ADDENDUM NO. 1

Date: December 18, 2015
From: City of Grand Junction Purchasing Division
To: All Offerors
Re: RFP-4137-15-SDH Downtown Broadband Pilot Project

Offerors responding to the above referenced solicitation are hereby instructed that the requirements have been clarified, modified, superseded and/or supplemented as to this date as hereinafter described.

Please make note of the following Question/Answers and Notes from the Pre-Proposal Meeting:

City of GJ/Downtown Development Authority
Invitation to Bid, Request for Proposal Pre-Bid Meeting
12/17/15 – 2:00-4:00 PM

The initial project is focused on the Downtown Development Authority (DDA) area. . The City will use the results obtained from the DDA project to determine what will be done in the greater Grand Junction area.

- **Purpose of the RFP**
    - Joint project between the DDA and the City of Grand Junction. We are seeking innovative public/private public partnership(s) to bring world class high speed Internet to the downtown area.

- **Priorities**
    - Quick Wins (shown in green on the DDA Broadband Pilot Study Map) – locations which can highlight the availability of high speed Internet in Grand Junction to help market the City as a "gigabit city".
    - DDA owned properties (shown in yellow on map) - locations which could be made more attractive to potential buyers and/or developers with the availability of affordable, high speed Internet services.
    - Redevelopment Areas (shown in blue on map) – properties owned by private landowners in the DDA area that could be made more attractive to potential buyers and/or developers with the availability of affordable, high speed Internet services.

- **City Owned Assets**
    - The City owns fiber optic cable and conduit in the DDA area that may be available for use by the selected provider(s). (A link to the GIS map showing general information about those assets is available upon request.) However, field surveys and verifications have not been done. You should not assume those assets are available for your use when responding to the RFP. If you have an interest in using those assets, please state how you would hope to use them and how the availability of those assets would impact your proposal or price estimates.

- **What are we looking for in a proposal:**
  - Proposals to design, build, own, operate and finance a high speed Internet network.
  - Proposals that would jointly finance a high speed Internet network working with the City.
  - Responses to operate and maintain a high speed Internet network on behalf of City of Grand Junction which would be owned by the City. Operations and Maintenance activities must be defined by the respondent.
  - Responses to provide high speed internet to end users on a network that is owned by the City and available on an open access basis to multiple service providers
  - Responses to provide either dark fiber leases or indefeasible rights of use (IRUs) for the City to acquire from the offeror for fiber and/or conduit
  - Other responses that would create a high speed Internet network

- **Timelines, Requirements**
  - RFP issued 12/8/15
  - Non-mandatory pre-bid meeting held 12/17/15
  - Inquiry deadline for questions 12/24/15. Responses to those question will be posted within a week.
  - Deadline for proposal submission is no later than 3:00 PM MST on 1/22/16
  - Owner evaluation of proposals 3/4/16.

- **Questions & Answers**
  - **Question**: Is DOLA funding in any portion of your active project?
    Answer: No, DOLA funding has not been requested or authorized for the project to date.

  - **Question:** Are you looking for all of the locations listed in the RFP to be built out or are you looking for a response of how much it will cost to build them out?
    Answer: We already have an idea how much it will cost to build to those locations. We are looking for responses that show collaborations and/or partnerships to build or serve those locations. For example:
    - Vendor provides financing
    - Joint efforts where capital costs are shared
    - Private provider ownership and maintenance

  - **Question:** Some properties are vacant so how do we account for those in the proposals?
    Answer: They are identified as part of redevelopment areas and should be addressed for future needs to the properties. The expectation is that the properties could be made more attractive to potential buyers and/or developers with the availability of affordable, high speed Internet services.

  - **Question:** Do you already have an ISP or are you looking for us to provide an ISP?
    Answer: We have not selected an ISP partner yet. You may propose an ISP if you choose.

  - **Question**: Are you expecting bidders to bring an ISP to the table?
    Answer: We are not specifying a required set of network components, providers or partnerships. The challenges we are looking to solve with this project include: how to build, how to pay for, and how to provide high speed Internet to the downtown area. The response can address any portion or all portions of these objectives.

  - **Question**: I've noticed that the downtown has gone through some rebuilding of streetscapes in recent years. Is there a moratorium on being able to open up the newly renovated areas right now?
    Answer: No, there is no moratorium. The hope is that we may be able to use some existing conduit and minimize the construction impact to the new areas. However, that may not be

possible. Make sure to describe any assumptions you make about the use of existing fiber or conduit in your proposal.

o **Question**: Can the City articulate the impact to existing fiber and non-fiber customers as a result of this RFP?
  Answer: No impact study has be undertaken at this time.

o **Question:** What assurances, if any, does the City give for future commitments for services provided to private customers?
  Answer: The City offers no assurances.

o **Question:** Should we propose individual components of the network or must we propose a complete solution?
  Answer: Proposers should decide what to propose based on what you can bring to the project.

