

City of Rexburg
Next Generation Broadband Network
Request for Proposal

June 30, 2020
(Amended July 6, 2020)



CITY OF
REXBURG
America's Family Community

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**** Please note that Addendum 1 was removed from this RFP and is now the “City of Rexburg State of Idaho Public Broadband Grant: Public Safety and Local Government Grant Request for Proposal.”***

1. Introduction

1.1 Network Background

1. The City of Rexburg is requesting proposals from Vendors to build, own and manage an open access next generation communications network (“Network”) that will provide next generation Internet access service to single-family and multi-family residences, businesses, and community institutions within the City of Rexburg (“Service Area”). A baseline of 10 Gbps symmetric service will serve as the definition of “next generation” service for this RFP. The City will provide a variety of forms of support, which may include, but are not limited to:
 - i. Streamlining access to infrastructure, rights-of-way and inspections;
 - ii. Identify market demand;
 - iii. Assistance in demand aggregation;
 - iv. Long-term contracts and support for development of high bandwidth applications to drive adoption;
 - v. Marketing assistance (including working directly with Vendors, local business leaders and community leaders to increase the revenue opportunities and lower the costs associated with constructing and operating the Network);
 - vi. Reviewing local rules, regulations or requirements to decrease the cost to deploy or operate the Network; and
 - vii. Collaboration with local education networks.
2. By open access, the City mean that the Network facilitates competition through reasonable and non-discriminatory access arrangements that:
 - i. Ensure equivalence of price and non-price terms and conditions for all retail services providers; and,
 - ii. Permit such providers to differentiate their product offerings.
3. In addition, the Vendor must not limit the ability of retail service providers or their customers to run applications, use services and connect devices of their choice to the Network.
4. The Vendor will bear all of the costs for the Network, including but not limited to design, engineering, construction, equipment, customer support, and insurance for the Network, up to the end user drop point or network interface device. In addition, the Vendor will bear all the operating and maintenance costs of the Network. The Vendor should demonstrate a clear upgrade path for the Network to meet future consumer demand and service developments to at least 2030 and preferably beyond.

5. The City intends the Network to serve as a development platform for innovation, next generation application development, workforce development and job creation throughout the Service Area.

1.2 Entities Issuing RFP

1. This RFP is issued by the City of Rexburg.

1.3 Overview

1. This RFP seeks proposals for the deployment and operation by a qualified vendor of a high-speed fiber network for the residents and businesses in the Service Area. The objectives are to establish a Network that:
 - i. Is able to offer retail broadband services with a guaranteed sustained minimum 10 Gbps dedicated symmetrical transmission speed over each connection provided to a premise;
 - ii. Uses fiber-to-the-premises network architecture;
 - iii. Facilitates competition through open access arrangements;
 - iv. Enables low wholesale access prices that reflect underlying costs;
 - v. Is able to support high quality voice, data and video services;
 - vi. Must provide access to one hundred percent (100%) of residences within the Service Area;
 - vii. Allows for a zero-dollar (\$0) cost to connect to the network;
 - viii. Will provide service for small businesses in the Service Area;
 - ix. Initial availability is rolled out and made operational within 3 months from the date of execution of a contract between the City and the Vendor, with 100% completion within 36 months;
 - x. Promotes the long term economic and community interest of the City and end users; and
 - xi. Facilitates opportunities for small and medium enterprises (SMES) and local enterprises to provide services.

2. Services Sought

2.1 Description of Services Sought

1. The City seeks a vendor to design, build, install, own, operate and manage a complete turnkey high-speed (10 Gbps symmetric service) communications Network. This system shall be a fully operational high-speed communications network using Internet protocol technology and allowing users access to and from the Internet and access to other services as required.
2. The City expects that potential vendors will deliver Fiber-to-the-premise to provide gigabit service to households, businesses and institutions throughout the Service Area. This system must include all active and passive infrastructure, including, but not limited to: fiber cabling, active repeater equipment, uninterruptible power supplies, network cross-connections, software, ancillary equipment, and ongoing main tenancy.
3. Services rendered must include complete system design, engineering, construction, operation, monitoring, maintenance, and enhancement; as well as end user customer service and maintenance; as well as negotiation and execution of access agreements with retail services providers.
4. The Network design and operation must provide an open access framework that enables, supports, and maximizes wholesale and retail service delivery and competition.
5. In order to meet the extraordinary demands placed on local government, local businesses, education and community residents, a Phase I Build Out may include taking advantage of CARES Act funding to “create and retain local jobs and result in purposeful outcomes, including distance learning, telehealth public safety, commerce, and overall well-being.” (See Addendum 1)

