

# Southside Regional Connectivity Ring Strategic Planning Discussion

Southside Network Authority Board

February 26, 2021

# Agenda

Strategic options

Recommended tactical approach for  
SNA approval

Next steps

# Primary Strategic Path Options

**A. SNA Funded –  
Authority outsources  
operations and dark  
fiber leasing**

**B. SNA Funded -  
Authority operates  
in-house**

**C. Public-Private  
Partnership  
("turnkey") - Funded  
and operated by  
private entity**

# Proposed Dual-Track Approach

Take tactical near-term steps towards key decision points

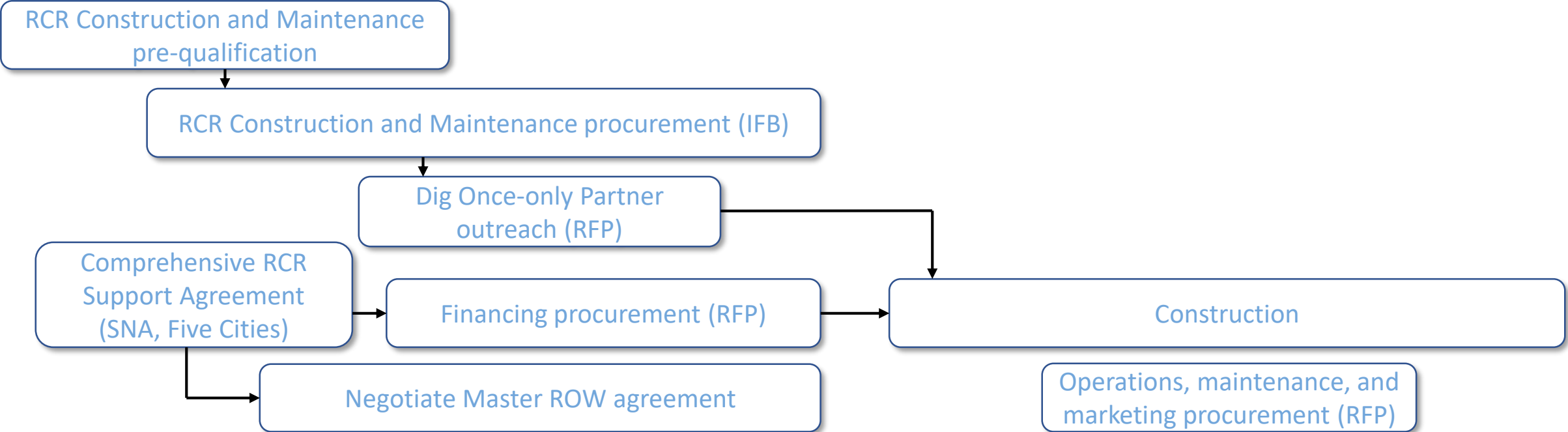
Incur minimal costs to further refine and vet strategic paths

- Construction IFB based on 50% Design - will pursue 100% Design only if necessary

Inform strategic decision-making

- Validate construction costs
- Determine cost savings through joint-build opportunities
- Identify financing options
- Determine specific interest in P3 models

