

Received & Inspected

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June 19, 2008

FCC Mail Room

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, MD 20743

RE: CC DOCKET 02-6 & CC DOCKET 96-45

REQUEST FOR REVIEW (APPEAL) AND REQUEST FOR WAIVER

To Whom It May Concern:

Rice Consolidated Independent School District (RCISD, or Rice) (Billed Entity Number 141273) hereby submits this request for review and waiver request. This request covers decisions made by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) concerning following Funding Request Numbers (FRNs):

| Funding Request Number | Status | Requested Relief |
|------------------------|--|---|
| 1554710 | FRN Denied Funding via FCDL, 471# 563626 | Reverse decision of USAC, and/or Waiver Request |
| 840255 | Commitment Adjustment Letter (COMAD) | Reverse decision of USAC, and/or Waiver Request |
| 1027666 | COMAD | Reverse decision of USAC, and/or Waiver Request |
| 1028882 | COMAD | Reverse decision of USAC, and/or Waiver Request |
| 1028046 | COMAD | Reverse decision of USAC, and/or Waiver Request |
| 1028907 | COMAD | Reverse decision of USAC, and/or Waiver Request |
| 1174320 | COMAD | Reverse decision of USAC, and/or Waiver Request |
| 1173859 | COMAD | Reverse decision of USAC, and/or Waiver Request |
| 1339009 | COMAD | Reverse decision of USAC, and/or Waiver Request |
| 1481414 | COMAD | Reverse decision of USAC, and/or Waiver Request |
| 1658322 | Pending funding, 471# 601750 | Direct USAC to allow applicant to SPIN change, do not deny FRN because of untimely response from USAC |

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List A B C D E

RCISD initially commissioned CRW Consulting, LLC (CRW) to audit previous E-rate filings on behalf of the district. The decision to do so was based upon advice given by legal counsel for the district, Carolyn Hanahan of Feldman & Rogers LLP based upon a perceived conflict of interest.¹ The conflict of interest that concerned Ms. Hanahan was that the technology director, Ralph Gertson (Gertson), also owned an Internet Service Providing Company (ELC Internet Services, Inc or "ELC") that was providing services to the district. ELC's Service Provider Identification Number (SPIN) is 143016582.

CRW reviewed all of the facts presented to us concerning the bidding process and Gertson's role at the district. Based upon the facts presented to CRW, CRW recommended issuing a self-report to USAC informing them of the facts and circumstances surrounding the competitive bidding environment at Rice, and to ask for further guidance from the SLD. On September 18th, 2006 CRW Consulting issued a report to the SLD (specifically Kristy Carroll, Legal Counsel for USAC). Rather than over-burden the Commission restating the facts of this self-report, we are including it with this appeal. This report, along with the relevant attachments/affidavits, is available at the end of this letter, entitled "Original Appeal to SLD."

Despite repeated requests, Rice has never received a specific response to our self-report. For over 19 months Rice waited for a decision from the SLD. On 4/22/2008, USAC issued a Funding Commitment Decision Letter (FCDL) for FCC Form 471 number 601750. This included a denial for FRN 1658322, a request for funding for services provided by ELC. On 5/30/2008 USAC issued COMAD letters for 8 FRNs (listed above). While we can assume that the reason for the COMAD letters was the same as the denial for FRN 1658322, to date, USAC has not given any specific reason why they have issued these COMAD letters. The total amount USAC is requesting to be returned via the COMAD letters is \$280,151.75.

The reason for the denial (and we assume the reason for the COMAD letters) was:

Competitive bidding violation and conflict of interest exist when an individual associated with an applicant is also associated with the selected service provider. Ralph Gertson, owner of ELC Internet Services, is employed by Rice Consolidated as Technology Coordinator. Although you have demonstrated that Gertson did not have a role in the vendor selection process, as part of his role as Technology Coordinator, he is responsible for writing the district's technology plan. USAC has determined this to be a violation of FCC rules. Therefore, your request is denied.

While USAC has agreed that the vendor selection process was conducted properly, they have found, what they believe, to be a serious enough violation of competitive bidding rules in the fact that Mr. Gertson is responsible for writing the technology plan to warrant denial of funding requests and collection of previously disbursed funds.

¹ Ms. Hanahan no longer represents the district. Ellen Spalding of Feldman & Rogers is now counsel for the district.

