

Otter Creek Communications Union District
Request for Proposals

for

A Public-Private Partnership to Provide Broadband
Services to District's Unserved and Underserved
Areas

April 2022

Responses due May 2, 2022

All correspondence regarding this RFP should be directed to info@occud.org

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The successful partner(s) shall certify that they are participating or planning to participate in the Communications Commission’s Affordable Connectivity Program (ACP), or otherwise provide access to a broad-based affordability program to low-income consumers in the proposed service area of the broadband infrastructure that provides benefits to households commensurate with those provided under the ACP.	4
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0. Definitions

CUD	Communications Union District. A municipal entity formed under:
Unserved Location	An electricity grid-connected location that does not have access to an internet connection speed of at least 4Mbps download and 1 Mbps upload speeds.
Underserved Location	An electricity grid-connected location that does not have access to an internet connection speed of at least 25Mbps download and 3 Mbps upload speeds. For avoidance of doubt, Underserved Locations includes Unserved Locations
Member Towns	The towns of Benson, Brandon, Castleton, Chittenden, Fair Haven, Goshen, Hubbardton, Pittsford, Rutland City, Rutland Town, Sudbury, Wells, West Haven, West Rutland, Poultney, Mendon, and Pawlet
Universal Service Plan	Universal Service Plan means a plan for providing each On Grid unserved and underserved location in a Communications Union District access to broadband service capable of speeds of at least 100 Mbps download and 100 Mbps upload.
On Grid	Connected to the electricity grid.

1. Introduction

Otter Creek Communications Union District (the “CUD” or “District”) is a municipal entity formed according to Vermont statute 30 VSA chapter 82. The CUD currently consists of the towns of Benson, Brandon, Castleton, Chittenden, Fair Haven, Goshen, Hubbardton, Pittsford, Rutland City, Rutland Town, Sudbury, West Rutland, Poultney, Mendon, and Pawlet. The CUD is working to achieve the Universal Service Plan throughout the district.

Upcoming federal and state grant opportunities ask municipal broadband authorities such as the CUD, among other things, to work with private providers to find cost-effective ways to bring broadband service to Underserved Locations. Through this procurement, the CUD seeks to provide all interested broadband service providers (Providers) with an opportunity to state their willingness and commitment to serve as co-applicants with the CUD on state and federal broadband infrastructure grants. **The CUD will use this RFP to select one of more partners with a proven capacity to engineer, plan, build and operate a fiber optic network that achieves the Universal Service Plan throughout the district and that meets the Outside Plant Design Standards and other requirements established by Act 71 and included in the [Act 71 Broadband Construction Grant Program RFP](#)**

The CUD will work with its selected partner(s) to apply for grants to fund network construction to achieve the Universal Service Plan in the CUD to all underserved, On Grid, E911 locations in the District. In exchange for support securing the necessary funding to cover network planning and construction to these Underserved Locations, the selected partner(s) will agree to make

broadband services available to all Underserved Locations at a price that is equal to or less than what residents and businesses pay for broadband in Burlington, Brattleboro, and Rutland Vermont.

The successful partner(s) shall certify that they are participating or planning to participate in the Federal Communications Commission's Affordable Connectivity Program (ACP), or otherwise provide access to a broad-based affordability program to low-income consumers in the proposed service area of the broadband infrastructure that provides benefits to households commensurate with those provided under the ACP.

Background

The State of Vermont's recently released "10-Year Telecommunications Plan" documents the history of CUDs:

In 2015, the Vermont Legislature authorized the formation of Communications Union Districts (CUD), enabling two or more towns to join together to provide communication infrastructure to residents. Much like a water and sewer or solid waste district, a CUD allows towns to aggregate demand for a service and find efficiency by sharing operation of the district.

CUDs are critical entities for closing the digital divide in Vermont. The state has promoted and supported CUDs as a mechanism for expanding broadband across the state in the most rural areas; the infrastructure the state has built around CUDs and the progress CUDs have made makes it clear that CUDs will continue to play an important role in the telecommunications landscape in the state.