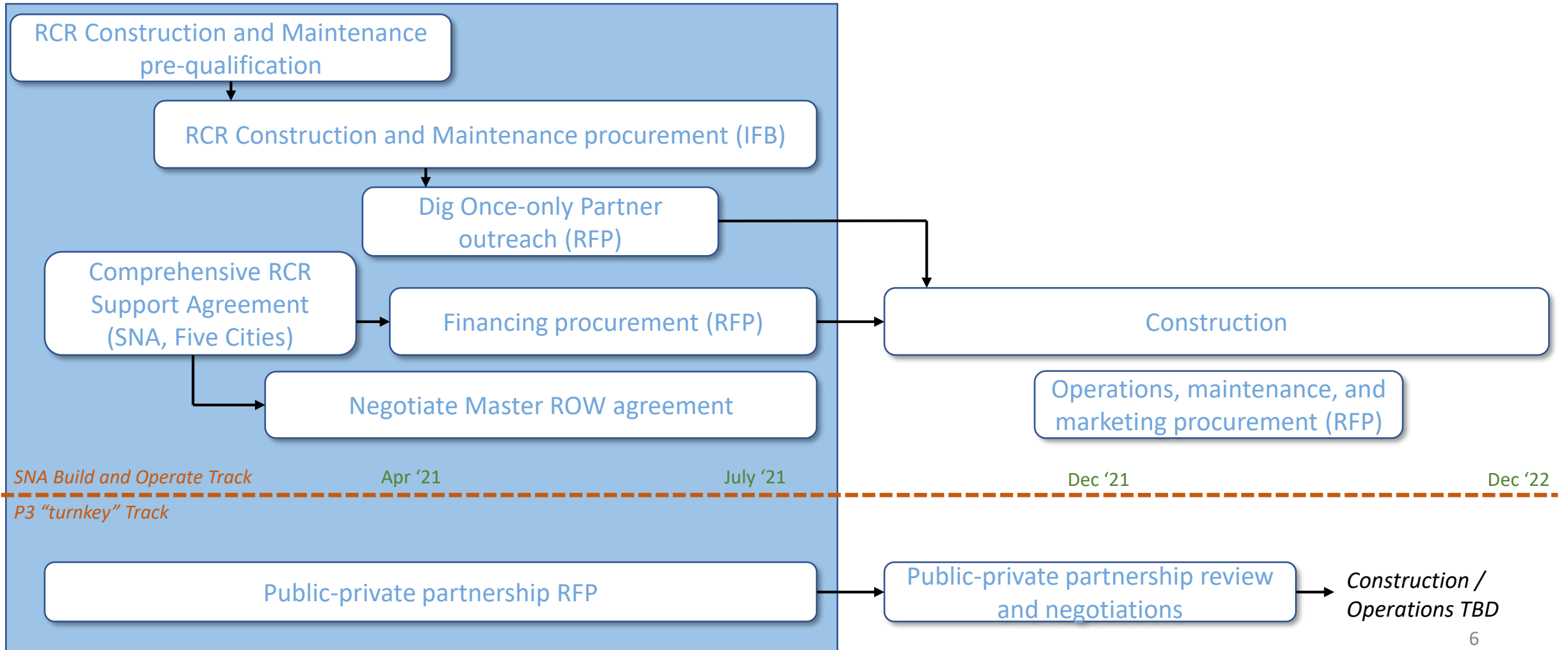
# Notional Timeline



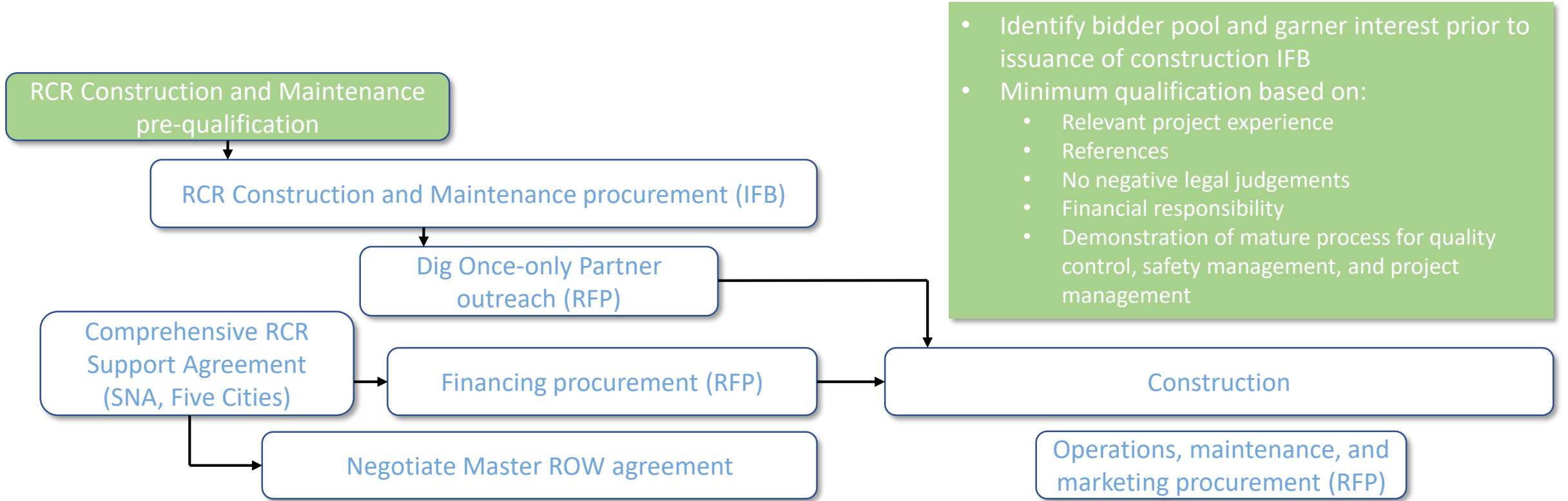
*SNA Build and Operate Track*      Apr '21      July '21      Dec '21      Dec '22  
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*P3 "turnkey" Track*



# Seeking Board approval for near-term efforts



# Construction Bidder Pre-qualification



- Identify bidder pool and garner interest prior to issuance of construction IFB
