

**Vermont Community Broadband Board
Meeting
December 13 12:00 pm**

AGENDA

Board Meetings will be held remotely

Join by Video <https://bit.ly/3IOYQlr>

Join by Phone; +1 802-828-7667 Phone Conference ID: 117682441#

Members of the public may also attend in person at the following location. Masks required.

GIGA Conference Room
3rd Floor of 112 State Street, Montpelier VT

Note: There may be additional Executive Sessions if necessary.

- | | |
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| 12:00 | 1) Meeting call to order and Agenda Review |
| 12:05 | 2) Approval of the November 22 Draft Board Meeting Minutes |
| 12:10 | 3) 2021 and 2022 Budget proposals |
| 1:10 | 4) Proposed Construction Grant Program RFP |
| 2:30 | 5) Staff Updates |
| 2:45 | 6) VCUDA update |
| 3:00 | 7) Public Input |
| 3:15 | 8) Executive session - Confidential negotiations - <i>premature general public knowledge would clearly place the public body or a person involved at a substantial disadvantage (1 V.S.A. § 313 1)</i> |
| 3:50 | 9) Review Parking Lot Issues |
| 4:00 | 10) Motion to Adjourn |

Press inquiries; please contact Rob Fish, Robert.fish@vermont.gov 802-522-2617

Vermont Community Broadband Board Draft Meeting Minutes
112 State Street, 3rd Floor,
Giga Conference Room
Montpelier, VT
November 22, 2021

I. Call To Order – 12:04pm

II. Roll call completed by Patty Richards

Patty Richards, Chair (In-person)
Holly Groschner (In-person)
Brian Otley (In-person)
Laura Sibilila (Remote / (In-person)
Christine Hallquist - staff (In-person)
Robert Fish - staff (In-person)

III. Agenda change request

Patty Richards requested an agenda change to limit the agenda to two items; the proposed construction grant RFP and the Outside Plant Requirements.

The issue of DVFiber make-ready was discussed as to whether it should be on the agenda. The Board recommends that staff authorize DVFiber to allow for the granting of funds not including the make ready-construction funds that were part of the original approval.

Board allowed for DVFiber to speak on the issue of make-ready construction funding available in the pre-construction grants. DVFiber requested that the VCBB consider the proposal that it submitted to the Board. DVFiber indicated that it may not sign the agreement if make-ready construction is not included.

The Board responded that the VCBB will draft a grant agreement that does not include the make-ready construction funds and DVFiber can make the decision of whether to sign when the agreement is received.

Holly Groshner moved that the agenda be approved with only two topics: 1) the construction grant RFP and 2) the Outside Plant requirements. This was a special meeting only for those items. Brian Otley seconded. Motion passed.

If there is time available, other items can be taken up. The Board planned to go into an executive session to discuss “personnel matters”.

Brian Otley moved to approve the agenda as is, and Patty Richards seconded. Motion passed.

IV. Outside Plant Requirements

The proposed outside plant requirements were presented. Those requirements were as follows:

Vermont Community Broadband Board Outside Plant Design (OSP) Requirements (Proposed)

This document covers the Construction Grant requirements. All entities applying for grants must comply with the following

1. Grantee must provide before construction begins a clear constructable design with standards that cover the following:
 - a. Fiber sparing and reservation recommendations to assist with outside plant equipment and fiber sizing
 - b. Optical extents (Budgets)
 - c. Account for future and/or unplanned growth including public safety and mobile wireless. A minimum of 36 (3 tubes) of spare is required. The smallest size number of fibers on a route will be 48. This does not apply to post splitter fiber (end runs and driveways)
 - d. Power supply and back-up requirements for active locations
2. Grantee design must include every demand point and include:
 - a. Assigned specific and accounted for PON splitter and OLT port for every identified demand point so that provisioning and activation can be done with minimal truck rolls or future design requirements
 - b. Drop distance and route for every demand point should be known so that the impact to the material requirements and optical budget is understood
 - c. Identification of slack budgets and loop locations
3. Grantee's design deliverables must include detailed planned optical measured loss (dB) calculations. These planned losses will be compared to actual losses during construction to ensure they fall within the Optical Extents budget.
4. Grantee's detailed splice diagrams must be geospatially accurate and provide estimated measured loss at every connection point so that network performance can be assured and documented.
5. Grantee must propose integration locations for:
 - i. Geographic redundance
 - ii. Connections with adjacent CUD networks
 - iii. Connections with private networks, including leased fiber routes

6. Grantee must provide before construction begins all design mapping deliverables in a single GIS (ESRI Preferred) format including:
 - a. Online and downloadable field engineering data
 - b. Online and downloadable detailed construction maps
 - i. Bills of materials linked to location
 - c. As-builts reported monthly

A sub-group of the board was assigned to develop this document and was recommended to be approved by the Board. A question was asked if the Board has received feedback. Generally, the CUDs supported the proposal, however the one request was to use numbers instead of bullets.

The question was asked if we have standards set for the items in this document. Staff agreed to include the reference standards in the final document.

A discussion ensued regarding the back-up power requirements for end user connections. The requirement for power supply back-up requirements does not include consumer premises. The consensus was that this should be part of the Internet Service Provider responsibility.

The board requested that the staff include the requirements related to the CUDs being the Provider of Last Resort in the construction grant for Voice over IP.

The Board wanted to know what the slack budgets should be. It will vary according to the design. The Board stated that this will require an engineer to sign off on the designs.

The Board requested more specificity regarding the integration locations.

The Board requested that staff restructure the language in number 6; also as-builts will be reported quarterly. The entire section is not “before construction begins”. It should be called “grant reporting requirements.”

The issue of how to include the customer drops in the design and bill of materials. The question is whether to use a commercial standard or leave it up to each CUD to decide. A recommendation was to develop a minimum standard. The Board recommends that staff develop that minimum standard.

The Board requested that the staff put the revised standard out for comment from the CUDs.

V. Review of construction grant - Body of proposed grant



**Vermont Community
Broadband Board (VCBB) 112
State Street**

Montpelier, VT 05620-2601

**Contact: Robert Fish, Rural Broadband Technical Assistance
Specialist, 802-522-2617, robert.fish@vermont.gov.**

Broadband Construction Grant Program

ISSUE DATE: _____

RESPONSES WILL BE ACCEPTED ON A ROLLING BASIS

OVERVIEW

The Vermont Community Broadband Board (“Board”) invites applications from Eligible Applicants for funds to finance the broadband projects eligible providers that are part of a universal service plan. Service providers must achieve speeds of at least 100/100 Mbps symmetrical.

Background

OVERVIEW: Vermont was awarded \$1.05 billion in Coronavirus State and Local Fiscal Recovery Funds (Recovery Funding) as part of the federal American Rescue Plan Act of 2021. The Governor’s Recovery Plan is focused on transparent investments in key infrastructure needs, including housing, broadband, wastewater and sewer systems, climate change prevention and mitigation, and economic development. The explicit objective of this Plan is to provide long term economic recovery opportunities to communities statewide, with a focus on those regions or counties struggling the most with job losses and declines in demographics and income levels.

(REQUIRED LANGUAGE)

As provided by Sec. 2 § 8086 of Act No. 71, which became law on June 8, 2021, the purpose of the Broadband Construction Grant Program (“Program”) is to provide grants to Eligible Providers (“Providers”) for construction costs related to broadband projects providing service of at least

100/100 Mbps that are a part of a universal service plan and meet other criteria as specified in Act No. 71 as well as those criteria established by the Vermont Community Broadband Board.

Note: The Program is funded by the American Rescue Plan Act of 2021 (ARPA). All ARPA funded projects must either address the impacts of the COVID-19 pandemic or promote sustained economic recovery. Additional state and federal guidelines may impact the administration of this grant program. The Board reserves the right to make changes to this Program as necessary to ensure compliance with any state and federal guidelines, including revocation of grant awards.

Definitions

“Eligible Provider” means: (A) a communications union district; (B) a small communications carrier; or (C) an Internet service provider working in conjunction with a communications union district to expand broadband service to unserved and underserved locations as part of a plan to achieve universal broadband coverage in the district. Note: Under Act 71, Municipalities are not considered an eligible applicant, but are encouraged to actively work with a provider to apply for funding.

A Small communications carrier” means a carrier: (A) a carrier that has elected to be regulated under subsection 227d(a) or (B) an Internet service provider that operates in not more than five counties

Universal service plan” means a plan for providing each on-grid unserved and underserved location in a communications union district or in a municipality that was not part of a communications union district prior to June 1, 2021 access to broadband service capable of speeds of at least 100 Mbps download and 100 Mbps upload.

Underserved Locations” means a location that only has access to a reliable, wireline broadband connection capable of speeds of at least 4

*Mbps download and 1 Mbps upload but less than 25 Mbps download and 3 Mbps upload.*¹

Unserved Locations” means a location that only has access to a reliable, wireline broadband connection capable of speeds of less than 4 Mbps download and 1 Mbps upload.

Viable Business Plan” means a business plan for the proposed broadband project, which takes into consideration network engineering and design, labor needs and availability, supply-chain contingencies for equipment and materials, make-ready work, and any other relevant capital and operational expenses.

Incidental Overbuild” means overbuilding addresses areas currently serviced by a reliable wireline connection of at least 25/3 Mbps. Point to Point Fiber without last-mile drops crossing those areas does not count as overbuild. As a rule, any overbuild of served addresses that is less than 20% of the total number of addresses passed will be considered incidental

¹ The Interim Final Rule for State and Local Recovery Funds defines “unserved or underserved households or businesses” to mean one or more households or businesses that are not currently served by a wireline connection that reliably delivers at least 25 Mbps download speeds and 3 Mbps of upload speeds. The IFR provides that a recipient may use Coronavirus State and Local Fiscal Recovery Funds to make investments in broadband infrastructure that are designed to provide service to unserved or underserved households or businesses. The use of “reliably” in the IFR provides recipients with significant discretion to assess whether the households and businesses in the area to be served by a project have access to wireline broadband service that can actually and consistently meet the specified thresholds of at least 25Mbps/3Mbps—i.e., to consider the actual experience of current wireline broadband customers that subscribe to services at or above the 25 Mbps/3 Mbps threshold. Whether there is a provider serving the area that advertises or otherwise claims to offer speeds that meet the 25 Mbps download and 3 Mbps upload speed thresholds is not dispositive. . In evaluating such data, recipients may take into account a variety of factors, including whether users actually receive service at or above the speed thresholds at all hours of the day, whether factors other than speed such as latency or jitter, or deterioration of the existing connections make the user experience unreliable, and whether the existing service is being delivered by legacy technologies, such as copper telephone lines (typically using Digital Subscriber Line technology) or early versions of cable system technology (DOCSIS 2.0 or earlier). <https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf>
Item 6.11

since the project is designed to” provide service to unserved and underserved households.²

Vermont Community Broadband Board Outside Plant Design (OSP) Requirements” means standards developed by the Vermont Community Broadband Board as outline in Addendum 1. (see pg 19)

Funding

The amount of funding available will be established through the legislature. The maximum available per CUD and for non-CUD areas has been determined using an analysis of road segments. For this initial launch of the Construction Program, the following percentages will guide Board decisions on the allocation of funds. The Board reserves the right to adjust this as additional information becomes available. These percentages should be viewed as guidance only.

