



Leading the Way to Tomorrow's Internet

The Corporation for Education Network Initiatives in California

Request for Proposal

Due Date: **December 1, 2014 (Extended to December 8, 2014 at 10:00 AM Pacific Time)**
(NOTE: Due to the short timeline to make decisions and move forward with this grant program, any grant of an extension of the due date will only be made on a circuit-by-circuit basis.)

Questions: CENIC Project Management
BIIGRFP@cenic.org

Address: Email proposals to:
BIIGRFP@cenic.org

Hard copies are not required but may be sent to:
BIIG RFP, CENIC, 16700 Valley View, Suite 400, La Mirada, CA 90638

Introduction

This Request for Proposal (RFP) is released on behalf of the K12 High Speed Network (K12 HSN) and in support of the California Department of Education's Broadband Infrastructure Improvement Grant (BIIG) Program, which provides broadband funding for school sites with inadequate capacity to administer the 2014-15 computer-based online assessments.

This Request for Proposal solicits responses from qualified service providers for various communications circuits and optional dark fiber segments across California. The physical addresses and NPA/NXX numbers, when available, are provided in the attached exhibits. For the convenience of sorting and evaluation, responses must be submitted using the Pricing Worksheet (Exhibit D) and responses cannot be in PDF or locked spreadsheets.

Time is of the essence for the procurement and installation of these services. With the anticipation of online student achievement testing to be administered in spring of 2015, the program seeks services, wherever possible, be installed by March of 2015. Installation timeline will be factored heavily in the award of any contracts.

CENIC reserves the right to award all, some, or none of the circuits associated with this RFP, and CENIC may or may not be the ultimate customer-of-record for every circuit listed in this RFP. CENIC is acting as a consortium lead for the purposes of seeking bids and awarding contracts, and may also apply for E-rate and CTF discounts for awarded services on behalf of members of the consortium. However, CENIC may also seek to supersede contracts to individual consortium

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members during the term of awarded contracts such that the individual members become the customers of record, and, therefore, assume both financial responsibility for the service and the responsibility to apply for their own E-rate and CTF discounts.

1.0 Administrative

- A. Due date. Responses must be received in electronic format via email at biigrfp@cenic.org by **11:59 P.M. Pacific Time on December 1, 2014 (Extended to 10:00 AM Pacific Time on December 8, 2014)**. Extensions to the due date may be offered on a circuit-by-circuit basis if judged in the best interest of the consortium.
- B. Bidders' Conference. There will be one Northern California and one Southern California bidder's conference as noted below:

Southern California site: **Tuesday, October 21, 2014 from 10:00 AM to 12:00 PM**
Orange County Department of Education
200 Kalmus Drive, Building D-1003
Costa Mesa, CA 92628

Northern California site: **Thursday, October 23, 2014 from 10:00 AM to 12:00 PM**
California Department. of Education
1430 N Street, Room 1801
Sacramento, CA 95814

Any questions or points of clarification received by CENIC will be answered and posted online at <http://www.cenic.org/RFP>.

- C. Basis for Award. This RFP is being released for planning purposes and to assist with prioritization of sites eligible for grant funds. CENIC, a County Office of Education, school district or individual school may still post its own FCC Form 470 to qualify for E-rate discounts for any circuit(s) contained in this RFP, or may make some awards directly from proposals received.

It is the desire to award contract(s) to the most cost-effective proposals for service, and CENIC reserves the right to award contract(s) based *solely* upon the lowest price of E-rate eligible services.

For this RFP only, CENIC *may* also consider other criteria outlined below, plus what CENIC considers, in its sole judgment, to represents the best value considering program needs, technical issues and similar factors.

Scoring

- | | |
|-----|---|
| 25% | Annual E-rate eligible recurring circuit cost |
| 20% | Estimated delivery date of service (time is of the essence) |

- 20% Service connects directly or indirectly to CENIC'S CALREN-DC network
- 15% Non-recurring circuit cost (*may be E-rate eligible or ineligible*)
- 10% Preferred, scalable technology (*fiber optic*)
- 5% Innovative aggregation strategy or solution
- 5% Proposed contract terms and conditions