2.2 Scope of work

1. The Vendor shall design, build, install, own, operate and manage the Network. The Network shall have the following features and functionality:
 - (i) Network Requirements: The Vendor’s response shall identify the specific network characteristics it plans for minimum capacity (in terms of number of fibers and/or bandwidth capacity) for:
 - a) The backbone or municipal area ring,
 - b) Residential users,
 - c) Business users,

- d) Institutional users,
 - e) Government institutions/public safety users, and
 - f) Any other network-wide characteristics as identified.
- (ii) Connection for Public Services
- a) The Network should provide Public Infrastructure Monitoring (e.g., traffic lights, speed cameras, cameras on other public structure, water and wastewater monitoring);
 - b) Support for educational services.
- (ii) Services on Wholesale Open Network
- a) Development and implementation of open access structure for wholesale and retail service delivery and competition;
 - b) Bandwidth and technology gateway with caching for access to cloud based triple play and over-the-top (OTT) services (online delivery of video and audio content);
 - c) Inhouse billing and settlement services;
 - d) Wholesale Internet access service;
 - e) Physical and logical layer network service access;
 - f) Dedicated wave/VLAN services; and
 - g) Secure IP intranet services.
- (iii) Network Operations Center (NOC) Services
- a) The Vendor shall have and maintain an established NOC;
 - b) The Vendor will provide monitoring of the Network on a 24/7 basis from its NOC;
 - c) The NOC shall provide device monitoring, outage notifications, configuration of devices, diagnostics, repair dispatch, and other NOC services.
- (iv) Customer Service
- a) The Vendor shall provide and maintain a customer service call center for sales, information, and other miscellaneous issues.
 - b) The Vendor shall provide systems to allow the ordering and activation of:
 - i. Wholesale services on the network;
 - ii. Track customer acquisition and produce invoices; and
 - iii. Provide invoicing for customers and Service Providers.
- (v) Field Technician Services
- a) The Vendor will provide field technician services including dispatch and resolution services.
 - b) The Vendor shall provide field crews and or contractors to be deployed in the field to manage the physical infrastructure for the Network within the Service Area.

- c) The Vendor shall be responsible for providing technical support for connections up to the demarcation point in each home or businesses.

(vi) Marketing

- a) The Vendor shall instigate and oversee any marketing and communication efforts that are necessary to the network's success.
- b) The Vendor shall recruit and manage personnel and or contractors to assist in promoting the Network and grow its subscriber base.

(vii) IT Systems

- a) The Vendor shall be responsible for incremental costs for software licensing expenses incurred for managing the Network including device monitoring, billing software, configuration management and automated provisioning systems.

(viii) Geographic Information System (GIS)

- a) The Vendor will be responsible for collecting and maintaining GIS data for the Network, including the costs for any software licensing, hardware and data archival expenses.
- b) GIS data of the Network shall be shared with the City.

2.3 Response to Scope of Work

1. The Vendor shall provide proof of demonstrated ability to provide the services required in this RFP, in at least five (5) cities within the Intermountain West, with a list of references.
2. The Vendor shall submit a business and technical plan describing its approach to the project described in this RFP.
 - i. The business plan shall describe the Vendor's approach to design, construction, operation and management of the Network and the services to be provided over the Network in sufficient detail to allow the City to effectively consider the proposal.
3. The Vendor shall also include a description of the day-to-day operations and the management of all Responsibilities related to the project and explain how the Vendor will fulfill the scope of work in Section 2.2. This should include, at a minimum, the following:

- (i) Technology: A description of the network technologies underlying the proposed network solution(s) included in the response. Each description should include the following information:
 - a) Technologies proposed and the limitations of each technology, and if a variety of technologies are contemplated, a discussion of the factors likely to influence the choice of technologies;
 - b) As much detail as possible regarding the network design including, but not limited to: network design criteria, network elements, architecture, protocols, system reliability, availability, and operations and maintenance; and
 - c) Network performance characteristics, including the range of offerings, the capacity and other factors relevant for each proposed solution.

