



Request for Proposals

Development of a NWCUD Open Access Fiber Business Plan Consultant Services

Project Schedule:

October 26, 2021	RFP Released
November 1, 2021	Deadline for submission of questions via email
November 2, 2021	Response to questions distributed to firms
November 4, 2021 at 3:00 pm	Deadline for submission of proposal via email
November 4, 2021 at 6:00pm	Consultant selection
November 8, 2021	Project Kickoff
December 31, 2021	Project Completion (Anticipated)

Contact Person: Questions in writing may be sent via email to Sean Kio, NWCUD Executive Director director@nwcud.com

Submission requirements

One (1) electronic Adobe Portable Document Format (PDF) file must be received on/before 3 pm on **November 4, 2021** and can be emailed to director@nwcud.com. **Emailed proposals are required.** Digital proposals exceeding 10 MB must be compressed below 10MB or sent via Dropbox. Applicants are encouraged to submit proposals early in case there are technology issues. NWCUD is not responsible for proposals that are not received due to technology issues.



Introduction

The Northwest Communications Union District (NWCUD) has received funding from the Department of Public Service to conduct a business plan for the Northwest Vermont region. We are soliciting proposals for the development of a business plan to evaluate business structures, cost estimates and methods to build out a successful system by phased area, identify linkages/partnerships with electric utilities and VELCO, educational and municipal entities, construction funding opportunities, revenue potential, and to identify where to begin construction of a broadband network.

Our overall objective is to establish a comprehensive plan for deployment and operation of a open access fiber-to-the- premises (FTTP) network, which would deliver a 100/100 Mbps symmetrical speeds, be capable of 10/10 Gbps speeds and be cash flow positive in 3-5 years.

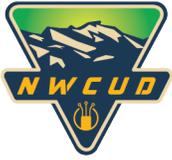
The NWCUD was officially formed on August 3, 2020. The NWCUD is a municipal body consisting of representatives from Northwest Vermont municipalities for the purposes of building communications infrastructure.

As of October 26, 2021, the NWCUD represents 16 Northwest municipalities (see Figure 1 below). It is expected that the NWCUD may continue to expand to new Franklin and Grand Isle County municipalities. NWCUD is expected to be the public body managing any implementation of the business plan. NWCUD will be an active partner in the business planning efforts. The mission of the NWCUD is to:

“Leverage partnerships and procure funding to connect Northwestern Vermont via Open Access Fiber to ensure opportunity for all homes and businesses in our region.”

Figure 1 Northwest Vermont Communications Union District





While the NWCUD currently represents 16 municipalities, the study area for this business plan will be all municipalities in Franklin & Grand Isle Counties. This study area represents 56,637 residents and 29,776 buildings. Most municipalities within the study area suffer from a lack of access to affordable, high speed broadband. Region-wide 12% of buildings lack access to the FCC definition of broadband (25/3 Mbps) and only 3% have access to truly high speed 100/100 Mbps symmetrical speeds. Table 1 provides a summary of the speeds by town.

