



Leading the Way to Tomorrow's Internet

The Corporation for Education Network Initiatives in California

Request for Proposal

Due Date: November 30, 2012

Questions: CENIC Project Management
Ed Smith, 714-220-3453, esmith@cenic.org

Address: Email proposals to:
circuitrfp@cenic.org

With a hardcopy to:
Circuit RFP, CENIC, 16700 Valley View, # 400, La Mirada, CA 90638

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 for all sites are provided in the attached exhibits.

1.0 Administrative

- A. Due date. Responses must be received in electronic format via email at circuitrfp@cenic.org by 5:00 P.M. Pacific Time on November 30, 2012. In addition to email, a printed copy of each response must be sent to CENIC at the address specified above.
- B. Bidders' Conference. No Bidder's conference will be scheduled. Any questions or points of clarification received by CENIC will be added to the Question & Answer exhibit posted online.
- C. Basis for Award. CENIC will award a contract to the Bidder(s) whose response, in CENIC's sole judgment, represents the best value considering program needs, technical issues, cost and other factors. CENIC may waive any immaterial deviation in a proposal.
- 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. Any oral statements made by CENIC employees, consultants or others will not be binding.
- H. Rejection of proposals. CENIC may reject proposals if 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.
- L. Pricing. Bidders should propose costs for circuits on a monthly basis and separately show any applicable one-time, non-recurring charges. Special construction costs, if any, may either be included as part of the non-recurring installation charge or identified separately on a per circuit basis.

A Bidder interested in providing services to CENIC's CalREN networks and co-locating equipment in space leased by CENIC at a CalREN aggregation hub site must sign an agreement with CENIC for space and power. See Exhibit F. Estimated costs are listed in Exhibit E. Not all circuits identified in this RFP terminate at CalREN aggregation hub sites. A list of CalREN aggregation hub sites are identified in Exhibit C.

Alternately, Bidders who do not need to co-locate equipment in CENIC space at CalREN aggregation hub sites must include the cost of cross-connections from the public space to the CENIC space into their pricing. This requirement applies

to both managed services and dark fiber.

Reduced pricing for annual pre-payment or multi-year pre-payments may be submitted and will be considered. **Pricing must be expressed in undiscounted rates to CENIC (that is, excluding California Teleconnect Fund (CTF) and/or Federal E-rate discounts, where applicable) but including estimated taxes and surcharges.**

Pricing for dark fiber can be expressed in either ten (10) 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.

- 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 may consider factors other than price alone in the consideration of bids.

- N. Assignment & Successors. CENIC reserves the right, during the term of the agreements to assign this agreement 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.

- O. Upgrades. Following installation of any awarded circuit, and during the term of that circuit, including those ordered on multiple year terms, the Bidder agrees that CENIC shall have the right to upgrade the existing circuit to a higher bandwidth circuit 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 circuit, Bidder shall have the first option to provide that circuit 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 circuit, the Bidder is unable, for whatever reason, to provide the upgrade, CENIC reserves the right to cancel the existing circuit, and to request bids from other service providers who can provide the higher bandwidth circuit. 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 circuit, 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 circuit, and during the term of that circuit, including those ordered on multiple year terms, the Bidder agrees that CENIC shall have the right to relocate the existing circuit 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 circuit, Bidder shall have the first option to provide that circuit 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 circuit, the Bidder is unable, for whatever reason, to provide the relocation, CENIC reserves the right to cancel the existing circuit, and to request bids from other service providers who can provide the relocated circuit. 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 circuit, and to request bids from other service providers who can provide the relocated circuit 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 circuits without modifying the terms of the initial contract. In the event that CENIC elects to add a circuit, Bidder shall have the first option to provide that circuit 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 circuit 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 circuit 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 circuit 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 circuit 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 circuits.