While Gertson did help write the technology plan, his job was to implement the stated goals of the Superintendent(s), which he received on his first day of employment (see affidavit from Gertson dated 8/26/2006). On 2/20/2008 USAC contacted Rice for additional information (via Barbara Cannan, Special Compliance). The relevant portion of this request for information was Ms. Cannan's questions concerning technology planning, specifically:

- An organizational chart of the school, which identifies division of labor, or other documentation that supports statements made in the analysis regarding Gertson's lack of involvement in the competitive bid process, (including but not limited to bid evaluation and vendor selection) which indicates who at the district makes decisions regarding technology planning.
- Any available documentation from the Superintendent or School Board that would support statements made in the analysis regarding technology plan direction.

In response to these requests, Rice sent to USAC the enclosed organizational chart and the enclosed letter from the Superintendent, Michael Lanier, dated 2/29/2008. The letter from Mr. Lanier clearly states that it is his responsibility for "the 'direction' and 'listed needs' in the technology plan." The letter also states that Mr. Lanier, when appointed as Superintendent of Schools, determined "to keep Dr. Richard Gott's original vision of the wireless access as a goal for the district."

Dr. Gott originally envisioned wireless internet access in 1997² (before the E-rate program was even in existence) and before Gertson was hired by the district (as a cost saving measure for the district, Gertson was providing maintenance services for the district on a per-hour basis, Dr. Gott realized it would actually save him money to hire Gertson on to his staff full time). From his first day of employment in 1998, and continuing with the new Superintendent, Mr. Lanier, Gertson has always been instructed on what the specific needs and goals concerning Internet access for the district should be. He has never "pushed" the district towards any particular type of Internet solution; he has always simply listed the desired goals of his Superintendent.

To further evidence that fact, we provide two additional affidavits. The affidavit from Gertson dated 6/17/2008 clearly states that:

I have never been asked to set the RCISD goals or vision for technology. I have never been asked what I believe the needs of the District are in relation to the technology plan. In fact, under both the prior Superintendent, Dr. Gott, and under the current Superintendent, Mr. Lanier, I have only been told what the needs of the District were and asked about how to implement technology to support those needs. Each time I was asked, my understanding was that the plans had already been created, and my role was to find methods to implement the plan. To that

² See Mitchell Engineering letter, Entitled "Wide Area Network Needs Assessment" dated 9/23/1997, part of the "Original Appeal to the SLD."

extent only, I participated in writing and the development of RCISD technology plans.

Additionally, confirmation from the Superintendent, Michael Lanier, comes from his affidavit, dated 6/17/2008. In this affidavit, he states:

Upon becoming Superintendent at RCISD, I decided to continue with Dr. Gott's vision of wireless Internet access service for the district. Mr. Gertson was not involved in any way in this decision to include these services in our technology plan.

Clearly, Mr. Gertson had, at best, a minor role in "writing" the technology plan, and never advocated one type of Internet access over another. While, upon first glance, it may appear that there is a conflict of interest at hand, we believe the specific facts presented in this appeal/waiver request should lead the Commission to conclude otherwise.

Should the Commission agree with USAC's finding, we request a waiver of the rule in this particular case. Rice, independently, with no request from USAC had decided to hire and pay for a consultant to audit previous practices of the district and to submit that self-report to USAC, at their own peril. We believe it greatly serves the desire of the Commission to reduce waste and fraud, and enhances the public interest in general to encourage these types of self reports to USAC when an applicant finds itself unsure of compliance with program rules.³

Many applicants might have opted to try to "fly under the radar" and hope that the facts surrounding the competitive bidding situation never came to light. In fact, because of this self report, Rice (as it stands now) would have to pay back the exact same dollar amount and have been denied funding had USAC discovered the alleged violation. We believe it is in the public interest to discourage this type of thinking concerning applicants who find themselves in a perceived "gray area."

In addition, should the commission still find a violation competitive bidding rules, we request a waiver based upon the fact that there was no attempt to defraud the system. It is demonstrably true that the district was considering wireless access as early as 1997 (see Mitchell Engineering letter), a year before Gertson was hired, and before the E-rate program even existed. Gertson always followed the direction of each Superintendent, and never recommended or pushed the district in any way towards technology that his company may have provided.

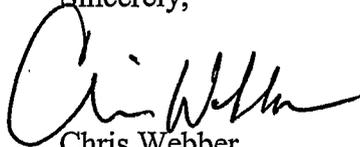
Finally, we ask for relief for FRN 1658322. This FRN is pending, but we assume will be denied because ELC was the listed service provider. Had USAC issued a timely response

³ Unfortunately, Mr. Lanier now finds himself in a precarious position. With no follow up letter from USAC explaining their decision to deny \$ 67,130.25 and to demand re-payment of approximately \$280,000, Mr. Lanier now has to defend his actions to the school board, and to try to convince them that it was in the best interest of the district to issue this self-report to USAC. It is fair to say that Mr. Lanier's job is at jeopardy at this point in time.

to our self-report (Rice waited over 19 months), and informed Rice of their decision of a competitive bidding violation, the district would not have considered any bid or proposal from ELC. In fact, the district is now moving to obtain Internet access from a local Educational Service Center (an entity run by the Texas Education Agency) on a month to month basis. This service will be slightly more expensive than the original funding request, but Rice asks relief to SPIN change that FRN, before being denied, to the Educational Service Center.

