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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington DC 20554

In the Matter of:

Request for Review by)	
Harrisonburg City, Virginia of)	
Universal Service Administrator's)	
Decision)	
)	
Federal-State Joint Board on)	
Universal Service)	CC Docket <u>96-45</u> /
)	CC Docket 97-21
)	

Re:

Harrisonburg City Public Schools
 Billed Entity Number: 126469
 471 Application Number: 217737
 Funding Request Number: 502182

Harrisonburg City Public Schools seeks Federal Communications Commission (FCC) review of the Schools and Libraries Division (SLD) **denial letter dated October 2, 2001, (Attachment A)**. The SLD in its initial review and subsequent appeal failed to recognize that a properly filed 470 was filed and is in place for the 471 submitted. In accordance with Title 47, Section 54.722 of the Code of Federal Regulations, we seek FCC review of this SLD decision.

Number of Copies read 1
 12/18/01

Harrisonburg City Public Schools applied for discounts on Internet access under the Universal Service (E-Rate) program established under the Telecommunications Act of 1996 and regulations by the FCC. Within the filing window for 2001-2002 E-Rate funding, we submitted our discount request to the SLD on **FCC Form 471 (Attachment B)**. In Block 5, Item 12 of the submitted Form 471, the year two 470 number of 200590000166805 was referenced.

On August 7, 2001, SLD denied discount funding for Internet service because, in the opinion (and words) of SLD, “The type of service requested on Form 471 was not posted to the web site because Item 10 was checked on the Form 470, thereby not meeting the 28 day competitive bidding requirement.”

It was noticed upon appeal that the 470 number referenced in the form 471 was for an **existing contract** on a properly filed Year Two 470. However, another form 470 was properly filed in **year 4** requesting Internet service even though this contract was still in effect (until September 4, 2002). The FCC upheld an **appeal from Cochrane-Fountain School District (Attachment C)** where the school district indicated that a properly prepared 470 was submitted and that they “considered” their existing contract as a bid. In the case of Harrisonburg City Public Schools, **a properly prepared form 470 was submitted for Year 4 for the existing contract**. This 470, however, was not properly referenced on the form 471. The **470** to be referenced should have been **227850000312703 (Attachment D)**.

We ask the Commission to review and overturn this unfortunate decision. Our apologies for not properly referencing the correct 470. **A copy of the existing contract for services is enclosed (Attachment E)**.

We ask the Commission to overturn SLD's decision and direct funding of our application. If I can be of any assistance during your review, please contact me at (540) 434-5730.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Denise E. Dawson".

Denise E. Dawson
Technology Supervisor
Harrisonburg City Public Schools
395 South High Street
Harrisonburg, VA 22801
Phone and fax: (540) 434-5730
E-mail: ddawson@harrisonburg.k12.va.us

October 25, 2001

ATTACHMENT A

Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 2001-2002

October 2, 2001

Denise Dawson
Harrisonburg City Schools
395 South High Street
Harrisonburg, VA 22801

Re: Billed Entity Number: 126469
471 Application Number: 217737
Funding Request Number(s): 502182
Your Correspondence Data: August 10, 2001

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Year Four Funding Commitment Decision for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 30-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number: 502182
Decision on Appeal: **Denied in Full**
Explanation:

- Your appeal letter stated that since you have an existing 5-year contract, filing a Form 470 was not required. If you indicated the incorrect 470 number in Block 5, Item 12 of FY4 Form 471, then you will need information on where to find the correct number.
- The contract that you provided indicate a contract award date of September 5, 1997, which is between July 11, 1997 and January 29, 1998. You have requested support for Funding Year Four, which runs from July 1, 2001 through June 30, 2002. Since services are to be provided after June 30, 1999, your contract/service agreement does not fall within the second exception explained below. Therefore, your Form 470 should have been posted on the website. Consequently, SLD denies your appeal

because your application did not comply with the competitive bidding requirement that your Form 470 be posted on the website for 28 days.

- Your Form 470 was not posted on the USAC website because you indicated in your Form 470 that it was not necessary for SLD to do so. FCC rules require that except under limited circumstances, all Forms 470 received be posted on the website for 28 days, and that applicants carefully consider all bids received before selecting a vendor, entering into an agreement or signing a contract, and signing and submitting a Form 471. See 47 C.F.R. §§ 54.504; 54.511(a), (c). These competitive bidding requirements help ensure that applicants receive the lowest pre-discount price from vendors. See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order on Reconsideration, 12 FCC Rcd 10095, 10098 ¶ 9 (1997). The only exceptions to the posting requirement are for: (1) contracts signed on or before July 10, 1997 for the life of the contract; (2) contracts signed between July 10, 1997 and before January 30, 1998 (the date on which the web site became operational) for services provided through June 30, 1999. See 47 C.F.R. § 54.511(c); *Fifth Reconsideration Order*, 13 FCC Rcd at 14916 *Fifth Reconsideration Order*, 13 FCC Rcd at 14916 ¶ 2, and 14920 ¶ 8 (extending Year One funding period through June 30, 1999).

If you believe there is a basis for further examination of your application, you may file an appeal with the Federal Communications Commission, Office of the Secretary, 445 12th Street, SW, Room TW-A325, Washington, DC 20554. Please reference CC Docket Nos. 96-45 and 97-21 on the first page of your appeal. Before preparing and submitting your appeal, please be sure to review the FCC rules concerning the filing of an appeal of an Administrator's Decision, which are posted on the website at <www.universalservice.org>. **You must file your appeal with the FCC no later than 30 days from the date on this letter for your appeal to be filed in a timely fashion.**

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

mailed this signed
certification and
attachment 1
only.

12-4-00 ✓

HOME CANCEL HELP



FCC Form 471
Services Ordered and Certification Form

Applicant's Form Identifier: Year 4 HEC

Entity Number: 126469

Contact Person: D. D. Dawson

Phone Number: (540) 434-5730

Block 6: Certifications and Signature

Do not write in this area

471 Application Number: 217737

24. The entities listed in Block 4 of this application are eligible for support because they are: (check one or both)

- a. schools under the statutory definitions of elementary and secondary schools found in the Elementary and Secondary Education Act of 1965, 20 U.S.C. Secs. 8801(14) and (25), that do not operate as for-profit businesses, and do not have endowments exceeding \$50 million; and/or
- b. libraries or library consortia eligible for assistance from a State library administrative agency under the Library Services and Technology Act of 1996 that do not operate as for-profit businesses and whose budgets are completely separate from any school (including, but not limited to) elementary and secondary schools, colleges and universities

25. The eligible schools and libraries listed in Block 4 of this application have secured access to all of the resources, including computers, training, software, maintenance, and electrical connections necessary to make effective use of the services purchased as well as to pay the discounted charges for eligible services.