- Minimum qualification based on:
  - Relevant project experience
  - References
  - No negative legal judgements
  - Financial responsibility
  - Demonstration of mature process for quality control, safety management, and project management

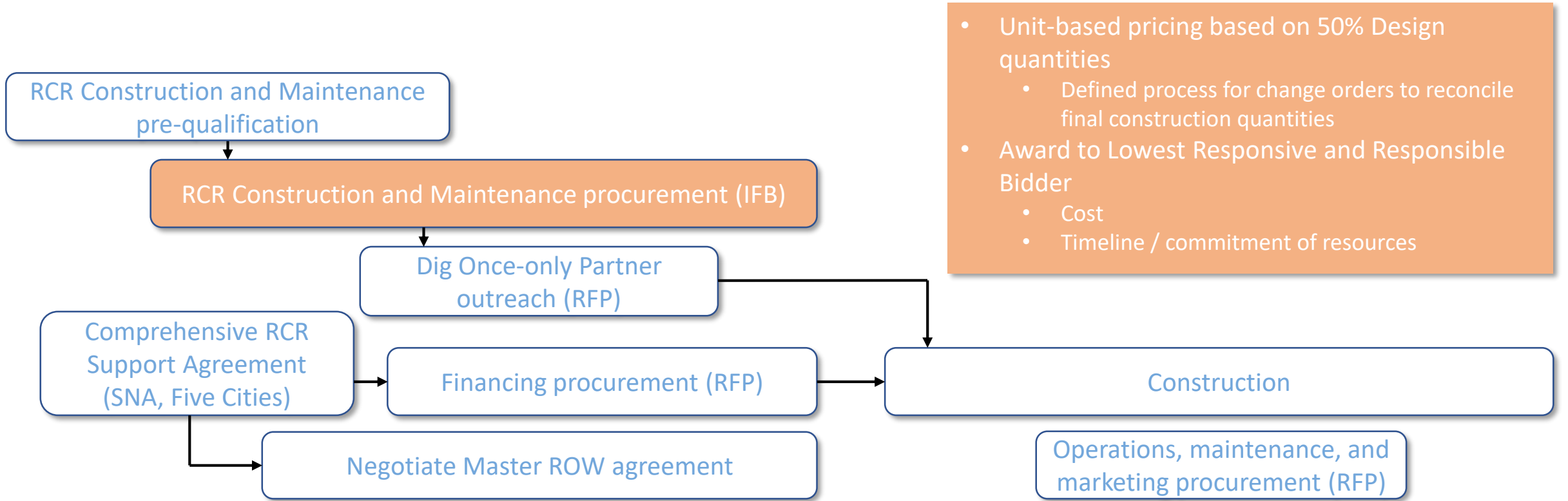
SNA Build and Operate Track     
 Apr '21     
 July '21     
 Dec '21     
 Dec '22