We thank the Commission for their time in reviewing this matter. Any additional questions or correspondence should be directed to Chris Webber; contact information below.

Sincerely,



Chris Webber

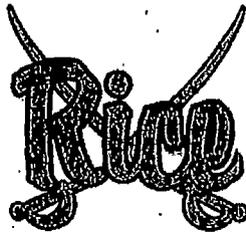
Owner

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RICE CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

P.O. Drawer 338
Altair, Texas 77412

Phone: (979) 234-3531 • FAX: (979) 234-3409

MICHAEL LANIER
SUPERINTENDENT

WILLIAM HEFNER, IV
ASSISTANT SUPERINTENDENT

February 29, 2008

Barbara Cannan
Special Compliance
Schools and Libraries Division
Universal Service Administrative Company

Dear Ms. Cannan:

The Technology Plan of Rice CISD is formulated through the efforts and input from many people. Students, parents, teachers, administrators, School Board members, and community members participate in the process. As Superintendent of Schools I am ultimately responsible for the "direction" and "listed needs" in the technology plan.

I determined, when I was placed in the position of Superintendent of Schools, to keep Dr. Richard Gott's original version of the wireless access as a goal for the district. The school's infrastructure was in place and was working effectively to provide our students and staff with internet access that was far ahead of most rural school's capabilities.

I plan to continue to recommend that Rice CISD maintain the current goals and direction that are set forth in the Technology Plan. Our students and staff have been the beneficiary of his vision for the district. Please contact me if I can be of further assistance.

Sincerely,

Michael Lanier
Superintendent, Rice CISD

BOARD OF EDUCATION

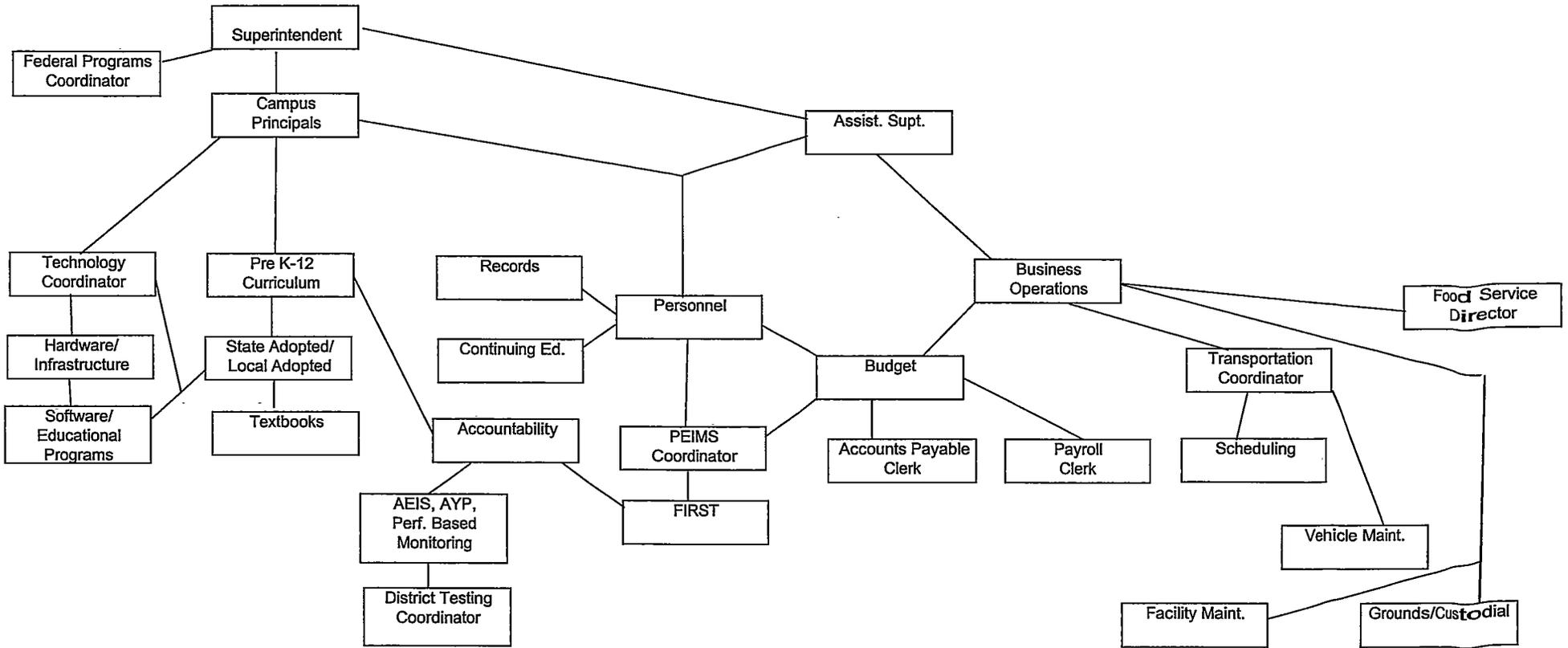
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WAYNE BOWEN