26. All of the schools and libraries or library consortia listed in Block 4 of this application are covered by:

- a. an individual technology plan for using the services requested in this application; and/or
- b. higher-level technology plan(s) for using the services requested in this application; or
- c. no technology plan needed; applying for basic local distance telephone service only.

27. Status of technology plans (if representing multiple entities with mixed technology plan status, check both a and b):

- a. technology plan(s) has/have been approved; and/or
- b. technology plan(s) will be approved by a state or other authorized body; or
- c. no technology plan needed; applying for basic local and long distance telephone service only.

28. I certify that the entities eligible for support that I am representing have complied with all applicable state and local laws regarding procurements of services for which support is being sought.

29. I certify that the services the applicant purchases at discounts provided by 47 U.S.C. Sec. 254 will be used solely for educational purposes and will not be sold, resold, or transferred in consideration for money or any other thing of value.

30. I certify that the entity(ies) I represent has 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.

31. I understand 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.

32. I recognize that I may be audited pursuant to this application. I will retain for five years any and all worksheets and other records that I rely upon to fill out this application, and, if audited, will make available to the Administrator such records.

33. I certify that I am authorized to submit this request on behalf of the above-named institution, that I have examined this request, and to the best of my knowledge, information, and belief, all statements of fact contained herein are true.

34. Signature of authorized person *Denise E. Dawson* 35. Date *11/30/00*

36. Printed name of authorized person **Denise E. Dawson**

37. Title or position of authorized person **Technology Supervisor**

38. Telephone number of authorized person **(540) 434-5730**

**471 Application Number: 217737
HARRISONBURG CITY SCH DISTRICT
317 S MAIN ST
HARRISONBURG, VA 22801-3606**

Persons willfully making false statements on this form can be punished by fine or forfeiture, under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.

The Americans with Disabilities Act, the Individuals with Disabilities Education Act and the Rehabilitation Act may impose obligations on entities to make the services purchased with these discounts accessible to and usable by people with disabilities.

NOTICE TO INDIVIDUALS: Section 54.504 of the Federal Communication Commission's rules requires all schools and libraries ordering services that are eligible for and seeking universal service discounts to file 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 competitive bidding requirement contained in 47 C.F.R. § 54.504. All schools and libraries planning to order services eligible for universal service discounts 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 personal information we request in this form. We will use the information you provide to determine whether approving this application is in the public interest. If we believe there may be a violation of potential violation of a FCC 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 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.

If you owe a past due debt to the federal government, the taxpayer identification number (such as your social security number) and other 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 this information to these agencies through the matching of computer records when authorized.

With the exception of your social security number, if you do not provide the information we request on the form, the FCC may delay processing of your application or may return your application without action.

The foregoing Notice is required by the Privacy Act of 1974, Pub. L. No. 93-579, December 31, 1974, 5 U.S.C. § 552, and 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 6 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, D.C. 20554.

Please submit this form to: SLD - Form 471
 P.O. Box 7026
 Lawrence, KS 66044-7026

For express delivery services or U.S. Postal Service, Return Receipt Requested, mail this form to:
 SLD - Form 471
 C/O Ms. Smith
 3833 Greenway Drive
 Lawrence, KS 66046
 (888) 203-8100

[Return to SLD Home Page](#)

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Schools and Libraries Division

HARRISONBURG CITY PUBLIC SCHOOLS

Denise E. Dawson
Technology Supervisor
395 South High Street
Harrisonburg, VA 22801
phone and fax: 540-434-5730
ddawson@harrisonburg.k12.va.us

Form 471 Application Number: 217737

Regarding: Attachment #1
Harrisonburg Electric Commission

Harrisonburg Electric Commission provides a fiber optic "ring" around the city of Harrisonburg. Since our six schools are geographically located close to this resource, Harrisonburg Electric Commission has offered to us a discounted rate to utilize this fiber optic to connect our six schools to our Internet Service Provider (ISP). This fiber optic leased line is an alternative to using the telephone company to carry Internet service.

HEC provided the manpower to connect our six school buildings to this fiber optic resource and presently provides T1 access from our high school and middle school to our ISP. If a new ISP is chosen via bid, they too must utilize this fiber optic leased line existing contract. Two additional T1 lines are provided and shared by our four elementary schools, central office, and auxiliary building.

All six of our schools have complete internal network wiring. The service provided by Harrisonburg Electric Commission is OUTSIDE the building. It is simply taking the Internet connection from the buildings to the ISP.

Services provided by Harrisonburg Electric Commission include:

1. T1 access to the Internet Service Provider from the high school
2. T1 access to the Internet Service Provider from the middle school
3. T1 access to the Internet Service Provider from the four elementary schools, central office, and auxiliary building (two T1 lines)

Your consideration of this application is appreciated.

THE HARRISONBURG ELECTRIC COMMISSION
HARRISONBURG, VIRGINIA

FIBER OPTIC CONTRACT

THIS CONTRACT, made and executed in triplicate this 5th day of September, 1997 by
Harrisonburg City Schools 317 S. Main Street, Harrisonburg, VA
(Name) (Address)
hereinafter called the "CUSTOMER" and THE HARRISONBURG ELECTRIC COMMISSION of the
City of Harrisonburg, Virginia, hereinafter called the "DISTRIBUTOR."

