

CITY OF CHICAGO
 DEPARTMENT OF PURCHASES
 CONTRACTS AND SUPPLIES
 ROOM 403, CITY HALL, 121 NO. LA SALLE ST.

S. S. R. B.

DATE 03/31/09
 APPROVED _____
 PROCUREMENT
 CONDITIONALLY 4-0
 APPROVED _____
 RETURN TO DEPT _____
 DISAPPROVED _____

JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT

COMPLETE THIS SECTION IF NEW CONTRACT(S)

For contract(s) in this request, answer applicable questions in each of the 4 major subject areas below. See the Instructions for Preparation of Non-Competitive Procurement Form on the reverse side.

Request that negotiations be conducted only with Civitium, LLC for the product and/or services described herein.
Name of Person or Firm

This is a request for: X (One-Time Contract per Requisition # _____ (copy attached) or _____ Term Agreement or Delegate Agency (Check one). If Delegate Agency, this request is for "blanket approval" of all contracts within the (Attach List) (Program Name)

COMPLETE THIS SECTION IF AMENDMENT OR MODIFICATION TO CONTRACT

Describe in detail the change in terms of dollars, time period, scope of services, etc., its relationship to the original contract and the specific reasons for the change. Indicate both the original and the adjusted contract amount and/or expiration date with this change, as applicable. Attach copy of all supporting documents. Request approval for a contract amendment or modification to the following:

Contract # _____ Company or Agency Name: _____
 Specification # _____ Contract or Program Description: _____
 Mod # _____ (Attach List, if multiple)

Judy Mims	x2-1817		DoIT	6/26/2008
Original Name	Telephone	Signature	Department	Date

Indicate SEE ATTACHED in each box below if additional space needed:

(X) PROCUREMENT HISTORY

The City retained Civitium, LLC for consulting services for the "Broadband Master Plan" projects. Under the original contract (specification number 38985), Civitium, LLC provided advisory services related to the development of a comprehensive, long-term master plan for broadband in Chicago.
 The Department of Innovation and Technology is petitioning a no-bid contract on behalf of Civitium, LLC in order that they may provide management and technical consulting services for "Fiber Network Specification and Grant Application" for the City. (SEE ATTACHED)

(X) ESTIMATED COST

Civitium, LLC has proposed to conduct the services stated above for a flat fee of \$325,000 over a 75 day period. (SEE ATTACHED)

(X) SCHEDULED REQUIREMENTS

The proposed services are to be completed in a 75 day timeframe. No extension of the duration of the current contract is required.

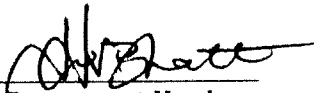
(X) EXCLUSIVE OR UNIQUE CAPABILITY

Through its extensive prior work with the City over the course of two years, Civitium has developed expert and proprietary knowledge of the City's policies, programs, infrastructure and personnel that is indispensable for the "Fiber Network Specification and Grant Application" project. Were the city to retain another firm for development of a broadband master plan, the new firm would have to develop this background, resulting in an unacceptably longer timeline that would compromise the City's competitiveness for stimulus funding.
 The project will critically important for Chicago's application for highly competitive funding from the American Recovery and Reinvestment Plan (ARRP). The ARRP requires that projects be "shovel-ready" at the time of application and Civitium's delivery of a fiber network specification is necessary to achieve this state of readiness.
 Furthermore, in the course of its work on virtually all major cities' broadband efforts, Civitium has developed specialized and proprietary knowledge about the municipal broadband market and programs that is essential for ensuring that Chicago's grant application is competitive with other leading global cities. This expertise would not be available from any other bidders.

(X) OTHER - M/WBE UTILIZATION

(see attached)

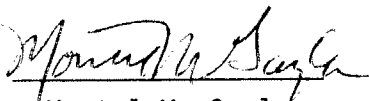
APPROVED BY:


Department Head
Or Designee

5/19/09
Date


Board Chairperson

03/31/09
Date


Montel M. Gayles
Chief Procurement Officer

5-18-09
Date

12850 Hwy 9
Suite 600 PMB-306
Alpharetta, Ga. 30004

PHONE: (678) 595-3085
FAX: (678) 623-3489

March 27, 2009

Mr. Hardik Bhatt
Chief Information Officer
City of Chicago, IL

Dear Mr. Bhatt:

This letter supplements the **Proposal for Fiber Network Specification and Grant Application Services** submitted by Civitium on March 27, 2009 to the City of Chicago's Department of Innovation Technology.

Civitium understands that the City's Minority and Women-owned Business (MBE/WBE) Procurement Program is committed to the success of minority- and women-owned businesses in the community. We share this commitment and we strive to obtain minority and women-owned participation with many of our local government clients.

To this end, we have identified multiple service categories where we may achieve MBE/WBE participation. These categories include architecture services, civil engineering and consulting services, travel services, project management services and administrative services.

