

City of Placerville



Request for Qualifications (RFQ)

Broadband Service Providers

September 2024

SUBMISSION DEADLINE

All submissions must be received by October 31, 2024.

Submissions should be sent to:

City of Placerville
Steve McCargar
3101 Center Drive, Floor #4,
Placerville, CA 95667
smccargar@cityofplacerville.org
530-642-5508

PURPOSE

The City of Placerville is seeking internet and broadband service providers capable of providing marketing, customer service, and delivering 1 Gbps or greater internet service, along with other potential IP services to the residents and businesses of the City of Placerville across a municipally owned and operated open access fiber optic utility. This procurement process is intended to result in the selection of the two (2) best qualified inaugural providers for the city to negotiate 'system startup' terms and conditions for an initial period to establish a competitive broadband market. These negotiations are expected to inform the development and adoption of city ordinance, policies, resolutions, fee schedules, project phasing for the municipal fiber optic system.

Respondents should expect to offer services in competition with any number of other providers as part of an open access automated marketplace. The city intends to create a competitive broadband services market using municipal fiber and reserves the right to protect the resulting market from anti-competitive practices or predatory pricing schemes. Any terms or conditions resulting from this process are subject to City Council approval and should not be interpreted as a grant of any specific rights or exclusivity outside of those specifically made in ordinance, city code, city policies, and approved contracts or agreements. Any service providers utilizing the open access system will also be required to meet minimal technical requirements, including the ability to support the municipal system's automated functions, such as customer onboarding, provisioning, billing, and payments.

The city does not intend to offer any retail broadband services outside of the access provided to city properties as municipal services but reserves the right to establish a low cost subsidized or free retail internet service as needed and approved by city council.

The services contemplated in this RFQ are technical and professional in nature. It is understood that the Respondent acting as an individual, partnership, corporation, or other legal entity, has the technical proficiency and professional status to deliver and support any services offered. Respondents will be governed by the same professional standards and public ethics required by the city in its relationships and dealings with the public. It is also understood that all reports, information, or data prepared or assembled by the Respondent may be made available to any individual or organization, under the Freedom of Information Act (FOIA). The Respondent shall be financially solvent and each of its members if a joint venture, its employees, agents, or sub-consultants of any tier shall be competent to perform the services required under this RFQ document.

Any Agreement resulting from this RFQ will require City Council approval.

OVERVIEW

The City of Placerville has applied for and expects to receive an award of up to \$20M in funding from the State's Last Mile Federal Funding Account (FFA) to construct a fiber asset that connects the unserved and underserved broadband service locations in Placerville. The City plans on extending this municipal fiber optic infrastructure to include an optional installation for any property within the city that requests an installation or connection. The resulting Citywide fiber optic network will be used to establish local control of essential public infrastructure, position the City for economic development, and eliminate the gaps that currently exist in the incumbent's legacy networks. This work has been detailed in the city's published Digital Access Master Plan, which outlines the City's rationale for developing this utility and key components to planning, building, and operating the infrastructure.

The City of Placerville recognizes that digital infrastructure is an essential public utility in modern society. The current mobile economy and digital lifestyles demand fast, effective, and cost-effective digital access. Placerville is developing this system to leverage this infrastructure to bolster the local economy and enable long-term opportunities in education, healthcare, public safety, efficient delivery of government services, and the general economy. The City of Placerville is using existing institutional authorities to build, maintain, and operate an automated open access fiber optic infrastructure owned by the City. This system will enable private service competition to every address in Placerville as the cornerstone of a broader digital infrastructure strategy.

Technically, the city will make layer 2 infrastructure, as defined in the OSI Model (Open Systems Interconnection Model) available to service providers. Participating providers will be required to utilize a router port as their immediate upstream port to contain the broadcast traffic from inside and outside the city system within those networks. Providers will also be required to support the city's automated onboarding and turn-up solution using solutions such as Dynamic Host Configuration Protocol (DHCP) or similar technologies. Providers will have the ability to apply and utilize their own range of addressing and vlan tagging, without coordinating with other providers, as outlined in IEEE 802.1ad except for the use of type 2 service or 'S' type tags, as they are reserved for the city's use.

The City has budgeted and is prepared to offer shared middle mile services in the form of Direct Internet Access or DIA services of up to 10 Gigabits per second (GBPS) for an initial startup period as needed to facilitate the negotiation of reasonable startup costs with selected inaugural providers. Broadband Gateway Protocol or BGP routing will be offered, providers desiring to make use of this option will be required to provide their own Autonomous System Number (ASN) and public IP address ranges for system use. The City is also prepared to waive expected standard colocation fees for an initial startup period as needed to facilitate the negotiation of reasonable startup costs with selected inaugural providers.

