

Request for Proposal

to Design, Build, Maintain, Sustain
and Operate as ISP a

FIBER TO THE PREMISE Network

for the Towns of

Blue Hill, ME
Brooksville, ME
Deer Isle, ME and
Penobscot, ME

July 9, 2021

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1 Introduction

The towns of Blue Hill, Brooksville, Deer Isle, and Penobscot (the “Towns”) seek proposals via this document (the “RFP”) to design, build, operate, maintain and provide internet service over an essentially ubiquitous fiber-optic network within the Towns’ municipal boundaries (the “Project”).

Companies who wish to provide proposals in response to the RFP (“Respondents”) are encouraged to review this request in detail, to participate in the pre-bid conference call and to provide any additional questions to the Towns via the process described in Section 3.2.

2 Background: The Peninsula and the Project

2.1 The Blue Hill Peninsula and Deer Isle

The Towns, all located on the Blue Hill Peninsula and Deer Isle, are independent municipalities working together for a common goal – Fiber to the Premise (FTTP) to our communities.

The Blue Hill Peninsula is a rural area bordered by Blue Hill and Penobscot Bays with the town of Blue Hill located approximately 14 miles from Bucksport and Ellsworth, the county seat for Hancock County. The area’s wired internet is currently provided by Charter Communications (operating as Spectrum) for cable (only in portions of Blue Hill and Deer Isle) and Consolidated Communications (CCI) for business fiber & DSL (where feasible).

The Towns cover approximately 165 sq. land miles with an average population density of approximately 42 inhabitants per sq. mile and 16.41 premises per road mile, based on E911 data aggregated by the State of Maine (see Appendix B for detail and certain adjustments). The development of specific data to support the design and build of the network will be the responsibility of each Respondent, though supporting data may be available to help in the initial project development. Table 1-1 identifies the number of addresses and road miles for the respective towns in this RFP.

	Four RFP Towns				
	Blue Hill	Brooksville	Deer Isle	Penobscot	Total
E911 Addresses (total)	1,772	921	1,615	720	5,028
Less: Excluded Geography (Long Island)	12	-	-	-	12
E911 Addresses (net)	1,760	921	1,615	720	5,016
E911 Road Miles (total)	137.8	82.0	135.3	69.8	424.9
Less: Excluded Geography (Long Island)	13.8	-	-	-	13.8
E911 Road Miles (net)	124.0	82.0	135.3	69.8	411.1

Table 1-1 – Addresses and Road Miles Four RFP Towns

2.2 The Project

The Towns are seeking a FTTP network which, when complete, will be essentially ubiquitous throughout the Towns. In this context, “essentially ubiquitous” means providing the ability to serve every location in the Towns currently served by wireline services (grid-connected electricity or wireline telephone) at this time. Each such location is a “Location.”

The Towns seek a single provider or a formalized team to act as the network designer, builder, and (upon completion) operator, maintainer and Internet Service Provider (ISP). It is understood that Respondents may form teams to provide the full range of services/activities described in this RFP; nonetheless a single responsible provider must be identified. See Section 5.1.1.

Although the Towns would prefer an “open-access” network (allowing other ISPs to lease access on the network to reach customers), provision of such open access is not a requirement of this RFP.

The following is the baseline of the service to be offered to subscribers:

- Full Fiber Optic Network: Fiber to the Premise (FTTP)
- Ubiquitous: Available to any location currently served by grid-connected electricity and/or wireline telephone
- Available capacity of 1000 Mbps (1 Gbps) Upload and Download [equivalency] or greater
- Symmetrical service (i.e., 100Mbps/100Mbps)
- No data caps and no throttling of data
- Aerial (or existing available conduit) installation standard with minimal start-up/connection costs; reasonable connections and underground requirements identified and addressed as applicable

3 RFP Process

3.1 Notification of Intent to Respond

The Towns request that prospective bidders who intend to respond notify the “RFP Coordinator” (below) by the date noted in Section 3.4 of this RFP. Notifications should be sent via email to:

Butler Smythe, RFP Coordinator
thbsmythe@gmail.com

3.2 Pre-bid Communications

3.2.1 Pre-bid Conference Call

An optional pre-bid conference call will be held on the date noted in Section 3.4. All prospective Respondents who have notified the Towns of their intent to respond will be provided details on how to participate no later than three (3) days before the conference call. Please note that the

deadline for notification of intent to respond is after the pre-bid conference. To accommodate prospective Respondents who have not yet responded, participation details will also be posted at <https://www.peninsulautility4broadband.org/rfp.html> no later than three (3) days before the conference call.

