



**Vermont Telecommunications Authority**

## **Request of Proposal**

**For**

# **Broadband Service Provider(s) in North Central Vermont**

**Issued by**

**The Vermont Telecommunication Authority**

**October 9, 2009**

**(Note: On October 13, 2009, we amended the RFP to alter the original list of the towns to be covered; this version contains the final list)**

## **Request of Proposal for Broadband Service Provider(s) in North Central Vermont**

### **Background:**

The Vermont Telecommunications Authority (“VTA”) was created with the mission to develop and implement a plan to bring Broadband and Cellular (wireless voice) service to all of the unserved areas of the Vermont. Recently the VTA has been working with the Vermont Office for Economic Stimulus and Recovery on the NTIA and RUS grant applications. While most of the state was covered under a stimulus grant request or existing provider, there were two areas that did not garner grant applications during round 1 of the Federal broadband grant applications. The areas depicted on the enclosed map is in North Central Vermont, and the VTA is seeking a proposal from one or more providers to serve this area in two phases, Phase 1 would be a project funded by up to \$200,000 in state capital funds to serve a portion of this underserved area, and Phase 2 would be the preparation of a Federal stimulus grant or loan application to serve the remainder of this area.

The VTA is willing to assist in the Federal stimulus grant application process, provide grant writing assistance and even serve as the primary Federal grant applicant if necessary. In addition the VTA is working to ensure access to VELCO fiber optic network infrastructure and related services on favorable terms for back-haul offered to carriers willing to serve this area. State locations, schools, libraries and health care providers in this area will be aggregated for carriers willing to serve this area. The VTA is also willing to consider the use of VTA bonding capacity to assist in financing the project(s) and possible investing in infrastructure, such as fiber optic cabling and/or towers if need be.

The VTA is willing to consider numerous innovative models to serve this area; these include combinations of last mile providers and middle mile providers. For example, the proposal might include two or three last mile providers and one or two mid-mile providers. The goal of this RFP process is to select provider (s) with whom the VTA will move into final project engineering for Phase 1 and to begin the process of applying for the next round of federal stimulus funding for Phase 2.

### **Application:**

The Vermont Telecommunications Authority is seeking a vendor or vendors to provide the following items:

1. The provider should submit a one to two page narrative describing how they would intend to serve the area(s). This should include:
  - a. the provider’s last mile technology;
  - b. proposed broadband speeds (downstream and upstream) and retail prices,
  - c. the proposed cost to consumers of any new construction, equipment installation service, or facility which would be required to obtain service;
  - d. back-haul strategies and key locations and/or dependencies.

2. The provider should include a map detailing their proposed network design, any key network aggregation points or tower locations or collocations (central office, towers, etc.) required.
3. The provider should include a spreadsheet detailing the equipment costs and project timeline.
4. The provider (s) can utilize the state locations (see attached map) as potential equipment or collocation sites for no charge for at least five years. The provider must indentify those resources in their proposal.
5. The provider may assume revenues from key state locations in these areas as “anchor customers”, although the service rates must be reasonably competitive and not a significant increase over current budgeted services in these locations.
6. The vendor should detail the Phase 1 deliverables work plan which could be funded by state capital funds in 2009 and the Phase 2 deliverables work plan which may or may not be dependent on a federal stimulus grant or loan. This work plan should have accompanying milestone dates, assuming that the VTA enters into a grant agreement and Memorandum of Understanding by November 6, 2009.
7. The vendor should include a project funding spreadsheet that includes total project cost for each phase, detailing the use of state and federal funds as well the providers’ contribution to the project (capital, labor and equipment).
8. If selected the vendor must submit quarterly progress reports to the VTA as well as an annual report on or before June 30, of each calendar year until the project is completed.

**Underserved Towns:**

The focus of the application should be targeted on the unserved areas of the following towns:

- Westfield
- Johnson
- Irasburg
- Fletcher
- Cambridge
- Waterville
- Belvidere
- Eden
- Lowell
- Montgomery

- Westfield
- Hardwick
- Wolcott
- Woodbury

Applicants can obtain a map containing the estimated broadband coverage commitments in these towns by December of 2010 at <http://www.telecomvt.org/documents/Broadband-Gaps-2010.pdf> . While we recognize that there will be some overlap, the vendors' response should discuss a strategy to offer service to most, if not all of the unserved locations in these towns listed above at the end of Phase 2.

**Criteria:**

In addition to submitting as much information as reasonably possible in the application, the VTA will also consider the follow factors in selecting the vendor(s).

Is the plan and proposal reasonable and executable?

Is the vendor capable of delivering on the proposal and timelines?

Is the vendor providing financial or other matching resources to the project?

Will the technology achieve the proposals goals?

**RFP Responses:**

The providers must submit their proposal by October 30, 2009. Please submit them electronically to Carissa Tomczyk at [ctomczyk@telecomvt.org](mailto:ctomczyk@telecomvt.org). The VTA will likely request meetings with the finalists prior to final vendor selections. The VTA may negotiate with potential vendors prior to the award of any funds. Although it is the intention of the VTA to enter into an agreement, VTA reserves the right to decline any or all proposals.