

Town of Penobscot

Request for Proposals

**To Design, Build and Operate a High-Speed Broadband
Internet System**

Public / Private Partnership

May 2019

Dear Internet Service Providers:

The Town of Penobscot is seeking broadband service for this coastal town. Attached you'll find a Request for Proposals that will begin the process of finding a partner to design, build and operate world class high-speed broadband internet service. We seek a public-private partnership with providers who wish to design, construct and operate a broadband system. We invite you to respond to the RFP.

The Town's goal for the network is competitively-priced broadband service to, municipal and other Town institutions, businesses, and residential premises, in order to serve the current population and to attract new residents & businesses. The Town is investigating sources of funding at the private, county, state and federal levels, to supplement committed Town funding. Having commissioned a Technology Plan, the Penobscot Broadband Committee has worked for over two years identifying the long-term goals and technical options. With a clear vision for its future, an expanding school population, and a strong sense of identity, the Town is well poised to achieve its goals of strengthening businesses and attracting new families with improved internet service.

We wish to extend fiber throughout the Town and connect fiber to each residence. We anticipate receiving responses by June 7, 2019.

Sincerely,

Joel Katz,

Penobscot Broadband Committee

Town of Penobscot, Maine

1. Introduction.

The Town of Penobscot, hereinafter also referred to as **“the Town,”** issues this Request for Proposals (**RFP**) to provide a fiberoptic Penobscot Broadband Internet System, hereinafter also referred to as the **“Broadband System,”** to offer high-speed internet service to residents throughout the Town. The Town has established and authorized the Town of Penobscot Broadband Committee, hereinafter also referred to as **“the Broadband Committee”** to oversee this proposal solicitation and selection process. Internet service providers (ISP), hereinafter also referred to as **“Providers,”** are invited to submit proposals in response to this RFP. Responding Providers are hereinafter also referred to as **“Responders.”**

The purpose of this RFP is to obtain Proposals to design, build and operate a Broadband System that will provide high-speed internet service to municipal and other Town institutions, businesses, and residential premises throughout the Town, meeting both the current and future needs of the population as well as to attract new families into the Town.

2. The Town foresees the following RFP schedule:

6 May 2019 RFP issued
16 May 2019 Questions from Respondents Due
31 May 2019 Answers to Respondent Questions Posted
7 June 2019 at noon Deadline for the Town to Receive Responses

2.1. Submission and Deadline.

Please submit responses electronically to katzvolenik@gmail.com or in a sealed envelope to the Town of Penobscot, Board of Selectmen at the address below. Please mark the outside of the envelope with the label, “Town of Penobscot Broadband RFP.” Responses may be mailed to:

Town of Penobscot
PO Box 4
Penobscot ME 04476

or delivered by hand or via FedEx or UPS to the Town Office at 1 Southern Bay Rd. Responses must be received no later than noon on June 7, 2019.

2.2 Content and Questions.

Respondents should provide the Proposals in accordance with requirements in Section 67. Responses will not be considered final or binding; however, respondents are strongly encouraged to submit Proposals that could be used as a basis for negotiating a binding agreement.

Potential respondents are encouraged to submit questions in writing to: Joel Katz, katzvolenik@gmail.com.

Questions must be received no later than 5:00 P.M. on May 16 2019. The Town will make a best effort to post answers to written questions at least one week prior to the RFP deadline.

2.3 Selection Process.

The Town will evaluate the responses to this RFP and select one or more of the Responders for continued consideration, including in-person presentations, meetings and discussions. After an initial review and evaluation of each of the proposals, the offerers submitting the most highly rated proposals may be invited for interviews prior to final selection, to further elaborate on their proposals. The Town reserves the right to award a contract without holding interviews, in the event the written proposals provide a clear preference on the basis of the criteria described. No agreement with the Town is in effect until both parties have signed a contract.

