



Background Memo Regarding Contract Award for Regional Wide Area Network Services

ARIN Intermediate Unit 28 ("ARIN IU 28"), its member school districts and Career Technology Centers (CTCs) are interconnected via a high-speed broadband wide area network service ("Network") and obtain Internet access service, which hereinafter collectively are referred to as "RWAN Services." This is known as the ARIU IU 28 E-rate Consortium ("Consortium").

The costs of these services are paid for in part through the E-rate program. ARIN IU 28 files for E-rate each year on behalf of the Consortium. Each district and CTC receive their proportionate share of E-rate benefits through this process.

The current RWAN Services are provided via a contract with a third-party vendor that was selected via a competitive procurement, and the current contract will expire on June 30, 2019. In the fall of this year, ARIN IU 28 in conjunction with representatives of the member school districts and CTCs conducted a competitive procurement to rebid the RWAN Services with the knowledge and consent of each school district and CTC. We posted an E-rate Form 470, Description of Services Requested and Certification, and issued a Request for Proposal (RFP), in order to comply with the E-rate competitive bidding regulations.

The bid evaluation team, composed of district, CTC and IU employees, reviewed all bids and determined that DQE Communications offers the most cost-effective solution and best meets the requirements of the proposal for the provision of RWAN Services (both Network and Internet access service) beginning July 1, 2019. On January 29, 2019 ARIN IU Board of Directors approved the recommendation and authorized commencement of contract negotiations and execution subject to receiving the approvals of the school districts/CTCs as outlined below.

ARIN IU 28 plans to negotiate a Master Service Agreement with DQE Communications for Network and Internet Services on behalf of the school districts and CTCs. **Before entering into the Master Service Agreement, ARIN IU 28 requests each school district and CTC to confirm in writing, through a "Service Order, that they agree to purchase and pay for their respective share of the services.** This documentation will enable ARIN IU 28 to pass through and bill each school district and CTC for their respective charges incurred via the master service agreement with DQE Communications.

The terms of the service order specify the financial obligation of your district/CTC. The prices for the RWAN services are the direct contract costs – without any markup – that will be charged by DQE Communications in their contract with ARIN IU 28.

Additionally, there is an administrative Consortium fee and a charge for connecting to the statewide network, PAIUnet, that is billed to each district/CTC. ARIN IU 28 currently bills each district/CTC for their share of the PAIUnet costs and bills the districts (but not the CTCs) for the administrative Consortium fee. These charges will be reviewed and adjusted annually based on the actual costs incurred by ARIN IU 28. The PAIUnet contract is being rebid later in 2019 and



ARIN IU 28 hopes but cannot guarantee that the PAIUnet charge will be lower. We also believe that once the new RWAN contract services are up and running, the administrative Consortium fee will be lower since there will be no need to recoup procurement-related costs (staff time and outside consultants' fees) that are included in the calculation of the upcoming year's fee.

In order for ARIN IU 28 to be able to sign the Master Service Agreement with DQE Communications and filed the E-rate funding application by the deadline, we need each district/CTC's signed service order returned to us, along with the signed E-rate Letter of Agency and Form 479 Compliance with the Children's Internet Protection Act. Please note that the quantity of Internet in the service order was previously identified in a survey conducted of your district. We know that your needs may have changed so please let us know if you want a revision to the section of the service order.

We need these signed documents by no later than February 28. Please scan and email the signed documents and return them to Travis Stormer, tstormer@iu28.org. If you have any questions about these documents or concerns, please contact Travis at 412 463 5300, ext. 1264.

Short Form Resolution

**Resolution in Support of School District/CTC Participation in
ARIN INTERMEDIATE UNIT 28 REGIONAL WIDE AREA NETWORK
SERVICE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2024**

INDIANA AREA SCHOOL DISTRICT

RESOLVED, the Board of Directors authorizes the INDIANA AREA SCHOOL DISTRICT to enter into the attached Service Order and sign an E-rate Letter of Agency with ARIN Intermediate Unit 28 at a cost of \$1,695.00 per month for RWAN services and \$500.00 per month per Mbps for 500 Mbps of Internet services (prior to the reflection of E-rate discounts) effective July 1, 2019 through June 30, 2024 in accordance with the terms and conditions of the Service Order; that the Board of Directors authorizes increases in the INDIANA AREA SCHOOL DISTRICT's purchase of wide area network service and Internet service as may be needed, as set forth in the Service Order; that the Board of Directors authorizes ARIN IU 28 to enter into a RWAN services and Internet services Master Service Agreement with DQE Communications, and authorizes ARIN IU 28 apply for E-Rate funding on behalf of the INDIANA AREA SCHOOL DISTRICT for the RWAN services and Internet services. The Board of Directors further authorizes the extension of the Service Order for up to an additional five years in the event that ARIN Intermediate Unit 28 in consultation with the INDIANA AREA SCHOOL DISTRICT exercises the right to extend the Master Service Agreement with DQE Communications.

Approved this __ day of _____, 2019.

