

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
	)	
Schools and Libraries	)	CC Docket No. 02-6
Universal Service Support Mechanism	)	
	)	
Request for Review and/or Waiver by	)	Application No. 161033938
Farmington Municipal Schools	)	
of a Funding Decision by the	)	
Universal Service Administrative Company	)	

**REQUEST FOR REVIEW AND/OR WAIVER BY  
FARMINGTON MUNICIPAL SCHOOLS  
OF A FUNDING DECISION BY THE  
UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**

Pursuant to sections 54.719 and 54.722 of the Commission’s rules,<sup>1</sup> Farmington Municipal Schools (Farmington or the District)<sup>2</sup> hereby respectfully requests a review of a Universal Service Administrative Company (USAC) decision to deny Schools and Libraries Universal Service (E-rate) funding for Funding Year 2016.

USAC denied Farmington’s funding request because it determined that Farmington had inappropriately factored state matching funds into its competitive bidding analysis. USAC’s conclusion is wrong both factually and as a matter of law. Farmington scrupulously followed the Commission’s competitive bidding rules: it calculated the “total life of the facility” for the self-provisioning option, used the price of eligible E-rate services only as the primary factor in its bid

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<sup>1</sup> 47 C.F.R. § 54.719(b), (c); 47 C.F.R. § 54.722(a).

<sup>2</sup> Billed Entity Number 143265.

evaluation process, and then selected the most cost-effective bid. USAC therefore erred when it found the consideration of state matching funds to be grounds for the denial of E-rate funding.

Because USAC's denial of Farmington's funding request for its self-provisioned wide area network effectively denies all E-rate funding for Farmington for the 20-year life of the network, Farmington respectfully asks the Bureau to reverse USAC's decision to deny Farmington's application for Funding Year 2016. In the alternative, Farmington requests that the Bureau grant a waiver of the Commission's rules and direct USAC to disburse the requested funds.

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## I. BACKGROUND

Farmington Municipal Schools is a school district that covers more than 800 square miles in New Mexico. While the District is situated in the city of Farmington and categorized as “urban” by USAC, it is largely rural and borders—and includes portions of—the Navajo Nation Reservation. The District serves approximately 11,000 students, roughly one third of whom are Native American, one third Hispanic, and one third Caucasian. Farmington’s E-rate discount is 80 percent.

On March 9, 2016, Farmington filed an FCC Form 470 and issued a request for proposals for a fiber-based wide area network.<sup>3</sup> Farmington solicited bids for various types of fiber solutions, as required by the *Second Modernization Order*.<sup>4</sup> Farmington received five bids in response to its RFP, from LightStream, Zayo, WAN Rack, Fast Track, and Network Cabling, Inc. (NCI).<sup>5</sup>

Once it received the bids, Farmington created a bid evaluation matrix to assess them. Consistent with the Commission’s competitive bidding rules, Farmington assigned the highest value—30 percent of the total points available—to price, with no other factor worth more than 20 percent.<sup>6</sup> In order to ensure that it was fairly comparing the self-provisioning option with bids for leased lit fiber, Farmington carefully considered the E-rate eligible costs for the “total cost of ownership over the useful life of the facility” with respect to the former, as required by

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<sup>3</sup> See Exhibit 3, FCC Form 471 #161033938.

<sup>4</sup> Exhibit 1, FCC Form 470.

<sup>5</sup> See Exhibit 2, Evaluation Matrix.

<sup>6</sup> See Exhibit 2, Evaluation Matrix. Other factors included timing (5%), supporting RFP requirements (10%), terms and conditions (10%), service reliability (20%), turn-key solution (10%), scalable technology (10%), and provider references (5%). *Id.*

the *Second Modernization Order*.<sup>7</sup> Farmington used 20 years as the estimated useful life of the facility.<sup>8</sup>

When the bid evaluation was complete, Farmington determined that NCI, which had bid on a self-provisioned network, had submitted the most cost-effective bid. While LightStream's bid, for a leased lit fiber network, was slightly less expensive than NCI's and therefore received the most points in the pricing category, NCI's bid was ranked substantially higher than LightStream's in other categories, particularly service reliability and references.<sup>9</sup> Because NCI received the highest score and was therefore the most cost-effective solution, Farmington awarded the contract to NCI. Farmington subsequently submitted an FCC Form 471 requesting approximately \$1.2 million in funding for a self-provisioned WAN.<sup>10</sup>

Farmington also reviewed the actual costs that the District would incur in purchasing the network to ensure the solution it selected was affordable. In reviewing the amount the District would have to budget for the WAN, Farmington determined that the total cost to the District under LightStream's bid (the cheapest bid, which received the highest score in the pricing category) would be approximately \$160,000, and the total cost to the District under NCI's bid

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<sup>7</sup> *Modernizing the E-rate Program for Schools and Libraries, Connect America Fund*, WC Docket Nos. 13-184 and 10-90, Second Report and Order and Order on Reconsideration, 29 FCC Rcd 15538, 15557-58 ¶ 48 (2014) (*Second E-rate Modernization Order*) (“Applicants interested in pursuing self-construction must solicit bids for both service and construction in the same FCC Form 470 and must provide sufficient detail so that cost-effectiveness can be evaluated based on the total cost of ownership over the useful life of the facility for applicants who pursue the self-construction option.”).

<sup>8</sup> The *Second Modernization Order* did not specify how applicants are to calculate the “useful life” of a facility, and the Commission has not subsequently provided any guidance. Twenty years is a reasonable estimate of the useful life of a fiber WAN such as the one Farmington sought to build.

<sup>9</sup> Exhibit 2.

<sup>10</sup> Exhibit 3, FCC Form 471 #161033938.

(the most cost-effective and therefore the winning bid, which received the highest total score on the evaluation matrix), would be approximately \$130,000.

On November 3, 2016, USAC notified Farmington of USAC's intent to deny funding because USAC alleged that Farmington did not select the most cost-effective solution.<sup>11</sup> There was no mention of the state match being considered in the intent to deny. Farmington submitted a response on November 11, 2016. USAC asked no additional questions after receiving this response and waited nearly eight more months to deny the funding to the District.

On June 30, 2017, USAC denied Farmington's application, stating the following as its basis for denial:

FCC Rules require applicants to evaluate the cost effectiveness of the fiber solutions and to choose the most cost-effective solution. The documentation demonstrated that the Dark Fiber IRU solution offered by LightStream Networks LLC. is most cost-effective solution compared to the requested Self-Provisioned fiber solution offered by Network Cabling, Inc. Per program rules, E-rate support for self-construction is only available when it is the most cost effective option based on the total cost of ownership over the useful life of the facility when compared to all other solutions. The applicant must first seek bids for all options, wait at least the required 28 days, evaluate all bids, compare the winning bids for each type of solution based on the total cost of ownership over the useful life of the facility and then select the most cost-effective option. In your evaluation, you applied the state match to the total cost when you conducted the cost comparison. This reduced the total cost to the district, however, it did not properly evaluate the total cost of ownership over the useful life of the facility. Therefore, this FRN will be denied.<sup>12</sup>

Farmington and the State of New Mexico followed up with USAC and requested a more detailed explanation of the reason for denial. On August 24, 2017, Bernie Manns of USAC responded to these inquiries and indicated that Farmington's application was denied because "Farmington did not properly evaluate the total cost of ownership over the useful life of the

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<sup>11</sup> Exhibit 4, Intent to Deny notification from USAC.

<sup>12</sup> Exhibit 5, Data Retrieval Tool.

facility because Farmington incorrectly applied state match funds (i.e., discounts) to the total cost of the self-provisioned fiber solution before conducting the cost comparison.”<sup>13</sup>

Farmington appealed USAC’s findings on July 26, 2017, and USAC denied Farmington’s appeal on February 7, 2018.<sup>14</sup> Appeals are due within 60 days.<sup>15</sup> As such, Farmington’s appeal is timely filed.

## **II. FARMINGTON’S COST-EFFECTIVENESS ANALYSIS WAS FULLY COMPLIANT WITH COMMISSION RULES**

USAC’s stated reason for denying Farmington’s appeal is both factually incorrect and incorrect as a matter of law. USAC’s interpretation of the *Second Modernization Order*’s requirements for self-provisioning is wrong on its face and as applied to Farmington’s application. Farmington made a good-faith effort to calculate the costs of self-provisioning consistent with Commission rules and precedent. In response, USAC cited first one reason for denial and then another, but none of the deficiencies USAC identified with Farmington’s competitive bidding analysis withstand scrutiny. Farmington therefore respectfully asks that the Bureau reverse USAC’s decision.

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<sup>13</sup> See Exhibit 6, email exchange between Farmington and Bernie Manns.

<sup>14</sup> See Exhibit 5. USAC “notified” Farmington of the denial of its pending appeal by posting it on the EPC newsfeed; USAC did not notify Farmington directly of its decision. As a result, Farmington found out that its appeal to USAC had been denied only when it contacted USAC two weeks ago to discuss the status of its pending appeal. Instead of having 60 days to appeal USAC’s denial to the Commission, Farmington had less than two weeks. As a matter of due process, posting an adverse decision that triggers an appeal deadline to the EPC news feed is simply insufficient notice. The EPC news feed is a Facebook-like compendium of postings directed to all participants in the program. It is unreasonable to expect applicants to comb through the feed to see if USAC has posted anything relating to their applications. Farmington therefore urges the Commission to direct USAC to notify applicants directly of any adverse decisions – such as denial of appeals or the denial of funding requests – via email or whatever form of communication the applicant has expressed a preference for.

