CITY OF MISSION VIEJO WIRELESS ANTENNA LEASE SITES: HIGHEST VALUE STUDY

Request for Proposals (RFP)

Release Date: July 10, 2017

Deadline for Submissions: **5:00 P.M. (PT) on August 4, 2017**

Submit to: Please use the following email address: llongenecker@cityofmissionviejo.org

NOTICE REGARDING DISCLOSURE OF CONTENTS OF DOCUMENT

All proposals, inquires, responses, or correspondence related to or in reference to this request for proposals, and all reports, charts, displays, schedules, exhibits, and other documentation submitted by the Vendor responding to this Request for Proposal (“RFP”) will become the property of the City when received. The City of Mission Viejo is subject to California law regarding the disclosure of public records. Proposers must clearly identify any information they regard as proprietary in the proposal. Any such information should be marked “Proprietary” or “Confidential” and provided in a separate, and concurrent transmission to the City on or before the Deadline for Submissions. Information that is proprietary within the meaning of California law will be withheld from any public records requests. All other information is subject to disclosure. Vendor, not City, will be solely responsible, including all fees, costs, attorneys’ fees or other costs related to responding to any legal action, regardless of type or nature, that seeks disclosure of the “Proprietary” or “Confidential” submittals.

REQUEST FOR PROPOSALS FOR THE EVALUATION OF THE LONG AND NEAR TERM ECONOMIC VIABILITY OF THE CITY OF MISSION VIEJO, CALIFORNIA’S WIRELESS/CELL SITE ANTENNA LEASES AND FOR RECOMMENDATIONS REGARDING PRESENT RETENTION OR MARKETING OF THE LEASES FOR MAXIMUM ECONOMIC BENEFIT

1. **INVITATION FOR PROPOSALS**

The City of Mission Viejo (the “City”) is soliciting proposals from qualified consulting firms to develop a Wireless Antenna Lease Highest Value (“Report”) with a long and near-term focus on the City retaining, trading benefits, or conveying to third parties, the wireless antenna sites, as improved, currently being leased by the City to various carriers. Also, the Report shall provide a long-term consideration of known and anticipated wireless technologies. The retained Responder must demonstrate prior experience working with government agencies that are developing plans to assess and evaluate existing wireless communication facilities located on City owned property municipal owned, controlled and leased sites. The Report would be used to strategically assess and evaluate the City’s wireless telecommunication assets to meet the needs of the City. The successful Responder should, if later requested by City, and at City’s sole discretion, also be able to utilize the Report and work on the City’s behalf to develop agreements to construct, manage, and leverage certain City assets and telecommunication infrastructure with third parties.

The ideal Responder would demonstrate expertise in several areas including:

* Real estate;
* Valuation of municipally owned and leased out antenna sites;
* All/new wireless telecommunication technologies, including but not limited to, Outdoor Distributed Antenna System (“oDAS”) and small cell design and related lease agreements;

The City of Mission Viejo has leased sites to various commercial wireless carriers. There are a total of 13 improved antenna sites, of which 9 have collocated antenna arrays either on the same site or on one of the structure(s) thereon. All of the facilities are on City owned public property, which has been leased to the wireless carriers. A map of the antenna sites on City owned property is attached for reference. The City is examining the benefits, detriments, the reasonably expected revenues accruing to the City from: assigning the leases to third parties or, retaining the leaseholds and receiving the agreed upon lease revenues or seeking exchange of benefits to City.

Parties interested in responding are required to submit their proposals via email to Larry Longenecker (llongenecker@cityofmissionviejo.org). The responder is solely responsible for “on time” submission of their electronic proposal. The City will only consider proposals that have been transmitted successfully and have been issued a read receipt indicating that the bid was submitted successfully. All proposals have to be successfully submitted no later than **5:00 P.M. (PT) on August 4, 2017.**

There will be no pre-bid Conference. All questions concerning this solicitation must be submitted to Larry Longenecker at (949) 470-3053. The official response to questions or requests for interpretation to this solicitation will be provided to all then known Responders and as new responses are received. The cut-off date for submission of questions shall be on July 28, 2017. Any information resulting from questions that causes a material change in the solicitation will be provided to all Responders.