3.2.2 RFP Questions and Comments

Questions or comments from prospective Respondents should be directed, via email, to the RFP Coordinator (Section 3.1) by the dates noted in Section 3.4.

3.2.3 RFP Responses and Amendments to this RFP

Responses to questions that involve a change or an interpretation to the RFP will be issued in writing and emailed to all parties that have expressed an intent to respond to the RFP. Only written responses to questions will be considered binding. If any changes are made to this RFP, an email notification will be provided to all prospective Respondents who have notified the Towns of their intent to bid.

3.3 RFP Proposal Delivery

Respondents shall mail nine (9) hard copies of the complete Proposal(s), including all relevant attachments, to:

Fiber Optic Internet Proposal
c/o Town of Blue Hill
18 Union Street
Blue Hill, ME 04614

In addition, one (1) digital copy of the Proposal and all relevant attachments shall be emailed to the RFP Coordinator at thbsmythe@gmail.com.

Materials submitted in response to this request become the property of the Towns and may become a part of any resulting contract.

3.4 RFP Schedule

Event	Date
RFP Released	July 9, 2021
Pre-Bid Meeting via VIDEO TELECON	July 19, 2021
Questions due	July 26, 2021
Notification of Intent to Respond (Mandatory)	August 2, 2021
Responses to Questions Posted on WEBSITE URL	August 9, 2021
RFP Responses due by	August 16, 2021
Finalist Identified (Expected)	August 23, 2021

Subsequent to identifying one or more Finalists, the Towns intend to negotiate and execute a definitive agreement for the Project. To the extent such agreement contains financial or other obligations of the Towns, the agreement will be subject to ratification by each town's legislative body at a Special Town Meeting.

In addition, the Towns recognize that they will likely work together with the winning bidder to solicit grants, subsidized loans or other supplemental financing (collectively, "Supplemental Sources"), and that execution of the Project may or may not be conditioned upon the successful receipt of Supplement Source funds.

Recognizing these factors, the Towns seek to have the Project fully constructed and operational by year-end 2023.

3.5 Evaluation Process and Criteria

The Towns reserve the right to reject any or all proposals received in response to this RFP (each, a "Proposal") or to accept any Proposal that, in the opinion of the Towns, may be in their best interest. The Towns may request interviews with a Respondent for further clarification of a Proposal. After review of all Proposals, the Towns anticipate that they will select a finalist to conduct in-person interviews, undertake due diligence, and negotiate and execute a definitive agreement with respect to the Project.

Generally, and without limiting the factors that may be considered in evaluating Proposals, the Towns seek Proposals from firms that:

Proposal to the Towns

- Demonstrate strong understanding of the Project and the Towns' objectives
- Offer proposals that meet the Targeted Operational Specifications described in Section 4.
- Can meet the Project's timeline.
- Provide an attractive financial proposal for both the design/construction and ongoing operation phases of the Project

Relationship with Subscribers

- Demonstrate favorable subscriber service experiences, with rapid resolution of network or similar issues
- Propose transparent, competitive pricing of services

Experience and Qualifications

- Demonstrate strong past performance on, and experience with, similarly sized fiber design, construction and operation projects
- Are flexible and can efficiently work around the kinds of issues that often arise in new projects.
- Are stable (e.g., in ownership, management, and financial condition) and well-capitalized.

3.6 Proposal Acceptance or Rejection

The Towns reserve the right to accept or reject any or all Proposals that are deemed to be in the best interest of the Towns.

3.7 Costs of Preparation

The Respondent shall be solely responsible for all costs incurred in the response to this RFP.