<sup>15</sup> 47 C.F.R. §§ 54.719(a), 54.720(b).

In the *Second Modernization Order*, the Commission authorized the self-provisioning of E-rate-funded fiber networks and adopted three safeguards to “ensure that the self-construction option will be available only when it is necessary to enable applicants to access fiber at cost-effective rates.”<sup>16</sup> At issue in this appeal is the first safeguard: “Applicants interested in pursuing self-construction must solicit bids for both service and construction in the same FCC Form 470 and must provide sufficient detail so that cost-effectiveness can be evaluated based on the total cost of ownership over the useful life of the facility for applicants who pursue the self-construction option.”<sup>17</sup> USAC’s denial of Farmington’s application is based on its interpretation of how the “total cost of ownership over the useful life of the facility” should be calculated.

**A. USAC’s Decision Is Factually Incorrect**

As an initial matter, USAC’s decision is factually incorrect. USAC’s stated reason for denying Farmington’s application was: “In your evaluation, you applied the state match to the total cost when you conducted the cost comparison.” But Farmington did *not* apply state matching funds to the total cost when it compared the costs of the bids it received. USAC’s assertion of what Farmington did is simply wrong.

In its bid evaluation process, Farmington created an evaluation matrix that compared price and several other factors for each of the five bids it received. This matrix assigned 30 points to price and no more than 20 points to any other factor, consistent with the Commission’s price-as-primary-factor rule. A copy of the matrix Farmington used is attached as Exhibit 2.

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<sup>16</sup> *Second Modernization Order* ¶ 48.

<sup>17</sup> *Id.*



Farmington's matrix was structured to assign bidders a "weighted" score in each category. Each category was judged on a scale of one to ten, and each bidder's score was then multiplied by the percentage of the total assigned to that category. As the matrix shows, LightStream submitted the lowest-priced bid, and thus received a score of 10 in that category. The bid that eventually won, NCI's, was priced slightly higher than LightStream's and therefore received a 9 in the price category. These raw scores were then multiplied by the assigned percentage (as explained above, price was assigned 30 percent of the total possible score, and no other category was assigned more than 20 percent) to receive a weighted score. After completing the bid evaluation matrix, NCI's bid received the highest total score and was therefore the most cost-effective bid.

When Farmington conducted this cost-effectiveness evaluation, it used the prices that the bidders included in their bids. Farmington did *not* factor in state matching funds, as USAC alleges. In fact, if Farmington *had* factored in state matching funds, NCI's bid would have been the cheapest, not LightStream's, because the state would provide more matching funds to the self-provisioned network than to the leased network that LightStream offered. The fact that Farmington's bid evaluation matrix shows that LightStream's bid was cheaper than NCI's therefore proves that Farmington did not do what USAC claims it did. Furthermore, even if Farmington *had* done what USAC claims it did—factored state matching funds into its bid evaluation—that would not have changed the outcome. NCI's bid would have been the cheapest, and it still would have won.

In short, USAC's denial of Farmington's application rests on a faulty factual basis. Farmington did not include state matching funds in its bid evaluation, and the documentation it submitted to USAC proves that it did not. It was only *after* Farmington concluded that NCI was

the most cost-effective bid based on the raw content of the bids that the District began to look at how state matching funds would affect its own total costs. At that point, Farmington determined that the total cost to the District under LightStream's bid (the cheapest bid, which received the highest score in the pricing category) would be approximately \$160,000, and the total cost to the District under NCI's bid (the most cost-effective and therefore the winning bid, which received the highest total score on the evaluation matrix), would be approximately \$130,000. These numbers show that if Farmington had done what USAC alleges it did, NCI's bid would have been identified as the cheapest in the bid evaluation matrix.

Farmington is at a loss to explain why USAC went beyond the actual facts of Farmington's application to establish a rationale for denying its request for funding. It should be noted, though, that this is the second reason for denial that USAC asserted. During the PIA process, USAC announced its intent to deny Farmington's application on the ground that it had failed to choose the most cost-effective bid.<sup>18</sup> In response, Farmington submitted documentation explaining the bid evaluation process in detail, describing the shortcomings in LightStream's bid, and proving that Farmington had indeed selected the most cost-effective bid.<sup>19</sup> It was only after Farmington demonstrated conclusively that it had selected the most cost-effective bid did USAC come up with the alleged inclusion of state matching funds as the reason for denial. It appears that USAC had simply made up its mind to deny Farmington's application, and when its first

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<sup>18</sup> See Exhibit 4.

<sup>19</sup> Farmington explained to USAC that LightStream was a recently formed company that failed to provide a circuit-by-circuit cost breakdown which raised a question of accuracy of their costs on special construction, failed to provide any references, did not detail the network design solution being proposed, did not attend any on-site walk-throughs, and had no direct contact with the Farmington technology team. By contrast, NCI has a long track record and well-known level of expertise, attended all walk-throughs, provided the most detailed bid, and provided stellar references.

basis for denial failed, it concocted another one without regard for the actual facts underlying the application.

Farmington followed the Commission's competitive bidding rules and its directives regarding self-provisioned networks to the letter. It solicited bids for both self-provisioned and leased fiber options, used price as the primary factor in its bid evaluation process, included only eligible services when comparing bids, and at the conclusion of its evaluation selected the most cost-effective bid. USAC's reason for denial ignored these facts. For this reason, USAC's decision should be reversed.

**B. The Commission's *Second Modernization Order* Did Not Require Applicants to Select the Cheapest Bid**

USAC's denial of Farmington's application also represents a flawed and unsustainable interpretation of the Commission's rules and precedent. In citing first one rationale for its decision and then another, USAC seems to suggest that the only possible outcome it would have accepted is if Farmington had selected the cheapest bid. But as the Commission is well aware, the competitive bidding rules do not require applicants to select the cheapest bid, but only that applicants consider price as the primary factor as they evaluate price and other factors to determine the most cost-effective bid.<sup>20</sup> The *Second Modernization Order* did not change that rule or the definition of cost-effectiveness for self-provisioned networks. Accordingly, USAC's decision is legally unsound and must be reversed.

As noted above, the *Second Modernization Order* instituted a requirement that applicants seeking to self-provision networks "must provide sufficient detail so that cost-effectiveness can

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<sup>20</sup> 47 C.F.R. § 54.511(a); *Request for Review of the Decision of the Universal Service Administrator by Ysleta Independent School District El Paso, Texas, et al.*, Order, FCC 03-313, 18 FCC Rcd 26407, ¶ 48 (2003) (*Ysleta Order*).

be evaluated based on the total cost of ownership over the useful life of the facility.”<sup>21</sup> This requirement did not change the price-as-primary-factor rule. The *Second Modernization Order* also did not change the Commission’s definition of cost-effectiveness, nor did it require applicants to select the cheapest option. Rather, it is aimed at ensuring an apples-to-apples comparison between self-provisioned networks, dark fiber, and leased lit fiber services.

Somehow, though, USAC appears to be reading the Commission’s requirements for self-provisioned networks to permit applicants to choose self-provisioning only when it is the cheapest option. But if this were the Commission’s intention, surely the *Second Modernization Order* would have said so explicitly, because it would have required revisions to the price-as-primary-factor rule or the definition of cost-effectiveness to specifically exclude every factor except price. But the *Second Modernization Order* said no such thing. On the contrary, the Commission likened its new cost-effectiveness scheme for self-provisioned networks to the scheme the Commission had previously adopted for the Rural Health Care Program, where the analysis includes several factors, not just price.<sup>22</sup> Given the long history of the meaning of “cost-

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<sup>21</sup> *Second Modernization Order*, 29 FCC Rcd at 15557-58 ¶ 48. USAC’s denial rationale also attempts to establish a new evaluation process that is not articulated in the Commission’s orders. USAC describes the competitive bidding process as “[t]he applicant must first seek bids for all options, wait at least the required 28 days, evaluate all bids, compare the winning bids for each type of solution based on the total cost of ownership over the useful life of the facility and then select the most cost-effective option.” See Exhibit 5. USAC does not have the authority to interpret Commission rules. 47 C.F.R. § 54.702(c). As such, USAC’s interpretation of the Commission’s order is not valid. If the Bureau or the Commission wishes to interpret the *Second Modernization Order* in this way, an order should be released detailing the required process so that applicants are aware of the rules in advance of attempting to comply with them.

<sup>22</sup> See *Second Modernization Order* at ¶ 48. In the Rural Health Care program, “the Commission has defined “cost-effective” for purposes of the existing RHC support mechanism as ‘the method that costs the least after consideration of the features, quality of transmission, reliability, and other factors that the HCP deems relevant to . . . choosing a method of providing the required health care services.’ The Commission does not require HCPs to use the lowest-cost technology because factors other than cost, such as reliability and quality, may be relevant to fulfill their health care needs.” Rural Health Care Support Mechanism, CC Docket No. 02-60, *Report and Order*, 12 FCC Rcd 16775-76, ¶ 221 (2012) (*RHC 2012 Order*).

effective” in the E-rate program, if the Commission meant for applicants to select the least expensive option, it is required to state so explicitly. USAC cannot interpret the term “cost-effective” to mean the least expensive when the historical precedent specifically states that term does not mean the least expensive.<sup>23</sup>

Per the Commission’s directive, Farmington considered the total cost of ownership of the various solutions after considering E-rate eligible costs in its competitive bidding evaluation.<sup>24</sup> But USAC also seems to believe that it is inappropriate for a school district to consider its own costs when evaluating the “total cost of ownership” of a potential self-provisioned network. This interpretation makes no sense: essentially, USAC is saying that the “cost of ownership” may not reflect the cost to the owner. That interpretation does not hold up as a matter of plain language. If the Commission’s intention was to require applicants to evaluate cost to the Universal Service Fund, it would not have used the term “cost of *ownership*,” because the Fund does not own a self-provisioned network (or, indeed, any network); the school district owns it. Nothing in the Commission’s rules or orders suggests that an applicant must select the option that results in the lowest cost to the Fund, even if it costs the applicant itself more, as would have been the case here if Farmington had chosen LightStream’s bid.

