



1629 K STREET, N.W. SUITE 300
WASHINGTON, DC 20006

October 30, 2018

SUBMITTED ELECTRONICALLY VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: **MEETING SUMMARY PER SECTION 1.1208 OF THE FCC'S RULES**
Schools and Libraries Universal Service Support Mechanism,
Docket No. 02-6

Dear Ms. Dortch:

On behalf of the Park Hill (Missouri) School District (Park Hill), this *ex parte* memorializes the October 26, 2018 conference call between representatives of Park Hill and Commission staff. Clay Fulghum, General Counsel for Park Hill; Derrick Unruh, Director of Technology for Park Hill; and the undersigned counsel for Park Hill met with D'wana Terry, Ryan Palmer, Gabriela Gross, Bryan Boyle, and Stephanie Minnock of the Wireline Competition Bureau (Bureau), regarding a Request for Review and/or Waiver filed by the Park Hill School District.¹

After conducting a competitive procurement for Park Hill's wide area network (WAN), Mr. Unruh explained that the district had determined that building its own fiber WAN was the most cost-effective solution, saving the district between \$423,000 and \$3 million over the useful life of the facilities. Because Park Hill has a 50 percent E-rate discount rate, Park Hill's decision saved the E-rate program between \$200,000 and \$1.5 million. Further, because Park Hill partnered with the City of Kansas City (the City) to obtain permits and unused conduit in exchange for allowing the City to use additional fiber strands not paid for by E-rate funding, the project saved the E-rate program at least an additional \$200,000.

Park Hill emphasized that FCC rules specifically allow school districts to join with other public entities to obtain E-rate eligible services, as long as any additional costs for non-eligible entities are removed from an E-rate application. Park Hill followed those rules and did not include the cost of the fiber allocated to the City in its E-rate funding request. No E-rate funds were used for the facilities the City may use.

¹ Request for Review and/or Waiver, *In the Matter of Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Park Hill (MO) School District FCC Form 471 Application Numbers 161049598 and 171035440 (filed August 21, 2018).

Park Hill noted that, in its denial of funding, USAC also cited the rule that prohibits reselling of E-rate funded services. Park Hill explained that it did not resell and is not reselling any facilities built with E-rate funds. The fibers used by the City were cost-allocated out of the application for E-rate funding. Therefore, those fiber facilities available for the City's use were not purchased with E-rate funds. Park Hill noted that if the Commission believed the city to be an ineligible entity, the Commission has previously only required those charges to be cost-allocated. Here, USAC denied the entire application instead of cost-allocating any services provided to E-rate ineligible entities. As noted above, Park Hill had already cost-allocated out the costs of the fibers the City may use.

Park Hill explained that it had relied upon comments encouraging E-rate applicants to partner with other public entities on these types of projects that were made by the Commission's then-managing director in a public workshop held specifically for the purposes of explaining the Commission's new rules on special construction.

The Bureau asked questions about the City's use of the additional fibers, the City's contract with Park Hill, and Park Hill's network. Park Hill will provide additional information in response to those questions in a subsequent filing. In addition, the Bureau and Park Hill discussed what other types of arrangements regarding the use of self-provisioned networks might be allowable under the current rules.

Pursuant to Section 1.1206(b)(2) of the Commission's rules, an electronic copy of this letter is being filed for inclusion in the above-referenced docket and sent to the attendees. Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,

/s/ Gina Spade

Gina Spade
Counsel for Park Hill School District

cc: D'wana Terry (via email)
Ryan Palmer (via email)
Gabriela Gross (via email)
Bryan Boyle (via email)
Stephanie Minnock (via email)
Clay Fulghum (via email)
Derrick Unruh (via email)