

NOTICE TO BIDDERS

Request for Proposal

Partnership for Deployment of High-Speed Broadband in Worcester County, Maryland Worcester County, Maryland

The Worcester County Commissioners seek to partner with one or more private entities to collaborate with the County to address the lack of broadband infrastructure in the County by expanding high-speed broadband to unserved areas of the County.

Requests for Proposal (RFP) are available from the Office of the County Commissioners, Room 1103, Worcester County Government Center, One West Market Street, Snow Hill, Maryland 21863, obtained online under the "Bids" drop-down menu in the lower right hand side of the home page at www.co.worcester.md.us or by calling the Commissioners' Office at 410-632-1194 to request a package by mail.

Sealed proposals will be accepted until 1:00 PM, Monday, November 30, 2020 in the Office of the County Commissioners at the above address, at which time they will be opened and publicly read aloud. Envelopes shall be marked "**Responses to RFP for Partnership for Deployment of High-Speed Broadband**" in the lower left-hand corner. Email submissions will be accepted.

After opening, proposals will be forwarded to the Department of Information Technology for tabulation, review and recommendation to the County Commissioners for their consideration at a future meeting. In awarding a proposal, the Commissioners reserve the right to reject any and all proposals, waive formalities, informalities and technicalities therein, and to take whatever proposal they determine to be in the best interest of the County considering cost, proposal content, qualifications of the vendor, quality of project approach, time of delivery or completion, responsibility of vendors being considered, previous experience of vendors with County contracts, or any other factors they deem appropriate.

All inquiries shall be directed to Brian Jones, Director of Information Technology, at 410-632-5610, ext. 1522 or by email at bjones@co.worcester.md.us



Request for Proposal

Partnership for Deployment of High-Speed Broadband

Worcester County
Request for Proposal (RFP) for Partnership for Deployment of High-Speed Broadband
DATE OF THIS REQUEST: 10/22/2020

DESCRIPTION: *Partnership for Deployment of High-Speed Broadband*

RESPONSE DEADLINE: 11/30/2020 @ 1:00 p.m. EST

SUBMISSION REQUIREMENTS:

Proposals can be submitted physically or electronically.

If physically:

Two (2) copies of the response, including one original (clearly marked "ORIGINAL"), and one copy in Microsoft WORD format or PDF on CD/Flash Drive, shall be submitted in a sealed container. The face of the container shall be clearly marked in the lower left corner as follows:

“RFP for: Partnership for Deployment of High-Speed Broadband”

Responses must be submitted to:

Office of the County Commissioners

“RFP for: Partnership for Deployment of High-Speed Broadband”

One West Market Street, Room 1103

Snow Hill, MD 21863

If by email:

Responses must be submitted to bjones@co.worcester.md.us with the subject heading

“RFP for: Partnership for Deployment of High-Speed Broadband”

Please follow up with Brian Jones to assure the email has been received. Direct phone contact can be made at **410-632-9301**.

RESPONSES OPENED 11/30/2020 @ 1:00 p.m. EST

Responses must be received by the date and time stated above or they will remain unopened and recycled. No allowance will be made for postmark or error in delivery to incorrect address. It is the sole responsibility of the bidder to ensure timely and correct delivery of bid to the person and address stated above. Overnight delivery services may not guarantee timely next day delivery. Please check with the service you use.

Please direct all questions relating to this RFP in writing (email acceptable) no later than 11/23/2020 to:

Worcester County Department of Information Technology

Attn: Brian Jones

One West Market Street, Room 1003

Snow Hill, MD 21863

bjones@co.worcester.md.us

RFP documentation can also be viewed electronically at: www.co.worcester.md.us

Overview and RFP Purpose

Worcester County, Maryland is committed to ensuring that the County continues to prosper and evolve as the global economy shifts and the need for ultra-high-speed broadband access grows. The County therefore undertook a broadband study which identified areas that are unserved by wireline broadband speeds as defined by the Federal Communications Commission (25 Mbps down/3 Mbps up). The study's recommendations, adopted by the County, informs this request for proposals (RFP).