WITNESSETH:

THAT, the Customer has applied to the Distributor for fiber optic information and data transmission service
("Service") at

See Attached Locations

(Address)

(Address)

(Address)

AND, in consideration thereof and the terms hereinafter set forth, the parties agree as follows:

1. The Distributor will supply, and the Customer will pay for the Service of the distributor in accordance with the terms hereof.
2. Attached hereto as a part hereof is a Schedule of Rates and Charges designated Schedule attached and all Service sold hereunder shall be purchased and paid for by the Customer according to the provisions of said Schedule except as modified by this agreement.
3. The point(s) of demarcation for Service supplied hereunder shall be the above location(s). The Customer agrees to furnish the Distributor and hereby grants the Distributor a right of way for installation and service over the property of the Customer free of charge during the period hereof together with the right of ingress and egress to and from Customer's property for the benefit of the Distributor's employees and agents. All Service facilities and other equipment installed on said site shall remain the property of the Distributor with the right to remove the same upon termination of this contract.
4. The term of this contract shall be Five (5) years, beginning on the date the Service is actually begun, which it is estimated will be approximately 9/5/97 and shall be considered renewed for a year from the expiration of said term from year to year thereafter, unless written notice to the contrary is given by either party to the other at least three months prior to the expiration of the original term or any renewal thereof.
5. All bills will be rendered monthly and are due when rendered. If not paid on or before the past due date shown on the bill, a 10% delayed payment charge may be added. Also, Distributor shall be entitled to a reasonable attorney's fee upon all Customer's bills which are placed in the hand of an attorney for collection by the Distributor, and said attorney's fees shall become a part of the Customer's bill owed to Distributor. If payment of bill is received after the

past due date and the delayed payment charge is not included in payment, the delayed payment charge may be included in the next month's bill. Waiver of delayed payment charge can only be made by the Distributor and will be considered only upon written explanation of reasons for the request. Should bills not be paid on or before the past due date, the Distributor may at any time thereafter upon ten (10) days written notice to Customer, discontinue service. Such notice may be given by first class mail, postage pre-paid to Customer's last known billing address and shall be deemed delivered upon the date of mailing or by delivery thereof to the Customer in person, or to a member of his family, or to one of his employees or by posting the same in a conspicuous place on the Customer's premises. All bills shall be paid at the office of the Distributor or at such other offices designated. Failure to receive bill or any dispute arising over the bill will not release the Customer from payment obligation.

6. Whenever Customer desires connection service or re-connection service, Customer will be charged as provided in the Schedule of Rates and Charges, which has been attached hereto and made a part hereof.

7. This contract shall inure to the benefit of and be binding upon the respective heirs, legal representative, successors, and assigns of the parties hereto, but is not assignable by the Customer without written consent of the Distributor.

WITNESS the following signatures.

Denise E Dawson

(Customer)

HARRISONBURG ELECTRIC COMMISSION

(Distributor)

By Harrisonburg City Schools

(Official Capacity)

By David A. Bell, Man. of Bus.

(Official Capacity)

HARRISONBURG CITY SCHOOLS

FIBER OPTIC NETWORK AND CHARGES

		BANDWIDTH	YEAR 1 RATE/MO.	YEAR 2 RATE/MO.	YEAR 3 RATE/MO.	YEAR 4 RATE/MO.	YEAR 5 RATE/MO.
HARRISONBURG HIGH SCHOOL	SIMMS	384 Kbps				\$110	\$125
HARRISONBURG HIGH SCHOOL	SPOTSWOOD	384 Kbps	\$100	\$100	\$110	\$110	\$125
HARRISONBURG HIGH SCHOOL	KEISTER	384 Kbps	\$100	\$100	\$110	\$110	\$125
HARRISONBURG HIGH SCHOOL	STONE SPRINGS	384 Kbps	\$100	\$100	\$110	\$110	\$125
HARRISONBURG HIGH SCHOOL	WATERMAN	384 Kbps	\$100	\$100	\$110	\$110	\$125
HARRISONBURG HIGH SCHOOL	THOMAS HARRISON M.S.	1.544 Mbps	\$225	\$225	\$250	\$250	\$275
HARRISONBURG HIGH SCHOOL	INTERNET SERVICE PROVIDER	2 - 1.544 Mbps	\$225	\$225	\$250	\$500	\$550
HARRISONBURG HIGH SCHOOL	HARRISONBURG ELECTRIC COMM	2 - 1.544 Mbps	\$0	\$340	\$450	\$500	\$550
TOTAL \$/MO.			\$850	\$1,190	\$1,390	\$1,800	\$2,000
ANNUAL REV.			\$10,200	\$14,280	\$16,680	\$21,600	\$24,000

Harrisonburg Electric Commission provides leased line fiber optics to the Internet Service Provider from all schools. This is a continuing contract which is in its fifth year. This contract is for external fiber optic WAN.

**Schools and Libraries Universal Service Program
Services Ordered and Certification Form 471
Application Display**



Block 1: Billed Entity Information

Applicant's Form Identifier: Year 4 HEC
471 Application Number: 217737 **Funding Year:** 07/01/2001 - 06/30/2002 **Billed Entity Number:** 126469

Name: HARRISONBURG CITY SCH DISTRICT
Address: 317 S MAIN ST
City: HARRISONBURG **State:** VA **Zip:** 22801 3606
Phone: 540-434-9916 **Ext:**
Fax: 540-434-5196
E-mail:

Contact Name: D. D. Dawson
Address: 395 South High Street
City: Harrisonburg **State:** VA **Zip:** 22801
Contact Phone: 540-434-5730 **Ext:**
Contact Fax: 540-434-5730 **Ext:**
E-mail: ddawson@harrisonburg.k12.va.us
Contact Mode: EMAIL
Alternate Contact Info.: home phone number: (540) 433-0314

Type of Application: SCHOOL DISTRICT

Ineligible Orgs: N

Block 3: Impact of Services Ordered in THIS Application

Number of students to be served: 3750

Number of library patrons to be served:

SERVICE DESCRIPTION	BEFORE ORDER	AFTER ORDER
a. (Schools/districts/consortia only) Telephone service: How many classrooms had phone service before and after your order?	100	100
b. High-bandwidth voice/data/video service: How many buildings served before and after your order?	6	6
c. High-bandwidth voice/data/video service: Highest speed to a building before and after your order?	T1	T1
d. Dial-up Internet connections: How many before and after your order?	0	0
e. Dial-up Internet connections: Highest speed before and after your order?	n/a	n/a
f. Direct connections to the Internet: How many before and after your order?	6	6
g. Direct connections to the Internet: Highest speed before and after your order?	T1	T1
h. Internet access(for schools): How many rooms have Internet access before and after your order?	240	240
i. Internet Access: How many computers (or other devices) with Internet access before and after your order?	800	800