The Member Towns formed the Otter Creek CUD in 2020. Otter Creek CUD's universal service plan will include a plan to provide service to all Underserved Locations in the Member Towns.

Funding Sources

The CUD has identified broadband infrastructure grant programs it intends to pursue and continues to monitor additional grant and loan opportunities. The CUD is committed to working with the selected partner(s) with a goal of securing sufficient funding to enable network buildout to all Unserved and Underserved Locations of the district.

The following are the funding sources the CUD intends to pursue with its selected partner in the near term:

- Vermont Community Broadband Board (VCBB) Pre-construction and Construction Grant Programs.

- The National Telecommunications and Information Administration's (NTIA) Broadband Infrastructure Program (BIP)
- Northern Border Regional Commission (NBRC) Economic & Investment Development Investments program.

Given the importance that grant funding will play in the pursuit of universal broadband service, the CUD will evaluate partners based on criteria that satisfy the criteria the grant administrators will use to evaluate grant applications. Respondents to this RFP will be asked to comment on how their proposed strategy toward achieving universal service aligns with the stated priorities and requirements of and the VCBB.

The CUD will continue to monitor broadband infrastructure grant opportunities and will work with its partner(s) to apply to additional programs that could help achieve Universal Service Plan. While the CUD's strong preference is to secure all necessary public investment through grant programs and contributions by the selected partner(s), it may turn to other funding sources if necessary. Other potential sources of funding could include Vermont Economic Development Authority (VEDA) loans, municipal revenue bonds, contributions from individual towns in the CUD and/or subordinated debt raised from private investors. The CUD seeks a partner committed to working collaboratively until sufficient funding is secured to make broadband infrastructure universally available throughout the district.

Potential Business Relationship with Private Partner

Through this RFP, the CUD seeks to identify one or more qualified private partners to design, construct, operate, maintain, and provide broadband services to all On Grid Unserved and Underserved Locations throughout the CUD. The ongoing relationship between the CUD and the selected partner(s) is subject to negotiations.

Any contracts entered into as a result of the RFP will be funded with grant proceeds and will need to comply with all requirements under those grants.

Governance

Otter Creek CUD is a municipal entity formed according to Vermont statute 30 VSA chapter 82. The CUD is run by volunteer representatives from each member town and is led by a governing board. The governing board will review proposals and select one or more partner(s) based on the evaluation criteria detailed in Section 5 of this RFP. Otter Creek CUD is subject to both the Vermont Public Records Law and the Open Meetings Law.

Structure of this RFP

The sections below present a description of the goals of this procurement (Section 2), a definition of the project scope (Section 3), and a summary of pending funding sources the CUD plans to apply for to fund network design and construction in Unserved and Underserved Locations (Section 4). Section 5 outlines the evaluation criteria that the CUD will consider in its partner selection process. Section 6 details response format requirements. The last two sections provide important dates and details related to the response process.

Responses to this RFP are not intended to create a contractual relationship, or any type of contractual obligation or responsibility, between the applicant and the CUD.

2. Goals of this Procurement

Through this RFP, the CUD seeks one or more qualified partner(s) to work collaboratively on federal and state broadband infrastructure grant opportunities. The CUD welcomes responses from incumbent internet service providers, competitive providers, non-profit institutions, cooperatives, and any other entity that is qualified and interested in such an opportunity.

Technical Goals: The CUD seeks proposals from potential partner(s) with the technical expertise and capacity to meet the functional requirements of the project: to achieve the Universal Service Plan. The CUD adopts this standard to align itself with how the state of Vermont defines “universal service” in H360. The CUD welcomes discussion of the technical specifications necessary for these goals to be met.

Financial Goals: The CUD seeks proposals from potential partners who are willing and financially able to contribute matching grant requirements and take on the construction and operational risks associated with offering broadband service. Because the Partner will benefit from the grants, which ideally will cover most of the capital cost of the network infrastructure, the Partner must also be willing to commit their own resources to the project and assume the financial risk associated with ongoing operations.

