

PRDE FY012 Pre-Proposal Vendor Conference

Re: E-Rate RFP SF (OC) 2011-017

PRE-PROPOSAL CONFERENCE

DATE: February 17, 2012

TIME: 10:00 a.m.

PLACE: Commonwealth of Puerto Rico
Department of Education
Legal Division
150 Federico Costa St., 1st.Floor
San Juan, Puerto Rico

PRESIDENT: JORGE TORO-McCOWN
E-Rate Director

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PROCEEDINGS

MS. CRAWFORD: "Buenos días y gracias a todos por su participación en esta reunión pre-propuesta..."

"¿No se escucha? OK."

(Off the record.)

(Back on the record.)

MS. CRAWFORD: "Primero les pido que apaguen sus teléfonos, por favor."

Can everyone, please, turn off their cell phones?
Thank you.

Well, welcome again. I recognize a few faces from our last conference here.

"Reconozco algunas caras de nuestra última reunión. Bienvenidos a todos."

My name is Marisa Crawford, I am the operations manager for Wynndalco Enterprise here in Puerto Rico.

"Mi nombre es Marisa Crawford, soy la directora de operaciones aquí en Puerto Rico para la compañía Wynndalco."

On behalf of the Wynndalco team, I first want to thank the Puerto Rico Department of Education for its commitment to transparency in achieving and best breed of services for Puerto Rico's public schools, specially E-Rate director, Mr. Jorge Toro, whose diligence has been a driving force of our program, as well as the Department's chief information officer, Ms. Marie Ortiz, whose long hours of work

have been essential to the success of the program thus far.

"En nombre del equipo Wynndalco quiero dar las gracias, primeramente, al Departamento de Educación de Puerto Rico por su compromiso con la transparencia en el logro de los mejores servicios para las escuelas públicas de Puerto Rico. Especialmente el director de E-Rate, Jorge Toro, cuya diligencia ha sido una fuerza impulsora del programa, así como la directora ejecutiva de la oficina de sistemas de información, Marie Ortiz, cuyas largas horas de trabajo han sido esenciales para el éxito del programa hasta el día de hoy."

In partnership with the Department, Wynndalco Enterprises has made every effort to assure that the E-Rate program here in Puerto Rico is a model of transparency.

"En colaboración con el Departamento, la empresa Wynndalco ha hecho todos los esfuerzos posibles para asegurar que el programa E-Rate aquí en Puerto Rico sea un verdadero modelo de transparencia."

Representing the company here today is vice president of operations Samantha Gregory, E-Rate director Elaine Williams, E-Rate legal counsel Evangeline Levison, E-Rate coordinator Teresa Rodríguez, and attorney and E-Rate consultant Melanie Younger.

"Los representantes de la empresa Wynndalco presentes el día de hoy son la vice presidenta Samantha Gregory, la

directora de E-Rate Elaine Williams, la asesora legal de E-Rate Evangeline Levison, la coordinadora de E-Rate Teresa Rodríguez y licenciada y asesora de E-Rate Melanie Younger."

Together with the Department we have put forth every effort to provide the very best breed of services for the schoolchildren of Puerto Rico.

The request for proposal being discussed today has been prepared with the utmost commitment to a competitive and fair bidding process, to acquire the highest standard of services for the Department.

"Junto con el Departamento, todos los esfuerzos posibles para proporcionar los mejores servicios posibles para los estudiantes de Puerto Rico, la solicitud de propuestas que se discute hoy ha sido elaborada con el máximo compromiso para un proceso de licitación competitivo y justo para adquirir el más alto nivel de servicios para el Departamento."

I now have the pleasure of introducing the Department of Education's E-Rate director, Mr. Jorge Toro.

"Ahora tengo el placer de presentarles al director del programa de E-Rate, Jorge Toro."

MR. TORO-McCOWN: "Buenos días", good morning.

(Far from microphone.) My name is Jorge Toro, some of you already know me. I am also the E-Rate director, so ---- (Unintelligible.) I am a lawyer and E-Rate director ---- and --- - last time. I'm just trying to help the Department steer this

E-Rate program into the right direction. We have some--- eh--- maybe 7 or 8 years we have been--- we have dealt with several situations, but basically we are now on what I call a crossroads.

It's a crossroads for the E-Rate program here because we have to take this program to the right direction to achieve our goal and the driving force of this program is to continue, with you, it's the Wynndalco team, we are trying to achieve and get the children of Puerto Rico to have the same assets, to have the same level of technology, ---- (Unintelligible.), access, whatever, as those children in Chicago, Dallas, North Carolina, the same level in children of Ponce, San Juan, Las Piedras; and, basically, that's why we are here.

We are working together, we need you, we need good vendors. That's why we hired the best, really, I have to say, I feel blessed, I have the best team; we hired the E-Rate consultants, really, the best of the best.

Wynndalco is a company that has been working with me and we are a driving force, and what we really want to achieve here is to give the opportunity to our children, like I told you before, to be at the same level of the children in the United States.

We are working closely with USAC to recover some funds. At the same time, that's the recovery phase, we are in the compliance mode also, we are trying to show them that we

are in compliance with their requests. And at the same time, working with the highest team, we have the second pre-bid conference, and believe me, if you ---- (Unintelligible.) work, and I am learning, from them, I want to learn a lot from you and, believe me, I am very happy with standing here in front of all of you, serious vendors, because we want to have an open, fair process, I can guarantee you.

So please, listen to what--- Wynndalco team, we have Elaine Williams, and we have Ms. Evangeline Levison. They are excellent E-Rate experts.

So, with that said, I wish you luck, and hopefully, ---- (Unintelligible.) we're going to have the best ---- , OK.?

Thank you, thank you.

Evangeline?

MS. LEVISON: Thank you. Good morning, I'm Evangeline Levison, legal counsel with Wynndalco Enterprises.

Marisa, I--- if you could assist me for one minute, I'd like to confirm whether or not--- I'd like to conduct this in English.

MS. CRAWFORD: Sí. Si alguien tiene algún problema, si se toma... Bueno, vamos a conducir la reunión en inglés si no hay problema. ¿No? Gracias.

MS. LEVISON: Thank you very much.

I am going to address today the contract compliance requirements of the RFP and the process that is being utilized

for the issuance of this RFP.

There are a few housekeeping matters I'd like to begin with before I actually get into the contractual terms.

The first thing is, everyone notices that we have a court reporter here, we are taking court reporter minutes of this meeting so that there will be an accurate recording of everything that is said here today and we are going to post those minutes, both in English and Spanish, on the PRDE website.

