The following is in regard to FRN 1799048775.

Kaneland Community Unit School District 302

47W326 Keslinger Road

Maple Park, IL 60151

BEN: 135421

Reason for denial (using FRN Status Tool):

**DR1:No contract or legally binding agreement was in place when the FCC Form 471 Certification was filed.  FCC Rules require that a contract be signed and dated by the applicant or a legally binding agreement is entered into prior to the filing of the FCC Form 471 Certification for the products and services requested. Since this requirement was not met, the FRN is denied.||**

MR1:FRN modified in accordance with a RAL request.||

MR2:The Contract Expiration Date was changed from 6/30/2018 to 6/30/2037 to agree with the documentation provided during the review of the FCC Form 471.||

MR3:The Total Strands for FRN 1799048775 was modified from 96 to 144 to agree with the applicant documentation.||

MR4:The Average Cost Per Foot of Outside Plant for FRN 1799048775 was modified from $8.52 to $8.02 to agree with the applicant documentation.||

MR5:The request for the State/Tribal Match was modified from “Yes” to “No.”  During the Fiber Review, it was determined that the Source of State/Tribal funding is not an acceptable source for the match program.  Therefore, FRN 1799048775 has been modified from  50.00% to 40.00%. ||

**MR6:Per FCC Order 14-189, to prevent warehousing of excess fiber capacity, applicants may only receive funding for special construction charges for Lit Fiber or Leased Dark Fiber if it is lit within the same funding year.  If excess strands are being installed that will not be lit during the current FY and will be used by an ineligible entity or for an ineligible purpose; the applicant must provide a cost allocation for any variable costs of installing a higher strand cable as opposed to installing the strands needed just for the applicant’s exclusive use. The amount of the funding request was changed from $160,000.00 to $146,699.70 to remove $13,300.32 associated with ineligible excess fiber capacity.||**

MR7:The Contract Award Date was changed from 4/17/2017 to 5/10/2017 to agree with the documentation provided during the review of the FCC Form 471.||

MR8:Your FRN has been approved with the Contract Expiration Date of 6/30/2037. Although the contract indicates you were seeking a contract with extensions, your contract does not include a definite end to the number of extensions.  Program requirements do not allow for contracts with indefinite terms.  Therefore, you must file a new FCC Form 470, evaluate the  bids received and sign a new contract with a finite contract term for Funding Year 2038 and onwards for which you will seek this service

**Kaneland’s Appeal**

Kaneland is respectfully appealing three decisions submitted by the USAC in relation to a recently submitted Form 471. The first decision, DR1, states in part that no contract or legally binding agreement was in place when the FCC Form 471 Certification was filed.  FCC Rules require that a contract be signed and dated by the applicant or a legally binding agreement is entered into prior to the filing of the FCC Form 471 Certification for the products and services requested. Form 471 was submitted by Kaneland on April 27, 2017. On April 11, 2017, the Kaneland Board of Education met, during which they officially voted to direct the administration to execute the contract with MetroNET for the purpose of providing a fiber connection to Kaneland John Shields Elementary School. This Board Decision is a legally binding agreement equivalent to a written contract. If, after that April 11 meeting, Kaneland pulled out of the agreement, MetroNET would have the ability to pursue legal action. See the attached Board meeting minutes. Because Kaneland had a legally binding agreement in place before submitting Form 471, Kaneland asks the FCC to reverse the denial decision of the USAC.

The second decision is the actual Contract Award Date. The Contract Award Date should be changed from April 17, 2017 to April 11, 2017. (MR7) This error was due to a clerical error and the Award Date is the date of the Board meeting – April 11, 2017.

The third decision Kaneland is appealing is MR6, which states in part that applicants may only receive funding for special construction charges for Lit Fiber or Leased Dark Fiber. Kaneland believes that this reduction is due to the use of its four fibers. All four fibers have been installed and are lit. Since all four fibers were lit within the same funding year, we believe the $13,300.32 in funding is not excess fiber capacity and ask that the entire amount of $160,000.00 be restored.