Block 4: Worksheets

Worksheet A No: 234028	Student Count: 3740	
Weighted Product (Sum. Column 8): 2591.6		Shared Discount: 69%
1. School Name: HARRISONBURG SR HIGH SCHOOL		
2. Entity Number: 24783	3. Rural/Urban: Rural	
4. Student Count: 1074	5. NSLP Students: 272	6. NSLP Students/Students: 25.325%
7. Discount: 60%	8. Weighted Product: 644.4	
1. School Name: KEISTER ELEMENTARY SCHOOL		
2. Entity Number: 24784	3. Rural/Urban: Rural	
4. Student Count: 442	5. NSLP Students: 178	6. NSLP Students/Students: 40.271%
7. Discount: 70%	8. Weighted Product: 309.4	
1. School Name: SPOTSWOOD ELEMENTARY SCHOOL		
2. Entity Number: 24785	3. Rural/Urban: Rural	
4. Student Count: 420	5. NSLP Students: 290	6. NSLP Students/Students: 69.047%
7. Discount: 80%	8. Weighted Product: 336	
1. School Name: STONE SPRING ELEMENTARY SCHOOL		
2. Entity Number: 24786	3. Rural/Urban: Rural	
4. Student Count: 559	5. NSLP Students: 273	6. NSLP Students/Students: 48.837%
7. Discount: 70%	8. Weighted Product: 391.3	
1. School Name: THOMAS HARRISON MIDDLE SCHOOL		
2. Entity Number: 24788	3. Rural/Urban: Rural	
4. Student Count: 855	5. NSLP Students: 322	6. NSLP Students/Students: 37.660%
7. Discount: 70%	8. Weighted Product: 598.5	
1. School Name: WATERMAN ELEMENTARY SCHOOL		
2. Entity Number: 24791	3. Rural/Urban: Rural	
4. Student Count: 390	5. NSLP Students: 224	6. NSLP Students/Students: 57.435%
7. Discount: 80%	8. Weighted Product: 312	

Block 5: Discount Funding Request(s)

FRN: 502182	
11. Category of Service: Internet Access	12. 470 Application Number: 200590000166805
13. SPIN: 143008952	14. Service Provider Name: Harrisonburg Electric Commission
15. Contract Number: HCPS Year 4	16. Billing Account Number: 540-434-5730
17. Allowable Contract Date: 03/01/1999	18. Contract Award Date: 03/04/1999
19a. Service Start Date: 07/01/2001	19b. Service End Date:
20. Contract Expiration Date: 06/30/2002	
21. Attachment #: 1	22. Block 4 Worksheet No.: 234028
23a. Monthly Charges: \$2,000.00	23b. Ineligible monthly amt.: \$00
23c. Eligible monthly amt.: \$2,000.00	23d. Number of months of service: 12
23e. Annual pre-discount amount for eligible recurring charges (23c x 23d): \$24,000.00	

23f. Annual non-recurring (one-time) charges: \$.00	23g. Ineligible non-recurring amt.: \$0.00
23h. Annual pre-discount amount for eligible non-recurring charges (23f - 23g): \$0.00	
23i. Total program year pre-discount amount (23e + 23h): \$24,000.00	
23j. % discount (from Block 4): 69	
23k. Funding Commitment Request (23i x 23j): \$16,560.00	

Block 6: Certifications and Signature

24a. Schools: Y
24b. Libraries or Library Consortia: N

26a. Individual Technology Plan: Y
26b. Higher-Level Technology Plan(s): Y
26c. No Technology Plan Needed:

27a. Approved Technology Plan(s): Y
27b. State Approved Technology Plan: N
27c. No Technology Plan Needed:

36. Printed Name of Authorized Person: Denise E. Dawson
37. Title or Position of Authorized Person: Technology Supervisor
38. Telephone Number of Authorized Person: (540) 434-5730 ext.



HOME

CANCEL

SAVE & EXIT

HELP

FCC Form 471

Services Ordered and Certification Form



Block 2 & 3

Block 4

Block 5

Block 6

Applicant's Form Identifier: Year 4 HEC

Entity Number: 126469

Contact Person: D. D. Dawson

Phone Number: (540) 434-5730

IMPORTANT

Please record this application's information in a secure place for future reference

471 Application Number: 217737

Entity Number of Billed Entity (Applicant): 126469

Security Code Number: 55364



**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
Request for Review of the)	
Decision of the)	
Universal Service Administrator by)	
)	
Cochrane-Fountain City School District)	File No. SLD-140683
Fountain City, Wisconsin)	
)	
Federal-State Joint Board on)	CC Docket No. 96-45
Universal Service)	
)	
Changes to the Board of Directors of the)	CC Docket No. 97-21
National Exchange Carrier Association, Inc.)	

ORDER

Adopted: May 16, 2000

Released: May 17, 2000

By the Common Carrier Bureau:

1. The Common Carrier Bureau has under consideration an appeal by Cochrane-Fountain City School District (Cochrane), Fountain City, Wisconsin, filed on October 12, 1999, seeking review of a decision issued by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC or Administrator).¹ Cochrane seeks review of the SLD's denial of its application for discounts for Internet access under the schools and libraries universal service support mechanism.² For the reasons set forth below, we grant Cochrane's appeal and remand Cochrane's funding application to the SLD for further determination in accordance with this Order.

2. Under the schools and libraries universal service support mechanism, eligible schools, libraries, and consortia, which include eligible schools and libraries, may apply for discounts for eligible telecommunications services, Internet access, and internal connections.³ The Commission's rules provide that, with one limited exception for existing, binding contracts, an eligible school, library or consortium must seek competitive bids for all services eligible for

¹ Letter from Steve Mieden, Cochrane-Fountain City School District, to Federal Communications Commission, filed October 12, 1999.

² Section 54.719(c) of the Commission's rules provides that any person aggrieved by an action taken by a division of the Administrator may seek review from the Commission. 47 C.F.R. § 54.719(c).