Rice CISD Operation Organizational Chart 2007-2008



AFFIDAVIT OF RALPH GERTSON

STATE OF TEXAS §
 §
COUNTY OF COLORADO §

BEFORE ME, the undersigned authority, on this day personally appeared RALPH GERTSON, who, being by me duly sworn on his oath deposed and stated as follows:

1. “My name is Ralph Gertson, and I am a resident of Colorado County, Texas. I am over 21 years of age and have never been convicted of a felony or a crime involving moral turpitude, nor have I ever been adjudged incompetent. I am duly competent and qualified in all respects to make this Affidavit from my own personal knowledge, and all statements in this affidavit are true and correct.

2. “I am currently employed as Technical Coordinator for Rice Consolidated Independent School District (RCISD). I have held this position since 1998.

3. “I am aware that RCISD is involved in an appeal relating to SLD’s decision that I have written the technology plan for RCISD.

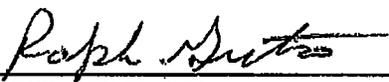
4. “I feel it necessary to clarify a statement that was made in RCISD’s September 2006 letter. Specifically in that letter, RCISD stated, ‘While Mr. Gertson has helped develop and write the technology plans, he has acted in an effort to implement the superintendent as set forth to him on the first day of Mr. Gertson’s employment.’

5. “‘It is a true statement that I have participated in the development and writing of the RCISD technology plan. However, I have never been asked to set the RCISD goals or vision for technology. I have never been asked what I believe the needs of the District are in relation to the technology plan. In fact, under both the prior Superintendent, Dr. Gott, and the current Superintendent, Mr. Lanier, I have only been told what

the needs of the District were and asked about how to implement technology to support those needs. Each time I was asked, my understanding was that the plans had already been created, and my role was to find methods to implement those plans. To that extent only, I participated in the writing and the development of the RCISD technology plans.

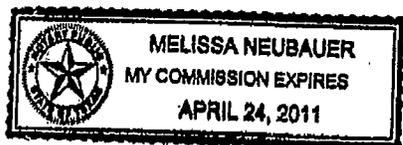
6. "In finding methods to implement those plans, I always acted in what I believed to be the best interests of RCISD.
8. "I have read this affidavit and it is true and correct and all statements therein are within my personal knowledge."

FURTHER AFFIANT SAITH NOT.



RALPH GERTSON

Subscribed and sworn to before me, the undersigned authority, this 17th day of
June, 2008.





Notary Public in and for the State of Texas

AFFIDAVIT OF MICHAEL LANIER

STATE OF TEXAS

§

COUNTY OF COLORADO

§

§

BEFORE ME, the undersigned authority, on this day personally appeared MICHAEL LANIER, who, being by me duly sworn on his oath deposed and stated as follows:

1. "My name is Michael Lanier, and I am a resident of Colorado County, Texas. I am over 21 years of age and have never been convicted of a felony or a crime involving moral turpitude, nor have I ever been adjudged incompetent. I am duly competent and qualified in all respects to make this Affidavit from my own personal knowledge, and all statements in this affidavit are true and correct.
2. "I am currently the Superintendent of Rice Consolidated Independent School District ("RCISD"). I have held this position since January 2004.
3. "Upon becoming Superintendent at RCISD, I decided to continue with Dr. Gott's (the previous superintendent) vision of wireless Internet access service for the district. Mr. Gertson was not involved in any way in this decision to include these services in our technology plan."
4. "In my capacity as Superintendent at RCISD, I have always chosen the vision, goals, and direction of the RCISD technology plan based on the RCISD needs as I perceived them to be. In fact, I have written the plan each year.
5. "In writing the plan, I have solicited input from the RCISD technology director, Ralph Gertson, but Mr. Gertson was never responsible for choosing the vision, the goals, or the direction. It was only after I made

those decisions that I asked Mr. Gertson to assist me in finding ways to implement the vision, the goals, and the direction.

