

Woodlands Development Group – Route 33 Fiber Deployment Project

Request for Proposals from Internet Service Providers to Operate and Maintain an Open Access Middle Mile and Last Mile Fiber Optic Network

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I. Introduction

Woodlands Development Group (WDG) seeks a qualified partner to operate and maintain an open access middle mile and last mile fiber optic network for use by residential and commercial customers, including other internet service providers, along Rt. 33 in Randolph and Tucker Counties.

The selected partner will collaborate with the selected engineer to finalize the route, design the buildout, perform on-site analysis, obtain permits, complete environmental requirements, etc.

The selected partner will individually be responsible for the operations and upkeep of the network and marketing and leasing services over the network once it is established and in operation. Negotiated revenue-share payments will be paid to WDG based on the contractual agreement with the selected partner.

The selected partner will not be eligible to respond to the Request for Qualifications for engineering services; however, they will be involved in the selection process.

This project is made possible through grant funding from the Appalachian Regional Commission (ARC) and United States Economic Development Administration (USEDA).

II. Background

As communities in rural Appalachia seek to modernize their economies, high-speed internet connection is proving to be a necessity. Woodlands Development Group is a 501(c)(3) specializing in housing development; however, through their work with communities, they have recognized the need for improved and expanded broadband internet service to aid in continued economic development. WDG subsequently partnered with Generation WV to submit grant applications to both the Appalachian Regional Commission (ARC) and United States Economic Development Administration (USEDA) in hopes of seeing this rural broadband deployment project to fruition.

In 2022, Woodlands Development Group was awarded grants from both the Appalachian Regional Commission (ARC) and United States Economic Development Administration (USEDA) to deploy approximately 58 miles of aerial middle-mile and last-mile fiber to unserved/underserved communities in Randolph and Tucker Counties in northern West Virginia.

Specifically, the Route 33 Broadband Deployment Project will deploy backbone fiber from Elkins along Route 33 through Bowden, north to Harman, up to Canaan Valley, and ending in Davis, establishing last-mile broadband access to 40 businesses, and enabling future last-mile projects to serve at minimum 480 households and 25 additional businesses located within 1,000 ft of the backbone fiber. The project will serve both residential and commercial customers with special emphasis on providing service where new businesses and institutions have indicated interest in locating or delivering remote services, where tourism development is underway, and

where households with school-aged students, jobseekers, remote workers, and entrepreneurs cannot currently access highspeed broadband.

Woodlands Development Group requests that free service be provided to the following governmental/non-profit entities along the route:

Harman Elementary/High School – Rt 33 East, Harman, WV 26270

Harman Health Care (Pendleton Community Care) – 15 Mott Street, Harman, WV 26270

Pioneer Memorial Library – 22526 Allegheny Highway, Harman, WV 26270

Harman Fire Department – 586 US-33, Harman, WV 26270

Canaan Valley Clinic & Pharmacy (St. George Medical Clinic) – 6368 Appalachian Highway, Davis, WV 26260

Valley Health Care – 240 Allegheny Highway, Elkins, WV 26241

Canaan Valley Fire Department – 6563 Appalachian Highway, Davis, WV 26260

Davis Fire Department – 610 William Avenue, Davis, WV 26260

The project scope is broken into two fiber backbone segments:

- Segment 1 (40.42 miles) begins at Elkins City Hall and terminates at the junction of Appalachian Highway and Route 72.
- Segment 2 (16.93 miles) continues from the junction along Appalachian Highway up to the town of Davis.
- A third segment that is not included in this scope of work but planned for the future is a spur (25.5 miles) from the junction along Route 72 up to the town of St. George.

See Appendix A for a conceptual high-level map of the backbone fiber path. Note that the selected provider will finalize the design in collaboration with the selected engineer, subject to final approval by Woodlands Development Group.

Woodlands Development Group now seeks a partner to operate and maintain the middle-mile and last-mile fiber network and market and sell commercial connectivity services on the network to other municipal entities, telecommunications carriers, and service providers or businesses. WDG will own the fiber network and seeks to implement a revenue-sharing agreement with the selected provider.