The Vermont Department of Public Service conducted an analysis showing 18,679 total road miles in Vermont. The Department then classified all road segments by whether they have access to service from fiber, cable, whether there are any E-911 addresses on those road segments. The resulting mileage (served or with no addresses) was subtracted from the total road mileage in each town or CUD.

The result is the following breakdown. Funding distribution will mirror the % of underserved roads.

	% of underserved roads
Addison	8.98%

² For broadband infrastructure investments, what does the requirement that infrastructure “be designed to” provide service to unserved or underserved households and businesses mean? [6/17] Designing infrastructure investments to provide service to unserved or underserved households or businesses means prioritizing deployment of infrastructure that will bring service to households or businesses that are not currently serviced by a wireline connection that reliably delivers at least 25 Mbps download speed and 3 Mbps of upload speed. To meet this requirement, states and localities should use funds to deploy broadband infrastructure projects whose objective is to provide service to unserved or underserved households or businesses. These unserved or underserved households or businesses do not need to be the only ones in the service area funded by the project. <https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf> Item 6.8.

CV	9.70%
DV	10.40%
EC	8.07%
Lamoille	5.87%
NEK	24.75%
NW	7.85%
Otter	4.87%
SoVT	4.60%
No CUD	14.91%

This formula is subject to change based on new data and is for informative purposes only. The formula may also be used to analyze proposed projects in individual towns in Non-CUD areas.

Applicants will be allowed up to 18 months of construction funds.

RFP Overview:

The Board seeks proposals from Eligible Providers to provision broadband Internet service to each Unserved and Underserved Location included in a Universal Service Plan. The Board has identified each Unserved and Underserved Location by street address and its E-911 site ID number. These locations are shown at ([link to new broadband planning map](#)).

Applicants will be responsible for constructing, leasing, or purchasing facilities necessary to provision service to every underserved residential and business location proposed to be served by Applicant. The Applicant will then be required to offer broadband service at speeds of at least 100/100 Mbps at each location identified in the grant award. Applicants are required to offer, either directly or through an affiliate, retail service to those locations

Applicants are committing to serving all underserved addresses as identified in the proposed Universal Service Plan for a Communications Union District or a non-CUD town that is eligible for funds under ACT 71.

Applicants who expect to take more than 18 months to complete the entire universal service project are required to break projects into smaller discrete sections that can be funded on an individual basis. A successful Applicant can return to the Board and seek additional funding after 12 months or upon completion of the initial phase of the project.

Applicants should request a total, not-to-exceed price for the portion of the Universal Service Plan that can be completed within 18 months. **The Board will award up to the CUDs share of the available funds.**

Eligibility

The Board will only consider applicants and projects that mean the following conditions:

- (A) Applicant is considered an “Eligible Provider.”
- (B) Applicant has produced and shared a Universal Service Plan. This plan must detail the Eligible Providers approach for providing service to all unserved and underserved location in a town or Communications Union District. The approach may be phased and must contain binding commitments to provide or cause to be provided service to every on-grid unserved and underserved location.
- (C) Project shall provide service of at least 100/100 Mbps to all underserved addresses within 18 months of approval of the application.
- (D) Applicant has a viable business plan for its proposed project, which takes into consideration network engineering and design, labor needs and availability, supply-chain contingencies for equipment and materials, make-ready work, and any other relevant capital and operational expenses.
- (E) The proposed project does not conflict with or undermine the Universal Service Plan of an existing Communications Union District. If a non-CUD eligible applicant is applying to provide service to a member town in a Communications Union District, a letter of collaboration from the Communications Union Districts must be included in the application package.³
- (F) The proposed project involves only the Incidental Overbuilding of addresses currently served by a reliable, physical connection of at least 25/3.
- (G) All projects must adopt an industry-accepted engineering standard that promotes network reliability, resiliency, and interoperability. All projects must also follow the design standards set by the Vermont Community Broadband Board Outside Plant Design (OSP) Requirements. The applicant must certify their wiliness to follow the guidelines.

³ Act 71 prohibits the Board from awarding a grant to an eligible provider who is not a communications union district unless the Board determines that the provider’s universal service plan does not conflict with or undermine the universal service plan of an existing communications union district.

- (H) All projects must provide broadband service that complies with the consumer protection and net neutrality standards established.
- (I) The Applicant must agree to provisions contained in Act 71. These include provisions that prohibit the sale or transfer of grant-funded network assets without the prior written approval of the Board and allow for the recouping grant funds and transferring ownership of grant-funded network assets to the State if a grantee materially fails to comply with the terms and conditions of a grant. This includes if the Applicant presents a phased plan for construction and fails to provide universal service to all addresses in the community.⁴
- (J) The Applicant must agree to following the applicable Treasury Guidance on the eligible uses and other guidance related to the American Rescue Plan State and Local Fiscal Recovery Funds. In cases of conflicting legal opinions, the opinion of the State Vermont Department of Finance and Management and the State's consultants shall take precedence. Failure to follow the guidance may result in a suspending the agreement or disallowing an expense.⁵

RFP PROCESS

Work to be Performed: The Board, through this RFP, intends to extend broadband service to locations identified in the Board's current list of eligible addresses. To that end, the Board seeks proposals to serve every identified underserved and underserved location in eligible areas. The Applicant will be required to take whatever steps are necessary, including constructing, laying conduit, leasing, or purchasing facilities, to serve these locations with broadband Internet access at speeds of at least 100/100Mbps. Applicants will be required to complete construction and offer service to those locations prior within Eighteen Month (18) of approval of the Application.

Applicants shall be subject to transparency and reporting requirements including, but not limited to, reporting, tracking, and documentation of incurred costs, and access to records in accordance with the State of Vermont Agency of Administration's Bulletin No. 5 ("Bulletin 5"), available at https://aoa.vermont.gov/sites/aoa/files/Bulletins/Bulletin_5_eff12-26-14.pdf.

Communication Regarding this RFP: Board staff will not communicate directly with Applicants about the substance of the work to be performed but will answer procedural questions about the RFP. All communications concerning this RFP should be sent by email to vcbb@vermont.gov.

⁴ Please see

<https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT071/ACT071%20As%20Enacted.pdf>

⁵ Please review the rules and FAQ at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

Applicants who have questions concerning the substance of the RFP should follow the RFP Timetable below. All submitted questions will be distributed, along with answers from the Board, to all who have submitted a notice of intent to the Board.

The Board reserves the right to revise any part of this RFP at any time prior to the deadline for submission. The Board will post any changes to its website.

Notice of Intent to Respond: Applicants must notify the Board of their intent to respond to this RFP by sending an email with a subject of “Intent to Respond: RFP – Act 71 Construction – Town/CUD” to vcbb@vermont.gov. The Notice to Respond must provide full contact info and information on the proposed service area (town or Communications Union District) to which the applicant will be proposing a Universal Service Plan. Upon receipt, the Applicant will be provided with a unique login to upload or create plans for review by the VCBB. The Notice of Intent to Respond must be received at least five (5) business days before the submission of an application.

Questions: Upon submission of Notice of Intent, the Applicant is permitted to post questions related to the RFP. The questions will be posted a website. It is the obligation of Applicants to check the Board’s website for updates and changes.

Proposal Submission: Proposals will be accepted on a rolling basis starting January 15, 2021. Decisions will be made at a future Vermont Community Broadband Board Meeting. Proposals should be sent via email to vcbb@vermont.gov in PDF format. Proposals should be accompanied by a spreadsheet of proposed addresses, along with the E-Site ID’s and design ShapeFiles presenting their project. Applicants must also provide detail designs demonstrating compliance with the Vermont Community Broadband Board Outside Plant Design (OSP) Requirements. All data and designs must be uploaded to _____ using the login provided upon submission of a Letter of Intent to apply. It is the responsibility of the Applicant to assure delivery of proposal(s) on or before the due date and time.

Oral Presentations/Questions/Site Visits: Applicants may be asked to answer written questions in advance of the Board Meeting, make oral presentations to the Board, or to make their facilities available for a site inspection by the Board. Any clarifications to a bid response resulting from these sessions will be in writing and will be incorporated in the bid response. Applicants are expected to attend the Board Meeting(s) where the application will be deliberated on by the Vermont Community Broadband Board.

Other Considerations: The Board reserves the right to conduct additional research into the Applicant before deciding on an application. This may include consultations with the Public Service Board, Public Utilities Commission, and leaders and residents of communities in which the applicant currently or proposes to provide service.

Timeline: The Board will begin reviewing submissions starting on the next Board Meeting after January 15 and at subsequent board meetings. To be review an Application must be submitted at least 10 business days before the Board Meeting.

Term of Agreement: Any agreement resulting from this RFP will be for a term of six (6) years to commence on the execution of an agreement between the Applicant and Board that shall be in accordance with Bulletin 5. Applicant shall not commence work on its proposed project until an agreement is in place. Construction of the project must be completed **within 18 months.**

ELEMENTS OF PROPOSAL

In response to this RFP, each bidder is required to submit a proposal organized into eight clearly identified sections. Applicant shall follow the order of the questions in their response:

- Part 1: Transmittal letter*
- Part 2: Applicant certification*
- Part 3: General Information*
- Part 4: Proposed Universal Service Area*
- Part 5: Project Description*
- Part 6: Act 71 Considerations*
- Part 7: Attachments*
- Part 8: Project Plans and Data*

Part 1: Transmittal Letter

1. Official name and full contact information for the Applicant and any collaborators
 - Communications Union Districts – The name, main office address, and a complete contact info. A Communications Union District must also detail the partner(s) who will act as the Internet Service Provider (ISP) for the network construction.
 - Other Eligible Applicant -- If an Applicant is owned or controlled by a parent company, the name, main office address, and parent company's tax identification number shall be provided in the proposal. If an Applicant company is

independently owned, the name, main office address, and tax identification number of the bidding company shall be provided in the proposal(s). If the Applicant is proposing to serve a town currently a member of a Communications Union District, the provider must explain the relationship with the Communications Union District.

2. DUNS # and SAM #

Part 2: Applicant Certification

Applicant Certification: Applicant shall certify in writing an understanding of the following conditions:

1. Each person signing a proposal certifies that he or she is the person in the Applicant's organization responsible for, or authorized to make, decisions as to the prices quoted and that he or she has not participated, and will not participate, in any action contrary to the non-collusion requirements of this RFP.
2. Each person signing the proposal certifies that the Applicant organization is an Eligible Provider as defined in Act 71.
3. Each person signing the proposal certifies that the Applicant organization has a Universal Service Plan for the entire town or Communication District in which the project will serve. Each person signing acknowledges that the Universal Service commitment is binding and that while plans may be revised, a failure to connect or cause to be connected all on grid unserved and underserved locations to service of at least 100/100 Mbps within three (3) years for an individual town or five (5) years for an entire Communications Union District for reasons other than a failure by the Board to provide funds as outlined in the Universal Service Plan cost estimate may result in a forfeiture of assets built using funds received as a result of this Application. Delays resulting from force majeure will be considered.
4. Each person signing the proposal certifies that the Applicant organization will comply with the Vermont Community Broadband Board Outside Plant Design (OSP) Requirements.
5. Each person signing the proposal certifies that the project when completed will offer broadband service that complies with consumer protection and net neutrality standards.
6. Each person signing the proposal certified that the sale or transfer of any project funded by the Vermont Community Broadband Fund is prohibited with the prior written approval from the Board.
7. Each person signing the proposal agrees to follow the applicable Treasury Guidance on the allowable uses and requirements for usage of American Rescue Plan State and Local Fiscal Recovery Funds. In cases of conflicting legal opinions, the opinion of the State Vermont Department of Finance and Management and the State's consultants shall take precedence. Failure to follow the guidance may result in a suspending the agreement or disallowing an expense.
8. Each person signing the proposal affirms that the final network will be reviewed by

the VCBB before the project is deemed complete and final payment is made.

