

ELY AREA BROADBAND COALITION (ELY ABC)-

BROADBAND FEASIBILITY STUDY REQUEST FOR PROPOSAL

INTRODUCTION

The Ely ABC and the Ely Economic Development Authority- (EEDA) are seeking proposals for a broadband feasibility/engineering study.

The purpose this RFP is to provide the Coalition with the information needed to analyze, select and implement the best solutions to improve broadband connectivity across our entire project area so that our network(s) are an asset for community and economic development. The Coalition recognizes reaching our goal may require a mix of technologies and phased build-out plans. Flexibility, ingenuity and innovation along with a cohesiveness in design will be necessary to reach the ultimate goal of digitally connecting the Coalition entities through a world-class, next generation network.

Our vision:

All Ely Area Broadband Coalition residents will be able to use convenient, affordable world-class broadband networks that enable us to survive and thrive in our communities and across the globe.

To achieve this vision, we seek the best path to a ubiquitous broadband network that is ultimately scalable to one Gigabit to homes, businesses and anchor institutions recognizing that this may require a 10 Gigabit backbone. We recognize that there are a variety of models that could be used to achieve our vision and we are open to all of them, including incenting private sector investment, engaging in a public-private partnership, forming a new cooperative or operating as a government utility.

We expect this to be highly interactive and iterative process, with excellent and ongoing communications between the selected vendor and the steering committee so that at the end of

the study process, the committee clearly understands the best alternatives for moving forward to achieve the vision.

DESCRIPTION OF ELY ABC

The project area boundaries are the public school district boundaries for independent school district 696. The school district covers an area of approximately 252 miles. There are large sections of the district that are considered undeveloped wilderness.

The City of Ely is located within the school district boundary and has a population of 3455 and covers an area of 2.74 square miles. Ely is the regional center for residents in the area and provides many services including medical, education, shopping and major employers. The Town of Morse has a population of 1213 and covers an area of 138 square miles. The township is rural with population spread out across the entire township with higher population density along lakeshore. The City of Winton has a population of 173 and covers 84 acres.

A map of the project area is attached.

ELY ABC CONTRIBUTIONS TO THE FEASIBILITY STUDY PROJECT

To support the selected vendor, the coalition will, at a minimum, provide the following:

- Recruitment of a project steering team
- Recruitment of focus group participants
- Access to County GIS data
- Access to historical City Permit Data
- Access to the engineering study completed for the downtown area- Completed Feb. 17'
- Other public information as needed

SCOPE OF WORK/REPORTING REQUIREMENTS

This section outlines the study and report requirements.

Section A – Current assessment and market demand

- Review of the competitive environment
 - Complete an inventory of existing fiber networks within the project area, including ownership and availability for use by other network providers.
 - Provide an overview of current broadband providers' services, pricing strategies and coverage area. To the extent possible, determine and analyze the investment and deployment plans of incumbent providers.
 - Map existing the location of existing fiber and broadband-related electronics and available broadband speeds available by provider. This information should be provided in a format usable by the County GIS systems.
 - Provide an assessment of the services available to our existing and prospective businesses and how that impacts our economic development efforts.

- Provide a market study to establish a likely market penetration rate and clarify which benefits from a new network might be most important to the residents and businesses.

Include information from the following sources

- Available market and census data
- Local random sample countywide survey of residents and businesses
- Focus groups of key constituencies
- Include a sample survey your firm has used for similar project and the resulting report as an appendix of your proposal

Section B – Technology options

- Determine the best technology path for our project area
 - What are the broadband capacities and considerations that are necessary now and in the future that will enable our county to be economically competitive? What technologies can provide broadband services at those speeds?

