



Request for City Council Committee Action from the Department of BIS

Date July 21, 2008

To: The Honorable Paul Ostrow, Chair, Ways and Means Committee

Subject: Increase USI Wireless contract C-23781 for Fiber Expansion

Recommendation Authorize proper city officials to amend the USI Wireless, Inc. contract by \$500,000 for fiber infrastructure based on customer requisites.

Prepared by Robert Arko, Contract Administrator, 673-3984

Submitted by Lynn Willenbring _____, 673-2927
Chief Information Officer

Approved by Steven Bosacker _____
City Coordinator

Presenter in Committee Lynn Willenbring

Policy Review Group Not Applicable

Permanent Review Committee (PRC) Approval – Not Applicable

Prior Related Directives:

September 2, 2006 Council adopted and the Mayor approves the authorization to execute a ten-year contract for broadband wireless services.

Financial Impact: Customer purchases will offset cost of Fiber Infrastructure.

<p>Financial Impact (Check those that apply)</p> <p><input checked="" type="checkbox"/> No financial impact (If checked, go directly to Background/Supporting Information)</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Capital Budget</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Operating Budget</p> <p><input type="checkbox"/> Action provides increased revenue for appropriation increase</p> <p><input type="checkbox"/> Action requires use of contingency or reserves</p> <p><input type="checkbox"/> Other financial impact (Explain):</p> <p><input checked="" type="checkbox"/> Request provided to the Budget Office when provided to the Committee Coordinator</p>

Background/Supporting Information

The City of Minneapolis entered into a ten year \$12.5 million broadband services contract with USI Wireless, Inc. on November 2, 2006. The contract value and technical provisions were based on the City's technology assets and operations known at that time. Customer surveys, customer needs, and in-depth capacity determination has expanded the original plan.

Previously, the contract total that was provided to Council were based upon the annual commitment amount throughout the life of the contract and failed to include the amount for the fiber build-out that was outlined in the contract. The original amount specified in the contract for the fiber build-out was \$400,000; BIS is seeking approval to spend up to a total of \$500,000 for fiber in anticipation of new initiatives that may loom in the future.

The robust fiber solution will complete the INET ring around the downtown area. A team of representatives from Public Works Traffic and Parking, Hennepin County, BIS, USI Wireless, Inc. and Michels Communications considered all aspects of the INET. The team assessment determined the following fiber infrastructure will serve the City for the foreseeable future. The current plan has the fiber construction from Ramp C to Haaf Ramp and conduits under the Downtown East Ramp* as well as augmenting Hennepin County fiber from City Hall to the 511 Building (internet hosting facility).

This change increases the distance by 40% to take advantage of the Haaf location unlikely to be sold, has a secure communications closet, and houses the convergence of County, Public Works Traffic and Parking, and BIS to enable better joint use of the fiber network along with potential future expansion. It doubles the fiber strands to allow for anticipated growth in bandwidth needs. It includes increased conduit capacity as well as supplemental MaxCell, which provides additional cells in the conduit for future fiber expansion without losing integrity of the existing fiber. It meets Payment Card Industry standards related to fiber termination and allows for secure lockable cabinets.

This is a good opportunity to commend Hennepin County on its willingness to share its fiber infrastructure. Thanks to them, it saves the City many thousands of dollars in construction from City Hall to 511 Building.

*Easements provide for fiber construction.