- D. Awards. CENIC may make more than one award or may make no award as a result of this solicitation. The decision to make no award, to make one award, or to make more than one award is final. There is no protest.
- E. Vendor costs. CENIC shall assume no responsibility for vendor costs incurred in developing a proposal.
- F. Addenda. CENIC may modify this RFP, its scope, any of its key action dates, or any of its attachments or exhibits, prior to the date for submission of proposals. Any such addenda will be published on the CENIC website, and email notification will be sent to all potential participants known to CENIC.
- G. Questions on the RFP. Any questions on the RFP must be conveyed in writing and will be responded to in writing and added to the Question & Answer exhibit posted online on the CENIC website. Any oral statements made by CENIC employees, consultants or others will not be binding.
- H. Rejection of proposals. CENIC may reject proposals if, based on CENIC's sole judgment, the proposals are deemed to be conditional or incomplete.
- I. Negotiation. CENIC reserves the right to negotiate any aspect of any proposal deemed responsive to this RFP.
- J. Ownership of Proposals. All proposals become the property of CENIC. CENIC reserves the right to make use of any information or ideas contained in the proposals.
- K. Confidential material. Bidder must notify CENIC of any specific portions of proposals considered confidential or proprietary. CENIC will take reasonable efforts to protect the confidentiality of such material, but makes no guarantees that such material may be protected. Entire proposals designated as confidential may be rejected. Please note that as of Funding Year 2015, the Federal Communications Commission (FCC), in promoting new "pricing transparency" measures, has stated that the costs for services with an accompanying FCC Form 471 funding request must be disclosed for the purposes of public consumption on USAC's website.
- L. Services and Pricing. Bidders must respond using the RFP Pricing Worksheet. Supplemental pricing explanations are acceptable as long as the required Pricing Worksheet is used.

Pricing must be expressed in undiscounted rates to CENIC (that is, excluding California Teleconnect Fund (CTF) or Federal E-rate discounts, where applicable) but including estimated taxes and surcharges.

Managed or lit data transmission services:

For the purposes of review and, for determining the potential basis of award, CENIC requests service providers provide pricing for any special construction (if required) for managed or lit services to be stated in the following manner:

- As a one-time cost with an associated monthly rate

Dark fiber services:

Pricing for dark fiber can be expressed in either ten (10), fifteen (15) or twenty (20) year Indefeasible Right of Use (IRU) terms and must include the one-time and annual Operations & Maintenance (O&M) costs. Fiber test results, containing at a minimum bi-directional OTDR and optical power loss readings at both 1310nm and 1550nm must be provided within five (5) days of service delivery. This testing should be end-to-end including any fiber extension built for the handoff of service at either end.

For the purposes of review, and for determining the potential basis of award, CENIC requests service providers provide pricing for any special construction (if required) for dark fiber to be stated in the following manner:

- Cost for special construction from service provider facility to the property line or demarcation point of the school campus
- Cost for special construction from property line or demarcation point of the school campus to the Main Point of Entry (MPOE) or MDF

E-rate eligibility for dark fiber may be reviewed on the FY 2015 Draft Eligible Services List on the FCC's website (https://apps.fcc.gov/edocs_public/attachmatch/DA-14-1130A1.pdf):

Leased Dark Fiber – Within the eligible entity's property line, maintenance and special construction costs to connect the fiber to the eligible entity's facilities are eligible. Beyond the eligible entity's property line, special construction charges are not eligible, but monthly charges and maintenance provided as a component of leased dark fiber to maintain reliable operation are eligible. Re-routing of fiber is considered construction, not maintenance. If other customers are served by the leased dark fiber, only the pro rata costs of maintenance incurred by the eligible entity will be eligible for E-rate support. The purchase and ownership of modulating electronics associated with lighting dark fiber and modulating electronics on applicant-leased dark fiber leaving the eligible entity's premises are not eligible.

IRUs – An Indefeasible Rights of Use (IRU) purchase arrangement will be considered a lease of dark fiber for E-rate program purposes. If the IRU contains significant upfront charges, the charges may need to be amortized.

Bidders of dark fiber solutions are asked to identify the E-rate eligible and non E-rate eligible costs of their proposed services based upon the FCC's criteria.

Bundled Internet services:

CENIC will entertain proposals for bundled Internet services. While CENIC prefers connections back to the state network, thereby leveraging previous investments the State has made, it realizes that there may be situations in which a local Internet provider offers a solution that should be given consideration. Any quotes for Internet service must be clearly identified.

