

COUNCIL ACTION FORM

SUBJECT: AUTHORIZATION TO ENTER INTO AGREEMENT TO PROVIDE PUBLIC WIFI HOTSPOT SERVICE AT CITY PARK LOCATIONS

BACKGROUND:

Based on direction from City Council related to meeting the goal to facilitate One Community through both physical and relationship connections, City staff has reviewed various options to provide a level of public access WiFi service. This review included a feasibility study and reports to Council on costs and options for WiFi service. Based on the results of this study, Council directed staff to pursue proposals for a pilot project to provide public WiFi service at a limited number of locations in the City. The selected park locations for this experiment are as follows:

- Campustown Court
- Brookside Park
- Tom Evans Plaza
- Hunziker Youth Sports Complex

In April of 2008, City staff solicited proposals to provide WiFi hotspot Internet service at these select locations. At the direction of Council, a pre-proposal meeting was held to receive input from potential vendors prior to issuing the request for proposals. In mid-June 2008, proposals were received from ICS Advanced Technologies of Ames and Unplugged Cities, LLC of Minneapolis, Minnesota. These proposals were evaluated based on compliance with submittal requirements, qualifications of the service provider, business proposal, proposed technical solution, and price estimates over a three-year period. Based on the evaluation, ICS Advanced Technologies was identified as the preferred provider. The business model proposed by ICS included funding of the initial setup by the City plus a contribution to annual operating costs. ICS would sell advertising on the WiFi hotspot gateway page where users gain access to the Internet. This would be the only time users would be subject to advertising from the service provider and "pop up" advertising would not be initiated by ICS.

The estimated cost to the City based on the proposal from ICS is as follows:

Implementation	\$ 15,000
Annual operating costs	3,000

The estimated cost both for implementation and annual operation provided in the ICS proposal was significantly lower than our estimate of costs for the City itself to provide the service.

Funding for implementation of the pilot project WiFi locations was included in the 2007/08 budget. Approximately \$59,000 in Local Option funding has been carried forward to the 2008/09 budget for this purpose, which is more than adequate to carry out this project. Additional Local Option funding in the amount of \$22,000 is also included in the 2008/09 budget to operate WiFi hotspot services at City locations. This funding covers both the pilot project locations included in this Council Action Form and other City locations with network infrastructure in place. This budget is also projected to be adequate to cover all operations costs.

In addition to the proposed partnership with ICS, the City's Information Technology staff is in the process of implementing WiFi hotspots in other City locations where network infrastructure is already in place or is planned, including City Hall, the Ice Arena, the Community Center, Municipal Pool, and the Donald and Ruth Furman Aquatic Center. WiFi in those locations will serve both public access and City business access.

ALTERNATIVES:

1. Accept the proposal from ICS Advanced Technologies and authorize City staff to enter into an agreement with ICS Advanced Technologies to provide WiFi hotspot service at Tom Evans Plaza, Brookside Park, Campustown Court and the Hunziker Youth Sports Complex at an estimated implementation cost of \$15,000 plus \$3,000 per year annual operating costs.
2. Do not embark on this WiFi project at this time.

MANAGER'S RECOMMENDED ACTION:

The implementation of WiFi hotspot service will test the feasibility and public utilization of WiFi hotspots and help meet the City Council goal to facilitate One Community. Adequate funding is available within the City budget for this purpose.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, accepting the proposal from ICS Advanced Technologies and authorizing City staff to enter into an agreement with ICS Advanced Technologies to provide WiFi hotspot service at Tom Evans Plaza, Brookside Park, Campustown Court and the Hunziker Youth Sports Complex at an estimated implementation cost of \$15,000 plus \$3,000 per year annual operating costs.