Since our work will require significant participation from local Chicago professional service resources, we feel we can commit to a goal of 33% MBE/WBE participation. Some highly specialized "expert-based" Civitium resources will travel to the City of Chicago extensively during the engagement. We were successful in using The Travel Gallery for travel services during our previous engagement with the City, and we intend to use them again.

Our good faith efforts have identified a number of certified firms who may be able to assist us with architecture services, civil engineering and consulting services during the engagement. A preliminary list of these MBE/WBE identified firms is listed below.

Vendor Information

Business Name	Design Consulting Engineers, Inc.
Owner	Mannan Abdul
Address	4740 West Peterson Avenue
City, State, Zip	Chicago, IL 60646-9706
Phone	773-283-8500
Fax	773-283-8505
Email	mananj@designce.com
Website	designce.com

Vendor Information

Business Name: Terra Engineering, Ltd
Owner: Karen S Steingraber
Address: 225 W. Ohio St., 4th Floor
Chicago, IL 60610
Phone: 312-467-0123
Fax: 312-467-0220
Email: ksteingraber@terraeng.com
Website:

Vendor Information

Business Name: Construction Call Solutions, Inc.
Owner: Pervis Conway
Address: 1214 South State Street
Lockport, IL 60441-5109
Phone: 708-216-9972
Fax: 708-216-9980
Email: info@concall.com
Website: www.concall.com

Vendor Information

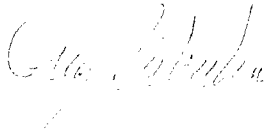
Business Name: Chicago Data And Cable Communications, Inc.
Owner: Errol Hubbard
Address: 345 North Loomis Street
Chicago, IL 60607-1111
Phone: 312-997-1909
Fax: 312-997-1925
Email: errolhubbard@cdccomcast.net
Website:

Vendor Information

Business Name: WNH Consulting Engineers
Owner: Ashwin T Patel
Address: 24137 W. 111th St., Unit C
Naperville, IL 60564
Phone: 630-904-2709
Fax:
Email: ASHWIN@WNHE.COM
Website:

I hope that this demonstrates our commitment to MBE/WBE participation and I welcome any comments, concerns or questions you may have.

Sincerely,



Greg Richardson
Managing Partner
Civitium, LLC

March 27, 2009

Mr. Hardik Bhatt
Chief Information Officer
City of Chicago, IL

12850 Hwy 9
Suite 600 PMB-306
Alpharetta, Ga. 30004

PHONE: (678) 595-3085
FAX: (678) 623-3489

RE: Proposal for Fiber Network Specification and Grant Application Services

Dear Hardik:

Through our background research and outreach to Chicago departments and sister agencies during the Broadband Master Planning (BMP) process, we have discovered that the City has access to a vast infrastructure of fiber optic cabling and other important assets. We have also discovered that this infrastructure is not utilized to its full potential or leveraged adequately for public benefit. With the proper aggregation of these existing assets through the deployment of modern networking technologies, in concert with the construction of new fiber optic cabling to reach under-served neighborhoods within the City of Chicago, we believe that the City would be taking a significant first step in meeting its medium and long term broadband infrastructure goals.

We believe that time of the essence. Section 1102 of the American Recovery and Reinvestment Act of 2009, gives preference to quick start activities:

“In using funds made available in this Act for infrastructure investment, recipients shall give preference to activities that can be started and completed expeditiously, including a goal of using at least 50 percent of the funds for activities that can be initiated not later than 120 days after the date of the enactment of this Act.”

In a recent meeting hosted by the NTIA, the agency responsible for administering the broadband grant funds relevant for Chicago, it was stated that funds would be administered in three rounds, with the first round opening between April and June, 2009.

Given the short timeline for grant submission to NTIA, and the fact that Chicago’s investment in this area may be largely tied to succeeding with such a grant, we feel it is critical for DoIT to proceed with a rapid process to get this project grant ready Over the next 60-75 days.

We have determined that the first phase recommendation of the BMP includes several unique project functions, including:

- 1. Technical Specifications for a Core Fiber Optic Network**
- 2. Technical Specifications for Point-of-Presence Facilities**

3. Civil Engineering for Fiber Optic Cabling and Conduit

4. Facilities Engineering for Point-of-Presence Locations

5. Fiber Optic Cabling and Conduit Installation

6. Point-of-Presence Construction

7. Network Implementation

8. Network Testing & Verification

It is clear that the first phase of the plan will require a combination of domain expertise from a variety of City agencies and vendor organizations; however, we believe that a grant proposal for stimulus funding through the NTIA will require only the completion of Items #1, and #2; *Technical Specifications for a Core Fiber Optic Network and Point-of-Presence Facilities.*

We recognize that City agencies such as the Public Building Commission (PBC) and the Office of Underground Coordination must play a significant project role in Items #3 through #8, but that a) these activities will require substantial investment by the City and b) these investments may only be justified after it has become clear whether the City will be awarded funds through the NTIA.