- M. Evaluation Criteria. With respect to the circuits and optional dark fiber segments for K-12 entities, CENIC, in compliance with Federal Communications Commission (FCC) rules, will award to the vendor(s) providing the most cost-effective, end-to-end service offering. Per the Sixth Report and Order, FCC 10-175, FCC rules dictate the following:

***§ 54.503 (c)(2)(vii)** All bids submitted for eligible products and services will be carefully considered, with price being the primary factor, and the bid selected will be for the most cost-effective service offering consistent with § 54.511.*

***§ 54.511 Ordering Services (a)** Selecting a provider of eligible services. In selecting a provider of eligible services, schools, libraries, library consortia, and consortia including any of those entities shall carefully consider all bids submitted and must select the most cost-effective service offering. In determining which service offering is the most cost-effective, entities may consider relevant factors other than the pre-discount prices submitted by providers, but price should be the primary factor considered.*

Therefore, CENIC considers factors beyond price alone in the consideration of bids.

- N. Contract Supersedure, Assignment & Successors. CENIC reserves the right, during the term of the agreements, to assign services under these agreements to a public educational entity in California or to any successor organization of CENIC. In the event of such an assignment, CENIC will supply a 30-day formal notice of intent to transfer financial responsibility to the responsible Bidder. At the end of the 30-day period, the Bidder shall change their records and commence billing as instructed in the notice of transfer. In all other respects, the agreement for service and the terms of this RFP shall remain intact, and continue through the original term of the circuit agreement for both CENIC and any superseding entity(ies). Therefore, it is agreed that the terms in this RFP that relate to CENIC will also be applicable to superseding entity(ies).
- O. Upgrades. Following installation of any awarded service, and during the term of that service, including those ordered on multiple year terms, the Bidder agrees that CENIC shall have the right to upgrade the existing service to a higher bandwidth service without incurring termination liability, as defined below, and without modifying the term of the initial contract. In the event that CENIC elects to upgrade an existing service,

Bidder shall have the first option to provide that service at a cost that reflects, in CENIC's sole discretion, a fair market price. If, upon receipt of a formal written request to upgrade a service, the Bidder is unable, for whatever reason, to provide the upgrade, CENIC reserves the right to cancel the existing service, and to request bids from other service providers who can provide the higher bandwidth service. In such instance, CENIC will provide the existing Bidder with evidence of the change, and will not be subject to any early termination liability.

If the Bidder is able to provide service but only at a cost that is in excess of what CENIC, in its sole discretion, considers a fair market price, CENIC reserves the right to cancel the existing service, and to request bids from other service providers who can provide the upgrade at a fair market price. CENIC will provide the existing Bidder with evidence of the change, and will not be subject to any early termination liability.

- P. Relocations. Following installation of any awarded service, and during the term of that service, including those ordered on multiple year terms, the Bidder agrees that CENIC shall have the right to relocate the existing service to different A or Z locations, without incurring any early termination liability, as defined below, and without modifying the term of the initial contract. In the event that CENIC elects to relocate an existing service, Bidder shall have the first option to provide that service at a cost that reflects, in CENIC's sole discretion, a fair market price. If, upon receipt of a formal written request to relocate a service, the Bidder is unable, for whatever reason, to provide the relocation, CENIC reserves the right to cancel the existing service, and to request bids from other service providers who can provide the relocated service. In such instance, CENIC will provide the existing Bidder with evidence of the change, and will not be subject to any early termination liability.

If the Bidder is able to provide service but only at a cost that is in excess of what CENIC, in its sole discretion, considers a fair market price, CENIC reserves the right to cancel the existing service, and to request bids from other service providers who can provide the relocated service at a fair market price. CENIC will provide the existing Bidder with evidence of the change, and will not be subject to any early termination liability.

- Q. Additions. Due to the possibility of changes and/or additions of A or Z locations being served and topography of its network, CENIC will consider (or would prefer) a master service agreement that would allow for the addition of services without modifying the terms of the initial contract. In the event that CENIC elects to add a service, Bidder shall have the first option to provide that service at a cost that reflects, in CENIC's sole discretion, a fair market price.

If the Bidder is able to provide service but only at a cost that is in excess of what CENIC, in its sole discretion, considers a fair market price, CENIC reserves the right to request bids from other Bidders who can provide the additional service at a fair market price.