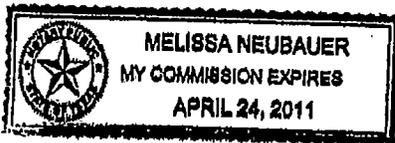
6. "I solicited Mr. Gertson's input because he is an expert in the field, and I am not. However, even after receiving his input, I always made the final decisions and always made decisions that I believed were in the best interests of RCISD. Mr. Gertson's input was merely to help me find ways to implement the plan I had written.
7. "I have read this affidavit and it is true and correct and all statements therein are within my personal knowledge."

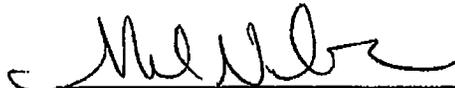
FURTHER AFFIANT SAITH NOT.



MICHAEL LANIER

Subscribed and sworn to before me, the undersigned authority, this 17th day of
June, 2008.





Notary Public in and for the State of Texas

**ORIGINAL APPEAL TO
SLD**



September 18, 2006

VIA EMAIL

To Whom It May Concern:

CRW Consulting, LLC, (CRW) is submitting this request on behalf of Rice Consolidated School District (RCISD), located in Colorado County, Texas. Earlier this year, RCISD, through its attorney, Carolyn Hanahan of Feldman & Rogers, LLP., hired CRW to audit past Universal Service Fund (E-rate) practices and filings of Rice Consolidated Independent School District (RCISD, or "the district"), Billed Entity Number: 141273. RCISD has never been a client of CRW Consulting, LLC, although within the last two weeks RCISD has decided to hire CRW to help with the application process for funding year 2007.

As a result of the audit, CRW Consulting has determined that, while no specific program rule may have been violated, it is in the best interest of the Universal Service Administrative Company's (USAC's) ongoing efforts to ensure compliance with program rules that USAC have an opportunity to review the full record of facts. Recognizing our concerns, RCISD asked for CRW's assistance in submitting this report, to ensure that its receipt of E-rate funds has, in all respects, been consistent with the intent of the E-rate regulations. We also welcome any questions or requests for information that USAC may have after reading this report.

Rice Consolidated Independent School District

Before addressing the concerns prompting this report, we believe the USAC may benefit from some background information about the school district. Rice Consolidated Independent School District is a small district, considered to be a rural entity by the Schools and Libraries Division of USAC (SLD). It encompasses 437 square miles in Colorado County, Texas and has a total enrollment of 1,426 students attending six campuses. District offices are located in Altair, Texas, but schools are located in several areas of the county. The district is approximately 100 miles west of Houston and is populated primarily by rice farmers. The largest town in the district is Eagle Lake, which has a population of approximately 3,600. Other towns in the area include Sheridan and Garwood. Schools are geographically distant; from the campus in Sheridan to the campus in Garwood is a 30-mile trip, one-way. A drive to all six is about an 84-mile trip. Most shopping, business, employment, and entertainment activities are at least sixty miles from the administration offices.

Purposes of Report

The primary reason for this report concerns the competitive bidding procedures set forth by USAC. Upon being contacted by the Carolyn Hanahan, CRW learned that an employee of the district (the Technology Coordinator, Ralph Gertson) was the owner of a service provider that has been awarded contracts and provided service to the district, and for which E-rate discounts have been received. While this relationship may, at first glance, prompt concerns of compliance with the E-rate competitive bidding procedures, such concerns are, we believe, substantially reduced, if not alleviated, by a careful review of the facts and circumstances.

The second reason for this report is the district's use of a wide area network. Although the district has a wireless WAN provided by an ISP, it is using this capability for the limited purpose of basic access to the internet, not for data sharing or more sophisticated operations.

Competitive Bidding

When an applicant awards bids to and/or contracts with a company that is owned by an employee of the district, it is CRW's position that the applicant has placed itself in a position in which the *appearance* of impropriety is such that it demands additional scrutiny by USAC. Despite the extremely close relationship between applicant and service provider in this case, we believe that RCISD has acted in good faith and taken steps to try to ensure that Mr. Gertson was not improperly involved in the competitive bidding process.

Mr. Gertson owns ELC Internet Service, Inc., (ELC), a company incorporated in Texas in September of 1998 (Service Provider Identification Number: 143016582). In Mr. Gertson's affidavit (attached), he confirms that he has never been listed as the contact person on any FCC Form 470, nor has he ever been involved in collecting, evaluating or awarding bids for any services for which RCISD has received E-rate discounts. Although Mr. Gertson works for RCISD, therefore, there is no evidence or reason to believe he used his position to influence the district's choice of service provider.