³ 47 C.F.R. §§ 54.502, 54.503.

support.⁴ An applicant fulfills the competitive bidding requirement by filing with the Administrator a completed FCC Form 470, setting forth the applicant's technological needs and the services for which it seeks discounts.⁵ The SLD posts an applicant's FCC Form 470 specifying requested services on its web page for 28 days.⁶ The applicant must wait until the close of the 28-day period and "carefully consider all bids submitted" prior to signing a contract for eligible services.⁷ Once the school or library has contracted for eligible services, it is required to file an FCC Form 471 application to apprise the Administrator of the services that have been ordered, the service provider with whom the school has signed the contract, and an estimate of the funds necessary to cover the discounts to be given for eligible services.⁸ Using information provided by the applicant in its FCC Form 471, the Administrator determines the amount of discounts for which the school is eligible.

3. The Commission has repeatedly emphasized the importance of the competitive bidding requirement, stating that it helps to ensure that schools and libraries will receive the lowest possible pre-discount price.⁹ The Commission concluded that competitive bidding is the most efficient means for ensuring both that eligible schools and libraries are informed about the choices available to them and that prices are not unnecessarily high, thereby minimizing the amount of support needed.¹⁰ In adopting this requirement, the Commission established a minimally burdensome means for schools and libraries to inform the public of services they seek and for providers to review and submit bids in response to requests for services.¹¹ The Commission, however, was also aware that some schools and libraries were bound by existing contracts that could not be breached without such schools or libraries incurring a penalty. The Commission did not want applicants with existing contracts to be precluded from benefiting from universal service support until after their contracts expired,¹² nor did it wish to penalize providers with whom the contracts were signed.¹³ At the same time, however, the Commission

⁴ 47 C.F.R. §§ 54.504, 54.511(c).

⁵ 47 C.F.R. §§ 54.504(b)(1), (b)(3).

⁶ 47 C.F.R. § 54.504(c).

⁷ 47 C.F.R. §§ 54.504(b), 54.511(a).

⁸ 47 C.F.R. § 54.504(c).

⁹ See *Federal-State Joint Board on Universal Service*, CC Docket 96-45, Order on Reconsideration, 12 FCC Rcd 10095, 10098, para. 9 (1997), as corrected by *Federal-State Joint Board on Universal Service*, Erratum, CC Docket No. 96-45, FCC 97-246 (rel. July 15, 1997).

¹⁰ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 9029, para. 480 (1997), as corrected by *Federal-State Joint Board on Universal Service*, Errata, CC Docket No. 96-45, FCC 97-157 (rel. June 4, 1997), *affirmed in part, reversed in part and remanded in part sub nom. Texas Office of Public Utility Counsel v. FCC*, 183 F.3d 393 (5th Cir. 1999)

¹¹ *Id.* at 9078, para 575.

¹² *Id.* at 9063-9064, para. 547.

¹³ *Id.*

sought to prevent incumbent carriers from using long-term contracts as a means to prevent potential competitors from offering alternative service packages to schools and libraries.¹⁴

4. In light of these considerations, the Commission's rules provide that eligible schools and libraries with existing contracts are exempt from the competitive bidding requirement under certain circumstances. Section 54.511(c)(1) provides that contracts signed after July 10, 1997 and before January 30, 1998 (the date on which the Schools and Libraries website was fully operational) would be exempt from the competitive bidding requirement for services provided through December 31, 1998.¹⁵ However, in order to ensure that schools and libraries contracting for services between July 10, 1997 and January 30, 1998 did not negotiate long-term contracts and thereby avoid the competitive bidding requirement altogether, the Commission limited the exemption of the competitive bidding requirement for contracts signed between July 10, 1997 and January 30, 1998 to services provided through December 31, 1998, regardless of the duration of the contract as a whole.¹⁶ Once an applicant submits an FCC Form 470 and complies with the 28-day posting period, the applicant is permitted to sign a long-term contract at that time and, having complied with the competitive bidding requirement prior to signing the contract, the applicant need not submit any additional FCC Form 470s for the duration of that contract.¹⁷ Further, where an applicant seeks to renew an existing contract that was not previously posted, the applicant satisfies the competitive bidding requirement by posting the request on the SLD

¹⁴ See *July 10 Order*, 12 FCC Rcd at 10098, para. 9; *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, *Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Transport Rate Structure and Pricing, End User Common Line Charge*, CC Docket Nos. 96-262, 94-1, 91-213, 95-72, Fourth Order on Reconsideration in CC Docket No. 96-45, Report and Order in CC Docket Nos. 96-45, 96-262, 94-1, 91-213, 95-72, 13 FCC Rcd 5318, 5442, para. 213 (1998) (*Fourth Reconsideration Order*).

¹⁵ 47 C.F.R. § 54.511(c)(1). See *Fourth Reconsideration Order*, 13 FCC Rcd at 5441, para. 217 (1998). In June 1998, the Commission changed the funding year for the schools and libraries universal service support mechanism from a calendar year cycle (January 1 – December 31) to a fiscal year cycle (July 1 – June 30). *Federal-State Joint Board on Universal Service*, Docket No. 96-45, Fifth Order on Reconsideration and Fourth Report and Order in CC Docket No. 96-45, 13 FCC Rcd 14 915, 14920, para. 8 (1998) (*Fifth Order on Reconsideration*). The year 1 period was extended to cover the 18-month period from January 1, 1998 to June 30, 1999. *Id.* Although the Commission's rules generally do not exempt voluntary extensions of contracts from the competitive bidding requirement, the *Fifth Order on Reconsideration* provided that existing contracts with termination dates between December 31, 1998 and June 30, 1999 could be voluntarily extended to a date no later than June 30, 1999 in order to account for the change in the funding year cycle, and to avoid the undue hardship that would result from requiring schools and libraries to participate in competitive bidding for the six-month period between January 1, 1999 through June 30, 1999. *Id.* at 14923, para. 14. The Commission subsequently amended this exemption from the competitive bidding requirement to include applicants with existing contracts that expired between the closing dates of the 1998 filing window and June 30, 1999, but only for services received between January 1, 1999 and June 30, 1999. *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Tenth Order on Reconsideration, 14 FCC Rcd 5983, 5989-5991, para. 12-15 (1999); 47 C.F.R. § 54.511(d)(1).

¹⁶ *Fourth Reconsideration Order*, 13 FCC Rcd at 5445, para. 217.