- What are the technologies best suited to the various areas of the area based on geography and demographics?
- What opportunities exist to provide a protected-ring fiber network that would connect businesses and anchor institutions such as schools, libraries, hospitals, public safety, cities, institutions of higher education and community support organizations?
- Options for services provision to include:
 - Mix of technologies and phased build out plans with multiple platforms scalable to 1 gigabit and include wireless, fiber, ARMER towers, cable, etc.
 - Options should include scenarios using what already exists within the project area, with a minimum service level of 25/3.
 - Business models and pro forma to be analyzed to include but not be limited to:
 - a) Build on existing networks: Options to combine or collaborate with existing providers to provide middle and last mile coverage to the underserved and unserved, with special emphasis on leveraging CAF2 dollars.
 - b) Create new networks:
 1. **Open Access:** The Ely ABC or an alternate could finance and contract to build the network and invite other service providers to contract to deliver services over the network.
 2. Proprietary Network:
 - i. The Ely ABC or an alternate could build and operate the network, with or without private sector operating partners
 - ii. The ELY ABC or an alternate could incent a private sector partner, including existing cooperatives, the creation of a new cooperative, or other entity to invest, build and operate a network by using development powers as necessary.

3. Other options that might involve multiple local entities or other scenarios as contractor sees appropriate.
- Conduct pre-engineering study(s) at sufficient depth to estimate costs and approximate implementation timeframes for full network implementation.
 - This evaluation should include an assessment of all available mainstream high-speed technologies either alone or in combination and include an assessment and consideration of both Fiber to the Premise (FTTP) and wireless technologies. All parts, materials, and service proposed must be currently available on the market and in continuing production (no discontinued manufacturers or parts).
 - Assessment of primary and redundant backhaul connection options between local network and the Internet.
 - Define the proposed service area and create a conceptual fiber route and high level design to provide the greatest coverage, showing businesses and publicly owned facilities passed within ½ mile on both sides of the fiber route.
 - Use algorithmic tools to combine the map data with historical cost data to provide an estimated cost to offer scalable broadband service for all options identified. Costs will be calculated by service area and anticipated route miles to determine capital costs for fiber optic mainline, access equipment, cell tower backhaul, routers, and switches. Costs should be all inclusive of any design, initial configuration and installation costs.

Section C – Partnership options

- Provide examples of who might be a prospective partner with a brief summary of how each relationship would function.

- What sectors, groups and individuals may help our area achieve the broadband goals?
Please identify synergies and sharing opportunities that exist with providers and customers to include but not limited to:
 - ISP Providers, Telecoms, Cooperatives, Statewide telecom networks, Government entities, NGO's, K-12 and higher education, including library systems, Healthcare providers and the industry and business community

Section D – Financing and Legal Considerations

- Provide financing options to include, but not limited to general obligation bonds, revenue bond, public/private partnerships, USDA RUS, other state and federal funding and others where appropriate.
- Provide an assessment of legal requirements, risks and regulations relevant to the building or operation of a network and partnership arrangements.
- Prepare financial projections for at least two project scenarios as selected by the project steering team:
 - Options Identified
 - Operational Cash flow for expenditures
 - One Time and Recurring Capital Expenses
 - Business and technical expertise needed
 - Organizational support
 - Community Support

PROPOSED SCHEDULE

- **All proposals due at 2 pm CST on Thursday June 15th, 2017. Provide in a sealed envelope to Ely City Hall at 209 East Chapman Street, Ely, MN 55731**
- Project implementation schedule and phasing - Please provide an estimated project timeline. Timeline should include:
 - Estimated project start and end dates.
 - Proposed date(s) for pre-project meeting with Coalition steering committee.

- Proposed dates for conducting a community presentation to collect public input and review preliminary findings.
- Proposed date for presentation to Ely ABC and Ely Economic Development Authority. Board meetings are typically the second Tuesday of the Month at 5:30 pm.
- Consultant will provide biweekly updates on progress during the work period, via either email, or phone calls, to the designated Ely ABC or EEDA Representative and/or steering committee.
- Consultant will provide fifteen copies of final feasibility study along with a digital copy

REQUEST FOR PROPOSALS

The following will be considered minimal contents of the proposal. Limit proposal to 10 pages.

