

RFQ #3503

**City of Fresno
Gigabit Wireless and/or Wired/Fiber System
Request for Qualifications**



October 21, 2016

City of Fresno

City of Fresno, California

Request for Qualifications (RFQ #3503)

for

**An Entity Interested in Developing and Operating
a Citywide
Gigabit Wireless and/or Wired/Fiber System**

Issued: October 21, 2016

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I. Introduction

The City of Fresno, California (City) issues this Request for Qualifications (RFQ) to convey its interest in identifying one or more motivated, high-caliber partners (Respondent) to make affordable, ubiquitous Gigabit-class broadband services and capabilities available throughout the City. The City welcomes responses from any legally qualified entity, including for-profit and non-profit entities that envision a long-term relationship with the City, its businesses, and its users.

The City of Fresno is centrally located in the center of the San Joaquin Valley and serves as a hub to three national parks, the Central California Coast, and California's largest cities (Sacramento, San Francisco, and Los Angeles). As the fifth largest city in California and California's largest inland city, Fresno is a center for innovation and growth in the region. Since 2011, the City has experienced a significant increase in technology jobs making Fresno one of the leading technology regions in California. In addition to its growing technology industries, the Fresno economy has a major export industry presence, an expansive medical and health services industry, and numerous higher educational institutions.

As the City's economy continues to expand and evolve, City leadership is committed to ensuring that Fresno is well situated to meet the Internet infrastructure needs of future-facing companies and industries, which are increasingly requiring ultra-high speed, high-bandwidth connections. The City seeks a Respondent that will collaborate to build and operate the proposed broadband network throughout the Fresno area. In return, the City pledges its support and facilitation of any necessary processes and potential grant opportunities, access to city/community assets, commitment to providing streamlined right-of-way (ROW) access, assistance with permitting, and any other advantage it may lawfully be able to bring to facilitate deployment of the network. The City may also share future infrastructure plans throughout this process.

The City envisions the deployment of a wireless and/or wired/fiber network with ubiquitous Gigabit-class broadband access, which will enhance the broadband connectivity of the City's residents, businesses, municipal facilities, and community anchor institutions (CAIs) by expanding the range and quality of available broadband and data transport services.

The City has initiated this RFQ to identify one or more entities to enable or directly provide high-capacity fixed or wireless broadband services over a Gigabit network to users within the City. Responses to this RFQ should state how the respondent's approach will result in a world class network that furthers the City's goals of ensuring that the city agencies, local businesses, CAIs, and residents have access to affordable, market-leading broadband services and capabilities that can easily and inexpensively

scale to provide higher-speed services as demand for bandwidth increases. The City seeks input from potential entrants regarding the terms and conditions under which they would participate in such a project.

The City encourages respondents to share their expertise, which may be used to shape the direction and form of the network. Respondents may work together to respond to this RFQ. The City is open to creative solutions that will maximize investment while providing reliable and high-quality services to meet its citizens' needs.

The City welcomes the responses of all legally-qualified respondents, including incumbent service providers, as well as competitive providers, nonprofit organizations, public cooperatives, and entities that are not traditional Internet service providers (ISPs) but are interested in offering service under innovative business models. Non-traditional providers may respond as part of a partnership with an ISP or may provide separate responses outlining their approaches.

The City will review responses based on the respondents' experience, how well the responses address the City's objectives, how the proposed business model balances and shares risks and rewards, and other factors. The City may provide more detailed information on available City assets to one or more respondents.

Following the evaluation of responses, the City may begin negotiations with preferred RFQ respondent(s), issue a more detailed Request for Proposal (RFP) relating to the City-initiated project, issue an RFP to selected RFQ respondents, cancel or delay this initiative, or choose another option that it deems to be in the City's best interest.

Nothing in this RFQ should be construed as creating an RFP or a contract for procurement under applicable California laws. Nothing in this RFQ will preclude the City from obtaining relevant information from other sources or through other processes. Responding to the RFQ is not a guarantee of a contract award. Further, there is no guarantee an RFP will be developed as a result of this RFQ. While the City informally refers to the relationship that it seeks as a "partnership," it does not intend to establish a legally formal association, partnership, or joint venture with any respondent or other entity. The RFQ and subsequent responses by respondents do not create a binding obligation on the part of the City to enter into any form of agreement with the respondents, for the development of a network, or otherwise. The City also reserves the right to withdraw the RFQ or any subsequent RFP, to decline to award a contract, or reject any submissions.

All respondents must follow the instructions and provide all requested material. Failure to follow instructions may be grounds for rejection of the response. All respondents must complete the attached responsibility matrix (Appendix A) and financial

responsibilities questions (Appendix B), and submit each in the format (structure and page limitations) specified in the RFQ instructions in Section VI.

II. The City's Vision

Across the country, fiber broadband networks and, increasingly, high-capacity wireless networks, are becoming drivers and enablers of robust economic development and global competitiveness, fostering educational opportunities, creating access to more affordable modern healthcare, and addressing the digital divide. These networks simultaneously support sophisticated new manufacturing technologies, data-driven companies, intelligent transportation systems, smart electric grids, and many more high-bandwidth applications. The City of Fresno believes that acquiring such a network is critical to its continued growth and prosperity as a manufacturing, research, and technology hub in California.

