

OAKLAND UNIFIED SCHOOL DISTRICT
Office of the State Administrator
February 9, 2005

To: Randolph E. Ward, Ed.D.
State Administrator
Board of Education

From: Oswaldo Galarza
Technology Information Officer

Subject: SCHOOLS AND LIBRARIES DIVISION
**E-RATE INTERNAL CONNECTIONS DISCOUNTS
FUNDING YEAR 07/01/2005-06/30/2006
APPLICATION AND BID AWARD RECOMMENDATIONS**

RECOMMENDATION

Approval of and authorization by State Administrator to submit to the Federal Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) the District's Year 8 application seeking approximately **\$8,663,601.62** in E-Rate funds for Fiscal Year 2005-2006; further authorizing and appropriating a separate required District match of up to **\$1,487,539.49** from non-General Purpose Funds; further authorizing Award of Bids and Agreements with the following vendors: **SBC** for Groups 1, 2, 3, 5, 6, 7, and 8 for a cumulative amount not to exceed \$7,980,252.77 plus estimated taxes of \$337,786.69. **Digital Design** for group 4 for a cumulative amount not to exceed \$323,131.00 plus estimated taxes of \$22,431.16.

These awards are subject to approval of all or a portion of the funding application by SLD and a further determination that the projects do not conflict with the interests of the District ; and further authorizing acceptance of and execution of Grant Agreement and any amendments thereto with SLD for Fiscal Year 2005-2006; each and all documents referenced herein, subject to form and content approval by the General Counsel.

BACKGROUND

The Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) provides affordable access to telecommunications services for all eligible schools and libraries in the United States. Funded at up to \$2.25 billion annually, the Program provides discounts on telecommunications services, Internet access and internal connections.

Oakland USD staff filed an application with the SLD for internal connections for all schools likely to receive funding. In accordance with SLD procedures, OUSD published a Bid for Proposal on the District Website (Internet) for a minimum period of 28 days. The SLD also publishes the OUSD application on their Internet website for the purpose of encouraging and fostering competitive bids. The schools selected for this process qualify for E-rate funded at the 90% and 80% levels; they were cluster as follows:

| Group and School Definition Table 1 | | |
|-------------------------------------|-------------------|------------------|
| Group | Group Description | Affected Schools |

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| | | |
|--|--|--|
| Group 1 | Install LAN cabling and equipment as specified in the district standard, including Category 6 cabling, fiber optic cabling, network switches, routers, wireless access points, uninterruptible power supply (UPS) systems, racks and cabinets. 90% Matching. | Allendale Laurel |
| Group 2 ^[1] | Install LAN cabling and equipment as specified in the district standard, including Category 6 cabling, fiber optic cabling, network switches, routers, wireless access points, UPS systems, racks and cabinets. 90% Matching. | Architecture Carter Mandela Mann |
| Group 3 | Install LAN cabling and equipment as specified in the district standard, including Category 6 cabling, fiber optic cabling, network switches, routers, wireless access points, UPS systems, racks and cabinets. 80% Matching. | Claremont East Oakland Arts East Oakland Community High Emerson Harte Howard KIPP Lakeview Life Academy Marshall Maxwell Park McClymonds Oakland Piedmont Rubicon Santa Fe Sequoia Sherman Street Academy YES |
| Group and School Definition Table 1 (continued) | | |
| Group | Group Description | Affected Schools |
| Group 4 | Install LAN cabling and equipment as specified in the district standard, including Category 6 cabling, fiber optic cabling, network switches, routers, wireless access points, UPS systems, racks and cabinets. Requires 32 network drops in each classroom. 80% Matching. | Business Technology |

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| | | |
|--|--|---|
| Group 5 | Install only active equipment as specified in the district standard, including switches, routers, wireless access points, and UPS systems. Install Category 6 cabling for wireless access points as needed. 80% Matching. | Melrose Leadership Leadership Dewey Robeson Cleveland Media Webster Munck Technical |
| Notes: | ^[1] – A contract for improvements at Group 2 schools has previously been awarded under eRate Year 7, and will be awarded under eRate 8 only in the event that work cannot be completed within the eRate Year 7 finding timeframe Or if the SLD has rejected an appeal to extent the contract. | |
| Group and School Definition Table 2 | | |
| Group | Group Description | Affected Schools |
| Group 6 | Install and configure all needed Voice Over IP equipment and software. 90% Matching. | Garfield Highland Hoover Jefferson Lincoln Markham |
| Group and School Definition Table 3 | | |
| Group | Group Description | Affected Schools |