- R. Early Termination Liability. Any contract resulting from this RFP may include an Early Termination Liability provision for any awarded service during the life of the contract. Early Termination Liability is defined as the amount due and payable should CENIC, its assigns or successors, disconnect any service segments prior to the expiration of the term of service. Any early termination liability must be specified in all bid responses and under no circumstances can exceed the remaining amount due and payable.

Early Termination liability shall not apply to any service disconnect resulting from conditions specified in the contract's terms and conditions, including: financial hardship, discontinuance of funding available to CENIC, lack of E-rate or CTF discounts, or in the event of upgrading services.

- S. Response time and Outages. The Bidder shall respond to a trouble report within one (1) hour of the initial report. The response may include the start of Network Management Center diagnostic efforts, or on-site presence of Bidder technicians. Within two (2) hours of the initial trouble report, the Bidder shall communicate with the CENIC NOC with periodic reports consisting of status and estimated time to repair. The CENIC NOC will assist the Bidder in joint testing and coordination to effectuate repairs at the earliest possible time. Outages of services shall fall into two categories. Planned outages represent service downtime for which the Bidder has given five (5) business days' notice of an anticipated outage to CENIC. Upon approval, the Bidder will be allowed one (1) hour per month per service for planned preventative maintenance, equipment change-outs, or service grooming, without incurring outage credits. The allotted time per service, per month is not cumulative. Outage time not used in the current month is not carried forward to future months. Planned outages shall be scheduled during normal maintenance windows of midnight to 6am local time. An unplanned outage, through no causes of CENIC, is defined as the service being unavailable for use and would not include conditions caused by Force Majeure or otherwise beyond the control of Bidder. An outage of this type, or the amount of time a planned outage exceeds the maximum 1-hour duration, shall result in "outage credits" being incurred by Bidder. Outage credits shall consist of three times the monthly rate of the affected service divided by 43,200, multiplied by the minutes a service is unavailable for use. The duration of minutes shall consist of the recorded time between the trouble report delivered to the Bidder, and the time the Bidder reports the trouble is fixed.
- T. Invoices. Each Bidder will be expected to provide a single, itemized, monthly invoice indicating all of the contracted services unless otherwise requested by CENIC. Invoices should be mailed to:

The Corporation for Education Network Initiatives in California (CENIC)
16700 Valley View, Suite 400, La Mirada, CA 90638

2.0 Required Responses

Bidders must respond to all required items. Incomplete bids are subject to rejection.

- A. Federal and state discounts. CENIC considers a subset of the circuits listed in this RFP to be eligible for Federal E-rate and State CTF discounts. All respondents are asked to provide their current USAC Service Provider Identification Number (SPIN), if they have one. It is not required to have a SPIN to submit a response to this RFP. Additional information and requirements are contained in Exhibit C. Such procedures outlined in Exhibit C may be included in any contract issued as a result of this bid.
- B. Contract period. The contract period for awards resulting from this RFP will be from the date a circuit is installed and has been tested and accepted by CENIC, through its contractual termination date. The termination dates may vary according to the type of circuit. Pricing may be submitted for three (3) or five (5) year terms, with 5-year terms being preferred. Bidders may bid on all or any subset of services included in this RFP. If Bidder is currently under contract for services, responses should indicate whether existing contracts are to be used for the services to be bid, are to be superseded by the new proposal, or if services under such agreements convert to the proposed new agreement at the end of the existing contract period. CENIC may choose to adopt a later start date for services included in any proposal in order to fulfill commitments on current contracts. When mutually agreed upon, CENIC will consider contracts with one or more annual contract extensions beyond the basic term.
- C. Commencement of Billing. In no case is a service provider allowed to commence billing on a new service until a CENIC representative confirms successful completion of CENIC's acceptance testing procedure.
- D. Service design documentation. Every service provider must submit a service layout record, also known as a design layout record, within thirty (30) days of service acceptance, which must include fiber distances between end locations and major intermediate sites.
- E. Adoption of New Technologies. CENIC reserves the right to substitute, without financial penalty, the functional equivalent of existing services as new technologies emerge. Bidders should address how new technologies and services will be handled within the terms of the contract during the life of the agreement. While CENIC is willing to enter into a multiple year agreement, it is CENIC's expectation that such an agreement will permit the adoption of new technologies without penalty during the life of the agreement.
- F. Optional Services. Bidders are encouraged to propose optional services not specifically requested by CENIC as part of this RFP, however CENIC shall be under no obligation to consider, nor adopt, any such services.
- G. Terms and Conditions. Bidders should propose Terms and Conditions as part of the response. The Terms and Conditions proposed shall include all relevant terms from this RFP. All proposed Terms and Conditions will be subject to CENIC's approval and subject

to negotiations before acceptance.

