

City of South Portland Community Broadband RFP

Vendor Question and Answer Addendum

Q1: Does the City have any location(s) for a headend?

A: There are currently no designated locations or buildings for a Central Office facility. The City will work with the winning vendor to identify potential City-owned locations that could be used for this purpose.

Q2: Can the City provide a listing and length of streets that are serviced by underground utilities?

A: The majority of public streets in the City have underground water, sanitary sewer and storm drainage. These utilities are mapped by the City and PWD at a fairly high resolution. Sewer and storm drain are depicted on our GIS system and the water lines are available as a data layer from PWD.

To a lesser extent, but still widespread, are underground natural gas lines. There are also buried oil pipelines and power lines to street lights and traffic signals.

The City frequently encounters buried telecommunications utilities, particularly along major roadways, but City-owned underground telecommunications infrastructure is limited.

Q3: It was stated at the Pre-Submittal Meeting that it is “reasonable and appropriate” for the City to contribute financially. The potential funding sources are listed in the RFP but can you explain in actual dollars what the funding amounts are from these sources?

A: With regard to public financial contributions, the City of South Portland has already appropriated the following funding from sources referenced in the RFP:

Community Development Block Grant (CDBG) Program

Appropriation for Broadband Network Project \$162,779.00¹.

¹Note: For disclosure purposes, the City of South Portland’s Community Development Program is managed under a contractual arrangement with Cumberland County.

Capital Improvement Program (CIP)

Appropriation for Broadband Network Project \$410,000.00

The sources of these funds include an allocation of American Rescue Plan Act (ARPA) funds.

Total funding currently appropriated = \$572,779.00

NOTE: The City will be seeking additional public funding for this project as opportunities present themselves, including follow-on appropriations through CDBG and/or ARPA, other City funds, and grants through state, federal, and other agencies. Future appropriations will largely be dependent on level of subsidy needed to make the project successful and realize all desired outcomes.

Any federal funding used in the course of this project will require compliance with various federal laws and regulations. Therefore, we are including additional disclosures and documents for reference on the RFP webpage, as supplements to this Q&A addendum. All respondents to the City's RFP must indicate in their Proposal that these documents and disclosures have been reviewed, and that respondent will ensure all required forms are completed by all vendors, contractors, and subcontractors in the course of any subsequent project bid process, including but not limited to procurement of materials, to the extent that any federal funds will be used.

Q4: Is there a preference regarding network ownership?

A: The City does not envision owning the network. The City does desire a First Right to Purchase, in the event that the party selected to work with the City on the Development of the network wishes to sell, at some point in the future. In this arrangement, absent municipal ownership, the City still requires a significant level of oversight to ensure the community desires set forth in the RFP are met in terms of ubiquitous, equitable, and open access. The City must have the ability and opportunity to verify that service levels are being met by the Network Operator and all participating ISPs.

Q5: For the benefits of competition fostered by Open Access to be achieved, there needs to be at least four providers. For South Portland, what is the operative definition of Open Access?

A: Open access is defined as: a network that allows multiple ISPs to provide service and compete over the infrastructure. In this arrangement, the Network Operator represents the network owner and provides wholesale access for multiple ISPs to provide retail services over the network. The

Network Operator remains neutral and independent with respect to network access, and may or may not offer services over the network as well. All ISPs on the network follow the same processes, fee schedule, and must adhere to any requirements of participation, such as achieving certain customer satisfaction levels.

Q6: Section 12 states in part:
“Backbone - The City desires the network to be constructed with additional capacity beyond the infrastructure required to provide broadband services to subscribers. There are several identified applications for this additional capacity as follows:

- Connectivity to existing or future municipal locations.
- New residential and commercial subdivisions.
- Future smart city and municipal IOT applications.
- The sale of dark fiber and wholesale services.”

Is there any information about locations where extra capacity is desired? Is there any information about how much extra capacity is desired?

A: **In general, the City would like to see an additional 20% to 25% fiber capacity throughout the entire backbone and distribution areas of the network. While there is no certainty where future development will or will not occur, the City anticipates that there may be significant development or redevelopment over the next decade in the following areas:**

- **South Portland’s eastern most waterfront, north of SMCC**
- **The westernmost parts of the City (including the areas at and around the former Sable Oaks Golf Course and Maine Mall).**
- **The area on the easterly side of Main Street between Wallace Avenue and the South Portland/Scarborough municipal line.**

Q7: For a network in which the respondent expects to bear all the cost and take all the risk for constructing the network, are the cost and revenue breakdowns required?

A: **Yes. Given the scale of potential public financial contribution to this project, and the priority that is being placed on Digital Equity, the City requires a high level of financial transparency throughout this process and in the ongoing operation of the network. Additionally, there may be identification of wholesale revenues that could help with funding. To be clear, the City is seeking financial transparency within this RFP process as it relates to the anticipated Revenues and Expenses of the community network, and not the financial operations of the respondent’s principal business entity. This disclosure is sought and necessary in order for the**

City to evaluate the business case for such a project, understand anticipated pricing plans and take rates, and scrutinize what level of public subsidy may be needed to make the project a success.