

**Date:** Monday, July 1, 2019

**To:** Diane Palmer-Boeck, Director of Procurement and Project Management

**From:** Chris Chiancone, Chief Information Officer  
Chris Edwards, Enterprise Architect

**Subject:** CSP 2019-0346-B OSP Fiber Cabling Network, Phase II, Project No. 7130

The NextGen Fiber Project is a three-phase initiative that will interconnect City facilities, traffic intersections, water towers, and lift stations; which will:

- reduce costs associated with leasing circuits and LTE services and increase redundancy with ring topologies to buildings;
- increase services providing higher speeds;
- and, provide for future growth with only the change of optical transceivers at locations to increase capacity.

In 2018, the City awarded RFQ 2017-0092-X to Capco Communications for the design and engineering of the full fiber network which will be completed in approximately April of 2020. Phase I of the fiber project was awarded in April 2019 via CSP 2019-0119-B and is currently underway.

This award is for the second Phase, which includes approximately 17.39 miles of underground fiber installation and approximately 11.17 miles of aerial fiber installation. For this phase, the City received two (2) complete proposals for underground and aerial fiber installation and one (1) partial proposal for underground fiber installation. After reviewing all materials provided in the proposals, requesting and reviewing clarification responses, and requesting a best and final offer for the highest-rated proposal; all evaluation committee members determined that Gardner Telecommunications, LLC, would provide the best overall value to the City for the Phase II build of the fiber project.

The Evaluation Criteria and associated weights for this Competitive Sealed Proposal (CSP) was as follows:

1. Project Cost was 55% of the overall score.
2. Project Approach and Management Plan was 25% of the overall score.
3. Relevant Experience and References was 20% of the overall score.

The build of the fiber network is a significant investment, providing the City of Plano with more reliable services and increasing the City's ability to produce more advanced services at lower costs in the future. Technology Services and Project Management teams have conducted a thorough cost-benefit analysis of building and owning a fiber network versus continuing to lease circuits to all of our locations and the estimated break-even for the investment in the fiber project is approximately five years. Once the fiber network is entirely built, leased lines totaling roughly \$768,000 per year will be discontinued at contract expiration, resulting in a significantly lower ongoing operational expenditure. Estimated annual costs for the maintenance of the fiber network to cover locate services, damage repairs, and etc., are

expected to be approximately \$200,000 annually, significantly less than the cost of leased circuits. In addition, the service provided will be on average 10x to 100x the capabilities of existing leased circuits.

If not awarded, the City will not be able to proceed with the build of the fiber network to connect City facilities, traffic intersections, lift stations, radio towers, etc., which will prevent the City from reducing ongoing leased circuit costs and limit future growth potential.