One of the things--- The major focus here is open and a fair, competitive process. I'm going to discuss the things that we are doing to make sure this process is open, fair, and competitive, that this conference is not a mandatory conference, it's a voluntary conference. The turnout is outstanding, we are really happy to see so many vendors here, but to ensure that everyone has the same access to the same information, these minutes will be posted.

This pre-bid--- this pre-proposal conference is going to cover the procedural process that we've used for the RFP, the scope of the work, and we will also be addressing the questions that were submitted by the February 14th 2012 deadline.

Those are the items that we're going to address here today.

Since this pre-proposal conference was not mandatory,

and to ensure that no one has an advantage over anyone else, we are only going to allow additional questions to be asked that relate to follow-up for the questions that were submitted by February 14th.

So no new questions, only questions that are in follow-up to the questions and answers you have now.

To get through the entire process rather quickly and efficiently, I'm asking that you hold your questions until we get to section five of the agenda.

Everyone has been provided index cards, we don't want you to forget your questions, we're going to cover a lot of material, please feel free to use the index cards to write down your questions or thoughts, on follow-up, and when we get to that section, they'll refresh your memory.

I'd also like to make sure everyone understands that there will be no new decisions made at this RFP conference today. Any changes that may occur, if any, to the scope of work or the process will be addressed after this meeting and those decisions would be posted on the website for everyone to review.

I cannot emphasize enough how important it is for everyone to regularly and constantly check the PRDE website for updates, new information, and addendums.

As vendors and proposers you are responsible for downloading all of the documents and addendums. And I want to

remind everyone that in the RFP it indicates that the cover letter must include a statement from the proposer that says that you have received and reviewed all of the amendments that have been distributed on the website. Do not leave that out of your cover letter. And that makes it even more important for you to continually check the website.

And one other matter before we move on, in the housekeeping area.

There is only one contact person, there's only one person that proposers are allowed to have communication or contact with throughout this entire process. We want to ensure that the information given to you is accurate and we want to assure that it is--- everyone has access to exactly the same information.

Therefore, from the date of the issuance of this RFP until the date that the contract is awarded, the only person that you are to contact at PRDE regarding this proposal is Mr. Jorge Toro, the E-Rate director for the district.

Anyone violating this requirement and reaching out and having contact with IT or any other representatives of the school district may result in your disqualification from participation in this process. So this is a very, very, very serious requirement.

One other thing. If you communicate with Mr. Jorge via email we would ask that you submit your communication both

in English and in Spanish. That will expedite your response time.

OK., now, we move on to talk about the competitive process itself.

The overall objective of this RFP is to obtain highly qualified, cost effective, E-Rate eligible internal connections providers.

I indicated that we are stressing that this process be open, and fair, and competitive. It has been designed to be in compliance with all of the E-Rate requirements as well as all of the requirements of the Department of Education.

I am a contract compliance administrator and attorney. The Wynndalco Enterprises' teams consist of a number of attorneys and it has been, in fact, designed to make sure we are in compliance with all of the requirements.

This RFP is an RFP, it is not a formal bid. It is a competitive process but it is not the formal bid process.

And I wanted to call your attention to Regulation 70 40, which is the Regulations for Acquisitions, Sale, and Auction of Goods, Works and Non-Personnel Services. Regulation 70 40 specifically provides, at Section 13.3.3.1.1.4 --that was Section 13.3.3.1.1.4 of Regulation 70 40-- specifically provides that for E-Rate good and services you do not have a formal bid, an RFP process may be used as long as it is a competitive process.

So we are in compliance with that aspect of the Regulations.

Now, the participation that we have today we believe is evidence of the attempts that have been made to keep this process open and fair.

I just wanted to review with you very quickly the steps that have been taken, and are being taken, to assure that.

The RFP was advertised on February 8th in two newspapers, and it was advertised in both English and in Spanish. It was also, at the same time, posted on the PRDE internet site. And at the same time, the E-Rate form 740 was posted on the USAC.

In addition, vendors were provided an opportunity to submit their questions regarding the RFP, and answers are being provided to you today in writing. And since this is a voluntary process, for those who are not here today, the answers to those questions are, as well, going to be posted on the PRDE website.

We are having a RFP pre-proposal conference, it's not mandatory, but we felt it was essential to the process, and that's why we are holding it.

We have limited the contact to the E-Rate director.

The RFP is very specific, it identifies the criteria that's going to be used for vendor selection.

And today you will be getting more details on the

vendor selection criteria from Elaine Williams, the E-Rate director for Wynndalco Enterprises.

And in addition, an independent three person committee, evaluation committee, has been formed for the purpose of reviewing your proposals.

No personnel from the school district, IT department will be serving on that committee. Although the IT department personnel will be available to assist them with any technology questions they will have. They will not be on the committee and they will not have a vote because they work directly with vendors.

In addition, no representatives from the consultant-- Wynndalco Enterprises-- will serve on that committee. Although the consultant will be available to address their questions and to assist them, if it's needed.

All decisions made are going to be documented and posted on the website.

All the proposers that will be submitting letters of intent to participate in this process will be posted on the website, and I'll address that shortly.

And the name of all the vendors who will actually--- who have actually submitted proposals by the deadline, upon expiration of the deadline to propose, all of the vendors' names who actually submitted proposals, will also be posted on the website.

You are also required, in this proposal, to disclose who your subcontractors and the percentage of work that is going to be delegated to them, for purposes of full disclosure.

And any vendor that is--- Any vendor can be disqualified, and will be disqualified, if there is proof of collusion or any misconduct.

And the last item on this is that there is an appeal process, once the decision has been made, should a vendor so elect.

So, those are the safeguards and the things that have been put in place to make sure that we have an open and fair process. But that's a two-way street. It is equally important that the vendors conduct themselves with the utmost integrity in this process.

There are a number of provisions in the RFP --and I will go through them very quickly for you-- that address this issue.

The Federal False Claims Act, which prohibits the making of any false claims, which includes knowingly submitting a false claim, an invoice, or a statement for payment. You will find that at section 3.19B, Compliances Required.

Another provision is the Commonwealth of Puerto Rico Code of Ethics for Contracts--- Contractors and Suppliers. You will find that at Section 3.19E.

Vendors as well as subcontractors are not permitted

to present any services for work prior to the execution of a contract, and you are not allowed to perform any work after the expiration of the contract.

The RFP also contains a provision at Section 3.21, which has a prohibition against gifts or gratuities, which is very self-explanatory.