In short, USAC provides no convincing legal basis for its denial of Farmington’s funding request. Both the suggestion that a school district can choose to self-provision only if it is the cheapest option and the suggestion that it is inappropriate for a school district to consider its own costs when calculating the total cost of ownership of a self-provisioned network are completely

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<sup>23</sup> *Ysleta Order* at ¶ 48.

<sup>24</sup> Farmington also noted that it would require the same electronics for either fiber solution so the equipment costs made no difference in its cost comparison. In addition, the maintenance costs for a part of the WAN that Farmington had previously built were only \$1,000 a year.

at odds with the plain language of the Commission's rules and orders. USAC's decision must therefore be reversed.

**III. IN THE ALTERNATIVE, THE BUREAU SHOULD WAIVE THE COMPETITIVE BIDDING RULES BECAUSE FARMINGTON MADE A GOOD-FAITH EFFORT TO COMPLY WITH THE RULES**

As explained above, USAC erred both factually and as a matter of law in finding that Farmington violated the Commission's competitive bidding rules, because Farmington's method of evaluating the cost of self-provisioned facilities was fully compliant with Commission rules and precedent. If the Bureau disagrees, however, Farmington respectfully asks that the Bureau waive the Commission's rules in order to grant the requested relief.

Any of the Commission's rules may be waived if good cause is shown.<sup>25</sup> The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest.<sup>26</sup> In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis.<sup>27</sup>

A waiver is appropriate here because USAC's creation of a previously unannounced interpretation of Commission rules and precedent, as well as its apparent determination to deny Farmington's funding application one way or another, are contrary to the public interest. Farmington made its best attempt to evaluate and compare costs consistent with Commission rules and precedent. Even if USAC's interpretation of Commission rules and precedent were reasonable, Farmington's interpretation is at least as reasonable. Furthermore, there is no evidence of waste, fraud or abuse in the competitive bidding process.

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<sup>25</sup> 47 C.F.R. § 1.3.

<sup>26</sup> *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990).

<sup>27</sup> *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969); *Northeast Cellular*, 897 F.2d at 1166.

Providing reliable and high-speed access to information is critical to Farmington's goals of meeting its educational responsibilities and offering students a variety of opportunities for success in today's global environment. Nearly 30 percent of Farmington's students have no Internet connectivity in their homes, and even more have poor service and limited devices for the family to use. The District chose to self-provision a WAN because its competitive bidding analysis revealed that self-provisioning was the most cost-effective solution. In addition, the District is no longer paying the quarter of a million dollars it has been each year for the leased microwave services and its annual funding request to USAC will also decrease accordingly.

It is therefore in the public interest to grant this waiver.

#### **IV. CONCLUSION**

We respectfully request that the Bureau grant this appeal and reverse USAC's denial of funding for Funding Year 2016 or, in the alternative, grant the requested waiver.

Respectfully submitted,

/s/ Charles Thacker

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Charles Thacker  
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Farmington, NM 87401  
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505-599-8787

/s/ Gina Spade

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*Counsel for Farmington Municipal  
Schools*

April 9, 2018

### **CERTIFICATE OF SERVICE**

This is to certify that on this 9<sup>th</sup> day of April, 2018, a true and correct copy of the foregoing Request for Review was sent via email to the Schools and Libraries Division, Universal Service Administrative Company at the [Appeals@sl.universalservice.org](mailto:Appeals@sl.universalservice.org) address.

/s/Theresa K. Schrader

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## **EXHIBIT LIST**

Affidavit of Charles Thacker

Exhibit 1: Farmington FCC Form 470 for Funding Year 2016

Exhibit 2: Farmington Evaluation Matrix

Exhibit 3: FCC Form 471 #161033938

Exhibit 4: Intent to Deny notification from USAC

Exhibit 5: Data Retrieval Tool for Application #161033938

Exhibit 6: Email exchange between Farmington and Bernie Manns

**Affidavit of Charles Thacker**

STATE OF New Mexico )  
 ) SS  
COUNTY OF San Juan )

I, Charles Thacker, swear:

1. That I am Executive Director of Technology for Farmington Municipal Schools. I have held that position since 2015.
2. That I have read the foregoing appeal and avow the information stated therein is true and correct to the best of my knowledge and belief.

Further Affiant Sayeth Not.




Charles Thacker  
Executive Director of Technology  
Farmington Municipal Schools  
301 N Court Ave  
Farmington, NM 87401

VERIFICATION


STATE OF New Mexico )  
 ) SS  
COUNTY OF San Juan )

COMES NOW, Charles Thacker, and being first duly sworn upon my oath, state that I have read the foregoing Affidavit, and that the facts contained therein are true and correct to the best of my knowledge, information and belief, and that I sign the same as my free act and deed.

  
Charles Thacker

On this 9<sup>th</sup> day of April, 2018, before me, a Notary Public in and for said state, personally appeared Charles Thacker, known to me to be the person who executed the within Affidavit, and acknowledged to me that he executed the same for the purposes therein stated and that he executed the same as his free act and deed.



  
Notary Public

My Commission Expires:

July 1, 2021

**EXHIBIT 1**

**Farmington FCC Form 470 for Funding Year 2016**



## FCC Form 470 – Funding Year 2016

Form 470 Application Number: 160033866

Farmington SD Category 1 WAN

### Billed Entity

FARMINGTON MUNCPL SCH DIST 5  
2001 N DUSTIN AVE  
FARMINGTON, SAN JUAN, NM 87401  
505-599-8615

### Contact Information

Charles Thacker  
cthacker@fms.k12.nm.us  
505-599-8820

**Billed Entity Number:** 143265

**FCC Registration Number:** 0014758494

### Application Type

**Applicant Type:** School District

**Recipients of Services:** Juvenile Justice; Public School; Public School District

**Number of Eligible Entities:** 0

### Consulting Firms

Name	Consultant Registration Number	Phone Number	Email
E-Rate 360 Solutions, LLC	16048893	888-535-7771 ext.106	ugarofano@erate360.com

### Consultants

Name	Phone Number	Email
Matt Hetman	888-535-7771 ext.104	mhetman@erate360.com

### RFPs

Id	Name
14533	Farmington_CAT1_WAN_RFP_2016-05

### Category One Service Requests

Service Type	Function	Other	Minimum Capacity	Maximum Capacity	Entities	Quantity	Unit	Installation and Initial Configuration?	Maintenance and Technical Support?	Associated RFPs
Internet Access and/or Telecommunications	Dark Fiber				13	13	Fiber Strands	Yes	Yes	14533
Internet Access and/or Telecommunications	Lit Fiber Service		1 Gbps	25 Gbps	13	13	Circuits	Yes	Yes	14533
Internet Access and/or Telecommunications	Self-provisioning		Detailed in RFP	Detailed in RFP	13	Detailed in RFP	Detailed in RFP	Yes	Yes	14533

### Description of Other Functions

Id	Name
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### Narrative

This Form 470 replaces the previous Form 470 160010204  
We seek bids for broadband services (e.g., lit services) when seeking bids for dark fiber. We also require bids for the equipment and maintenance costs associated with lighting dark fiber in this Form 470. See RFP for details

### Installment Payment Plan

Range of Years: 1 - 4 Years

Payment Type: Annual

### Category Two Service Requests

Service Type	Function	Manufacturer	Other	Entities	Quantity	Unit	Installation and Initial Configuration?	Associated RFPs
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### Description of Other Manufacturers

Id	Name
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Narrative

### Technical Contact

### State and Local Procurement Restrictions

This Request for Proposal (RFP) is being issued pursuant to The New Mexico Procurement Code Sections 13-1-28 through 13-1-199 NMSA 1978 which imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.
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### Recipients of Service

Billed Entity Number	Billed Entity Name
143265	FARMINGTON MUNCPL SCH DIST 5

### Certifications

I certify that the applicant includes:

I certify that the applicant includes schools under the statutory definitions of elementary and secondary schools found in the No Child Left Behind Act of 2001, 20 U.S.C. §§ 7801 (18) and (38), that do not operate as for-profit businesses, and do not have endowments exceeding \$50 million.

Other Certifications

I certify that this FCC Form 470 and any applicable RFP will be available for review by potential bidders for at least 28 days before considering all bids received and selecting a service provider. I certify that all bids submitted will be carefully considered and the bid selected will be for the most cost-effective service or equipment offering, with price being the primary factor, and will be the most cost-effective means of meeting educational needs and technology goals.

I certify that I have reviewed all applicable FCC, state, and local procurement/competitive bidding requirements and that I have complied with them. I acknowledge that persons willfully making false statements on this form may be punished by fine or forfeiture, under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.

I acknowledge that FCC rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the schools and libraries support mechanism are subject to suspension and debarment from the program.