9. Applicant shall affirm that each proposed bid price has been arrived at independently without collusion, consultation, or communication with any other bidder or with any competitor; the said bid price was not disclosed by the Applicant and was not knowingly discussed prior to submission, directly or indirectly, with any other Applicant or with any competitor; and no attempt was made by the Applicant to induce any other person, partnership, or corporation to submit or withhold a proposal for restricting competition

Part 3: General Information

General Information: The elements of Applicant's proposals should be presented in the same order as shown in these sections.

1. Responding Eligible Entity and Brief History of the Eligible Entity and Partners.

- Applicant shall provide a brief history. The history should include maps detailing where the company currently provides service or the towns that are included in the Communications Union District.
- Applicant shall indicate their experience or their partner(s)'s experience provisioning broadband Internet to residential and business customers. Applicant should be able to demonstrate a history of deploying broadband technologies in rural or other hard to serve areas.

2. Subcontractors

Planned use of subcontractors shall be clearly explained in the proposal(s), including terms of any subcontract. Applicants must include a copy of any proposed subcontract(s) with the proposal(s), if available. All subcontracts must comply with the certification requirements in Section III. The primary contractor(s) shall be responsible for all contract performance, whether or not subcontractors are used. The only contact with the Board will be with the Applicant.

3. Contract Management

Applicants shall state how the contract(s) or agreement(s) will be managed to assure compliance and the satisfaction of the Board. Responsible individuals or entities should be identified by name, title, and description of function.

4. Financial History

The Board requests permission to view the responding entity's financial information, as well as financial information for any subcontractor that is expected to receive more than ten (10) percent of the value of each award.

5. General Project Description

- Applicant will include a Statement of Need and include relevant data to demonstrate that need and cite the source of the data.
 - Population Served including number and demographic characteristics of those served.
 - Results including a description of the measurable proposed impacts of the project, with at least three (3) performance measures that will be tracked and reported wherever possible, include baselines and goals for each performance measure.
 - Evaluation describing the data collection, analysis, and quality assurance measures you will use to assure ongoing, effective tracking of contract requirements and outcomes.
 - Equity Impact describing how this project will help build a just, equitable and sustainable COVID-19 recovery and how disproportionate impacts of inequities are addressed.
 - Budget including all proposed project revenues by funder and expenditures.
 - Special Considerations describing any other information that might assist the State in its selection.

Part 4: Proposed Universal Service Area

1. Proposed Service Area

Applicant shall detail the town(s) in which they propose providing universal service. The Applicant should describe the demographics, including the overall density of the underserved areas and whether the area includes any Qualified Census Blocks. The Applicant should also provide a map showing current coverage in the proposed Universal Service Area and the total number of underserved addresses.

2. Universal Service Plan

Successful Applicants will provide a plan to provide directly or cause to provide 100/100 Mbps service to all on grid unserved or underserved locations within 5 years. Applicants providing direct service to all locations should present a phased approach for serving all locations in the town(s) or Communications Union District. Applicants not serving all locations directly must provide commitment letters from partners who will provide service to all remaining locations. For example, an incumbent telephone company that provides service to 90% of the town, must provide a letter of commitment or jointly apply with another entity demonstrating that all remaining on grid unserved and underserved locations will be served and how. Preference will be given to Applicants submitting joint

applications covering an entire community within the allowable timeframe. Applicants should attach any document support their commitment to universal service.

3. *Estimated Cost for Universal Service Area*

Applicants must be able to provide a total estimate for the serving the entire proposed Universal Service area. The Applicant should describe how the estimate was arrived upon and factors that will influence the final cost to serve the entire Universal Service Area. Included in the cost estimate will be the number of underserved and unserved locations that service will be offered to. This will result in an average cost per location.

4. *Other Funding Sources for the Project*

Applicant should detail any additional financial support to be provided to this Universal Service Project. This includes any federal grants or contracts; contributions from communities to be served; or private capital to be investment by the Applicant.

5. *Community Engagement*

Applicant shall detail all efforts to engage the local community in the proposed project.

Part 5: Project Description

The Project description must contain the following information:

1. *Eligible Locations to Be Served:* Each proposal should identify all locations, underserved or otherwise, that the Applicant intends to serve in this phase of construction and the expected “in service date.”
2. *Not to Exceed Price:* A total, “not-to-exceed,” turn-key price for the proposed project. The Board, at its discretion, review proposals under a cost per location basis. This figure shall include the price of drops based on assumed take-rates. These take-rate assumptions shall be included in the grant application.
3. *Timeline:* While the proposed funding should be a for specific phase of the universal service project (unless the project can be completed in a single phase in the next 18 months), the proposal should detail the timeline for this phase and for the additional phase of the proposed universal service project.
4. *Retail Pricing:* Each proposal should list all proposed retail prices for service and include all tiers of service. Prices shall include additional fees (such as equipment rentals) that

could be assessed against consumer accounts. Applicant must also include details about affordability plans.

5. *Additional Services:* Each proposal should describe what, if any, additional services will be offered using the facilities deployed through the proposed project (e.g. voice, video, etc.);
6. *Detailed Project Budget - Applicant shall provide a detailed budget outlining line item estimates for each activity.*
7. *Other Information:* Any information the Applicant deems relevant to demonstrate the technical, financial, and economic feasibility of the project and project team.

Part 6: Act 71 Considerations

Act 71 requires the Board to evaluate how proposed projects addresses a variety of issues when reviewing Construction Grant proposals. Please explain how your proposal addresses the following concerns.

1. Collaboration and Coordination

The VCBB seeks projects that leverage existing public and private resources and assets. Please highlight any collaboration or coordination between the applicant and the following entities:

- a) Other CUDs
- b) Utilities serving the district. For example, have you contacted the utility regarding the make- ready tariff reduction? Are you coordinating with the utility's construction schedule to reduce costs? How many addresses in your district are eligible for the reduced tariff?
- c) Incumbent telephone, cable providers, or another internet service provider
- d) Other entities. This would include Libraries, Public Safety, Agency of Transportation, Housing Organizations, Local Development Districts, Regional Planning Commissions, School Districts, and other community anchor institutions.

2. Resiliency and Redundancy

Applicant shall describe steps being taken to ensure a resilient and redundant network that is interoperable with other networks and capable of support future growth.

3. Overbuilding

Applicants must provide the percentage of addresses to be served by this project that already have access to a reliable wire-line connection that reliably achieves speeds of at least 25/3 Mbps. Applicants should explain why the overbuild is necessary and incidental to the overall objective of the project.

The Broadband Construction program created by Act 71 § 8086 f(2) allows the Vermont Community Broadband Board to:

provide a grant to an eligible provider that enables the provision of broadband service in a geographic area currently served, provided that: (1) the proposed project is a cost-effective method for providing broadband service to nearby unserved and underserved locations that is capable of speeds of at least 100 Mbps download and 100 Mbps upload; (2) any overbuild is incidental to the overall objectives of the universal service plan required for funding under this Program.”

4. *Sustainability*

Applicant shall describe in detail how they plan to fulfil their Universal Service Proposal within the required timeframe. Applicant shall describe all other sources of funding and the status.

5. *Affordability*

Applicant shall also certify they are participating in the Federal Emergency Broadband Benefit or subsequent program. If they are not participating, the Applicant should explain the reasons and other steps they are taken to ensure their network is affordable to all Vermonters.

Part 7: Attachments

1. Viable Business Plan

Applicants are required to provide viable business plan for the proposed broadband project, which takes into consideration network engineering and design, labor needs and availability, supply-chain contingencies for equipment and materials, make-ready work, and any other relevant capital and operational expenses.

2. Letters of Support

Applicants are encouraged to include letters of support from communities to be served. While not required, this demonstrates community buy-in and public engagement.

3. Response to Service Quality Complaints

The Board will review complaints and service quality investigations involving the Applicant. The Applicant is advised to respond to preemptively.

4. Requests for Confidentiality

Applicant should include a memo detailing materials that it requests to be held confidential by the Vermont Community Broadband Board (VCBB) and include an explanation as to why such material should be exempted from disclosure under the Vermont Public Records Act (1 V.S.A. §§ 315 et seq.). Applicant must mark all pages or sections that are covered by the exemption. For example, use bold red headers and footers on pages that should be excluded from public inspection and records requests.

Part 8: Submission of Detailed Project Plans

1. Maps and Spreadsheets

Applicants are required to provide a map and accompanying spreadsheet showing the project address, E-Site ID, current level of service, and expected date that service will be available.

2. Detailed Project Plans

All projects will be reviewed by the Board's Fiber Optics Engineer. The Applicant is required to uploading all project plans to _____. The plans must provide all information to verify the applicant is in compliance with the Vermont Community Broadband Outside Plan Design Requirements. The Applicant will be provided with a unique login upon receipt of a Notice to Respond.

PERFORMANCE

The Applicant will be obligated to take whatever steps are necessary, including constructing, leasing, or purchasing facilities, to extend service to every location identified in the grant agreement.

Within Eighteen (18) months from entering into an agreement with the Board, the Applicant must perform the following:

1. Offer broadband Internet access service with speeds of least 100/100 Mbps. The Applicant may also offer broadband service at lower tiers of service, but consumers must be able to purchase broadband service at speeds of at least 100/100 Mbps. Speed guarantees are subject to verification by the Board once service is offered.
2. If applicable, offer service to the identified locations at the same rates and terms and conditions offered to Applicant's existing customers.
3. Offer retail broadband service to every eligible location identified in the award for a period of at least five (5) years from the date service is offered to eligible locations.
4. File progress reports. Reporting will include quarterly progress during the construction/installation phase of the project and annually thereafter in accordance with Bulletin 5. Quarterly reports and the final project report will include expenditures and specific activities.
5. Once addresses begin to be connected provide monthly updates via the online portal detailing service availability at each address in the project.
6. **Network Performance and Monitoring**
Applicants will be required to include a network performance monitoring and reporting plan as part of the application. This plan will identify how performance will be monitored, reported and respond to involving the management of the links between

network head-ends, devices and users. The purpose is to identify congestion, maximize throughput, and improve network performance. The plan will include the use of automated network monitoring tools and network monitoring software along with analytical reporting tools that gather network data, identify and measure network performance variables, perform a network performance assessment, and diagnose and report network performance issues.

PROPOSAL REVIEW AND SELECTION

METHOD OF AWARD: Awards will be made in the best interest of the State. All other considerations being equal, priority will be given first to those projects in regions or counties struggling the most with job losses, declines in demographics and income levels. Priority will also be given to those projects developed in coordination with other planned infrastructure development for the greatest transformative impact. Qualitative determinations will be made regarding community need and community impacts. Scoring will not be numerical. Upon the determination that the Applicant is eligible for consideration, the Board shall give priority to broadband projects that:

- (A) Leverage existing other resources and assets, including
 - Partnerships between a communications union district and a distribution utility.
 - Community contribution of Local Fiscal Recovery or Other Funds
 - Concurrent state, federal, or local construction projects
 - Private funding contributed by the operator
- (B) Demonstrate project readiness and Community Support.
 - Phased approach to achieving universal service in an **entire town** and/or a Communications Union District.
 - Demonstrated community support
 - Timeline for the provision of service
 - Opportunities for Coordinated Projects
- (C) Support low-income or disadvantaged communities.
 - Does the project include Qualified Census Blocks? (https://www.huduser.gov/portal/sadda/sadda_qct.html)
 - Equity Impact: Has the Applicant provided detailed demographic information that demonstrates the areas to be served support low-income or otherwise disadvantaged communities?
- (D) Promote geographic diversity of fund allocations.