Figure 2 Northwest Vermont Study Area

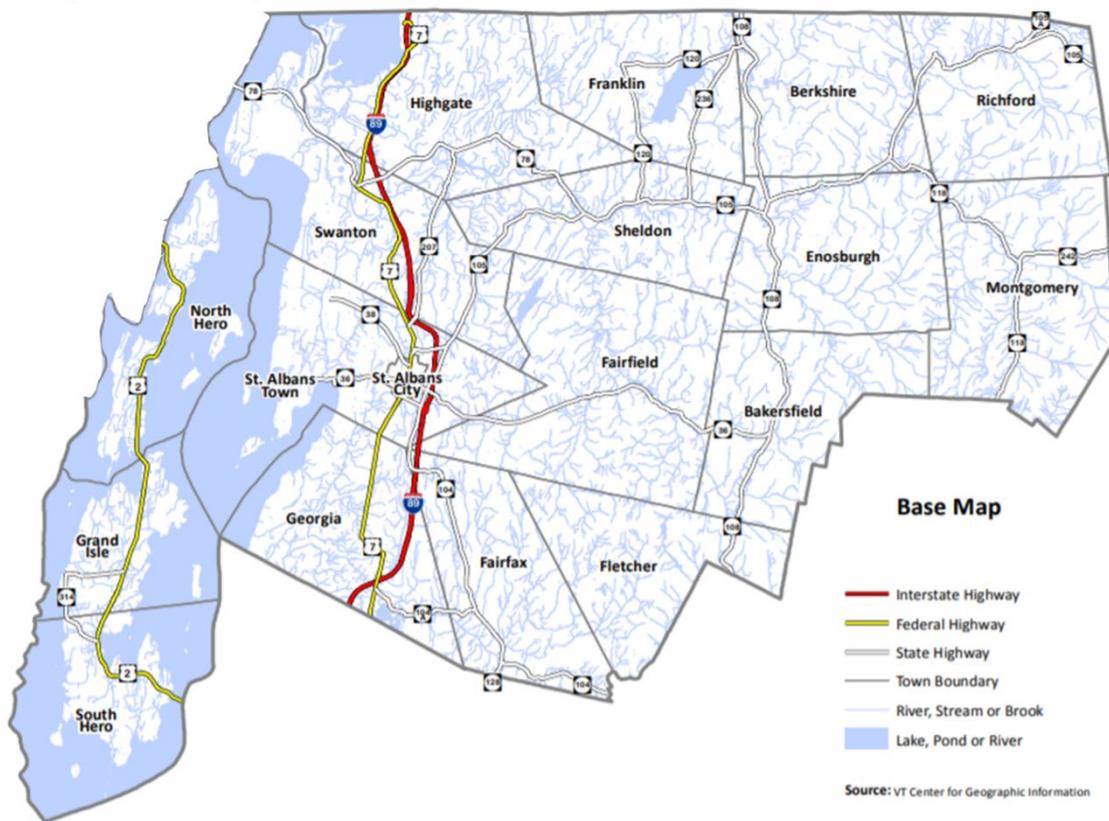




Table 1 Broadband Speeds by Town

Town	Total Buildings	Served 100/100 or Better	Percent Served 100/100 or Better	Served 25/3 or Better	Percent Served 25/3 or Better	Served 4/1 or Better	Percent Served 4/1 or Better
Bakersfield	695	0	0.00%	227	32.70%	530	76.30%
Berkshire	723	0	0.00%	154	21.30%	557	77.00%
Enosburgh	1283	0	0.00%	695	54.20%	1,147	89.40%
Fairfax	1784	3	0.20%	899	50.40%	1,379	77.30%
Fairfield	994	0	0.00%	104	10.50%	589	59.30%
Fletcher	658	183	27.80%	194	29.50%	524	79.60%
Franklin	936	509	54.40%	510	54.50%	907	96.90%
Georgia	2054	0	0.00%	1,805	87.90%	1,967	95.80%
Highgate	1833	65	3.50%	1,794	97.90%	1,817	99.10%
Montgomery	827	4	0.50%	249	30.10%	677	81.90%
Richford	1084	0	0.00%	759	70.00%	960	88.60%
Sheldon	987	85	8.60%	334	33.80%	830	84.10%
St. Albans City	2515	8	0.30%	2,515	100.00%	2,515	100.00%
St. Albans Town	3184	6	0.20%	2,978	93.50%	3,105	97.50%
Swanton	3110	0	0.00%	2,916	93.80%	2,945	94.70%
Grand Isle	1316	0	0.00%	1,306	99.20%	1,310	99.50%
North Hero	1099	0	0.00%	1,026	93.40%	1,027	93.40%
South Hero	1539	0	0.00%	1,510	98.10%	1,510	98.10%



Scope of Work

Coordination NWCUD

The consultant should plan on up to 4 virtual meetings with the NWCUD to discuss the project, give progress updates, present options, and receive input.

Business Plan

An actionable business plan is a document that a financial institution would find enough basis on which to provide financial support. NWCUD expects that this business plan should provide information necessary to move towards implementation of a fiber network.