I certify that I will retain required documents for a period of at least 10 years (or whatever retention period is required by the rules in effect at the time of this certification) after the later of the last day of the applicable funding year or the service delivery deadline for the associated funding request. I certify that I will retain all documents necessary to demonstrate compliance with the statute and Commission rules regarding the form for, receipt of, and delivery of services receiving schools and libraries discounts. I acknowledge that I may be audited pursuant to participation in the schools and libraries program. I certify that the services the applicant purchases at discounts provided by 47 U.S.C. § 254 will be used primarily for educational purposes, see 47 C.F.R. § 54.500, and will not be sold, resold or transferred in consideration for money or any other thing of value, except as permitted by the Commission's rules at 47 C.F.R. § 54.513. Additionally, I certify that the entity or entities listed on this form have not received anything of value or a promise of anything of value, other than services and equipment sought by means of this form, from the service provider, or any representative or agent thereof or any consultant in connection with this request for services.

I acknowledge that support under this support mechanism is conditional upon the school(s) and/or library(ies) I represent securing access, separately or through this program, to all of the resources, including computers, training, software, internal connections, maintenance, and electrical capacity necessary to use the services purchased effectively. I recognize that some of the aforementioned resources are not eligible for support. I certify that I have considered what financial resources should be available to cover these costs. I certify that I am authorized to procure eligible services for the eligible entity(ies). I certify that I am authorized to submit this request on behalf of the eligible entity(ies) listed on this form, that I have examined this request, and to the best of my knowledge, information, and belief, all statements of fact contained herein are true.

#### NOTICE:

In accordance with Section 54.503 of the Federal Communications Commission's ("Commission") rules, certain schools and libraries ordering services that are eligible for and seeking universal service discounts must file this Description of Services Requested and Certification Form (FCC Form 470) with the Universal Service Administrator. 47 C.F.R. § 54.503. The collection of information stems from the Commission's authority under Section 254 of the Communications Act of 1934, as amended. 47 U.S.C. § 254. The data in the report will be used to ensure that schools and libraries comply with the competitive bidding requirement contained in 47 C.F.R. § 54.503. Schools and libraries must file this form themselves or as part of a consortium.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The FCC is authorized under the Communications Act of 1934, as amended, to collect the information requested in this form. We will use the information you provide to determine whether you have complied with the competitive bidding requirements applicable to requests for universal service discounts. If we believe there may be a violation or a potential violation of any applicable statute, regulation, rule or order, the information you provide in this form may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing, or implementing the statute, rule, regulation or order. In certain cases, the information you provide in this form may be disclosed to the Department of Justice or a court or adjudicative body when (a) the FCC; or (b) any employee of the FCC; or (c) the United States Government is a party of a proceeding before the body or has an interest in the proceeding. In addition, information provided in or submitted with this form, or in response to subsequent inquiries, may also be subject to disclosure consistent with the Communications Act of 1934, FCC regulations, the Freedom of Information Act, 5 U.S.C. § 552, or other applicable law.

If you owe a past due debt to the federal government, the information you provide in this form may also be disclosed to the Department of the Treasury Financial Management Service, other Federal agencies and/or your employer to offset your salary, IRS tax refund or other payments to collect that debt. The FCC may also provide the information to these agencies through the matching of computer records when authorized.

If you do not provide the information we request on the form, the FCC or Universal Service Administrator may return your form without action or deny a related request for universal service discounts.

The foregoing Notice is required by the Paperwork Reduction Act of 1995, Pub. L. No. 104-13, 44 U.S.C. § 3501, et seq.

Public reporting burden for this collection of information is estimated to average 3.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing, and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information,

including suggestions for reducing the reporting burden to the Federal Communications Commission, Performance Evaluation and Records Management, Washington, DC 20554. We also will accept your comments via the email if you send them to PRA@FCC.gov. DO NOT SEND COMPLETED WORKSHEETS TO THESE ADDRESSES.

**Authorized Person**

Matt Hetman  
E-Rate 360 Solutions, LLC  
322 Route 46W, Suite 280W, eRate 360 Solutions  
Parsippany, NJ 07054  
888-535-7771 ext.104  
mhetman@erate360.com

**Certified Timestamp**

03/09/2016 04:42 PM EST



## **EXHIBIT 2**

### **Farmington Evaluation Matrix**

**RFP 2016-05 Fiber WAN Evaluation**  
**Overall Ratings: (1-10 rating)**

	Company	LightStream	Zayo	WANRack	FastTrack	NCI
	E-rate eligible recurring ad one-time circuit costs (30%)	10.0	2.2	5.5	8.5	9.0
	Timing: adherence to district preferred rollout timeframe (5%)	7	9	8	10	9
	Ability to support requirements laid out in the RFP (10%)	7	9	7	8	9
	Proposed contract terms and conditions (10%)	9	6	7	8	9
	Service Reliability (20%)	6	7	8	9	10
	Ability to offer turn-key solution (10%)	10	10	10	10	10
	Use of scalable technology (10%)	9	9	9	8	10
	Provider references (5%)	2	5	7	9	10
<b>A</b>	<b>Combined Evaluator Ratings</b>	<b>8.2</b>	<b>6.2</b>	<b>7.3</b>	<b>8.7</b>	<b>9.5</b>
<b>B</b>	<b>Highest Rated Vendor</b>					<b>*</b>
<b>C</b>	<b>Rank</b>	<b>3</b>	<b>5</b>	<b>4</b>	<b>2</b>	<b>1</b>
	Company	LightStream	Zayo	WANRack	FastTrack	NCI

All ratings by evaluators are on a 1-10 scale (1=lowest, 10=highest), cost score in decimal based on formula provided below.

Cost evaluation generated using a standard formula for Price Score: Price Score = Price Weight times (Lowest Price divided by the Current Proposal Price). In this evaluation this is done on a Price Weight of 10 which is then given a calculated weight of 30%. Vendors were evaluated on the estimated twenty (20) year cost of their lowest cost solution (Lit, Leased, IRU, Self Provisioned). Decimal score left intact for accurate calculations.

See attached narrative for evaluation explanation.

Row Explanations:

- Each individual metric's rating is multiplied by the weight provided in the description of that metric to provide a total rating based on all weighted ratings for each evaluator.
- The highest rated vendor is then clearly indicated based on this total weighted score by an **\***.
- Each vendor is also shown with their ranking among all vendors.

**EXHIBIT 3**

**FCC Form 471 #161033938**



## Description of Services Ordered and Certification Form 471

### FCC Form 471

#### Application Information

**Nickname** Farmington Self-Provisioning Fiber      **Application Number** 161033938  
**Funding Year** 2016      **Category of Service** Category 1

#### Billed Entity

FARMINGTON MUNCPL SCH DIST 5  
2001 N DUSTIN AVE FARMINGTON NM 87401  
505-599-8615

#### Contact Information

Matt Hetman  
888-535-7771  
mhetman@erate360.com

**Billed Entity Number** 143265  
**FCC Registration Number** 0014758494  
**Applicant Type** School District

#### Holiday/Summer Contact Information

compliance@erate360.com

#### Consulting Firms

Name	Consultant Registration Number	City	State	Zip Code	Phone Number	Email
E-Rate 360 Solutions, LLC	16048893	Parsippany	NJ	7054	888-535-7771	ugarofano@erate360.com

#### School District

Name	BEN	Urban or Rural	State LEA ID	State School ID	NCES Code	School District Attributes	Endowment
FARMINGTON MUNCPL SCH DIST 5	143265	Urban				Public School District	None

#### Related Child School Entities

Name	BEN	Urban or Rural	State LEA ID	State School ID	NCES Code	Number of Students	Students Count Based on Estimate	Alternative Discount	CEP Percentage	School Attributes	Endowment
ESPERANZA ELEMENTARY SCHOOL	99206	Urban				610	N/A	None		Public School	None
MESA VIEW JUNIOR HIGH SCHOOL	99207	Urban				613	N/A	None		Public School	None

Name	BEN	Urban or Rural	State LEA ID	State School ID	NCES Code	Number of Students	Students Count Based on Estimate	Alternative Discount	CEP Percentage	School Attributes	Endowment
FARMINGTON HIGH SCHOOL	99208	Urban				1430	N/A	None		Public School	None
APACHE ELEMENTARY SCHOOL	99211	Urban				520	N/A	None		Public School	None
MCKINLEY ELEMENTARY SCHOOL	99213	Urban				614	N/A	None		Public School	None
TIBBETTS JUNIOR HIGH SCHOOL	99214	Urban				580	N/A	None		Public School	None
CAREER AND TECHNICAL EDUCATION CENTER	99215	Urban				188	N/A	None		Public School	None
MCCORMICK ELEMENTARY SCHOOL	99216	Urban				514	N/A	None		Public School	None
BLUFFVIEW ELEMENTARY SCHOOL	99218	Urban				444	N/A	None		Public School	None
HERMOSA JUNIOR HIGH SCHOOL	99219	Urban				564	N/A	None		Public School	None
NORTHEAST ELEMENTARY SCHOOL	99220	Urban				556	N/A	None		Public School	None
LADERA DEL NORTE ELEM SCHOOL	99221	Urban				598	N/A	None		Public School	None
HEIGHTS JUNIOR HIGH SCHOOL	99225	Urban				695	N/A	None		Public School	None
MESA VERDE ELEMENTARY SCHOOL	99226	Urban				582	N/A	None		Public School	None
ANIMAS ELEMENTARY SCHOOL	99227	Urban				456	N/A	None		Public School	None
COUNTRY CLUB ELEMEN	99229	Urban				546	N/A	None		Public School	None