- The Board shall seek to fund projects throughout the State. The Board may implement a formula to ensure this grant program benefits all areas in the state.

(E) provide consumers with affordable service options;

- Service rates in comparison with neighboring areas
- Participation in the Federal Broadband Subsidy Program (or subsequent programs)
- Low-income programs
- How affordability is being integrated into network design

(F) include public broadband assets that can be shared by multiple service providers and that can support a variety of public purposes.

- Does the project create a public broadband asset that is economically sustainable and will ultimately be eligible for financing in the private or municipal bond market?
- Does the Applicant's Service Provider Agreement provide for allowing competition on the network after a period of years?
- Does the Applicant Service Provider Agreement enable the ending of contractual relationships with a provider if the service quality is deemed inadequate?
- Does the Applicant's proposal allow for additional public uses of the infrastructure beyond residential and commercial broadband?
- Does the design include extra capacity for future growth and public uses?

(G) Quality of Service

- The VCBB will Review previous complaints made to the Public Service Board or Public Utilities Commission regarding service quality. It is advised that the applicant perform this review prior to submission of the application with an explanation of any and all complaints.
- Eligible providers should include references or letters of support from the communities they serve or plan to serve.
- The Board may seek comment on applications from communities in the proposed service area.
- Cost per address with consideration given to higher costs related lower density

Selection without Future Discussion: The Board reserves the right to select without further discussion of proposals received. Therefore, it is important that each proposal be submitted in the most complete and accurate manner possible.

Rejection of Proposal: The Board reserves the right to reject any or all proposals and to waive informalities and minor irregularities in proposals received, and to accept any portion of a proposal if deemed in the best interest of the State and in accordance with the applicable provisions of law.

Negotiations with Applicants: Upon completion of the evaluation process, the Board may select one or more Applicants with which to simultaneously negotiate grant agreements for the provision of service in a proposed Universal Service area, based on the evaluation, findings and other criteria deemed relevant for ensuring that the decision made is in the best interest of the State of Vermont. In the event the Board is successful in negotiating with one or more Applicants, the Board will issue a notice of award. In the event the Board is not successful in negotiating a grant agreement with a selected Applicant, the Board reserves the option of negotiating with another Applicant or choosing not to issue an award.

⁵<https://legislature.vermont.gov/Documents/2020/Docs/BILLS/H-0966/H-0966%20As%20Passed%20by%20Both%20House%20and%20Senate%20Official.pdf>

⁶ See 30 V.S.A. § 7515b. The Vermont Telecommunications Plan is available at [://publicservice.vermont.gov/publications-resources/publications/telecom_plan](https://publicservice.vermont.gov/publications-resources/publications/telecom_plan).

Grant Award: The basis for the selection of the winning Applicant (s) will be made based on the sole opinion of the Board that the proposal(s) submitted will promote the general good of the State and are in accordance with Vermont law.

TERMS AND CONDITIONS

Binding Offer: A proposal submitted in response to this RFP shall constitute a binding offer, until approval by the Board of a finalized agreement to be drafted in accordance with Bulletin 5. Acknowledgment of this condition shall be indicated by the signature in the Transmittal Letter of the Applicant or an officer of the Applicant legally authorized to execute contractual obligations.

Limited Liability: The Board assumes no liability with respect to this RFP or any matters related thereto. All prospective Applicants and their assigns and successors, by their participation in the RFP process, shall indemnify, save and hold the Board and its employees and agents free and harmless from all lawsuits, causes of action, debts, rights, judgments, claims, demands, accounts, damages, costs, losses and expenses of whatsoever kind in law or equity, known and unknown, foreseen and unforeseen, arising from or out of this RFP and/or any subsequent acts related thereto, including but not limited to the notification of a Applicant to the Board and any action brought by an unsuccessful prospective Applicant .

Agreement Cancellation: The Board reserves the right to cancel any agreements resulting from this RFP, for cause, as will be defined in the Terms and Conditions of the final agreement.

Agreement Modification: Any Federal Communications Commission (FCC) decisions; administrative, judicial or legislative decisions; or changes in technology or market conditions that necessitate modification of the agreement between the Board and Applicant shall be provided for in the agreement.

Governing Law: The laws of the State of Vermont shall govern in connection with this RFP and the formation, performance, and the legal enforcement of any resulting contract or agreement.

Proposal Ownership: All deliverables submitted as a response to this RFP shall become the property of the Board and the State of Vermont. All submitted responses may be reviewed by any person after the grant agreement has been signed. The Board reserves the right and sole discretion to use any or all information/material presented in reply to this RFP, including the right to destroy any information. Disqualification of a Applicant does not eliminate this right.

Warranty: As a condition of delivery of the grant funds, Applicant warrants to the Board that:

- (i) the facts and estimates provided in its response to Broadband Infrastructure Program request for proposal are, to the best of Applicant 's knowledge, correct and true;

- (ii) grant funds are economically necessary to fulfill Applicant 's proposal, build, or produce the grant project, and operate the required services to the locations listed in Applicant 's proposal, and;
- (iii) Applicant does not already provide service of at least 100/100 Mbps to the locations listed in the Applicant 's proposal.



Secondary Public Funding Resources: Applicant shall attest that it has not received support from additional federal or state program for any of the locations awarded to Applicant under any other round of grant funding. Furthermore, Applicant shall attest that it will not seek additional federal or state support for any of the locations awarded to Applicant under any round of support for the duration of the grant award. Applicants may only apply secondary public funding sources to awarded locations upon prior written approval from the Board. The Board reserves the right to withdraw or reclaim funding for any location found to be counted toward Applicant's federal Universal Service obligations.

News Releases: News releases pertaining to this RFP, grant award, or the project shall not be made without prior documented approval from the Board.

Equal Opportunity: Any Applicant submitting a proposal shall be an Equal Opportunity Employer. During the duration of the performance of the grant agreement, the selected Applicant (s) will be expected to comply with all federal, state, and local laws respecting nondiscrimination in employment.

Funding: All Grant awards are subject to the availability of funding.

Payment: The Board will pay for actual work performed and expenses incurred under a project up to the specified grant amount. Payment will be made on a performance schedule detailed to be detailed in the grant agreement

ADDENDUM:

**Vermont Community Broadband Board Outside Plant Design (OSP)
Requirements a**

This document covers the Construction Grant requirements. All entities applying for grants must comply with the following

- Grantee must provide before construction begins a clear constructable design with standards that cover the following:
 - Fiber sparing and reservation recommendations to assist with outside plant equipment and fiber sizing
 - Optical extents (Budgets)
 - Account for future and/or unplanned growth including public safety and mobile wireless. A minimum of 36 (3 tubes) of spare is required. The smallest size number of fibers on a route will be 48. This does not apply to post splitter fiber (end runs and driveways)
 - Power supply and back-up requirements for active locations

- Grantee design must include every demand point and include:
 - Assigned specific and accounted for PON splitter and OLT port for every identified demand point so that provisioning and activation can be done with minimal truck rolls or future design requirements.
 - Drop distance and route for every demand point should be known so that the impact to the material requirements and optical budget is understood.
 - Identification of slack budgets and loop locations.

- Grantee's design deliverables must include detailed planned optical measured loss (dB) calculations. These planned losses will be compared to actual losses during construction to ensure they fall within the Optical Extents budget.

- Grantee's detailed splice diagrams must be geospatially accurate and provide estimated measured loss at every connection point so that network performance can be assured and documented.

- Grantee must propose integration locations for:
 - Geographic redundancy
 - Connections with adjacent CUD networks
 - Connections with private networks, including leased fiber routes

- Grantee must provide before construction begins all design mapping deliverables in a single GIS (ESRI Preferred) format including:
 - Online and downloadable field engineering data
 - Online and downloadable detailed construction maps
 - Bills of materials linked to location
 - As-builts reported monthly

VI. Review of construction grant– Discussion

Page one is okay.

On page two, the Board discussed the requirement for Business Plans. It was agreed that the Business Plans need to be updated in anticipation of construction grants. The estimated cost of make ready work will need to be included. The business plans, either the CUDs, CUD partners, or towns working with telecommunication partners, will be evaluated for sustainability.

Incidental overbuild was then discussed. The Federal Infrastructure bill states that up to 20% addresses will be able to be picked up when a network is constructed to serve underserved locations. ECFiber was allowed to weigh in on this issue. ECFiber believes that incidental overbuild should be evaluated based on miles, not addresses. The Board consensus is that incidental overbuild will be evaluated by each phase, or grant application based on locations served.

The Board looked at the proposed allocation table that was included in the proposed RFP. Staff then presented a chart showing the differences between CUD share by underserved addresses (below 25/3 and wireline connections), total highway miles, and highway miles with served areas removed to show the differences in percentages, as follows:

CUD	Underserved	Road Miles	Cable areas removed
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Addison	13.5%	9.0%	9.0%
CVFiber	9.7%	12.0%	10.5%
DVFiber	10.4%	13.0%	13.5%
ECFiber	8.1%	6.0%	10.0%
Lamoille	5.9%	6.0%	8.5%
NEK	22.2%	26.0%	24.8%
Northwest	11.5%	11.0%	7.8%
Otter Creek	5.8%	9.0%	4.9%
Southern Vermont	4.2%	7.0%	4.6%

The Board agreed that the table included in the proposed construction RFP was good.

The time period for each phase of grant was discussed. The recommended time period is 18 months. The Board is concerned that a CUD could come in and request a large enough percentage of the total grant money available that it would not leave enough for other CUDs. It was agreed that the 18 month period for the grant application should be good.

A Board member expressed concern that the term Universal Service Plan has not been defined. It was agreed that this will be evaluated on a case-by-case basis.

The question of how the CUDs determine that collaboration with non-CUD towns ensued. It was agreed that this would be evaluated on a case-by-case basis.

Staff recommended that the question on how to deal with the problem of the language of ACT 71 that requires the state to take over a network in the unlikely event of CUD failure. It was agreed that the Legislative Working Group of the Board will take this issue and recommend a solution.

The Board agreed that Section I on page 5 should be deleted.

The Board agreed to take a break at 2:31pm. Board resumed meeting at 2:38pm.

The Board then expressed their right to evaluate contractors where necessary. Accountability of sub-contractors was then discussed. The board then worked on the language of Contract Management (section 3 on page 10). The Board recommended that the staff come up with new language for this section based on the Outside Plant Requirements.

3:09 pm the board lost the quorum. A recommendation was made to conclude the meeting as a member will not return until 3:30pm. It was recommended that the board table the discussion until the next meeting. The Board is stopping at section 5 bullet 2.

Public comments were then allowed;

Michael Loucy from Burlington Telecomm discussed concerns about supply chain issues and suggested that the Board consider these issues as part of the grants.

David Jones from DVFiber raised concerns about the requirement that the Board has placed to respond to the construction RFPs due to the level of detail preferred.