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| | | |
|---------|--|--|
| Group 7 | Equipment maintenance on site routers and core switch. 90% Matching. | Ascend Belle Vista Brewer Brookfield Carter Cole Cox Franklin Frick Fruitvale Garfield Highland Hoover International Community Jefferson Lafayette Lazear Lincoln Lockwood Lowell Madison Mandela Mann Manzanita Markham Melrose Prescott Roosevelt Simmons Sobrante Park Stonehurst Think College Now Urban Promise Whittier |
|---------|--|--|

The District Bid required that all responses be submitted to the Technology Services Department in the presence of Mr. Michael Moore, Chief Operation Officer, in charge of Procurement and Contracts. All bids were due to the District by January 14th, 2005 at 12:00 Noon. The evaluation of the Bids took place in several meetings conducted in the Technology Department.

The following vendors submitted proposal to OUSD E-rate 8: Verizon, SBC Communications, Soluzion, Digital Design, AEKO Consulting, and JDL Technologies.

Vendors were evaluated on a 10 point scale computed as a percentage of maximum of 10 points distributed as follows:

| | |
|--------------------------|-----|
| Total Costs | 30% |
| Compliance with RFP | 25% |
| Ability to Complete Task | 20% |
| Experience with K-12 | 15% |

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| Presentation | | | 10% | | | |
|-------------------------|----------------------------|---------------------|--------------------------|----------------------|--------------|------------|
| Vendor | Proposal Specific Criteria | | Vendor General Criteria | | | Total |
| | Cost of Proposal | Compliance With RFP | Ability to Complete Task | Experience with K-12 | Presentation | |
| | 30% | 25% | 20% | 15% | 10% | 100% |
| Per Group Scores | | | | | | |
| Group 1 | | | | | | |
| Verizon | 2.4 | 1.5 | 1.7 | 1.3 | 0.8 | 7.6 |
| Aeko | 2.8 | 0.3 | 0.2 | 0.2 | 0.1 | 3.5 |
| SBC | 3.0 | 2.0 | 1.7 | 1.3 | 0.8 | 8.7 |
| JDL | 2.3 | 1.5 | 1.4 | 1.4 | 0.5 | 7.1 |
| Group 2 | | | | | | |
| Aeko | 2.3 | 0.3 | 0.2 | 0.2 | 0.1 | 3.0 |
| SBC | 3.0 | 2.0 | 1.7 | 1.3 | 0.8 | 8.7 |
| JDL | 1.7 | 1.5 | 1.4 | 1.4 | 0.5 | 6.5 |
| Group 3 | | | | | | |
| Soluzionna | 3.0 | 1.7 | 1.4 | 0.2 | 1.0 | 7.2 |
| Verizon | 2.1 | 1.5 | 1.7 | 1.3 | 0.8 | 7.3 |
| SBC | 2.6 | 2.0 | 1.7 | 1.3 | 0.8 | 8.3 |
| Group 4 | | | | | | |
| Digital Design | 3.0 | 2.0 | 1.7 | 1.3 | 0.8 | 8.7 |
| Verizon | 1.6 | 1.5 | 1.7 | 1.3 | 0.8 | 6.8 |
| SBC | 2.4 | 2.0 | 1.7 | 1.3 | 0.8 | 8.1 |
| Group 5 | | | | | | |
| Soluzionna | 2.3 | 2.0 | 1.4 | 0.2 | 1.0 | 6.8 |
| Verizon | 2.3 | 1.8 | 1.7 | 1.3 | 0.8 | 7.8 |
| SBC | 3.0 | 2.1 | 1.7 | 1.3 | 0.8 | 8.8 |
| Group 6 | | | | | | |
| Soluzionna | 0.3 | 0.6 | 1.4 | 0.2 | 1.0 | 3.4 |
| Verizon | 2.4 | 1.2 | 1.7 | 1.3 | 0.8 | 7.3 |
| SBC | 3.0 | 1.5 | 1.7 | 1.3 | 0.8 | 8.3 |
| Group 7 | | | | | | |
| Verizon | 3.0 | 2.3 | 1.7 | 1.3 | 0.8 | 8.9 |
| SBC | 3.0 | 2.5 | 1.7 | 1.3 | 0.8 | 9.2 |
| JDL | 2.2 | 2.3 | 1.4 | 1.4 | 0.5 | 7.8 |
| Group 8 | | | | | | |
| Verizon | 3.0 | 2.3 | 1.7 | 1.3 | 0.8 | 8.9 |
| Aeko | 0.2 | 0.3 | 0.2 | 0.2 | 0.1 | 0.9 |
| SBC | 3.0 | 2.5 | 1.7 | 1.3 | 0.8 | 9.2 |
| JDL | 2.1 | 2.3 | 1.4 | 1.4 | 0.5 | 7.7 |

