

Sublette County, Wyoming Request for Information

for

Partnership Arrangements for Broadband Infrastructure for Sublette County Economic Development

May 3, 2018

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1. Introduction

Sublette County, Wyoming (the County), has identified a lack of robust broadband infrastructure as a major hurdle to economic development in the County, particularly in the business areas of the County's population centers—including, but not limited to, Big Piney, Marbleton, and Pinedale, and the community centers in Daniel and Boulder. The County has seen a total of 1,757 jobs lost from 2010 to 2016, making economic development initiatives vital to its future.

The County is therefore considering funding installation of conduit and/or fiber infrastructure to address gaps in middle mile connectivity, to create redundant paths to the internet, to enable high-quality service to businesses throughout the County, and to help facilitate private sector investment in next-generation networks.

The County issues this Request for Information (RFI) to solicit ideas and informal proposals from private sector entities that may have an interest in working with the County in this regard, potentially by utilizing County-owned fiber and/or conduit assets or by building their own assets with County financial support of some form. The information gleaned from this RFI process will help guide the County's planning and investment in communications infrastructure, generate favorable terms for public-private collaboration that encourages new investment, and enhance the value of the investment that existing private providers have already made in the County. The County hopes this initiative will support and accelerate private providers' efforts to improve broadband service options in the County.

Although this RFI is issued by the County as part of the County's initiative, it is open to responses that suggest partnerships between a mix of the County, individual towns, and the private sector, and any combination of the three. The County encourages any and all respondents to include suggested partnerships with individual towns and the County as a part of their responses.

The sections below present a description of the objectives the County hopes to achieve with this initiative (Section 2), a brief summary of the project background (Section 3), and a description of the fiber and/or conduit assets the County is considering building or funding (Section 4). Section 5 offers a discussion of different partnership arrangements the County is considering. The last three sections provide a description of the preferred response format and the response process.

2. The County's Objectives

Robust broadband services are necessary for communities to thrive in the 21st century. Even in the County's towns and population centers, broadband speeds are limited, the cost is high, and outages occur far too frequently—affecting not just local mobile service and Wi-Fi, but County connectivity for public safety services, as well. With businesses, schools, health care facilities, and homes all demanding more bandwidth each year, the existing infrastructure is simply not adequate to keep up with demand. Although some service providers have made investments in wireless last-mile networks, the lack of affordable, high-capacity backhaul connections to the internet severely limits the service options available to end users in the County.

Already, the limited broadband options hinder the County's economic development efforts. It will be increasingly challenging to attract and retain companies to the towns and population centers in the decades ahead if service options, as well as infrastructure reliability and diversity, do not drastically improve. As will be discussed in more detail in the sections to follow, the County is considering building or funding infrastructure, and partnering with a private provider or providers to ensure that the County's towns and population centers have the bandwidth they need to thrive.

The County has two primary objectives it hopes to achieve through this broadband initiative:

- Make high-capacity, enterprise-grade and business-class data services available to businesses in the towns and population centers. The County wants the availability of broadband to be a strength, rather than a weakness, in its economic development efforts. It intends to use the availability of next-generation broadband services to help attract and retain businesses. While the County is open to any networking technology that can deliver business-class and enterprise-grade services, it wants to be sure the technology used will be able to meet the demand for bandwidth for decades to come. Therefore, the County prefers direct fiber connections.
- Create additional high-capacity, diverse backhaul connections to the internet.
 From conversations with existing service providers, the County understands that the high cost of backhaul connections make the economics of network deployments extremely challenging. Furthermore, the existing connections lack the excess capacity necessary to keep up with growing demand for bandwidth—and those connections all follow a single path to the internet, making the entire County vulnerable to communications outages. Diverse, high-capacity backhaul connections will increase resiliency and improve the economics of last-mile network deployments.

In addition to these two primary goals, the County has two secondary goals for its broadband initiative:

- Improve service options for County residences. A lack of affordable broadband limits households' ability to take advantage of online education and telehealth services, and diminishes quality of life. While the County is primarily focused on improving service options for businesses, it hopes that the proposed infrastructure will eventually be used to improve service options for residences, both in the population centers and in the more remote regions of the County.
- Ensure adequate dedicated services for the County's Fire and Sheriff departments. The County seeks dedicated, reliable capacity for the Fire and Sheriff departments to ensure adequate emergency services in the long run.