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P3 "turnkey" Track



# Construction and Maintenance IFB



- Unit-based pricing based on 50% Design quantities
  - Defined process for change orders to reconcile final construction quantities
- Award to Lowest Responsive and Responsible Bidder
  - Cost
  - Timeline / commitment of resources

*SNA Build and Operate Track*      Apr '21      July '21      Dec '21      Dec '22

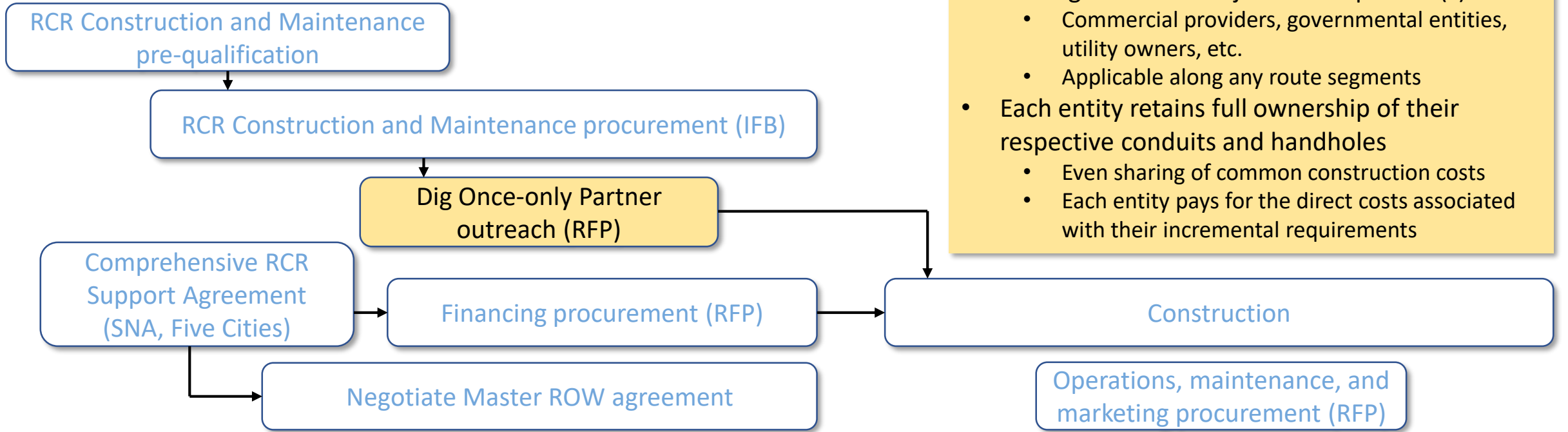
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*P3 "turnkey" Track*





