



BUSINESS JUSTIFICATION REPORT

TITLE/DESCRIPTOR OF PROJECT

REPORT DATE	PROJECT NAME	PREPARED BY
April 25, 2016	IT-GNET Morse Rd. Expansion	Rory Gaydos

PROBLEM

The City of Gahanna has made a significant investment into a next-generation fiber optic system throughout the city. The goal of this investment is to provide access to a reliable and high speed communication infrastructure that will be used to support new services for the city's official use as well as serving as a new tool for economic development and the Gahanna business community. The current GNET architecture can be strengthened by improving network integrity, increasing network redundancy, expanding the GNET footprint for additional economic development opportunities, and by providing additional connectivity for internal and shared municipal services.

BUSINESS OPPORTUNITY

During GNET expansions careful consideration should be given to the aforementioned areas to strengthen GNET. In late 2015 a holistic fiber integrity analysis was performed by Columbus Fibernet (CFN) outlining (4) suggestions with high level budgetary costs included. One of these important recommendations was to build a new underground pathway from the current norther terminus of trunk 1 on N. Hamilton Rd., north to Morse Rd., then west on Morse Rd. to Steltzer Rd. to tie into CFN. The high level budgetary cost estimate for this was \$610,000.

Due to a good relationship and ongoing discussions with CFN, we became aware that a third party had contracted CFN to lay conduit and fiber assets across Morse Rd. spanning the distance of our municipal borders. By essentially leveraging an existing construction project, cost savings can be recognized by both the City of Gahanna and CFN while expanding our GNET footprint across the city. Further we would have the opportunity to leverage these new assets immediately and have the option to pay CFN at 0% interest over a 3 year period.

APPROACHES/OPTIONS

Option 1:

- a) The purchase of 1.25" conduit from Steltzer Rd. To Johntown Rd. along Morse Rd. with access to joint vault locations approximately every 1,500 feet (241.355.11)
- b) 144 count fiber installation with placement and splicing (77986.24)

- c) Hamilton Rd. Extension – to extend trunk 1 with underground conduit and 144 count fiber installation north to Morse Rd. and splice as necessary (\$24,252.25)

Total Option 1 = \$343,593.60

Option 2:

- a) The purchase of 1.25” conduit from Steltzer Rd. To Hamilton Rd. along Morse Rd. with access to joint vault locations approximately every 1,500 feet (\$222,300.80)
- b) 144 count fiber installation with placement and splicing (\$53,153.00)
- c) Hamilton Rd. Extension – to extend trunk 1 with underground conduit and 144 count fiber installation north to Morse Rd. and splice as necessary (\$24,252.25)

Total Option 2 = \$299,706.00

CONCLUSIONS/RECOMENDATIONS

The fiber committee, comprised of Dottie Franey, Rob Priestas, Matt Holdren, Rory Gaydos, and Anthony Jones, unanimously recommends that we exercise option #1. While this option costs approximately \$43,887 more than option #2, we would acquire approximately double the fiber assets along Morse Rd. for that additional spend. Further, the initial estimate of \$610,000 for option 2 illustrates that we are capitalizing on the economies of scale (multiple parties having conduit laid at the same time with CFN) thereby recognizing substantial cost savings.