o **Question:** If some of these locations are schools with E-Rate situations should we include those?
  Answer: R-5 will be moving to a new building so that won't be a problem. Goal Academy may not always be a school so quote as not requiring or eligible for E-Rate funding. Proposers should investigate financing options and describe any assumptions made in their proposal.

o **Question**: Clarification – you have the study area and certain properties identified within the study area. Are we to bid on building out the entire area or only on listed buildings?
  Answer: We have identified specific properties, but we don't want to tell you how to propose.

o **Question:** Are you aware of what other communities are doing on the Western Slope?
  Answer: NEO Fiber is very familiar with what other communities on the West Slope are doing, as well as across Colorado, and the United States. Having said that, what others are doing may not be the right solution for Grand Junction.

o **Question:** Currently there is service to some of the hotels in the downtown area that they could ramp up to gigabit service, but the hotels don't necessarily want this at this time. I'm not sure how this RFP will work with private business?
  Answer: The primary reason that the City is looking at the downtown pilot areas is for economic development. Other cities that have taken measures to improve Internet service have seen major economic development gains. Grand Junction is looking to install critical infrastructure that is important to attract new business and enhance existing business' ability to complete in the national and global marketplace. Businesses may argue that they don't need it now but they will at some point. We understand that every business has to look at the return on investment when making a decision about improving their infrastructure and Internet offerings.

o **Question:** Can you define what constitutes a Quick Win?
  Answer: We identified these properties because we believe that improving broadband could result in a good economic development story showing what higher speed broadband could do to improve their business. A quick win is defined as a property where a good economic development story may be developed as of the result from bringing in higher capacity Internet services.

o **Question**: Is it the City's intent to identify who owns the cable in the ground that results from this project?
  Answer: We don't know that answer right now. The RFP should show us what business and ownership models are feasible to provide improved Internet services.

- o **Question:** I hope that you will add residential needs to the broadband list as well, because the plan needs to be broader than just downtown.
  Answer: The pilot is a subset of the larger plan that the City is working on. We are focusing on the DDA business area initially but will be looking at the City as a whole for the larger project.

- o **Question:** Are you entertaining differing styles of connectivity?
  Answer: Yes, we are technology agnostic as we begin this project. We suspect that fiber is a component but we believe wireless is a component also. We are not defining the technology.

- o **Question:** The City and Mesa County don't seem to be open to expenditures to enhance economic development. – Is this project an indication of that they are changing their stance on that?
  Answer: The City Council is very much focused on economic development for Grand Junction and is very supportive of this project and other efforts to expand economic development. The City is also working with Mesa County on a number of County-wide economic development initiatives including broadband development.

- o **Question:** Timeline for evaluation of the success of the pilot project?
  Answer: We are targeting a March timeframe for determining how we will proceed with the pilot project. We have not set a timeline on evaluation of the pilot project afterword. We want to start implementation soon so we have quick results.

- o **Question:** Speaking of quick results, one of the barriers to construction is the permitting process – will this be sped up?
  Answer: The City is currently evaluating changes to its development code to include broadband friendly policies in permitting and ROW management. This project is a priority for Council and staff and we will work with the successful proposer(s) to streamline the permitting process wherever possible.

- o **Question:** Private financing firms – they are going to want to look at the City, not other partners. How do you plan to get them to come to the table?
  Answer: The City is not ready to commit the whole project area to a single provider or group of providers, but we understand that there is a component of broadband planning that requires a certain volume in order to create a feasible business plan. If you need to assume a certain volume in order to propose financing for the project, be sure to include a description of that assumption in your proposal..

- **Mini-Training Session on GIS Map**
  - o **Question:** Do you identify the users of the City's fiber network in your GIS?
    Answer: No. We are working on identifying fiber users on the maps but we just don't have that yet. Most fiber is used for our traffic department, but some goes to the police, city hall, or other agencies.

  - o **Question:** Can you splice in/out of those networks, i.e. PD?
    Answer: Don't make assumptions that you can. We have not completed a field verification of available fiber. If there is an asset you are interested in using, you will need to let the City know in what capacity in your response. Be sure to describe your assumptions in your proposal.

  - o **Question:** Do you know how many strands of fiber are contained in each cable: i.e., 72, 144, etc. Do you know what fiber is available for our use?
    Answer: No. In some cases we know how many strands are contained in the fiber cable. But, we don't know who is using that fiber in every case. We don't have a database that has been

field verified of who is using fiber. You will need to make assumptions and tell us what those assumptions are in your proposal.

o **Question:** Should we price out what it is going to take to do the field verification?
   Answer: We aren't requiring that you do that. But, it would be helpful information to have. As we have stated, you should not assume you can use the fiber even though shown on the GIS map. State your assumptions in your proposal if you want to consider using existing fiber.

o Additional information can be found on the City's GIS Site at www.gjcity.org, GIS Map. If you need help you can contact the GIS Help Desk at 970-256-4070.

The original solicitation for the project noted above is amended as noted.

All other conditions of subject remain the same.

Respectfully,

Scott Hockins, Project Manager
City of Grand Junction, Colorado