Vendors are required to have FCC registration and E-Rate SPIN numbers. You must be in good standing with the Department of Education and the FCC, and you will find both of those requirement provisions at 3.19.

You are expected, both the vendors and sub-contractors are expected to remain in compliance with the FCC throughout the entire contractual process.

There is also a provision in the RFP, at Section 3.34, regarding conflict of interest with the PRDE. All vendors will be required to agree that during the performance of services, to act in a professional and ethical manner, which includes neither having or representing any adverse interest to the Department.

All vendors, at Exhibit G, are required to execute a no collusion affidavit. It is an exhibit; it must be submitted with your RFP.

And you will also find, at Section 3.28, a prohibition against discrimination during the term of the contract and any renewal or extensions. Vendors shall not

refuse to hire, or discharge, any individual based on race, color, ancestry, religion, sexual orientation, military status, and more.

And those are the preliminary items we wanted to cover.

Let's talk now about--- Is everybody with me in where we are now? OK.

We're going to talk about the proposal submittal process.

A mandatory --mandatory-- letter of intent to propose is due to the district by March 2nd. 2012. Vendors who do not timely submit the letter of intent will not be allowed to participate in the proposal process.

The letters of intent must be addressed and delivered specifically as set forth in the RFP.

Vendors may deliver the letter of intent by hand delivery to the Department. If you deliver the RFP by hand you'll, in fact, receive a receipt that you have filed your proposal.

You may submit your proposal via mail, but you are encouraged to, if you are submitting it other than by hand delivery, to have some kind of proof of delivery to the district, whether it's overnight courier, via signature.

That's not mandatory but we're encouraging that so that, at all times, if something were to happen, a proposal

didn't make it from the mail room, we would be able to, with your assistance, to track your proposal.

All letters of intent, as I indicated, that are timely received by the proposers will be posted on the PRDE website, so everyone will now who the pool of vendors will be that will be competing in this process for internal connections.

Proposals are due by March 9th 2012 at 10:00 a.m. and late proposals will not be considered for award.

The contract period for this proposal is fifteen months; it begins on July 1st. 2012 and it ends on September 30th. 2013.

You must submit one original and seven copies, and they are to be in English. One original, seven copies, in English.

The seven copies that you submit, you can submit them on CD, via paper, disk, or JumpDrive. The district will accept them in any of those formats, and that is included in the RFP. They must be sealed.

And we are encouraging you, to make sure everything gets to the right place, we are encouraging you to put the RFP number on the front of the envelope.

Also, you will find in the RFP, at Exhibit D, a document entitled: "Minimum Proposal Submittal Requirements", and that document lists for you --at Exhibit D-- everything

that has to be mandatorily included in your proposal to make sure, as a checklist, that you don't leave anything out.

Proposers are one hundred percent liable for all of your costs and expenses in the preparation of your proposal and the district is not liable for any of those costs and expenses; they are yours, including any cost that you may have incurred for attendance at this voluntary conference today.

Proposers will be required to meet all of the eligibility requirements in the RFP regardless of whether or not we specifically address them today. It is impossible to address everything in a lengthy RFP, so you are reminded that although we are only highlighting certain items today you are still responsible for full compliance with all of the requirements that are set forth.

You are also required to comply with all local, state, and federal procurement and certification requirements to be eligible for the contract award.

The contract also provides--- requires a proposal guarantee of twenty percent of the total proposal cost. Your proposal guarantee can be in the form of--- a irrevocable letter of credit, money order, certified check, or it may be a bond issued by a surety company.

There are --as I indicated-- a number of other provisions in the RFP that you need to pay attention to. I'm not--- They are very standard, but I will highlight them and

tell you what section to find them out.

School and personnel safety policies are found at section 4.16. The PRDE standards are posted on the site.

You will find the insurance requirements that must be addressed, you will find them in two places in the RFP, at Section 3.27 and in Exhibit C to the RFP.

You are required to include certain key contract commitments and warranties in those agreements. Make sure they are attached.

Vendor protest section. Vendors protesting the award, the protest process, is found at Section 9.17.

And there are tax regulations that would have to be met if you were awarded a contract, and you will find those at Section 3.36.

When you arrived at the pre-proposal conference this morning you should've also been tendered a written copy of the questions and answers. I am presenting to our court reporter now the questions and answers and ask that he attach them to the transcript, which will be posted in English and Spanish on the website.

And if you haven't had an opportunity to look at those, I would ask that you look at those now. We have three members from the IT technology--- the IT team for the district that are here to address any follow-up questions you have to those answers. We have Víctor Ortiz, we have Francisco Alonso,

and we have Neftalí Ojeda.

And if you would just take a minute and look at those answers, the technology team will step forward and they will address any follow-up questions that you have to those answers. And if you have any questions we would ask that you state your name and the company that you are with before you raise your question.

Are there---? We'll give you a few minutes to look at that, unless you're ready to begin now.

(Pause.)

Are there any questions? Follow-up questions to the questions and answers?

(Brief pause.)

OK. At this time Elaine Williams, E-Rate director for Wynndalco, will come forward and discuss with you the selection criteria.

I'm sorry, I believe I said 740, it's 470, for the record.

MS. WILLIAMS: Got it. Form that was posted, for those of you that don't know.

MS. LEVISON: Regulation---

MS. WILLIAMS: No, no, 740. And the form, the E-Rate form that she was referencing that was posted at the same time as the RFP was issued, just so that everybody's clear --we don't want any confusion, some of you we know are new to the

program-- it's form 740.

The reason that she was a little confused is the regulation that also controls procurement here for Puerto Rico is 70 40; so it's 470, she said 740. The form is the form 470, so all of you should've seen that and it's what identifies that this RFP has been issued and that you would be submitting your proposals pursuant to both--- that part of the E-Rate program.

So anyway, let me back up a little bit. Good morning, my name is Elaine Williams, I'm glad to see you all here.

I'm going to take some time and talk about, today, the E-Rate program itself and, I think, what's going to be really important to all of you, is how the decision's going to be made, who the service providers are going to be and how they will be determined this year.

Wynndalco was brought in, as you've heard several times this morning, and some of you are familiar faces from our pre-proposal conference last week; you've heard that the whole objective here is to establish a process that will result in a fair and open, competitive process so as many vendors have an opportunity to come to the table. No one will be excluded, whether it is a current incumbent, a past provider, or new people to the program.