Name	BEN	Urban or Rural	State LEA ID	State School ID	NCES Code	Number of Students	Students Count Based on Estimate	Alternative Discount	CEP Percentage	School Attributes	Endowment
TARY SCHOOL											
ROCINANTE HIGH SCHOOL	99230	Urban				176	N/A	None		Public School	None
PIEDRA VISTA HIGH SCHOOL	212786	Rural				1418	N/A	None		Public School	None
San Juan County Juvenile Services Center	17006098	Urban				27	N/A	None		Public School; Juvenile Justice	None

### Discount Rate

School District Enrollment	School District NSLP Count	School District NSLP Percentage	School District Urban/Rural Status	Category One Discount Rate	Category Two Discount Rate	Voice Discount Rate
11110	5646	51.0%	Urban	80%	80%	40%

### Funding Request for FRN #1699070945

**Funding Request Nickname:** Self-Provisioning Multiple Sites WAN  
**Service Type:** Data Transmission and/or Internet Access

### Fiber Request Key Information

**Dark Fiber, Self-Provisioned Network or Special Construction?** Yes  
**Is this FRN supporting leased lit fiber, dark fiber or self-provisioned new or existing fiber?** Self Provisioned  
**Is this FRN for Special Construction, Network Equipment, Maintenance & Operation or both Network Equipment and Maintenance & Operation?** Special Construction

### FRN Key Information for Special Construction

**Total Project Plant Route Feet** 104900 **Total Strands** 12  
**Average Cost per foot of outside plant** \$5.00 **Number of E-rate Eligible Strands** 12

**Is state or tribal match available for this FRN?** Yes

State/Tribal Match Amount	Source of Matching Funds	Source of Matching Funds Documents
\$150,000.00	State of New Mexico Public School Capital Outlay Council	160033866-BDCP Award Acceptance .pdf

**Does the FRN include an installment payment agreement for special construction charges?** No

**Does this installment agreement include a balloon payment?** No

### Agreement Information - Contract

**Contract Number** **Account Number**

<b>Establishing FCC Form 470</b>	160033866	<b>Service Provider</b>	Network Cabling, Inc. (SPN: 143021395)
<b>Was an FCC Form 470 posted for the product and/or services you are requesting?</b>	Yes	<b>Based on State Master Contract?</b>	No
<b>Award Date</b>	April 15, 2016	<b>Based on a multiple award schedule?</b>	No
<b>How many bids were received for this contract?</b>	5	<b>Includes Voluntary Extensions?</b>	No
		<b>Remaining Voluntary Extensions</b>	
		<b>Total Remaining Contract Length</b>	
<b>What is the service start date?</b>	July 01, 2016	<b>What is the date your contract expires for the current term of the contract?</b>	June 30, 2017

Document Name	Document Description
NCI-FMS - WAN RFP# 2016-05.pdf	NCI Contract Showing Details for Each Site
160033866-BDCP Award Acceptance .pdf	

### Pricing Confidentiality

**Is there a statute, rule, or other restriction which prohibits publication of the specific pricing information for this contract?** No

### Narrative

Self Provisioning Service Multiple Sites WAN

### Line Item # 1699070945.001

### Product and Service Details

<b>Purpose</b>	Internet access service that includes a connection from any applicant site directly to the Internet Service Provider		
<b>Function</b>	Fiber	<b>Type of Connection</b>	OC-N (TDM Fiber)
<b>Unit</b>		<b>Lease or Non-Purchase Agreement?</b>	No

### Bandwidth Speed

<b>Download Speed</b>	10.0 Gbps
<b>Upload Speed</b>	10.0 Gbps

### Connection Information

<b>Does this include firewall services?</b>	No	<b>Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a "Wide area network")?</b>	No
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Is this a direct connection to a single school, library or a NIF for Internet access? No

Connection Used by

One building/site listed

### Cost Calculation for FRN Line Item # 1699070945.001

Monthly Cost	
Monthly Recurring Unit Cost	\$0.00
Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00
Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$0.00

One-Time Cost	
One-time Unit Cost	\$82,097.43
One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$82,097.43
One-time Quantity	x 1
Total Eligible One-time Costs	= \$82,097.43
Summary	
Total Eligible Recurring Costs	\$0.00
Total Eligible One-time Costs	+ \$82,097.43
Pre-Discount Extended Eligible Line Item Cost	= \$82,097.43

### Recipients of Services

BEN	Name
99227	ANIMAS ELEMENTARY SCHOOL

### Line Item # 1699070945.002

#### Product and Service Details

Purpose	Internet access service that includes a connection from any applicant site directly to the Internet Service Provider		
Function	Fiber	Type of Connection	OC-N (TDM Fiber)
Unit		Lease or Non-Purchase Agreement?	No

### Bandwidth Speed

Download Speed	10.0 Gbps
Upload Speed	10.0 Gbps

### Connection Information

Does this include firewall services? No

Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a "Wide area network")? No

Is this a direct connection to a single school, library or a NIF for Internet access? No

Connection Used by

All buildings/sites listed

### Cost Calculation for FRN Line Item # 1699070945.002

Monthly Cost	
Monthly Recurring Unit Cost	\$0.00

One-Time Cost	
One-time Unit Cost	\$53,961.02



Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00
Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$0.00

One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$53,961.02
One-time Quantity	x 1
Total Eligible One-time Costs	= \$53,961.02
<b>Summary</b>	
Total Eligible Recurring Costs	\$0.00
Total Eligible One-time Costs	+ \$53,961.02
Pre-Discount Extended Eligible Line Item Cost	= \$53,961.02

### Recipients of Services

<b>BEN</b>	<b>Name</b>
99211	APACHE ELEMENTARY SCHOOL

### Line Item # 1699070945.003

#### Product and Service Details

**Purpose** Internet access service that includes a connection from any applicant site directly to the Internet Service Provider

**Function** Fiber **Type of Connection** OC-N (TDM Fiber)

**Unit** **Lease or Non-Purchase Agreement?** No

#### Bandwidth Speed

**Download Speed** 10.0 Gbps  
**Upload Speed** 10.0 Gbps

#### Connection Information

**Does this include firewall services?** No

**Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a "Wide area network")?** No

**Is this a direct connection to a single school, library or a NIF for Internet access?** No

**Connection Used by** All buildings/sites listed

### Cost Calculation for FRN Line Item # 1699070945.003

<b>Monthly Cost</b>	
Monthly Recurring Unit Cost	\$0.00
Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00
Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00
Months of Service	x 12

<b>One-Time Cost</b>	
One-time Unit Cost	\$71,197.17
One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$71,197.17
One-time Quantity	x 1
Total Eligible One-time Costs	= \$71,197.17
<b>Summary</b>	
Total Eligible Recurring Costs	\$0.00

Total Eligible Recurring Costs	= \$0.00

Total Eligible One-time Costs	+ \$71,197.17
Pre-Discount Extended Eligible Line Item Cost	= \$71,197.17

### Recipients of Services

<b>BEN</b>	<b>Name</b>
99218	BLUFFVIEW ELEMENTARY SCHOOL

### Line Item # 1699070945.004

#### Product and Service Details

<b>Purpose</b>	Internet access service that includes a connection from any applicant site directly to the Internet Service Provider		
<b>Function</b>	Fiber	<b>Type of Connection</b>	OC-N (TDM Fiber)
<b>Unit</b>		<b>Lease or Non-Purchase Agreement?</b>	No

#### Bandwidth Speed

<b>Download Speed</b>	10.0 Gbps
<b>Upload Speed</b>	10.0 Gbps

#### Connection Information

<b>Does this include firewall services?</b>	No	<b>Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a "Wide area network")?</b>	No
<b>Is this a direct connection to a single school, library or a NIF for Internet access?</b>	No	<b>Connection Used by</b>	All buildings/sites listed

### Cost Calculation for FRN Line Item # 1699070945.004

Monthly Cost	
Monthly Recurring Unit Cost	\$0.00
Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00
Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$0.00

One-Time Cost	
One-time Unit Cost	\$3,025.34
One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$3,025.34
One-time Quantity	x 1
Total Eligible One-time Costs	= \$3,025.34
Summary	
Total Eligible Recurring Costs	\$0.00
Total Eligible One-time Costs	+ \$3,025.34
Pre-Discount Extended Eligible Line Item Cost	= \$3,025.34

### Recipients of Services

<b>BEN</b>	<b>Name</b>

**Line Item # 1699070945.005****Product and Service Details**

<b>Purpose</b>	Internet access service that includes a connection from any applicant site directly to the Internet Service Provider		
<b>Function</b>	Fiber	<b>Type of Connection</b>	OC-N (TDM Fiber)
<b>Unit</b>		<b>Lease or Non-Purchase Agreement?</b>	No

**Bandwidth Speed**

<b>Download Speed</b>	10.0 Gbps
<b>Upload Speed</b>	10.0 Gbps

**Connection Information**

<b>Does this include firewall services?</b>	No	<b>Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a "Wide area network")?</b>	No
<b>Is this a direct connection to a single school, library or a NIF for Internet access?</b>	No	<b>Connection Used by</b>	All buildings/sites listed

**Cost Calculation for FRN Line Item # 1699070945.005**

<b>Monthly Cost</b>	
Monthly Recurring Unit Cost	\$0.00
Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00
Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$0.00

<b>One-Time Cost</b>	
One-time Unit Cost	\$119,430.77
One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$119,430.77
One-time Quantity	x 1
Total Eligible One-time Costs	= \$119,430.77
<b>Summary</b>	
Total Eligible Recurring Costs	\$0.00
Total Eligible One-time Costs	+ \$119,430.77
Pre-Discount Extended Eligible Line Item Cost	= \$119,430.77