Evaluation Criteria

Item	Points Possible
Project Understanding and Approach.	25
Respondent's Experience Building Similar Network.	15
Respondent's Regulatory Plan.	10
Respondent's Timeline to Completion.	15
Documentation.	10
Funding Assistance.	<u>25</u>
TOTAL.	100

3. Background.

The Town of Penobscot has a population of 1200 according to the 2010 US Census with approximately 850 sites on approximately 60 miles of public and private roads. The population is overwhelmingly full-time residents. In addition to the school and town hall, other anchor institutions include: two houses of worship, the Penobscot Community School (grades K-8), the town hall, fire department and post office. The Maine School and Library Network (MSLN) provides 100 mbps symmetrical service to the Penobscot School. Local businesses include: numerous family farms, a year-round convenience grocery store, two seasonal eateries, seasonal vacation rentals, and home-based businesses including timber harvesting, jewelry and woodworking, art galleries, gift shop, pottery shop, computer services, video production, and other businesses.

Many Penobscot residents are self-employed and rely on internet capability to conduct their businesses. Providing broadband internet access will help ensure their success and will also help to attract new residents. Broadband can also extend the "shoulder seasons" by enticing seasonal residents and visitors to come earlier and stay longer, which will extend the time they contribute to the Town. Both year-round and seasonal residents exhibit a creative resourcefulness that makes Penobscot a rich place to live and work. To sustain this close-knit, year-round Town, surrounded by natural beauty, and proud of its marine heritage, Penobscot has identified the need for reliable, high-speed internet for attracting and retaining young families and their business aspirations.

4. Overall Town Goals.

The Town seeks reliable, high-speed internet service that has an affordable subscription price. The internet service must accommodate the future uploading needs including but not limited to: municipal and Telehealth facilities including, video conferencing and database sharing. All premises in the Town should be able to access the network at consistent speeds, and should have reasonable assurance that advertised speeds paid for will consistently match realized speeds. Internet service packages must be affordable for the different tiers of service. The Broadband System must be capable of being upgraded to faster speeds as technology improves and demand increases.

The Town's current population needs Internet service for applications ranging from email to business operations and telecommuting. The Town's students require broadband speeds to complete assignments at home and in school. Broadband will help support and potentially expand Telehealth access.

Additionally, town and home-based business, are poorly served by substandard Internet connections. In addition to serving the needs of the current population, broadband internet will attract new families and businesses to the Town and continue to support the school's future viability.

In sum, current needs are poorly served and the long-range vision seriously jeopardized because of the lack of broadband. The envisioned Broadband System will provide fiber infrastructure to entire Town including fiber to residential connections, and operate a fast, reliable, and affordable network that will serve for at least 30 years

5. Broadband System Requirements.

The broadband system must:

- 5.1 Provide capacity for a minimum 25/25 mbps (megabits per second down/upload speeds)
- 5.2 Provide a service level at with a 99% reliability as a yearly average.
- 5.3 Designed and built for at least 30 years.
- 5.4 Provide subscription tiers of service at 25/25 mbps, 100/100 mbps and 1,000/1,000 mbps.
- 5.5 Directly connect to the three-ring binder (fiber internet) so that each subscriber in the Town communicates directly to the three-ring binder
- 5.6 Provide fiber infrastructure to every public utility pole (phone and/or electric) allowing for potential access throughout the entire Town.

Business Model.

The Broadband System will be designed, built and operated through a public/private partnership between the Provider and the Town. The Town anticipates contributing funds to the total cost of the project up to \$1 million to be obtained through local taxes and funding opportunities at the private, county, state and federal levels.

Town will not contribute to the yearly operating costs of the broadband system. The provider will provide the remaining portions of the cost to design, build and operate the broad band system using revenues from the Town subscribers monthly service charges and connection fees. The ISP will be expected to bill individual customers.

While the Town is more interested in a public/private partnership, it may be advantageous for the network to be owned by the Town in order to access additional funding sources. The Town would consider responses that propose variations on this model including, but not limited to, acquiring the network at some point in the future, as/if funding sources allow.

The Town also proposes considering an open-access network although if the network is not owned by the Town, it would not be required to be open-access. The Town entertains responses that propose variations on this model including, but not limited to, limiting access at the time of relinquishing the network, as/if funding sources allow.

The Town proposes that the provider own the risk of operating the network. The provider will include software upgrades as part of the project in order for internet service provided to meet the objective described. The provider will upgrade or replace hardware as necessary to ensure that the longevity objective is met.

