

Equipment and Maintenance Agreement (DFS) November 2003

The following proposed Equipment and Maintenance Agreement was forwarded to me upon request. I made this request to determine what costs might be associated when DFS assisted in maintenance of the TVDEC south system.

Below are the terms and some pro and con considerations for participating in this agreement.

Terms:

Description of TVDLC - Includes all consortium schools, ESU's and colleges. TVDLC serves as the agent and will engage Charter/DFS on behalf of each member to perform the service provided herein. Each Member will remain liable for service performed hereunder on equipment owned by such member.

Description of Services - Charter/DFS will furnish equipment maintenance and repair services for Members. Equipment maintenance will include problem resolution, travel and replacement and removal and re-installation of defective equipment. Maintenance service will be provided 24 hours per day, 7 days per week.

Delivery of Equipment - Defective equipment will be delivered by Charter/DFS to Members repair facility in Kearney NE. Repaired equipment can be returned by Charter/DFS to Members.

Charges - Travel time to Members and to and from Members repair facility will be billed at \$87 per trip. Repair time (beginning upon arrival and ending at departure) will be billed at \$75 per hour in 30 minute increments. Charges will be sent directly to the administrative agency for TVDLC for payment.

Maintenance times - Determination of defective equipment must be made within 4 hours from reporting to Charter/DFS. Full restoration of services must be completed within 24 hours from the time the problem is reported to Charter/DFS. Every hour after such time will result in a ten percent (10%) reduction of the total charges unless such delay is approved by a Member or unless such delay is caused by TVDLC's failure to provide required spare equipment. Charter/DFS will provide a toll-free number for reporting maintenance calls.

Term - This agreement shall begin January 1, 2004 and shall extend through December 31, 2004. Such term will be automatically extended until December 31, 2006, unless either party gives the other notice of its election not to renew by mailing written notice of their intent during the 60 day period prior to the last day of each one-year term of this agreement.

Considerations:

1. In the past, we had a per incident agreement with Charter. The analog system was much more difficult to determine whether the problem was a transport Charter problem or it was a TVDEC equipment problem. If Charter checked out the problem and determined it was our problem, we - the school - was charged a maintenance charge. I'm sure we are going to have instances where the problem will be on our end but DFS will be called in to resolve that problem. An agreement for charge rate is addressed in this agreement.

2. SNDLC has adopted this plan and strongly endorses it. DFS would contact the school or the school would contact DFS whenever there is a problem. TVDEC director would receive notice of any trouble tickets along with explanation of services and billable charge
3. SNDLC has adopted a yearly maintenance charge per school of \$750. This fee is used to support equipment repair, DFS maintenance charges, upgrades, and purchase of new equipment. The estimated monthly charges by DFS range for SNDLC has ranged from \$250 to \$750 per month. \$6000 to \$10,000 per year.
4. Current maintenance charges are based as follows:
 - Repair charges are paid by the school
 - TVDEC fund pays for mileage by TVDEC director
 - TVDEC director time for travel and repair is not charged but is included within regular wage.