The City views broadband as an important factor in lowering business costs, attracting and retaining highly skilled residents, and creating sustainable new jobs in an entrepreneurial economy based on innovation and creativity. A high-capacity broadband network can empower and enable Fresno's citizens and local businesses to be network economy producers—not just consumers of network information and data services—ultimately advancing the City's standing in the regional and global economy. Robust residential and institutional connectivity will also expand opportunities for local students in K–12 and beyond, and enable more open government and civic engagement.

One of the City's important goals is to ensure that low-income families and individuals will benefit from high-capacity broadband services and capabilities. This may require free or discounted services, support for neighborhoods participating in City revitalization programs, and other targeted programs. The City also seeks free services for the City's governmental purposes in exchange for use of the City's assets. The City expects respondents to this RFQ to be sensitive to these goals. This initiative may also entail the City's Partner sharing some of the costs and risks associated with providing low-cost or no-charge services.

The City is open to creative ideas with regard to construction, operation, and ownership models for the network. The City and the respondent will together determine the most mutually beneficial collaborative structure. The City is open to creative and innovative ideas about cost-sharing, infrastructure leasing, and profit-sharing arrangements. The City seeks recommendations and ideas regarding various business models, which could include, but are not limited to, the following scenarios:

- Private provisioning of services over infrastructure that is constructed and owned by the public sector, including the City's current assets, but operated and maintained by the private Partner;
- Private provisioning of services over infrastructure that is constructed, owned, operated, and maintained by the public sector;
- Publicly or privately constructed open-access infrastructure that allows other qualified providers to offer service over the network; or
- Private provisioning of services over infrastructure that is constructed, owned, operated, and maintained by the private sector.¹

The City will also consider any combination of these models as well as alternative suggestions proposed by respondents.

III. Background: The City of Fresno

The City of Fresno comprises over 112 square miles in the San Joaquin Valley and is situated at the geographic center of the state. Fresno's estimated population of 520,000 makes it the fifth largest city in California and the 34th largest city in the nation, with a steadily expanding population.² It is expected to realize a 6.9% population growth over the next five years making it one of the fastest growing regions in the United States.

Fresno serves as the economic hub of California's Central Valley, with surrounding cities predominantly tied to large-scale agricultural production. The Central Valley region is the largest and most productive agricultural area in the world, feeding one-third of the world's population with \$26 billion in agricultural production annually.

Fresno is also home to a growing tech community. According to the Progressive Policy Institute in July 2015, Fresno is the fourth fastest tech-job creating city in California with a 20% increase in tech jobs since 2011.³ This growth is evidenced by the expansion of Bitwise Industries, a private business incubator for software companies.

In addition to its growing tech community, Fresno's export-oriented economy is anchored by:

- The largest and most productive agricultural region in the world;
- 150 food and beverage manufacturers within the city limits and dozens more in the surrounding region;

¹ Respondents should clearly indicate how this approach achieves the City's partnership and connectivity goals.

² "Fresno Quick Facts" United States Census Bureau, available at: <https://google/vbZZvh>.

³ Dr. Michael Mandel, *The California Tech/Info Boom: How It Is Spreading Across the State*, **Progressive Policy Institute** (July 2015) google/WohEUn.

- An expansive health and medical services industry that serves a five-county region and includes the UC San Francisco-Fresno medical residency program and accompanying research; and
- The financial, legal, and professional services industry that serves Central California.

Significant private employers in the area include:

- The GAP Distribution Center
- Community Hospitals of Central California
- UCSF Medical
- Veteran's Hospital
- Saint Agnes Hospital
- Internal Revenue Service
- Sun-Maid Growers
- Foster Farms Poultry
- Aetna
- Kraft Foods
- Beverly Health Care
- Schneider Electric (Clovis)
- Kaiser Permanente
- Quinn Group, Inc.
- AT&T
- Zacky Farms, LLC
- Producer's Dairy
- Bitwise

The Fresno Unified School District is the 4th largest school district in California, with 11,062 employees serving more than 73,000 students across 66 elementary schools, 15 middle schools, 9 high schools, 4 alternative schools, and 3 special education schools.⁴ The District recently launched a technology initiative in cooperation with AT&T, Microsoft, ASUS, and Cisco, deploying 15,000 tablets with keyboards to grades K-12 across the district; providing 1,400 new laptops to teachers with aging computers and to new teachers; and installing 3,200 wireless access points across the district so that access to the network and Internet is available everywhere at every school.⁵ The District's technology initiative also includes daily text messages to parents on attendance and grades; dashboards for staff to quickly examine student attendance, grades, behavior and other key indicators; and a new system for professional learning to help teachers be the best they can be. The proposed broadband network would enable students to take these services out of the classroom and into their homes.

The Fresno area is also home to a number of educational institutions whose populations would benefit from broadband. There are also nearly two dozen public and private community colleges and universities in the Greater Fresno Region, which support over

⁴ Fresno Unified School District, Fact Sheet: "District at a Glance," available at: <https://google/T1QsDa>.

⁵ Fresno Unified School District, Technology Services Fact Sheet, available at: <https://google/E9cNTL>.

80,000 students. These include California State University, Fresno, which has an enrollment of nearly 25,000 undergraduate and graduate students. California's second largest community college district, State Center Community College District, is headquartered in Fresno and encompasses three campuses and two centers with an enrollment of nearly 40,000 students. Other educational institutions in the Fresno Area include Fresno Pacific University, University of California San Francisco-Fresno medical residency program, and the University of California Kearney Agricultural Research Station.