The Worcester County Department of Information Technology therefore issues this RFP to identify suitable private entities to collaborate with the County to address the lack of broadband infrastructure in the County. The County seeks solutions from private entities regarding bringing Gigabit-class broadband to currently unserved County homes and businesses in the County over privately constructed and owned communications infrastructure. To support the collaboration, the County can assist in seeking federal and state grant funding, providing access to community assets and rights-of-way (ROW), navigating the permitting process, and offering any other reasonable support the County can bring to the collaboration.

The County's preferred technology is fiber-to-the-premises (FTTP). The County understands, however, that the geography and population density of portions of the County may require creative options for ubiquitous broadband deployment. As such, the County is open to considering hybrid fiber/wireless solutions and last-mile wireless solutions. Another possibility is the extension of hybrid fiber-coaxial service from adjacent areas, so long as the resulting network provides the necessary level of service.

The County also understand that the lack of sufficient density makes the necessary capital investment to build the infrastructure difficult to recover and generate sufficient profits. The County therefore expects to apply for grant funding with the selected partner(s) to secure the necessary funding. In particular, it intends to apply for grants provided by the Governor's Office of Rural Broadband. It also seeks to leverage this grant, if awarded, to seek additional federal funding for further expansion into unserved areas.

Finally, while the County is requesting proposals for specific areas from respondents, it reserves the right to negotiate alterations of the proposed funding areas in case portions of such areas have been awarded through other funding opportunities or incumbent ISP expansion.

In addition, in exchange for County investment and support, the County may negotiate a mutually agreed framework for retaining partial ownership interest in deployed assets in case of default and a agreements on sharing of network buildout documentation, active subscriber locations and

statistics, and simplified versions of compliance testing adopted by the FCC's Connect America Fund Performance Measures Testing.¹

In responses to this RFP, the County seeks to understand the respondent's approach to extend broadband to unserved areas, and thereby further the County's goals of ensuring that residents, businesses, and visitors to our community have access to market-leading broadband services.

The County also seeks input from potential partners regarding the terms and conditions under which they would participate in such a project.

We encourage respondents to share their expertise, which may be used to shape the direction and form of this potential initiative. Respondents may work together to respond to this RFP. The County is open to creative solutions that will maximize private investment, as well as state and federal broadband funding, while providing reliable and high-quality services to meet its residents' needs.

We welcome the responses of all prospective partners, including incumbent service providers, as well as competitive providers, nonprofit organizations, public cooperatives, and entities that are not traditional internet service providers (ISPs) but are interested in acting as a partner in offering service under innovative business models. Nontraditional providers should respond as part of a partnership with an ISP. ISPs should have a minimum of two years' experience delivering residential broadband services.

The County will review responses based on the respondents' experience, how well the responses address the County's objectives, how the proposed business model balances and shares risks and rewards, and other factors. The County may provide more detailed information on available assets to one or more respondents, and ask those respondents to refine their responses.

Following the evaluation of responses, the County may issue a request for more detail relating to the County-initiated project, cancel or delay plans to deploy a network, or choose another direction that is deemed in the County's best interest.

Responding to the RFP is not a guarantee of a contract award. Rather, the County will identify one or more suitable partners whose proposals it will jointly adapt to pursue funding opportunities. The County anticipates that grant-requested service areas will require joint modification between the County and partner as a result of any completed, in progress, or externally funded broadband builds such as the FCC's Rural Digital Opportunity Fund (RDOF) auction.

¹ <https://www.usac.org/high-cost/annual-requirements/performance-measures-testing/>

The County will select which partner to work with based on specific grant opportunity and ability to leverage planned investments such as RDOF funding to fulfill match requirements and/or to otherwise leverage and/or expand the service area. The County's determination will primarily be based on maximizing how many unserved addresses could be served by pursuing specific grant opportunities with the selected partner.

Further, there is no guarantee a procurement will be issued as a result of this RFP. The County reserves the right to withdraw the RFP or any subsequent solicitation, or to decline to award a contract.

