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14-036

DELEGATE AUTHORITY TO THE COLLEGE
PRESIDENT OR HIS DESIGNEE TO NEGOTIATE
TERMS OF A POTENTIAL NEW CONTRACT WITH
CLEARWIRE FOR THE LEASE OF PCC-OWNED
EDUCATIONAL BROADBAND SPECTRUM

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REPORT: Certain portions of the “communications” spectrum are reserved by the Federal Communication Commission for educational use. In the 1980s PCC was licensed to operate four channels in the Portland metro area for video delivery of instruction and services. As both educational use and technology have developed the FCC has allowed excess capacity on these channels to be leased for other than educational uses. Educational institutions can now meet their educational obligation required by the license through such partnerships that will increase broadband access in the community. The Board approved such a lease of PCC excess spectrum to American Telecasting (95-103 on 18 May 1995). This lease was modified in 2002 when American Telecasting was acquired by Sprint. This lease remains in effect with Clearwire Corporation through a partnership with Sprint until 2015.

Clearwire has approached the College about renegotiating and extending the current lease in order to support their wireless broadband service (WiMax) in the Portland area. Advances in technology and new regulations by the FCC now make these channels more valuable to wireless providers and educational institutions as broadband spectrum that can provide high-speed, mobile internet access superior to other mobile phone services. Clearwire, now part of Sprint through a recent merger, is the only company currently building this type of 4-G networks. There is a strong indication that FCC is increasingly demanding the sharing of broadband spectrums and taking the ‘use it or lose it’ approach on

the renewal of these licenses. It makes sense for PCC to engage with a partner who can use the spectrum and we can then use their services to provide our needs to maintain the FCC licenses. It is very costly for PCC to develop it ourselves, the type of resources that PCC does not have.

PCC Staff has engaged college counsel and specialized appraisal services to gain insight about the risks and benefits of a long term lease extension. After analyzing and understanding the potential risks of such a long term arrangement, Staff believes that it is the best interest for the College to protect these valuable assets to renegotiate a lease agreement with Clearwire.

RECOMMENDATION: That the Board of Directors delegate its authority to the College President or his designee to negotiate the terms and conditions of a potential lease renewal/extension for PCC-owned broadband spectrum, and to consummate such a lease if appropriate, subject to the concurrence of College counsel.