High Level Engineering and Design Plans

Consultant shall develop high level engineering and design plans for the implementation of the phased system. This includes:

- Inside plant design
- Outside plant design
- Pole electric safety space service drop solutions

Consultant shall identify a basis for where best to begin construction of a fiber-to-the-premise (FTTP) high speed network to maximize NWCUD's ability to be self-sustaining in the shortest time with the widest possible buildout. In this task the Consultant should address the pros and cons of a full or partial municipal build-out.

Market Analysis

Consultant shall use municipal information and survey results to carry out a detailed market analysis for our area. The take rate needs to be based on the economic status of the residents in the area using an analysis of Grand List data and Census data.



Financing Models, Pro Forma Financial Projections

Consultant should prepare a ten-year revenue analysis based on the experience of other municipal ISPs based on the proposed build-out scenarios. In addition, the Consultant shall provide alternative ideas for financing the full buildout of the study area. This should include details costs and financial projections based on the alternatives presented. Consultant shall identify all potential sources of grant, loan, and foundation funding to support the deployment of a district-wide broadband network. This part of the report should provide a roadmap for each area and level of effort to prepare documents and likelihood of receiving the money.

Estimated Construction Costs

Consultant should develop the high and low cost and revenue potential of building fiber-supported broadband to each municipality by identifying and evaluating the opportunities available to the NWCUD. Consultant shall develop a low and high construction cost plan for each municipality or service area. This includes:

1. Fiber installation and drops (costs by linear distance and number of drops) – in addition to a range of costs, identify the key variables that will influence those costs, such as make-ready costs.
2. System engineering design costs – for a few scenarios based on customer density and overall service area, what are the design costs for a system.
3. Costs for access to one or more bandwidth connections to the global internet system
4. Cost to build backbone and distribution networks vs. cost to build all the way to end users
5. Purchasing or contracting with privately owned fiber networks already in place.
6. Partnering with existing utility systems such as Green Mountain Power, Vermont Electric Co-op, the Village of Enosburg Falls Electric Department, and the Village of Swanton Electric Department

Ideal Operational Models and Costs

Consultant shall provide NWCUD with alternative operational structures with start-up and annual operating costs. This task should be broken down into two components:



1. Back office—The physical maintenance and operation of the physical networks, customer service, and billing systems, including:
2. Disaster recovery costs from natural or man-made disasters.
3. Front office—The management and support configuration with a marketing and sales team. Estimated budget for promotion, staffing configuration and salary ranges, office space, equipment.

Consultant shall develop alternative rate structure options for levels of service or make a case for a single service plan. Consultant shall propose a low-income rate structure with a plan for funding the subsidy.

Consultant should prepare a list of factors for success based on the experience of other municipal fiber deployments.

Consultant shall develop ideal operational models with detailed costs:

1. Staffing or Contracting Operational Costs
2. Power costs
3. Line maintenance
4. Customer interface
5. Rental space for switching (and other) facilities
6. Costs for access to one or more bandwidth connections to the global internet system

Consultant shall develop and present comprehensive options for the following business models:

1. Municipally owned open access fiber network.
2. Private-public partnerships with specific private ISPs.
3. Private-public partnerships with utilities companies.



Risk Management Plan

The consultant will prepare a Risk Management Plan that identifies and evaluates risk factors, which may affect the successful implementation of the Business Plan. Risk factors may include, but are not limited to, grant and loan availability, unforeseen or underestimated costs, technological advancements effect on compatibility and performance, and others. The evaluation of risk factors will include a description of circumstances that would bring about the risk, the projected effects risk realization would have on the business plan, and alternative avoidance or mitigating actions the NWCUD can take to reduce the effects of risk on implementation of the Business Plan.

Draft and Final Business Plan

Consultant shall compile all Business Plan task deliverables into a comprehensive draft Business Plan. The consultant will present the draft plan the NWCUD Board, receive comments, and then deliver a final Business Plan.

Format for Proposals

Proposals should be concise, and must include the following:

Summary

Provide a summary of the Consultant's understanding of the project and relevant knowledge/experience. Provide information on all collaborators if more than one firm is involved.