3.8 Proposal Format

All Proposals should address how the Respondent proposes to address each of the Targeted Operational Specifications (see Section 4) and the other RFP Submission Requirements (see Section 5).

Proposals should be submitted in a format consistent with Appendix A.

3.9 Disqualification of Respondents

The following, without limitation, are causes that may be considered as sufficient for the disqualification of a Respondent and the rejection of their Proposal:

- Evidence of collusion among Respondents;
- Poor performance in the execution of work under a previous contract or contracts;
- Failure to achieve reasonable progress on an existing contract; and
- Default on previous contracts or failure to execute contract documents after award.

4 Targeted Operational Specifications

As detailed in this Section, the Towns have agreed on a number of “Targeted Operational Specifications” that they expect every Respondent to meet. To the extent that a Proposal does not fully meet these specifications, all such variances should be highlighted in the Proposal, together with an explanation of how the Proposal does not meet the specification and why the Respondent believes such a variance is appropriate for the Towns to consider.

The following are the RFP’s Targeted Operational Specifications:

4.1 Service Capacity/Speed

All Locations shall have the ability to subscribe to 1Gbps symmetrical (upload and download) capacity. Higher or lower speed tiers or asymmetric services may be offered at the Respondent’s discretion.

4.2 Fiber Connectivity

All subscriber Locations shall be served by direct fiber connections from the premise to the Internet, with no intermediate radio frequency transmission links.

4.3 Extent of Fiber Backbone

The initial network backbone build shall reach every Location in the Towns, such that only a fiber “drop” to the premise is required when a specific Location subscribes to the service.

4.4 Single Counterparty

The Towns are not positioned to manage the Project (or the resulting network/operations) on a day-to-day basis over time and would seek to outsource all of these functions to a third party, even if the network was fully owned and controlled by the Towns.

Therefore, all Proposals shall identify a single Principal (as defined in Section 5.1.1), which will provide for all aspects of network design, construction, maintenance, network operations and ongoing provision of internet services including, without limitation, project management, insurance, bonding, sales, subscriber installations, customer service, billing and collections, etc.

4.5 Periodic Reporting

To the extent financial or other resources of the Towns are requested as part of a Proposal, periodic reporting of the progress of the Project during the design/construction phase and relevant network subscriber statistics during the operational phase, as appropriate, will be required to satisfy the Town’s legal and fiduciary requirements. The specific timing of, and information to be included in these reports, will be incorporated into the definitive agreement(s) negotiated with any Finalist.

4.6 Customer Pricing Transparency

Pricing information for standard service tiers and bundles shall be made available to the general public on the Company’s web site without the requirement to provide contact or any other information.

4.7 Net Neutrality

The awardee shall demonstrate understanding and commitment to abiding by the provisions in Maine revised statutes Sec. 1. 35-A MRSA c. 94 - BROADBAND INTERNET ACCESS SERVICE CUSTOMER PRIVACY and Sec. 1. 5 MRSA c. 143 §1541-B –NET NEUTRALITY and shall assure all regulatory agency compliance.

5 Other RFP Submission Requirements

All Proposals are expected to address a variety of topics, organized into three major subjects:

- The Project Proposal;
- Subscriber Pricing/Experience; and
- Respondent Qualifications

5.1 The Project Proposal

5.1.1 Respondent/Principal Identity

The Towns understand that Respondents are likely to subcontract certain aspects of the project to other firms. However, each Respondent proposal must identify a single legal entity (the “Principal”) to act as the single point of contact and coordinator for the Project. It is anticipated that the Principal, or a fully guaranteed subsidiary of the Principal, will be the counterparty to the Towns executing the definitive agreement(s) implementing the Project.

Proposals should also identify any activities required of Respondents that are expected to be subcontracted to other firms and to identify the principal subcontractors to be utilized in executing the Project, to the extent they are known at the time the Proposal is submitted.

5.1.2 Network Design

Proposals shall provide a high-level overall network design description including, but not limited to: Last mile fiber to premise (FTTP) architecture (and proposed technologies, Active Ethernet, GPON, XGSPON, etc.) middle mile transport architecture (including plans for capacity and redundancy) and the services edge architecture, including details regarding core network facilities, field cabinets, core routing and internet uplink capacity and diversity.