Responding parties and the successful proposal will not be disqualified from bidding on future projects that may arise as part of the recommendations made in the future as a result of the information in the Report.

The City will not be responsible for late submissions of any kind.

**2. BACKGROUND**

THE CITY OF MISSION VIEJO

The City of Mission Viejo is a larger sized city located in southern Orange County. Incorporated in 1988, the City serves an area of approximately 17 square miles and a population of approximately 100,000 with approximately 34,000 residential units. The City’s fiscal year begins July 1st and ends June 30th.

The City is a general-law city under California law which contracts for many of its major services, such as police and fire, as well as employing approximately 250 FTE employees. The City operates under a Council/Manager form of government. The five members of the Council serve 4 year terms and are elected in staggered elections every 2 years.

The City has an annual operating budget of $70.2 million dollars. Mission Viejo is a place that’s proud to be on the “cutting edge.” The progressive spirit and creativity of the people who live, work and play here has put Mission Viejo at the leading edge of culture, entertainment and design. The City is home to the world famous Nadadores, Olympic Park, ITF Tennis and hosts many local and regional events, as well as dozens of shopping attractions that include a wide variety of restaurants and entertainment venues that cater to local residents, visitors and tourists.

GOALS STATEMENT:

As the premiere city in South Orange County, we are proactive in responding to the evolving needs of our diverse community, creative in finding solutions to managing our community assets and needs, and dedicated to preserving and enhancing its quality of life. We strive for a first class quality in all our actions, setting the highest goals and standards.

For more information on the City’s Mission Statement, activities, governance and community, please review the City’s website.

CITY’S CURRENT WIRELESS SITE LEASEHOLDS

The City has previously leased public land to various wireless carriers. The lease agreements are substantially similar, and provide a monthly revenue flow to the City. The City is, at all times, a prudent steward of the public assets it oversees. It is desired to assess whether the City retaining some or all of the leaseholds, or transferring them for current “lump sum” monetization or some other benefit will best serve the public good.

The City seeks to have its inventory assessed from real estate, state of technology, and revenue generation viewpoints, and receive recommendations as to the retention or transfer of the various leaseholds. As the real estate is in public ownership, including parks, public lands and public facilities, there will be no sale of the underlying real property. All that may be considered is the transfer of the rights and duties, subject to certain City retention of rights for community protection, of the lease agreements.

**3. GOALS OF THE WIRELESS CELL SITE ANTENNA LEASE REPORT**

The City seeks to develop an assessment of the likely future value of the City’s leasehold over a twenty (20) year term, the current net present value of each lease, and a professional assessment of the future use and utility of each lease site. And, if needed, related implementation roadmap to guide the City’s’ decisions on retaining or monetizing each leasehold.

**4. SCOPE OF WORK**

The City is soliciting proposals from consulting firms to prepare a site by site and also a comprehensive aggregate assessment of the present and future values and utilization of the City’s leased wireless antenna sites. The future valuation is required to be presented in the Report in five (5) year increments (5, 10, 15, 20) commencing with 2017 as the base year. The Report should provide the best path and business model to deploy a municipal network to support the City and community needs.

Report and Content

The following tasks describe the City’s expectations regarding the areas that should be addressed to assist the City in assessing the economic options available to the City and which memorialized in the Final Report pursuant to this Agreement.

Tasks:

1. Evaluate the present economic value of the existing wireless communications facilities located on City Property.
   1. Determine issues that relate to increasing the potential value of the site for consideration by financial institutions.
2. Make recommendations regarding the value of the leases in consideration of the following:
   1. Identify those sites and leases that have little or no value and what if anything can be done to create value.
   2. Identify language that limits or impairs the potential value of the leases and what can be changed to increase the value
   3. Work with wireless carriers or the financial institutions to determine what can be changed to increase the potential value of the lease.
   4. Identify potential risk factors or benefits arising from unknown and anticipated changes in the wireless telecom industry, including mergers, new technology, changes in government regulations, obsolescence and operating protocol changes.
3. Present the results of the Report to the City staff and City legislative bodies as requested (maximum of four (4) separate attendances).