This RFP will enable the County to incrementally close the gap between served and unserved areas of the County, with the following considerations reflecting the strategic objectives of the County regarding broadband expansion:

- To expand broadband—defined as a minimum of 25 Mbps download, and 3 Mbps upload—to the largest number of unserved locations feasible.
- To adopt the fastest and most future-proof technology feasible. The County considers fiber optic technology the most desirable, and generally prefers wireline over wireless technologies.
- To work with partners who have demonstrated experience delivering residential broadband to the satisfaction of their customers.
- To develop partnerships with ISPs where both parties collaborate and contribute resources to solve the problem of delivering broadband to unserved areas in the County.
- To minimize County risks to the extent practical, including the County's share of any cash match obligations of grants.
- To offer competitively priced broadband options for currently unserved potential customers.
- To minimize costs to such customers for service activation, including any required cost-sharing for the construction of service drops.
- To deliver the broadest impact to the public good and welfare of County residents. The County expects proposers to contribute:
 - *Matching financial contributions* to the project at a level it considers sustainable, and/or

- *In-kind contributions* to benefit County residents and the public good, such as perpetual IRU fiber strands along the backbone, extension of fiber optic plant to anchor sites of interest to the County, free public Wi-Fi at key locations, or other similar projects.

General County Information

Worcester County is the easternmost county within the State of Maryland and is the only oceanfront county in Maryland. The County is bordered to the south by the State of Virginia, to the west by Somerset County and Wicomico County, Maryland, to the north by the State of Delaware, and to the east by the Atlantic Ocean.

The County is mostly rural in nature with the exception of the northern portions of the County, which contains some of the more developed areas, including Ocean Pines, Ocean City, and Berlin. The County's area totals 695 square miles, of which 468 square miles are comprised of land and 227 square miles are comprised of water. The County has more than 750 miles of shoreline.

Justification of Broadband

Without broadband service to residents, meaningful distance learning is not an option for those seeking higher education opportunities- resulting in many young people leaving the County.

While protecting the best interest of the County and its citizens, the goal of the County is to research the best options available that advance a viable means to bring the best possible broadband services to a county that has limited resources and sparse population.

We acknowledge broadband is a critical service for quality of life, as is the case with roads, water, sewer, and electricity. Every home, business, non-profit organization, government entity, and place of education should have the opportunity to connect affordably, easily, and securely. Worcester County should have broadband services that are shaped by the values of the citizens and businesses that take deep pride in our community.