Network performance characteristics, including service delivery design considerations for the number of subscribers, any oversubscription ratios, network load, network capacity and future growth capabilities of the network should also be provided.

Respondents shall also provide details for any equipment redundancy or High Availability Architecture throughout the network.

5.1.3 Network Ownership

Proposals should clearly identify which network element(s) and any other asset(s) that are to be owned by the Towns, and those that are to be owned by the Respondent or other parties. (If any third-party ownership is proposed, the identity of such third party(ies) and the rationale for the ownership structure should be expressed.)

5.1.4 Financial Responsibilities

The Towns recognize that recent fiber build project structures have ranged from municipally owned and controlled networks (with substantial municipal capital investment) to privately owned and controlled networks (with minimal, if any, investment of municipal funds). The Towns are prepared to consider Proposals anywhere along this spectrum of investment and control. However, as described in Section 4.4, the Towns anticipate that all Proposals will provide, at a minimum, an identified Principal.

Multiple Proposals by a Respondent, differing in the capital investment (if any) required of the Towns, will be considered.

Proposals should clearly identify all financial costs to the Towns for each stage of the entire Project. Proposals should also identify Respondent’s estimate of the proportion of the entire cost properly allocable to each town.

5.1.5 Grant Solicitation/Coordination

The Towns recognize that there is a dynamic range of grant, subsidy, loan and other options (collectively, “Supplemental Sources”) to assist in funding projects such as the Project.

Proposals should describe the Respondent’s:

- Views on the availability of such Supplemental Sources on the Project;
- Respondent’s experience in seeking and obtaining funds from such Supplemental Sources;
- Commitment to working with the Towns provide such cost, design, technical and other information as may be required by such Supplemental Sources of financing for the Project;
- Expectations as to resources required of the Towns as part of the application (or similar) process to seek Supplemental Source funding; and
- Requirements, if any, of Supplemental Source funding to proceed with the Proposal.

5.1.6 Project Timeline/Completion

As described in Section 3.4, the Towns seek to have the Project fully constructed and operational by year-end 2023.

Proposals should discuss Respondent’s ability to meet this schedule with available resources. To the extent Respondent cannot meet this schedule, the Proposal should identify a completion schedule that Respondent believes is appropriate and any contingencies or similar factors that could delay completion beyond that date.

5.1.7 Open Access Network

Proposals should address whether the Respondent is prepared to provide “open access” capabilities on the network and, if so, how they propose to price such access. (If the Proposal provides that service pricing will be at the Towns’ discretion, it should identify the Respondent’s recommendations as to how such access would/should be priced.)

5.2 Subscriber Pricing/Experience

5.2.1 Subscriber Costs

The Towns expect that, at a minimum, subscriber costs will be competitive in the market, both when the network is initially lit and going forward.

Proposals should identify the anticipated costs to subscribers for 1Gbps symmetrical service, including any up-front subscriber connection/activation costs, the basis for charges (if any) to subscribers for long drops (including the proposed definition of “long”), and monthly service costs.

To the extent the Respondent anticipates offering other service speed tiers or additional services (telephony, video, etc.) as part of its offering, Proposals should also identify the pricing of these services as well.

In addition, Proposals should identify the basis on which future subscriber price changes will be considered and implemented, and whether the Respondent is prepared to limit their future pricing actions based on an agreed “market” metric, escalation limit clause, or similar.

5.2.2 Affordability Plan

The Towns desire to make Internet connectivity available at affordable prices to their entire populations.

Proposals should identify any affordability options available to low-income subscribers who, for example, meet specific state or federal supplemental funding requirements and whether the Respondent proposes that such option(s) be integrated into the cost for eligible subscribers at billing.

5.2.3 IP Address and Domain Name Service

Proposals should identify the IP addressing scheme (presumably dynamic) used by default on the network. Proposals should also identify whether subscribers may obtain permanent static IP addresses and, if so, what additional charge (if any) would apply to static IP addresses.

