



April 28, 2023

REQUEST FOR INFORMATION (RFI)

Carlisle Community Wide Broadband Services

Abstract

The City of Carlisle, Iowa seeks to identify capable entities able and willing to provide cost-competitive, reliable, high-capacity, gigabit speed broadband (Required Services) for the most residents, businesses, and anchor institutions possible in and around the Carlisle area through an area-wide fiber-to-the-premises (FTTP) network.



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1: INTRODUCTION

The proposed Request for Information (“RFI”) seeks to identify qualified companies that can achieve the City of Carlisle’s (“Carlisle”) priority broadband goals, described in this RFI. Responses are welcome from any entity with a track record of providing excellent broadband services and the intent to meet these goals. These may include incumbent service providers, competitive providers, nonprofit organizations, public cooperatives, nontraditional providers, and any other interested, capable entities. Successful responses to this RFI will demonstrate how the respondent’s approach will achieve Carlisle’s goals, in a manner consistent with Iowa laws. Carlisle may also use responses to pre-qualify entities for any subsequent Request for Proposals or Quotations that may result from this initiative.

Responses should provide information to Carlisle that helps it identify potential business models and partnering alternatives to pursue. This includes identifying strategic-level conceptual terms and conditions under which selected providers would likely participate in such a project. Carlisle is most interested in identifying providers able to construct, manage, or utilize a robust network that leads to achieving the community priorities in a timely manner (2–3 years).

Respondents are encouraged to share their expertise so that it may be used to shape the direction and formation of the network. **Multiple providers may collaborate to jointly respond to this RFI.**

Carlisle is not seeking Responses from vendors proposing a full municipal utility business model at this time. **Responses that focus on business models and non-profit/private partnerships or agreements that effectively build on existing and planned municipal assets and operations are welcome.**

2: RFI OBJECTIVES AND SCOPE

Carlisle’s objectives are determined to be as follows:

1. **Identify entities** interested in engaging with the community to make improved services available in the Carlisle city limits.
2. **Identify and evaluate** innovative, cost-effective, sustainable, resilient **business models** to deploy improved services in the city limits.
3. **Coordinate market segmentation planning** for what are likely separate but parallel processes, to achieve more comprehensive long-term solutions.
4. **Meet with select respondents** for in-depth discussions regarding the entities’ approach, capability, business model, and proposed key terms and conditions. Discussions may be expanded to jointly develop details of potential agreements, non-exclusive franchise, or other business arrangements.

To accomplish these objectives, SmartSource Consulting has completed several steps to help Carlisle identify its key priorities for this RFI process.

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1. **An Initial Visioning Meeting** was conducted with community leaders to identify what options for partnerships are desired and how these options are being prioritized.
2. **Stakeholder meetings** with various stakeholder groups were held to further define Carlisle’s needs and priorities.
3. **A community broadband study** was conducted which showed strong community interest in a new provider that can deploy superior services at a competitive price.

The next step of the process, and the purpose of this RFI, is to coordinate a transparent partner identification process for the Carlisle.

Based on the outcome of the RFI and subsequent discussions with select entities, the Community will determine next steps based on the Community’s best interest, which likely include meeting with those responding to this RFI that best meet community priorities.

3: PROJECT BACKGROUND AND MARKET DEMAND

Carlisle conducted a Community Broadband Survey from October 2022 until March 2023. This survey found that residents have low satisfaction with current providers and choices, and are highly interested in switching to a new provider if one were present offering “superior services at a competitive price”. A report on this study has been provided to the Carlisle City Council and will be made available upon request by and respondents to this RFI.

4: COMMUNITY PRIORITIES

As a result of previous research on the topic and discussion among community leadership, the City of Carlisle has determined that the ideal outcome of this RFI will be the identification of a provider or providers that accomplish the following priorities:

Delivery Network Construction (inside Carlisle City Limits)

The Community would consider any proposal that accomplishes the goal of passing 100% of homes and businesses within the city limits that also achieves its other goals, including serving all areas that may be annexed by Carlisle in the future. This would include proposals that may require 3rd-party ownership in all or part of the fiber network. Therefore, providers are encouraged to propose any of the following models:

- (1) Provider builds, owns, and operates 100% of a single network,
- (2) Multiple providers partner to build, own, and operate 100% of a single or multiple networks,
- (3) Provider(s) build and operates 100% of the network with a non-profit or other 3rd-party capital partner collateralizing or owning a portion of the network until outstanding debt is repaid, with ownership potentially occurring at that time.

