CITY OF CARIBOU

REQUEST FOR PROPOSALS FROM QUALIFIED FIRMS FOR

The Development of a Broadband Strategy, Solution, and Business Plan for the City of Caribou, Maine

RFP Released August 30, 2016
Proposals Due September 23, 2016 at 2pm
1.0 Project Purpose

The City of Caribou, Maine is soliciting proposals from qualified firms to determine need, feasibility and justification for providing affordable broadband high-speed fiber infrastructure to business and residents with a minimum symmetrical speed of 100 megabits per second, but preferably 1 gigabit per second.

This project will result in the production of a Broadband Business Plan containing a strategies and solutions, preliminary engineering and construction cost estimates, organizational and operational recommendations for future network implementation projects, and funding strategies for potential projects. The desired outcome of this planning effort is to provide a tool for the City to implement an installation plan to serve the City with fiber, connect businesses, and implement fiber to the homes (FTTH). This can be done as a single-phase rollout or in multiple phases, and the assessment should address this issue. If there is new or emerging technology such as wireless technology that can provide the same end result that should be a part of the recommendations. The City, specifically, has an interest in making high-speed fiber internet service available to all residents and businesses at an affordable price.

2.0 Background

Caribou is a community encompassing approximately 80 square miles, with about 8,000 residents. The community has approximately 150 miles of roads. Caribou is located in central Aroostook County.

Currently the city does not own any existing fiber-optic infrastructure. However, Maine Fiber Company owns and operates an extensive high-capacity dark fiber network that has approximately 16 miles of fiber already running through Caribou. Maine Fiber Company’s (http://www.mainefiberco.com/) Dark fiber products include Mileage Commitment Leasing, Regional Distribution Rings, and Direct Transit Routes. Carrier class ReGen and Fiber Distribution Sites are available at various locations on the network.

The City has already completed a community interest survey. The results of which are a part of this RFP in Appendix A.

The City has already completed a needs assessment and identified which parts of the community are lacking coverage. This information is available at the end of this RFP in Appendix B.

3.0 Scope of Services

A Broadband Business Plan is the product that will be produced through this project and will include the following:
3.1 Business and Financial Modeling

Provide the City with a ten year financial pro forma (including a profit and loss statement, balance sheet, and income statements). This pro forma will provide the City with a highly detailed projection of revenue, expenses, debt costs, subscription rate projections, capital expenses, and build out plans. The analysis should provide detailed schedules that show:

- Operating income and cash flow
- Net present value analysis
- Projected revenues and benefits
- Uses and sources of funds
- Operational expenses
- Depreciation schedule
- Debt service analysis
- Key Assumptions

3.2 Governance and Ownership Strategy

Assist the City with the identification of a governance and ownership strategy that both protects and leverages the City’s investment and determines what private sector participation could be beneficial and which create risk to the City utility. Ensure that the City’s interests and needs are well-represented during the development and operation of the network and provides significant City input and decision making ability over the long term. Options must include full government ownership of the utility.

3.3 Funding and Financing Analysis

Review potential financing structures, and related governance and collateral models, available to the City, which may include alternative network ownership vehicles such as public/private partnerships, economic development corporations, and others. Assist with legal strategies related to potential project risks. Provide an analysis of a variety of funding options including, but not limited to, public/private partnerships, federal/state/private grants, general obligations bonds, revenue bonds and others where appropriate. The analysis will discuss the advantages and disadvantages of each financing option and the potential effects of different financing strategies and other variables on the business case.

3.4 Infrastructure Recommendations

Provide the City with recommendations on the kind and type of telecom and broadband infrastructure needed to achieve the City goal of fiber to all premises, as well as public safety needs and requirements. Identify key technical requirements needed to support network operations. If there is new or emerging technology such as wireless technology that can provide the same end result that should be a part of the recommendations.
4.0 PROPOSAL CONTENTS

4.1 Statement of Qualifications

All respondents must submit a written Statement of Qualifications to include information about the respondent directly related to each of the Selection Criteria. Proposals must detail the team that will be working on the project, should you be the successful respondent. All information should be submitted succinctly. Provide names, addresses, telephone numbers, and e-mail addresses of clients for whom the Consultant has performed projects of a similar type and size within the last 5 years. Please provide a brief description of projects performed of similar type and size. Please submit four (4) paper copies and one (1) electronic copy of the proposal in PDF format.