**Recipients of Services**

<b>BEN</b>	<b>Name</b>
99229	COUNTRY CLUB ELEMENTARY SCHOOL

**Line Item # 1699070945.006****Product and Service Details**

<b>Purpose</b>	Internet access service that includes a connection from any
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applicant site directly to the  
Internet Service Provider

<b>Function</b>	Fiber	<b>Type of Connection</b>	OC-N (TDM Fiber)
<b>Unit</b>		<b>Lease or Non-Purchase Agreement?</b>	No

### Bandwidth Speed

<b>Download Speed</b>	10.0 Gbps
<b>Upload Speed</b>	10.0 Gbps

### Connection Information

<b>Does this include firewall services?</b>	No	<b>Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a "Wide area network")?</b>	No
<b>Is this a direct connection to a single school, library or a NIF for Internet access?</b>	No	<b>Connection Used by</b>	All buildings/sites listed

### Cost Calculation for FRN Line Item # 1699070945.006

Monthly Cost	
Monthly Recurring Unit Cost	\$0.00
Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00
Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$0.00

One-Time Cost	
One-time Unit Cost	\$55,763.74
One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$55,763.74
One-time Quantity	x 1
Total Eligible One-time Costs	= \$55,763.74
Summary	
Total Eligible Recurring Costs	\$0.00
Total Eligible One-time Costs	+ \$55,763.74
Pre-Discount Extended Eligible Line Item Cost	= \$55,763.74

### Recipients of Services

BEN	Name
99225	HEIGHTS JUNIOR HIGH SCHOOL

### Line Item # 1699070945.007

#### Product and Service Details

**Purpose** Internet access service that includes a connection from any applicant site directly to the Internet Service Provider

<b>Function</b>	Fiber	<b>Type of Connection</b>	OC-N (TDM Fiber)
<b>Unit</b>		<b>Lease or Non-Purchase Agreement?</b>	No

Bandwidth Speed

Download Speed	10.0 Gbps
Upload Speed	10.0 Gbps

Connection Information

Does this include firewall services?	No	Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a “Wide area network”)?	No
Is this a direct connection to a single school, library or a NIF for Internet access?	No	Connection Used by	One building/site listed

Cost Calculation for FRN Line Item # 1699070945.007

Monthly Cost		One-Time Cost	
Monthly Recurring Unit Cost	\$0.00	One-time Unit Cost	\$73,469.15
Monthly Recurring Unit Ineligible Costs	- \$0.00	One-time Ineligible Unit Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00	One-time Eligible Unit Cost	= \$73,469.15
Monthly Quantity	x 1	One-time Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00	Total Eligible One-time Costs	= \$73,469.15
Months of Service	x 12	Summary	
Total Eligible Recurring Costs	= \$0.00	Total Eligible Recurring Costs	\$0.00
		Total Eligible One-time Costs	+ \$73,469.15
		Pre-Discout Extended Eligible Line Item Cost	= \$73,469.15

Recipients of Services

BEN	Name
99219	HERMOSA JUNIOR HIGH SCHOOL

Line Item # 1699070945.008

Product and Service Details

Purpose	Internet access service that includes a connection from any applicant site directly to the Internet Service Provider		
Function	Fiber	Type of Connection	OC-N (TDM Fiber)
Unit		Lease or Non-Purchase Agreement?	No

Bandwidth Speed

Download Speed	10.0 Gbps
Upload Speed	10.0 Gbps

Connection Information

Does this include firewall services? No

Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a "Wide area network")? No

Is this a direct connection to a single school, library or a NIF for Internet access? No

Connection Used by All buildings/sites listed

### Cost Calculation for FRN Line Item # 1699070945.008

Monthly Cost	
Monthly Recurring Unit Cost	\$0.00
Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00
Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$0.00

One-Time Cost	
One-time Unit Cost	\$162,194.10
One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$162,194.10
One-time Quantity	x 1
Total Eligible One-time Costs	= \$162,194.10
Summary	
Total Eligible Recurring Costs	\$0.00
Total Eligible One-time Costs	+ \$162,194.10
Pre-Discourt Extended Eligible Line Item Cost	= \$162,194.10

### Recipients of Services

BEN	Name
17006098	San Juan County Juvenile Services Center

### Line Item # 1699070945.009

#### Product and Service Details

**Purpose** Internet access service that includes a connection from any applicant site directly to the Internet Service Provider

**Function** Fiber

**Type of Connection** OC-N (TDM Fiber)

**Unit**

**Lease or Non-Purchase Agreement?** No

### Bandwidth Speed

**Download Speed** 10.0 Gbps

**Upload Speed** 10.0 Gbps

### Connection Information

Does this include firewall services? No

Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a "Wide area network")? No

Is this a direct connection to a single school, library or a NIF for Internet access? No

Connection Used by All buildings/sites listed

Cost Calculation for FRN Line Item # 1699070945.009

Monthly Cost	
Monthly Recurring Unit Cost	\$0.00
Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00
Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$0.00

One-Time Cost	
One-time Unit Cost	\$112,463.82
One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$112,463.82
One-time Quantity	x 1
Total Eligible One-time Costs	= \$112,463.82
Summary	
Total Eligible Recurring Costs	\$0.00
Total Eligible One-time Costs	+ \$112,463.82
Pre-Discount Extended Eligible Line Item Cost	= \$112,463.82

Recipients of Services

BEN	Name
99216	MCCORMICK ELEMENTARY SCHOOL

Line Item # 1699070945.010

Product and Service Details

Purpose	Internet access service that includes a connection from any applicant site directly to the Internet Service Provider		
Function	Fiber	Type of Connection	OC-N (TDM Fiber)
Unit		Lease or Non-Purchase Agreement?	No

Bandwidth Speed

Download Speed	10.0 Gbps
Upload Speed	10.0 Gbps

Connection Information

Does this include firewall services?	No	Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a “Wide area network”)?	No
Is this a direct connection to a single school, library or a NIF for Internet access?	No	Connection Used by	All buildings/sites listed

Cost Calculation for FRN Line Item # 1699070945.010

Monthly Cost	
Monthly Recurring Unit Cost	\$0.00
Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00

One-Time Cost	
One-time Unit Cost	\$117,301.56
One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$117,301.56
One-time Quantity	x 1

Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$0.00

Total Eligible One-time Costs	= \$117,301.56
<b>Summary</b>	
Total Eligible Recurring Costs	\$0.00
Total Eligible One-time Costs	+ \$117,301.56
Pre-Discount Extended Eligible Line Item Cost	= \$117,301.56

### Recipients of Services

<b>BEN</b>	<b>Name</b>
99207	MESA VIEW JUNIOR HIGH SCHOOL

### Line Item # 1699070945.011

#### Product and Service Details

<b>Purpose</b>	Internet access service that includes a connection from any applicant site directly to the Internet Service Provider		
<b>Function</b>	Fiber	<b>Type of Connection</b>	OC-N (TDM Fiber)
<b>Unit</b>		<b>Lease or Non-Purchase Agreement?</b>	No

#### Bandwidth Speed

<b>Download Speed</b>	10.0 Gbps
<b>Upload Speed</b>	10.0 Gbps

#### Connection Information

<b>Does this include firewall services?</b>	No	<b>Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a "Wide area network")?</b>	No
<b>Is this a direct connection to a single school, library or a NIF for Internet access?</b>	No	<b>Connection Used by</b>	All buildings/sites listed

### Cost Calculation for FRN Line Item # 1699070945.011

<b>Monthly Cost</b>	
Monthly Recurring Unit Cost	\$0.00
Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00
Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$0.00

<b>One-Time Cost</b>	
One-time Unit Cost	\$83,713.95
One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$83,713.95
One-time Quantity	x 1
Total Eligible One-time Costs	= \$83,713.95
<b>Summary</b>	
Total Eligible Recurring Costs	\$0.00
Total Eligible One-time Costs	+ \$83,713.95
Pre-Discount Extended Eligible Line Item Cost	= \$83,713.95



### Recipients of Services

BEN	Name
212786	PIEDRA VISTA HIGH SCHOOL

### Line Item # 1699070945.012

#### Product and Service Details

<b>Purpose</b>	Internet access service that includes a connection from any applicant site directly to the Internet Service Provider		
<b>Function</b>	Fiber	<b>Type of Connection</b>	OC-N (TDM Fiber)
<b>Unit</b>		<b>Lease or Non-Purchase Agreement?</b>	No

#### Bandwidth Speed

<b>Download Speed</b>	10.0 Gbps
<b>Upload Speed</b>	10.0 Gbps

#### Connection Information

<b>Does this include firewall services?</b>	No	<b>Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a "Wide area network")?</b>	No
<b>Is this a direct connection to a single school, library or a NIF for Internet access?</b>	No	<b>Connection Used by</b>	All buildings/sites listed

### Cost Calculation for FRN Line Item # 1699070945.012

Monthly Cost	
Monthly Recurring Unit Cost	\$0.00
Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$0.00
Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$0.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$0.00

One-Time Cost	
One-time Unit Cost	\$490,321.20
One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$490,321.20
One-time Quantity	x 1
Total Eligible One-time Costs	= \$490,321.20
<b>Summary</b>	
Total Eligible Recurring Costs	\$0.00
Total Eligible One-time Costs	+ \$490,321.20
Pre-Discourt Extended Eligible Line Item Cost	= \$490,321.20

### Recipients of Services

BEN	Name
99214	TIBBETTS JUNIOR HIGH SCHOOL

### FRN Calculation for FRN #1699070945 -Self-Provisioning Multiple Sites WAN

One-Time Charges	
Total One-Time Charges	\$1,424,939.25
Total Ineligible One-Time Charges	- \$0.00
Total Eligible Pre-Discount One-Time Charges	= \$1,424,939.25

Total Requested Amount	
Total Pre-Discount Charges	\$1,424,939.25
Special Construction State/Tribal Match Percentage	9%
Special Construction State/Tribal Match Discount Rate*	89%
Funding Commitment Request	= \$1,274,939.25

## Connectivity Questions

### District/System-wide Internet Access Questions

Does your school district currently aggregate Internet access for the entire district(as opposed to buying Yes Internet access on a building-by-building basis)?