All of the FCC Form 470s that the district has completed since 2000 have identified Tamara Campbell, an independent E-rate consultant who does not provide any E-rate eligible services, as the contact person (Ms. Campbell is not now, nor has she ever been, an employee of CRW Consulting, LLC). The district's 1999 FCC Form 470 (#857840000149037) listed "Denise Damian, c/o Mitchell Engineering"¹ as the contact person.

¹ To the best of CRW Consulting's knowledge, Mitchell Engineering was involved as the contact person, to help determine the specific technical needs of the district, but never bid on any E-rate eligible project.

Internet Service in Rice CISD

Before the E-rate program began, Docs Computer Service was providing Internet access to the district. Mr. Gertson was an employee of Docs Computer Service prior to 1998. Mr. Gertson was hired by the district in 1998 by then-superintendent, Dr. Richard Gott.²

On his first day of employment as technology coordinator for RCISD, Mr. Gertson was given instructions as to what the district's vision and needs were by the Superintendent, Dr. Richard Gott (see Gertson affidavit). Dr. Gott believed that RCISD, as a rural, somewhat remote district, would need to rely heavily on technology as a means of communication, information, and even as a means of providing educational opportunities.

Wide Area Network

Gott informed Gertson that he desired a wireless Internet access solution. He also saw the need for additional bandwidth in the future for that Internet access. In fact, as early as September 1997 (before Ralph was hired), Dr. Gott had commissioned Mitchell Engineering to draft a "Wide Area Network Needs Assessment," a copy of which is included with this report. This document clearly demonstrates that the district was looking for additional bandwidth and for a potential wireless solution at least one year before Mr. Gertson was hired by the district, and before Mr. Gertson started his own company. Although the district did not immediately implement a wireless Wide Area Network solution, discussions were ongoing among Dr. Gott, E-rate consultant Tamara Campbell, and Ralph Gertson about the WAN solution. In the meantime, beginning in 1999, ELC began providing Internet access to the district via T1 lines.

The technology plan that RCISD has used has been driven by the needs dictated by Dr. Gott (wireless solution and additional bandwidth). While Mr. Gertson has helped develop and write the technology plans, he acted in an effort to implement the desires of the superintendent as set forth to him on the first day of Mr. Gertson's employment. As the years went past, discussions about wireless service continued, with an eye toward writing wireless access into the three year technology plan for 2003-2006. According to Mr. Gertson's affidavit, Dr. Gott, instructed their E-rate consultant, Tamara Campbell, to list wireless Internet access on the upcoming FCC Form 470 in 2002.

Compliance with the Procedures

Beginning with the district's 2000 Form 470 and ending with its current 2006 form, Tamara Campbell has been listed as the main contact person. According to Tamara's affidavit, during that entire time period, no other company aside from ELC bid on the services that ELC ultimately wound up providing to the district (see attached list of FRNs/bids awarded to ELC). ELC was the exclusive bidder on all of the listed FRNs, and

² Richard Gott is no longer the superintendent of RCISD. He retired several years ago.

the district, specifically Dr. Gott, decided to go with ELC on those referenced FRNs. As noted above, RCISD is a rural district, with low visibility to potential vendors of any kind, especially with regard to technology. It did not strike the district as unusual that only one vendor would seek to provide internet service and that this vendor would be a local vendor. It believed, since it had posted the Form 470 as required by the regulations, that it was in compliance with the USAC requirements.

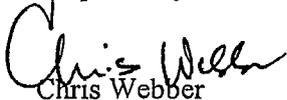
Considering the recent, additional scrutiny that USAC is placing on wide area networks provided under the "Internet access" category CRW has also asked the district to confirm that only basic, conduit access to the Internet is being provided by this WAN. This confirmation is included in Mr. Gertson's affidavit.

Conclusion

As evidenced by this report, Rice Consolidated ISD is committed to ensuring the integrity of the E-rate program. It initiated this report in order to obtain authoritative guidance from USAC about its actions to date and how it should proceed in the future. Pending a response from your office, the district has refrained from submitting Form 472 for funding provided in the 2005 year. *In the event guidance is not forthcoming on or before October 29, 2006, RCISD (FRN# 1139009) respectfully requests a waiver of the deadline for filing form 472.*

Thank you for your consideration of this report. We look forward to your response. If USAC needs any additional information, please do not hesitate to contact me or Carolyn Hanahan (713-960-6010) with any questions, comments, or concerns.