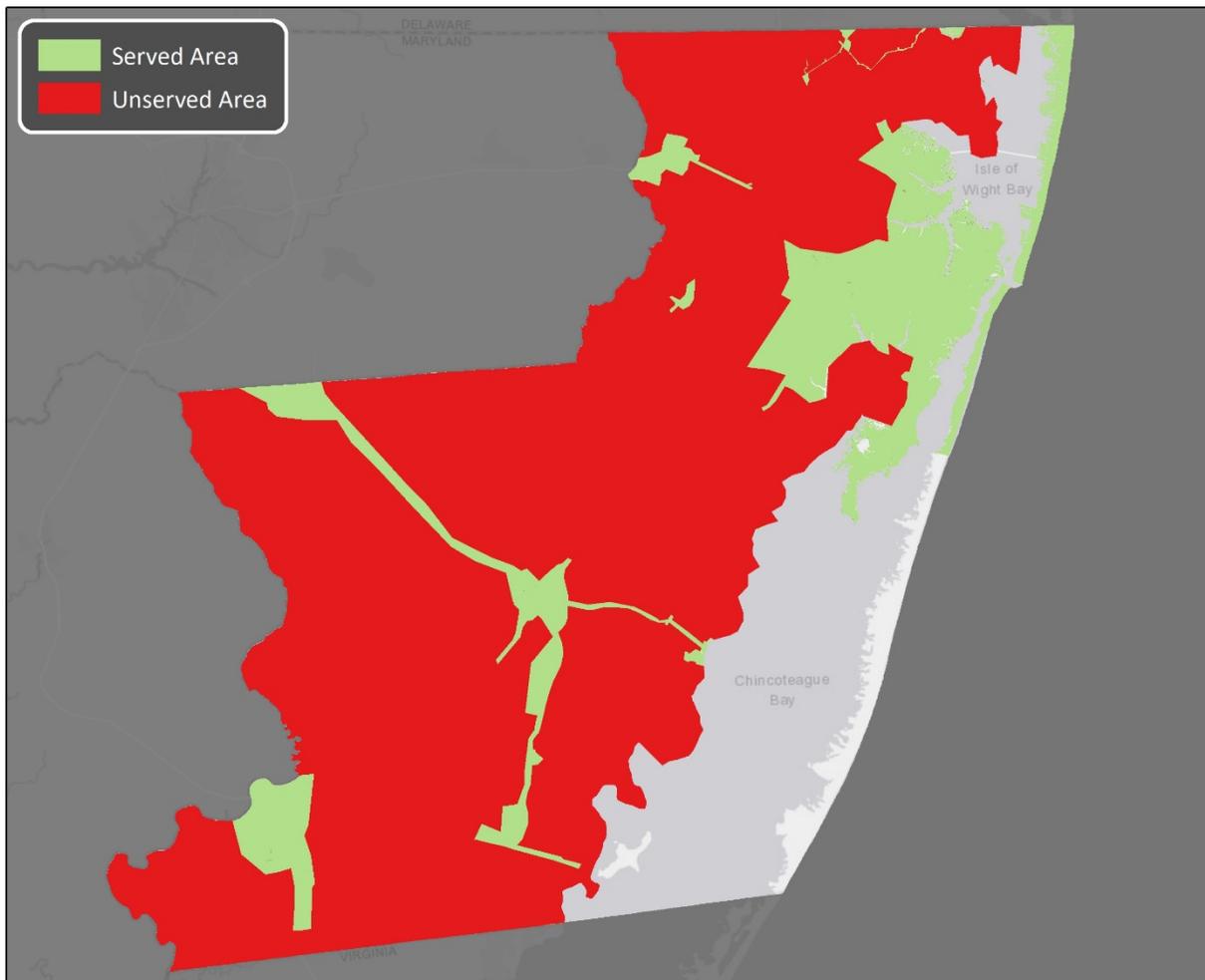
Current State of Broadband in Worcester County

Residents of Worcester County have access to a mix of internet services, but the availability of robust broadband services for individual homes and businesses depends on location. For example, while Comcast and Mediacom provide residential wired service in the County's more densely populated areas (e.g., Berlin, Pocomoke City, and Ocean City), neither provides service in other, sparsely populated areas that meets the definition of broadband adopted by the FCC

and the State of Maryland’s Office of Rural Broadband (25 Mbps download and 3 Mbps upload, or “25/3”).²

The County’s analysis indicates that about 6,400 homes and businesses in the County do not have access to internet service that meets the federal definition of broadband. Surveys of wireline infrastructure determined that the County’s unserved areas are the red highlighted portions of the map below (Figure 1). The southern portion of Assateague Island was not included in the analysis; that land is shaded white in the map.

Figure 1: Unserved Portions of Worcester County



The availability of a passing to a home or business is the generally understood definition of what is served for wireline connectivity. Generally, however, a “passing” does not include the “service

² “2018 Broadband Deployment Report,” FCC, Feb. 2, 2018, <https://www.fcc.gov/reports-research/reports/broadband-progress-reports/2018-broadband-deployment-report>.

drop”—the portion of the network that connects the infrastructure at the curb to the home or business itself.