The City has a thriving arts and cultural scene. Significant cultural attractions include the Fresno Art Museum, Arte Americas, the Fresno Arts Council, the Fresno Film Commission, and a number of private galleries. Events such as Art Hop, which attracts thousands each month, promote local artists at multiple venues across the City. The City has its own Philharmonic Orchestra as well as the Fresno Grand Opera, and both have seasonal programs for the enjoyment of the population.

The City has several venues for cultural events, concerts, and sporting events and offers hundreds of live entertainment events each year. Significant facilities include the Fresno Convention Center, the Saroyan Theatre, the Selland Arena, and a 16,000-person venue for performing arts. Both the City's minor league baseball team, the Fresno Grizzlies, and soccer team, the Fresno Fuego play at Chukchansi Park, a City-owned arena with a seating capacity of 12,500. Other prominent sporting venues include Selland Arena (capacity 10,220), the Save Mart Center on Fresno State's campus (capacity 16,182), and Bulldog Stadium (capacity 40,031).

At the physical center of California, it is easy to reach other destinations from Fresno. Los Angeles, Sacramento and San Francisco are all approximately 3 hours by car. The Central Coast can be reached in 2.5 hours and the mountains can be reached in about one hour. Fresno provides easy access to mountain biking, hiking; water skiing, snow skiing as well as other outdoor activities, and the mild weather make it a great place for year-round outdoor interests. The City is close to three national parks (Yosemite, Sequoia and Kings Canyon), which draw a combined 6-million guests annually.

Several initiatives are underway that would boost the economy, as well as increase subscribership for this network. The City is implementing a Bus Rapid Transit system that will travel down two major arteries in the City. In addition, as part of the California High Speed Rail (HSR) project, the nation's first HSR station will be constructed in Downtown Fresno, which will provide a 45-minute commute to San Jose by 2025. The first segment of HSR is under construction and is already catalyzing increased real estate investment in Downtown Fresno, along with increased interest from Bay Area companies looking to relocate "spill over" business functions in a lower cost, less

congested region of California. Along with private investment, the City is investing substantially in public infrastructure and housing in the Downtown area, including returning two-way traffic to a former pedestrian mall that runs along the length of the City's historic main street and supporting the construction of approximately 1,000 new housing units over the last ten years. The City is also implementing a \$600-million-dollar water infrastructure capital program over the next three years, which will "drought proof" the City making Fresno one of the most "water competitive" cities on the West Coast. Combined, these investments make Fresno an increasingly desirable place to live and work.

IV. Project Goals

Respondents to this RFQ should indicate whether and how their proposals will serve the following City goals:

1. Attract an ultra high-speed wireless or wired/fiber broadband network that will stimulate the City's economic growth and global competitiveness, drive job creation, foster innovation, enhance healthcare delivery, improve education, and serve multiple new areas of development in the community;
2. Make broadband connectivity at symmetrical speeds of at least 1 Gigabit per second (Gbps) available to residents on an affordable basis throughout the City;
3. Make broadband connectivity at symmetrical speeds of at least 10-100 Gbps available to businesses and institutions on an affordable basis throughout the City;
4. Introduce competitive choice to ensure that businesses, institutions, and residents have access to the services of their choice from the service providers of their choice;
5. Consider innovative models, including, but not limited to:
 - a. Leasing City-built and -owned dark fiber and other assets as available as part of a network to provide services;
 - b. Working with the City to construct and operate a fiber-to-the-premises (FTTP) network;
 - c. Fostering private investment and innovation;
6. Lay the foundation for the network to scale over time and expand to other areas of the region;

7. Offer services at favorable terms to the school district and/or other public and non-profit facilities that provide educational services to students;
8. Provide cost-effective services for price-sensitive customers and flexible pricing plans to help narrow the digital divide and ensure access to all City residents;
9. Offer free service in public spaces and popular gathering places; and
10. Offer free services to the City for its employees while performing City functions. Such services may include, but are not limited to:
 - a. Mobile work force (field inspectors, code enforcement, police officers, fire fighters, etc.),
 - b. Public Safety (shot spotter, video policing, fire inspectors, mobile fleet, etc.), and
 - c. Transit, traffic operations and signal synchronization.

At this stage, the City has no firm preference as to technology or business model and is willing to consider any approach that will enable it to obtain high-quality, gigabit-level services and capabilities for households, businesses, educational institutions and other agencies in the City. For the network to have the intended economic and quality-of-life impacts, the City also considers cost and availability of service to be important. As a result, the City encourages responses that address both to maximize adoption of service.

All respondents must fully complete Appendix A and fully comply with the instructions in Section VI.

V. Available Infrastructure, Facilities, and Services

The City is flexible about the role that it will play to achieve the project goals and is willing to consider various levels of involvement. As indicated, the City will consider making certain infrastructure, facilities, and services available to a Partner for the purposes of this initiative. To the extent required by law, the City will make these assets available on a non-discriminatory basis. In doing so, however, the City will take into account the unique benefits that the provider will bring to the City.

A. City Point of Contact

At a minimum, the City anticipates that it may be necessary to assign a single point of contact (SPOC) for each Respondent and/or its contractor(s), and commits to providing services to help prevent or lessen conflicts in the Respondent's construction schedule. City staff will be prepared to assist the respondent(s) in navigating necessary permitting to streamline planning and construction efforts. Once the City has selected its Respondent(s), it will be prepared to move forward. The City will work with its Respondent(s) to facilitate the smoothest possible access for construction and installation of the network.

