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Addendum #1 to Request for Quotes for Bulk Residential Broadband Internet Access Services In the City of Gonzales, California November 20, 2017

I. Answers to Questions

The following questions regarding the Request for Quotes for Bulk Residential Broadband Internet Access Services (the RFQ) were submitted to the City of Gonzales (the City) by the November 16, 2017 deadline. Minor, non-substantive edits were made for the purpose of consistency of style. This addendum was posted on the Citys website and sent via email to all who submitted questions.

- 1. Please clarify that there is no objection to service provider offering upgraded services beyond the city-provided service e.g. City provides 10 Mbps service to all residents but they can upgrade to 100 or 1000 Mbps for additional fee to ISP.
- A. There is no objection.
- 2. Will the City make any city-owned assets available to provider e.g. rooftop access to wireless placement, access to city-owned conduit and real estate, etc.?
- 3. Can we assume that the City make available city infrastructure and facilities to install wireless access points at no charge to the provider?
- 4. Can we expect that the City will allow the use of the Citys water tower and related facilities at no additional cost to the Provider?
- A. Respondents may propose the use of the City-owned assets. The City will evaluate responses based on the criteria described in the RFQ.
- 5. Will the City ensure an efficient and predictable permitting and construction process? Please provide copies of all existing permitting processes and documents.
- 6. Does the City have any esthetic standards and/or restrictions for the installation of wireless towers and antennas?
- A. The City recognizes its shared interest in the efficient and predictable delivery of the Services, as described in the RFQ. Please refer to the Citys website for additional information regarding permitting: http://www.ci.gonzales.ca.us/
- 7. Are there any rules or regulations regarding when work can be performed throughout the year?
- A. No. The City does, however, retain its discretion regarding the time, place and manner of work performed in the public right of way.
- 8. Are there any other factors that could slow or impede construction?
- A. The City is not aware of any such factors that are within its jurisdictional authority. Questions pertaining to other agencies or authorities, e.g. Caltrans, should be directed to those agencies or authorities.
- 9. Will there be any requirement that the physical network be opened up to other providers?
- A. There is no such requirement in the RFQ.
- 10. Do you have a rough annual budget that is allocated to this project?
- 11. Are all of the payments to providers coming from City funds or other sources?
- A. The City has identified funds for this project.

- 12. Who, on the Citys side, would be running the project? What departments would we be working with?
- A. Public Works is the lead department.
- 13. Can you explain the difference between 2000 housing units and the 1900 households as to paragraph 1 on the RFQ? More specifically, what is the total number of service locations that we can expect to serve at full build out?
- A. The City expects the service to be provided to all households and to be available to all housing units. Per U.S. Census Bureau definitions:

Household: A household includes all the people who occupy a housing unit (such as a house or apartment) as their usual place of residence. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters. There are two major categories of households, "family" and %onfamily." Household is a standard item in Census Bureau population tables.

Housing unit: A house, an apartment, a mobile home or trailer, a group of rooms, or a single room occupied as separate living quarters, or if vacant, intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have direct access from outside the building or through a common hall. For vacant units, the criteria of separateness and direct access are applied to the intended occupants whenever possible.

- 14. Is Charter still required to build out broadband services within this area?
- A. Yes
- 15. Who is expected to do the marketing of the services?
- A. Per the RFQ:

%Acceptance of the internet service will not be mandatory for any resident, but the City expects the selected Respondent to facilitate the acceptance of service by Citys residents+...

Whe Provider will be responsible for obtaining permission from City residents to install the Services, in accordance with a deployment plan and schedule subject to the approval of the City. The Provider will also be responsible for providing bilingual service and support throughout the term of the Agreement. As part of this, the Provider should design and implement a program to work with residents to encourage their acceptance of BIAS+.

- 16. Has the City any forecast for the overall take rate relative to the 2000 households? For example, do we expect an initial take rate of 50% then ramp higher over time?
- 17. Has the City forecast a timeline for ramp up to the fully installed base?
- 18. Is a phased installation approach acceptable with payments made for mutually agreed upon milestones?
- A. The City has made no forecasts.

Per the RFQ:

Whe City will consider plans that roll out the availability of Services, or modify the minimum Service Levels, over time to account for any necessary installation of equipment or technology.

- 19. We understand that the City wants to pay a flat fee per client installed. However, will the City commit to paying a %tart-up+ or %tart-up+ or some of the infrastructure costs incurred to complete the backhaul connectivity and while the installed base is in its infancy?
- 20. Is there a particular business model that you prefer?
- A. Per the RFQ:

% exchange for the Services the City will pay a monthly fee to the Provider. This fee may vary based on the number or proportion of Residences accepting the Services. All costs associated with providing the Services, including but not limited to installation, provisioning, customer premise equipment (not including individual personal devices), account establishment, and activation, will be included in this single monthly fee+

It is the Respondents responsibility to offer a definition of the single monthly fee+

- 21. Do you have the total mileage of the residential streets?
- A. 21 centerline street miles.