

The UTS-RFP is sufficiently broad scoped, and generic in form, allowing for a wide variety of proposals and UTS implementation strategies. Although the City supports programs that bring fiber closer to homes and businesses in Palo Alto, the UTS-RFP does not specify a particular network architecture or platform. The City will entertain proposals from companies contemplating constructing solutions including Fiber-To-The-Home (FTTH); Fiber-To-The-Curb (FTTC); Hybrid Fiber Coax (HFC); or other type system in Palo Alto. The City expects that fiber will eventually reach every home and business in Palo Alto, and as such, will evaluate very closely those proposals that provide a strong migratory path from FTTC, HFC, or others, to FTTH.

The purpose of the UTS-RFP is to solicit proposals from private companies interested in deploying such services to the residents and businesses of Palo Alto in cooperation with the City. The City envisions that two-way voice, video and data capabilities will be made available to all residents and businesses, along with simultaneous access for all users, and with services from numerous providers (all providers). With that in mind, this RFP intends to explore the range of possibilities and opportunities to achieve this goal.

At its July 7 meeting, the UAC had an opportunity to review and provide feedback on the UTS-RFP. The UAC's feedback (Attachment B) has been incorporated into the attached version of the UTS-RFP (Attachment A). Among the issues of concern to the UAC were:

- The City's intention should be to provide high-speed access to various telecommunications services;
- It is preferable to have a UTS that is open for competition of various service providers;
- It is important to have a bidder's conference prior to the bid closing date;
- The requirement for universal access should be changed to "universal access is strongly advised";
- Dedicating only 50 percent of the capacity towards this project is not sufficient, the capacity should be provided "in whole or in part";

RESOURCE IMPACT

Funds to prepare and evaluate responses to the UTS-RFP are available in the FY99/00 Budget.

POLICY IMPLICATIONS

This recommendation is consistent with Council direction.

TIME LINE

Listed below are milestones together with tentative completion dates:

<u>Milestone</u>	<u>Estimated Completion Date</u>
UTS-RFP Release Date	August 1999
Proposals Due	November 1999
City Council Approval to Commence Negotiations	April 2000

Staff expects the proposal evaluation period to start in November 1999 and to end in January 2000. A recommendation and staff report will be forwarded to each of the following committees:

- Broadband Access Advisory Group, (January 2000)
- Utilities Advisory Committee (February 2000)
- Policy and Services Committee (February 2000)
- Finance Committee (March 2000)

Upon completion of the review process, recommendations will then be forwarded to the City Council in April 2000.

ENVIRONMENTAL ASSESSMENT

The Environmental Assessment for this project, as required under the California Environmental Quality Act (CEQA), has not been completed and will be done at a future date.

ATTACHMENTS

- A. Request for Proposal (RFP) For A Strategic Partnership to Develop and Deploy a Citywide Universal Telecommunications System (UTS) in Palo Alto, California
- B. Minutes from the UAC Meeting of July 7, 1999.

PREPARED BY: Mohammad M. Fattah, Telecommunications Manager

DEPARTMENT HEAD APPROVAL: _____
JOHN L. ULRICH
Director of Utilities

CITY MANAGER APPROVAL: _____
EMILY HARRISON
Assistant City Manager