So what our job has been, and which is why we have lawyers on the team, and ---- (Unintelligible.) people and experts, our job has been to craft a system here, specially for

a district, a territory this large, that, as we would ask of your solutions, is scalable. Not every process works in every territory the same.

Puerto Rico, similar to the Virgin Islands, operates more--- almost on a federal organization level. Most school districts stateside, for example, I was a CIO for Chicago Public Schools, it's a relatively central and autonomous process where we post form 470's, we issue RFP's, the board of education reviews the recommendations of the evaluation committee, the superintendent says: "This looks good", the board says: "It looks good", you sign it and you go.

Here, the Puerto Rico Department of Education, as I said, like in the Virgin Islands, they are state agencies and local education agencies. And often, then, the quote, unquote, bureaucracy, is much more cumbersome to maneuver.

And given the conditions that are often placed on the agencies in this territory, trying to comply and meeting with all of the E-Rate--- is complying with all of the E-Rate requirements can be very, very difficult.

So our job is to--- has been to create a system that will assist the Department and the government to navigate these very complex and cumbersome rules.

In this particular territory there are a number of conditions that, or procurement conditions, that are not imposed in stateside school districts.

For example, here--- even just the process, just so that you understand, the steps that have had to be taken for this date to happen, and for last week to happen, and for these opportunities to be made available to all of you and any others that are interested in bidding.

For the notice of the RFP to be published in a newspaper, because it's an election year, it had to be approved by an election board. Also it has to be signed by the Secretary of Education. And, as you know, most newspaper legal notices require two to three ---- (Unintelligible.) day notices.

The process just to get notices in the newspaper for the RFP's took, on average, between one to three weeks. That's an additional period of time that has to be tacked on to being in a school district stateside.

Also, the membership of the evaluation committee and the procurement rules here, if you have an opportunity you should familiarize yourself with the Puerto Rico procurement guidelines, it's about a hundred pages.

And so we've also had to work with the Department to find a way to take and make sense out of the procurement rules and bring full compliance to those rules and bring full compliance to E-Rate and have a system that makes sense for the territory.

And given some of the difficulties the territory has experienced with respect to the E-Rate program over the years,

and it's all very public information, so the Department doesn't want to make any mistakes, they want that whatever the adverse perceptions that may still linger from prior experiences, prior administrations, that those issues be affirmatively resolved and that a new process be put in place, that is an effective and fair process that can be followed, and is, basically, what we would like to say, is judgement proof.

So that's what our job has been--- primarily the Wynndalco, and we will continue to advise throughout the process.

And also one of the things we will do is work with selected service providers as well, to ensure that you understand what the demands and the compromise--- alternatives are available to you.

The goal of the Department is not to make the process more cumbersome on you.

So if you're a selected provider, say a newcomer, and a smaller company, they're not going to be asking you to create a whole new financial system just to generate invoices that are compliant with E-Rate and theirs. We will work with you to determine what makes sense with your current systems, your tracking systems, assets tagging, etcetera, to make it possible for both you and the Department to leverage investments that have already been made.

So the process that we set up and the system for this

year is very, very different. I mention the other school districts just so that you have a respect for the commitment, and appreciation and understanding. The commitment from the Secretary of Education down through the Department, the CIO Marie Ortiz and her staff, these people have been working tirelessly to identify and understand past errors, potential threats and risks, and put a system in place that really will guarantee that people feel comfortable, that vendors feel comfortable, stateside and locally, and regionally, to participate in this process. That you believe you have a fair opportunity to compete and a realistic chance to be awarded services, and that includes subcontractors as well as prime vendors.

So, this year we've comprised--- we put together an evaluation committee that I'd like to take a few moments and tell you about.

The evaluation committee itself is comprised of three voting members. And those three voting members will be, first of all, attorney Jorge Toro, who is the E-Rate director, he is a lead member of the committee. Every voting member--- everybody has equal weight but he is a lead member because he is familiar with the program and is going to be overseeing the entire process. As you know, he's your single point of contact, so you all will become very familiar with Mr. Toro.

And aside, before I move forward, it's very common

for vendors to get very anxious once you've been selected, or even the process in the window. Mr. Toro will--- the deadline for filing the applications is March 20th, so we suggest that you go to the SLD USAC site and check if you haven't been awarded.

Notices of who's been selected will be issued, so that is a requirement procurement-wise here. Whoever's selected, all of the participating vendors who've submitted proposals will receive copies of the letters identifying who the selected vendors are, so you don't need to be emailing Jorge every single day after the deadlines, you will be notified who's been selected, and if you're not on that list, obviously, then you would, unfortunately, not have been selected, at least this year. So, the notices will go out.

Also, once the applications are filed, he will have no insight as to how quickly funding is going to be approved. So we also ask that you respect the fact that he's given you his office email and ask that you not email him every week to say: "What's the status?", "What's the status?"

You, as a service provider, as selected, will also receive a funding commitment decision letter. So you will know, when he knows, when the funding has been approved.

So he's very busy and we just ask that you respect that consideration. And there are tools that you can use to remain, you know, stay current on the status.

So the voting members of the committee will be Mr. Toro, who's the E-Rate director; the Secretary of Education is also a voting member of the committee; and the budget director. Those are the three individuals whose votes will determine who are the service providers for the funding year 2012 program.

The committee also has several advisors. The technical advisors are the IT technical specialists that have been introduced here today, as well as the CIO Marie Ortiz.

Again, we note, that they are non-voting members, they--- we're insistent upon this. To maintain an appearance of objectivity, and real objectivity, they do not want to influence this decision in any respect. They are available to answer questions, to determine the sufficiency of the solutions that you propose, scalability, cost, everything. So they will be making certain assessments and assisting the committee but they will not be recommending one vendor over another.

So, if you're all proposing equipment that is suitable for a climate, geographical considerations, environmental considerations, etcetera, if the solution equipment you are proposing meets those, then they will simply say: "sufficient".

They are not going to be trying to compare and decide which vendor should be the selected vendor. That will be the three member voting--- voting members only.

The Wynndalco team, which is a fairly sizable group of people, given the amount of work that we have to do to track from the procurement process, competitive bidding process, through the applications contracts and post application processes, we are available also, as simply advisors, non-voting members. We do not influence or make recommendations.

And to the extent we do know some of the vendors that are possibly submitting proposals, that will be fully disclosed to the Department, to make sure that we don't have any appearance, even, of a conflict. But we will not be influencing the decision of voting either.

With respect to procurement, questions or issues, the advisor for the committee will be the director of purchasing.