Download Speed 350.00 Download Speed Units Mbps

Upload Speed 350.00 Upload Speed Units Mbps

### Per Entity Basis Questions

Entity Name FARMINGTON MUNCL SCH DIST 5 Entity Number 143265

Entity Name	BEN	Download	Units	Upload	Units	Connection	Wifi Sufficient	Barriers to Robust Network
ESPERANZA ELEMENTARY SCHOOL	99206	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
MESA VIEW JUNIOR HIGH SCHOOL	99207	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
FARMINGTON HIGH SCHOOL	99208	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
APACHE ELEMENTARY SCHOOL	99211	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
MCKINLEY ELEMENTARY SCHOOL	99213	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
TIBBETTS JUNIOR HIGH SCHOOL	99214	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
CAREER AND TECHNICAL EDUCATION CENTER	99215	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
MCCORMICK ELEMENTARY SCHOOL	99216	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
BLUFFVIEW ELEMENTARY SCHOOL	99218	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
HERMOSA JUNIOR HIGH SCHOOL	99219	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
NORTHEAST ELEMENTARY SCHOOL	99220	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
LADERA DEL NORTE ELEM SCHOOL	99221	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
HEIGHTS JUNIOR HIGH SCHOOL	99225	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
MESA VERDE ELEMENTARY SCHOOL	99226	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
ANIMAS ELEMENTARY SCHOOL	99227	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
COUNTRY CLUB ELEMENTARY SCHOOL	99229	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
ROCINANTE HIGH SCHOOL	99230	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
PIEDRA VISTA HIGH SCHOOL	212786	350.00	Mbps	350.00	Mbps	Fiber	Completely	No barriers
San Juan County Juvenile Services Center	1700609	350.00	Mbps	350.00	Mbps	Fiber	Never	No barriers

## Certifications

I certify that the entities listed in this application are eligible for support because they are schools under the statutory definitions of elementary and secondary schools found in the No Child Left Behind Act of 2001, 20 U.S.C. §§ 7801(18) and (38), that do not operate as for-profit businesses and do not have endowments exceeding \$50 million.

I certify that the entity I represent or the entities listed on this application have secured access, separately or through this program, to all of the resources, including computers, training, software, internal connections, maintenance, and electrical capacity, necessary to use the services purchased effectively. I recognize that some

of the aforementioned resources are not eligible for support. I certify that the entities I represent or the entities listed on this application have secured access to all of the resources to pay the discounted charges for eligible services from funds to which access has been secured in the current funding year. I certify that the Billed Entity will pay the non-discount portion of the cost of the goods and services to the service provider(s).

**Total Funding Summary**

**Below is a summary of the total line item costs on this FCC Form 471:**

Summary	
Total funding year pre-discount eligible amount on this FCC Form 471	\$1,424,939.25
Total funding commitment request amount on this FCC Form 471	\$1,274,939.25
Total applicant non-discount share of the eligible amount	\$150,000.00
Total budgeted amount allocated to resources not eligible for E-rate support	\$3,400,000.00
Total amount necessary for the applicant to pay the non-discount share of eligible and any ineligible amounts	\$3,550,000.00
Are you receiving any of the funds directly from a service provider listed on any of the FCC Forms 471 filed by this Billed Entity for this funding year?	No
Has a service provider listed on any of the FCC Forms 471 filed by this Billed Entity for this funding year assisted you in locating funds needed to pay your non-discounted share?	No

I certify an FCC Form 470 was posted and that any related RFP was made available for at least 28 days before considering all bids received and selecting a service provider. I certify that all bids submitted were carefully considered and the most cost-effective service offering was selected, with price being the primary factor considered, and is the most cost-effective means of meeting educational needs and technology goals.

I certify that the entity responsible for selecting the service provider(s) has reviewed all applicable FCC, state, and local procurement/competitive bidding requirements and that the entity or entities listed on this application have complied with them.

I certify that the services the applicant purchases at discounts provided by 47 U.S.C. § 254 will be used primarily for educational purposes, see 47 C.F.R. § 54.500 and will not be sold, resold or transferred in consideration for money or any other thing of value, except as permitted by the Commission's rules at 47 C.F.R. § 54.513. Additionally, I certify that the entity or entities listed on this application have not received anything of value or a promise of anything of value, as prohibited by the Commission's rules at 47 C.F.R. § 54.503(d), other than services and equipment sought by means of this form, from the service provider, or any representative or agent thereof or any consultant in connection with this request for services.

I certify that I and the entity(ies) I represent have complied with all program rules and I acknowledge that failure to do so may result in denial of discount funding and/or cancellation of funding commitments. There are signed contracts or other legally binding agreements covering all of the services listed on this FCC Form 471 except for those services provided under non-contracted tariffed or month-to-month arrangements. I acknowledge that failure to comply with program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.

I acknowledge that the discount level used for shared services is conditional, for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the service, receive an appropriate share of benefits from those services.

I certify that I will retain required documents for a period of at least 10 years (or whatever retention period is required by the rules in effect at the time of this certification) after the later of the last day of the applicable funding year or the service delivery deadline for the associated funding request. I acknowledge that I may be audited pursuant to participation in the schools and libraries program. I certify that I will retain all documents necessary to demonstrate compliance with the statute and Commission rules regarding the application for, receipt of, and delivery of services receiving schools and libraries discounts, and that if audited, I will make such records available to USAC.

I certify that I am authorized to order telecommunications and other supported services for the eligible entity(ies) listed on this application. I certify that I am authorized to submit this request on behalf of the eligible entity(ies) listed on this application, that I have examined this request, that all of the information on this form is true and correct to the best of my knowledge, that the entities that are receiving discounts pursuant to this application have complied with the terms, conditions and purposes of the program, that no kickbacks were paid to anyone and that false statements on this form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001 and civil violations of the False Claims Act.

I acknowledge that FCC rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the schools and libraries support mechanism are subject to suspension and debarment from the program. I will institute reasonable measures to be informed, and will notify USAC should I be informed or become aware that I or any of the entities listed on this application, or any person associated in any way with my entity and/or the entities listed on this application, is convicted of a criminal violation or held civilly liable for acts arising from their participation in the schools and libraries support mechanism.

I certify that if any of the Funding Requests on this FCC Form 471 are for discounts for products or services that contain both eligible and ineligible components, that I have allocated the eligible and ineligible components as required by the Commission's rules at 47 C.F.R. § 54.504.

**NOTICE**

Section 54.504 of the Federal Communications Commission's rules requires all schools and libraries ordering services that are eligible for and seeking universal service discounts to submit an application for such discounts by filing this Services Ordered and Certification Form (FCC Form 471) with the Universal Service Administrator. 47 C.F.R. § 54.504. The collection of information stems from the Commission's authority under Section 254 of the Communications Act of 1934, as amended. 47 U.S.C. § 254. The data in the report will be used to ensure that schools and libraries comply with the application requirements for universal service discounts contained in 47 C.F.R. § 54.504. Schools and libraries must file this form themselves or as part of a consortium. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The FCC is authorized under the Communications Act of 1934, as amended, to collect the information we request in this form. We will use the information you provide to determine whether approving your application for universal service discounts is in the public interest. If we believe there may be a violation or a potential violation of any applicable statute, regulation, rule or order, your application may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing, or implementing the statute, rule, regulation or order. In certain cases, the information in your application for universal service discounts may be disclosed to the Department of Justice or a court or adjudicative body when (a) the FCC; or (b) any employee of the FCC; or (c) the United States Government is a party of a proceeding before

the body or has an interest in the proceeding. In addition, consistent with the Communications Act of 1934, FCC regulations and orders, the Freedom of Information Act, 5 U.S.C. § 552, or other applicable law, information provided in or submitted with this form or in response to subsequent inquiries may be disclosed to the public. If you owe a past due debt to the Federal government, the information you provide may also be disclosed to the Department of the Treasury Financial Management Service, other Federal agencies and/or your employer to offset your salary, IRS tax refund or other payments to collect that debt. The FCC may also provide the information to these agencies through the matching of computer records when authorized. If you do not provide the information we request on the form, the FCC or the Universal Service Administrator may delay processing of your application for universal service discounts or may return your application without action. The foregoing Notice is required by the Paperwork Reduction Act of 1995, Pub. L. No. 104-13, 44 U.S.C. § 3501, et seq. Public reporting burden for this collection of information is estimated to average 4.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing, and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the reporting burden to the Federal Communications Commission, Performance Evaluation and Records Management, Washington, DC 20554. We also will accept your comments via the email if you send them to PRA@FCC.gov. DO NOT SEND COMPLETED WORKSHEETS TO THESE ADDRESSES.

