

## Plan for the UC2B Fiber-to-the-Premise Construction/Installation RFP

In order to achieve the various goals enumerated on the attached list, the UC2B Policy Board seeks to accept competitive proposals for the next phase of UC2B construction in the following manner:

1. Split the work into the six horizontal/vertical packages as shown on the attached chart. Proposers are allowed to submit a competitive proposal on just one package, all packages or the most logical combinations of those packages that match up with their capabilities. Some of these packages may be worth less than \$100,000. Some may be worth more than \$1,000,000. The work is split logically, geographically as well as by type or division of work, i.e. inside work v. outside work.
2. UC2B will collect standardized information from companies that desire to work as subcontractors on this phase of UC2B construction. UC2B cannot vouch for any vendor, but will provide the information collected from potential sub-contractors to all prime contractors seeking bid information.
3. Prime contractors (proposers) will need to pre-qualify with the University of Illinois Facilities and Services office. This is not an arduous task, nor does it take months. Its purpose is to assure that qualified, experienced vendors are capable of doing this work.
4. A 15% MAFBE utilization goal will apply to prime contractors responding to this request. Of that MAFBE utilization, at least 10% of the total, or 2/3 of the MAFBE goal, must be achieved by minority-owned MAFBE firms. If unable to secure the MAFBE utilization as described here, proposers must demonstrate a good faith effort was made to meet the goal. The MAFBE process addresses minority and female business ownership but not the diversity of the workforce.
5. Prime contractors will be required to pledge in their proposal that "X" percentage of their workforce on this project will be minority workers. Contractors can chose any value for "X" that they feel is achievable and appropriate.
6. The scoring for the competitive proposals for this next phase of construction will be based on both price and the percentage pledged for a diverse workforce and other criteria. Proposals with lower prices and a higher percentage of ethnic minority workers will be scored higher than those with higher prices and a lower percentage of ethnic minority workers. The proposed split between scoring price and diversity is 75% price, 25% diversity. The City of Champaign, based upon the advice of the UC2B Policy Board, will award the work to the firm or firms based upon both price and diversity, in conjunction with other criteria contained in Section 12.5-38 (Award Criteria) of the City's Purchasing Ordinance.

7. From the UC2B start-up fund, a bonus will be awarded to the contractor or contractors that meet or exceed their pledged minority workforce participation through the length of the project. The exact mechanism for determining the level of the bonus is yet to be determined, but the Policy Board recommends 1% payment based upon the final contract amount.
8. Prime contractors will be required to provide a performance bond written for the duration of the contract in the amount of 80% of the contract price for those contracts valued at \$100,000 or more. No performance bond will be required for contracts that are less than \$100,000 in value.
9. A 10% retainage of each pay request will be required. However, after defined project milestones, e.g. percentage of contract completion such as number of completed, working connections, the applicable retainage will be released.
10. City bids equipment/logistics purchase separate from construction and installation (labor) for the equipment that has significant lead time for delivery, such as ADC cables.

The UC2B Policy Board and its member agencies, i.e. the Cities of Urbana and Champaign and the University of Illinois, desire to increase local minority and female participation in the Fiber to the Premise (FTTP) construction project and are seeking input on ways to achieve this goal. The purpose of this document is to identify the Project, Customer, and Community Benefit Goals for the project along with the applicable Federal, State and Local requirements, regulations, limitations and barriers and to discuss ideas and opportunities to achieve these goals.

**I. NTIA, DCEO and UC2B Project Goals**

- A. Complete 2,700 FTTP installations within the NTIA grant's budget
- B. Complete 2,700 FTTP installations for the least possible cost
- C. Complete 2,700 FTTP installations before February 1, 2013
- D. Perform the work efficiently and correctly
- E. Increase broadband adoption by households, businesses and Anchor Institutions
- F. Increase broadband adoption by "vulnerable populations" as described by ARRA
- G. Minimize the oversight and coordination needed by city or UC2B staff

**II. UC2B Customers' Goals**

- A. Receive a robust low-cost, high-bandwidth Internet Service
- B. Receive competing telecommunication services over a shared fiber infrastructure
- C. Have the work performed efficiently and correctly
- D. Have the work performed promptly – once started, complete within 48 hours – as weather permits
- E. Minimize damage to property and properly restore all damage
- F. Minimize the number of times UC2B installers need to be in the home or business

**III. Community Benefit Goals**

- A. Receive a robust, low-cost, high-bandwidth Internet service
- B. Receive competing telecommunication services over a shared fiber infrastructure
- C. Increase broadband adoption by households, businesses and Anchor Institutions
- D. Maximize the employment of ethnic minority and female workers
- E. Maximize the employment of ethnic minority- and female-owned companies
- F. Create long-term sustainable fiber construction and installation employment

**IV. Federal/State/Local Regulations, Limitations, Barriers**

- A. Federal grant regulations prohibit geographically based hiring criteria
- B. Davis-Bacon wage rates and reporting obligations apply, adding to project cost and administrative burden (certified payrolls required with pay requests)
- C. Performance bonding requirements
- D. Lack of broad local expertise in this type of work

- E. Limited City/UC2B staff available to manage multiple contracts for work conducted on private property
- G. No engineering design completed for this work requiring qualified and experienced installation contractors
- H. Limited knowledge of the FTTP customer base (connections) at time of bidding
- I. The NTIA grant requires project completion by February 1, 2013

\*\*Not all goals described above are compatible with each other. In instances where they conflict or are in competition with each other, decisions must be made in order to proceed with implementation of the project. For example, in an effort to maximize work opportunities for employees and/or companies, the project has been broken down into 6 component parts leading to the potential of having 6 contractors working on the project. Managing multiple contracts/contractors leads to less accountability, less efficiency and more demands on limited City/UC2B staff time.

