

# MEMO



DATE: March 6, 2015

TO: Sharon Bronson, Chair, District 3  
Supervisor Ally Miller, District 1  
Supervisor Ramon Valadez, District 2  
Supervisor Ray Carroll, District 4  
Supervisor Richard Elias, District 5

CC: C. H. Huckelberry, County Administrator  
Hank Atha, Deputy County Administrator

FROM: Melinda Cervantes, Library Director *mc*

RE: **E-Rate Category One Wide Area Network and Internet Services**

---

E-Rate Funding for the Pima County Public Library District has increased significantly over the last four years due in part to increased use of technology in our 27 libraries, but also due to the aggressive application for funding by the Library and Information Technology Departments (ITD). In 2011 the Library and ITD partnered to provide high-capacity broadband and Internet connections to each library branch as we knew both were essential for providing modern library services. We recognized this capacity was critical for completing education, jump-starting employment and entrepreneurship, and fostering individual empowerment and community engagement.

E-Rate is the commonly used name for the Schools and Libraries Program of the Universal Service Fund, which is administered by the Universal Service Administrative Company (USAC) under the direction of the Federal Communications Commission (FCC). The program provides discounts to assist schools and libraries in the United States (and U.S. territories) to obtain affordable telecommunications and Internet access. It is one of four support programs funded through a Universal Service fee charged to companies that provide interstate and/or international telecommunications services. The E-Rate Program began in 1998 and the Library District began applying for discounted services in Funding Year 2006. The program is not a grant program per se but is more of a reimbursement program that carries very strict funding rules.

In December 2014, the Federal Communications Commission passed its E-Rate Modernization Order providing an additional \$4 billion annually to enable libraries to pursue large-scale broadband improvement. Because of this order broadband costs from providers has become much more affordable. New levels of service are also now available to our Library District that were not available to us for funding in the past, and our intention over the next few funding cycles is to aggressively pursue those services as the guidelines for doing so are better defined. Because of our success rate in receiving E-Rate funding the past several years we have been asked to sit on National Library oversight committees to work alongside USAC to better define how the new Category Two funding can best be spent to benefit Schools and Libraries.

In the past two years the Library District has received reimbursements around \$475,000.00 annually through the E-Rate program. On February 6, 2015, the Arizona State Procurement Office awarded nine vendors (seven of which can provide services in Pima County) contracts to provide Carrier and Broadband services. Because of the better rates offered by the contract, we elected to conduct a limited competition bid against the State Contract to procure better services for less cost, which we will have accomplished with the approval of these awards.

In the 2014 Funding Year the Library District was awarded \$482,985.00 in reimbursement funding. With this solicitation we will increase the WAN and Internet connection speeds to all Library branches. We will finally be able to provide broadband connections to the Salazar-Ajo and Caviglia-Arivaca branches, double the connection speeds to nineteen (19) branches, and nearly triple the Internet speed. Despite these improved services, with the approval of this solicitation, net cost to the County will be reduced by nearly 21% below the current year. Our expected reimbursement in the 2015 E-Rate Funding Year will likely be reduced to \$385,000.00 during this funding cycle, yet the services provided to our community will be greatly improved.

We respectfully request approval of this solicitation. Our request is based on a five (5) year contract awarded to Cox Business and Trans-West Telephone Company in the cumulative amount of \$1,923,400.00. With the award of this contract we will implement upgrades that are much needed at a reduced cost, positively affecting our patron experience at the Library, and positively affecting the bottom line of our budget.