The County anticipates that it will work with private organizations to support any applications for federal broadband grants or other federal broadband support (e.g., the Connect America Fund Phase II reverse auction, the Rural Utility Service's Community Connect Grants, etc.)—and the County welcomes the opportunity to do so.

The most useful responses to this RFI will share respondents' ideas for how they would be interested in meeting these goals and what support, facilitation, or access to infrastructure they would request from the County in return for their efforts to meet the goals.

3. Background

In March 2017, Sublette County (in close coordination and collaboration with the towns of Big Piney, Marbleton, and Pinedale) hired an independent consultant, Mr. Joe Sharkey, to develop an assessment of the current market for broadband services in the County and towns and to prepare a strategic broadband plan.

Mr. Sharkey found that only some businesses in Pinedale had speeds that exceeded the Federal Communications Commission's (FCC) current broadband benchmark of 25 Mbps download and 3 Mbps upload. Pinedale residences and businesses—and residences in other towns and population centers—barely had speeds that exceeded the FCC's pre-2015 broadband benchmark of 10 Mbps download and 1 Mbps upload. The speeds available in the more outlying areas of the County are well below what can be considered a broadband service.

Much of the incumbent carrier's infrastructure in the County comprises aging copper lines and outdated DSL technologies with considerable speed and distance limitations. While competitive service providers in the area use a variety of technologies to deliver last-mile connectivity, limited options for backhaul connections to the internet restrict their ability to deliver the robust broadband services that County businesses and residents need. Numerous competitive carriers reported that the high cost of single-path, non-redundant backhaul connections to internet exchange points restricts their ability to expand service options in the County.

Mr. Sharkey also found that the incumbent's fiber network is single-thread, making the entire County vulnerable to communications outages if the cable is cut or a core router goes down. In the two-month span during which the consultant collected data, two significant outages occurred. Mr. Sharkey concluded that a lack of diverse fiber backhaul routes will greatly hinder the County's ability to attract new high-tech businesses to the area.

Mr. Sharkey recommended that the County construct conduit or fiber infrastructure between all of the towns and population centers and to interconnection points with carriers to the northwest and the south of the County. Details and a map of the proposed network routes are included in Section 4.

The County is currently investigating grant opportunities. It may also decide to appropriate local funds to cover some portion of the network construction costs and may apply for state funds to support this critical economic development effort. However, the County understands it cannot

achieve its policy goals on its own. The County has no interest in serving end users itself or entering the broadband business. Rather, the County seeks to enable the private sector to meet the needs the County has identified. For the initiative to succeed, private partners will put the County's efforts, funds, or infrastructure to use to serve the businesses and homes in the towns and, eventually, the more sparsely populated areas of the County. The County seeks to understand how best to plan to enable design, construction, and operation of communications infrastructure to encourage new private sector opportunity, service, and investment.

The responses from this RFI will help guide the County as it moves forward in this process. Depending on the responses, the County may put forward an RFP to find a committed private partner or partners that are willing to work with the County to help it meet its objectives.

4. Proposed Conduit and/or Fiber Route

The County has identified two components for its proposed communications infrastructure efforts: middle mile and last mile.

The proposed middle-mile network would be built along US 189 from LaBarge to Daniel Junction, or up from Rock Springs. At Daniel Junction this build would be bifurcated, and would:

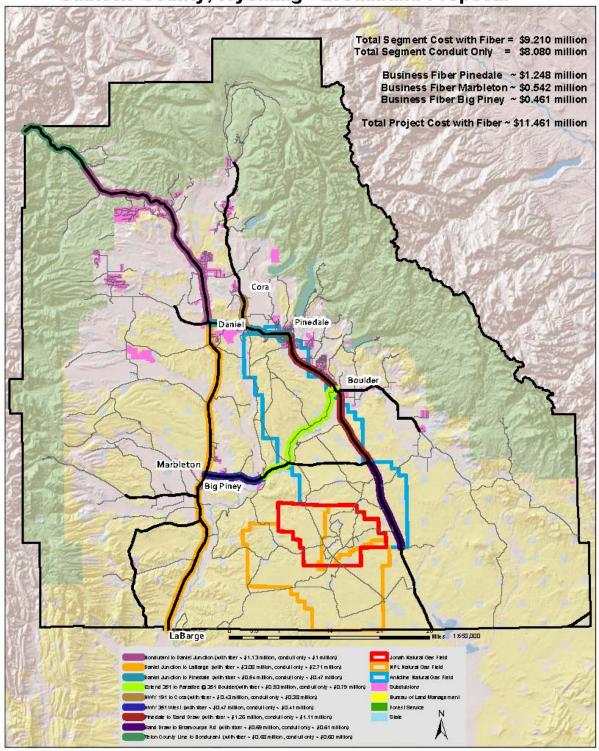
- Extend north along US 189/191, first to Bondurant and then on to the County line. At that point, a partner could extend fiber to Hoback Junction, where connectivity could be completed with several regional and national carriers. This would allow diverse and/or redundant access to major internet and telephone service hub locations.
- Extend south along US 191 into Pinedale, where a countywide aggregation and control
 point could be built. From Pinedale, the network could be extended south along US 191
 past the airport, Barger, and Boulder—and then to the Sand Draw area near the junction of
 191 and 351. The route would also be extended further south on US 191 to the Erramouspe
 Road area to allow the extension of services via wireless technology to nearby gas fields to
 the south.

The County could also build a route from US 189 along 351 to Paradise Road (CR 136), and along Paradise Road northerly to provide better access for Sublette County natural gas fields. This extension would complete a ring in the center of the County, facilitating increased reliability.

These routes and Mr. Sharkey's cost estimates for construction are summarized in Figure 1, below.

Figure 1: Proposed Fiber and Conduit Routes in the County

Sublette County, Wyoming - Broadband Proposal



The County anticipates that last-mile infrastructure (conduit and/or fiber optics) will pass all the businesses in Big Piney, Pinedale, and Marbleton. Proposed routes in the three towns are included in Figure 2, Figure 3, and Figure 4 below.



Figure 2: Proposed Routes in Big Piney (Fiber Routes in Red)





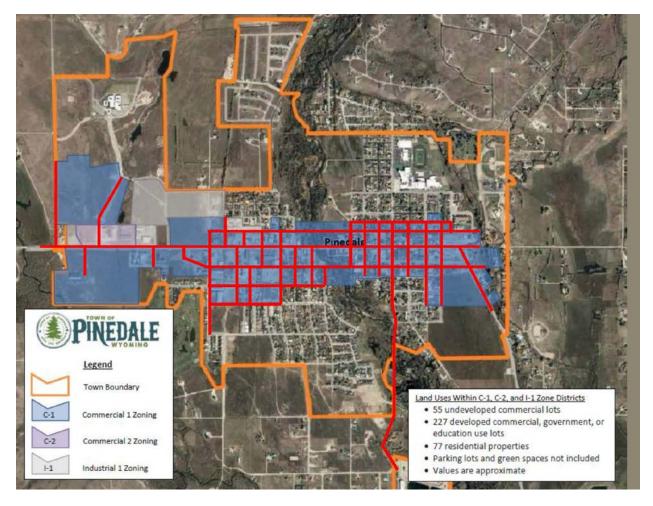


Figure 4: Proposed Routes in Pinedale (Fiber Routes in Red)

5. Potential Partnership Arrangements

The County is hoping to find a private partner or partners willing to work with the County to achieve its policy goals. The County notes that in all arrangements, access to County facilities would be carrier-neutral, and at competitive terms and conditions.

Among the options the County has considered are:

- 1. The County would build communications assets such as conduit and fiber optics and then lease the assets to private entities that commit to provide adequate services.
- 2. The County would build communications assets such as conduit and fiber optics and then sell the assets to private entities that commit to provide adequate services.
- 3. The County would competitively award a capital grant to a private entity that is willing to build communications infrastructure to meet the County's needs and that would commit to providing adequate services over that infrastructure.