# Dig Once-only Partner RFP

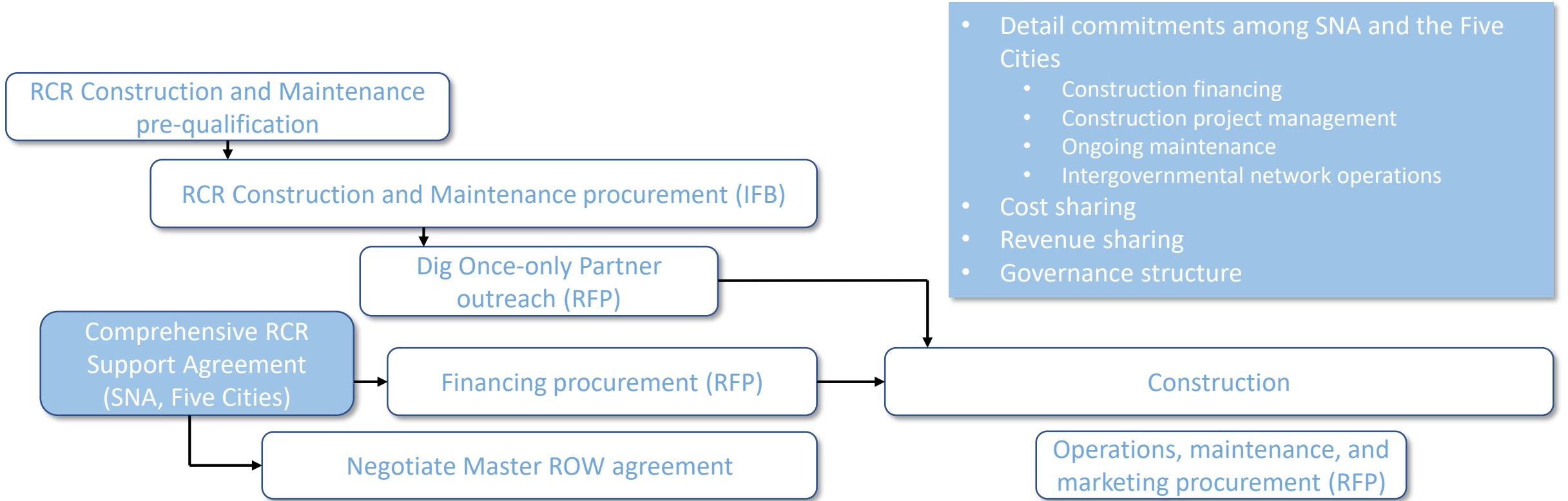


- Identify cost savings opportunities through cost sharing with conduit joint-build partner(s)
  - Commercial providers, governmental entities, utility owners, etc.
  - Applicable along any route segments
- Each entity retains full ownership of their respective conduits and handholes
  - Even sharing of common construction costs
  - Each entity pays for the direct costs associated with their incremental requirements

SNA Build and Operate Track      Apr '21      July '21      Dec '21      Dec '22  
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P3 "turnkey" Track



# Comprehensive Support Agreement



- Detail commitments among SNA and the Five Cities
  - Construction financing
  - Construction project management
  - Ongoing maintenance
  - Intergovernmental network operations
- Cost sharing
- Revenue sharing
- Governance structure

