



**Solicitation Information
July 21, 2016**

RFI# 7550806

TITLE: E-Rate Modernization: Options for Improvements to Broadband and Internet Services for Schools and Libraries

SUBMISSION DEADLINE: August 12, 2016 at 2:30 PM (ET)

PRE-BID/ PROPOSAL CONFERENCE: NO

Questions concerning this solicitation must be received by the Division of Purchases at gail.walsh@purchasing.ri.gov no later than **Monday, August 1, 2016 at 5:00 PM (ET)**. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP# on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

SURETY REQUIRED: NO

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GAIL WALSH
CHIEF BUYER
Division of Purchases
RI Department of Administration

Vendors must register on line at the State Purchasing Website at www.purchasing.ri.gov

NOTE TO VENDORS:

Offers received without the entire completed three-page R.I.V.I.P. Generated Bidder Certification Form attached may result in disqualification.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM

Request for Information (RFI)

E-Rate Modernization: Options for Improvements to Broadband and Internet Services for School and Libraries

The Rhode Island Department of Administration/Division of Purchases, on behalf of the Rhode Island Department of Education is soliciting informational responses from qualified entities with respect to future options for providing affordable, high-speed, best-in-class broadband and internet services to our public schools and libraries. The State is also seeking input on the impact of E-Rate modernization and new ideas for procuring, provisioning and implementing broadband.

This is a Request for Information (RFI). No award will be made as a result of this solicitation. This RFI outlines the type of information being solicited from potential respondents and includes guidelines for content and format of responses.

INSTRUCTIONS AND NOTIFICATIONS TO OFFERORS:

- Potential respondents are advised to review all sections of this Request carefully, and to follow instructions completely.
- All costs associated with developing or submitting a response to this Request, or to provide oral or written clarification of its content, shall be borne by the offeror. The State assumes no responsibility for these costs.
- Respondents are advised that all materials submitted to the State for consideration in response to this RFI will not be considered to be Public Records as defined in Title 38, Chapter 2 of the General Laws of Rhode Island. The responses may only be released for inspection upon RFI once an award of a subsequent procurement has been made, as long as the release will not place the State at a competitive disadvantage in its sole discretion.
- Interested parties are instructed to peruse the Division of Purchases web site on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFI.
- Equal Employment Opportunity (G.L. 1956 § 28-5.1-1, et seq.) – § 28-5.1-1 Declaration of policy – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies to all areas where State dollars are spent, in employment, public services, grants and financial assistance, and in state licensing and regulation. For further information, contact the Rhode Island Equal Opportunity Office at (401) 222-3090 or Raymond.lambert@doa.ri.gov.

- In accordance with Title 7, Chapter 1.2 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). This is a requirement only of the successful vendor(s) in any subsequent procurement process related to this RFI.
- The vendor should be aware of the State's Minority Business Enterprise (MBE) requirements, which address the State's goal of ten percent (10%) participation by MBE's in all State procurements. For further information, contact the MBE Administrator at (401) 574-8670 or visit the website www.mbe.ri.gov or contact Dorinda.keene@doa.ri.gov.

I. Introduction

E-rate is the commonly used name for the Schools and Libraries Program of the Universal Service Fund, which is administered by the Universal Service Administrative Company (USAC), <http://www.usac.org/sl/about/getting-started/default.aspx> under the direction of the Federal Communications Commission (FCC). The program provides discounts to assist schools and libraries in the United States to obtain affordable telecommunications and Internet access, among other services eligible for support under the FCC's rules. These discounts are provided as reimbursements from the E-rate fund for procurements that meet E-rate competitive bidding and cost effectiveness requirements. All procurements seeking E-rate reimbursement must be made by E-rate eligible schools and libraries. The State of Rhode Island has a long history of supporting the acquisition of broadband infrastructure and internet services for the State's schools and libraries both through E-rate discounts and its own program called the Rhode Island Telecommunications Education Access Fund (RITEAF).

In 2014, the Federal Communications Commission (FCC) adopted the E-rate Modernization Orders, which refocused the E-rate program on meeting the broadband needs of schools and libraries in today's world of interactive, personalized digital learning. In an effort to fully realize the opportunity these changes represent, the State of Rhode Island is evaluating its future options for providing affordable, high-speed, best-in-class broadband and internet services.

II. Purpose/Request

The State is seeking input from the broadband vendor community (both incumbent and new entrants) on the impact of E-rate Modernization and new ideas to address our procurement, provisioning and implementation of broadband to satisfy the ever increasing needs of our schools in the most cost-effective manner. Your response to the following questions is requested:

- 1) Prior to FY2016, all special construction charges for leased lit fiber services were eligible for E-rate support, and special general construction charges for leased dark fiber were eligible for support up to the applicant's property line (network equipment necessary to light dark fiber was ineligible for support). Self-provisioned networks that were constructed for, and subsequently owned, maintained, and operated by E-rate applicants were ineligible for support.

As of FY2016, all special construction charges for leased dark fiber, and the network equipment needed to light dark fiber, are eligible for support, and E-rate applicants may seek support to self-provision their own networks in limited circumstances. The rules also stipulate that E-rate applicants seeking a dark fiber lease or proposing to self-provision must also seek bids for a comparative leased lit service. Describe how you might implement one or more of these new options in providing services to our schools in the future.

- 2) E-rate rules allow for multi-year contracts. What is the potential impact of extended periods on your contract prices? Would a multi-year contract afford lower or higher prices? Would a multi-year contract allow you to compete for business you may not have in the past?