Soluzionna has been given a weight of 1 on Group 6, and cost comparisons do not include their proposal because their proposal does not appear to include data cabling or essential central office equipment and cannot be equitably compared with other proposals

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Aeko has a weight of 1 on all vendor general criteria and compliance with RFP on all groups because their proposal was incomplete

In order to take advantage of the E-rate discounts, the district must submit a form 471 to the SLD no later than February 16, 2004 with signed and approved contracts for the work requested.

The enclosed tables contain the information from submitted bids. Staff recommends that the District award Groups 1, 2, 3, 5, 6, 7, and 8 to **SBC** and Group 4 to **Digital Design**.

Project Overall Costs

| Vendor | Group 1 | Group 2 | Group 3 | Group 4 |
|----------------|--------------|----------------|----------------|--------------|
| Soluziona* | | | \$4,317,250.03 | |
| Digital Design | | | | \$323,131.00 |
| Verizon | \$574,082.69 | | \$6,068,805.28 | \$588,370.80 |
| Aeko*** | \$483,386.96 | \$990,187.91 | | |
| SBC | \$456,396.64 | \$761,353.43 | \$4,985,519.88 | \$395,916.04 |
| JDL** | \$592,551.11 | \$1,317,967.03 | | |

*Soluziona Group 6 considered not a viable bid and incomplete

**JDL Submitted correction for groups 1 (Originally \$422,926.72) and 2 (Originally \$1,255,497.74) on January 26

***Considered non-qualifying because all proposals were incomplete

| Vendor | Group 5 | Group 6 | Group 7 | Group 8 | All Group Tot |
|----------------|--------------|----------------|-------------|--------------|----------------|
| Soluziona* | \$836,923.77 | \$105,902.30 | | | \$5,260,076.10 |
| Digital Design | | | | | \$323,131.00 |
| Verizon | \$812,989.61 | \$1,341,236.42 | \$43,376.90 | \$9,719.50 | \$9,438,581.20 |
| Aeko*** | | | | \$131,500.00 | \$1,605,074.87 |
| SBC | \$632,475.56 | \$1,091,410.86 | \$43,376.90 | \$9,719.50 | \$8,376,168.81 |
| JDL** | | | \$60,167.00 | \$13,749.00 | \$1,984,434.14 |

*Soluziona Group 6 considered not a viable bid and incomplete

**JDL Submitted corrections for groups 1 (Originally \$422,926.72) and 2 (Originally \$1,255,497.74) on January 26

***Considered non-qualifying because all proposals were incomplete

FISCAL IMPACT

The District is responsible for the costs not covered by the e-rate up to 20% or an estimated **\$1,487,539.49**. The cost of the telephones to support voice over IP on the six schools submitted for approval is approximately **\$73,734.00**. Associated electrical costs will be submitted in a future Board meeting. These costs are NOT covered by E-rate, and are not expected to be higher than \$530,000.00

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RECOMMEDATION

Staff is recommending that the State Administrator authorize submittal of the application and award bids and Agreements for Fiscal Year 2005-2006 E-rate discounts through the School and Libraries Division process as enumerated herein.

OUSD/Galarza