The County notes the successful partnership agreement that its neighbor, Lincoln County, reached with its partner. In an effort to improve available broadband services, Lincoln County approached multiple service providers to discuss building a fiber network in the area, and a potential partner expressed interest. After securing a letter of commitment from the partner, the County was able to secure a \$1.4 million grant from the Wyoming Business Council's Business Ready Community Grant Program. The County used the grant to construct conduit, and the partner leased the conduit to create a new fiber network that now serves businesses, anchor institutions, and residences in Kemmerer and Diamondville.

Through this RFI, Sublette County seeks the ideas of the private sector regarding a similar model in which the County would construct and lease empty conduit or fiber along the routes described in Section 4 (including to pass all businesses in the towns of Pinedale, Big Piney, and Marbleton; and potentially connect current and new County Fire and Sherriff tower sites) in exchange for a commitment from a private provider to provide services (and build any necessary last-mile infrastructure) to serve the businesses in the County's towns and population centers.

As part of this RFI, the County seeks to determine whether the private sector will be better served through the lease of empty County conduit, through the lease of fiber, or through a County grant, and what terms respondents prefer.

Moreover, the County seeks to understand what technical provisions will be most helpful to respondents, both as they relate to initial connectivity and to ongoing operations support, such as the placement of dedicated pull-boxes, repair response levels, and anticipated timeframes for installing cable in County conduit. Respondents will have the opportunity to state their preferences in their response.

Because this initiative is still in the planning stage at this time, the County has a great deal of flexibility, and is willing to consider a wide range of partnership structures. For example, the County may consider constructing multiple conduit ducts, and selling one or more to a private provider willing to commit to providing service to the towns and population centers.

Although this RFI is issued by the County as part of the County's initiative, it is open to responses that suggest partnerships between a mix of the County, individual towns, and the private sector, and any combination of the three. The County encourages any and all respondents to include suggested partnerships with individual towns and the County as a part of their responses.

The County welcomes ideas and proposals from Respondents that have an interest in another partnership arrangement or form of collaboration. Respondents should feel free to propose alternatives and creative means by which they can meet the County's needs. Respondents should seek in their responses to explain how their proposed arrangements fulfil the County's public policy goals outlined in Section 2.

6. RFI Response Format

The County requests the following information, in as much detail as is practicable. Please adhere to the following response and page requirements. Please provide your electronic response in either Microsoft Word or Adobe PDF format, using the following response structure and numbering:

- 1. **Cover Letter:** Please include company name, address of corporate headquarters, address of nearest local office, contact name for response, and that person's contact information.
- 2. **Affirmation:** Affirm that you are interested in one of the options described in Section 4. If you are interested in both conduit and fiber, please indicate which you would prefer the County to offer access to. Describe how you would use these assets, and how your use would align with the County's policy goals laid out in Section 2. If you propose an alternative partnership arrangement than those proposed in Section 5, outline your proposed arrangement here.
- 3. Existing Operation: Describe your existing network operations and your experience installing and maintaining outside plant. Please describe whether you already operate a network in or near the Sublette County area. Further, please provide detail on current operations support and/or business support (OSS/BSS) systems, including current capabilities for customer resource management.
- 4. **Financial Stability:** The County seeks to ensure that its investment in broadband is prudent and safe. Please demonstrate your financial stability. If available, include a credit rating from Standard & Poor's, Moody's, or Fitch Investor Services from the most recent rating agency report.
- 5. Intent to use federal and regional funding support: Please share any plans you have to apply for federal grant funds or other support (e.g., the Connect America Fund Phase II reverse auction, the Rural Utility Service's Community Connect Grants, the Wyoming Business Council's Business Ready Community Grants, etc.) in the County and how this process might dovetail with that. For purposes of some federal support programs, we understand there is a "quiet period," and we do not request any detail that is not publicly available.
- 6. **Favored Terms of Conduit Lease**: In as much detail as is practicable, discuss the factors that would impact your decision to lease County conduit along the routes described in Section 4, including:
 - Requirement for capacity along a portion or all of the route segments

- Preference for dedicated versus shared conduit and/or access to pull-boxes (access points)
- Favored lease term and structure (i.e., Indefeasible Rights of Use (IRU) versus month-to-month lease)
- Preferred procurement process (RFP, auction, first-come-first-serve, etc.)
- Required timeframes around installation, maintenance, and repairs

