Verizon gave Denton ISD permission to be the area source of allowing local districts the ability to use DISD jetpacks and be billed for the jetpack and service. As of July 15, 2020, TEA and Operation Connectivity announced an agreement with all the major LTE providers to provide heavily discounted jetpack services for students to have home LTE internet access to aid in distance learning and remote teaching. Denton ISD no longer needs to keep a minimum number nor be a local distributor to other districts

SIGNIFICANT ISSUES:

Verizon is offering Denton ISD an invitation to participate in a special wireless device program for the next 12 months. This program would put wireless devices into the homes of students and staff that do not have internet access to aid in distance learning and remote teaching.

FISCAL IMPLICATIONS:

For fiscal year 2020-2021, costs will be significantly lower than our current projected annual cost of \$911,760.00. The new proposal specifies a one-time cost of \$171,000.00 for the purchase of the jetpack devices plus a monthly service charge of \$360,000.00 for a total of \$531,000.00. We can still suspend a jetpack up to 6 months with this new plan and save 50% of the cost if the jetpack is not being used. Costs will be borne by the general fund under DIR-TSO-3415.

	Number of Jetpacks	One-Time Cost	Monthly Service Fee Per Device	Monthly Service Fees x 12 months (Annual cost)	Total First Year Cost, <u>including</u> one-time cost
Current Agreement	2,000	\$0.00	\$37.99	\$911,760.00	\$911,760.00
Proposed Agreement	3,000	\$171,000.00	\$10.00	\$360,000.00	\$531,000.00

BENEFIT OF ACTION:

Passage will allow students and staff without internet access to participate in distance learning and will provide teachers the tools they need to reach their students remotely.

PROCEDURAL AND REPORTING IMPLICATIONS:

The reporting will still be coming from TEA as this is very fluid as the writing of this document

PUBLIC COMMENT RECEIVED:

None

ALTERNATIVES:

No alternative actions are proposed

OTHER COMMENTS:

SUPERINTENDENT’S RECOMMENDATION:

It is recommended that the amendment to the Verizon Wireless contract in the amount of \$531,000.00 be accepted.

STAFF PERSONS RESPONSIBLE:

Dr Scott Niven, Chief Financial Officer
Ernie Stripling, Technology Information Officer
Robert Pierce, Information Systems Officer
Dianna Casper, Director of Purchasing

ATTACHMENT:

Highlighted to be edited Contract between Denton ISD and Verizon Wireless

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Signature of Divisional Assistant Superintendent: _____

Signature of Superintendent: _____