4.2 Proposal

Respondents must provide an explanation of how they propose to accomplish the project outcome within the stated timeframe.

The proposal must include estimated costs broken down for each item listed within the Scope of Services above.

4.3 TIMEFRAME

In order to allow for an appropriate response time for questions prior to the Proposal due date, all questions must be submitted by 4:00 p.m. on September 15, 2016. These shall be submitted via email to citymanager@cariboumaine.org. Answers to the questions will be posted online at www.cariboumaine.org by September 19, 2016.

All proposals are due 2:00 p.m. local time on September 23, 2016.

It is anticipated that this proposal will not be accepted until November or December 2016. The selected firm would begin work on January 3, 2017. Project completion date would be April 14, 2017.
5.0 SELECTION PROCESS

The City of Caribou may ask top ranked firms to attend a presentation interview as part of the evaluation process. Firms invited to interview should be prepared to have general discussions on non-binding estimates of cost to provide requested services.

The City of Caribou reserves the right to accept or reject any and all proposals the City deems to be in their best interest.

5.1 SELECTION CRITERIA

The respondents will be evaluated on the following criteria. Please reference specific projects.

- Recent public sector experience with local government fiber initiatives.
- Staff expertise and overall experience of the proposed team.
- Demonstrated experience developing financial and business models for fiber initiatives.
- Experience with the management and oversight of construction and operation of community fiber initiatives.
- Pricing.

6.0 SUBMITTAL

All proposals are due 2:00 p.m. local time on September 23, 2016. Four (4) hard copies and one (1) complete electronic version are required. Faxed proposals will not be accepted.

Vendors assume the risk of the methods of dispatch or delivery chosen. Office hours for receipt of mailed or expressed proposals are: Monday through Friday, 8:00 am - 4:30 pm (EDT).

CONTACT INFO

Questions regarding this Request for Proposal shall be directed to Austin Bleess, City Manager, via email at citymanager@cariboumaine.org (as stated on page 4, under the Timeframe section).
Appendix A

Community Interest/Assessment Survey Results

1. Do you have internet service at your home or business? 305 - Yes 31 - No

2. Is this location your (Circle all that apply): 305-Home 49-Business 4-Organization

3. What is the monthly cost of your internet plan? Average Cost was $66 per month

4. Who provides your internet connection? Time Warner Cable, Fairpoint and Pioneer Broadband were the most common answer

5. Are you happy with your service? 136-Yes 171-No

6. Download Speed: Average 16.67 mbps Upload Speed: Average 2.32 mbps

7. What are your needs for the internet?
   - 311 - Personal
   - 139 - Education
   - 158 - Research
   - 163 - Streaming (Netflix, Hulu, etc.)
   - 125 - Business
   - 60 - Medical
   - 28 - Marketing
   - 33 - Movement of Large Files
   - 91 – Gaming
   - 23 - Other:

8. Do you or any member of your household telecommute? 85 - Yes 235 - No

9. Which potential effects of improved broadband access do you believe would benefit our city?
   - 213 - More Small Businesses
   - 128 - Fewer young adults leaving the area
   - 208 - More Telecommuting Jobs
   - 90 - Increase year round residents
   - 186 - More distance learning access
   - 57 - Increase vacationers
   - 30 - Other:

10. Would you like training on using the internet?
    - 35 - How to use an iPad or tablet
    - 24 - How to use Skype
    - 25 - How to use QuickBooks
    - 23 - Learn to use the internet to connect to family
    - 18 - How to use Facebook or Social Media
    - 10 - How to use the internet to promote my business
    - 20 - How to use Office Applications
    - 21 Other:
Appendix B