With respect to auction proceedings, because we are not following a formal bid or an auction and instead are doing a competitive proposal process which, as Evangeline indicated, is authorized within the procedures of the regulation, but we want to make sure that we follow any mandatory auction proceeding requirement, so the Department will be also advised by the chairman of the auction board.

And we'd like to also let you know that the Secretary of Education has been actively involved in understanding this process and ensuring that this is fair, and open, and transparent, and that all of the--- the overall proceedings,

the membership of the committee that--- who's comprising the advisory groups, etcetera, all of them have been expressly approved by the Secretary of Education.

So those are the people that are going to be assisting in the competitive process.

With respect to vendor evaluation, how are you going to be assessed, in terms of the solutions and your qualifications for being a service provider for the territory, the evaluation committee met yesterday along with all of the advisors to review a list of seventeen different evaluation criteria. You've seen some of the sample criteria in the RFP's that were published.

Districts are allowed to consider a number of factors, and from there quantify what are the most important considerations for them, document them, assess weights, and that's what the criteria's going to be.

So, at the time of the RFP's, the committee had not yet met to make that determination, so--- we just wanted to make sure that people had an idea of the types of considerations that would be under advisement.

But the committee did meet yesterday with all of the advisors and they have now established the evaluation criteria, which we'd like to share with you, it will also be documented today and posted on the Department website, which is <http://dde.pr/erate>.

Pursuant to their E-Rate requirements, the program requirements, price, of course, is going to be the most important consideration.

And here we just want to stress that price does not mean the lowest cost. It means the most cost effective solution. With respect to an internal connections proposal, cost effective does make sense, it's not as if you're just selling switches or pieces of equipment, it is an overall solution. Is it the most cost effective? What is the product that you're recommending? What is the reliability?

Everyone is required to have at least a three-year warranty. You'll see we've also responded to an additional question concerning warranties of the cabling in the Q & A's that will be posted.

But price is required and mandatory under the E-Rate program and it's also mandatory under procurement rules here, based on the advise we've received from the procurement director.

So price will be the number one consideration.

The second consideration that they have decided upon is vendor qualifications; this is a large category, and we wanted to give you a sample of the types of things that they articulated in the meeting yesterday. What does that mean?

When you look to determine the qualifications of the vendor, what are the things that are important to these three

members that will be making the final decision? They want to look at---

And these are things we want to share with you so that you can make sure, as you have an opportunity to include your credentials, that might meet these considerations in your RFP. So be sure, and be as full, and--- disclose as much as you can to help them understand how you meet each of these individual qualification categories.

So with respect to vendor qualifications, the first is similar contracts and services. Do you have experience performing and delivering the solutions requested within the RFP?

Two: What is your history of working with a comparably sized district or organization? Government, private, it doesn't matter, they want to know what your experience is working with an institution this large.

Three: Technical training and certification, and ---- the resources. To the extent that you have the--- high certifications of your team or your subcontractors as well, you need to put your credentials forward in the RFP because that will be factored into the vendor qualifications.

Past performance with the Department. If you've actually done any work with the Department, if you've had a very successful program, or project, etcetera, you should note that as well, that you had a good history and the type of work

that you did, so that they could assess--- from their recollection, what that experience was.

The availability or the adequacy of available staff or resources, that includes subcontractors as well as the staff that you have.

And that, you don't have to identify all of the dedicated people, and given this is an internal connections, you're not really being asked to identify key personnel that are going to be there throughout a long-term commitment. Instead what we are looking for is for you to identify what your staffing capability looks like.

And to the extent that you are bidding on a particular service, potentially the types and the number of resources that you will be looking to bring in, keeping in mind that the contract is a fifteen minute [sic] term contract.

This project will not start until the funding has been approved by the department--- uh--- by USAC and the SLD. Internal connections will not start until the funding has been approved by E-Rate, for obvious reasons.

So, there may be some time in wait but you should know, you'll still be afforded at least a full fifteen-month period to complete this--- um--- the work.

To the extent funding comes late, the contract that will be signed by the selected service providers will be extended to match whatever the delivery period is, extended by

the SLD and USAC.

So you should be looking at, for this kind of project, and based on the number of products that you are bidding on, whether GPS's, servers--- um--- or the switches, etcetera, you should be looking at what your staffing requirements would be and possibly give some information on how you would be proposing the staff.

Specially, this is not an RFP that's divided into sections, for those of you that are familiar with the basic maintenance proposal that was--- when there was a meeting last week.

The Department, because of the ongoing need of--- for services on a regular basis, across the territory, for basic maintenance of, you know, fifteen hundred sites, is considering dividing the territory up into maintenance regions, four, possibly five regions; so vendors that are bidding on that have been asked to identify what their cost is per region, and they can say how many regions they're bidding on.

In this case, the Department has not specifically made an election to divide the installation of the requested equipment across the board.

That does not, however, I want to say, that does not, however, suggest that they do not have the--- they reserve the right to select several vendors for the same product.

So bid what you're going to bid, and everyone should

assume the bid is to full capacity. To the extent you cannot -- cannot-- bid to capacity you should, then, at least, bid to the capacity that you can because there is a possibility that they may end up, given the size of the territory, and the conditions, and possible delays, and funding, etcetera, may end up selecting multiple vendors.

That decision hasn't been made and it probably will not be made until after they've had a chance to look at the solutions and the cost, to determine the schedule and the appropriate sizing in the selection process.

So, adequacy of available staff, just want to give you an idea of what does that mean. Do you have the bandwidth to bring the sufficient number of people, should you be selected for whatever it is that you are proposing.

So if you're bidding on all of the internal connections solutions, then we need to see that you have the capacity to identify and retain an appropriate number of resources.

Also, they want to look at the amount of work that is going to be done by the prime vendor. As Evangeline, I also mentioned, one of the--- pieces of information that you're required to disclose are your designated subcontractors, and we talked about this a little bit last week and I want to mention it again this week.

This is an important matter because the Department is

not, at all, looking at subcontracting as a negative situation. In fact, they understand, and appreciate, and think it's not a be--- it's a very good thing to utilize subcontractors, specially with the size of these initiatives.

But what they want to know, however, is who is it that's on your team that's actually going to be doing the work.

So, if your prime and your main role is to bring financial stability and capital to carry the cost of acquiring these very expensive large pieces of equipment, covering the staffing payroll, etcetera, if your role is that, and then you're subcontracting the actual delivery of the services and the products to a number of other subcontractors, they simply want to know that. Because one of the requirements this year is that certain material terms in your contract with the Department will also have to be in a signed written contract with your subcontractors prior to the start of any of the services.

