

Missouri Universal Service Board

Minutes of Meeting

Thursday, September 4, 2003

1:00 p.m.

Missouri Public Service Commission

PSC Agenda Room, 9th Floor

Governor Office Building

200 Madison Street

Jefferson City, Missouri

Those present at the meeting were: John Coffman (JC), Steve Gaw (SG), Bryan Forbis (BF), Kelvin Simmons (KS), Connie Murray (CM), Robert Clayton (RC), staff members of PSC, OPC, and members of the public.

Chair John Coffman called the meeting to order at 1:10 p.m.

J C	S G	B F	K S	C M	R C
Y	Y	Y	Y	Y	Y
Y	Y	Y	Y	Y	Y

1. Approval of Minutes of August 6, 2003 Meeting

Motion for approval by Chairman John Coffman of the minutes for August 6, 2003.

2. Review and Consideration of Selection Committee Recommendation Regarding Bids for fund Administrator

Chair Coffman moved to close the meeting per section 610.021(12). Connie Murray seconded and the motion passed unanimously.

Chair Coffman discussed appropriate language to explain rationale for rejecting current bids and reopening the RFP process. He reviewed the various concerns that had been expressed in the previous meetings regarding the three bids received in response to the previous RFP. The primary concerns included the limited number of bids received and the potential cost of MoUSF administration.

The Board decided that the rejection language should focus on these issues. Additionally, in developing a new RFP the focus should be to continue to investigate ways to expand the pool of qualified bid responses and to reduce costs associated with administration of the MoUSF.

Dan Joyce updated the Board on PSC Staff feedback regarding the possibility of Staff assuming some of the functions that were contemplated in the previous RFP as the responsibility of the Low Income Fund Administrator. Depending on the extent of

responsibilities the PSC Staff might assume, significant staff time and resources might be needed. It is possible that for some duties to be performed by PSC Staff a rule change or statutory change might be necessary.

Discussion turned to methods for reducing the advantage afforded bidders with previous telecommunications experience without shifting undue responsibilities to PSC Staff.

The Board contacted Renee Toul by telephone at the Office of Administration regarding the procedure for rejection. She affirmed the need to reject the three existing bids if the terms of the RFP were to be changed. She stated that OA would notify the bidders regarding the rejection once the Universal Service Fund Board Chair sent her a memo formalizing the rejection.

J C	S G	B F	K S	C M	R C
Y	Y	Y	Y	Y	Y
Y	Y	Y	Y	Y	Y

Connie Murray moved to reject the bids. Kelvin Simmons seconded the motion and the motion passed unanimously. [Rejection Memo attached.].

Steve Gaw moved to go to open session. Connie Murray seconded and the motion passed unanimously.

It was agreed that members of the bid evaluation team should be asked to meet and return with bid revision proposals based upon comments from the Board.

Next meeting to be determined when evaluation team is ready.

Adjourned at 1:59 p.m.

Chairman

Date Approved

P = Present

A = Absent

Y = Yea

N = Nay

X = Not Participating

Missouri Universal Service Board
200 Madison St.
Jefferson City, MO 65102

REJECTION MEMO

September 4, 2003

The Board has decided that due to concerns regarding the low number of proposals, questions regarding conflict of interest and the cost levels contained within the proposals, it is rejecting the three proposals for Low-Income Fund Administrator..

Instead, the Board will explore additional options for fund administration including a restructuring of the request for proposal to reduce the need for technical or telecommunications knowledge in fulfilling the duties of the Fund Administrator. The Board anticipates that benefits from restructuring might include an expanded bidder pool and lower administrative costs.

John Coffman
Chair, Missouri Universal Service Board