III. About the Route

The proposed project area that extends from Elkins to Davis has a population of 1,058 comprising at least 480 households. Within the service area, 65 businesses and 586 total employees were identified. Randolph and Tucker Counties are primarily rural, unserved areas

where broadband performance speeds do not meet the FCC definition of 25/3 Mbps. Unserved areas extend well beyond the service area off WV-33 and WV-32.

The most common industries in the project area are health care and social assistance, retail trade, public administration, and construction. Establishing highspeed broadband access will help to maximize existing assets in the project area, which include:

- Outdoor Recreation Tourism: Randolph and Tucker Counties' outdoor recreation assets in Canaan Valley, Blackwater Falls State Park, and Monongahela National Forest attract hikers, rafters, rock climbers, campers, and other adventurers to the area.
- Academic Institutions: Institutions of higher education in the project area include Davis & Elkins College and Randolph Technical Center.
- Health Care Institutions: The Davis Health System has an 80-bed acute care hospital located in Elkins, WV. In addition, St. George Medical has plans to locate a new clinic in Canaan Valley.
- Agriculture: Randolph County is an important player in the state's agricultural production with more than 400 farms and almost 15 percent of the land area devoted to farming. Tucker County has 159 farms. The WVU Extension Service Randolph County and Tucker County Offices provide youth programming and skill-building, Master Gardener certification training, and assistance with agricultural community, tourism, and economic development.
- Neighborhood Improvement & Community Development: Woodlands Development Group is a Community Development Corporation dedicated to building healthy, viable communities in Randolph, Tucker, and Barbour Counties, by developing sustainable, affordable housing, and supporting economic initiatives in partnership with its partner organization, Woodlands Community Lenders, which is a Community Development Financial Institution (CDFI) that offers financing and support services for small business and real estate development. Woodlands Development Group has been assisting businesses with the transition to ecommerce during COVID-19, but this has only been available to those businesses served with Internet.

IV. Project Scope and Awardee Tasks

Woodland Development Group's selected partner will operate and maintain key networking infrastructure, which will at minimum encompass the approximately 58-mile fiber optic route from Elkins City Hall to the Town of Davis. Respondents may propose additional buildouts of the open access middle mile fiber to reach businesses and residences at their own cost. It is expected that the respondent will offer a variety of services of its own selection over the middle fiber on both a wholesale and retail basis, including wavelengths and managed services.

The selected partner will:

- Collaborate with the selected engineer to finalize the route and design the buildout.

- Coordinate with the selected engineer to perform on-site analysis, obtain permits, complete environmental requirements, etc.
- Secure access to rights-of-way and utility poles as necessary.
- Fund, operate, and maintain all necessary equipment for the network, including:
 - all access electronics (optical line terminal, customer premises equipment, and switches)
 - distribution electronics (switches and routers)
 - core electronics (switches, routers, and firewalls)
- Assist the selected engineer in providing timely, accurate progress reports to WDG and R7PDC monthly to enable the project team to understand the status of deployment and such other information as may be requested. Following the construction period, the awardee will provide quarterly reports to WDG certifying that the network is being maintained to industry standards applicable at that time.
- Promote, market, sell, and deliver services over the network to enterprise, ISP, and wireless internet service provider customers, as well as deliver other retail and wholesale connectivity services. Beginning at contract acceptance, the awardee will provide timely, accurate marketing reports to WDG and R7PDC monthly detailing their advertising efforts. Following the construction period, the awardee will provide quarterly reports certifying that the network is being marketed according to industry standards applicable at that time. WDG will publicize the route through its regular channels to its constituent residential and business communities.
- Throughout the course of the Term, maintain and upgrade fiber and equipment.

V. Proposed Partnership Model

Its agreements with its federal funders require WDG to own all fiber in the network. Woodlands Development Group is open to a variety of partnerships and business models but does seek a revenue-sharing arrangement for services the selected partner sells to its customers.