Please also share your willingness to commit to provide adequate services over that infrastructure by describing the potential services and prices

- 7. **Interest in Leasing Fiber**: State whether you would be interested in leasing fiber strands along the routes described in Section 4. If so, please describe your favored terms, including:
 - Number of fiber strands anticipated to be required
 - Requirement for capacity along all or only a portion of the route segments
 - Preference for dedicated or shared cable sheaths
 - Favored lease term and structure (IRU versus month-to-month)
 - Preferred procurement process (RFP, auction, first-come-first-served, etc.)
 - Particular type of fiber preferred and/or optical performance requirements
 - Required timeframes around installation, maintenance, and repairs

Please also share your willingness to commit to provide adequate services over that infrastructure by describing the potential services and prices

8. Interest in Competitive Capital Grant Opportunity: Please share your thoughts regarding the potential for the County to competitively award a capital grant to a private entity that is willing to build communications infrastructure to meet the County's needs. Is this opportunity of interest? If so, please share detail regarding what size grant you would require to build infrastructure for your own use that aligns with the County's policy goals and the description in Section 4. Please also share your willingness to commit to provide adequate services over that infrastructure by describing the potential services and prices.

- 9. Performance Parameters: The County wants to be sure any infrastructure it helps fund is used to achieve the objectives laid out in Section 2. Therefore, the County is considering attaching performance requirements to grant or lease agreements to incentivize lessees to use the assets in a way that achieves the County's objectives. Please discuss what kind of performance parameters you feel are fair to attach to a conduit or fiber lease agreement, and the effect these parameters may have on your willingness to lease County assets.
- 10. **Suggest Other Actions and/or Collaboration Models**: Given the objectives the County outlined in Section 2, are there other actions the County could take to help achieve these policy goals? Do you already have plans that will help address these policy goals, and, if so, is there anything the County can do to enhance or accelerate your efforts?
- 11. **References:** Please provide one or more references, including contact information, from previous contractual relationships.

7. Response Process

We ask that all respondents provide all requested material, and submit each in the format (structure and page limitations) specified in this RFI.

Respondents should submit their responses NO LATER THAN 4:00 PM MDT on Friday, June 8, 2018 by email to BOTH Tom.Noble@sublettewyo.com and Mary.Lankford@sublettewyo.com.

All correspondence regarding this RFI should be directed to BOTH Tom.Noble@sublettewyo.com and Mary.Lankford@sublettewyo.com.

Interest in Questions and Answers

All respondents who are interested in receiving a copy of RFI questions and answers are asked to submit a valid email address via email by 4 PM MDT on Friday, May 18, 2018, to **BOTH** Tom.Noble@sublettewyo.com and Mary.Lankford@sublettewyo.com.

Ouestions

Questions related to this RFI should be emailed to **BOTH** <u>Tom.Noble@sublettewyo.com</u> and <u>Mary.Lankford@sublettewyo.com</u> no later than 4 PM MDT on Friday, May 18, 2018.

Responses to Questions

We will email a list of questions received and our responses to these questions no later than 4 PM MDT on Friday, May 25, 2018, to all respondents that have submitted questions or that have requested the responses.

Response Deadline

Final RFI submissions should be submitted by email no later than 4 PM MDT on Friday, June 8, 2018 to **BOTH** Tom.Noble@sublettewyo.com and Mary.Lankford@sublettewyo.com.

Please identify any proprietary and/or confidential information contained in your response.

Summary of RFI Process Deadlines

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

- Thursday, May 3, 2018 RFI released
- Friday, May 18, 2018 Deadline for submitting request for RFI questions and answers
- Friday, May 18, 2018 Deadline for submitting questions
- Friday, May 25, 2018 County emails RFI questions and answers to respondents that have requested them
- Friday, June 8, 2018 RFI responses due

The County thanks you in advance for your thoughtful response.

8. Respondent Presentations

At its discretion, the County may request any party that provides a compliant response to this RFI to make an individual and personal presentation to better explain information or solutions identified in the response. These presentations, if requested by the County, shall be held at a time and place of mutual convenience.