Proposals should identify whether they have the ability to manage DNS in such a way that all assigned IP addresses have fully consistent forward and reverse lookups.

5.2.4 Billing, Collections & Payments

The awardee shall handle all retail billing and collections for the FTTP network from subscribers and ensure proper billing and service. Flexible methods of monthly billing and payment should be offered at no cost to subscribers through a secure web portal that includes trouble reporting and issue resolution.

5.2.5 Customer Service

Proposals should identify how Respondent plans to offer customer service to subscribers, including availability of call center and online access for billing, trouble reporting and issue resolution.

5.2.6 Telephone Service

Proposals should identify whether the service offering will include VOIP telephone service and whether a UPS or similar device will be included to provide consistent service to those unable to sustain power during outages.

5.2.7 Maintenance & Repairs

Proposals should identify the resources the Respondent has in place or plans to provide timely and efficient customer maintenance and repair services. Proposals should also identify their

standards (particularly repair times for outages) for meeting customer maintenance/repair requests and Respondent's historical performance against these standards.

To the extent Respondent has any unusual expectations of either the consumer or the Towns as it relates to all aspects of installation, maintenance or service for the Project, the Proposal should identify such expectations.

5.3 Company Qualifications

5.3.1 Business Standing

Principal must be in good standing and demonstrate authorization to conduct business in Maine from the Maine Secretary of State. In addition, the Principal (or its subcontractor(s)) shall have all required permits and licenses from federal, state and local authorities to provide all services contemplated by the Project in the State of Maine.

Proposals must confirm the Principal's existing authorizations and licensures, as required for the Project, or identify which additional authorizations, licenses and permits which it anticipates will be required but are not currently issued.

5.3.2 Company Experience

The Principal shall identify at least two (2) projects, preferably of similar size, where they currently provide or have within the last three (3) years provided internet services. A brief description of the services and a point-of-contact and the telephone number of the network owner (or municipality or similar) must be provided.

5.3.3 Financial Stability

The Finalist(s) will be required to submit for review, prior to executing definitive agreement(s), documents demonstrating financial stability over the previous three years, including annual income statements, balance sheets, and statements of cash flow.

5.3.4 Technical Expertise

Respondent shall employ professionals who are experienced in managing each stage of the Project, including design, construction, network operations and consumer/business internet services. Documentation or statements concerning Respondent's employee (or subcontractor) qualifications and, where appropriate, certification shall be provided in the Proposal.

Appendix A - Proposal Format

Proposals should respond to the expectations outlined in the RFP and should be addressed in the following order to the greatest extent possible.

1. Cover Letter on company letterhead
2. Project Understanding and Approach
 - a. Description of ability to meet the specifications identified in Section 4 of this RFP
 - b. To the extent all specifications are not met by the proposed design, discussion of all variances as requested in the introduction to Section 4.
3. Operational Expectations & Requirements
 - a. Respondent/Principal Identity (§5.1.1)
 - b. Network Design (§5.1.2)
 - c. Network Ownership (§5.1.3)
 - d. Financial Responsibilities (§5.1.4)
 - e. Grant Solicitation/Coordination (§5.1.5)
 - f. Project Timeline/Completion (§5.1.6)
 - g. Open Access Network (§5.1.7)
4. Subscriber Pricing/Experience
 - a. Subscriber Costs (§5.2.1)
 - b. Affordability Plan (§5.2.2)
 - c. IP Address and Domain Name Service (§5.2.3)
 - d. Billing, Collections and Payment (§5.2.4)
 - e. Customer Service (§5.2.5)
 - f. Telephone Service (§5.2.6)
 - g. Maintenance & Repairs (§5.2.7)
5. Company Qualifications
 - a. Business Standing (§5.3.1)
 - b. Company Experience (§5.3.2)
 - c. Financial Stability (§5.3.3)
 - d. Technical Expertise (§5.3.4)
6. Additional attachments as necessary

Appendix B – E911 Data Aggregation for the Towns

Higher Resolution data provided for this Appendix can be found at: <https://www.peninsulautility4broadband.org/rfp.html>