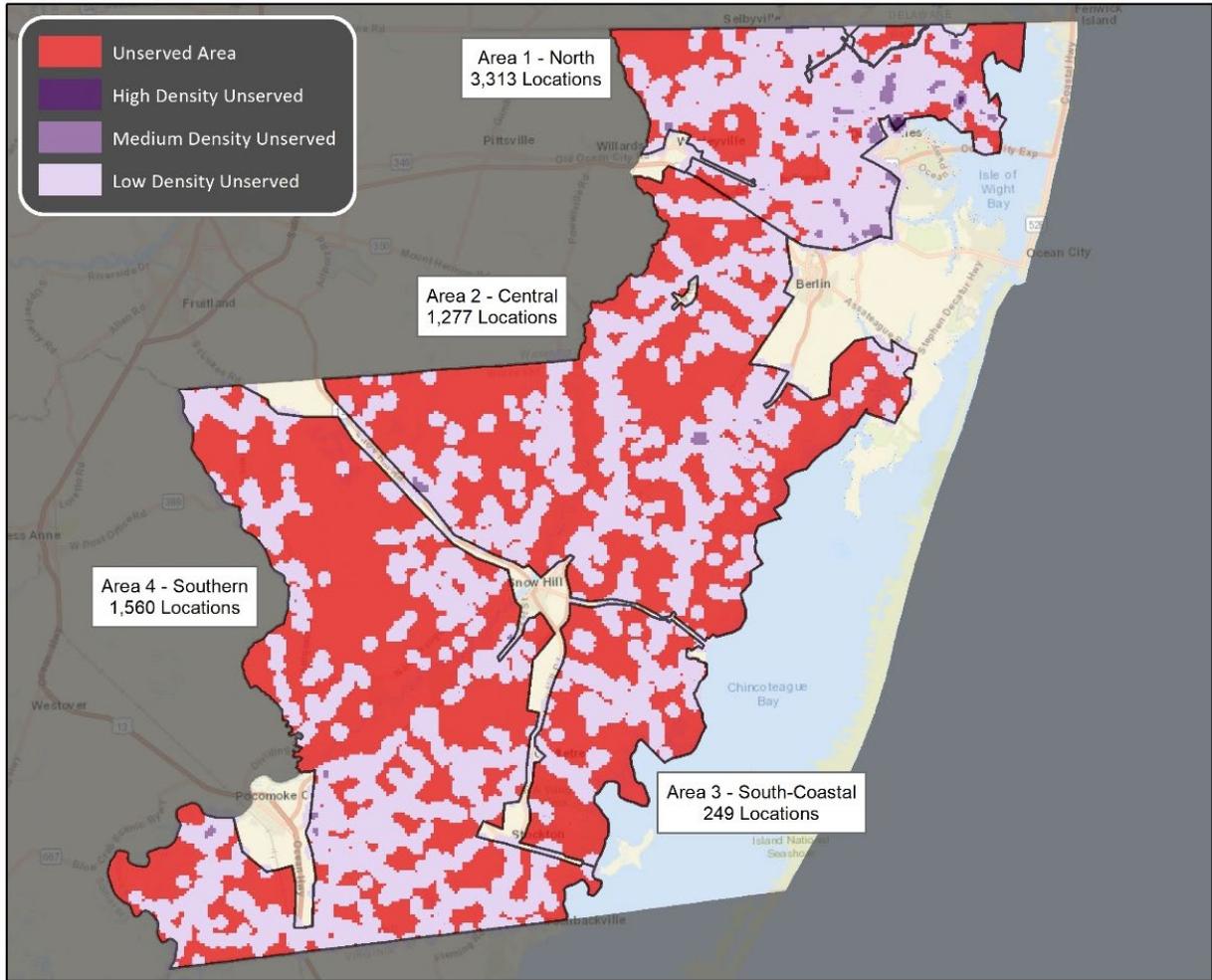
As a result, there is another category of locations within the County where homeowners may struggle to get broadband service—but those homes do not fit into the category of unserved (and thus are not included in the map of unserved areas). These are areas where broadband infrastructure passes homes or businesses (and thus the premises are considered served), but because the premises are set back far from the road, the cost quoted by incumbent ISPs to build the service drops to the users’ premises is often prohibitive.

Service to these homes or businesses is thus not a matter of the availability of infrastructure, but rather a matter of the affordability of drop construction—because many consumers, particularly those with very long driveways, will find the ISP’s quoted cost of connection to be very high. The County therefore wants to understand the service offering costs from potential partners, including activation fees, equipment rentals, and fees or formulas for drops, beyond a maximal allowable length.