B. Access to Information Regarding City Infrastructure

For the selected Respondent(s), the City will provide access to non-public resources that identify City infrastructure and, where available, access to existing conduit infrastructure. Such information includes but is not limited to traffic, sewer, water, and storm-drainage facilities. At the City's discretion, the City may allow a requesting proposer to review data regarding City assets after signing a non-disclosure agreement, as appropriate.

C. Fiber

The City is willing to offer the use of its existing fiber network and to consider installing new fiber where it does not exist and where doing so makes sense for the City. The City has approximately 90 route miles of fiber deployed throughout the City, which it installed primarily to support the City's Intelligent Transportation System (ITS). The system is well designed and is suitable for broader use, with more than 96 fiber strands installed along the majority of these routes. It is already being utilized in conjunction with the City's eGov initiative as a network connecting multiple agencies within the region.

The City has implemented a *Dig Once* policy for fiber to be installed whenever there is an open trench. Fiber that is installed in conjunction with the *Dig Once* policy is generally not associated with the City's ITS fiber network, but it can also be used for the purposes of this initiative. The City has already begun deploying fiber because of this policy and plans to continue to do so in the future. A current map of the City's current and planned fiber can be found in Appendix C.

D. Conduit

The City has approximately 104 route miles of underground communications conduit. Much of this supports the City's existing fiber optic infrastructure, but contains

substantial spare capacity with four or more 1.5-inch diameter (or larger) conduits along most segments. Underground vaults and handholes provide access to conduit at intervals averaging approximately 1,000 feet. A current map of the City's current and planned conduit can be found in Appendix C.

E. Streetlights and Towers

The City owns a vast number of physical assets capable of supporting wireless communications infrastructure, including communications towers, streetlights, video surveillance camera poles, and even air raid siren structures, each of which is supplied with electrical power and maintained by the City. It should be noted that air raid sirens are adjacent to power and should be investigated for structural integrity.

Most notably, this includes a total of 29,678 non-wooden street light poles that it could make available to a Respondent. Streetlights are primarily constructed of metal or concrete, are separated by between 75 to 275 feet, and range from 12 to more than 30 feet tall. Proposed attachments to the City's street light poles are subject to height, weight, placement, and aesthetic considerations. Equipment may be subject to permitting. The City's street light poles are powered in accordance with an agreement between the City and Pacific Gas & Electric (PG&E). The City intends to execute a power agreement with PG&E and/or work in good faith to secure an agreement for power with the Respondent and PG&E, or both.

Additionally, the City owns three communications towers ranging in height from 140 feet to 250 feet, 127 video surveillance camera poles located along key roadways, each 35 feet in height; and eight air raid siren towers.

F. Building/Real Property

The City owns many buildings and other real property that may be suitable for placement of wireless equipment or other infrastructure. The use of the property or buildings (depending on the use proposed) will need to be evaluated on a site-by-site basis and may require some discretionary land use approval, such as site plan review or conditional use permits, and will require appropriate investigation to ensure that the structures proposed are consistent with the safe continued use of the structure, and otherwise in accordance with law and the City's permitting process (which shall be streamlined as part of this initiative). This space may exist at substations, tower sites, fire stations, municipal buildings, or other locations. The City is also willing to consider leasing towers, rooftops, and other aerial spaces.

G. Streamlined Permitting Process

The City of Fresno has recently implemented a streamlined planning and building process as part of the City's Business Friendly Fresno program. The City would leverage this process to help reduce its Respondent's time and effort in planning for the deployment of major telecommunications projects. Additionally, the City has taken steps to classify the wireless and fiber installations as minor utilities.

As a part of this initiative, the City intends to make the permitting process as fast and efficient as reasonably possible. That is, if accurate plans are presented at the beginning of the project, the effort can be treated as a single project, or sets of projects, that are subject to streamlined standards established during the initial phases of the project. ***It should be noted that, wherever it is indicated that permits are required within this RFQ, those permits will be subject to this streamlined process.*** Permit fees may also be reduced or waived at the City's discretion. As indicated, the City may also provide a SPOC that will help to coordinate the activities, answer questions, and ease the burden of implementation.

The City is willing to entertain a master licensing or franchise agreement with the selected Partner(s) in accordance with the City Charter.

H. Identification of Broadband Deployment Assistance

While the City has identified certain specific steps designed to speed deployment of advanced infrastructure, the City will work with selected Respondent(s) to identify and take advantage of other opportunities to speed broadband deployment. For example, the City may be willing to assist selected Respondent(s) in applying for grants designed to secure deployment of broadband to low-income housing. The City is committed to creating an environment in which selected Respondent(s) may quickly enter and have a fair opportunity to succeed in the marketplace.

I. Confidentiality

Where applicable, respondents should identify material that is confidential or proprietary as such. Any confidential information of the City's that is sought after shall be released only upon a signed non-disclosure agreement. Throughout this process, the City intends to keep the discussions confidential according to the City's Purchasing process and applicable laws. If an award is made, agreements will require the approval of the City Council, which will then become public record. If the City does not select a respondent, it does not intend on disclosing information, discussions or both, with the public. Under no circumstances shall the City be held liable for any disclosure of any information submitted if such disclosure is inadvertent or required by any applicable law.

J. Other

Respondents should also identify any existing assets they may have in the Fresno area and how they intend to leverage those for this project. Respondent(s) may be asked to pay franchise fees to the City and pole attachment fees to the appropriate utility. Respondents should consider whether they propose to offset the fees with in-kind contributions, including conduit and dark fiber. The City will work with the selected entity or entities to facilitate conversations and collaboration with pole owners such as PG&E and other entities.