- 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 circuits shall fall into two categories. Planned outages represent circuit 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 circuit for planned preventative maintenance, equipment change-outs, or circuit grooming, without incurring outage credits. The allotted time per circuit, 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 circuit 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 circuit divided by 43,200, multiplied by the minutes a circuit 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 circuits unless otherwise requested by CENIC. Circuits eligible for federal or state discounts must be submitted on separate invoices. 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 shall provide their current USAC Service Provider Identification Number (SPIN) for telecommunications to CENIC as part of the response and evidence of Green Light status with the Federal Communications Commission. Additionally, all selected Bidders must comply with all E-rate and CTF program regulations, including any E-rate requirements to maintain viability as a Bidder, such as, but not limited to, maintaining a current Bidder Annual Certification Form 473 (SPAC). Failure to comply is grounds for cancellation of any contract issued pursuant to this RFP. The Bidder(s) awarded contracts on these circuits shall be responsible for applying for CTF discounts, and circuit installation will not be considered completed without having done so. In addition, Bidder must describe how federal and state discounts will be accounted for and reported in billing statements and/or other documents if awarded a contract. Information required is contained in Exhibit D. Such procedures will be included in any contract issued as a result of this bid. All awardees agree to document its discount calculations and agree that such calculations may be audited by CENIC at any time.
- B. Contract period. The contract period for awards resulting from this RFP will be from the date a circuit is installed through its contractual termination date. The termination dates may vary according to the type of circuit. Pricing may be

- submitted for two (2), three (3), four (4) or five (5) year terms. Bidders may bid on all or any subset of circuits included in this RFP. If Bidder is currently under contract for circuits, responses should indicate whether existing contracts are to be used for the circuits to be bid, are to be superseded by the new proposal, or if circuits 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 circuits 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 circuit until a CENIC representative confirms successful completion of CENIC's acceptance testing procedure.
 - D. Circuit design documentation. Every service provider must submit a circuit layout record, also known as a design layout record, within thirty (30) days of circuit 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 circuits 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 circuits 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 circuit basis. 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 circuit 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 circuit 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 circuits 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.

Pricing Worksheet responses should be provided as (1) completed electronic file copies saved with no changes in format, and (2) paper copies as part of the Bidders printed response document.

- L. Value of CENIC provided infrastructure. In instances where CENIC provides space and/or power at its CalREN aggregation hub site facilities that benefits the Bidder, such costs shall be incorporated into the Bidder's circuit quotes. See Exhibits E and F. Alternatively, Bidders who do not need to co-locate equipment in CENIC space at CalREN aggregation hub sites must include the cost of cross-connections from the public space to the CENIC space into their pricing.
- M. Description of circuit requirements. Broadband circuits 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, circuits 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 circuit segments of various speeds that make up the current network. These segments do not include future circuits that may be needed for additional node sites, or as growth within existing sites.

In general, CENIC prefers and procures point-to-point circuits and does not normally make use of virtual-circuit technologies such as MPLS. Bidders may propose such virtual circuits, but must clearly identify whether the circuits proposed are virtual circuits 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). The signed NDA (Exhibit B), must be submitted to circuitrfp@cenic.org and/or esmith@cenic.org. Upon receipt of a signed Exhibit B, a list of aggregation hub site addresses will be provided.

Exhibit G lists circuit segments that will serve E-rate eligible sites. As such, these circuits will be eligible for federal E-rate and state CTF discounts. Bidders must meet all requirements noted in Exhibit D. For the purpose of this procurement, a “circuit segment” is defined as a single circuit connecting either a hub to a node, or a node to a node. Should a Bidder determine that it is able to serve a node location from a CalREN aggregation hub site different than shown in Exhibit C, the Bidder shall indicate the exceptions, with full details. The Bidder shall install only sufficient equipment necessary to provide the CENIC requested circuits 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: Questions & Answers
Exhibit B: Bidder NDA
Exhibit C: CalREN Aggregation Hub Site Locations
Exhibit D: Reporting Requirements for Federal and State Discounts
Exhibit E: Equipment Co-location Costs
Exhibit F: CENIC Co-located Service Provider Agreement
Exhibit G: List of E-rate Eligible Circuits
Exhibit H: List of non-E-rate Eligible Circuits
Exhibit I: Pricing Worksheet for E-rate Eligible Circuits
Exhibit J: Pricing Worksheet for non-E-rate Eligible Circuits