SNA Build and Operate Track

P3 "turnkey" Track

Apr '21

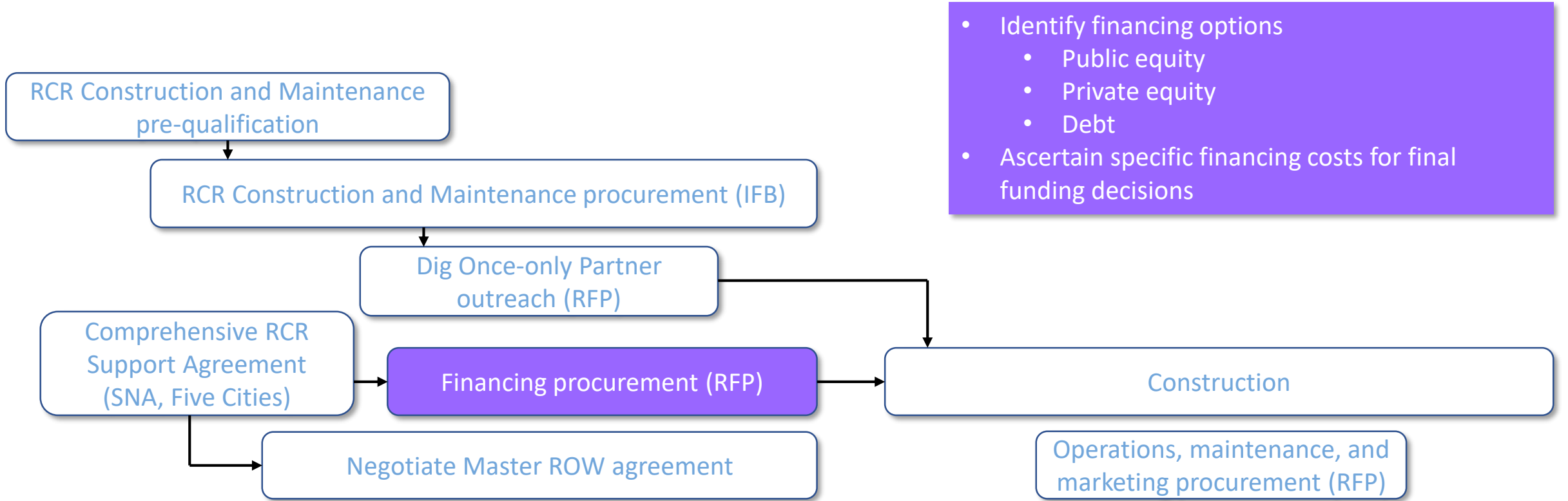
July '21

Dec '21

Dec '22



# Financing Procurement



- Identify financing options
  - Public equity
  - Private equity
  - Debt
- Ascertain specific financing costs for final funding decisions

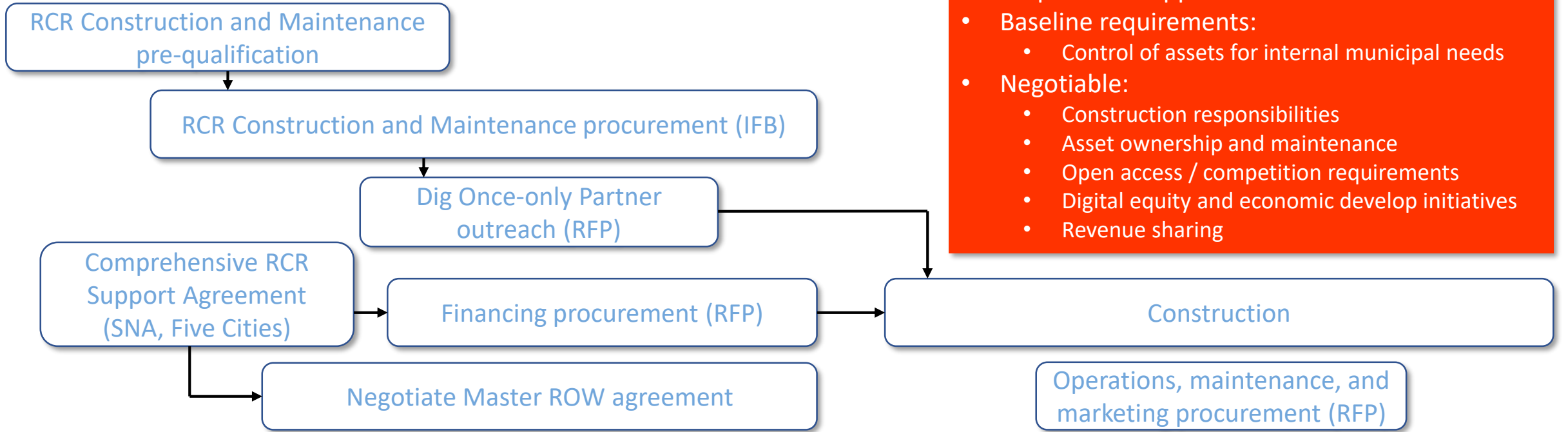
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P3 "turnkey" Track