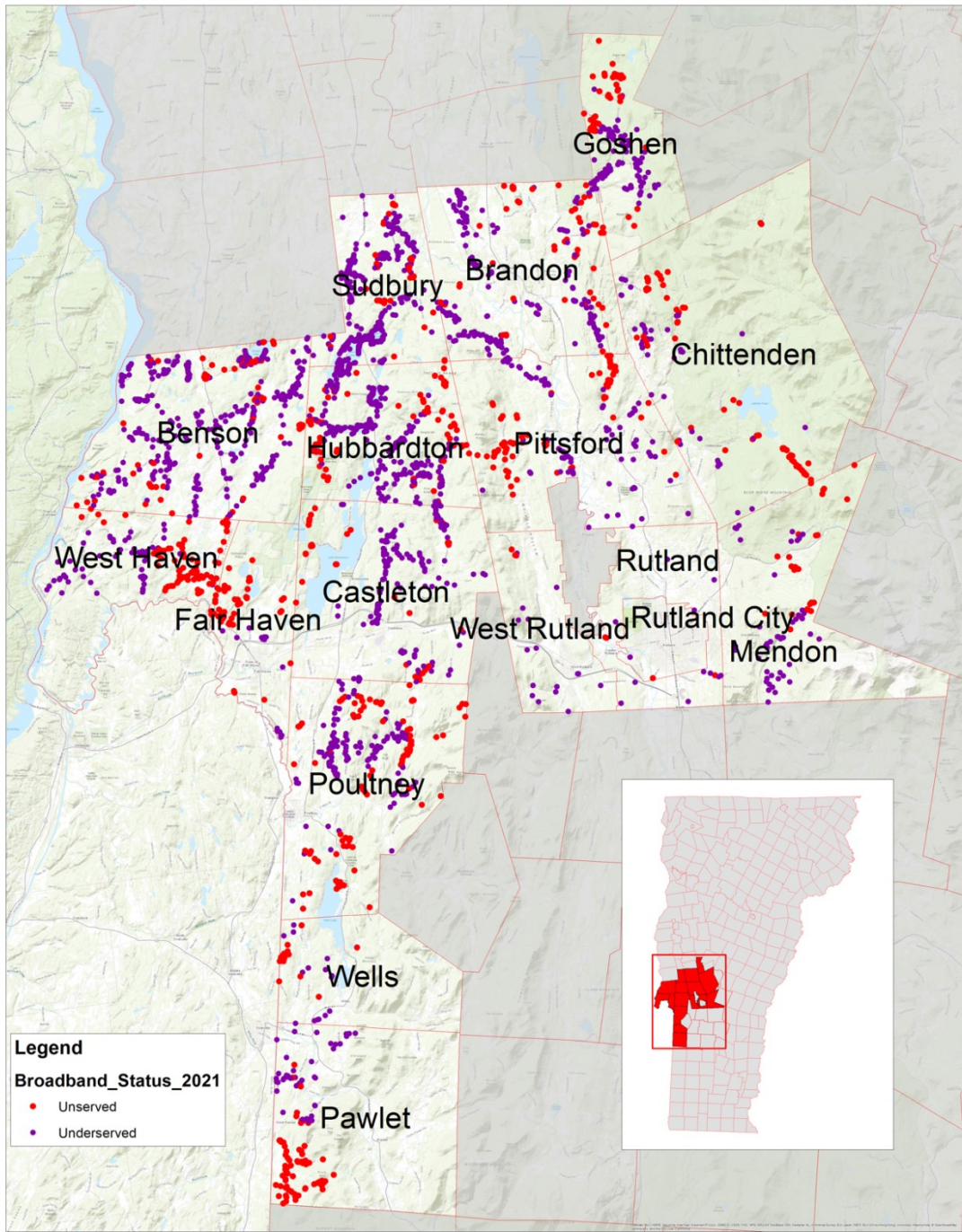
Service Goals: The CUD seeks proposals from potential partner(s) that commit to:

1. Achieve the Universal Service Plan and;
2. Keep pricing for services in line with similar services in Burlington, Brattleboro, and Rutland Vermont and;
3. Design, construct, operate and maintain a highly reliable fiber optic network and;
4. Maintain a high level of customer satisfaction throughout the life of the partnership.