5,832 broadband serviceable locations have been identified inside the city. The State FFA

funded portion of the installation is required to be completed no later than Q1 of 2026. The extended citywide project is targeted for completion by the end of 2026 or in Q1 of 2027. Premise installations are expected to commence no later than July of 2025 with between 250 and 500 additional service location passings being added monthly until project completion. Providers are asked NOT to request additional project or timeline information, as such additional information is not available at this time. Providers should instead base their responses on the provided high level estimates with the expectation that more detail and contractual obligations will be negotiated as a part of any award process.

RESPONSE REQUIREMENTS

Responses must include the following:

1. A cover letter listing:
 - a. Number of years in business, services offered, and current subscriber counts listed for both inside and outside of California.
 - b. Legal name of respondent, address, and primary point of contact information.
 - c. Summarize respondent's understanding of Placerville's objectives and commitment to comply with any technical and legal requirements.
 - d. Outline any concerns or objections that would need to be addressed as a part of negotiations.
 - e. How quickly would you be able to begin collecting subscriber commitments?
2. Executive Summary
 - a. Provide an executive summary, which explains your understanding of the City's intent and objectives and how your proposed strategy will support those objectives in the implementation phase. The summary should discuss what the Respondent's approach will be for developing marketing; approach to project management; strategies, tools, and safeguards for ensuring performance of all required services; and any additional factors for the City's consideration.
3. Please provide complete answers to the following questions and requests:
 - a. Business Operations:
 - i. Do you participate in any other open access networks?
 - ii. How many subscribers do you currently support directly as subscribers on your networks?
 - iii. Do you usually provide a router or CPE? If so, please explain what you supply and why.
 - iv. What marketing efforts will you implement in the Placerville market to assist the city in driving understanding and demand?
 - b. Marketing:
 - i. Please briefly describe your experience and successes in marketing your services in other open access markets.

- ii. What marketing support would you require or recommend from the city?
 - iii. Are there specific marketing nuances or weaknesses that you would suggest the city prepare solutions to address?
 - iv. What outlets and methods would you use in Placerville? Door to door, social media, radio, tv? Can you provide any samples?
 - c. Support operations:
 - i. Are you accustomed to offering services in areas remote from support staff?
 - ii. How is your support center staffed and operated?
 - iii. Please include a copy of any subscriber contract(s) or Service Level Agreements (SLAs) you would intend to use in Placerville as an attachment to your response.
 - iv. Please outline the support steps your support team will undertake before contacting the city or requesting a truck roll.
 - d. Network Architecture:
 - i. Please outline the services, bandwidth, and pricing that you intend to offer initially.
 - ii. Please outline any current or future plans for redundant backhaul connections into Placerville.
 - iii. Placerville's first core network will be located at 3101 Center Street, Placerville, CA 95667. Selected respondents will be required to connect at this location initially. As the city completes construction to other serving nodes, additional locations will be made available as optional locations to establish a Network to Network Interface (NNI) as defined in the Metro Ethernet Forum standards. Please outline any colocation needs respondent may have to support the desired solution(s).
 - iv. Briefly describe how you intend to interconnect with the city system.
 - v. Briefly describe your experience with automating customer onboarding and network turn-up processes, if applicable.
- 4. Respondent must provide a minimum of three (3) references preferably of municipalities, non- profits, or public entities on projects of similar scope and magnitude as described in this RFQ with emphasis on specific experience in the implementation, maintenance, and support of a retail broadband services delivered using a public open access system. Experience will not be considered unless complete reference data is provided. At a minimum, the following information must be included for each client reference:
 - a. Client name, address, contact person name, telephone, and fax number.
 - b. Description of services provided.
 - c. Nature and extent of Respondent's involvement in the system.
 - d. Identify services, if any, subcontracted, and to what other company.

The City may solicit from previous clients, or any available sources, relevant information concerning Respondent's record of past performance.

EVALUATION

An Evaluation Committee, made up of city administrative and technical staff, and elected officials will review and evaluate the Qualifications, as described below. Two qualifying respondents will be contacted to pursue negotiation of terms and conditions acceptable to both parties for the selected respondent to be one of two inaugural service providers for the city system. Those Respondents found not qualified or non-responsive to the RFQ requirements will be eliminated from further consideration and will be notified of such action by the city.

Criteria	Min Possible Score	Max Possible Score
Completeness of Response	0	10
Business Operations	0	20
Marketing Capacity	0	20
Support Operations	0	30
Network Architecture	0	20
Possible Minimum and Maximum Score	0	100

The city reserves the right to reject any and all submittals that do not conform to the requirements set forth in this RFQ. If no respondent is selected through this RFQ process, then the city may utilize any other procurement method available under law to obtain the services described here.

QUESTIONS & CLARIFICATIONS

Any questions regarding this RFQ must be submitted in writing to Steve McCargar by October 25th. All questions and their corresponding answers will be shared with all potential respondents.

The City looks forward to reviewing your qualifications and working together to bring high-speed internet services to our residents.