**5. CONTENTS OF PROPOSAL**

Proposals must include but need not be limited to the content identified below, and should be organized according to the following sections. All pages should be consecutively numbered. Marketing information will not be accepted in lieu of direct response to all requirements and questions.

SECTION 1 – EXECUTIVE SUMMARY

Provide a letter of introduction signed by an authorized representative of the firm (2-3 pages maximum) that provides an executive summary of the firm’s experience relevant to the scope of work described in the RFP and describes why the firm would be of service to the City of Mission Viejo on this project.

SECTION 2 – TABLE OF CONTENTS

SECTION 3 – VENDOR INFORMATION

a) Experience with providing economic valuation of municipally owned and leased wireless antenna sites, wireless antenna site real estate and economic analysis, and services of similar type and scope for comparable government agencies.

b) Size (national and regional/local), and financial condition of the firm.

c) Short description of three (3) recent projects of similar scope performed for communities/municipalities with wireless communication assets similar in size to the City of Mission Viejo.

d) Sample reports from similar projects performed including the cost-benefit analysis and business plans.

e) Include a list of three (3) references, including names of persons, with telephone and email addresses, the City may contact in order to ascertain the quality of performance of recent Wireless asset assessment and recommendations for similar governmental agencies.

SECTION 4 – STAFF QUALIFICATIONS AND EXPERIENCE

a) Identify the project manager and key staff who would be assigned to this project.

b) Provide information on the experience of the project manager and key staff, including background and experience of each person relevant to this project.

c) Describe the project staff’s experience consulting on municipal wireless asset economic strategies.

d) Indicate how the quality of work of the project staff will be assured over the term of the engagement.

SECTION 5 – PROJECT APPROACH AND METHODOLOGY

State in your own words your understanding of the objectives of the requested economic assessment and monetization strategy process and how you will accomplish them.

a) Describe the method proposed to assess and monetize the City’s wireless lease agreements; and include a detailed project plan (scope of work) and timeline.

b) Discuss the rationale for the proposed approach.

c) Indicate how you will complete the scope of work within the time specified and with the same team members.

SECTION 6 – COST PROPOSAL

Provide a budget for the proposed project for the Report. This information shall be followed by a budget narrative which shall describe and justify the proposed budget, and include an estimate of staff allocations, estimated hours, rates per assigned staff and an estimate of total billable hours. Also identify any assumptions you have built into your costs (e.g., City performance of any work elements, availability, etc.). The cost proposal must provide a guarantee that no additional fees beyond those proposed will be charged to the City of Mission Viejo without the City’s prior written consent. The City cannot accept contract clauses that include payment terms within 30 days of the invoice issuance. The City will not accept contract clauses where the City would be required to pay any late fees, interest charges or penalties.

SECTION 7 – ACKNOWLEDGEMENTS, ADDITIONS AND EXCEPTIONS

a) Acknowledge your ability to meet or not meet all of the requirements as stated in the scope of work.

b) Compile and include all other information you deem pertinent, but not specifically requested elsewhere.

c) Indicate any exceptions to the terms and conditions of this request for proposal, or any qualifications/clarifications regarding the proposal response.

**6. PROCEDURES AND CRITERIA**

The selection of a proposal will not be based solely on a monetary evaluation. There will also be an evaluation of each proposer’s understanding of the work required and approach to this project with considerable weight being given to experience in the areas required and the track record of the proposer.

Additionally, an independent checking of references may be used to assist in selecting the finalist(s). Finalists will make a presentation of their proposal to the City. Contract negotiations will take place with the finalist.

Award will be made to the Firm offering the most advantageous proposal after consideration of all evaluation criteria set forth in this RFP. The City shall not be obligated to accept the lowest priced proposal, but will make an award in the best interest of the City after all factors have been evaluated.

Firms selected as the finalists will be required to make a presentation of their proposal to the City during the RFP evaluation period. This presentation will provide Firms the opportunity to clarify their proposals to ensure thorough and mutual understanding. The presentations can either be done remotely or at Mission Viejo City Hall.

A Notification of Intent to Award may be sent to any Firm selected. Award is contingent upon the successful negotiation of final contract terms. Negotiations shall be confidential and not subject to disclosure to competing Firms unless an agreement is reached. If contract negotiations cannot be concluded successfully, the City may negotiate a contract with the next highest scoring Firm or withdraw the RFP.