1. Provide a restatement of the goals, objectives and project tasks to demonstrate the responder's view of the project and your approach to this project. Please reference the **Scope of Work/Report Requirements: Sections A – D** in your responses.
2. Provide on your background and experience in the following areas:
 - a. Network: Outline the direct knowledge and experience your company has regarding broadband solutions.
 - b. Financial: Describe direct experience and knowledge your company has creating and analyzing financial plans and models including capital requirements, operational pro formas, and financing options.
 - c. Regulatory/Legal: Describe any direct experience and knowledge your company has in analyzing and interpreting the regulatory and legal landscape and providing analysis and guidance on these issues as they pertain to the various options contained in the proposal.

- d. Services: Describe any direct experience and knowledge your company has in providing community and business community analysis and guidance surrounding broadband services.
 - e. Project Management: Outline your company's direct knowledge and experience with structured project management.
 - f. Partnerships: Share your company's experience in working with state and local governments and public-private sector collaborations.
3. Conflicts of Interest: Provide any information on prospective conflicts of interests, including existing or financial relations with equipment vendors, ISPs or other firms.
4. References: Include at least three references from previous similar projects.
Identify key personnel who will conduct the project and provide detail of their training and work experience. No change in key personnel assigned to the project will be allowed without the approval of the local project team. Address experience in working with rural communities, schools and townships in regard to this type of study.

Note: Subcontractors working for the contractor must meet all the requirements of the Request for Proposal (RFP) and any contract between the contractor and the subcontractor must include all contract terms agreed to between the EEDA and the successful contractor.

5. Detailed work plan to include:
- a. Tasks to be accomplished and the budget hours to be expended for each task and subtask. (This will be used as a work plan and managing tool for basis of invoicing.)
 - b. Identify project timeline with deliverables and key milestones.

- c. Provide detail regarding local involvement and services expected to complete the project. A minimum of 3 status meetings are to be contained in the work plan in addition to any data collection or input/review meetings.
- d. Outline the project management approach that your company will employ to execute this project and identify individual(s) responsible for the various areas in the outline.
- e. Identify areas of risk for the project based on the contractors detailed work plan and schedule for all aspects of the project including but not limited to financial, construction, legal, product availability, environmental and archaeological.
- f. Provide detailed cost estimate of the study, including known project expenses, professional hourly rates and multipliers and estimated service/task hours with a “Not to Exceed” cap. Other ancillary expenses related to the completion of the study will be discussed on a case-by-case basis.
- g. Commit to working closely with Steering Committee of ELY ABC and EEDA

EVALUATION CRITERIA

The local project team will evaluate all proposals using the following criteria to conduct a best value evaluation:

- Experience and qualifications of the vendor and personnel assigned to this project
- Clear understanding of this project
- Clear technical proficiency for the mix of technologies and cohesiveness of the network proposed
- Project work plan and timeline
- Work experience in small and rural communities including counties, cities and townships
- Pricing

After evaluating all proposals, the local project team may choose to interview the top candidates. After making a selection, the review team will submit their recommendation to the county board for final approval to pursue a professional services agreement with the chosen candidate.

SELECTION

Selection of the consultant for this project will be based on the criteria noted above. Upon approval from the board, the county will enter into negotiations with the selected consultant to develop a Professional Services Agreement and finalize the work plan including budget hours. Should the county and the selected consultant fail to satisfactorily reach agreement to the work plan, including budget, the county may enter into negotiations with the respondent judged second in the evaluation process, or the county may re-advertise for proposals.

The county reserves the right to reject any and all proposals regardless of merit.

RFP TIMELINE

Release RFP	May 19th
Questions due to Ely ABC	June 2nd
Ely ABC responses provided	June 9th
Proposals due	June 15th
Interviews, if necessary	June 19-20
Approval of contract by EEDA	June 20 or July 11

Any proposal related questions should be emailed to Harold R. Langowski P.E., Clerk/Treasurer elyod@ely.mn.us

The above dates are subject to change at the discretion of the EEDA.

**Please mail your proposal to Harold R. Langowski 209 East Chapman Street, Ely MN 55731.
Generic marketing or advertising materials not specific to your bid should not be included
with your proposal.**