

PUBLIC NOTICE
APRIL 18, 2007

REQUEST FOR PROPOSALS
FOR
PARTNERSHIP OPPORTUNITIES WITH TELECOMMUNICATION SERVICE PROVIDERS
ON THE IPROVO NETWORK

RFP #75028

The City of Provo, Utah is seeking qualified companies to submit proposals to provide telecommunications services and business opportunities on the iProvo Network. The iProvo Network is a Layer 2 active Ethernet network using VLANs to deliver voice, video and data services over a fiber to the home or business network (FTTH) which is available to all premises in Provo. Construction of the FTTH project in all of Provo was completed in 2006.

This Request for Proposals (RFP) seeks offerings and information from experienced telecommunications service providers engaged in the business of supplying telecommunication products and services. Provo desires to receive proposals from qualified applicants that understand the goals and objectives of the network and can demonstrate the ability and resources to offer said services. In Provo's sole opinion, Provo will give preference to those that (1) have experience in telecommunications business; (2) has existing customer base in Provo and a plan of transferring those customers to the iProvo network; (3) have a plan to offer voice, video and data services or a unique telecommunications service; (4) bring brand recognition likely to attract new customers; (5) are able to demonstrate financial viability; (6) offer the best proposal for the benefit of the city; (7) will exclusively use the iProvo Network to deliver telecommunications services., (8) provide a detailed plan for market development/penetration, (9) and demonstrate best practices in customer service.

The applicant must follow the outline and requirements of the RFP. This is an open invitation and the City may elect as the sole judge to proceed with any proposal that best serves its best interest at that time. Time is of the essence and first-in-time preference will be given to those applicants with similar proposals.

The RFP is available on the city's website at http://www.provo.org/finance.bids_main.html . Any questions and contact information must be directed via email to Kevin Garlick, Acting Telecom Manager (kgarlick@provo.utah.gov).

All proposals will be evaluated and given a priority at the sole judgment of the City of Provo. The City of Provo may elect at its sole judgment to enter into an agreement with any qualified telecommunications provider or none of them as a result of this RFP process.

David Huntsman
Provo City Purchasing Agent

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Introduction

The City of Provo, Utah is seeking qualified companies to submit proposals to provide telecommunications services and business opportunities on the iProvo Network. The purpose of this RFP is to invite perspective providers the opportunity to demonstrate the ability to meet the challenges of the growing needs of telecom services in Provo and the willingness and technical ability to use the iProvo Network in delivering products and services.

Potential providers are encouraged to contact the City and arrange a meeting to review the RFP process and goals and concerns of the City. The City is interested in exploring all reasonable and viable products and services in serving the telecommunications needs of its citizens.

Background

The City of Provo is located 50 miles south of Salt Lake City, Utah along the Wasatch Mountain corridor. Provo is the second largest city in Utah with a population over 110,000. In addition to typical city services, the City owns and has operated an electric utility since 1940. The electric utility, Provo City Power, serves approximately 28,000 residential customers, 3,500 commercial customers, and one large institutional customer, Brigham Young University.

The iProvo Network is under the management and operation of the Telecommunications Division of the Energy Department. The iProvo Network is a Layer 2 active Ethernet network using VLANs to deliver voice, video and data services over a fiber to all available homes or businesses in Provo. The construction of the fiber optic network was completed in August of 2006. Currently, the City has entered into contracts with two service providers; MStar and Veracity, both offering “triple play” (voice, video and data) products to the consumer.

The goals and design for the Network Project are listed below:

- ❑ To provide the citizens of Provo a full range of competitive choices for telecommunications services and applications.
- ❑ To ensure continued economic expansion in the high-tech sector that requires broadband services, and to ensure that existing businesses have services that will allow them to be competitive. Provo’s businesses compete both nationally and globally. Having such high speed/high capacity services and applications available will allow Provo citizens and businesses to differentiate themselves and enjoy a competitive advantage in the marketplace.