Magna Dodge from DVFiber expressed concern about applying for grants without knowing the true material costs. She requested the Board come up with a time-line for applications and consider allowing CUDs to stage their applications.

A Board member returned, and the board resumed with a quorum at 3:17pm.

Christa Shute from NEK Broadband expressed agreement on the concerns raised above. NEKs concern is that they could lose the 2022 construction season. They would like an application that allows the purchase of materials and make ready construction that is broken out from the larger application.

Will Anderson from VCUDA spoke and stated that the organization will come up with a response to the RFP design in the next few weeks. VCUDA wants the ability to apply for make-ready early. VCUDA encouraged the Board to reconsider DVFiber's proposal.

David Jones from DVFiber then spoke and reiterated its concern that make-ready construction funds need to be allowed in the pre-construction grant. DVFiber suggested that the make-ready be enabled in phases. As soon as the CUDs have a coherent set of poles established, they want to be able to get the work started.

Christa Shute from NEK Broadband spoke and indicated that they already have applied for poles. NEK Broadband if the CUD is demonstrating the order of events, the areas that the applications are going in for, they would like to be able to access make-ready construction to get through at least a quarters worth of work. The CUDs would like to apply for make ready, however the entire RFP would be too cumbersome to get through in a short period of time.

VCUDA then requested the Board rescind the requirement for make-ready construction to be part of the construction grant.

The Board re-stated that the intent is for make-ready construction to be part of the construction RFP. The Board suggested that the CUDs can consider some make-ready costs in the pre-construction grants as long as it is within the overall pre-construction allocations by CUD. The Board requires that the CUDs stay within the overall \$30 million budget.

The Board recommends that staff come back with a proposal at the next meeting.

Motion to Adjourn. Holly motioned, Patty seconded. Motion passed. Meeting adjourned at 4:02

Parking Lot

	Priority	Item	Date entered	Assigned to	Resolution and date
1	1	Budget	10/18/21	CH	In process. 12month cycle + justifications.
2	1	Overbuild – what is the standard (20% of total served?)	11/1/21	CH	See Construction RFP Definition
3	2	Business Plans – what is the scope? Will they be updated before construction grants?	11/1/21	CH	
4	3	Bond market objectives for sustainability – what are the benchmarks, are they in the grant?	11/1/21	CH	
5	3	VCBB Dashboard – to be shared monthly to show progress. What are the milestones?	11/1/21	CH	AOT presentation received. VCBB is not adopting the model?
6	3	Fiber purchase – VCBB involvement? authorization? Status?	11/1/21	CH	Facilitation only. Led by VCF/VCUDA/VSECU
7	1	Make Ready Construction – policy: part of §8085 grants or not?	11/1/21	board	Decide at 11/29/21 meeting?
8	2	Policy on “Material Default” see §8086(c)(2)	11/1/21	board	What is “material?” See ECF letter of 11/15/21 re “Grant Clawback” Will we seek Legislative change. See #3. Put in Construction RFP. (Is the provision for state ownership a poison pill?)
9	2	Revisiting timeline for VCBB – construction RFP & reporting timelines	11/22/21	RF	
10	2	Sequence assumptions for preconstruction and	11/22/21	CH	Write it down.

Vermont Community Broadband Board Proposed 2021 Budget

Budget period 07/01/21 through 06/30/22

December 13, 2021
Christine Hallquist
Executive Director
Phone – 802-636-7853
Email – christine.hallquist@vermont.gov

1. Budget Narrative

This document outlines and confirms the state of Vermont's budget for achieving the policies, goals, and investment priorities for broadband infrastructure for the 2021 to 2022 calendar year. It enables the Vermont Community Broadband Board (VCBB) to monitor the progress of the state meeting its goals for broadband access, provides funding for the principal programs to enable broadband adoption, and provides support for Communication Union Districts (CUDs) and towns around the state. Finally, it assembles data resources for CUDs, towns, elected officials and residents engaged in broadband planning and provides resources for the coordination and support role of the VCBB.

The funds come mainly from the \$150 million appropriation that was provided through ACT 71. Also included are other funds that have been committed to the VCBB, including previous state appropriations, the Universal Service Fee, and two grants from the Northern Borders Regional Commission. This budget meets the expected needs of the VCBB to the middle of 2022 and provides enough construction funds to enable the CUDs to continue building into 2023. This viability will enable the CUDs to obtain additional funds to meet their goals. Additional revenues will help drive down the cost of the network, resulting in lower cost to consumers, which helps meet the state's affordability goals.

The budget addresses key support activities that are needed to ensure the state of Vermont meets its goal of providing every Vermont with access to 100/100 Mbps Broadband.

Key areas of focus for this budget include:

- Providing technical support to the CUDs to ensure resilient designs and quality construction
- Progress reporting to the Board, Administration, and Vermonters
- Workforce development and training to ensure adequate labor supply as well as growth opportunities for Vermonters
- Funds to enable pre-purchasing of long lead-time materials to avoid interruption of construction due to material shortage
- Assist the CUDs in developing strategies to help reduce the cost of the network
- Facilitate partnerships between communications union districts and their potential private partners
- Identify State, federal, nonprofit, and any other broadband funding opportunities and assist the CUDs in accessing those funds.

2. Capital Budget

Capital Revenues and Sources		
Revenue Source		Amount
ACT 71		150,000,000
Northern Borders Regional Commission State Capacity Grant		1,250,000
Connectivity Grant Funds from the Universal Service Fund		552,674
Act 154 One Time Appropriation for Broadband Infrastructure (VEDA Match Grants of \$400,000)		1,500,000
Capital Funds Total		\$ 153,302,673.60
Capital Expenses		
Budget Expenditure Categories	OMB Uniform Guidance Federal Awards Reference 2 CFR 200	TOTAL EXPENDITURES
VCBB budget		\$ 1,500,000.00
Pre-construction grant program		\$ 30,000,000.00
Construction coordination fund		\$ 5,000,000.00
Connectivity Grants (from Universal Service Fund)		\$ 552,673.60
Construction grant program		\$ 116,250,000.00
18. Total Capital Expenses		\$ 153,302,673.60
	Variance	\$0.00

Northern Borders Regional Commission State Capacity Grant – is a one-time allocation for an infrastructure project. The VCBB will develop an RFP for this in early January.

Connectivity Grant - *"*Connectivity grants will be used to fund isolated addresses, or groups of addresses, that may be outside a CUD and are not covered by a Universal Service Plan. budget. This is to enable extensions from existing service providers to serve pockets of underserved areas that would be cost prohibitive to feed from a CUD."*

*ACT 154 Grant*¹ is \$1,500,000 to be awarded as grants to communications union districts. These grants shall be used to provide cash equity to secure loans to finance broadband projects, including the 10 percent of project costs required to secure financing through the Broadband Expansion Loan Program administered by the Vermont Economic Development Authority. A communications union district may not receive more than \$400,000 in awards under this appropriation. This fund will be used to leverage additional funds through public/private partnerships.

Construction Coordination Fund - State agencies participate in construction projects that include accommodation and relocation of utilities along public rights-of-way. If planners do not fully consider the potential impact of utilities on construction and of construction projects on existing utilities during a project's planning stages, the result will be missed

¹ ACT 154 Sec. B.1100 (6)

opportunities to save on make-ready construction costs. This coordination is best done at the VCBB level as the timing of these projects will likely not line up with CUD construction schedules. This will include coordination with electric utilities to lay conduit whenever those utilities have underground projects. Project schedules will change with schedule being modified annually. It is not possible to know what the allocation should be at this point. There is likely to be carryover of this fund to subsequent budget years.

Construction Grant Program - "At \$40K/mile this will support 2906 miles of construction. We are assuming \$45k/mile with \$5k/mile for design funded through pre-construction grants."

3. Operation's Budget

Additional Operation's budget details are found on subsequent pages.

Operation's Revenues and Sources		
Revenue Source		Amount
ACT 71		\$1,500,000
Northern Borders Regional Commission Rural Forest Economy Partnership (RFEP)		\$300,000
Universal Service Fund		\$147,326
H315 Grant (remaining)		\$80,000
Operational Funds Total		\$2,027,326
Operation's Expenses		
Budget Expenditure Categories	OMB Uniform Guidance Federal Awards Reference 2 CFR 200	TOTAL EXPENDITURES
1. Personnel (Salaries & Wages)	200.430	\$454,810
2. Equipment and Software	200.439	\$30,800
3. Supplies	200.94	\$1,000
4. Contractual Services	200.318 & 200.92	\$293,574
5. Training & Education	200.472	\$661,416
6. Board Operational Costs	200.414	\$58,400
Total ACT71 expenses		\$1,500,000
Grant writer to access H315 funds		\$80,000.00
Deputy Director (paid for by USF)		\$147,326
NBRC Expenses		
Budget Expenditure Categories	OMB Uniform Guidance Federal Awards Reference 2 CFR 200	TOTAL EXPENDITURES
1. Personnel (Salaries & Wages)	200.430	\$ 54,288.00
2. Equipment and Software	200.439	\$ 150,000.00
3. Contracted Services	200.318 & 200.92	\$ 95,712.00
Total NBRC Expenses		\$ 300,000.00
Total Expenses		\$2,027,326.40
V	Variance	\$0.00

4. Personnel (Salaries and Wages)

Note - Classified positions (hourly) are determined by the total number of hours (hourly pay increments) during the budget period. Unclassified positions (salaried) are determined by total number of months (monthly pay increments).

Additional planned Salary/Wage details

- Grant administrators pay is \$26/hr. plus 80% Overhead for state
- Executive Director pay is \$120K/year plus 80% Overhead for state
- General Counsel pay is \$91K/year plus 80% Overhead for state
- Executive Assistant pay is \$23/hr. plus 80% Overhead for state
- Project Manager pay is \$28/hr. plus 80% Overhead for state
- Deputy Director pay is planned to be \$32.21/hr. for the first half of the year, and 46.50/hr. for the second half plus 80% Overhead for state
- Executive Director duties identified by ACT 71
- Deputy Director is Rob Fish. His job and been reclassified and will be funded by the Universal Service Fund. This will require some clean-up language in ACT 71.
- General Counsel duties to handle day to day inquiries from VCBB staff, review contracts, review Board minutes, handle information requests and ensure compliance with Open Meeting Law and Public Records requirements.
- The Executive Assistant will provide administrative support to the Executive Director and VCBB Board Members; attend VCBB meetings to provide technological support, note taking and other administrative functions including preparation for meetings; perform administrative, supervisory, and technical work at a professional level for the VCBB.
- The Project Manager duties include responsibility for planning, organizing, and directing the completion of projects for the VCBB (examples include Workforce Development initiatives, pre-purchasing of materials, progress and key metric reporting to the Board, Administration and public). The Project Manager will work with the CUDs to support, monitor, and assist with timely performance to individual project plans. The project manager will be responsible for coordinating with AOT, the electric utilities and municipalities.
- The Broadband Project Developer duties include; programmatic, administration, and technical work involving the overall direction, policy and operations of the VCBB,. Work involves developing policies and implementing strategies to ensure responsible and effective deployment and furthering leveraging of federal funds derived from the Board to ensure a fiscally responsible building out of fiber optic network. In addition to

monitoring all grants issued, the Broadband Project Developer will work with the CUDs to layer various public and private financial instruments (federal, state, private grants loans, and bonds), to accelerate fiber-to-the-home buildouts. The role of the position shifts from leverage primarily private funds to also include preparing the Communications Union Districts for the municipal bond market, competing for other federal grants, and reviewing the finances of proposed projects, and identifying financial tools for creatively solving timing issues with funding labor and material costs. For instance, we led the effort for the prepurchase of 2,000 miles fiber for all CUDs using innovative financing secured via a foundation and a credit union. This likely saved next year's construction season (because of supply chain and new market entry issues) and saved close to \$1M that can be used for construction. Since construction grants were not yet available, a Letter of Credit was on the option for the CUDs to ensure materials were available in Spring of 2022. Similar efforts are being explored for workforce training (and securing workforce for the first construction season – Pay-It-Forward/Impact Investing) and providing a backstop to facilitate the leveraging of over \$40 million in other funds to build a network spanning an entire utilities service area. Since this person will be central to much of the VCBB's operation, we no longer feel that a contract position is appropriate. This raises the cost, but also increases the capacity of the entire Vermont Community Broadband Board.

