



# Town of Blue River, Public-Private Partnership for Broadband Invitation to Negotiate, “ItN”

## Introduction

### 1. Participants

The Invitation to Negotiate (“ItN”) is being released by Town of Blue River (the “Town”) to invite one provider or more than one provider (“Provider” hereinafter means provider or providers) of broadband services to negotiate terms and conditions for a mutually beneficial Public-Private Partnership for Broadband services. The Town sees the need, more than ever, for advanced broadband services, especially in areas that are underserved (less than 100/20 Mbps) and unserved (less than 25/3 Mbps). Thus, the Town is planning to submit grant applications for grant funding for advanced broadband deployment to the Capital Projects Fund and the Broadband Equity, Access, and Deployment (“BEAD”) program both administered through the Colorado Broadband Office (the “CBO”). This ItN seeks responses from providers to specify how they may partner with the Town in defining aspects of the partnership that are needed to complete successful proposals, encompassing all project areas defined by the Town for possible bidding. Ideally, the Town would select one Provider per project area; however, more than one Provider may be selected through this effort to cover as many project areas as possible.

#### **Grant Funding Administered through the CBO**

The Colorado Broadband Office (CBO) is administering two upcoming grant programs: the Capital Projects Fund (CPF) and the Broadband Equity, Access and Deployment (BEAD) Program.

#### **Capital Projects Fund**

The State of Colorado is receiving \$171 Million in CPF; of which, \$162 Million is available for grants to build out broadband infrastructure. The program has been designed to fund the construction and deployment of broadband infrastructure to deliver service that reliably meets or exceeds symmetrical speeds of 100 Mbps. Eligible areas include underserved and unserved households and businesses.

Recipients are encouraged to prioritize investments in fiber-optic infrastructure where feasible, as such advanced technology better supports future needs. The CPF will also fund middle-mile broadband grant projects, however; recipients need to focus on projects that will have a prominent focus on last-

mile connectivity. The CBO has recently announced the rules of the program:

<https://broadband.colorado.gov/funding/advance-colorado-broadband-grant-program/capital-projects-fund-cpf>

The State will allocate roughly 75% of Advance-CPF funding, or \$121,660,567, to the Tier 1 counties, based on the counties with the highest above median percentage of Unserved, and other qualitative information.

The State will allocate the remaining 25% of Advance-CPF funding, or \$40,553,522, to the Tier 2 counties, across all counties based on need articulated in the application. Town of Blue River is in a Tier 2 county.

The required match for Tier 1 counties is 25% match; the required match for Tier 2 counties is 50%. The match may be waived or adjusted under certain circumstances.

The grant application window has opened, applications are due on August 21<sup>st</sup>, 2023.

Town of Blue River, through this RFP process, plans to submit a grant application to the CPF for eligible households within the Town and unincorporated areas of the County through a partnership with one or more Service Providers.

### **Broadband Equity, Access and Deployment (BEAD) Program**

The BEAD Program provides \$42.45 billion in funding to expand high-speed Internet access in all 50 states, Washington D.C., Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands. Each State can apply for a portion of this funding based upon the number of unserved and underserved households. The State of Colorado will receive a minimum of \$100 Million in funding. Program rules will be announced later this year.

After Town of Blue River submits its grant application through the CPF, the Town plans to leverage as much BEAD funding as possible to build out Fiber to the Premise (FTTP) infrastructure through a partnership with Providers. Again, through this RFP process, the Town intends to select a Provider or several Service Providers to partner on the grant applications to build out broadband infrastructure.

As a result of this ItN, the Town intends to enter into a formal contract with a Provider or Providers which offer the best possible terms and conditions for the most favorable grant applications. The contract(s) shall be codified jointly to pursue a Phase 1 funding grant application or grant applications to the CBO, and if awarded, extend this into a Phase 2 award period for construction, operations, and maintenance, but the initial contract may be subject to clarification and/or modification for Phase 2 based upon feedback from the grant application. Should no grant application funding be awarded, the Parties may meet to amend and further define their relationship.