- (ii) Service offerings: A description of proposed wholesale or retail service offerings that the Vendor anticipates offering to institutional, business and residential customers.
 - a) Broadband service offerings (type of broadband service, speed tiers, differences between business and residential offerings)
 - I. A list of third-party internet providers willing and/or able to provide services on the network.
 - b) Ancillary service offerings (including those identified in Section 2.2) that may be provided by the Vendor
 - c) Pricing strategy
 - I. Strategy must factor a zero-dollar (\$0) end user connection cost, and
 - II. A monthly service fee (excluding third party internet services) of no more than thirty-five dollars (\$35) a month.
 - d) Explanation of Vendor's willingness to work with the City to develop unique pricing or packages for key community stakeholders and populations (e.g., government, university facilities, K-12 facilities, economically distressed areas)

- (iii) Rollout Strategy: A discussion of the anticipated deployment strategy, scope and timing of the proposed rollout. The discussion should identify the levels of committed demand necessary to trigger rollout obligations and any factors likely to influence the scope or timing of the rollout and explain how those factors impact the strategy.

- (iv) Roles and Responsibilities: A description of the roles and responsibilities envisioned for the Vendor, Vendor team members (if any), the City, and third parties (if applicable) for each of the following:
 - a) Network design
 - b) Network construction
 - c) Network operations and management
 - d) Community outreach and customer acquisition

- (v) Financial Projections: The business plan should include a pro forma financial statement, identifying projected capital outlays, ongoing operational costs, and expected revenues from wholesale and retail services for at least the first, fifth, and tenth years of

construction and operation. The plan should identify and quantify all key assumptions underlying the calculations.

2.4 Project Schedule

1. The Vendor shall provide a project schedule as part their response to this RFP.

2.5 Vendor Qualifications

1. *Experience in High Speed Network Design And Operation* – The Vendor should provide a statement of experience highlighting five (5) similar network systems that it has designed, constructed and operated, including project name, location, size, technology used, and name and phone number for reference contacts. Also indicate whether each system is owned by the Vendor or another entity.
2. *Financial Stability* – The Vendor shall submit its two most recent annual financial statements in order to permit analysis of its financial resources. If financial statements are unavailable due to confidentiality reasons, submit recent D&B reports. In addition, each vendor or team shall provide a bond in the amount equal to the cost of fully completing the project.
3. *Staff Technical and Managerial Experience* – The Vendor shall include a statement of experience and resumes of the project team, including the project manager and other key personnel who will be assigned to this project. Also include a list of any known or anticipated subcontractors along with their roles and responsibilities.
4. *Evidence of Legal Capacity* – The Vendor shall include copies of Vendor’s most recent federal and state annual reports and current licenses to provide telecom/communications services, together with a certification that all state business and regulatory registrations/filings/taxes are current, and all internal corporate documents are kept and up to date (e.g. meeting minutes, bylaws, etc.).

3. Administrative Issues

3.1 Availability of the RFP and Amendments

1. Adobe Acrobat (PDF) and Microsoft Word versions of this RFP are available on the project website at: <https://www.rexburg.org/rfps>. Amendments to the RFP will be posted on the project website at: <https://www.rexburg.org/rfps>. Any amendments supersede prior provisions and are effective upon posting on the project website, and

each potential bidder is responsible for checking the website to learn of any amendments.

3.2 Questions about the RFP

1. The primary RFP contact for the City project team is the Chief Information Officer: Todd Smith.
2. All general correspondence and any questions about this RFP must be submitted in writing to him at broadband@rexburg.org.
3. The City of Rexburg Project Team will not entertain any oral contacts regarding this RFP.
4. The last date for questions will be 12:30 pm Mountain Daylight Time on Wednesday, July 8, 2020.
5. RFP Respondents should not make contact with anyone other than the designated city contact. Any attempts to contact City staff regarding this RFP other than via the approved process may be grounds for the City to reject your submission.

