

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 10/23/06		Item Number: <u>C-4</u>	
AGENDA ITEM: Authorization to Release an RFP Seeking Bids for Citywide Municipal Wifi			
Contact Person/Dept.: John Richo		Phone Number: (310) 253-5950	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☐	Attachments: ☒
Public Notification: Master Notification List (10/18/2006)			
Department Approval: John Richo (10/11/2006)		City Manager Approval: Jerry B. Fulwood (10/18/2006)	
City Controller Approval: Mary V. Noller (10/18/2006)			

RECOMMENDATION:

Staff recommends the City Council approves the release of an RFP seeking bids for a Citywide Municipal Wireless Mesh system.

BACKGROUND:

Wireless computer technology (wifi) allows an individual to connect their computer to the Internet without phone lines or cable connections. Available in public places this allows people to work away from their home or place of business. Businesses and communities across the world are now making available connections to the general public. Connections are either free or paid on an hourly or subscription basis depending on the business or community. The reasons for providing this service ranges from profit to bridging the digital divide in the community to creating incentives for the public to come to targeted areas of the community.

Culver City created its own wireless "hotspot" in a 10 square block area downtown called Town Plaza Wifi (TPWifi). Created as an economic development tool it has enjoyed great success and been written up as a successful example of municipal wifi in many articles since its inauguration. TPAWifi is a free connection for anyone to use in the downtown area served by the system. No other section of Culver City is reached by TPAWifi.

Communities are moving from providing localized hotspots of wifi access to community wide access. The Internet is becoming viewed as the next utility in many communities and plans to allow all citizens to have wireless broadband speed Internet access are in progress in communities from San Francisco to New York City. Each project reflects its local resources and goals. State laws are also

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shaping what types of efforts are available to communities when community wifi projects are undertaken.

DISCUSSION:

The term “digital divide” has been used to describe the dividing line between those who can afford to have Internet access and those who cannot. Graphics and multi-media content has added an additional level of divide between those who use phone based dial up (slow) and broadband (fast) access. Many sites and items of content are now only available to those persons who can afford connections fast enough to display or download them. Wifi is based on connecting at broadband speeds.

There are several general models that community wifi projects follow:

- City owned and operated: The public sector entity becomes the Internet Service Provider (ISP) to the users of the system. The city is responsible for construction, maintenance, customer services, and where applicable billing.
- City owned/Private operated: The city builds the system and owns it. A private sector vendor operates the system and provides the day to day point of contact to the users. Costs can be fully paid by the city or shared with users.
- Public/Private Partnership: The city and selected ISP vendor act as a partnership to build and operate the wifi. Profits and work are divided by formula between the partners.
- Privately owned on leased city property: The city leases access to a private sector ISP who builds, maintains, and operates the system for the benefit of the community. The city receives a payment for use of resources such as light poles, access to city buildings, and electrical connections. Other services and access to the system may be part of the deal.

Private ISPs are concerned about municipalities operating as their own ISPs and have championed legislation to limit or outlaw the practice as unfair competition. Newer projects such as Santa Monica, San Francisco, and the Silicon Valley county consortium are avoiding the option of becoming an ISP in favor of using the resources and expertise of private sector ISPs to build and operate the community wifis.

Culver City’s RFP follows the model of leasing access to City poles and buildings in exchange for a payment and services. An overview of the project is contained in attachment 1. By choosing to lease the City:

- Avoids exposure to competition issues and potential litigation over them

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- Has no capital costs for building or leasing the hardware and software
- Does not take on soft costs and staffing costs to maintain and operate the system
- Gains the benefit of a private sector firm whose business and expertise is in building and operating a community wide wifi system.
- Allows for operations 24 hours a day; even when City government is closed. The vendor provides customer services and repair.

The RFP requests:

- Community wide access based on the Culver City Tax Rate Area as defined by the County Assessor. This ensures that Culver City addresses are not missed even if they have Los Angeles zip codes.
- Free wifi within those boundaries at broadband speeds
- Enhanced wifi on paid tiers for higher broadband speeds / premium services
- Secure reserved access channels within the wifi for use by the City for data communications

Wifi access is based on users who are out of doors. Building density and other devices in the home can interfere with getting a good signal. Many people will have acceptable signals indoors and the installation of an antenna will enhance access.

Once a vendor is chosen and contracts negotiated and signed the system will go live after a year of construction.

FISCAL ANALYSIS:

There are minimal costs associated with the release of the Wifi RFP.

Costs associated with the project are expected to be paid by the chosen vendor. A fund will be established under the agreement sufficient to cover the costs of removing the system if it is shutdown or the vendor goes out of business.

Potential ongoing costs are associated with maintenance of light poles and use of electricity by the units on the poles. Some pole styles may require special power wiring to facilitate the project. These costs would be borne by the vendor as part of the contract.

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ATTACHMENTS:

Attachment 1: General information overview of the wireless project

Attachment 2: Wireless RFP

MOTION:

That the City Council:

1. Approve the release of the RFP for a Citywide Wireless Mesh Wifi system,