Proposals that will best serve the highest number of unserved and underserved homes and businesses are the target of this activity. The grant application process is expected to be highly competitive (the total amount of federal funding for Colorado is estimated to provide about one-fifth of the total needed by Colorado, so grant applications must be HIGHLY competitive), so Providers should ensure that their responses to this proposal are the most favorable to secure grant funding and ensure that their proposals are of mutual benefit to the Town as well as to the Provider, and to formulate their responses accordingly. The evaluation of responses to this ItN will be scored in accordance with criteria that reflect the terms and conditions released by the CBO for scoring grant applications.

The issuers of this ItN believe that a formal contract must be in the best interests of both Parties, providing a “win-win” scenario, where the services needed by the communities are provided in a cost-effective, high-quality manner and the Provider recoups their subsidized capital costs and makes a fair and reasonable profit by working closely with the Town. An extremely important aspect of the proposal as mandated by the CBO is to demonstrate accountability, sustainability, and the required involvement of the Town with a Provider or Providers so as to be successful in a grant application. A long-term, mutually beneficial relationship between the Town and the Provider is the desired outcome of this activity.

## **2. The ItN Process**

This ItN is being released as an open solicitation. Brief, written responses are solicited via this ItN in accordance with the schedule provided in Section 6 below. The Town reserves the right to negotiate with all, any, or none of the respondents to select winners after the initial written responses are evaluated. A final awardee or awardees may be selected solely from the written responses, at the sole discretion of the Town, or after negotiation with the Respondents. After a final awardee is or awardees are selected, the next step will be to enter into formal contract negotiations for a Phase 1 contract or contracts.