5. Equipment and Software

Item	Quantity	Cost	Equipment Cost
<i>Portable video conferencing system</i>	1	\$ 2,000.00	\$ 2,000.00
<i>Computers and related hardware</i>	5	\$ 3,000.00	\$ 15,000.00
<i>GIS and related measurement tools</i>	1	\$ 5,000.00	\$ 5,000.00
<i>ArcGIS professional License</i>	1	\$ 3,800.00	\$ 3,800.00
<i>Contingency</i>			\$ 5,000.00
		<i>Act 71 Total</i>	\$ 30,800.00
<i>Broadband Intelligence Grant Acceptance and Analysis Program (funded through the NBRC grant)</i>			
			\$ 150,000.00

- The VCBB will be holding meetings throughout the state. To comply with Open meeting Law, these will be broadcasted and recorded. The portable video conferencing system will be necessary to comply with the open meeting law.
- New employees will require computers and associated hardware
- Working with the CUDS will require integrated GIS tools for updating maps as well as a demarcated hot stick for addressing make-ready concerns
- ArcGIS Pro is desktop GIS application for creating maps in 2D and 3D, analyzing data, and developing geographic knowledge. Use this mapping and analytics application to examine spatial relationships; predict outcomes; and make data-driven decisions. ArcGIS Pro Advanced provides the tools and environment for map creation and interactive visualization, multiuser editing, advanced data management capabilities, advanced analysis, high-end cartography, and extensive database management.
- The Broadband Intelligence Grant Acceptance and Analysis Program is being considered by several states for their Broadband Programs. We have been working with other states as part of our evaluation. This software will be used for analytics and dashboards. It will be providing a public map that will be used for visual grant tracking (construction plans, progress and customer initialization). It simplifies data flow between the VCBB and grant applicants/recipients. It has real-time data capability, although we will likely update it on a weekly basis. The overall package will automate reporting and compliance. This platform integrates data/mapping and requirements from major federal grant programs into an intelligent automated planning tool that can easily be used to identify and share qualifying projects for federal funds or projects of special interest to identified donors. The tool will also be used by the Vermont Community Broadband Board to accept mapping data, evaluate proposed projects, identify gaps where funds could be deployed to improve resiliency and redundancy, and simplifying reporting. Individual CUDS can use the tool to map their networks, identify demand, and share their story with funders and their community. In the future, the tool will be used to monitor the network as it is built. We believe this tool will make both the VCBB and individual CUDs more efficient and effective.

6. Supplies

Item	Quantity/ Duration	Cost	Supplies Cost
<i>Office Supplies</i>	1	\$ 1,000.00	\$ 1,000.00
			\$ -
		ACT 71 Total	\$ 1,000.00

7. Contracted Services

Item	Contractual Services Cost
<i>Legal Support - (\$.300/hr. 25% of 1040 hours)</i>	\$ 78,000.00
<i>GIS Support</i>	\$ 150,000.00
<i>Fiber Optic Engineer - (\$.125/hr. 33% of 1040 hours)</i>	\$ 42,900.00
<i>Contingency</i>	\$ 22,673.75
Total ACT 71 Contractual Services	\$ 293,573.75
CUD Support for grant and other financing - Funded through NBRC Grant	\$ 95,712.00
Grant writer Funded through the remaining H.315 funds to help CUDs access USDA Reconnect Funds	\$ 80,000.00

- Legal support is for specialized legal services that will be required by the Board and the staff.
- GIS support will include developing a usable map for the VCBB as well as providing regular updates to reflect weekly progress
- The Fiber Optic Engineer will assist the VCBB in developing standards for construction and materials, provide guidance to CUD in design and construction activities, monitor (light) loss budgets, review performance data and provide overall technical consultancy to the VCBB
- CUD Support for grant and other financing - Additional outside contract work to assist CUDs with grant applications and financing, reduce any conflicts of interest if CUDs are competing for the same funds and both require the same financial advisory services OR for additional customization of the VETRO Fiber tools. Using NBRC funding for this will keep more funds available in the construction funds for infrastructure.
- A Grant writer will be sponsored by the remaining H.315 funds to help the Communication Union Districts access USDA ReConnect Funds

8. Training and Education

Description	Quantity	Basis	Cost	Length of time	Training & Education Cost
<i>Broadband Communities Summit</i>	6		\$ 3,500.00	1	\$ 21,000.00
<i>Fiber Connect</i>	6		\$ 3,500.00	1	\$ 21,000.00
<i>Support of State-wide workforce development programs</i>					\$ 611,916.25
<i>Contingency</i>					\$ 7,500.00
				<i>ACT 71 Expenses</i>	\$ 661,416.25

- "The Broadband Communities Summit is for community leaders, multifamily property owners and network builders and deployers interested in the building, managing, marketing, and monetizing of high-speed broadband technologies and services. It is focused on the successful delivery of high-speed broadband networks to communities – from multifamily properties to ultra-connected master-planned developments to the city or town where you live. The program offers presentations by outstanding speakers with a finger on the pulse of what's new and what's coming, what works and what doesn't. This item includes scholarships for the Communication Union Districts.
- The Fiber Connect conference & exhibition represents the annual convening of suppliers and operators who foundational are critical to communications, computing, innovation, and commerce. The 2021 Fiber Connect event offers opportunities for market development, technology demonstration and peer-group interaction. The event has executives from a wide scope of industry sectors – traditional audiences as well as new audiences — commercial network operators, mobile network operators, digital infrastructure asset owners & developers; investors; technology suppliers, enterprises and more. This item includes scholarships for the Communication Union Districts.
- The VCBB is working with the Vermont Community Foundation, the Department of Labor, Vermont Technical College, Northern University and Social Finance (Career Investment Bonds) to develop training programs to develop in-state labor resources. The estimate is that Vermont will need 200 Fiber Technicians (total of inside and outside) to build and maintain the network. The fall-out is 2/3 which means 600 technicians will need to be trained. Around the country, “pay-it-forward” funds are being launched to stretch public workforce dollars further and train 2-3x as many workers by recycling capital using student-friendly income share agreements (ISAs), also known as career impact bonds (CIBs). CIBs allow individuals from low-income backgrounds to enroll in training at no upfront cost. Only if students attain and retain gainful employment do they and/or their employers repay the cost of training, shifting risk away from students and employers and enabling capital to be recycled and re-invested into future cohorts of students. In collaboration with VT Community Broadband Board, VT Community Foundation, and Northeast Kingdom Broadband, Social Finance (a national nonprofit with experience in launching these funds) is

exploring the feasibility of a state or regional pay-it-forward fund to meet Vermont’s urgent broadband workforce needs and expand statewide broadband coverage. A pay-it-forward fund in Vermont could support a CIB structure that covers the upfront cost for low-income Vermonters to participate in broadband technician training programs hosted by a local training provider such as Vermont Technical College (VTC). Upon graduation of the program, participants would be hired by local utility, telecom, and communication infrastructure providers into well-paying jobs. Those who gain meaningful employment, or their employers, repay program costs as a fixed percentage of their income, capped at a set dollar amount and for a certain period of time, allowing the initial funding allocation to be recycled to re- and upskill more Vermonters in broadband and potentially other in-demand fields such as nursing, solar, weatherization, and electrical. If \$10M+ is committed from local, state, and federal funding sources to scale this workforce development tool, then there is an opportunity to leverage \$2M in matching grant funds from a national funding partner of Social Finance to cover implementation costs."

9. Board Costs

Description	Quantity	Basis	Cost	number	Other or Miscellaneous Cost
<i>Board meeting per diem</i>	36	<i>3/month/ 17 months</i>	\$ 250.00	4	\$ 36,000.00
<i>Board meeting mileage</i>	500	<i>miles/meeting</i>	\$ 0.55	36	\$ 9,900.00
<i>Additional Board work</i>	10	<i>days/member</i>	\$ 250.00	5	\$ 12,500.00
			Total ACT 71 Expenses		\$ 58,400.00

A Board member has declined payment for services is why the number is 4 for the per diem line item

Vermont Community Broadband Board Proposed 2022 Budget

Budget period 07/01/22 through 06/30/23

December 13, 2021
Christine Hallquist
Executive Director
Phone – 802-636-7853
Email – christine.hallquist@vermont.gov

1. Budget Narrative

This document outlines and confirms the state of Vermont's budget for achieving the policies, goals, and investment priorities for broadband infrastructure for the 2022 to 2023 calendar year. It enables the Vermont Community Broadband Board (VCBB) to monitor the progress of the state meeting its goals for broadband access, provides funding for the principal programs to enable broadband adoption, and provides support for Communication Union Districts (CUDs) and towns around the state. Finally, it assembles data resources for CUDs, towns, elected officials and residents engaged in broadband planning and provides resources for the coordination and support role of the VCBB.

The funds come mainly from the \$116 million appropriation that is expected through the Broadband Equity Access and Deployment infrastructure grant. Also included are other funds that have been committed to the VCBB, including previous state appropriations, the Universal Service Fee, and a grant from the Northern Borders Regional Commission. This budget meets the expected needs of the VCBB to the middle of 2023 and provides enough construction funds to enable the CUDs to continue building into 2024. This viability will enable the CUDs to obtain additional funds to meet their goals. Additional revenues will help drive down the cost of the network, resulting in lower cost to consumers, which helps meet the state's affordability goals.

The budget addresses key support activities that are needed to ensure the state of Vermont meets its goal of providing every Vermont with access to 100/100 Mbps Broadband.

Key areas of focus for this budget include:

- Providing technical support to the CUDs to ensure resilient designs and quality construction
- Progress reporting to the Board, Administration, and Vermonters
- Workforce development and training to ensure adequate labor supply as well as growth opportunities for Vermonters
- Funds to enable pre-purchasing of long lead-time materials to avoid interruption of construction due to material shortage
- Assist the CUDs in developing strategies to help reduce the cost of the network
- Facilitate partnerships between communications union districts and their potential private partners
- Identify State, federal, nonprofit, and any other broadband funding opportunities and assist the CUDs in accessing those funds.