VI. RFQ Response Requirements

The City of Fresno requests the following information—in as much detail as is practicable—from respondents. **All responses must adhere to the following response requirements and page limitations.** All responses must follow the exact order below and use the appropriate response headers. Start a new page for each response header. Failure to follow these instructions may result in rejection of the response.

1. **Cover Letter:** Please include company name, address of corporate headquarters, address of nearest local office, contact name for response, and that person's contact information (address, phone, cell, email). Keep response to one (1) page.
2. **Business Model Summary:** Summarize the business model you intend to use for the partnership. This should be a concise explanation of the key components of your business model, including but not limited to the division of network and operations responsibility and ownership. Keep response to two (2) pages.
3. **Affirmation:** Affirm that you are interested in this partnership and address the core project goals listed above (Sections IV). List each goal with a brief statement of how you will comply. If you cannot meet any of those requirements, indicate the requirements to which you take exception, and provide an explanation of the exceptions. Keep response to three (3) pages.
4. **Experience:** Provide a statement of experience discussing past performance, capabilities, and qualifications. Identify other networks your firm has designed, built, maintained, or operated; include the levels of broadband speed, availability, and adoption among different categories of end users and unique capabilities or attributes. Discuss partnerships with other service providers, government, or nonprofit entities you have

undertaken, particularly any involving dark fiber leasing. Describe the nature of the projects and your firm's role. For entities currently providing communication services in or near Fresno, describe your current service footprint in the City, including a description of the type of infrastructure and services you currently offer and the technology platform(s) used. Explain how your firm is a suitable Partner for this project. Keep response to two (2) pages.

5. **Technical and Operations:** At a high level, summarize the technological and operational approach you would use for this project.
 - a. How would you use technology to meet the City's goals? Keep response to one (1) page.
 - b. What approach would you use to interconnect with the Internet and other public networks? Keep response to one (1) page.
 - c. How would you perform network management? Keep response to one (1) page.
 - d. Under what scenarios would you require route diversity or other special features in the City fiber? At what sort of facility (or facilities) would you place network electronics? Keep response to one (1) page.
 - e. Provide a proposed network diagram. Keep response to one (1) page.
6. **Business Structure:** Summarize the business approach you would use for the project. How would your business plan help to meet the City's goals? What are the key assumptions? What are your main areas of risk, and how can the City help reduce the risks? What are the City's main areas of risk, and how will you reduce the risk to the City? Keep response to three (3) pages. Also complete Appendices A and B to clarify areas of responsibility.
7. **Schedule:** Describe your proposed schedule for implementing service. Offer a timeline with key milestones. Would you be able to begin service before the entire network is constructed? Are there areas of the City you would recommend be constructed first? Keep response to two (2) pages (one for response, one for schedule).
8. **Maintenance:** If you are proposing to perform fiber network maintenance, describe your ability to perform maintenance on an ongoing and as-needed basis. Provide estimates of the operating cost of maintaining the fiber optic outside plant for a citywide fiber network and include your main

assumptions. If you are not performing maintenance, who is? Keep response to one (1) page.

9. **Privacy:** Describe your ability to provide secure network service or infrastructure that complies with public safety and other security and privacy regulations and requirements. Keep response to one (1) page.
10. **Financing and Funding:** List any requirements the City must meet for you to work with the City on this project by completing Appendix B – Financial Responsibilities Questions.

Please also provide a one-page flow chart that shows the flow of funds between all parties in your response. Include all sources and uses of funds.

If you do not address this question, it will be assumed that you are interested in the RFQ but have no financial requirements whatsoever of the City. **Appendix B must be submitted electronically in its native PDF format.** Please keep response to the guidelines of the separately attached PDF, plus the one-page flowchart.

11. **Services:** Describe the service options you plan to offer over this network (for example, data only; voice and data; a triple play of voice, data, and cable television; etc.). What download/upload or symmetrical speeds would you offer and guarantee to end users? How will your residential and business offerings differ? What types of service level agreements (for lit services: availability and packet delivery; for dark fiber: repair time) would you be prepared to offer? Keep response to two (2) pages.
12. **Pricing:** Provide your approach to pricing the proposed services. For managed services, please describe factors impacting non-recurring costs (estimated fiber path distances, equipment redundancy, etc.); recurring costs for varying capacity levels; and any key technical assumptions upon which prices are based. For dark fiber offerings, please describe desired pricing models. Keep response to two (2) pages.
13. **Local Participation and Economic Development:** Provide a statement of how your proposed participation would help the City's economic development goals. Describe your interests and plans to hire local contractors and providers in the City of Fresno, and how your participation would help local job creation. Describe your relationships with local businesses in the City, if any, as well as your interest and plans to engage them in this project. Keep response to one (1) page.

14. **References:** Provide a minimum of three (3) references, including contact information, from previous contracts or partnerships. Keep response to two (1) page.

Following the response above, please include your completed Appendices A and B. Keep Appendix A in its native Microsoft Excel format. Keep Appendix B in its native PDF format.

VII. Selection Process

Submittals in response to this RFQ will be evaluated by City staff. The evaluation team will review and evaluate responses to the RFQ and make a list of eligible Respondents. Selection will be made in conformance with City policy.