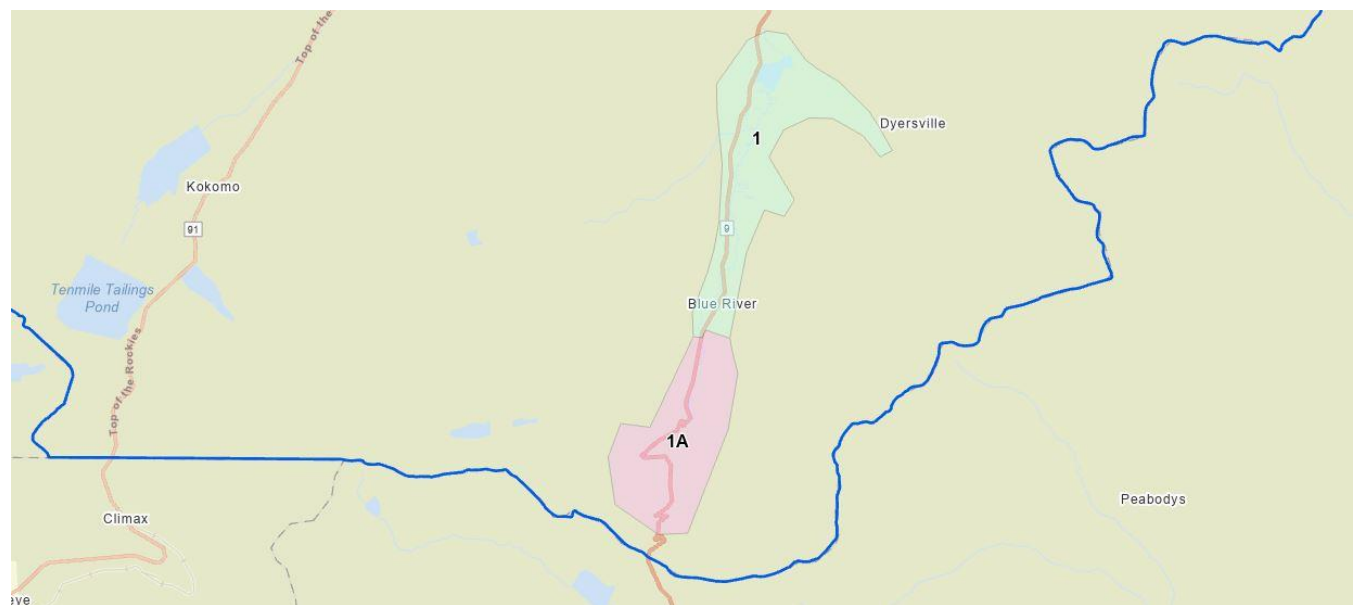
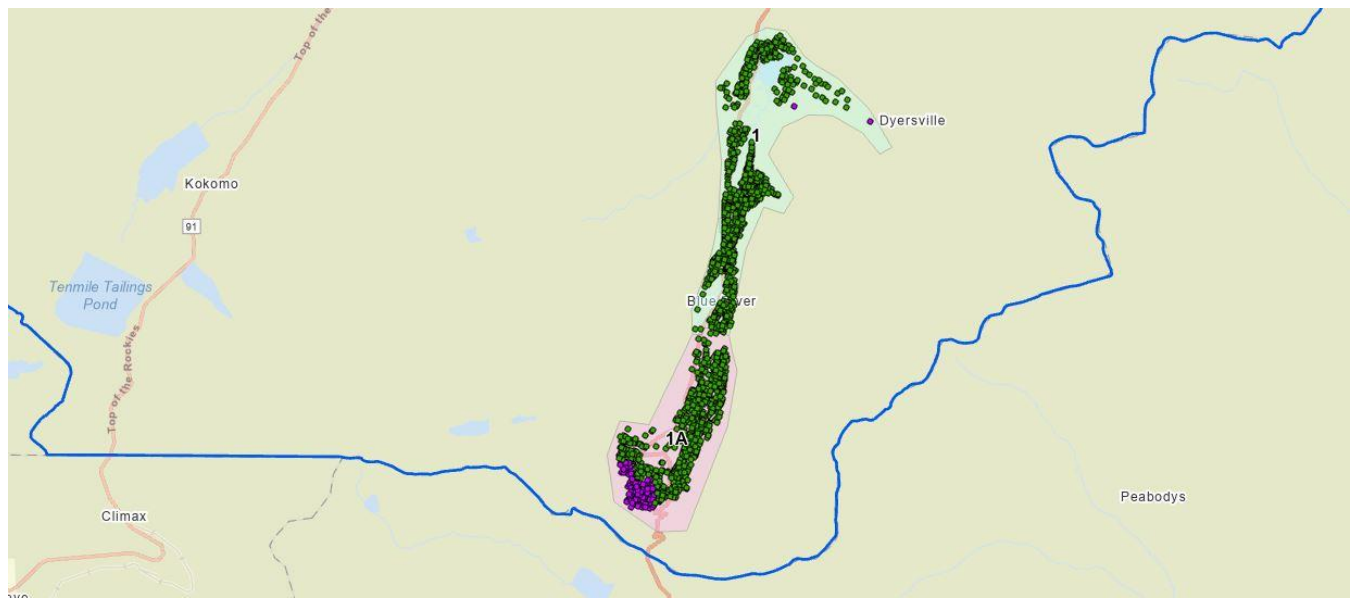
NEO has completed high-level, preliminary designs for last-mile, Fiber to the Premises, for the Town (see Section 3 herein). NEO has defined two project areas in and around the Town, each of which could represent a single coherent, last-mile project of interest to potential Providers. Providers may be interested in providing service to multiple project areas, and multiple Providers may be interested in providing service to a single project area. In such cases, the winning Provider or Providers will be determined via the negotiation process.

After the proposals are evaluated, the Town may enter into a Phase 1 negotiation to prepare a final grant application to the CBO for federal funding. The intent is for the Parties to execute a binding Agreement specifying the terms and conditions to be submitted in the grant application provided to the CBO for funding.

After receiving notification of a grant award, the successful Provider shall enter into a formal follow-on contract with the Town for construction and implementation of the grant award.