WDG's preferred model for the partnership is summarized in the draft term sheet attached as Appendix B, though WDG is open to alternative models that still meet its goals. WDG requests that respondents to this RFP answer the following questions regarding their proposed partnerships:

- Who will own the various elements of the network, including laterals and other infrastructure built in addition to the contemplated open access middle mile and last mile fiber?

- What is the respondent’s commitment regarding financial contributions to the proposed build?
- What kind of leasing and revenue sharing arrangement does the respondent propose?
- Is the respondent willing to provide free service to the governmental/non-profit entities listed in Section II? Please provide details regarding the terms of service.
- What is the respondent’s proposed marketing solution?

It is Woodlands' goal to provide affordable, high speed internet service to as many homes, businesses, and public facilities as possible in the affected region. Proposals should clearly outline a strategy that will help achieve that goal.

VI. Timeline

WDG anticipates the following schedule:

RFP release	Friday, July 28, 2023
Question deadline Questions should be directed to: David Clark dclark@woodlandswv.org Carrie Wallace cwallace@regionvii.com	Friday, August 11, 2023 – 12 pm EST
Answers to questions published to WDG and R7 websites as addendum to this RFP	Friday, August 18, 2023 – 3 pm EST
Responses due Responses should be submitted in electronic format to: Woodlands Development Group c/o David Clark at dclark@woodlandswv.org and Region VII Planning & Development Council c/o Carrie Wallace at cwallace@regionvii.com	Thursday, September 14, 2023 – 3 pm EST WDG may reject any proposals submitted later than this deadline
ISP interviews	During the week of October 2, 2023
Selection announcement	During the week of October 9, 2023
Contract negotiation	Subsequent to the selection announcement – estimated for early December 2023

VII. Submission Requirements and Evaluation Criteria

ISPs must submit the following information, via email, no later than 3 pm EST on Thursday, September 14, 2023, to Woodlands Development Group c/o David Clark, Executive Director: dclark@woodlandswv.org and Region VII Planning & Development Council c/o Carrie Wallace, Project Coordinator: cwallace@regionvii.com.

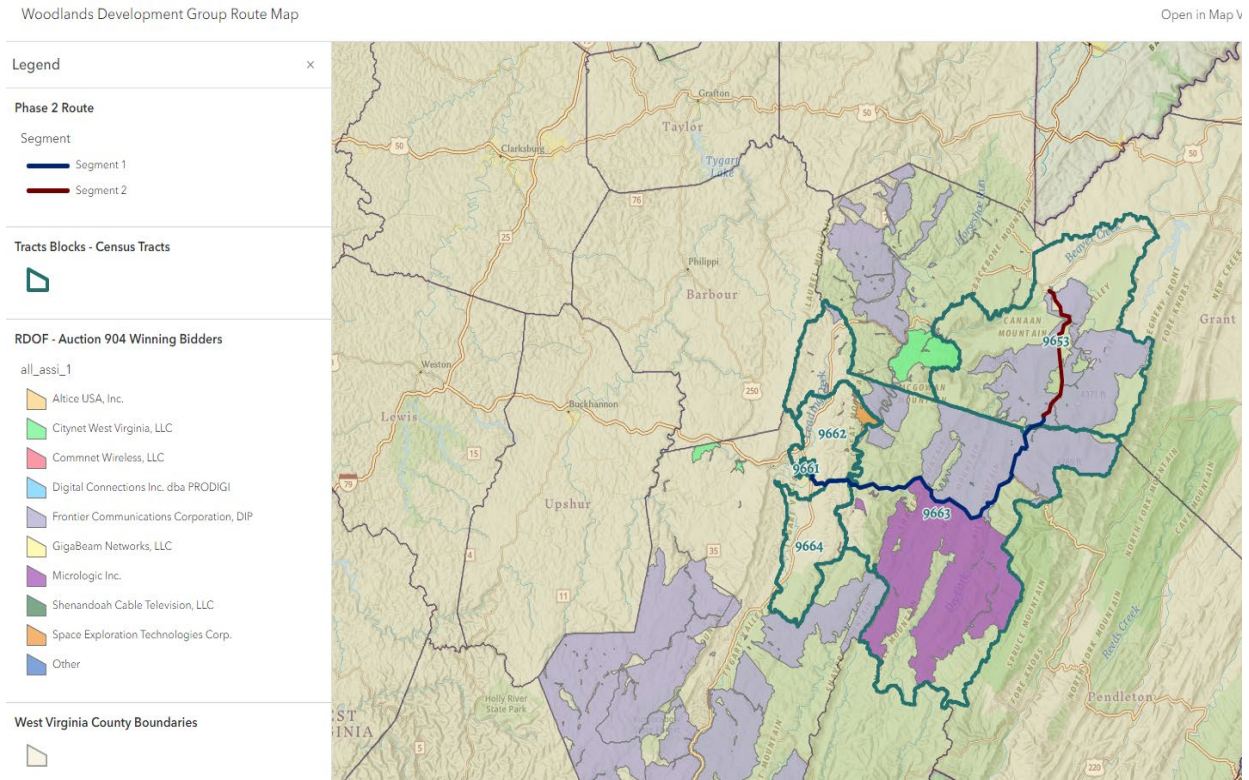
1. Company description and background
2. Management team resumes
3. Resume of project manager committed for this project
4. Technical approach, describing how you will carry out the tasks contemplated
5. Proposed construction in addition to backbone route, timeline, and deliverables
6. At least three references for projects similar to the proposed project that have been successfully completed in the past 10 years
7. Detailed contact information for at least three references
8. Proposed partnership model (Section V)
9. Proposed variations to the draft term sheet (Appendix B: Draft Term Sheet), if any
10. Company's System for Award Management (SAM) registration including the Unique Entity Identification (UEI)
11. Company's Certificate of Good Standing from the WV State Tax Department
12. Other information the ISP would like Woodlands Development Group to consider