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The Community anticipates and will facilitate information sharing of supplemental information for factors that may enhance providers' interest including:

- Expedited and consolidated rights of way permitting and fees.
- Rights of way management including underground construction expectations.
- Interacting with the City of Carlisle Electric Utility on coordinating duct installation where possible.
- Interacting with City of Carlisle street, water, and wastewater departments on 5-year plans impacting rights of way and potential duct installation.

Local Customer Service and Service Restoration

The Community prefers that a new or existing provider provide improved local customer service to Carlisle residents and businesses. A study conducted by SmartSource Consulting Studies indicates pockets of significant levels of customer dissatisfaction, and that this is a barrier to consistent, reliable, access for education, remote work, and telemedicine in the future. Respondents to this RFI should indicate internal measurements of reliability and satisfaction as provided by their current customers. Sharing plans on how the provider will be involved in the Community to build its brand and customer satisfaction are encouraged.

Products and Services

The Community would prefer a relationship with providers that do not require retail customer contracts, particularly for residential services. Services must include at least one level of broadband internet access with at least 1 Gbps download speeds, with a pathway to provide multi-gigabit services upon consumer demand. Optionally, providers may offer TV services, and telephone services. Additional services may also be considered if they are of value to consumers and the proposed business model. A provider working with the Community is expected to commit to participating in federal and state programs for affordable service options for lower-income families.

5: RFI SUBMITTAL

Qualified entities that are capable independently, or who have an interest in engaging with the Community in some manner, to contract, deploy, and/or operate the improved services are encouraged to respond to this RFI. Respondents are encouraged to provide as much information as possible to allow Carlisle to make an informed evaluation. However due to the expected volume of information this RFI process is expected to generate, we ask that each respondent limit its response to **not more than 20 pages in total**.

Qualified entities that eventually engage with Carlisle to contract, deploy, and/or operate the required services are encouraged to respond to this RFI. To be formally considered as a viable service provider or partner, respondents will **eventually** be required to submit, and will be evaluated on, written information validating the investigative research and discussions with the Community (relevant to the proposed outsourced services and partnership).

Commented [CD1]: Submission?

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Examples of information useful in interactions with the Community related to this RFI are listed below. It will be advantageous to Respondents to provide the following information in Responses as they become relevant to proposed outsourced services or partnerships:

- Company info and contact name, address, website;
 - a. Organization type (corporation, subsidiary, partnership, individual, joint venture, other);
 - b. The name and contact information (email, phone) of the company representative responsible for providing further information;
- A brief narrative describing the firm's and team's experience and roles with planning, engineering, financing, constructing, implementing, or operating networks capable of providing the Improved Services. Please note particular successes in collaborating with a public municipality or city;
- A brief, high-level description of the entity's proposed business model, solutions, products, and services including, but not limited to:
 - a. Key components of a proposed business model, including describing its:
 - i. Business or network ownership structure.
 - ii. Roles and levels of ongoing governance, management, operations, customer billing, and customer service functions by each proposed party.
 - iii. Geographical coverage of services, both currently and to be provided in and around Carlisle.
 - iv. Core technologies used to provide Improved Services and levels of redundancies.
 - v. Key product and service suppliers central to implementing the improved services.
 - vi. Elements of network construction being undertaken by proposed parties, including network design, engineering, vendor selection, and construction.
 - vii. Implementation schedules including geographical coverage phasing.
 - viii. Internal measurements of reliability and satisfaction as provided by their current customers.
 - b. The Community recognizes respondents may not have adequate budgetary information to provide detailed responses to this section, however Respondents are encouraged to provide summarized estimated ranges of financial metrics most applicable to the proposed business model including:
 - i. Current or anticipated retail rates (to residential, business, dark fiber, etc.).
 - ii. Factors impacting monthly costs (as specific as possible).
 - iii. Outcome variance tolerance limits.
 - iv. Participation in federal and state programs for affordable service options for lower-income families, particularly households with K-12 and community college student needs. Successful RFI respondents should already participate in, or be willing to participate in, the Affordable Connectivity Plan (ACP).
 - c. Financing and funding capacity elements:
 - i. Anticipated levels of up-front and ongoing financial participation needed from local Carlisle-area sources.