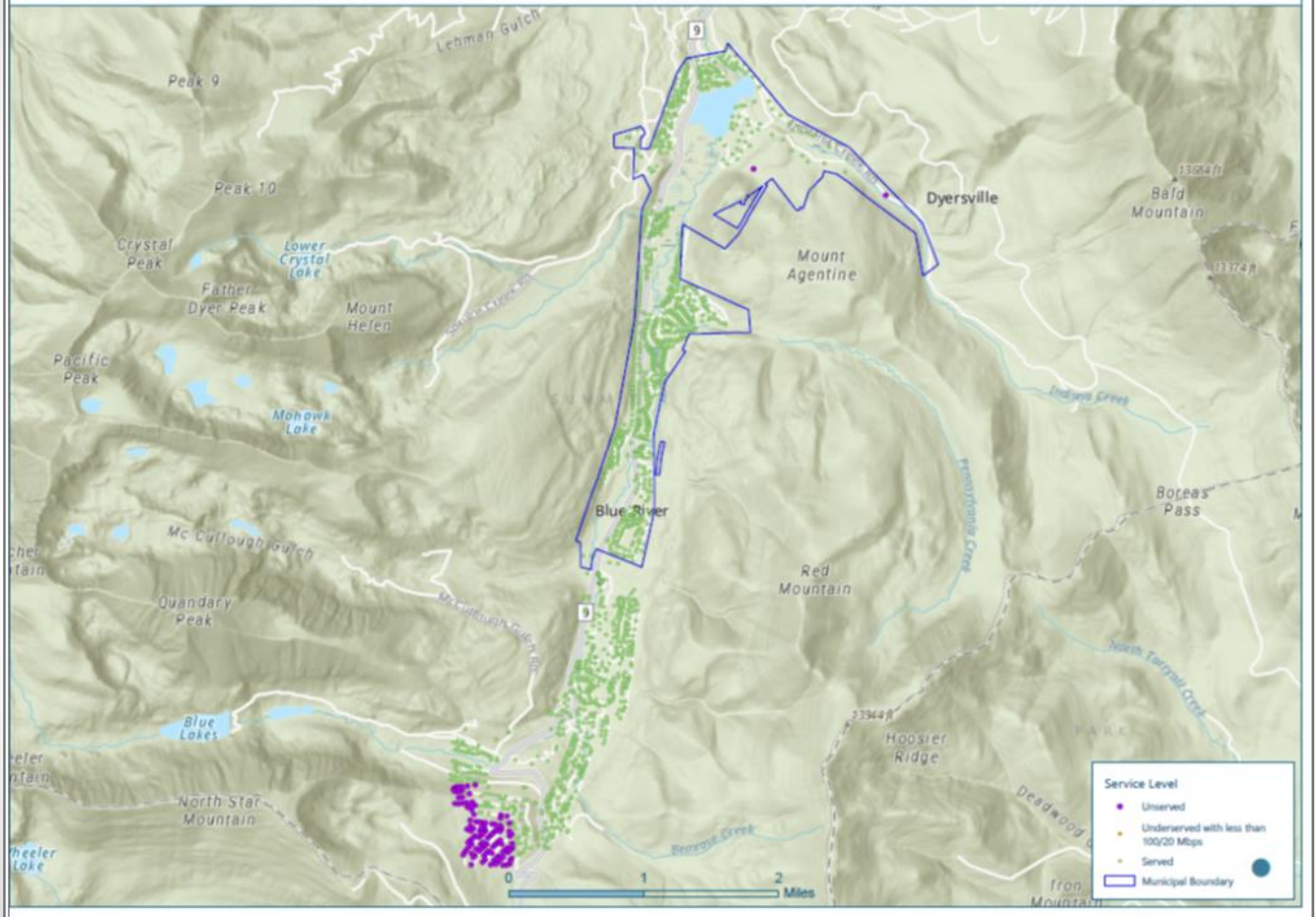
## **3. High-level design and Project Areas**

NEO has prepared a preliminary, high-level design for Fiber-to-the-Premises (FTTP) for each project area defined below, necessary and suitable to submit a grant application for federal funding. A map of the Project Areas is included below.



# Blue River Broadband Availability

Summit County, Colorado



The legend for this map includes unserved locations (shown as purple dots), underserved locations (shown as orange dots), and served locations (shown as green dots). Providers are encouraged to bid to negotiate on one, more than one, or all Project Areas. Providers are requested to identify the Project Areas they intend to cover in their written responses, and these may be adjusted and finalized during the negotiation process.

To complement the map, NEO has identified elements of the design for each Project Area, including the number of unserved, underserved and served locations, the estimated route miles, and the density of households per mile to facilitate the Providers evaluation of each Project Area (see table below).