Work Plan

Provide an outline of the approach proposed to accomplish the Scope of Services and the way the Consultant will work with the NWCUD to complete the project. Creative approaches to the project are encouraged. Optional approaches, if any, must be clearly identified. All assumptions must be clearly stated. Deliverables for each task should be described.



Qualifications

Provide a description of the Consultant's qualifications, capabilities, and organizational structure. Identify the project team including qualifications, experience, and specific responsibilities of the project manager and staff that will be assigned to the project (including a resume for each person).

Firms will be considered based on their strengths and experience in the following fields:

- Ability to demonstrate a thorough knowledge of all facets of municipal broadband development, including regulatory, technical and financial/economic.
- Experience performing analysis on needs vs. available resources, including through consumer surveys and direct consumer engagement.
- Experience with identifying current assets, and whenever possible, negotiating with asset holders to incorporate existing infrastructure into a network plan.
- Knowledge of digital inclusion programs.
- Extensive knowledge of financing models.

Relevant Work Experience and References

Provide examples of projects similar in scope and scale completed by the Consultant, especially related to similar work for municipal entities (by the staff that would be assigned to this project if possible).

Provide a brief description including completion date, type and scope of project, and contact person with telephone number for reference.

Work Schedule

Provide a detailed schedule indicating how the project tasks will be organized to complete the work. The schedule must include a matrix of the project tasks and hours assigned broken down by personnel assigned to each task.



Proprietary Information

Any information in the proposal that is business proprietary should be clearly noted.

Certification

The consultant will have to agree to the Vermont's "Standard State Provisions for Contracts and Grants" provided in Appendix A, including insurance requirements.

Indemnification

Acknowledge that the selected Consultant shall agree to indemnify and hold NWCUD harmless from claims, demands, suits, causes of action and judgments arising from the Consultants performance including claims of professional malpractice or negligence.

Cost Proposal

The Consultant's proposed budget and "not to exceed" cost for completing the project must include a task breakdown of project cost by each staff/team member and hours assigned to each staff/team member. A separate cost breakdown for any proposed additional items shall be provided apart from the Scope of Work outlined herein.

Selection Process

Upon release of this RFP, the NWCUD will be responsible for the review of proposals and the selection of a Consultant.

Evaluation Criteria

1. Submission of a complete and concise proposal with the Consultant's approach to the project, which contains all information, services, and requirements in this RFP.
2. Thoroughness of services the Consultant proposes to provide.



3. Familiarization with the Northwest Vermont and its technological network regarding high- speed internet.
4. Stated ability to execute a contract within 1 weeks of selection, and to perform and complete all work as indicated in the final Scope of Services.
5. Overall experience and past performance on similar projects.
6. Adequate assigned resources and staffing to do the work.
7. Comparative costs of the proposals will be considered but will not be the only basis for selection.
8. Any noteworthy information that will help NWCUD succeed in completing its vision.

Proposals will be evaluated based on technical merit and on the criteria listed above. NWCUD will make the final consultant selection on November 4, 2021.

Award

NWCUD will notify the firm chosen by November 5, 2021. No public announcement will be made until after a contract is signed. Upon award the contract with the successful consultant will be made public subject to redaction of mutually agreed business confidential material. If no agreement is reached, NWCUD reserves the right to choose another consultant.

Miscellaneous

All proposals submitted in response to this RFP become the property of the NWCUD. All proposals will be kept confidential. Consultants should also indicate the elements of their proposals that are proprietary. NWCUD has the right to disclose information contained in the winning proposal after an award has been made. All submitted reports, documents, and materials shall be considered public information and shall be the property of NWCUD. All products, both paper and digital, GIS data and other database information collected/compiled during the project, as well as borrowed materials, if any, shall be delivered to the project point of contact prior to final payment



Northwest
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The NWCUD specifically reserves the right to reject or request modification of any and all proposals if it is determined by the NWCUD to be in the best interests of the NWCUD.

The NWCUD reserves the right to accept and or reject any or all bids or parts thereof for any causes whatsoever, and to waive any informality in the bids as deemed necessary in the best interest of NWCUD.