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- ii. Proposed parties' up-front and ongoing financial participation.
 - iii. Debt restrictions (i.e., debt covenants, collateral, and guarantees).
 - iv. Local risk-sharing strategies (i.e., levels of sharing of revenue, gross margin, profits, or operational costs) needed to attract the investment of the respondent as a provider.
- d. Key legal and risk management provisions required by all proposed parties to enter into agreements or non-exclusive arrangements, including key terms and conditions.
- e. Innovative features of the solution/product(s), including a general description of unique benefits provided by the entity or proposed partnership. Include any enhanced abilities to provide economic development and quality of life benefits to the Carlisle community, schools, medical facilities, municipal operations, residents, and businesses.
- f. Other information as deemed pertinent by respondents.
- g. Additional data needing to be researched, or professional services contracted for, by the Community prior to the respondent committing to proposed activities and advancing in the selection process.
- A statement expressing how your company would plan to become an involved and engaged member of the Carlisle community if your proposal were accepted. This should include how local customer service functions will be accomplished.

Please note that future due diligence by the Community or its representatives may include validating financial viability including the following, but are not required for this RFI submission:

- Disclosing recent (last two fiscal years) financial statements consisting of a balance sheet, statement of cash flows, and income statements (providing independently reviewed financial statements is preferred).
- Disclosure of financial, legal, or other business matters that would present challenges to access funding and any other information pertinent to developing any proposed public/private partnership, entering into agreements with a public entity, or contracting for services.

6: ADDITIONAL CONSIDERATIONS

RFI Addenda

If it becomes necessary to revise any part of the RFI, an addendum will be posted on the City of Carlisle website by May 14, 2023. Respondents are responsible to check online prior to submission of their response.

Respondent responsible for all costs

The Community is not liable for any costs incurred by any Respondent associated with the preparation and submission of a response to this RFI, including costs related to potential travel to Carlisle or supplying requested studies, plans, specifications, or other information.

Confidentiality

Respondents **must clearly designate** any documents or content submitted **proprietary or confidential** to avoid being disclosed in the event of a request for documents under Iowa law, should any documents need to be submitted to a public entity to evaluate or discuss the Respondents' response.

Responses to this RFI become the exclusive property of the Community. Protection from disclosure may apply to those elements in each submittal which are marked as "Trade Secret", "Confidential", or "Proprietary". During the course of the RFI process, CCF may accept materials clearly and prominently labeled "Trade Secret", "Confidential", or "Proprietary" by the respondents or other submitting party. CCF will not advise as to the nature of the content of the documents entitled to protection to disclosure, or as to the definition of trade secret, confidential, or proprietary information. The respondent or other submitting party will be solely responsible for all such determinations made by it, and for clearly and prominently marking each and every page or sheet of materials with "Trade Secret", "Confidential", or "Proprietary" as it determines to be appropriate.

Carlisle and SmartSource Consulting will endeavor to advise the respondent of any request for the disclosure of the material so marked with "Trade Secret", "Confidential", or "Proprietary", and give the respondent or other submitting party the opportunity to seek a court order to protect such materials from disclosure. Carlisle and SmartSource Consulting's sole responsibility is to notify the respondent of the request for disclosure, and neither party shall not be liable for any damages resulting out of such disclosure, whether such disclosure is deemed required by law, by an order of court or administrative agency, or occurs through inadvertence, mistake, negligence on the part of Carlisle or its officers, employees, consultants, or subconsultants.

7: SUBMITTAL INSTRUCTIONS

1. **Written responses must be received no later than 5:00pm CDT on May 26, 2023.**
2. Electronic RFI responses are highly encouraged. Submittals shall be submitted in a single Microsoft Word or PDF file and e-mailed to: curtis@smartsourceconsulting.com
3. If electing to submit a hard copy of the RFI response instead, please mail to:
SmartSource Consulting
9712 Turnpoint Dr.
West Des Moines, IA 50266

Or hand deliver/ overnight/courier to:
SmartSource Consulting
9712 Turnpoint Dr.
West Des Moines, IA 50266

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- Any responses being sent via US mail, hand-delivery or overnight courier must be received no later than May 26, 2023. Responses received after the deadline will be discarded or returned to the respondent unopened. Please allow extra time for delivery before the deadline.

8: RFI SCHEDULE

Issuance of Request for Information (RFI)	April 28, 2023
Possible Addendum posted to Carlisle website	May 14, 2023
RFI Responses Due	May 26, 2023
Discussion/Evaluation Completed	May 26-June 5, 2023
Findings presented to City Council	June 6, 2023

9: QUESTIONS

Potential respondents seeking pre-submittal information should contact:

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