**Major Assumptions for Town of Blue River Project Areas**

	AREA 1 (Blue River)	AREA 2 (County Area)	AREA 3 (Combined Town & County)
Served HHP	849	634	1,483
Served (Miles)	15.98	10.72	27
Served Density HHP/Mile	53.13	59.14	55.54
Underserved HHP	0	0	0
Underserved (Miles)	0.00	0.00	0.00
Underserved Density HHP/Mile	0.00	0.00	0.00
Unserved HHP	2	109	111
Unserved (Miles)	31.86	51.62	83.48
Unserved Density HHP/Mile	0.06	2.11	1.33

The Colorado Broadband Office shows households are served; however, speed test data show that Comcast provides reliable download speeds but does not meet the 20 Mbps in upload speeds. The Town of Blue River would like to apply for funding and make the case that the area is underserved and not served.

The intent is to supply sufficient information to assist the Provider in identifying its own estimated capital costs for the Project, to be included in the grant application for funding. It is understood that each prospective Provider will build their cost estimates based upon their respective fiber networks and cost assumptions. The elements of the design shown above are illustrative only and each Provider should either verify NEO’s preliminary design or provide their own preliminary design, but the Provider is responsible for calculating their own cost estimates.

## **4. Public-Private Partnership (PPP) – Structure and Obligations of the Parties**

### **4.1 Structure of a PPP**

The preferred engagement is expected to result in something akin to this:

- The Town may co-brand an initiative with the successful Provider to build the network and provide advanced broadband services to the Town’s residences, government facilities, anchor institutions, non-profits, and businesses.
- The Town intends to apply for grant funding, in collaboration with the selected Provider(s), to secure grant funding for up to 50% of the capital costs for building and deploying the Fiber to the Premises network and associated equipment to the sites in the defined Project Area.
- The remaining fifty percent, 50%, is required as matching funds for the grant applications. The matching funds can be in the form of in-kind and cash contributions. For in-kind contributions, the Town is willing to provide land for placement of telecommunications equipment and right-of-way access. The remaining match contribution will be borne by the Provider(s).

### **4.2 Obligations of the Provider**

The Provider shall:

- Design/Build/Operate a Fiber to the Premises (FTTP) network to serve homes, businesses, and community organizations. Service must be substantially available within two years after a grant award is made.
- Provide the remaining capital needed as the match requirement to complete the build.
- Serve as the branded/co-branded exclusive Retail Service Provider, offering services to the Town’s

constituents at a fair and reasonable price.

- Provide consistent pricing for high-speed internet services.
- Offer tiered, competitive packages of high-speed internet service with the ability to provide 1 gigabit symmetrical service over time.
- Provide small and medium business packages at competitive rates but with higher speeds and reliability than existing “business class” services.
- Provide 24-strands of fiber through the main distribution system to the Town
- Deliver high-quality customer service with demonstrable service metrics.

#### **4.3 Obligations of the Town**

In support of this effort, the Town shall:

- Provide streamlined permitting where the Town has control (i.e., roads and rights-of-way), to support a large-scale underground fiber construction project to ensure that permitting does not delay production.
- To the extent possible, provide a single point of contact for each distinct service area for all permitting, construction coordination, community engagement, notification, inspections, and restoration.
- Collaborate with the Provider for community engagement and outreach to support education on the project and the to enhance provider’s marketing strategies.
- Make available Town’s properties for location of points of presence, fiber distribution hubs, cabinets, and other Provider facilities.
- Support any grant efforts by either applying for the grant with the service provider as its partner or provide support to a service provider as a grant applicant under the auspices of this ItN.

## **5. Information Required from Respondents and Evaluation Criteria**

Proposals will be evaluated and assigned points for each of the areas below. All proposals must include the following information and shall be organized as described below.

### **A. Cover Letter (Pass/Fail)**

The cover letter must contain the following:

- Identification of Firm, including name, address, and telephone number
- Name, title, address, and telephone number of contact person during the period of proposal evaluation
- A statement to the effect that the Proposal shall remain valid for a period of not less than 120 calendar days from the date of submittal
- Signed by the person authorized to bind the firm to the terms of the Proposal.
- Do you agree to abide by all of the other terms and conditions in the Advance Colorado Broadband Grant Program Guidelines?