3.3 Proposal Format and Certification

1. Proposals should be organized in the same sequence as Part 2 of this RFP with responses referencing the appropriate corresponding RFP item(s). RFP Respondents should respond to each item at the level of detail at which each is presented or list a variance with a particular item and propose alternate terms and, as applicable, and supply any supportive detail. Proposals not conforming to the proper format or failure to respond to any required items may result in a RFP Respondent's disqualification and/or rejection of the proposal. Where the RFP Respondent is requested to supply information, include that information in the body of the proposal, or reference the attachment where it is included.
2. A duly authorized officer or agent of the Vendor must sign the proposal. Proposals that are not signed will not be considered. In the case where multiple vendors partner to present a proposal, a signature by a duly authorized officer or agent of each entity is required on the proposal, though one entity should be designated the lead entity in the proposal. The lead entity will be the contracting Vendor and will be responsible for subcontracting with its partners.

3.4 Project Calendar

1. Anticipated Event Dates

- i. RFP Advertised and issued: Tuesday, June 30, 2020.
- ii. Last Date to Submit Questions: Wednesday, July 8, 2020
- iii. Proposals Due: Tuesday, July 14, 2020 by 5:00 pm (MDT)
- iv. Proposal Evaluation Completed by: Friday, July 17, 2020.
- v. Interviews with finalist firms no later than: Friday, July 24, 2020.
- vi. Award and Letter of Intent for Contract no later than: Friday, August 7, 2020.
- vii. Contract finalized no later than: August 31, 2020
- viii. Selected firm begins work no later than: September 1, 2020

3.5 Proposal Due Date and Submission

1. Proposals are due by 5:00 p.m. Mountain Daylight Time on Tuesday, July 14, 2020. Proposals received after the deadline will not be considered. Proposals must be submitted electronically [or via priority or certified mail. Two (2) hard copies and one (1) complete electronic version are required for any proposal submitted in hard copy format. Faxed proposals will not be accepted. RFP Respondents assume the risk of the methods of dispatch or delivery chosen. Office hours for receipt of mailed or expressed proposals are: Monday through Thursday, 7:30 am – 5:00 pm (MST), and Fridays 7:30 am – 12:00 pm (MST).
2. Electronic proposals must be submitted to the following email address: broadband@rexburg.org. All electronic files must be submitted in editable format in order to facilitate evaluation and planning. Word, Excel, GIS and PDF formats are acceptable. (Total attachment size for a single email should not exceed 100 MB.)

3.6 Process and Criteria for Evaluation of Proposals

1. Proposals will be opened and reviewed internally at the convenience of the City. All proposals will be evaluated, and, at City discretion, an award made to the Vendor who demonstrates the best ability to meet the overall goals of the project, with particular emphasis on demonstrated ability to fulfill the scope of work successfully. The City team will initially assess the qualifications of each Vendor submitting a proposal and rank the proposal according to the following point system:

- (i) Ability to Meet the Requirements Outlined in the RFP
- (ii) Feasibility of Vendor financial proposal
- (iii) Upfront investment by vendor
- (iv) Financial strength of Vendor
- (v) Experience of project team
- (vi) Vendor experience
- (vii) Quality of response
- (viii) References
- (ix) Pricing Model

2. Other Project Evaluation Criteria

- (i) In addition to the qualification criteria, the City will examine the extent to which each proposal meets the criteria below, which are not listed in order of importance. The City will then undertake a comparative assessment of all proposals in order to make a decision as to which proposal(s) could be selected for further analysis and negotiation. The Mayor and City Council of the City of Rexburg, following consultation with Rexburg Broadband Committee, will be the final decision maker.
- (ii) Within the framework of an overarching value-for-money assessment, the evaluation criteria against which proposals will be assessed are:
 - a) The extent to which the proposal meets the City's objectives for the Network (as set out in Section 2, including, but not limited to, buildout requirements/selection of neighborhoods, the level of pre-construction demand commitment required to trigger buildout for specific areas, and the proposed price point if demand levels are met;
 - b) The capability of the Vendor to design, construct, finance, maintain, upgrade and operate the Network;
 - c) The nature, scope and impact of any local community legislative and/or regulatory changes that are necessary to facilitate the proposal;
 - d) The cost to the City of the proposed project;

- e) The acceptability of the contract terms and conditions proposed by the Vendor and the extent to which the proposal departs from the RFP and from the City's proposed commercial terms (if any).