Please note that the option for applicants to pay the non-discount share of eligible special construction charges in installments over multiple years (up to four) is new (if the E-rate applicant states its interest in installment payment arrangements in their FCC Form 470, and the service provider agrees to an installment arrangement (they have no obligation to do so). How would this installment payment option impact your approach to meeting E-rate eligible entities broadband needs?

Finally, prior to Funding Year 2016, applicants with E-rate projects requesting special construction support of more than \$500,000 received special construction discount share E-rate reimbursement in payments over 3 years. Beginning in 2016, special construction requests of over \$500,000 are reimbursed in the same funding year as the request. How does this improved cash flow of the discount/E-rate fund share impact your business?

- 3) Currently, the State procures broadband circuits and internet services through separate Request for Proposals (RFPs). What is the impact of combining circuits and services into a single procurement? Would it lower or raise prices? Would it allow you to compete for business that you may not have pursued in the past?
- 4) New models have evolved for setting bandwidth targets and requirements (the First E-rate Modernization Order set the internet access connectivity targets for schools at 100 Mbps per 1000 students and staff in the short term, 1 Gbps in the long term). These include high limits, per student estimates and others. What is the most cost effective and scalable method for provisioning bandwidth and setting targets for current and future goals that may emerge? What is the impact of these methods on pricing?
- 5) Our current broadband circuit procurement requires that the provider route network traffic from every district and library through network servers at 235 Promenade Street in Providence. The network also uses a relay station at 9 Greenhouse Road at the University of Rhode Island. What would be the impact of removing the requirement to route network traffic through 235 Promenade Street?
- 6) Our current internet services procurement requires filtering, firewalls and other services as part of internet service provisioning. The State is considering the option of unbundling these services and procuring them independently. Do you have experience with this? How would that impact pricing and service delivery?

- 7) Have our prior RFP's for internet access and transport services contained language and/or terms, regulatory or otherwise, that limited your participation in the E-Rate funded programs or in our bids? The following links will take you to the RFPs that resulted in our current services:

<http://www.purchasing.ri.gov/bidding/BidDocuments.aspx?BidNumber=7549107&Isridot=False&Status=Awarded>

<http://www.purchasing.ri.gov/bidding/BidDocuments.aspx?BidNumber=7549104&Isridot=False&Status=Awarded>

- 8) The current procurement process for internet services creates a Master Price Agreement which is comprised of several approved vendors from which school districts and libraries may select. A number of states have recently pursued "Winner Take All" procurements where a single vendor is selected and responsible for the entire implementation and support of both internet services and circuits. Do you have experience with this type of procurement? How would this impact competition and pricing? Would it allow you to compete for business you might not have in the past?
- 9) The current procurement process requires that an approved vendor have the ability to implement broadband circuits and internet services in every school district and library. How does this requirement impact your ability to compete for E-rate funded business? What would be the impact of removing this restriction?
- 10) Are there new trends in internet service provision (e.g. value-added services such as web conferencing, VOIP communications platforms, cloud services, etc.) that we should be considering? How about in broadband circuit procurement?
- 11) Is there anything we should be asking and haven't?

III. Questions

Questions concerning this RFI may be e-mailed to the Division of Purchases at the email noted on the cover sheet and no later than the date and time indicated. Please reference **RFI# 7550806** on all correspondence. Questions should be submitted in a Microsoft Word attachment. Answers to questions received, if any, will be posted on the Internet as an addendum to this RFI. It is the responsibility of all interested parties to download this information. If technical assistance is required to download, call the Help Desk at (401) 222-3766 or lynda.moore@doit.ri.gov.

Offerors are encouraged to submit written questions to the Division of Purchases. **No other contact with State parties regarding this RFI should be attempted.** Responses to this RFI should be submitted on or before the date listed on the cover page. Responses received after this date and time, as registered by the official time clock in the reception area of the Division of Purchases, may not be considered.

III. RFI Response

Respondents are asked to provide, by the stated deadline, written responses to the questions posed above in a concise, single spaced summarized format, on 8 ½” by 11” paper with 1” margins using Calibri or Times New Roman 12 font. Responses should be limited to no more than six (6) pages in total.

Selected respondents will be invited to an exploratory one-hour interview to discuss the submitted responses in more detail. Contact to schedule the selected exploratory interviews will be made following the closing date for submissions under this RFI. At this time we anticipate that interviews will be scheduled on the following dates: Wednesday, 9/7/16, and Thursday, 9/8/16.

Respondents desiring to reply to this RFI must do so, in writing, providing one (1) original and six (6) complete copies by the date & time indicated on page one of this solicitation. Submit responses to this RFI, marked **“RFI # 7550806: E-Rate Modernization: Options for Improvements to Broadband and Internet Services for School and Libraries”** to:

RI Department of Administration
Division of Purchases, 2nd Floor
One Capitol Hill
Providence, RI 02908-5855

In addition to the hard copies of the proposal, respondents are requested to provide their responses in electronic format (CD Rom or flash drive). Microsoft Word/Excel or PDF format is preferable. Only one electronic copy is requested. This CD or flash drive should be included in the proposal marked “original”.

Disclaimer

This Request for Information is solely for information and planning purposes and does not constitute a Request for Proposal. All information received in response to the RFI and marked as “Proprietary” will be handled accordingly. Responses to the RFI cannot be accepted by the Government to form a binding contract. No award will be made as a result of this solicitation, and because no award will be made, proposals WILL NOT be in the public domain. Responses to the RFI will not be returned. Respondents are solely responsible for all expenses associated with replying to this RFI.

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