Proposals will be evaluated based on the following criteria:

1. Firm Experience (20%)
2. Technical expertise, management, and staffing capabilities (20%)
3. Extent of proposed construction funded privately in addition to the proposed route (20%)
4. Partnership model (30%)
5. Professional references (10%)

Appendix A: Example Map of Proposed Fiber Network

Figure 1 - Example Route Design



Online Interactive Map:

<https://regionvii.maps.arcgis.com/apps/mapviewer/index.html?webmap=04132f033c8847be99c02f5199f84bd7>

Appendix B: Draft Term Sheet

Woodlands Development Group/(Successful ISP) Route 33 Broadband Development Project

Partnership Term Sheet

This DRAFT Term Sheet (“Term Sheet”) presents a summary of key business terms for the Woodlands Development Group/(Successful ISP) Route 33 Broadband Development Project (“Project”) for the purpose of providing a global overview of the Project, including the roles of the key parties involved. The various relevant agreements (“Project Agreements”) between the Woodlands Development Group (“Owner”) and (Successful ISP) (Partner) are expected to reflect these key business terms. All assumptions in this Term Sheet are preliminary in nature and are subject to change.

1. Partner shall operate and maintain an open access middle mile and last mile fiber network (“Network”) capable of delivering best-in-class services (“Broadband”).
2. Owner shall lease network to Partner for a term of _____ years (“Term”) under the Project Agreements, which shall include an Indefeasible Right of Use (“IRU”) or other mechanism to be agreed upon by the parties.

NETWORK ELEMENTS

1. Network shall be the property of Owner.
2. Partner shall retain IRU control in Network throughout the term of the agreement.
3. Network shall include, without limitation:
 - fiber
 - conduit (if any underground construction is required)
 - pole attachments (for aerial fiber)
 - optical splitters
 - terminals
 - cabinets
 - hubs
 - fiber taps
 - and any other passive equipment necessary to support communications networking over Network.
4. Network shall not include the active equipment necessary to light and operate Network or to provide services over Network.