Respectfully,



Chris Webber

Owner

CRW Consulting, LLC

918.445.0048

chris@crwconsulting.com

www.crwconsulting.com

AFFIDAVIT OF RALPH GERTSON

STATE OF TEXAS §
 §
COUNTY OF COLORADO §

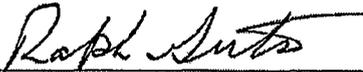
BEFORE ME, the undersigned authority, on this day personally appeared RALPH GERTSON, who, being by me duly sworn on his oath deposed and stated as follows:

1. My name is Ralph Gertson, and I am a resident of Colorado County, Texas. I am over 21 years of age and have never been convicted of a felony or a crime involving moral turpitude, nor have I ever been adjudged incompetent. I am duly competent and qualified in all respects to make this Affidavit from my own personal knowledge, and all statements in this affidavit are true and correct.
2. I am currently employed as Technical Coordinator for Rice Consolidated Independent School District (RCISD). I have held this position since 1998.
3. I have never been involved in collecting, awarding or evaluating any bids from any service provider to RCISD as the result of RCISD posting a FCC Form 470.
4. I have never been listed as the contact person on any FCC Form 470 submitted by RCISD.
5. The company that I previously worked for, Docs Computer Service, provided Internet access services to RCISD before my employment at RCISD.
6. On the first day of my employment at RCISD as the Technology Coordinator, the then-Superintendent of the district, Dr. Richard Gott, explained to me the technological needs of the district. Dr. Gott specifically explained that two of his highest priorities for the district were to a) increase bandwidth to the Internet and in between our campuses and b) the

potential need for a wireless Wide Area Network (WAN).

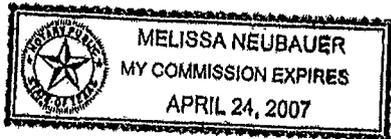
7. The wireless WAN that my company, ELC Internet Services Inc., is currently providing to RCISD is for basic, conduit access to the Internet. This WAN does not provide for the direct exchange of data or video transmissions from point to point.
8. I have read this affidavit and it is true and correct and all statements therein are within my personal knowledge.

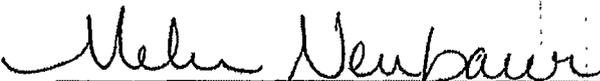
FURTHER AFFIANT SAITH NOT.



RALPH GERTSON

Subscribed and sworn to before me, the undersigned authority, this 28th day of August, 2006.





Notary Public in and for the State of Texas

AFFIDAVIT OF TAMARA CAMPBELL

STATE OF TEXAS

§

COUNTY OF BRAZORIA

§

§

BEFORE ME, the undersigned authority, on this day personally appeared TAMARA CAMPBELL, who, being by me duly sworn on his oath deposed and stated as follows:

1. My name is Tamara Campbell, and I am a resident of Brazoria County, Texas. I am over 21 years of age and have never been convicted of a felony or a crime involving moral turpitude, nor have I ever been adjudged incompetent. I am duly competent and qualified in all respects to make this Affidavit from my own personal knowledge, and all statements in this affidavit are true and correct.
2. I have been listed as the main contact person for all FCC Forms 470 filed on behalf of Rice Consolidated Independent School District (RCISD) beginning with 470 Forms filed for the 2000 funding year, through the current Form 470 for the 2006 funding year.
3. I am self-employed and do not offer any services that are considered to be eligible E-rate services.
4. In the time I have been listed as the main contact person on RCISD's Forms 470 (program years 2000-2006), I have received, from the RCISD business office, bids each year for Internet access and equipment only from ELC Internet Services, Inc. ELC was then ultimately awarded bids/contracts to provide these services. I was not contacted by any other vendor for these services, nor did I receive bids for any other vendor.
5. I have read this affidavit and it is true and correct and all statements therein are within my personal knowledge.

FURTHER AFFIANT SAITH NOT.


TAMARA CAMPBELL

Subscribed and sworn to before me, the undersigned authority, this 14 day of
September, 2006.


Notary Public in and for the State of Texas



10/13/97
Meeting

No Action taken

EXHIBIT #7

MITCHELL ENGINEERING

Telecommunications Consulting, Design and Project Management
706 West Phillips
Angleton, Texas 77515
(409) 848-1375 Fax: (409) 848-1887
1-800-364-2193

September 23, 1997

Rice Consolidated Independent School District
Dr. Richard E. Gott, Superintendent
PO Box 338
Altair, Texas 77412-0338

Re: **Wide Area Network Needs Assessment**

Dear Dr. Gott,

Thank you for the opportunity to provide this needs assessment. Personally it has been an opportunity to update myself and my staff on what is available for wireless networking. Also, we have encountered an opportunity because the Federal Government (FCC) has released control of some microwave frequencies and entrepreneurs have stepped in to provide systems specifically for ethernet at approximately half the cost of conventional microwave. We have requested and received information from conventional (FCC Licensed Spectrum Microwave Providers) and providers who are making use of unregulated frequencies. It is a large economic advantage for you to use the unlicensed spectrum, as you will see.