7. Proposals Requirements.

7.1 Please include all relevant supporting materials within the proposal document.

7.2 Please include any additional proposals you would like to share within the appropriate sections (below) of your response. These may include:

- Any outcomes or conditions you consider to be essential or strongly desired in a potential partnership.
- Ways in which your participation could provide value to the Town.
- Any other Proposals that you believe the Town should consider.

7.3 Respondent(s) must submit a cover letter signed by an authorized representative of the entity. The cover letter must include the following:

- A concise summary of the response to the RFP.
- The legal name of the entity, its headquarters address, its principal place of business, its legal form (i.e. corporation, joint venture, limited partnership, etc.).
- The name, address, email address and telephone number(s) of the principal contact(s) for all communications pertaining to the RFP.

7.4 Please describe your company, including:

- How long the company has been in operation.

- How long the company has provided internet service.
- The approximate number of internet customers you serve.
- The approximate number of employees in the company.
- Where the company headquarters is located.
- Where any additional field offices are located.
- Growth of the company over the last 3 years.
- Technical, managerial and operational experience of the team, highlighting any key members as appropriate to this project.

7.5 Please describe at least one past project which has provided reliable high-speed internet service to a rural area. This may include building a new network or use of an existing network. In your description of past performance, please list:

- The number of premises served.
- Description of the physical environment (e.g., density of premises, terrain).
- Description of available speeds at premises.
- Description of the technology employed.
- Timeline of deployment and date of completion.
- Project size (e.g., subscribers and cost).
- Customer (Town/client) contact Proposals (name, title, phone, email, physical address), and two references with contact Proposals.
- The minimum take rate

7.6 Please describe the current services you now provide, including:

- Overall description of services.
- Business internet services and features.
- Geographic areas where services are provided.
- Speed tiers offered.
- Take rates for your services broken out by speed tiers.
- Pricing, packaging and bundling of services.
- Technologies and equipment employed.

7.7 Customer Installations. Describe how you typically build, manage and maintain customer drops. For example, do you outsource this or manage it in-house?

7.8 Please describe how you currently provide customer service and market to your subscribers:

- How customer service is handled for business and non-business accounts.
- Whether these services are in-house or out-sourced.
- What approaches and systems are used to trouble-shoot and resolve customer issues.
- Your billing and collections system, including payment options available to subscribers.
- How you market to and recruit new business and non-business subscribers.
- Your retention rates for business and non-business subscribers.

7.9 Respondents are invited to propose service levels that they deem technologically and economically achievable; however, respondents should propose solutions that provide the minimum speeds and other requirements.

Please comment on providing network reliability, network operator service, and responsiveness. Respondents should propose mechanisms to ensure that service providers live up to a reasonable service life agreement. Please demonstrate understanding of the longevity requirement.

7.10 The respondent should prepare a detailed technical approach for meeting the objective. This should include, but is not limited to, the following components:

- Necessary hardware.
- High-level geographical and topological network schematics.
- Options for backhaul.
- Quality assurance plan.
- Implementation plan.
- Possible upgrade paths for future service improvement.

7.11 Please identify any infrastructure assets or requirements for taking this technical approach:

- Do you have fiber or other assets in the area that could be leveraged?
- What would be feasible Points of Interconnection with your network and the existing networks in the area?
- What options are available to meet the requirements you've identified for taking this technical approach?
- What other key technical considerations do you wish to highlight for the Town that could improve outcomes under your participation?

8. Procurement Strategy. After the proposals are submitted, reviewed and one or more respondents are selected for further consideration, the Town plans to offer an incentive for residents to commit to being a Broadband System subscriber in the form of collecting advance deposits for future service connections. The Town will also seek citizen approval to supply up to \$1 million from taxes and from grants. Based on the outcome of these efforts, the town will call for a binding best-and-final offer(s) to design, build and operate the Penobscot Broadband Internet System from the selected respondents. Although it is the intention and plan of the Town to proceed with establishing a public-private partnership for implementing a project that meets Town goals, the Town reserves the right to discontinue these efforts based on the responses to this RFP or changes in circumstances.