ESTIMATED TIMELINE

The City’s estimated timeline to review proposals is as follows:

|  |  |
| --- | --- |
| **Event** | **Date** |
| Release of RFP | July 10, 2017 |
| Deadline to Submit Vendor RFP Inquiries | July 28, 2017 |
| Proposal Due Date | August 4, 2017 |
| Vendor Selection | September 27, 2017 |
| Project Commencement | September 28, 2017 |

**7. PAYMENTS AND DELIVERABLES**

The City requires a payment schedule based on defined and measurable deliverables as outlined below. Under no circumstances will payments be made in advance of work performed.

|  |  |
| --- | --- |
| **Deliverable** | **Payment Schedule** |
| 1. Project commencement and delivery of approved project plan and timeline |  |
| 2. Final version of Report Accepted. |  |

No payment for extra services (items not included in the total cost) shall be made unless such services and their costs have been previously authorized in writing and approved by the City.

**8. CERTIFICATE OF INSURANCE**

Proof of insurance is not required to be submitted with your proposal, but will be required prior to the City's award of the contract. A copy of the City’s standard contract has been attached (Attachment 1).

**9. STANDARD TERMS AND CONDITIONS**

Prior to the award of any work hereunder, City and contractor shall enter into a written contract with the City. The City will require the use of its standard form contract, attached hereto as Attachment 1.

**10. DEFINITIONS**

The words (A) "City", (B) "Department", or (C) "Contractor", as used in this RFP, shall be understood to refer respectively to (A) the City of Mission Viejo, California; (B) the several departments therein; and (C) the person, firm or corporation with whom the contract is made by said City or the agent or legal representative who may be appointed to represent such person, firm or corporation in the signing and performance of said contract.

**11. INSTRUCTIONS AND QUESTIONS**

City representative from whom the proposer will receive instructions:

Larry Longenecker

Planning Manager

200 Civic Center

Mission Viejo, CA 92691

[llongenecker@cityofmissionviejo.org](mailto:llongenecker@cityofmissionviejo.org)

Questions regarding this Request for Proposals should be directed only to the person designated above. All questions must be submitted to Larry Longenecker. Communication or solicitation with other City of Mission Viejo Officials or Employees regarding any aspect of this RFP is expressly prohibited and may result in disqualification.

**12. RFP AMENDMENTS**

The City reserves the right to change the RFP schedule or issue amendments to the RFP at any time. In the event the City amends the RFP, the City will extend the Proposal Due Date commensurately. The City also reserves the right to cancel or reissue the RFP.

**13. WITHDRAWAL OF PROPOSAL**

Firms may withdraw their proposals, without prejudice, prior to the date and time specified for proposal submission, by sending a written request or email to Elaine Lister, Director of Community Development.

**14. FIRM COMMITMENT OF AVAILABILITY OF SERVICE**

Once a proposal is opened, a proposer is expected to maintain an availability of service as set forth in its proposal for at least 180 days after date for opening proposals.

**15. RESERVATIONS**

The City reserves the right to reject any or all proposals, to waive technicalities or formalities, and to accept any proposal deemed to be in the best interest of the City. Where two or more firms are deemed equal, the City reserves the right to make the award to one of the two firms.

**16. ERRORS AND OMISSIONS**

Proposer and/or the Contractor shall not be allowed to take advantage of any errors in or omissions from the Request for Proposals. Full instructions will be given if such error or omission is discovered and timely called to the attention of the City.

**17. RFP NOT CONTRACTUAL**

Nothing contained in this Request for Proposals shall create any contractual relationship between the proposer and the City. The City accepts no financial responsibility for costs incurred by any proposer regarding this RFP. Each proposal prepared in response to this RFP shall be done at the sole cost and expense of each proposing firm and with the express understanding that no claims against the City for reimbursement will be accepted.

**18. TAXES**

Price of the proposal shall include all federal, state, local and other taxes.

**19. EXHIBITS**

Attachment 1- City’s standard contract

Attachment 2 – City Cell Site Map