So whatever contract you sign, those terms and conditions, some of them will have to be mirrored in your contract with your providers. That is the only way for the Department to maintain a quote, unquote, privity of contract with the actual delivery team.

So--- they want to know who--- what--- they want to consider the qualifications of your subcontractors.

So if they're looking and you're not doing a hundred

percent of the work, or a large majority, a high percentage of the work, then they're certainly going to want to know who are the subcontractors.

So be sure and give qualifications of your proposed subcontractors on the team. That's important and that's a favorable consideration for you.

Obviously using regional or local support people is an important consideration if that affects your cost. That's another thing as well. They want to see where are these companies, who are you using, how many people do you have, because--- as they look at your cost structure.

So that's a second criteria. So as you can see, that is a large bundle but those are typically the types of factors that most districts will look at when they're talking about vendor qualifications.

The third criteria is going to be financial stability. This is quick. They're going to look at your financials and they're going to see how long you have been in business, and as long as you have reasonable financial stability, we know it's a bad economy, but can you buy the equipment? Can you hire these people? Can you pay people? Can you deliver? It's what they're looking for, stability.

The fourth item is proposal quality. And this, obviously, I think, is almost self-explanatory but we want to identify a couple of things.

First, it is: Did you submit what we asked you to submit? I mean, did you comply with the submittal requirements?

There are only a couple of requirements that are absolutely mandatory, that's a non-collusion affidavit that must be signed and notarized, as well as the letter of intent.

Everything else gives you some flexibility but you are to deliver financials, you are to deliver your designated subcontractors; did you deliver everything that's listed throughout the RFP?

There is an Exhibit, I think it's D, that identifies the submittal requirements but there's--- you have to read the whole RFP, there may be other things we're saying: "Please tell us about" or "be sure to include this", etcetera.

So you need to read the whole RFP and understand that, and then submit.

We want you to also understand there's no--- the only mandatory disqualification criteria in this particular case is if you don't submit a non-collusion that's signed and notarized and you don't submit a letter of intent that's due on March 2nd, because by law they're required to be turned in seven days, at least seven days before the proposals are submitted.

Everything else, the evaluation committee has the authority to waive minor--- minor deficiencies, in terms of a hundred percent compliance.

The first round of review will be done by the technical and E-Rate team. The first thing we'll do is take them and see: Did you put in all the papers? Did you put in the form? We don't read them for assessment, we give them a pre-review compliance check, so that when we hand the materials to the evaluation committee they look to see if something's missing.

If something's missing from one and they decide to waive it, we have it all documented, because anyone else who missed the same thing will also be given the same treatment.

So, but the goal is: Come compliant, use your teams and put this together, and if you're a smaller company just take the time, there's not a lot of time left. But it is really important, if you can pass the compliance, then you have a very fair and good shot that people are going to review your proposal for content.

We don't want someone eliminated because they simply missed too many of the submittal requirements.

That's for proposal quality.

The other is, they're also going to--- Proposal quality means what is the quality of the solution and the equipment you are submitting. We'd like to tease. If you're proposing you're going to be installing Elaine cable, I don't think you're going to go too far, they're not really interested in what I manufacture. They want to know: Is your stuff

industry standard for a territory this size? They want to know: What is the quality of the product? Is it acceptable for humid-- you know, water based territory?

So, think about your solutions, about what you're proposing and the size of the territory. They want to make sure what you're proposing is appropriate to roll out at the scale that they are talking, and this is a huge, huge, huge internal connections initiative.

So we have a--- Those are the primary things for proposal quality. Did you submit all of the required documents and information, and what is the quality of what you're suggesting you're going to put in.

The last--- criteria is E-Rate knowledge and experience. These are the five criteria, the last --the fifth-- is E-Rate knowledge and experience.

And this we wanted to just explain that the--- This is a lower category. I'll give you the weights in just a few moments, but the Department wanted to see what experience you do have as service providers. If you've been in the program for a number of years and you have significant experience, you should share that.

If you, however, are a new service provider, you will not be excluded from consideration and delivery, if you establish the capacity and experience on comparable projects, etcetera.

And, in fact, E-Rate encourages new people to join the program every year. They even have an interim SPIN, that if you don't have a service provider identification number and you apply for one too late for one to be issued by--- right before the applications are filed, everybody files under 000000019. So there's even an interim SPIN that could be selected.

So, the program wants people to be encouraged to come. You do have to have a SPIN, and you are going to have to have an FCC Federal Registration Number. There are a number of other requirements, but if you are the selected vendor, you have to commit to have a dedicated resource that understands E-Rate.

And one of the things that we are--- making a clarification on, and it's also posted for the prior RFP and will be for this one as well, is that the dedicated resources not have to be in place at the time you submit your proposal.

If you have a resource, an experienced resource, tell the Department who they are, give the *résumé* and credentials, it's a good thing to have them know. But if you don't, you simply have to include in there --and I think in the questions and answers we gave you a sample of the language that we'd like to see in your response-- if you are committing to provide, to retain those resources throughout the term of your contract and that they will be in place before you start delivering a service--- services.

So E-Rate, compliance is absolutely critical because the actions of service providers can adversely impact the feasibility of funding for the territory as well as their ability to retain the funding. There's a five year period in which USAC can come and disgorge the money.

So what you do as selected service providers is absolutely essential and your compliance is critical to sustainability of this program.

These are, then, the five criteria that they will be evaluating in making the decisions. Again, price, vendor qualifications, financial stability, proposal quality and E-Rate knowledge.

Price is going to be assigned a weight of thirty percent. So thirty percent of the vote of the evaluation will be based on price.

Vendor qualifications, twenty five percent.

Financial stability, twenty percent.

Proposal quality, fifteen percent.

E-Rate knowledge and experience, ten percent.

I'll repeat those again: Price is thirty percent; vendor qualifications, twenty five percent; financial stability, twenty percent; proposal quality, fifteen percent; E-Rate knowledge and experience, ten percent.

I just want to make two additional comments and then I'll turn it back over to Mr. Jorge, or if you all have any

questions we'll certainly entertain them.

Please, please, do take the time to read the general and specific terms of the RFP.

As I'm sure you all know, with the filing deadline of March 20th the selection process will go its due course. It's going to be an aggressive timeline, but we managed to provide sufficient time in the timeline for the evaluation committee, the IT team, to actually really think and assess. Which means the timeline for negotiating contracts is shortened, it's abbreviated, and we knew that.