¹⁷ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order, DA 99-1773, 1999 WL 680424 (Com. Car. Bur. 1999), para. 10 ("We conclude that permitting a school or library to commit to a long-term contract after participating in the competitive bidding process does not compromise the benefits derived from competition. As long as all providers have had the opportunity to compete for the same contract, schools or libraries can enter into renewable contracts of any length or form, as permitted by state law.").

website and carefully considering all bids submitted before renewing the existing contract after the 28-day posting period has terminated.¹⁸

5. By letter dated September 16, 1999, the SLD rejected a funding request made by Cochrane for year 2 of the schools and libraries program for failure to meet the SLD's minimum processing standards.¹⁹ The SLD stated that the funding request was being rejected because contracts signed after July 10, 1997 were required to be rebid in the second year of the program. In response, Cochrane filed the instant Letter of Appeal, requesting a review of the SLD's decision.

6. A review of Cochrane's applications and SLD records reveals that on October 22, 1997, Cochrane entered into a contract for Internet service for the period beginning January 10, 1998 through June 30, 2000. Because it had signed a contract in October 1997, Cochrane was required, as was the case with all schools and libraries entering into contracts between July 10, 1997 and January 30, 1998, to seek competitive bids for all services eligible for support for year 2 of the schools and libraries program. Consistent with sections 54.504 and 54.511(c)(1)(ii) of the Commission's rules,²⁰ Cochrane filed its FCC Form 470 and left Block 3, Item 10 of the application unchecked, thereby indicating to SLD that its application should be posted on the SLD website.²¹ The SLD posted Cochrane's FCC Form 470 on March 1, 1999 and set Cochrane's allowable contract date as March 29, 1999. Cochrane's FCC Form 471 was signed on March 31, 1999 and filed with the SLD on April 2, 1999.

7. Although SLD indicated in its September 16, 1999 letter that Cochrane's request for discounts for Internet access was defective because Cochrane's contract must be re-bid, the record reflects that Cochrane fully complied with the Commission's competitive bidding requirement for year two. As noted, an applicant with an existing contract that was not previously posted is obligated only to post its requests, carefully consider all bona fide bids submitted, and wait the requisite 28-day time period prior to renewing an existing contract for the funding year for which it is requesting discounts.²² Although Cochrane was operating under an existing agreement for Internet services, Cochrane correctly submitted its FCC Form 470 for posting on the SLD website and did not check Block 3, Item 10. As noted, the SLD posted Cochrane's FCC Form on March 1, 1999, as required by section 54.504(b)(3) of the

¹⁸ *Id.* at para. 11.

¹⁹ Letter from Universal Service Administrative Co., Schools and Libraries Division, to Steve Mieden, Cochrane-Fountain City School District, dated September 16, 1999.

²⁰ 47 C.F.R. §§ 54.504, 54.511(c)(1)(ii).

²¹ The FCC Form 470 instructions direct applicants to check Block 3, Item 10 only if applicants are seeking discounts exclusively for eligible services that are the subject of an existing written contract signed on or before July 10, 1997 or an existing written contract that was signed as a result of the filing of a previous FCC Form 470 and compliance with the competitive bidding requirement. Such applications need not be posted. Thus, by not checking Block 3, Item 10, an applicant indicates to SLD that it is seeking bids and that its application should be posted on the website.

²² State procurement laws may impose additional requirements.

Commission's rules.²³ The posting of Cochrane's application on the SLD website gave all potential providers an opportunity to review and submit competing bids in response to Cochrane's request for Internet service, thereby meeting the objective behind the competitive bid requirement. Further, Cochrane's FCC Form 471 was not signed until March 31, 1999, two days after Cochrane's allowable contract date. In submitting its FCC Form 470 for posting on the SLD website, as well as complying with the 28-day waiting period, Cochrane adhered to all applicable requirements with respect to the Commission's competitive bidding policy.²⁴

8. ACCORDINGLY, IT IS ORDERED, pursuant to authority delegated under sections 0.91, 0.291, and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 54.722(a), that the appeal filed by Cochrane-Fountain City School District, Fountain City, Wisconsin on October 12, 1999 IS GRANTED and that Cochrane's application IS REMANDED to SLD for further consideration in light of this decision.

FEDERAL COMMUNICATIONS COMMISSION

Carol E. Matthey
Deputy Chief, Common Carrier Bureau

²³ 47 C.F.R. § 54.504(b)(3).

²⁴ In the absence of evidence to the contrary, we find it reasonable to conclude that Cochrane did carefully consider any other proposals submitted given the incentive for Cochrane to secure the most cost effective service possible.

FCC Form

Approval by OMB
3060-0806

470

Schools and Libraries Universal Service Description of Services Requested and Certification Form

Estimated Average Burden Hours Per Response: 5.0 hours

This form is designed to help you describe the eligible telecommunications-related services you seek so that this data can be posted on the Fund Administrator website and interested service providers can identify you as a potential customer and compete to serve you.

Please read instructions before completing.

(To be completed by entity that will negotiate with providers.)

Block 1: Applicant Address and Identifications (School, library, or consortium desiring Universal Service funding.)

Form 470 Application Number: 227850000312703
Applicant's Form Identifier: Year 4 ISP
Application Status: CERTIFIED
Posting Date: 11/30/2000
Allowable Contract Date: 12/28/2000
Certification Received Date: 12/04/2000

1. Name of Applicant: HARRISONBURG CITY SCH DISTRICT			
2. Funding Year: 07/01/2001 - 06/30/2002		3. Your Entity Number 126469	
4. Applicant's Street Address, P.O.Box, or Route Number			
a. Street 317 S MAIN ST			
City HARRISONBURG	State VA	Zip Code 5Digit 22801	Zip Code 4Digit 3606
b. Telephone number (540) 434- 9916		ext. c. Fax number (540) 434- 5196	
d. E-mail Address			
5. Type Of Applicant (Check only one box)			
<input type="radio"/> Library (including library system, library branch, or library consortium applying as a library)			
<input type="radio"/> Individual School (individual public or non-public school)			
<input checked="" type="radio"/> School District (LEA;public or non-public[e.g., diocesan] local district representing multiple schools)			
<input type="radio"/> Consortium (intermediate service agencies, states, state networks, special consortia)			
6a. Contact Person's Name: D. D. Dawson			
6b. Street Address, P.O.Box, or Route Number (if different from Item 4)			
<input type="radio"/> 395 South High Street			

City Harrisonburg	State VA	Zip Code 5Digit 22801	Zip Code 4Digit
6c. Telephone Number (10 digits + ext.) (540) 434- 5730			
6d. Fax Number (10 digits) (540) 434- 5730			
6e. E-mail Address (50 characters max.) ddawson@harrisonburg.k12.va.us			

Block 2: Summary Description of Needs or Services Requested

7 This Form 470 describes (check all that apply):

- a. Tariffed services - telecommunications services, purchased at regulated prices, for which the applicant has no signed, written contract. A new Form 470 must be filed for tariffed services for each funding year.
- b. Month-to-month services for which the applicant has no signed, written contract. A new Form 470 must be filed for these services for each funding year.
- c. Services for which a new written contract is sought for the funding year in Item 2.
- d. A multi-year contract signed on or before 7/10/97 but for which no Form 470 has been filed in a previous program year.