5. Partner shall fund, operate, and maintain all necessary equipment to light network (“Partner Equipment”) and to deliver services over Network. Partner will own all Partner Equipment.
6. Partner Equipment includes all access electronics (optical line terminal, customer premises equipment, and switches), distribution electronics (switches and routers), and core electronics (switches, routers, and firewalls) required for the transport of data between each customer and the internet.

NETWORK CONSTRUCTION

7. All costs associated with Partner’s obligations under this term sheet and the resulting Project Agreements shall be the responsibility of Partner only.
8. During the construction period, Partner shall assist the selected engineer in providing timely, accurate progress reports to Owner and Region VII Planning & Development Council (R7PDC) monthly to enable the project team to understand the status of deployment and such other information as may be requested. Following the construction period, Partner shall provide quarterly reports to Owner certifying that Network is being maintained to industry standards applicable at that time.
9. Partner shall provide an experienced and able management team to operate and maintain the proposed network.
10. Partner shall only hire qualified and licensed construction firms and personnel to perform operation and maintenance tasks. Partner will require contractors, subcontractors, and staff to adhere to federal, state, and local regulations, codes, and standards for electrical and other work, and to comply with all relevant provisions of federal, state, and local law, codes, and standards. All contractors and subcontractors of the Partner will be required to maintain minimum insurance coverage deemed acceptable to Owner.
11. Partner and selected engineer shall collectively determine the optimal network design and configuration for Network. Partner and engineer shall determine how to build Network, subject to Owner oversight/approval, such approval not to be unreasonably withheld. Owner will have opportunity to review and approve the detailed designs of the Partner and engineer, including physical fiber and network electronics components, to ensure the designs reflect the requirements of the Project Agreements.
12. Partner shall coordinate with the selected engineer to perform on-site analysis, obtain permits, complete environmental requirements, etc.
13. Partner shall secure access to rights-of-way and utility poles as necessary.

14. All costs to build, maintain, and operate Network that are not covered by the grant funds shall be the sole responsibility of Partner. All costs for Partner Equipment will be the sole responsibility of Partner.

END OF TERM CONTROL

15. Following the end of the Term or in the event of termination of the Project Agreements to be signed between the parties, all control over Network shall be transferred to Owner.
16. Following the end of the Term, or in the event of termination of the Project Agreements to be signed between the parties, Owner shall have the right to purchase all Partner Equipment using a predefined valuation mechanism, such as purchase value/installation cost net of depreciation, such that Owner can select another partner to operate Network or do so itself.
17. In consideration of the exclusive IRU for Network, Partner shall pay Owner during the Term a fixed quarterly fee of \$_____ (“Fixed IRU Fee”) and/or a variable quarterly fee of _____ (“Variable IRU Fee”).

NETWORK OPERATIONS AND SERVICES

18. Partner shall promote, market, sell, and deliver broadband data services over Network to enterprise and ISP customers throughout the Network Service Area. Partner may also promote, market, sell, and deliver other connectivity services over Network.
19. Beginning at contract acceptance, Partner shall provide timely, accurate marketing reports to Owner and R7PDC monthly to enable the project team to understand the status of advertising efforts. Following the construction period, Partner shall provide quarterly reports to Owner certifying that Network is being marketed according to industry standards applicable at that time.
20. Partner shall provide services over Network to all willing and creditworthy customers on a non-discriminatory basis.
21. Throughout the course of the Term, Partner shall make financial investments to maintain and upgrade Partner Equipment and will provide services and service quality standards that are equal to or better than what Partner provides in other areas.

NEXT STEPS

22. The Parties agree to jointly explore the potential to expand Network further, based on mutually agreeable terms. Expansion of Network would be designed to enable new business opportunity by Partner and regional economic development by Owner.

23. The Parties contemplate that the Project Agreements, including the IRU, between Owner and Partner will be negotiated within 60 days following agreement on these terms.
24. Any assignment or delegation of any rights or obligations under the terms of the Project Agreement and IRU between the parties shall be subject to the approval of the Appalachian Regional Commission (ARC) and United States Economic Development Authority (USEDA).