So, in order to accommodate and give you advance notice of the conditions of your contracts, and what the E-Rate specific requirements are going to be, or business requirements, other than your eligibility, you--- if you need to have any certifications as a foreign company, or licenses, etcetera, that's your responsibility. You're responsible for doing that, consulting your local people or foreign council, whatever; we're not advising on that.

But with respect to what is going to be in the document that attorney Toro, as E-Rate director, is putting together and presenting, the material terms that the Department is telling you are going to be in that contract, most of those, if not all, we tried to be as exhaustive as possible but we aren't guaranteeing it, are in the RFP.

You need to read every one of them, and to the extent

you want to raise any exceptions or propose changes to those language--- to the language, that needs to be in your proposal.

But those are standard government terms and conditions, we want you to be familiar with them so that it's not going to be you coming and saying: "We can't agree to these terms".

You have issues, you need to speak up in your proposal, say what those exceptions are, and if you have alternate language. And that's both for the specific conditions and the contract terms. Because once the decision's made, the letters of award are issued, there'll be a short time to sit down with the vendors, finalize the statement before we can get the contract signed. Cannot stress that enough. And that's your responsibility.

The last is some--- a number of people have raised a question about Two-in-Five Rule, as it relates to this particular Department. That information's available, in terms of what funding was approved for internal connections, etcetera.

We just want to let you know that applying for internal connections this year does not prohibit the Department, should they choose, to apply for internal connections next year or another time within the next four years.

So we--- this is not a last all kind of thing and we

mention that, and I decided to bring that up today, because that's something people are concerned about, given the size of this request.

It is possible that if the amounts are too high or the timing is difficult in terms of approvals--- if approvals come late, which we can't guarantee or control, if they come late, and they have another request next year, they may split them up.

Just remember that the discernment department will make the best determination possible. Right now the goal is to award a fifteen month contract for us to assist in getting funding expedited and approved in a timely--- more timely manner. And the work would start within a reasonable time so it's a full fifteen month contract.

But this is not--- we do not have a Two-In-Five year problem. I just heard a number mention that out of concern. That's something we've checked.

And I think, for purposes of the determination, that would be it from me.

Does anybody have any questions about what we've just talked about--- on this issue? No? All right, good; thank you so much. Jorge?

(Brief pause.)

MR. TORO-McCOWN: (Far from microphone.) "¡Qué milagro que no...!" It's a miracle no one has a question for you.

That's good.

UNIDENTIFIED FEMALE VOICE: Pardon?

MR. TORO-McCOWN: No one asked any questions.

UNIDENTIFIED MALE VOICE: Yes--- many--- we have too many.

MR. CARTY: Mike Carty, Alliance Data. For the non-collusion affidavit, is the prime and the subcontractors required to sign that or is it just the prime?

MS. WILLIAMS: Prime.

MR. CARTY: Just the prime?

MS. WILLIAMS: Just the prime. But there will be, just so you know, is we're saying there's certain key terms and conditions in the contracts that the prime will have to mirror in their subcontractors.

For purposes of delivering the RFP proposals at this point, it's only for the prime.

MR. CARTY: And in the letter of intent, is the prime required to list any subcontractors at that time or just in the RFP?

MS. WILLIAMS: In the RFP proposal they have to identify their designated subcontractors.

In the letter of intent it's simply to get formal notice of the intent to bid, it doesn't bind you if, for some reason, the prime elects not to submit a proposal seven days later, that's fine. But that letter is so that the team gearing

up--- their copies, meetings, etcetera, they will have access to information as to who plans formally to bid.

MR. CARTY: OK.

MS. WILLIAMS: And it also narrows the pool because at that point if you've got thirty some potential companies interested, not everyone's going to give a letter of intent. That says those are the people that are close to the deadline that are still serious looking at this opportunities.

MR. CARTY: Last question. E-Rate knowledge and experience, criteria five: Will the qualifications of that resource be weighted or are you just judging that--- if they have a resource at all?

MS. WILLIAMS: They're looking if they have a resource at all. It's a lower rate.

If they have a resource that's been identified, it's a fact that they're going to consider. Or if they don't have a resource at all, the level of commitment that they're making, it will not be the determination that's going to sway this. But they do want to know, as a company, and they want to consider that. So there will be potential favorable considerations for a company that has been in the program for five years, ten years, two years, etcetera.

A new company is not going to be rated as highly as they would in that consideration. But there will be a rating for evaluation--- a value. If they have none, then they will

have a lower rating, obviously. But it depends on what they say about their access to those resources, if they've ever had one before, they simply don't have one on staff now; depends on the facts that are presented.

So that will be an evaluation.

(Brief pause.)

Anyone else? All right---

UNIDENTIFIED MALE VOICE: Elaine---

MS. WILLIAMS: Yes?

UNIDENTIFIED MALE VOICE: ---one question. About electrical circuits for a main distribution point, you make amendment to the RFP to include that expense or not?

MS. WILLIAMS: I'm sorry, could you repeat that?

UNIDENTIFIED MALE VOICE: OK.

MS. WILLIAMS: OK., you have to say who you are, for the record, please.

UNIDENTIFIED MALE VOICE: OK. One of our questions was---

MS. WILLIAMS: You have to tell him who he is.

MR. TORO-McCOWN: (Far from microphone.) For the record ----(Unintelligible.) state your name and company.

MS. WILLIAMS: Your name. Your name and company.

MR. DÍAZ: I'm Ramón Díaz, from Puerto Rico Telephone.

MR. TORO-McCOWN: Thank you.

MS. WILLIAMS: Good.

MR. DÍAZ: OK., in one of the answers you're telling the vendor needs to install the electrical circuits in a main distribution point. Who pays for that?

MS. WILLIAMS: You're talking about the electrical?

MR. DÍAZ: Yes.

MS. WILLIAMS: Oh, that's going to be paid for by--- it's an ineligible item---

MR. DÍAZ: That's right.

MS. WILLIAMS: ---so that's why there's got to be a cost allocation.

So any time a vendor's responsible for pulling something that--- like electrical capacity, or something, that's not an E-Rate eligible, those all have to be stated.

And I believe we should have included in the ineligible item in the price matrix in the RFP. I double checked it, it's not, we'll post something different. But I believe it's in there.

Any ineligible item that you need, or service, that you need to include in your proposal should be identified, and you should identify and do a cost allocation of what the eligible expenditures are and any ineligible estimates. And that goes into ineligible concept.

