



Legislation Text

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Fiscal Note

The 2015 Information Technology Adopted Capital Budget includes \$150,000 in the Residential Internet Access Assistance project number 10 (810779). Funds are available to build a fiber network for the Darbo-Worthington (\$65,000) and Kennedy Heights (\$34,000). The approximate cost for Allied (\$215,000) and Brentwood (\$197,000) is \$412,000. Funding for these areas may be pursued through an amendment to the 2016 Executive Capital Budget.

The City pays maintenance fees to the MUFN Consortium for the use of fiber. It is estimated that this amendment will result in additional maintenance fees of \$4,800 per year. The network will be built in 2016 and, therefore, a prorated amount for the use of the fiber will be charged in 2016. The fees are paid out of the Traffic Engineering budget and are anticipated to be minimal in 2016.

Title

Awarding a contract to Restech Services, LLC for a 2 year pilot program to provide fiber to the home pursuant to the "Bridging the Digital Divide" RFP, and authorizing the Mayor and City Clerk to enter into a contract for the pilot program.

Body

WHEREAS, the Digital Technology Committee (DTC) was formed in February, 2014 to address the approach to utilizing available funding to provide internet service to challenged neighborhoods; and

WHEREAS, the DTC discussed multiple facets of this issue, invited input from the public, UW Madison, Madison Metropolitan School District, city staff and other parties; and

WHEREAS, the committee conducted a pilot site selection process utilizing data from Neighborhood Resource Team areas, census data, proximity to city infrastructure such as fiber optic communications lines and other information; and

WHEREAS, this process identified four potential pilot sites to be used for an initial pilot project; and

WHEREAS, the DTC solicited industry input by issuing a Request for Information (RFI) to potential vendors in order to obtain information on potential approaches and technologies; and

WHEREAS, as a result of the RFI, a full Request for Proposal (RFP) # 8416-0-2015-BP was issued, soliciting proposals for a vendor to build a network to be owned by the City and operate the network, resulting in low-cost internet services to the pilot sites identified in the RFP; and

WHEREAS, while wireless solutions were expected, the RFP was written to allow both wireless or fiber-based solutions; and

WHEREAS, the City received 3 proposals (2 wireless and one fiber to the premises) and an evaluation panel including City IT staff, UW IT staff, and a member of DANenet staff evaluated and scored each proposal based on scoring and rating procedures designed in consultation with City Purchasing, and

WHEREAS, Restech Services, LLC of Madison, WI proposed a fiber-to-the premises model with the following

details:

\$9.99 / month fee for internet for residential subscribers with unlimited data, a minimum speed of 10 MB, including a call center, 24 hour support, infrastructure maintenance and network monitoring and

\$511,929.00 to build a fiber network for all four pilot neighborhood areas identified in the RFP, using Gigabit-capable Passive Optical Network (GPON) technology on fiber optic cable for each multi-dwelling unit buildings and Optical Network Terminal (ONT) devices to connect to single-family residences and some duplexes.

WHEREAS, Restech's solution also includes the following: fully duplexed connectivity (10 Mbps upload and 10 Mbps download) for a total of 20 Mbps total bandwidth and the ability to provide a low-cost IP-based television solution and IP-based telephone services over the same wire; and

WHEREAS, Information Technology's 2015 Capital Budget includes sufficient funding for only two of the four areas, Darbo-Worthington and Kennedy Heights. IT will modify its 2016 Capital Budget request to seek funding for the remaining two, Allied and Brentwood; and

WHEREAS, the City intends to perform a cost-benefit analysis as required by Wis. Stat. 66.0422 using data generated during this pilot project as the next step in expanding such service throughout the City;

NOW, THEREFORE, BE IT RESOLVED, City staff are authorized to award and negotiate the contract under RFP #8416-0-2015-BP to Restech Services, LLC for the purposes described above; and

BE IT FURTHER RESOLVED, the Mayor and City Clerk are authorized to sign a contract with Restech Services, LLC for a two-year pilot project as described herein and in the RFP, to include the Darbo-Worthington and Kennedy Heights neighborhoods.

BE IT FINALLY RESOLVED, the contract may include a provision to expand the pilot project to include the Allied and Brentwood neighborhoods, but only if the necessary funding were to be made available.