

CONTRACT EXTENSION SUMMARY

Contract No.: 011-NN04

Contract Title: TELECOMMUNICATIONS SERVICE

Board Meeting Date: December 5, 2012 – Agenda Item E-143

Purpose of Contract: The purpose of this contract is to furnish, at firm unit prices, materials, installation and service for telephone service, for Miami-Dade County Public Schools, under the auspices of the Universal Service Fund (E-Rate), with a qualified telecommunications service provider who has been certified by the Public Service Commission and meets the requirements for E-Rate funding as a Common Carrier.

Initial Award Amount: \$30,000,000

Initial Contract Award Period and Extension: July 1, 2013 – June 30, 2015

Two (2) years, with an option to extend for three (3) additional one (1) year periods and, if needed, an additional ninety (90) days beyond the expiration date of the current contract period.

Current Extension Amount: N/A

Current Extension Period: N/A

Recommended Extension Award Amount: \$12,931,315

Recommended Extension Period: July 1, 2015 – June 30, 2016

This is the first extension of the contract. The awardee has agreed to extend for an additional one (1) year period, by letter, on file.

Vendors Recommended for Contract Extension: One (1)

AT&T Corporation

Cost Savings: Yes The reduction in the recommended extension award, in the amount of \$12,931,315, compared to the original award, reflects actual expenditures. Additionally, AT&T Corporation has offered a cost savings of 35% off our Wide Area Service, AT&T Switched Ethernet. This gives an additional savings of \$1,960,253, annually.

Justification: It is considered to be in the best interest of the District to extend this contract for an additional one (1) year period, to benefit from fixed prices and continuity of service, inasmuch as the Consumer Price Index (CPI), as of October 2014, indicated an increase of 0.2% with an annual index increase of 1.7%. Staff has indicated satisfactory performance from the vendor and recommends extension. This extension is based on the terms, conditions and pricing contained in the original contract approved by the School Board.

Failure to have extension completed and approved before March 14, 2015, may result in the loss of E-rate funding. Due to the fact that E-rate applications open in January of each year for the following year, the extension must be approved and completed before the E-rate window closes in March of each year.

Benchmark: Attempts were made to benchmark against the School Boards of Broward and Palm Beach Counties, however, the terms and conditions are not similar, therefore, benchmarking could not be performed.