The City reserves the right to accept or reject any or all RFQ proposals and may select and negotiate with one or more Respondents concurrently. Based on the RFQ evaluations, the City may begin negotiations with one or more eligible firms/companies; invite selected firms/companies to submit a RFP for further consideration and final selection; or invite selected firms/companies to be listed as a qualified firm/company should the City choose to go forward with this initiative. The City reserves the right to make the selection of a respondent based on any or all factors of best value, whether quantitatively identifiable or not, including, but not limited to, the anticipated initiative and ability of the proposer to perform the services set forth in this RFQ.

The RFQ evaluation will be based on the following:

- Thoroughness and clarity of the proposer's response to this RFQ;
- Ability to fulfill the project goals and project purpose;
- History of successfully completing similar sized wireless and/or fiber broadband projects;
- Quality of previous work performance, including public-private work;
- Quality of the technical and operational approach;
- Ability to meet key milestones;
- Allocation of operational and financial responsibilities;
- Three (3) relevant professional project references;
- Ability to enter into a City contract and meet and maintain insurance requirements for the duration of the project;
- Signature authorization as evidenced in a resolution/minute order/agreement to enter into a City contract.

As previously stated, this RFQ and subsequent responses by respondents do not create a binding obligation on the part of the City to enter into any form of agreement with the

respondents for the development of a network, or otherwise. The City also reserves the right to withdraw the RFQ or any subsequent RFP, or to decline to award a contract.

Local Preference

Fresno Municipal Code Section 4-109, LOCAL PREFERENCE IN CONTRACTING FOR SERVICES, provides for a local preference. Portions pertinent to this Contract are paraphrased as follows:

Except for those contracts funded by the federal or state government when such funding would be jeopardized because of this preference, the City of Fresno shall, in contracting for professional services, other than consulting service, extend a five percent (5%) preference for a local firm in evaluating proposals for award. The amount of the preference shall be equal to the amount of the percentage applied to the lowest proposal price from a firm other than a local firm, if the Respondent submitting the lowest proposal price is not a local firm. The Respondent shall certify, under penalty of perjury, that the Respondent qualifies as a local firm. The preference is waived if the certification does not appear on the proposal.

"Local firm" shall mean a firm with a fixed primary or branch office within a twenty-five mile radius of Fresno City Hall, located at 2600 Fresno Street in the City of Fresno, and a majority of the work on the project will be performed by employees who are permanently assigned to such office prior to the city requesting proposals for the project and whose regular duties would include local work on other than city projects.

Respondents shall submit the form CERTIFICATION FOR LOCAL PREFERENCE with their proposal if they seek the benefit of local preference.

Questions, Clarifications and Concerns

The Specifications describing this project have been carefully prepared. Any questions or concerns relating to these Specifications shall be directed in writing to the Designated Buyer of the Purchasing Division (see cover page) and shall be sent by email (Purchasing@fresno.gov) or facsimile to (559) 488 1069. A Question Form for this purpose has been included as page 8.

Questions will be accepted only up to Monday, November 21, 2016 to allow the City, if necessary, to issue an addendum to all Respondents stating revisions, deletions, or additions to be made to the Specifications as a result of any questions. If questions arise after the deadline, please contact the Designated Buyer of the Purchasing

Division, Bob Callistro (Purchasing@Fresno.gov), but the City will not guarantee a response.

The City will not be responsible for verbal responses made by parties other than the Purchasing Manager or her/his designee.

Contacts with City Staff

Before an award is made, any contact with City staff, other than the Purchasing Manager or his/her designee(s), without prior written authorization is strictly prohibited and may render the Respondent non-responsible.

Regulated Communications in City Procurement Process Ordinance

The Regulated Communications in City Procurement Process Ordinance (Article 6, Chapter 4 of the Fresno Municipal Code) became effective May 7, 2004. With certain specified exceptions, the Ordinance provides that no Respondent, Bidder, Respondent (as the case may be) shall initiate, engage in, or continue any communication to or with any City elected official concerning or touching upon any matter which is the subject of this competitive procurement process.

Any Respondent, Bidder, Respondent or elected official (as the case may be) who initiates, engages in, continues in, or receives any regulated communication shall file the written disclosure required by the Regulated Communications in City Procurement Process Ordinance.

Any Respondent, Bidder, or Respondent violating the Regulated Communications in City Procurement Process Ordinance may be disqualified from participating in this procurement process and/or determined to be non-responsible. Additionally, the City may set aside the award of a contract, prior to its execution, to a party found to have violated the Ordinance.

Note: The full text of Fresno Municipal Code, Chapter 4, Article 6 may be viewed on the City's website at, <http://www.fresno.gov>. Under Government, "City Clerk" - Fresno Municipal Code- Or view the Fresno Municipal Code directly at <http://www.municode.com/Resources/gateway.asp?pid=14478&sid=5>

Outreach to Small Business Enterprises in Subcontracting

The City of Fresno hereby notifies all Respondents that it is the City's policy to provide all small business enterprises, including minority, women, and disabled veteran business enterprises, equal access and opportunity for participation in the performance of all construction contracts, professional service contracts, procurement of supplies, equipment and other services. Therefore, the City requests that a Respondent who

intends to subcontract a portion of the work seek out small business enterprises that are potential subcontractors, suppliers, or consultants, and actively solicit their interest, capability and prices.

VIII. Response Process

Consistent with California state law, all correspondence regarding this RFQ should be directed to: Bob Callistro, Purchasing@Fresno.gov or on the City's Planet Bids portal: <https://www.planetbids.com/portal/portal.cfm?CompanyID=14769>.