- ❑ To provide the City with the capabilities it needs for traffic control, law enforcement, network connectivity and a wide variety of other applications and services.
- ❑ To create neighborhood intranets that include a wide variety of next-generation services, including high-quality video services, ultra-high-speed internet, telephony and home security.
- ❑ To make efficient use of Provo’s existing utility infrastructure and right-of-way and to provide new revenues for the City.

Provider Opportunities

This Request for Proposals (RFP) seeks offerings and information from experienced telecommunication service providers. Qualified service providers shall be a corporation, company, joint venture, or partnership regularly engaged in the business of supplying telecommunication services. The City is interested in receiving a proposal from any Prospective Provider that currently offers a telecom product and support staff for services. The prospective provider should be experienced in marketing, sales, customer service, billing, 24 hour coverage and support, and be innovative and capable of meeting and exceeding customer expectations.

Proposal Format

Proposals shall address the following 4 key sections:

1. Company Information – This section shall contain the contact information (including email) resumes of key personnel, organization chart and a brief description of the company and its history. The proposal shall describe its current business operation, sustainable competitive advantages, service territory, offerings, etc.
2. Business Proposal – This section shall contain the offering to preserve the principals of the business model, promote the growth and connectivity on the network, benefit interested subscribers, create value-added services or unique service opportunities, reduce the operational risk, improve technical and operational efficiency, and promote partnership benefits. This section should address the following topics:
 - a. Describe the customer service standards, methods and benchmarks. Explain the “best –in-class” methods to service the needs of the customers. Describe escalation procedures and tier level support staffing. Explain the billing and collection process.
 - b. Describe the marketing efforts and plans in defining and branding the business. Explain any promotions and methods to attract customers. Define any surveying or customer measurements methods.
 - c. Describe NOC operations and support systems and processes to ensure 24 hour coverage and response efforts. Explain the methods and approaches to promote and ensure reliability in the services.
 - d. Describe the sales approach and activities and present a proposed sales forecast and the efforts and events to support the numbers. Indicate the interest in having the city assist with marketing and sales and define any acceptable methods.

Please be specific in the approach and descriptive of the services and methods.

3. Financial Qualifications – This section shall contain the evidence of the company’s financial ability to provide the services proposed and make payment for lease fees to the City. Financial information should include: (a) the company’s historical and most recent financial statements, (b) credit references (at least 3), and (c) proposed surety for protecting the City against failure to remit monthly transport fees. Please state the financial means that will be utilized to carry out the proposal to completion, including operating costs. Please submit a three year operating performa and balance sheet.
4. Technical Qualifications – This section shall contain evidence of the company’s technical and managerial ability to provide the services. The section shall address the following:
 - a. Describe the level of experience of the company’s management team in providing technical support for the services proposed.
 - b. Describe the technical methods and plans to support the services including phone switches, data connections, video lineups, etc.
 - c. Submit evidence and references that demonstrate the ability to provide technical and customer support.
 - d. Describe any plans to develop and offer future products and services. Explain any R&D efforts of the company. Describe the company’s approach to staying ahead in the technology race.
 - e. Summarize the overall business operations plans and any other relevant information to assist the city in better understanding the company’s proposal.

Proposal Questions

Any questions and contact information must be directed via email or by phone to Kevin Garlick, Acting Telecom Manager at kgarlick@provo.utah.gov or 801-852-6801.

Proposal Submission

Submit a letter of transmittal and three (3) copies of your Proposal to the following address:

Provo City - Telecommunications Division
Attention: Telecom Manager
251 West 800 North
Provo, UT 84601

Proposal Time Table

The City will receive proposals immediately and may, at its sole discretion, begin to accept any proposal after May 10, 2007.

After a potential provider is selected, the parties will enter into a NDA to protect each others interests and proceed towards a contractual arrangement.

The Government Records Access and Management Act, Code Section 3.13.010 et seq., Provo City Ordinance (“GRAMA”) states that certain information in the submitted documents may be open for public inspection. If the Firm desires to have information contained in its response protected from such disclosure, the Firm may request such treatment by providing a “written claim of business confidentiality and a concise statement of reasons supporting the claim of business confidentiality” with the documents (GRAMA, Code Section 3.13.308, Provo City Ordinance).