- H. Qualifications. Bidders must demonstrate their ability and capacity to implement the services proposed.
- I. References. Bids will be judged in part on their experience installing services similar to those bid, on schedules similar to those proposed. Bidders may include references, with name and contact number, for three (3) such organizations.
- J. Pricing. Bidders should propose costs for services on a monthly basis inclusive of all associated collocation costs, and separately show any applicable one-time non-recurring charges. Special construction costs must be separately identified on a per service basis. For the sake of expediency and to improve the installation timeline, payment of one-time, non-recurring costs outside the E-rate window may be made. CENIC WILL NOT BE RESPONSIBLE FOR ANY EASEMENT/RIGHT OF WAY COSTS INCURRED BY THE PROPOSER WHILE IMPLEMENTING THE SOLUTION. The Minimum Point of Entry (MPOE) and Demarcation point at each site shall be determined by CENIC. All cost proposals must include pricing to install services to the MPOE and Demarcation point.
- K. If special construction costs are not specified or are specified as zero dollars, the Bidder will be responsible for construction up to the curb or property line at no cost to CENIC. There are many service segments and pricing alternatives being requested. It is the responsibility of each responding Bidder to ensure that correct pricing has been input to the pricing worksheets, and that correct information as to discounts has been entered. This information will be used extensively in evaluating responses and awarding service contracts. CENIC relies on each Bidder to provide information that is free from errors or omissions. Once submitted, Bidders will be held responsible to provide service at the prices bid and quoted. **All services eligible for federal or state discounts must be expressed in rates before CTF or E-rate discounts, including all estimated taxes and surcharges.** Optional pricing for annual pre-payment or multi-year pre-payments may be considered by CENIC.
- L. Description of service requirements. Broadband services shall consist of (1) a pair of single mode dark fibers, (2) DS-3 (44.736Mb/s) service, (3) OC-3c (155.52Mb/s) service, (4) OC-12c (622.08Mb/s) service, (5) Metro Ethernet service at CIRs of 50, 100, 250, 500 or 1000 Mb/s, (6) point-to-point Gigabit (1000 Mb/s), or (7) 10 Gigabit (10,000 Mb/s) where available, connecting each site to either a desired hub location or other node site. Where applicable, services must be configured with C-bit parity signaling. The CENIC design architecture represents a best-practices approach to an efficient and economical network design. Based upon the CENIC design architecture, there are broadband service segments of various speeds that make up the current network. These segments do not include future services that may be needed for additional node sites, or as growth within existing sites.

In general, CENIC prefers and procures point-to-point services and does not normally

make use of virtual-service technologies such as MPLS. Bidders may propose such virtual services, but must clearly identify whether the services proposed are virtual services or point-to-point, and are encouraged to provide both alternatives.

Bidders interested in responding to this RFP must submit a signed Non-disclosure Agreement (NDA) or have an existing NDA on file with CENIC. The signed NDA (Exhibit A), must be submitted to BIIGRFP@cenic.org. Upon receipt of a signed Exhibit A, a list of aggregation hub site (Exhibit B) addresses will be provided.

Exhibit D lists the A and Z locations for which E-rate eligible pricing and solutions may be requested. Bidders must meet all requirements noted in Exhibit C. Should a Bidder determine that it is able to serve a site from a CalREN aggregation hub site or Z location different than shown in Exhibit D, the Bidder shall indicate the exceptions, with full details. The Bidder shall install only sufficient equipment necessary to provide the CENIC requested services at a location. Equipment will be installed in a workmanship-like manner. All cables and external connections will be attached or secured in accordance with industry standard practices. The Bidder will remove all waste or unused installation material from the site, at the conclusion of the installation.

3.0 Table of Exhibits

Exhibit A: Nondisclosure Agreement

Exhibit B: CalREN Aggregation Hub Site Locations

Exhibit C: Reporting Requirements for Federal and State Discounts

Exhibit D: Pricing Worksheet