# Public-private Partnership RFP



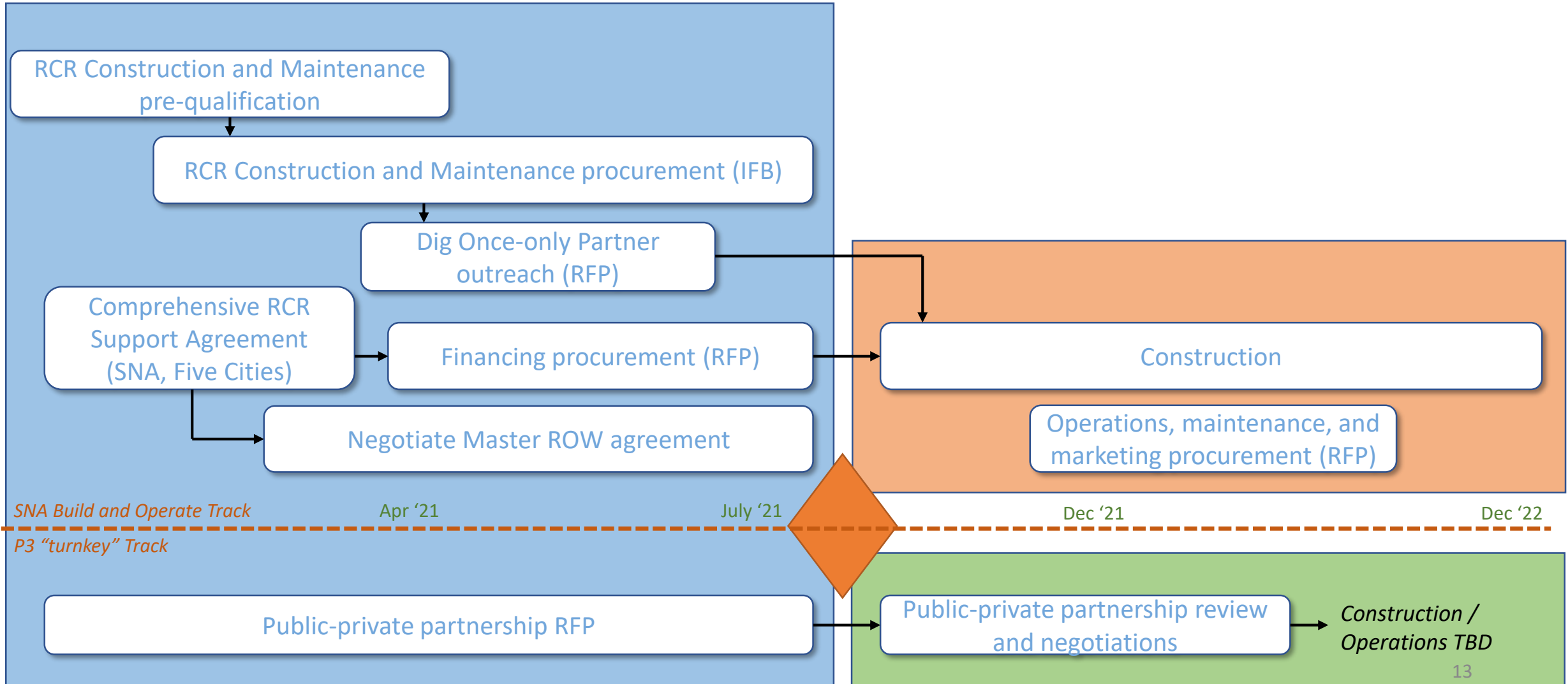
- Broadly scoped RFP to identify private interest in specific P3 approaches
- Baseline requirements:
  - Control of assets for internal municipal needs
- Negotiable:
  - Construction responsibilities
  - Asset ownership and maintenance
  - Open access / competition requirements
  - Digital equity and economic development initiatives
  - Revenue sharing

SNA Build and Operate Track     
 P3 "turnkey" Track

Apr '21                     
 July '21                     
 Dec '21                     
 Dec '22



# Strategic Path Decision Point



# Next steps

Approve approach as presented or modify with  
SNA Board input



SNA outreach to each of the Five Cities

Comprehensive support  
agreement framework

Financing requirements