NOTE: Services that are covered by a qualified contract for all or part of the funding year in Item 2 do NOT require filing of Form 470. A qualified contract is a signed, written contract executed pursuant to posting a Form 470 in a previous program year OR a contract signed on/before 7/10/97 and reported on a Form 470 in a previous year as an existing contract.

8 Telecommunications Services

Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

- a. YES, I have an RFP. Choose one of the following: It is available on the Web at
or via the Contact Person in Item 6 or the contact listed in Item 11.
- b. NO, I do not have an RFP for these services.

If you answered NO, you must list below the Telecommunications Services you seek. Specify each service or function (e.g., local voice service) and quantity and/or capacity (e.g., 20 existing lines plus 10 new ones). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Telecommunications Services, and remember that only common carrier telecommunications companies can provide these services under the universal service support mechanism. Add additional lines if needed.

9 Internet Access

Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

- a. YES, I have an RFP. Choose one of the following: It is available on the Web at
or via the Contact Person in Item 6 or the contact listed in Item 11.
- b. NO, I do not have an RFP for these services.

If you answered NO, you must list below the Internet Access Services you seek. Specify each service or function (e.g., monthly Internet service) and quantity and/or capacity (e.g., for 500 users). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Internet Access Services. Add additional lines if needed.

10 Internal Connections**Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?**

a **YES**, I have an RFP. Choose one of the following: It is available on the Web at
or via the Contact Person in Item 6 or the contact listed in Item 11.

b **NO**, I do not have an RFP for these services.

If you answered NO, you must list below the Internal Connections Services you seek. Specify each **service or function** (e.g., local area network) and quantity and/or capacity (e.g., connecting 10 rooms and 300 computers at 56Kbps or better). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Internal Connections Services. Add additional lines if needed.

11 (Optional) Please name the person on your staff or project who can provide additional technical details or answer specific questions from service providers about the services you are seeking. This need not be the contact person listed in Item 6 nor the signer of this form.

Name:

Denise E. Dawson

Title:

Technology Supervisor

Telephone number (10 digits + ext.)

(540) 434 - 5730

Fax number

(540) 434 - 5730

E-mail Address (50 characters max.)

ddawson@harrisonburg.k12.va.us

12. Check here if there are any restrictions imposed by state or local laws or regulations on how or when providers may contact you or on other bidding procedures. Please describe below any such restrictions or procedures, and/or give Web address where they are posted.

13. (Optional) Purchases in future years: If you have plans to purchase additional services in future years, or expect to seek new contracts for existing services, summarize below (including the likely time-frames).

Block 3: Technology Assessment

14. **Basic telephone service only:** If your application is for basic local and long distance voice telephone service only, check this box and skip to Item 16.

15. Although the following services and facilities are ineligible for support, they are usually necessary to make effective use of the eligible services requested in this application. Unless you indicated in Item 14 that your application is **ONLY** for basic telephone service, you must check at least one box in (a) through (e). You may provide details for purchases being sought.

a. Desktop communications software: Software required has been purchased; and/or is being sought.

b. Electrical systems: adequate electrical capacity is in place or has already been arranged; and/or upgrading for additional electrical capacity is being sought.

c. Computers: a sufficient quantity of computers has been purchased; and/or is being sought.

d. Computer hardware maintenance: adequate arrangements have been made; and/or are being sought.

e. Staff development: all staff have had an appropriate level of training or additional training has already been scheduled; and/or training is being sought.

f. Additional details: Use this space to provide additional details to help providers to identify the services you desire.

Block 4: Recipients of Service

16. Eligible Entities That Will Receive Service:

Check the ONE choice that best describes this application and the eligible entities that will receive the services described in this application.

You must select a state if (b) or (c) is selected: **VA**

a. Individual school or single-site library: Check here, and enter the billed entity in Item 17.

b. Statewide application (check all that apply):

- All public schools/districts in the state:
- All non-public schools in the state:
- All libraries in the state:

If your statewide application includes INELIGIBLE entities, check here. If checked, complete Item 18.

c. School district, library system, or consortium application to serve multiple eligible sites:

Number of eligible sites	6
<i>For these eligible sites, please provide the following</i>	
Area Codes (list each unique area code)	Prefixes associated with each area code (first 3 digits of phone number) separate with commas, leave no spaces
540	432, 433, 434, 574

If your application includes INELIGIBLE entities, check here. If checked, complete Item 18.

17. Billed Entities

Entity Name	Entity Number
HARRISONBURG CITY SCH DISTRICT	126469

18. Ineligible Entities**Ineligible Participating
Entity****Entity
Number****Area
Code****Prefix****Block 5: Certification****19. The applicant includes: (Check one or both)**

- a. schools under the statutory definitions of elementary and secondary schools found in the Elementary and Secondary Education Act of 1965, 20 U.S.C. Secs. 8801(14) and (25), that do not operate as for-profit businesses, and do not have endowments exceeding \$50 million; and/or
- b. libraries or library consortia eligible for assistance from a State library administrative agency under the Library Services and Technology Act of 1996 that do not operate as for-profit businesses and whose budgets are completely separate from any school (including, but not limited to) elementary and secondary schools, colleges and universities.

20. All of the individual schools, libraries, and library consortia receiving services under this application are covered by:

- a. individual technology plans for using the services requested in the application
- b. higher-level technology plans for using the services requested in the application
- c. no technology plan needed; application requests basic local and long distance telephone service only.

21. Status of technology plans (if representing multiple entities with mixed technology plan status, check both a and b):

- a. technology plan(s) has/have been approved by a state or other authorized body.
- b. technology plan(s) will be approved by a state or other authorized body.
- c. no technology plan needed; application requests basic local and long distance telephone service only.