The City cannot guarantee that correspondence directed to other City staff or departments will be received or considered.

Letter of Intent/Interest

All interested respondents are asked to submit a letter of interest via email, online (Planet Bids) or mail by **Monday, November 14, 2016** to Bob Callistro at Purchasing@fresno.gov. A letter of interest is the minimum requirement for this RFQ.

Questions

Questions related to this RFQ should be submitted online (Planet Bids) or emailed to Bob Callistro at Purchasing@fresno.gov no later than **4:00 PM PST on Monday, November 21, 2016**. **The City responses to questions shall be continuous throughout the process.**

Response Deadline

Final RFQ submissions must be either delivered electronically, online (Planet Bids) or received by mail no later than 4:00 PM PST on Wednesday, November 30, 2016. Please deliver or mail the final RFQ and the completed required Appendix in a sealed envelope to the following address:

**Attn: Bob Callistro
Purchasing Manager
City of Fresno
2600 Fresno Street, Room 2156
Fresno, CA 93721**

Late responses will not be considered.

Please identify any proprietary and/or confidential information as such.

Summary of RFQ Process Deadlines

The following is the schedule for responding to this RFQ. The schedule is subject to change:

Friday, October 21, 2016 – RFQ issued

Monday, November 14, 2016– Deadline for submitting letter of interest to respond to RFQ

Monday, November 21, 2016 – Deadline for submitting questions

Wednesday, November 30, 2016 – RFQ responses due

The City of Fresno thanks you in advance for your thoughtful response.

IX. Personal Presentations

At its discretion, the City may request that vendors and other parties who provide a timely response to this RFQ make an individual and personal presentation to better explain information or solutions identified in the response. These presentations, if requested by the City, shall be held at a time and place of mutual convenience.

Appendix A: Responsibility Matrix

Appendix A is included as a separate file.

Note that Appendix A *must* be submitted in its native Microsoft Excel format. Failure to follow submission instructions may result in rejection of the response.

Appendix B: Financial Responsibilities Questions

Appendix B is included as a separate file.

Note that Appendix B *must* be submitted in its native PDF format. Failure to follow submission instructions may result in rejection of the response.

Appendix C: Current and Planned Fiber/Conduit Map

Appendix A: Responsibility Matrix

Appendix B: Financial Responsibilities Questions

Appendix B: Financial Responsibilities Questions

The purpose of these additional questions is to garner a more complete understanding of your plan for the collaborative relationship with the City of Fresno. Our goal is to get a sense of your approach to this relationship, including any financial element you anticipate for the City itself, through informative yet brief responses to the questions below. Unless otherwise noted, please keep all responses to under one-half page, consistent with the text boxes allotted for each question.

Financing is any borrowing required or any investments provided. **Funding** is resources that can include subscriber revenues, taxes, or other sources that are used to cover operations, maintenance, debt service, and other expenses.

- (1) What, if any, financial requirements do you have of the City in order to enter into a partnership?

City of Fresno RFQ – Appendix B: Financial Responsibilities

(2) How do you propose to finance the network build-out?

(3) How do you propose the financing be secured? By whom and with what guarantees?

City of Fresno RFQ – Appendix B: Financial Responsibilities

- (4) Will the City be required to make any service payments to you, your partner(s), a separate limited liability company (LLC) created for the partnership, or any other entity that is part or could become part of your proposal?

Yes

No

- 4a. If "Yes," will these payments be subject to a consumer price index (CPI) increase?

Yes

No

N/A

A

- 4b. If "Yes," what are the conditions of payment obligations from the City? (If "No," please enter "N/A" for Question 4b.)

- (5) Will you, your partner(s), your LLC, or any other entity contemplated as part of your proposal be required to make any service payments directly to the City?

Yes

No

- 5a. If "Yes," will these payments be subject to a CPI increase?

Yes

No

N/A

City of Fresno RFQ – Appendix B: Financial Responsibilities

(6) How is the project funded?

(7) If subscriber revenues are projected to fund the project:

7a. Are these subject to CPI in your financial projections?

Yes

No (If "No," please enter "N/A" for Questions 7a through 7e.)

N/A (If "N/A," please enter "N/A" for Questions 7a through 7e.)

7b. What is your marketing approach to reach subscriber revenue projections?

City of Fresno RFQ – Appendix B: Financial Responsibilities

7c. What would be your sales objectives (in subscribers) in years 1, 2, and 3?

7d. What take rate do your projections assume?

7e. What are the key themes of a marketing strategy you would implement in the partnership?

City of Fresno RFQ – Appendix B: Financial Responsibilities

(8) Do you propose a basic free service?

Yes

No (If "No," please enter "N/A" for Questions 8a and 8b.)

8a. If yes, who is required to support the operating expenses of delivering the service?