3.7 Clarification of Proposals

1. Notwithstanding any other provision of this RFP, the City reserves the right to:
 - (i) Conduct discussions with any or all potential vendor for the purpose of clarification of proposals;
 - (ii) Waive, or decline to waive, any defect in any proposal;
 - (iii) Accept, reject, or negotiate any or all proposals or the terms of any proposal, or any parts thereof, for the purpose of obtaining the best and final offer;
 - (iv) Cancel or amend this RFP or issue other requests for proposals;
 - (v) Select a vendor or vendors based on its analysis and evaluation of proposals submitted and request presentations on proposals if it believes further information is appropriate to the decision-making process;
 - (vi) Select no proposals at all; or
 - (vii) Use any and all concepts presented in any proposal to obtain the most beneficial and effective path to achieving its desired goals for the project.

3.8 Negotiation and Execution of Contracts

1. The selected Vendor agrees to execute a contract consistent with the terms of this as modified for the proposal specifics within ninety (90) days of the award. If the parties are not able to reach agreement and execute a contract within ninety (90) days of the award, the City may declare the award void and may select another Vendor or issue a new RFP.

3.9 Commencement of Work

1. The submission of a proposal in response to the RFP, and the subsequent evaluation of that response by the City, does not constitute a contract or any type of agreement between the City and any Vendor for the commencement of work or the performance of any obligation. Only a written contract with the City will authorize the commencement of work or obligate the City on this project.

3.10 Use of Subcontractors

1. Vendors may use subcontractors to fulfill any obligations in connection with the project. Use of subcontractors shall be subject to all applicable state and federal laws. A Vendor

shall remain liable for fulfilling all its obligations on the project, and for any claims or damages arising from the subcontractor's work. Subcontractors shall meet the same standards and requirements as the Vendor.

3.11 Miscellaneous Provisions

3.11.1 Proposal Costs

1. The RFP Respondent is responsible for all expenses they incur in preparing and submitting a proposal or in contract negotiations with the City. Even if it elects to reject all proposals, the City will not be liable for any costs or damages incurred by any vendor in preparing and submitting a proposal.

3.11.2 Applicable Statutes

1. The City is a public entity. As a result, this RFP is subject to a variety of public procurement requirements, including but not limited to federal and state records disclosure statutes referenced above and the following:
 - (i) Local Business obligations
 - (ii) Minority Business obligations
 - (iii) Veteran-Owned and Service-Disabled Veteran-Owned Small Businesses
2. Human Rights/Affirmative Action:
 - (i) Respondents shall comply with all applicable state and federal rules and regulations relating to affirmative action and equal opportunity. The City of Rexburg is committed to a program of equal employment opportunity regardless of race, color, creed, sex, age, nationality or disability.

3.13.3 Errors and Omission in a Proposal

1. The RFP Respondent is responsible for all errors and omissions in its proposal. If it discovers an error and wishes to withdraw its proposal, the responding Vendor should notify the City immediately. Depending on the stage of the process, the Vendor may be liable for costs incurred by the City in analyzing the proposal or negotiating a contract.

3.13.4 Acceptance of RFP/Proposal Content

1. By submitting a proposal, the RFP Respondent certifies that it has read, understood, and agreed to all requirements, terms, and conditions in this RFP, including any and all attachments, exhibits, and appendices. A RFP Respondent may withdraw its proposal prior to the RFP response deadline.

3.13.7 No Waiver of RFP Provisions

1. The City may, but is under no obligation to, waive any provision in this RFP at the request of a potential vendor. Any such waiver shall apply to all potential bidders, and no waiver shall constitute a waiver of any provision not specifically referenced therein.

3.13.8 Ownership and Confidentiality of Proposals

1. The City will not pay for any information requested herein, and all proposals submitted become the property of the City. Proposals will not be returned and may be subject to disclosure pursuant to the federal Freedom of Information Act and/or the Idaho Public Records Act. The City may receive information that may be confidential as part of your response. If you believe that any portion of your proposal includes proprietary or other confidential information, please clearly mark it as such and state the basis for your claim to confidential treatment. Unless otherwise required by law, City will treat the information as confidential and will not disclose it to a third party without your permission. However, pricing and other information that is an integral part of the proposal will likely not be considered confidential after an award has been made.