3. Project Description and Scope

The CUD seeks to ensure that this public/private partnership(s) achieve the Universal Service Plan throughout the district.

The State of Vermont Department of Public Service (DPS) mapped broadband availability throughout the state using data submitted by internet service providers in September 2019. Respondents are encouraged to view the DPS [maps](#) and access the [underlying data sets](#) for more information. Figure 1 shows approximately Unserved and Underserved Locations in OCCUD.



Otter Creek Communications Union District

Figure 1 Unserved and Underserved Locations in Otter Creek CUD according to DPS data

4. Funding Sources

The CUD is preparing to apply for grants through the Vermont Community Broadband Fund. The CUD seeks one or more partner(s) willing to agree to all grant requirements and align their proposed Universal Service Plan with as many of the grant administrators' stated priorities as possible. Please visit [ACT 71 BROADBAND CONSTRUCTION GRANT PROGRAM](#) for more information

5. Selection Criteria

The CUD will evaluate respondents' proposals based on the following general criteria:

1. Potential partner's proposed Universal Service Plan
2. Partner investment contribution to achieve the Universal Service Plan
3. Public funds that the partner would need to achieve the Universal Service Plan
4. Potential partner financial viability
5. Potential partner safety record
6. Technical capabilities of the potential partner including commitment to abide by required construction standard
7. Proposed buildout schedule
8. Proposed service offerings
9. Customer pricing
10. Commitment to support CUD in grant applications
11. Alignment of proposal with VCBB funding priorities
12. Commitment to abide by grant requirements
13. Experience working with public partners
14. Privacy policy and commitment to protect consumer data and comply with Vermont net neutrality standards.

The evaluation of proposals shall be made without regard to race, color, sex, age, religion, national origin, or political affiliation. The CUD is an Equal Opportunity Employer and encourages proposals from qualified minority and women-owned businesses.

6. RFP Response Format

The CUD requests the following information, in as much detail as is practicable. Please adhere to the page limitations listed below and provide your electronic response in either Microsoft Word or Adobe PDF format, using the following response structure.

The CUD is open to one of more providers forming a consortium to answer this RFP together.

Please identify any proprietary and/or confidential information contained in your response. In the event of a Vermont Public Records Act request, information marked proprietary or confidential will be redacted from your response before its disclosure.

1. Commitment

Please affirm that you are interested in this partnership and will meet the requirements contained in this RFP if selected as the CUD's Partner.

Please keep your response to no more than one (1) page.

2. Service Offering Proposal

Please describe the services you would offer to Unserved and Underserved locations if selected as a partner. Include information about what speeds you expect to be able to offer, and, to the extent possible, information about your pricing strategy. State whether you would be willing to commit to maintaining prices comparable to prices in Burlington, Brattleboro, and Rutland Vermont. Describe any installation or equipment rental fees, as well as any situation in which a customer may be required to pay special construction fees in order to establish service.

Please keep your response to no more than two (2) pages.

3. Public Investment Request

Please provide a high-level estimate of the public investment you would require (i.e., federal or state funding) for you to agree to offer broadband service to all eligible locations throughout the district. Describe what network assets you expect the public investment to cover (e.g., fiber distribution network construction), and what assets you intend to pay for yourself (e.g., network electronics, customer drops, backbone fiber). Please also describe any existing assets that you will be able to use to provide a cost-effective path towards universal service.

The CUD will provide its Partner an opportunity to revise its cost estimate based on the more granular Unserved location data generated from the pending outside plant survey of the Underserved portions of the district.

Please keep your response to no more than two (2) pages.

4. Partnership Structure

Please indicate your preferred partnership structure and describe the expectations you will have of the CUD. Please specify if there are functional roles, other than securing the necessary public investment, for which you want the CUD to take responsibility. Please also explain any experience with public entities including, but not limited to, the impact of right-to-know laws and tax-exempt financing. Please state whether you see any role for tax-exempt financing in your proposed structure and, if so, how the proposed structure accounts for the requirements of tax-exempt financing.