SCOPE OF SERVICES

We propose to develop comprehensive financial, operational and technical specifications for the network and facilities to a level that will be viewed by the NTIA as shovel ready. More specifically, we propose to complete Items #1 and #2 above and to prepare content in support of the City's grant submittal to the NTIA. We propose to commence these services immediately and estimate that this work can be completed within 75 days, and that this documentation will provide the PBC with a critical input for their project formulation of items #3 through #6.

Civitium proposes to provide the following professional services associated with Items #1 and #2 above:

- Detailed specifications for a core fiber optic network, which will include the aggregation of existing City and sister agency fiber assets and recommendations for the construction of new fiber optic lines to create a citywide core transport network;
- Detailed specifications for points-of-presence (POP) facilities, which will include specifications for all network-related equipment, cable routing, environmental considerations, equipment racks, physical security, etc. To accomplish this, we will identify up to five (5) candidate facility types, which may include public-owned facilities such as schools, city buildings, fire stations, etc. We will perform a site

survey of one (1) facility for each of the five (5) types of facility identified. We will develop blueprints/drawings illustrating the manner in which each facility type can be made-ready to meet the specifications defined above. We will also work closely with PBC to identify cost assumptions for any of the make-ready improvements identified during these site surveys.;

- Detailed specifications for a Fiber to the Premise (FTTP) network, which will include the physical network routing and topology to reach up to 10,000 residences and businesses in underserved neighborhood(s) and economic development zones within Chicago;
- Identification of fiber optic cabling installation methods such as trenching, micro trenching, in-sewer and aerial. This will include cost sensitivity information as part of the financial analysis referenced below;
- Creation and aggregation of documentation and content to support a comprehensive NTIA grant proposal;
- Development of a 10-year financial and operational plan that estimates all capital and operating expenditures, revenues, cash flows, return on investment metrics, and key business assumptions;
- Development of a detailed business plan that describes the business model for the initiative, roles of all participants, broadband policy positions (e.g. network neutrality, open access), and recommendations on how this model should evolve over time; and
- Coordination with the PBC (and/or designees) for the clarification of design and cost estimates, including participation in cost estimate reconciliation meetings.

Elements related to Items #3 through #8 defined above are outside the scope of what we are proposing. These exclusions include, but are not limited to site identification, site acquisition, fiber route and site surveys, professional engineering, coordination of utilities and rights-of-way, facilities engineering, and physical network configuration and deployment.

DELIVERABLES

The primary deliverables from this engagement will be a financial and operational plan, detailed specifications for the deployment of a core fiber optic network, FTTP pilot and POP facilities, and content to support a compelling NTIA grant submission.

These deliverables will include, but not be limited to; logical and physical network drawings and diagrams, GIS maps, technical build specifications, and financial and operational plans. In addition, Civitium will provide an Executive Summary, which may be used to communicate and

socialize the specifications to the Mayors Office, City Council, or other executive stakeholders as required.

PERSONNEL

Civitium proposes to assign the following personnel to this engagement. Biographies are available upon request:

RESOURCE	ROLE
Greg Richardson	Engagement Lead
Jason Shannon	Technology Lead
Bailey White	Financial and Operational Lead
Tim Schober	Network Architect
Company/Name TBD	MBE/WBE Subcontractor
Company/Name TBD	MBE/WBE Subcontractor
Company/Name TBD	MBE/WBE Subcontractor
Company/Name TBD	MBE/WBE Subcontractor

REQUIREMENTS OF THE CITY

- The City will provide a dedicated project manager during this engagement to work with Civitium and coordinate interaction with city department and sister agencies.
- The City will provide office space for up to three resources form Civitium and its subcontractors during the engagement.
- The City will provide legal counsel for any issues requiring legal or regulatory analysis or opinions.

SCHEDULE

Upon timely acceptance of this engagement letter, Civitium is prepared to commence work on the project as early as the week of April 6, 2009. We estimate this work will take place over 75 days, with delivery of the final design in June of 2009.

PROFESSIONAL FEES

Civitium proposes to provide the services outlined above for a total of **\$325,000**, which is inclusive of all professional fees as well as any expenses incurred by Civitium such as airfare, meals, lodging, parking, and ground transportation. These fees will be paid 1/3 upon commencement of services, 1/3 thirty days following commencement of services, and 1/3 upon the City's acceptance of all project deliverables.

We appreciate the opportunity to present this proposal to the City. If you have any questions or comments, please do not hesitate to contact me at any time.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Richardson". The signature is written in a cursive, flowing style.

Greg Richardson
Founder, Managing Partner
Civitium, LLC