County Target Areas

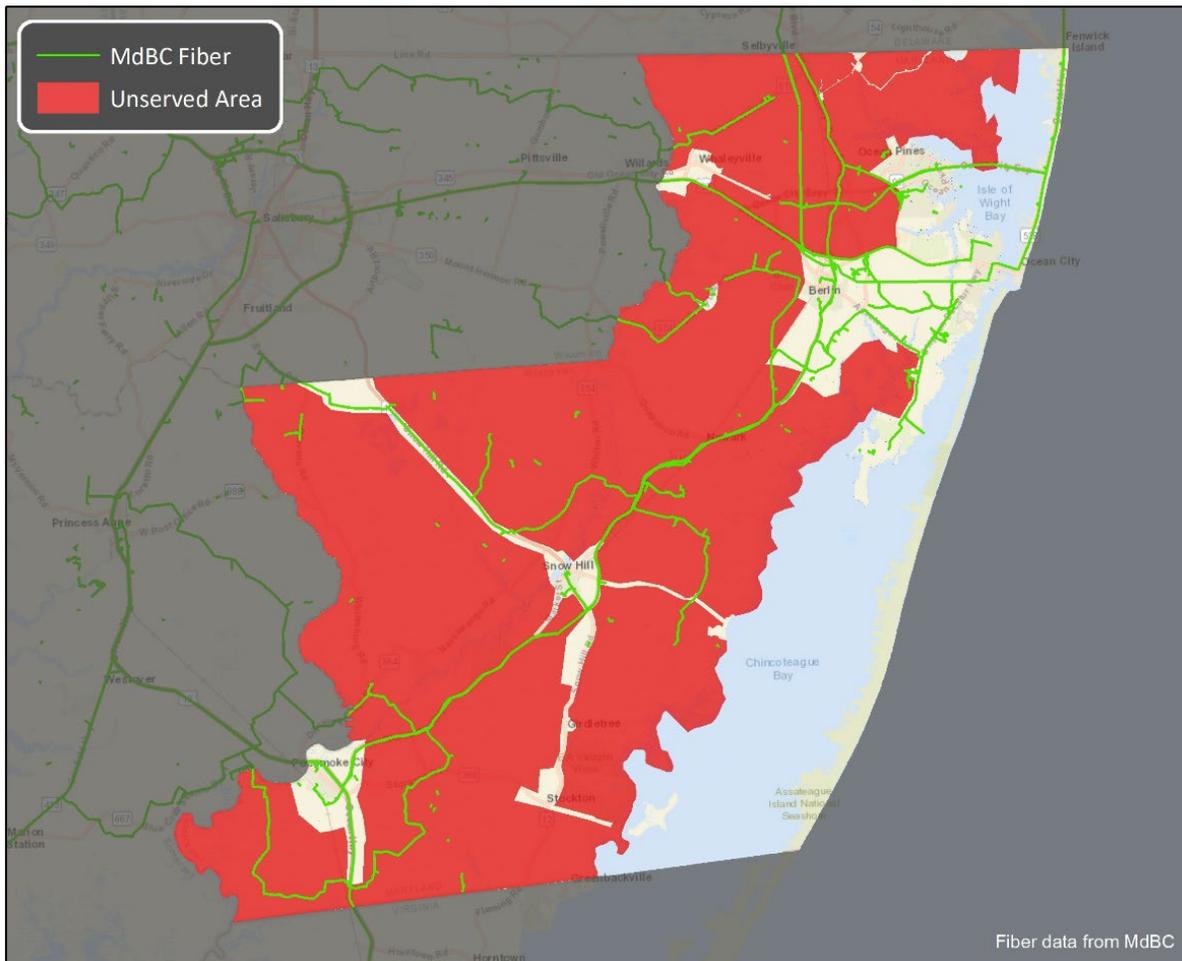
The County understands that a grant-enabled public-private partnership model is a multi-year strategy that will have to be implemented incrementally. To facilitate this strategy, and allow for better partner/proposal matching against upcoming grant and funding developments, we have divided the County into several different target areas. The map below shows the four areas along with estimated unserved locations in each.

Figure 2: County Target Areas



We understand that a non-incumbent provider would need to enter these areas with a backhaul and backbone connection, which it would have to either build or lease. The following map illustrates the potential to use Maryland Broadband Coop (MdBC) fiber for approaching such connectivity needs (as one option).

Figure 3: MdBC Fiber Routes



The County's Vision

We believe access to broadband is critical. Equal and affordable access to communications infrastructure and service is essential to promoting equal opportunity in business, education, employment, healthcare, and all other aspects of day-to-day life. We recognize the need and the challenges of expanding broadband to businesses and residents in the less densely populated sections of the County.