Please keep your response to no more than three (3) pages.

5. Deployment Schedule

Please describe how long you expect network design and construction to take once funding is secured, as well as the penalties you are willing to agree to face in the event of delays. In as much detail as practicable, explain how you will demonstrate project readiness to grant administrators.

Please keep your response to no more than two (2) pages.

6. Alignment with Grant Requirements and Priorities

Please affirm that you are willing to agree to all of the NTIA Broadband Infrastructure Program and Vermont Community Broadband Fund grant requirements, and comment on the ways your proposed universal service plans align with and deviate from the stated priorities of the grant administrators.

Please keep your response to no more than three (3) pages.

7. Partner Technical Viability and Experience

The CUD seeks a Partner with the technical capacity and experience to meet the needs described in this RFP. Please provide a statement of experience discussing past performance, capabilities, and successful applications. Be sure to include any relevant experience you have securing grant funding from the NTIA or the state of Vermont.

Please keep your response to no more than two (2) pages.

8. Partner Financial Viability and Experience

The CUD seeks proposals from potential Partners with the financial capacity to meet the needs described in this RFP. Please provide an explanation and data to demonstrate your financial capacity and capability to provide broadband service to all locations within the project scope for the useful life of the grant-funded fiber asset. Suggested documents include audited financial statements, bank statements, or SEC filings.

Please keep your response to no more than two (2) pages. You may attach additional financial statements as an appendix to your response.

9. Partner Management Team Viability and Experience

The CUD seeks bids from potential Partners that will assign an experienced and able management team to pursue grants and design, construct, operate, and maintain, the infrastructure necessary to achieve universal broadband service throughout the district. Please identify the team members you propose for this project and describe their experience and capabilities.

Please keep your response to no more than one (1) page.

10. Commitment to Protect Privacy and Net Neutrality

Please describe your commitment to securing consumer privacy and your customer data collection policy. Please also indicate your willingness to comply with [Vermont's network neutrality standards](#), in accordance with the stated priority of the VCBB.

Please keep your response to no more than one (1) page.

11. References

Please provide two references for your company, including contact information, from previous contracts or partnerships. References from past successful public-private partnership efforts are particularly welcome.

Please keep your response to no more than one (1) page.

Responses to this RFP are not intended to create a contractual relationship, or any type of contractual obligation or responsibility, between the applicant and the CUD. Furthermore, the CUD reserves the right to reject any and all responses to the RFP for any reason.

7. Response Process

We ask that all respondents provide all requested material and submit their response in the format (structure and page limitations) specified in this RFP.

Respondents should submit their responses NO LATER THAN 4:00 PM EST on May 2, 2022 by email to info@occud.org

All correspondence regarding this RFP should be directed to info@occud.org

Interest in Questions and Answers

All respondents who are interested in receiving a copy of RFP questions and answers are asked to submit a valid email address via email by 4:00 PM EST **on April 18, 2022, to info@occud.org**

Questions

Questions related to this RFP should be emailed to **info@occud.org** no later than 4:00 PM EST on **April 18, 2022**.

Responses to Questions

We will email a list of questions received and our responses to these questions no later than 4:00 PM EST on **April 25, 2022**, all respondents that have submitted questions or that have requested the responses.

Response Deadline

Final RFP submissions should be submitted by email no later than 4:00 PM EST on May 2, 2022 to **info@occud.org**

Please identify any proprietary and/or confidential information contained in your response. In the event of a Vermont Public Records Act request, information marked proprietary or confidential will be redacted from your response before its disclosure.

The CUD thanks you in advance for your thoughtful response.

8. Respondent Presentations

At its discretion, the CUD may request any party that provides a compliant response to this RFP to make an individual and personal presentation to better explain information or solutions identified in the response. These presentations, if requested by the CUD, shall be held at a time and place of mutual convenience.