

Business Operations
Ofelia San Pedro, Deputy Superintendent

SUBJECT: AWARD REQUEST FOR BID (RFB) – UP TO \$50,000,000 FINANCING OF TECHNOLOGY PROJECTS ACQUIRED UNDER MASTER TECHNOLOGY LEASE AGREEMENT AND APPROVE RESOLUTION 07-27 MASTER TECHNOLOGY LEASE AGREEMENT, AUTHORIZING THE EXECUTION, DELIVERY, AND APPLICATION OF PROCEEDS

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

**LINK TO DISTRICT
STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES**

Award up to \$50,000,000 Master Technology Lease for Instructional Technology Updates Projects to SunTrust Leasing Corporation based on the lowest cost of funds bid of 74% of 5 year AA-Swap rate (3.73% indicative rate as of May 2, 2007, which is comparable to COP financings). The District achieved the primary objective of saving COP capacity for Facilities Comprehensive Needs. Prioritizing Facilities Comprehensive Needs is a critical component of the District Capital Outlay Program since these needs have been deferred as a result of the need to locally fund the Class Size Reduction Amendment instructional space needs. In addition, the \$50 million Master Technology Lease is being structured similarly to the Line of Credit with semi-annual reimbursements/draws for funds already spent without additional cost to the District for commitment/unfunded fees. Costs related to credit enhancements and cross default terms applicable to COP financings do not apply as well.

The issuance of the RFB for up to \$135,400,000 was approved by the Board at the April 18, 2007 Board Meeting. Included in the RFB was the up to \$85,400,000 for the Enterprise Resource Planning (ERP) Project, see Attachment A also included with Agenda Item E-26 at the April 18, 2007 Board Meeting. The recommendation for the ERP Project award will be included with the Agenda Item awarding the contracts to the Software Provider and the Implementer.

A Request for Bids (RFB) for the \$50 million Master Technology Lease for Instructional Technology Updates Projects was sent to 11 firms and on May 2, 2007 five bids were received from the following financial institutions:

Chase Equipment Leasing Inc.
IBM Global Financing
Morgan Keegan & Company, Inc. (subsidiary Regions Financial Corporation)
SunTrust Leasing Corporation
Wachovia Bank, NA

It is requested that the School Board approve Resolution 07-27, Master Technology Lease Agreement, Authorizing the Execution, Delivery and Application of Proceeds.

Each semi-annual reimbursement/draw-leasing schedule will have a five-year lease term and the rate will be set as of the prior week ending 5 year Treasury Federal Reserve H.15 published index. It is estimated that there will be 2 to 3 semi-annual reimbursements/draws beginning on June 28, 2007 with an initial estimated reimbursement/draw of approximately \$15 million. No arbitrage liability calculations or escrow accounts will be required. Estimated Cost of Issuance will not exceed \$50,000.

RECOMMENDED: That the School Board of Miami-Dade County, Florida:

- 1) award \$50,000,000 Technology Projects Acquired under a Master Technology Lease Agreement to SunTrust Leasing Corporation; and
- 2) approve Resolution 07-27 authorizing the execution, delivery, and application of the proceeds of up to \$50,000,000 Master Technology Lease Agreement.

MASTER TECHNOLOGY LEASE PROJECT LIST

PROJECTS	COST
Computer Hardware for classrooms to provide Equitable access to technology resources across schools	\$ 23,800,350
Textbook Inventory system software and hardware	500,000
Software support for instructional programs such as Read 180, Plato Learning, and SuccessMaker	2,000,000
Edusoft licensing - Interim Assessment Program to provide a district-wide automated data collection and reporting tool	2,350,000
Vulnerability Management - BigFix addition to Master License Agreement	649,650
Instructional Software Licensing such as RiverDeep, Plato Learning, and Virtual High School Courseware	4,200,000
Software License renewals, support of school site email access, Wide Area Network (WAN) access and Local Area Network Access	1,126,455
Cognos Budgeting System	1,110,716
Food Service FORMS Project (Food Ordering, Receiving, and Management System)	450,000
Purchase network infrastructure for schools to support the recommendation in the IT Blueprint	864,663
School-Site Firewall Protection (Tipping Point) and Additional Tipping Point Core Device	1,021,647
MDS SAN End Fabric Switches	807,979
HP XP SAN Storage Device	1,298,641
Upgrade Data Backbone to 1 Gigabit at 150 School Sites (110@ \$ 27,767.91)	2,604,471
Software, Hardware and Equipment utilized by IT Technicians	106,800
Services, Equipment and Software Licenses required to implement the Portal Strategy	3,421,214
Gradebook implementation - Computer Hardware and Stations	17,700
Equipment and Services required for developing and improving data warehouse	961,114
Resize Mainframe and Components	2,400,000
Purchase Network Intelligence Device	308,600
Subtotal	\$ 50,000,000
ERP System, Software Hardware, and Implementation Support	85,400,000
Total	\$ 135,400,000