### **B. Executive Summary (5 points)**

The intent of this narrative is to convince the Town the Proposer understands the requirements of the Proposal, the nature of the work, and the level of effort necessary to successfully provide the defined services.

**C. Company/Team History, Background & Experience with offering Fiber to the Premise or equivalent in symmetrical Gigabit Services (20 points)**

Describe the Company's history and organizational structure, including the size of the Company, location of office(s), and years in business. Describe the Company's experience with offering Fiber to the Premise or equivalent symmetrical Gigabit Services. Where are you currently deploying FTTP services today? How many FTTP subscribers do you have today?

Also include the firm's background, experience, and capacity to undertake the project/services described in this Invitation to Negotiate. Provide information on whether your firm is a minority-owned, or woman-owned business, a disadvantaged business enterprise, a veteran-owned business, or a federally recognized tribe.

**D. Project Manager and Project Team (10 points)**

Describe the Project Manager's and Project Team's experience in Public Private Partnerships and with working with local governments. Also describe the project team and key staff capability and experience in all aspects of the Project, including offering symmetrical Gigabit services and Public Private Partnerships. Provide a one-page resume for key staff. Provide resumes for project team members.

**E. Experience in working with local governments on a Public Private Partnership for Broadband Services (30 points)**

Provide at least five examples of the Company's experience in working with local governments in a Public Private Partnership for offering broadband services. Describe the Company's approach and model in working with the Town of Blue River, including an outline of the Company's approach and responsibilities regarding construction, operations, its offering to the Town, any requirements from the Town, and any other considerations regarding a Public Private Partnership with the Town.

**F. Service Offerings, Pricing Packages (10 points)**

Provide a description of the various service offerings and tiers of services, pricing and affordable connectivity plans. Please provide your company's proposed Internet service offerings by speed, indication if upload and download speeds are symmetric (the same) or different, and include monthly cost for each speed, and the one-time installation cost.

Will your network be capable of supporting 100 Megabits per second, symmetrical, within one year of service availability?

Will your company offer a subsidized Affordable Connectivity Program (ACP)

What is your current product mix? Would you provide just internet or other services?

**G. Project Budget, Amount of Capital that can be contributed to the Project, # of homes and businesses that will be served with symmetrical Gigabit Services (20 points)**

Please indicate for which Project Areas you are bidding (see enclosed map and project details in Section 3).

Please provide capital cost estimates for each of proposed Project Areas.

Do you agree to the Provider's Responsibilities as set forth in Section 4.2 herein? \_\_\_\_\_ Yes. \_\_\_\_\_

No. \_\_\_\_\_ Intend to address during negotiation.

Do you agree to working with the Town on a proposal for grant funding? \_\_\_\_\_ Yes. \_\_\_\_\_ No.

\_\_\_\_\_ Intend to address during negotiation.



Do you agree to meet the match requirements for the proposed Project Areas described in Section 4.1 herein? \_\_\_\_\_ Yes. \_\_\_\_\_ No. \_\_\_\_\_ Intend to address during negotiation.

Provide the estimated capital costs for building out Fiber to the Premise or an equivalent network topology to offer symmetrical Gigabit service offerings for each Phase described in the Scope of Work.

#### **H. Description of Recent Projects/References (5 points)**

Provide a description of other cities/counties in which your Company has established a Public Private Partnership of a similar nature, including at least three (5) recent client references with names and telephone numbers contact persons.

## **6. Proposed Schedule**

The Town will hold a pre-submittal conference to discuss this Invitation to Negotiate on July 13, 2023, at 11:00 AM via Zoom. Please contact Michelle Eddy <michelle@townofblueriver.org> by July 12, 2023, to be invited to the meeting.

The Town will entertain written questions submitted prior to July 17, 2023, and will provide a response to the questions by July 20, 2023 to all Providers that indicate an intent to provide a Proposal. Submit questions to Michelle Eddy <michelle@townofblueriver.org>.

Please provide an electronic file of your response to this ItN by email to Michelle Eddy <michelle@townofblueriver.org> no later than August 1, 2023, at 12:00 Noon, MST.

The Town will notify respondents of all decisions by August 11, 2023.

We look forward to working with and engaging in further discussion with the Providers to gain highly reliable, abundant, and cost-effective high-speed broadband services to the Town.