Situated in relative proximity to the greater Baltimore-Washington area, Worcester County needs to be able to offer broadband options that are equivalent to those experienced by residents in those areas to attract and retain workers who want to take advantage of the quality of life options available to County residents.

The County needs to be able to compete with its surrounding neighbors as well, who have a similar desire to extend broadband, but have more extensive cable company infrastructure to work with to expand services.

The County intends to empower its citizens to fully participate in today's broadband-enabled reality. It recognizes that high-speed broadband is vital to full economic participation, and education as well. COVID-19 has demonstrated how vital a County-wide broadband infrastructure is, and how it is an essential component of community and economic resilience in the face of economic contractions, public health disasters, and other human-made or natural events.

County Contributions and Assets

The County is willing to consider various levels of public involvement to support the partnership. Among other roles, the County may consider:

1. Assigning a point of contact who will be the liaison to the company and its contractor(s), and providing services to help prevent or lessen conflicts in the construction schedule
2. Assisting the company in navigating necessary permitting to streamline planning and construction efforts
3. Dedicating resources to support private companies through plan review, coordination, and inspection services to expedite and potentially reduce the cost of construction in the public rights-of-way
4. Facilitating contacts with carriers who can provide middle-mile and backhaul options
5. Providing multiple forms of support for pursuit of state and federal broadband awards, such as the Federal Communications Commission's Rural Digital Opportunity Fund, the U.S. Department of Agriculture's ReConnect and Community Connect programs, and the State of Maryland's Broadband Infrastructure Network Buildout Program and Assistance for Broadband Expansion Pilot Projects program

Criteria of Evaluation

Criteria of evaluation will consist of the elements outlined below in the proposal. The County will assess experience and reputation as well as price information, as these are critical components of successful award for some grant programs.

RFP Response – Letter of Intent

We ask that all interested respondents submit a letter of intent via email by **11/16/2020** to

Worcester County Department of Information Technology
Attn: Brian Jones
One West Market Street, Room 1003
Snow Hill, MD 21863
bjones@co.worcester.md.us

The letter of intent should include the company name and the name, title, phone number, and email address of the respondent's primary point of contact, and should indicate that the respondent intends to submit a formal response to the RFP. The letter of intent can be contained in the body of an email, and does not have to be a formal, standalone letter.

RFP Response Format

Worcester County requests the following information from respondents. Proposals should incorporate the following elements in listed order:

1. Title Page – List the RFP subject, the name of the firm, the local address, telephone number, name of the contact person and date.
2. Table of Contents – Include a clear identification of the material included in the proposal by page number.
3. Letter of Transmittal – Limit to one (1) page. State a positive commitment to perform the required work within the time requested. Also, provide the name(s) of the person(s) who will be authorized to make representation for your firm, their title, and telephone numbers.
4. Profile of Proposer – If you are an existing ISP in the County, state your service area and approximate number of subscribers in the County. If you are not an existing ISP with more than 200 subscribers in the County, provide the following information:
 - a. State whether your firm's operations are local, national, or international in scope.
 - b. Provide number of years you have offered internet service to paying residential subscribers and where.
 - c. Provide approximate number of residential subscribers inside and outside the County.
 - d. Give the location of the office from which the work is to be done.
5. Proposed Timeline – Proposer should provide a high-level project timeline with three to five milestones and explain how it plans to meet its proposed timeline.

6. Target Areas Proposed – Proposer should indicate which areas it will serve as part of this proposal. If the Proposer wants to only serve part of an area, it should indicate which area and roughly how many locations would be included. Proposer can provide proposals for one or more areas, but should list them separately.
7. Route Mileage – Proposer should list estimated miles of underground and aerial construction. In addition, Proposer may also indicate underground and aerial segments in a map illustration with appropriate legends.
8. Description of Technology Used – For example “fiber optic cable,” “coax cable,” “ADSL,” “DSL,” etc. If multiple technologies are used, describe how technologies will be deployed and which technologies will be deployed where.
9. Numbers of Addresses Passed – The addresses counted should all be in the target areas described above. Only speeds at 25 Mbps/3 Mbps or higher will be counted as serving previously unserved addresses. Proposer may however provide estimates of addresses which will receive speed improvements from previously available service options and the level of speed such Internet-improved will receive. Speeds below 10/1 should not be counted.
10. Speed Tiers Offered – Proposer should list numbers of addresses passed for each speed tier and technology. The following are the speed tiers to be used for broadband speeds:

Broadband Performance Tier	Speed	Monthly Usage Allowance
Minimum	≥ 25/3 Mbps	≥ 250 GB
Baseline	≥ 50/5 Mbps	≥ 250 GB
Above Baseline	≥ 100/20 Mbps	≥ 2 TB
Gigabit	≥ 1 Gbps/500 Mbps	≥ 2 TB

In addition, the Proposer may list improved non-broadband speeds, as long as they are not lower than 10/1, in the following performance tiers:

Non-Broadband Performance Tier	Speed	Monthly Usage Allowance
Internet-upper	≥ 10/3 Mbps	≥ 150 GB
Internet-lower	≥ 10/1 Mbps	≥ 150 GB

Proposer may respond to this and the previous requirement with a single table listing area descriptor, number of addresses, performance tier, and technology. For example:

Area	Passings	Performance Tier	Technology
North	1,000	Gigabit	Fiber

North	1,500	Internet-upper	ADSL
Central	500	Gigabit	Fiber

11. Price – The price should include the total project cost, the proportion of that amount that the Proposer will contribute, and the amount the Proposer expects the County and/or a grant to cover.
12. In-kind Contribution – Proposer should list any contributions to the project in addition to or in lieu of matching funds such as fiber strands along new project builds, connectivity to County anchors, or other contributions of benefit to the County.
13. Subscriber Pricing – Proposer should list costs for different service tiers summarized in table format, and should include activation fees, equipment rental fees, and monthly costs for different service tiers.
14. Drop Costs and Cost-Sharing Assessment Methodology – Proposer must list drop costs assessed to the customer per foot beyond an allowable amount. If this varies depending on the conditions of the path extending to the dwelling unit, list the assumptions and provide representative scenarios for alternate assumptions (e.g., electricity poles are available along the path, or there is unobstructed space on the side of the path for burying microduct for drop cables). For example:

Drop Pricing Assessed to Subscriber		
First 500 Feet	Subsequent Cost per Foot	Assumption/Scenario
\$0	\$2	Electricity pole available
\$0	\$8	Unobstructed shoulder available for drilling microduct/blowing fiber

15. Deposit or Service Contract Requirement – If pricing depends on lock-in with a contract for a set time (for example, one year) and/or payment of a deposit, please provide the duration of the lock-in, actions that would lead to loss of a customer’s deposit, and any requirements to pay penalties in case of premature contract termination.
16. References – Please provide one to three references, including contact information, from previous contracts or collaborations with other localities or non-profit entities.

Responses should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of this RFP. Emphasis should be placed on completeness and clarity of content.

Responses shall be prepared at the bidder's expense. Responses become a County record and

certain non-financial parts of the response may be subject to the Maryland Public Information Act. Examples of protected information would be cost per foot or per passing, as well as proposed network diagrams. Examples of information subject to release to the public include the name of the proposer as well as the area(s) targeted and estimated number of addresses served upon partner status award.

RFP Response – Timeline

The following is the schedule for responding to this RFP. The schedule is subject to change:

10/22/2020 – RFP issued

11/16/2020 – Deadline for submitting letter of intent to respond to RFP

11/23/2020 —Deadline for submitting questions about RFP

11/25/2020 – Responses to questions issued

11/30/2020 – RFP responses due

Worcester County thanks you in advance for your thoughtful response. We look forward to the opportunity to work with the private sector to meet our community’s broadband goals.

Proposal Cover Sheet

Name of Company	
Address of Home Office	
City of Home Office	
State of Home Office	
Zip Code of Home Office	
Phone Number of Home	
Office	
Federal EIN	
State EIN	
Contact Name:	
Contact Office Phone Number:	
Contact Cell Phone Number:	
Contact E-Mail Address:	