The depart column, the Department, then, will pay the ten percent plus one hundred percent of ineligibles.

MR. DÍAZ: OK., got you; thank you.

MS. WILLIAMS: OK. Yes?

MR. CARTY: To that same point, since it's not---
since it's not determined---

MS. WILLIAMS: You have to say again who you are.

MR. CARTY: Yes, Mike Carty, Alliance Data. Since it's not a fixed quantity of if you're going to be installing electrical with each data drop, can it be quoted or priced on a case by case basis and just turned in to the Department or does it have to be outlined in the RFP itself?

(Brief pause.)

MS. WILLIAMS: Case by case.

MR. CARTY: OK., so if in the event that the selected vendor goes to a site and they see that it is required to install electrical with a drop, should we then report that to PRDE?

MS. WILLIAMS: Yes. And the reason you can do that is because it's not an eligible determination, so, at the time the applications have to go in what they need to know, more finite now, are what is the cost that needs to be included in those applications.

MR. CARTY: OK.

MS. WILLIAMS: You do need to say that you will commit to do this and if you have the ability to estimate what you think would be appropriate, in terms of those kind of expenditures --again-- you have to see the sites. And we

understand that some of that is not possible today.

But as you're looking at the sites and you've already--- if you've been selected and you're already determining where drops are going and how that's going to work, then, yes, you need to notify them so that they can identify and figure out the pricing, etcetera, of the ineligible item. What they commit to is covering ineligible cost.

MR. CARTY: Understood. So it's not directly required to include that cost --for electrical-- in the RFP.

MS. WILLIAMS: No, not today, but you simply--- you do need to commit, though, that whatever it's going to take for your solution to be fully functional---

MR. CARTY: That we will--- that you will do it.

MS. WILLIAMS: Yes. But it's--- we believe it's possible, not possible right now, or practical, for you to necessarily price that out.

MR. CARTY: Understood.

MS. WILLIAMS: But we do need you to do your best estimates and guesstimates for the eligible components.

Does it make sense?

MR. CARTY: Understood. Uh-huh.

MS. WILLIAMS: Any others? Over here? No? All right. Thank you all very much.

MR. TORO-McCOWN: (Far from microphone.) Well, thank you for being here, it's a pleasure to ---- (Unintelligible.).

Elaine?

MS. WILLIAMS: Yes?

MR. TORO-McCOWN: (Far from microphone.) We have like thirty-two vendors, right? In the list ----(Unintelligible.)

MS. WILLIAMS: I'm sorry?

MR. TORO-McCOWN: (Far from microphone.) You have like thirty-two vendors in the ---- (Unintelligible.) right?

MS. WILLIAMS: Thirty-two.

MR. TORO-McCOWN: (Far from microphone.) Thirty-two vendors---

MS. WILLIAMS: I don't know, there may be--- a couple of them come after the fact, but today in this room we can say that there's thirty-two different companies.

MR. TORO-McCOWN: (Far from microphone.) So we have a huge ----

MS. WILLIAMS: Yes.

MR. TORO-McCOWN: (Far from microphone.) ---- (Unintelligible.) going to be ---- (Unintelligible.) proposals are coming in, we have written carefully, as Elaine said ---- (Unintelligible.) open and fair process. It's going to be like 24/7---

MS. WILLIAMS: But with food and oxygen provided.

MR. TORO-McCOWN: (Far from microphone.) So, again, it's a--- the Department, there's so many years I cannot --- -(Unintelligible.) say this ----(Unintelligible.) make me proud

of our team, our personnel here.

The E-Rate program is a top priority for we, PRDE, and we want to put a lot of time in ----(Unintelligible.) a lot of resources to make this viable. ---- .(Unintelligible.)

Just do it, just do it right and thank you again for coming here and good luck. ----(Unintelligible.) Elaine?

MR. CARTY: Yes, Mike Carty, Alliance Data. This is--- Mike Carty. Yes.

This is more of a question of follow-up to these responses.

MS. WILLIAMS: Are they on the technical side? Do we need the technical gentleman to come up? Or is it---?

MR. CARTY: Yes.

MS. WILLIAMS: OK. You guys come up, Víctor, Francisco.

MR. CARTY: All right, this question is a follow-up to the response given to open link. It asked what category of Cat, or copper cabling, should be installed, Cat 5e or Cat 6.

The PRDE response was "either/or". Now, the components for Cat 5 and Cat 6 differ in cost. One vendor can quote Cat 5e, another vendor can quote Cat 6, and that will make their cost very different.

Could we get a definitive answer on which category standard that we will be installing?

Because it's quite a bit of drops.

MR. ALONSO: (Far from microphone.) The thing is that in the standard that we posted it says either, so what ---- (Unintelligible.) We prefer 6.

MR. CARTY: Prefer 6, so we could agree now that Cat 6 will be the standard, period? For a hundred thousand drops, I mean, and brand new drops it would make more--- it'd be a win-win for you guys to just do Cat 6.

MR. ALONSO: (Far from microphone.) We have agreed---

MR. CARTY: So Cat 6? OK.

(Brief pause.)

MS. WILLIAMS: (Far from microphone.) OK., thank you.

All right, we'll issue an addendum--- Excuse me, sorry.

(Brief pause.)

We will issue an addendum; given the nature of the question, we have to issue an addendum so that everybody knows, here or otherwise, that the--- we prefer and are now asking that you bid a Cat 6 solution.

Either or--- We believe what Mr. Carty was saying is that if everybody would bid, more that one --- people are going to bid 5e then it's going to be a solution--- the solution --- (Unintelligible.) more cost effective.

And if, though, on the other hand, we prefer, and this is standardized as of today, and let that be the case so that everybody's bidding apples to apples, and not trying to be

lower cost.

So that's a good question, and so the determination has been Cat 6.

UNIDENTIFIED MALE VOICE: Cat 6?

MS. WILLIAMS: Cat 6. Cat 6, Jorge, Cat 6.

Anybody else?

Thank you all for coming--- and good luck.

(Whereupon, the proceedings were concluded.)

CERTIFICATE OF REPORTER

I, Juan C. Velázquez, E.R. Reporter, member of FASYO Reporters do hereby CERTIFY:

That the foregoing is a true and accurate transcript of the recording of proceedings held at the time and place herein above set forth; and:

That we are not related by blood or marriage to any of the parties in the above-captioned matter, nor are we in any way interested in the outcome of the same.

In San Juan, Puerto Rico, this 29th. day of February 2012.

JUAN C. VELÁZQUEZ

E.R. REPORTER