**Authorized Person**

<b>Title:</b>	Sr. Compliance Officer	<b>Name:</b>	Matt Hetman
<b>Phone:</b>	888-535-7771	<b>Email:</b>	mhetman@erate360.com
<b>Address:</b>	322 Route 46W, Suite 280W eRate 360 Solutions Parsippany NJ 07054	<b>Employer:</b>	Matt Hetman

**Certified Timestamp**

26-Apr-2016 17:44:30 EDT

## **EXHIBIT 4**

### **Intent to Deny notification from USAC**

## Farmington Self-Provisioning Fiber - 161033938

### Competitive Bidding

#### *Issue*

It was determined that FRN(s) 1699070945 will be denied for failure to select the most cost-effective solution. Program rules require that applicants evaluate the cost-effectiveness based on the total cost of ownership over the useful life of a self-provisioned network. The documentation demonstrated that the Dark Fiber IRU solution offered by LightStream Networks LLC is more cost effective than the requested Self-Provisioned solution offered by Network Cabling, Inc. based on the total cost.

If you disagree our determination and you have alternative information, please provide the supporting documentation. In addition, please explain the reason behind high cost of the build. If you would like to provide any additional explanation to support your position, type your explanation and attach the explanation and/or documentation into your response by using the Add Document button. If you agree with the proposed action, click the "Submit" button to clear this item from your Pending Inquiries.

[+Add Document](#)

Delete Uploaded Files

Save & Close

Submit

## **EXHIBIT 5**

**Data Retrieval Tool for Application #161033938**

FRN	FRN Status	471 Application Number	BEN	Billed Entity Name	Applicant City	Applicant State	471 Consulting Firm Name	Service Provider Name	Fund Year	Orig Funding Request	Cmt'd Funding Request	Orig FRN Service Type	Wave Number	FCDL Date	FCDL Comment for 471 Application	FCDL Comment for FRN	PC Wave Number	Revised FCDL Date	Post Commitment Rationale	RFCDL Comment	FRN Committed Amount
1.699E+09	Denied	161033938	1E+05	FARMINGTON MUNCPL SCH DIST 5	FARMINGTON	NM	E-Rate 360 Solutions, LLC	Network Cabling, Inc.	2016	\$1,274,939.25	\$0.00	Data Transmission and/or Internet Access	52	#####	MR1:FRN(s) modified in accordance with a RAL request.	DR1:FCC Rules require applicants to evaluate the cost effectiveness of the fiber solutions and to choose the most cost effective solution. The documentation demonstrated that the Dark Fiber IRU solution offered by LightStream Networks LLC. is most cost effective solution compared to the requested Self-Provisioned fiber solution offered by Network Cabling, Inc. Per program rules, E-rate support for self-construction is only available when it is the most cost effective option based on the total cost of ownership over the useful life of the facility when compared to all other solutions. The applicant must first seek bids for all options, wait at least the required 28 days, evaluate all bids, compare the winning bids for each type of solution based on the total cost of ownership over the useful life of the facility and then select the most cost-effective option. In your evaluation, you applied the state match to the total cost when you conducted the cost comparison. This reduced the total cost to the district, however, it did not properly evaluate the total cost of ownership over the useful life of the facility. Therefore, this FRN will be denied. [MR1:FRN modified in accordance with a RAL request.]MR2:The State/Tribal E-Rate Match Amount was modified from \$150,000 to \$142,493.90 to agree with the applicant documentation. [MR3:Per FCC Order 14-189, to prevent warehousing of excess fiber capacity, applicants may only receive funding for special construction charges for self-provisioned fiber if it is constructed and used within the same funding year. The amount of the funding request was changed from \$1,424,939.25 to \$1,341,647.58 to remove \$83,291.67 associated with ineligible excess fiber capacity.	36	02/07/2018	36-FCC Rules require applicants to evaluate the cost effectiveness of the fiber solutions and to choose the most cost effective solution. The documentation demonstrated that the Dark Fiber IRU solution offered by LightStream Networks LLC. is most cost effective solution compared to the requested Self-Provisioned fiber solution offered by Network Cabling, Inc. Per program rules, E-rate support for self-construction is only available when it is the most cost effective option based on the total cost of ownership over the useful life of the facility when compared to all other solutions. The applicant must first seek bids for all options, wait at least the required 28 days, evaluate all bids, compare the winning bids for each type of solution based on the total cost of ownership over the useful life of the facility and then select the most cost-effective option. In their evaluation, Farmington Muncpl Sch Dist 5 applied the state match to the total cost when it conducted the cost comparison. This reduced the total cost to the district, however, it did not properly evaluate the total cost of ownership over the useful life of the facility. Therefore, this FRN was denied.  [Post-commitment USAC has re-reviewed the documentation associated with USAC's denial of Farmington Municipal Schools' (Farmington's) Funding Year 2016 fiber request (FRN 1699070945), as well as Farmington's response to USAC's denial of funding. As USAC has previously stated in its denial rationale, Farmington did not properly evaluate the total cost of ownership over the useful life of the facility because Farmington incorrectly applied state match funds (i.e., discounts) to the total cost of the self-provisioned fiber solution before conducting the cost comparison. The FCC's Second E-rate Modernization Order provides that discounts should not be applied to costs before the cost comparison is conducted. Specifically, paragraph 159 states, "Indeed our rules require that entities use the actual, i.e. pre-discount, cost of the service offered as a baseline for comparison, not the cost after the E-rate discount is applied." (See Modernizing the E-rate Program for Schools and Libraries, Connect America Fund, WC Docket No. 13-184, et al., Second Report and Order and Order on Reconsideration, 29 FCC Rcd 15538, para. 159 (2014) (Second E-rate Modernization Order)). In your appeal, you did not demonstrate that USAC's decision was incorrect. Consequently, your appeal is denied.		\$0.00



## **EXHIBIT 6**

**Email exchange between Farmington and Bernie Manns**

## Andrew G. Eisley

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**From:** Bernie Manns <Bernie.Manns@usac.org>  
**Sent:** Thursday, August 24, 2017 12:51 PM  
**To:** Andrew G. Eisley; Keesha Bullock  
**Cc:** Caroline Wolf; oviorica@nmpsfa.org; Melinda Van Patten; Craig Davis; john.chadwick@state.nm.us  
**Subject:** RE: New Mexico Fiber Update

Andy,

We have re-reviewed the documentation associated with USAC's denial of Farmington Municipal Schools' (Farmington's) Funding Year 2016 fiber request (FRN 1699070945), as well as Farmington's response to USAC's denial of funding. As USAC has previously stated in its denial rationale, Farmington did not properly evaluate the total cost of ownership over the useful life of the facility because Farmington incorrectly applied state match funds (i.e., discounts) to the total cost of the self-provisioned fiber solution before conducting the cost comparison. The FCC's Second E-rate Modernization Order provides that discounts should not be applied to costs before the cost comparison is conducted. Specifically, paragraph 159 states, "Indeed our rules require that entities use the actual, i.e. pre-discount, cost of the service offered as a baseline for comparison, not the cost after the E-rate discount is applied." (See Modernizing the E-rate Program for Schools and Libraries, Connect America Fund, WC Docket No. 13-184, et al., Second Report and Order and Order on Reconsideration, 29 FCC Rcd 15538, para. 159 (2014) (Second E-rate Modernization Order)).

Thank you,  
Bernie

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**From:** Andrew G. Eisley [mailto:aeisley@e-ratecentral.com]  
**Sent:** Thursday, August 24, 2017 8:43 AM  
**To:** Keesha Bullock <Keesha.Bullock@usac.org>; Bernie Manns <Bernie.Manns@usac.org>  
**Cc:** Caroline Wolf <cwolf@e-ratecentral.com>; oviorica@nmpsfa.org; Melinda Van Patten <mvanpatten@e-ratecentral.com>; Craig Davis <Craig.Davis@usac.org>; john.chadwick@state.nm.us  
**Subject:** RE: New Mexico Fiber Update

Keesha and Bernie,

When we met in mid-July, you agreed to have a follow up call with us in a week to discuss the fiber projects. Since then we have sent multiple emails and voicemails trying to have the meeting, but we have heard nothing from either of you. The State is getting very frustrated and thinking about getting the Governor and/or Legislature involved. We are trying to stop that from happening, but they are tiring of the answer that we have reached out to USAC and they have not gotten back to us.

Can we please schedule a call for early next week to discuss?

Thanks,  
Andy

Andrew G. Eisley  
Director of Consulting Services  
E-Rate Central  
516-801-7821 (phone)

516-801-7831 (fax)

Certified E-Rate Management Professional

<http://www.e-ratecentral.com>



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**From:** Andrew G. Eisley [<mailto:aeisley@e-ratecentral.com>]

**Sent:** Wednesday, August 02, 2017 1:02 AM

**To:** 'Keesha Bullock' ([Keesha.Bullock@usac.org](mailto:Keesha.Bullock@usac.org)); [Bernie.Manns@usac.org](mailto:Bernie.Manns@usac.org)

**Cc:** Caroline Wolf; Johnson, Jason R; [oviorica@nmppsfa.org](mailto:oviorica@nmppsfa.org); Melinda Van Patten

**Subject:** New Mexico Fiber Update

Keesha and Bernie,

When we last met almost two weeks ago we agreed to have a follow up call to discuss the progress on resolving the New Mexico reviews. I think it is time to have such a call. Can you propose some times this week or early next week to have the call? More importantly we are waiting for additional information relating to the Farmington denial. The district has less than 30 days to appeal the decision and still doesn't have a true understanding of the basis for denial. I did not include Johnay on the email because I do not have her email, can you please add her to the chain?

Thanks!

Andy

Andrew G. Eisley

Director of Consulting Services

E-Rate Central

516-801-7821 (phone)

516-801-7831 (fax)

Certified E-Rate Management Professional

<http://www.e-ratecentral.com>



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