2. Capital Budget

Capital Revenues and Sources		
Revenue Source		Amount
Broadband Equity, Access and Deployment fund		116,000,000
Connectivity Grants from the Universal Service Fund		509,396
Capital Funds Total		\$ 116,509,396.00
Capital Expenses		
Budget Expenditure Categories	OMB Uniform Guidance Federal Awards Reference 2 CFR 200	TOTAL EXPENDITURES
VCBB budget		\$ 1,500,000.00
Connectivity Grants from the Universal Service Fund		\$ 509,396.00
Construction		\$ 114,500,000.00
18. Total Capital Expenses		\$ 116,509,396.00
	Variance	\$0.00

*Connectivity Grant - "*Connectivity grants will be used to fund isolated addresses, or groups of addresses, that may be outside a CUD and are not covered by a Universal Service Plan. budget. This is to enable extensions from existing service providers to serve pockets of underserved areas that would be cost prohibitive to feed from a CUD."*

Construction Grant Program - "At \$40k/mile this will support 2846 miles of construction. We are assuming \$45k/mile with \$5k/mile for design funded through pre-construction grants."

3. Operation's Budget

Additional Operation's budget details are found on subsequent pages.

Operations Revenues and Sources		
Revenue Source		Amount
ACT 71		1,500,000
Northern Borders Regional Commission		300,000
Universal Service fund		190,064
Operational Funds Total		\$ 1,990,064.16
Operations Expenses		
Budget Expenditure Categories	OMB Uniform Guidance Federal Awards Reference 2 CFR 200	TOTAL EXPENDITURES
1. Personnel (Salaries & Wages)	200.430	\$ 653,055.28
2. Equipment and Software	200.439	\$ 8,800.00
3. Supplies	200.94	\$ 1,000.00
4. Contractual Services	200.318 & 200.92	\$ 386,038.47
5. Training & Education	200.472	\$ 386,456.25
6. Board Operational Costs	200.414	\$ 64,650.00
Total ACT71 expenses		\$ 1,500,000.00
Deputy Director (paid for by USF)		\$190,064.16
NBRC Expenses		
Budget Expenditure Categories	OMB Uniform Guidance Federal Awards Reference 2 CFR 200	TOTAL EXPENDITURES
1. Personnel (Salaries & Wages)	200.430	\$ 114,004.80
2. Equipment and Software	200.439	\$ 150,000.00
3. Contracted Services	200.318 & 200.92	\$ 35,995.20
18. Total NBRC Expenses		\$ 300,000.00
Total Expenses		\$1,990,064.16
	Variance	\$0.00

4. Personnel (Salaries and Wages)

Note - Classified positions (hourly) are determined by the total number of hours (hourly pay increments) during the budget period. Unclassified positions (salaried) are determined by total number of months (monthly pay increments).

Name	Position(s)	Salary or Wage	Basis (Yr./Mo./Hr.)	% of Time	Length of time	Personnel Cost
Grants Administrator (PSD)	1	\$49	Hr.	100%	2080	\$ 102,211.20
Executive Director	1	\$ 18,900.00	Mo.	100%	12	\$ 226,800.00
General Counsel	1	\$ 14,325.00	Mo.	100%	12	\$ 171,900.00
Executive Assistant	1	\$43	Hr.	100%	2080	\$ 90,417.60
Project Manager	1	\$53	Hr.	100%	694	\$ 36,726.48
Contingency						\$ 25,000.00
					ACT 71 Total	\$ 653,055.28
Broadband Project Developer funded by NBRC Grant	1	\$ 54.81	Hr.	100%	2080	\$ 114,004.80
					NBRC Total	\$ 114,004.80
Rural Broadband Technical Assistant funded by USF	1	\$ 83.07	Mo.	100%	2080	\$ 190,064.16
					USF Total	\$ 190,064.16
					Total Personnel	\$ 957,124.24

Additional planned Salary/Wage details

- Grant administrators pay is \$27.3/hr. plus 80% Overhead for state
- Executive Director pay is \$126K/year plus 80% Overhead for state
- General Counsel pay is \$95.5K/year plus 80% Overhead for state
- Executive Assistant pay is \$24.15/hr. plus 80% Overhead for state
- Project Manager pay is \$29.40/hr. plus 80% Overhead for state
- Deputy Director pay is 46.50/hr. for the second half plus 80% Overhead for state
- Executive Director duties identified by ACT 71
- Deputy Director is Rob Fish. His job and been reclassified and will be funded by the Universal Service Fund. This will require some clean-up language in ACT 71.
- General Counsel duties to handle day to day inquiries from VCBB staff, review contracts, review Board minutes, handle information requests and ensure compliance with Open Meeting Law and Public Records requirements.
- The Executive Assistant will provide administrative support to the Executive Director and VCBB Board Members; attend VCBB meetings to provide technological support, note taking and other administrative functions including preparation for meetings; perform administrative, supervisory, and technical work at a professional level for the VCBB.
- The Project Manager duties include responsibility for planning, organizing, and directing the completion of projects for the VCBB (examples include Workforce Development initiatives, pre-purchasing of materials, progress and key metric reporting to the Board,

Administration and public). The Project Manager will work with the CUDs to support, monitor, and assist with timely performance to individual project plans. The project manager will be responsible for coordinating with AOT, the electric utilities and municipalities.

- The Broadband Project Developer duties include; programmatic, administration, and technical work involving the overall direction, policy and operations of the VCBB,. Work involves developing policies and implementing strategies to ensure responsible and effective deployment and furthering leveraging of federal funds derived from the Board to ensure a fiscally responsible building out of fiber optic network. In addition to monitoring all grants issued, the Broadband Project Developer will work with the CUDs to layer various public and private financial instruments (federal, state, private grants loans, and bonds), to accelerate fiber-to-the-home buildouts. The role of the position shifts from leverage primarily private funds to also include preparing the Communications Union Districts for the municipal bond market, competing for other federal grants, and reviewing the finances of proposed projects, and identifying financial tools for creatively solving timing issues with funding labor and material costs. For instance, we led the effort for the prepurchase of 2,000 miles fiber for all CUDs using innovative financing secured via a foundation and a credit union. This likely saved next year's construction season (because of supply chain and new market entry issues) and saved close to \$1M that can be used for construction. Since construction grants were not yet available, a Letter of Credit was on the option for the CUDs to ensure materials were available in Spring of 2022. Similar efforts are being explored for workforce training (and securing workforce for the first construction season – Pay-It-Forward/Impact Investing) and providing a backstop to facilitate the leveraging of over \$40 million in other funds to build a network spanning an entire utilities service area. Since this person will be central to much of the VCBB's operation, we no longer feel that a contract position is appropriate. This raises the cost, but also increases the capacity of entire Vermont Community Broadband Board.

5. Equipment and Software

Item	Quantity	Cost	Equipment Cost
<i>ArcGIS professional License</i>	1	\$ 3,800.00	\$ 3,800.00
<i>Contingency</i>			\$ 5,000.00
		Total	\$ 8,800.00
<i>Broadband Intelligence Grant Acceptance and Analysis Program funded through NBRC grant</i>			
			\$ 150,000.00

- ArcGIS Pro is desktop GIS application for creating maps in 2D and 3D, analyzing data, and developing geographic knowledge. Use this mapping and analytics application to examine spatial relationships; predict outcomes; and make data-driven decisions. ArcGIS Pro Advanced provides the tools and environment for map creation and interactive visualization, multiuser editing, advanced data management capabilities, advanced analysis, high-end cartography, and extensive database management.
- The Broadband Intelligence Grant Acceptance and Analysis Program is being considered by several states for their Broadband Programs. We have been working with other states as part of our evaluation. This software will be used for analytics and dashboards. It will be providing a public map that will be used for visual grant tracking (construction plans, progress and customer initialization). It simplifies data flow between the VCBB and grant applicants/recipients. It has real-time data capability, although we will likely update it on a weekly basis. The overall package will automate reporting and compliance. This platform integrates data/mapping and requirements from major federal grant programs into an intelligent automated planning tool that can easily be used to identify and share qualifying projects for federal funds or projects of special interest to identified donors. The tool will also be used by the Vermont Community Broadband Board to accept mapping data, evaluate proposed projects, identify gaps where funds could be deployed to improve resiliency and redundancy, and simplifying reporting. Individual CUDS can use the tool to map their networks, identify demand, and share their story with funders and their community. In the future, the tool will be used to monitor the network as it is built. We believe this tool will make both the VCBB and individual CUDs more efficient and effective.

6. Supplies

Item	Quantity/ Duration	Cost	Supplies Cost
<i>Office Supplies</i>	1	\$ 1,000.00	\$ 1,000.00
			\$ -
		ACT 71 Total	\$ 1,000.00

7. Contracted Services

Item	Contractual Services Cost
<i>Legal Support - (\$300/hr. 25% of 2080 hours)</i>	\$ 156,000.00
<i>GIS Support</i>	\$ 121,564.72
<i>Fiber Optic Engineer - (\$125/hr. 33% of 2080 hours)</i>	\$ 85,800.00
<i>Contingency</i>	\$ 22,673.75
Total ACT 71 Contractual Services	\$ 386,038.47
CUD Support for grant and other financing - Funded through NBRC Grant	\$ 185,995.20

- Legal support is for specialized legal services that will be required by the Board and the staff.
- GIS support will include developing a usable map for the VCBB as well as providing regular updates to reflect weekly progress
- The Fiber Optic Engineer will assist the VCBB in developing standards for construction and materials, provide guidance to CUD in design and construction activities, monitor (light) loss budgets, review performance data and provide overall technical consultancy to the VCBB
- CUD Support for grant and other financing - Additional outside contract work to assist CUDs with grant applications and financing, reduce any conflicts of interest if CUDs are competing for the same funds and both require the same financial advisory services OR for additional customization of the VETRO Fiber tools. Using NBRC funding for this will keep more funds available in the construction funds for infrastructure."

8. Training and Education

Description	Quantity	Basis	Cost	Length of time	Training & Education Cost
<i>Broadband Communities Summit</i>	6		\$ 3,500.00	1	\$ 21,000.00
<i>Fiber Connect</i>	6		\$ 3,500.00	1	\$ 21,000.00
<i>Support of State-wide workforce development programs</i>					\$ 336,956.25
<i>Contingency</i>					\$ 7,500.00
				<i>ACT 71 Expenses</i>	\$ 386,456.25

- "The Broadband Communities Summit is for community leaders, multifamily property owners and network builders and deployers interested in the building, managing, marketing, and monetizing of high-speed broadband technologies and services. It is focused on the successful delivery of high-speed broadband networks to communities – from multifamily properties to ultra-connected master-planned developments to the city or town where you live. The program offers presentations by outstanding speakers with a finger on the pulse of what's new and what's coming, what works and what doesn't. This item includes scholarships for the Communication Union Districts.
- The Fiber Connect conference & exhibition represents the annual convening of suppliers and operators who foundational are critical to communications, computing, innovation, and commerce. The 2021 Fiber Connect event offers opportunities for market development, technology demonstration and peer-group interaction. The event has executives from a wide scope of industry sectors – traditional audiences as well as new audiences – commercial network operators, mobile network operators, digital infrastructure asset owners & developers; investors; technology suppliers, enterprises and more. This item includes scholarships for the Communication Union Districts.
- The VCBB is working with the Vermont Community Foundation, the Department of Labor, Vermont Technical College, Northern University and Social Finance (Career Investment Bonds) to develop training programs to develop in-state labor resources. The estimate is that Vermont will need 200 Fiber Technicians (total of inside and outside) to build and maintain the network. The fall-out is 2/3 which means 600 technicians will need to be trained. Around the country, “pay-it-forward” funds are being launched to stretch public workforce dollars further and train 2-3x as many workers by recycling capital using student-friendly income share agreements (ISAs), also known as career impact bonds (CIBs). CIBs allow individuals from low-income backgrounds to enroll in training at no upfront cost. Only if students attain and retain gainful employment do they and/or their employers repay the cost of training, shifting risk away from students and employers and enabling capital to be recycled and re-invested into future cohorts of students. In collaboration with VT Community Broadband Board, VT Community Foundation, and Northeast Kingdom Broadband, Social Finance (a national nonprofit with experience in launching these funds) is exploring the feasibility of a state or regional pay-it-forward fund to meet Vermont’s

urgent broadband workforce needs and expand statewide broadband coverage. A pay-it-forward fund in Vermont could support a CIB structure that covers the upfront cost for low-income Vermonters to participate in broadband technician training programs hosted by a local training provider such as Vermont Technical College (VTC). Upon graduation of the program, participants would be hired by local utility, telecom, and communication infrastructure providers into well-paying jobs. Those who gain meaningful employment, or their employers, repay program costs as a fixed percentage of their income, capped at a set dollar amount and for a certain period of time, allowing the initial funding allocation to be recycled to re- and upskill more Vermonters in broadband and potentially other in-demand fields such as nursing, solar, weatherization, and electrical. If \$10M+ is committed from local, state, and federal funding sources to scale this workforce development tool, then there is an opportunity to leverage \$2M in matching grant funds from a national funding partner of Social Finance to cover implementation costs."