This needs assessment is organized to first provide a summary and recommendations, then provide the documents which comprised our basis of request and finally to show you the actual responses we received from several vendors. The responses from several vendors had to be pieced together to provide your needs assessment with responsible accuracy.

We have evaluated several possibilities including using nearby water towers, etc.; though, the simplest solution appears to provide a new 100 to 120 foot tower at each location which minimizes the need for additional radios, antennas, electrical modifications and environmental protection. The business logic is simple in that the repeater radio system costs more than the tower.

| | |
|--|-----------|
| • Administration Building | |
| 1. Tower 120 ft. Self supporting | \$ 3,250 |
| 2. 3 each 2.4ghz radio/Airlan Bridge Package | \$29,685 |
| 3. 3 each 100 ft. Cable extensions | \$ 750 |
| 4. 3 each Directional Antennas | \$ 2,955 |
| 5. Cisco 2514 router | \$ 3,200 |
| 6. Installation, cabling, path testing | \$ 7,500 |
| • Eagle Lake Middle School | |
| 1. Tower 120 ft. Self supporting | \$ 3,250 |
| 2. 2 each 2.4ghz radio/Airlan Bridge Package | \$19,790 |
| 3. 2 each 100 ft. Cable extensions, | \$ 500 |
| 4. 2 each Directional Antennas | \$ 1,970 |
| 5. Cisco 2501 router | \$ 2,700 |
| 6. Installation, cabling, path testing | \$ 6,000 |
| • Eagle Lake Primary | |
| 1. Tower 120 ft. Self supporting | \$ 3,250 |
| 2. 1 each 2.4ghz radio/Airlan Bridge Package | \$ 9,895 |
| 3. 1 each 100 ft. Cable extensions | \$ 250 |
| 4. 1 each Directional Antennas | \$ 985 |
| 5. Cisco 2501 router | \$ 2,700 |
| 6. Installation, cabling, path testing | \$ 4,500 |
| • Garwood Elementary | |
| 1. Tower 120 ft. Self supporting | \$ 3,250 |
| 2. 1 each 2.4ghz radio/Airlan Bridge Package | \$ 9,895 |
| 3. 1 each 100 ft. Cable extensions | \$ 250 |
| 4. 1 each Directional Antennas | \$ 985 |
| 5. Cisco 2501 router | \$ 2,700 |
| 6. Installation, cabling, path testing | \$ 4,500 |
| • Sheridan Elementary | |
| 1. Tower 120 ft. Self supporting with base | \$ 3,250 |
| 2. 1 each 2.4ghz radio/Airlan Bridge Package | \$ 9,895 |
| 3. 1 each 100 ft. Cable extensions | \$ 250 |
| 4. 1 each Directional Antennas | \$ 985 |
| 5. Cisco 2501 router | \$ 2,700 |
| 6. Installation, cabling, path testing | \$ 4,500 |
| Expenses | \$ 5,600 |
| Contract subtotal | \$151,890 |
| Engineering and project management 6% | \$ 9,110 |
| Engineering Travel | \$ 1,500 |
| Budgetary total | \$162,500 |

The closest conventional licensed microwave approach was \$297,305 which did not include routers, engineering nor contingency.

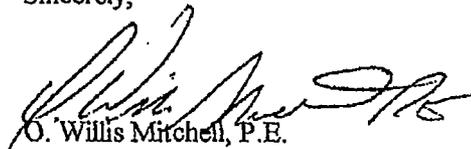
Our recommendation is to propose the budgetary total for project funding to the school board. The prices we have used are MSRP or list prices and we anticipate gaining a savings of at least 20% in the competitive bid process so that additional contingency does not appear necessary.

The overall scope is to provide the equipment and installation for a Wireless Wide Area Network between the Administration Building and three outlying locations (Sheridan Elementary, Garwood Elementary and either Eagle Lake Middle School or Eagle Lake Primary). Connection is also included between Eagle Lake Middle School and Eagle Lake Primary. Our estimate includes a full equipment listing and installation along with cost. The budgetary numbers have a -0% and +25% accuracy.

Due to the nature of this project being major equipment purchase and specialized engineering we can provide complete engineering and project management at 6% of the project total rather than the standard 12% as applied to wiring and infrastructure projects. Our services includes development of public notices, RFPs, specifications, recommendation, punch lists, testing and acceptance. We also handle all the administrative functions and foot work, with your input and direction on major decisions. Timing for this project is approximately 120 days from your request.

We hope this meets with your approval. Thanks again.

Sincerely,



O. Willis Mitchell, P.E.

sg