22. I certify that the services the applicant purchases at discounts provided by 47 U.S.C. Sec. 254 will be used solely for educational purposes and will not be sold, resold, or transferred in consideration for money or any other thing of value.

23. I recognize that support under this support mechanism is conditional upon the school(s) or library(ies) I represent securing access to all of the resources, including computers, training, software, maintenance, and electrical connections necessary to use the services purchased effectively.

24. I certify that I am authorized to submit this request on behalf of the above-named entities, that I have examined this request, and to the best of my knowledge, information, and belief, all statements of fact contained herein are true.

25. Signature of authorized person:

26. Date (mm/dd/yyyy): 11/30/2000

27. Printed name of authorized person: Denise E. Dawson

28. Title or position of authorized person: Technology Supervisor

29. Telephone number of authorized person: (540) 434 - 5730 ext.

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THE HARRISONBURG ELECTRIC COMMISSION
HARRISONBURG, VIRGINIA

FIBER OPTIC CONTRACT

THIS CONTRACT, made and executed in triplicate this 5th day of September 1997 by
Harrisonburg City Schools 317 S. Main Street, Harrisonburg, VA
(Name) (Address)

hereinafter called the "CUSTOMER" and THE HARRISONBURG ELECTRIC COMMISSION of the
City of Harrisonburg, Virginia, hereinafter called the "DISTRIBUTOR."

WITNESSETH:

THAT, the Customer has applied to the Distributor for fiber optic information and data transmission service
("Service") at

See Attached Locations

(Address)

(Address)

(Address)

AND, in consideration thereof and the terms hereinafter set forth, the parties agree as follows:

1. The Distributor will supply, and the Customer will pay for the Service of the distributor in accordance with the terms hereof.
2. Attached hereto as a part hereof is a Schedule of Rates and Charges designated Schedule attached and all Service sold hereunder shall be purchased and paid for by the Customer according to the provisions of said Schedule except as modified by this agreement.
3. The point(s) of demarcation for Service supplied hereunder shall be the above location(s). The Customer agrees to furnish the Distributor and hereby grants the Distributor a right of way for installation and service over the property of the Customer free of charge during the period hereof together with the right of ingress and egress to and from Customer's property for the benefit of the Distributor's employees and agents. All Service facilities and other equipment installed on said site shall remain the property of the Distributor with the right to remove the same upon termination of this contract.
4. The term of this contract shall be Five (5) years, beginning on the date the Service is actually begun, which it is estimated will be approximately 9/5/97 and shall be considered renewed for a year from the expiration of said term from year to year thereafter, unless written notice to the contrary is given by either party to the other at least three months prior to the expiration of the original term or any renewal thereof.

Payments shall be rendered monthly and are due when rendered. If not paid on or before the next due date shown on the bill, a 10% delinquent payment charge may be added. Also, Distributor shall be entitled to a reasonable attorney's fee and costs of "Collection" if the same are needed in the name of an attorney for collection purposes. Payment and the terms of this contract shall be deemed to be accepted by the Customer by the use of the service.

past due date and the delayed payment charge is not included in payment, the delayed payment charge may be included in the next month's bill. Waiver of delayed payment charge can only be made by the Distributor and will be considered only upon written explanation of reasons for the request. Should bills not be paid on or before the past due date, the Distributor may at any time thereafter upon ten (10) days written notice to Customer, discontinue service. Such notice may be given by first class mail, postage pre-paid to Customer's last known billing address and shall be deemed delivered upon the date of mailing or by delivery thereof to the Customer in person, or to a member of his family, or to one of his employees or by posting the same in a conspicuous place on the Customer's premises. All bills shall be paid at the office of the Distributor or at such other offices designated. Failure to receive bill or any dispute arising over the bill will not release the Customer from payment obligation.

6. Whenever Customer desires connection service or re-connection service, Customer will be charged as provided in the Schedule of Rates and Charges, which has been attached hereto and made a part hereof.

7. This contract shall inure to the benefit of and be binding upon the respective heirs, legal representative, successors, and assigns of the parties hereto, but is not assignable by the Customer without written consent of the Distributor.

WITNESS the following signatures.

Doris E Dawson

(Customer)

HARRISONBURG ELECTRIC COMMISSION
(Distributor)

By Harrisonburg City Schools

(Official Capacity)

By Harold A. Bell, Man. or Insp.
(Official Capacity)

HARRISONBURG CITY SCHOOLS
 FIBER OPTIC NETWORK AND CHARGES

			1997-1998	1998-1999	1999-2000	2000-2001	2001
		BANDWIDTH	YEAR 1 RATE/MO.	YEAR 2 RATE/MO.	YEAR 3 RATE/MO.	YEAR 4 RATE/MO.	YEAR 5 RATE/MO.
HARRISONBURG HIGH SCHOOL	SIMMS	384 Kbps				\$110	
HARRISONBURG HIGH SCHOOL	SPOTSWOOD	384 Kbps	\$100	\$100	\$110	\$110	
HARRISONBURG HIGH SCHOOL	KEISTER	384 Kbps	\$100	\$100	\$110	\$110	
HARRISONBURG HIGH SCHOOL	STONE SPRINGS	384 Kbps	\$100	\$100	\$110	\$110	
HARRISONBURG HIGH SCHOOL	WATERMAN	384 Kbps	\$100	\$100	\$110	\$110	
HARRISONBURG HIGH SCHOOL	THOMAS HARRISON M.S.	1.544 Mbps	\$225	\$225	\$250	\$250	
HARRISONBURG HIGH SCHOOL	INTERNET SERVICE PROVIDER	2 - 1.544 Mbps	\$225	\$225	\$250	\$250	
HARRISONBURG HIGH SCHOOL	HARRISONBURG ELECTRIC COMM	2 - 1.544 Mbps	\$0	\$340	\$450	\$500	
TOTAL \$/MO.			\$850	\$1,190	\$1,360	\$1,360	
ANNUAL REV.			\$10,200	\$14,280	\$16,320	\$16,320	

Harrisonburg Electric Commission provides leased line fiber optics to the Internet Service Provider from all schools. This is a continuing contract which is in its fifth year. This contract is for external fiber optic WAN.