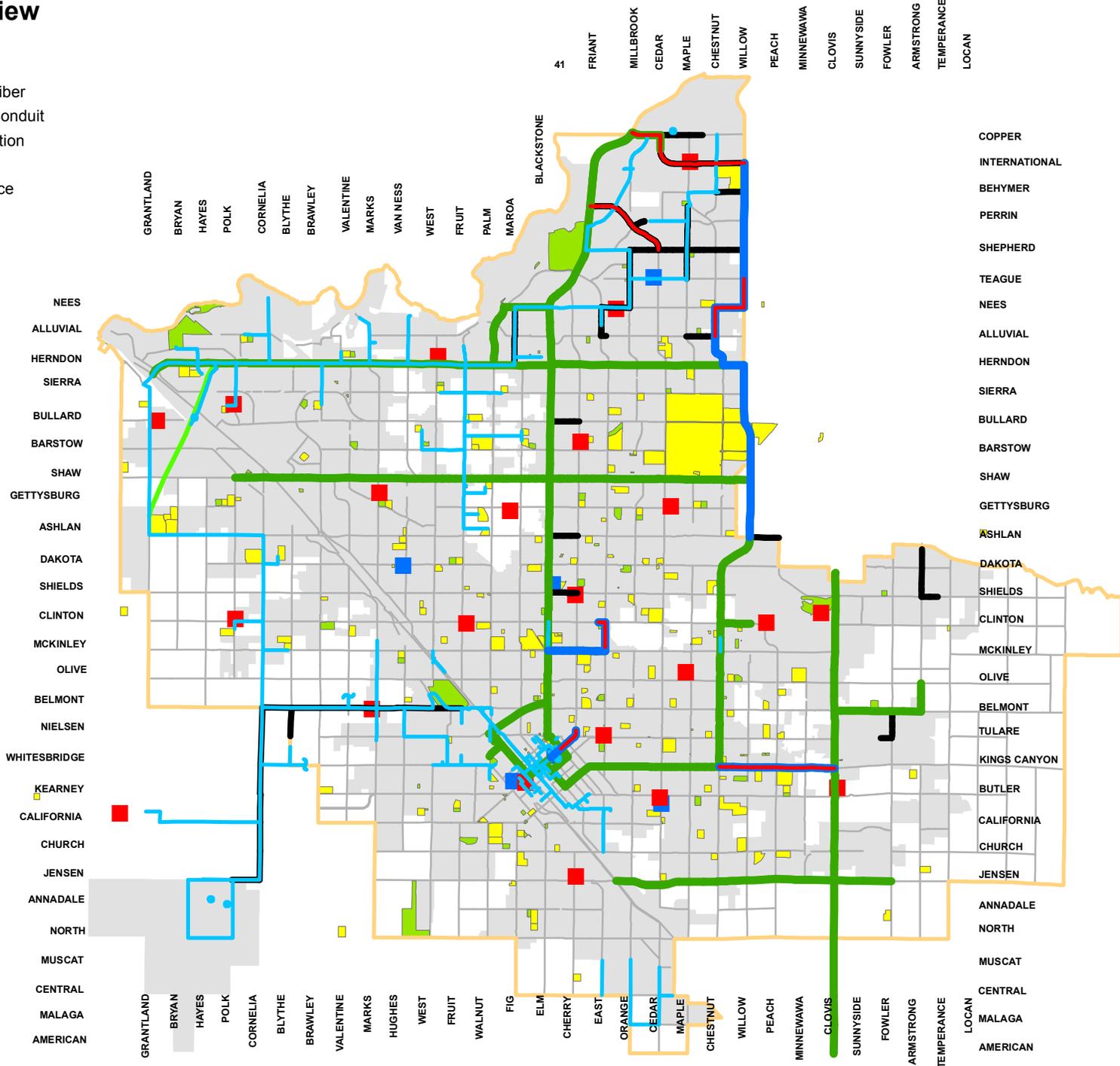
8b. How are funds for support of the free service generated?

Appendix C: Current and Planned Fiber/Conduit Map



Project Overview

- Active Fiber
- Empty Conduit
- Conditional Use Fiber
- Conditional Use Conduit
- Planned Construction
- Veterans Blvd
- Sphere Of Influence
- Fire Stations
- Police Stations
- Parks
- Schools



NEES
ALLUVIAL
HERNDON
SIERRA
BULLARD
BARSTOW
SHAW
GETTYSBURG
ASHLAN
DAKOTA
SHIELDS
CLINTON
MCKINLEY
OLIVE
BELMONT
NIELSEN
WHITESBRIDGE
KEARNEY
CALIFORNIA
CHURCH
JENSEN
ANNADALE
NORTH
MUSCAT
CENTRAL
MALAGA
AMERICAN

GRANTLAND
BRYAN
HAYES
POLK
CORNELIA
BLYTHE
BRAWLEY
VALENTINE
MARKS
VAN NESS
WEST
FRUIT
PALM
MAROA
BLACKSTONE
FRUIT
WALNUT
FIG
ELM
CHERRY
EAST
ORANGE
CEDAR
MAPLE
CHESTNUT
WILLOW
PEACH
MINNEWAWA
CLOVIS
SUNNYSIDE
FOWLER
ARMSTRONG
TEMPERANCE
LOCAN

41
FRIANT
MILLBROOK
CEDAR
MAPLE
CHESTNUT
WILLOW
PEACH
MINNEWAWA
CLOVIS
SUNNYSIDE
FOWLER
ARMSTRONG
TEMPERANCE
LOCAN

COPPER
INTERNATIONAL
BEHYMER
PERRIN
SHEPHERD
TEAGUE
NEES
ALLUVIAL
HERNDON
SIERRA
BULLARD
BARSTOW
SHAW
GETTYSBURG
ASHLAN
DAKOTA
SHIELDS
CLINTON
MCKINLEY
OLIVE
BELMONT
TULARE
KINGS CANYON
BUTLER
CALIFORNIA
CHURCH
JENSEN
ANNADALE
NORTH
MUSCAT
CENTRAL
MALAGA
AMERICAN