Figure B-1 Town Boundaries

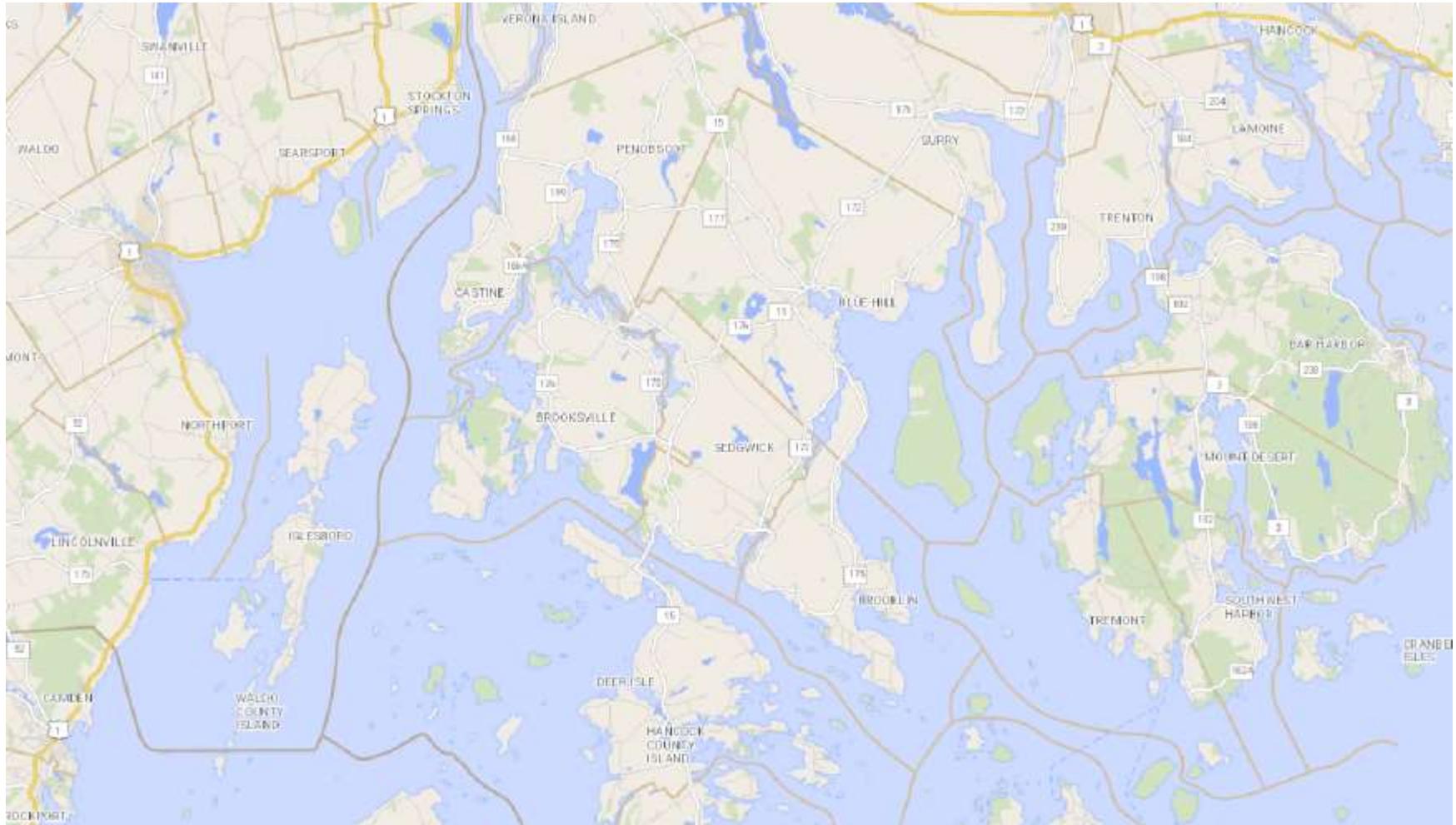


Figure B-2 Peninsula Towns with Boundaries