9. Board Costs

Description	Quantity	Basis	Cost	number	Other or Miscellaneous Cost
<i>Board meeting per diem</i>	36	<i>3/month/ 12 months</i>	\$ 250.00	4	\$ 36,000.00
<i>Board meeting mileage</i>	500	<i>miles/meeting</i>	\$ 0.55	36	\$ 9,900.00
<i>Additional Board work</i>	15	<i>days/member</i>	\$ 250.00	5	\$ 18,750.00
					Total ACT 71 Expenses \$ 64,650.00

A Board member has declined payment for services is why the number is 4 for the per diem line item

From: Vermont Communications Union Districts Association
To: Vermont Community Broadband Board

Regarding: **Proposal regarding construction grant for community broadband deployment**

Executive Summary

1. CUDs have an immediate need for funds for materials and services.
2. Elements of construction funding are required before detailed design is complete.
3. Different CUDs and providers plan to apply in different ways and along different timelines.
4. Qualification for the CUDs and other eligible providers should simply require a high-level design, and a corresponding business plan.
5. Qualified CUDs and providers can demonstrate their due diligence and design one phase at a time as they see fit.
6. The VCBB can approve each phase of the application based on it's conformity to universal service, business plan and outside plant requirements.
7. Funding should be based on estimates rather than on "not to exceed".
8. Overbuild must be clearly defined to exclude any fiber lines connecting hubs without drops. Other Outside Plant Requirements require review.
9. Mainline build should take precedence over drops.
10. Under the CUD model, grant funds will inherently decrease costs, thereby increasing affordability. Additional affordability programs should be pursued outside of the construction grant process.

Background

The proposed construction grant requirements are thorough in their approach to making sure eligible providers are using state funding as effectively as possible, and held accountable in advance for their approach to construction. CUDs do not take issue with the comprehensive requirements proposed by the VCBB as they stand individually, but taken as a whole, there is the potential for delays to the 2022 construction plans of multiple CUDS, due to the start-up nature of the organizations.

CUDs that plan to start construction in 2022 are still in the pre-construction design and engineering stage. As they move into the first months of 2022, the CUDs will be working with their partners to complete detailed engineering network design needed to carry out portions of their Universal Service Plans, as currently required by this construction grant RFP proposal. The need for detailed design as a prerequisite to applying for construction funds will delay and increase the costs of construction.

Due to supply constraints for materials, labor and contracting for services, CUDs will need to start ordering and paying for these essentials in the earliest months of 2022. If they are not able to apply for construction funding until their detailed design is complete, with full mapping, engineering and contracting accounted for across the entire service area covered by that grant application, they will not be able to stake a claim to these in-demand and limited services.

Additionally, each CUD is at a different stage in the process, and each is employing their own strategy for engineering and design. A one-size-fits-all approach will not be effective in addressing the needs of each CUD as they move into construction. The concern here is especially strong for the newer CUDs, who will need to be especially proactive as they plan to move rapidly to design and construction.

We believe that the construction grant can be an effective source of funding for the CUDs, in largely the same form as it is now, if the following solution is adopted.

Proposal:

Communications Union Districts and other eligible providers ought to be able, with high-level design in place, to access approved grant money on an as-needed basis conforming to the construction project plan in the high-level design. The construction grant must enable CUDs to apply step-by-step for the construction costs they need at a given moment. This approach would enable CUDs to apply for funds to make advance purchases that will maximize the amount of construction that can be completed in 2022 and greatly minimize costs as they continue to rise. The process should work as follows:

- Submission and approval of a high-level design that supports the Universal Service Plan, as well as affirmation of the viability of the CUD's existing business plan.
- The provider may apply for funds for materials, services, contractors, and construction within their allotment of VCBB funds, within the outside plant requirements of the VCBB, and conforming to their high-level design and business plan.
- The VCBB will release funds upon its approval of the design and/or due diligence done for the stage of construction for which the eligible provider is applying for grant funds. This step will be replicated for the costs required for construction itself. As detailed design is completed, the eligible provider will apply for further funding to enact that detailed design.

Not only will this system solve the problem of the immediate need for construction grant funding, it will enable CUDs to chart their own paths throughout the construction phase. This system allows each CUD to demonstrate their readiness and preparation one phase at a time, and receive funding accordingly. This flexible approach will be the fastest and most cost-effective strategy for bringing affordable broadband internet to every Vermonter, as it reduces the overall cost and time required for each CUD to build out their network.

Specifically as it pertains to materials, the time horizon for expenditures ought to be extended beyond 18 months. In light of supply chain issues both current and anticipated, there are CUDs that intend to purchase materials for use beyond the 18-month window that is currently on the table for construction grants.

Additionally, the current RFP draft needs to be adjusted to recognize that the grant funds are being used to reach a goal using established strategies whose cost parameters are well defined, but require estimates subject to market forces for materials and supply, and the vagaries endemic to utility work. As such, the RFP must explicitly permit the VCBB to award grants from the Vermont Community Broadband Fund based on estimates, rather than “not to exceed” contracts.

We do not believe that this new approach would have to replace the proposed RFP. One solution would be to add this policy to the RFP as an alternate path to receiving construction grants from the VCBB for publicly owned infrastructure.

There is no element of this modified approach that is in violation of Section 8086 of Act 71 or any other provision of the Act which established the VCBB. All grant requirements enshrined in the Act can be applied to grants that are approved for pre-qualified eligible providers. The difference is simply that grants can be awarded for elements of construction as their necessity becomes apparent, rather than at the completion of detailed design across the Universal Service Plan.

Other concerns

We recommend that point-to-point fiber between hubs should be exempted from inclusion in overbuild calculations. This is implied in the definition of incidental overbuild in the RFP, but may require clarification. The definition should be clear that all backbone and mainline access fiber is exempt from the requirements for incidental overbuild.

There are two points in the Outside Plant Requirements that we believe require clarification:

- Assigned specific and accounted for PON splitter and OLT port for every identified demand point so that provisioning and activation can be done with minimal truck rolls or future design requirements.

This requirement is difficult to understand and should be rewritten for clarity. “Demand Point” in particular should be defined. For example, as currently written, it could be interpreted to require deployment of splitters for the full capacity of the network (costly and inefficient) rather than to purchase sufficient splitters to accommodate the initial estimated take rate.

- Drop distance and route for every demand point should be known so that the impact to the material requirements and optical budget is understood.

Other clauses under the “Grantee design must include every demand point and include” heading are mandatory, but this clause is advisory, nor mandatory. Replacing “Should” with “shall” is insufficient because as written, this clause is meaningless. We recommend this clause be deleted.

Additionally, there are two other sections of the Outside Plant Requirements that the CUDs believe are unnecessary:

- Grantee’s design deliverables must include detailed planned optical measured loss (dB) calculations. These planned losses will be compared to actual losses during construction to ensure they fall within the Optical Extents budget.
- Grantee’s detailed splice diagrams must be geospatially accurate and provide estimated measured loss at every connection point so that network performance can be assured and documented.

These two clauses are unnecessary because the only meaningful testing is performed during system acceptance. Any testing prior to acceptance would add time and cost to the design process, and would not be adopted over the course of construction. If intervening testing is mandated, it only adds to the construction cost and does not impact the ultimate performance of the system.

With regard to funding for drops, applications seeking to cover the cost of all drops are inappropriate to the overarching goal of both the VCBB and the CUDs, which is to provide availability of service. Drop funding should be limited to the minimum required for the network to be viable at start-up as demonstrated by the applicant’s business plan, and should be limited exclusively to standard drops (400 feet of fiber connected directly in the air from a utility pole to a building). This policy will maximize the amount of funding dedicated to network buildout.

Finally, policies related to affordability ought to be excluded from the construction RFP. The CUDs are dedicated to affordability via availability: the cheaper the cost of the network’s construction, the lower the cost to consumers when they pay their bills. The construction grant program’s strategy to address affordability should be solely focused on how to build most cost-effectively.



Vermont Community Broadband

Board (VCBB)

112 State Street

Montpelier, VT 05620-2601

Contact: Robert Fish, Deputy Director, 802-522-2617,
robert.fish@vermont.gov.

BROADBAND CONSTRUCTION PROGRAM REQUEST FOR PROPOSAL

ISSUE DATE: _____

RESPONSES WILL BE ACCEPTED ON A ROLLING BASIS

OVERVIEW

The Vermont Community Broadband Board (“Board”) invites applications from Eligible Applicants for funds to finance the broadband projects eligible providers that are part of a universal service plan. Service providers must achieve speeds of at least 100/100 Mbps symmetrical.

BACKGROUND

OVERVIEW: Vermont was awarded \$1.05 billion in Coronavirus State and Local Fiscal Recovery Funds (Recovery Funding) as part of the federal American Rescue Plan Act of 2021. The Governor’s Recovery Plan is focused on transparent investments in key infrastructure needs, including housing, broadband, wastewater and sewer systems, climate change prevention and mitigation, and economic development. The explicit objective of this Plan is to provide long term economic recovery opportunities to communities statewide, with a focus on those regions or counties struggling the most with job losses and declines in demographics and income levels.

As provided by Sec. 2 § 8086 of Act No. 71, which became law on June 8, 2021, the purpose of the Broadband Construction Grant Program (“Program”) is to provide grants to Eligible Providers (“Providers”) for construction costs related to broadband projects providing service of at least 100/100 Mbps that are a part of a universal service plan and meet other criteria as specified in Act No. 71 as well as those criteria established by the Vermont Community Broadband Board.

Note: The Program is funded by the American Rescue Plan Act of 2021 (ARPA). All ARPA funded projects must either address the impacts of the COVID-19 pandemic or promote sustained economic recovery. Additional state and federal guidelines may impact the administration of this grant program. The Board reserves the right to make changes to this Program as necessary to ensure compliance with any state and federal guidelines, including revocation of grant awards.

DEFINITIONS AND EXPLANATIONS

“Eligible Provider” means: (A) a communications union district; (B) a small communications carrier; or (C) an Internet service provider working in conjunction with a communications union district to expand broadband service to unserved and underserved locations as part of a plan to achieve universal broadband coverage in the district. *Note: Under Act 71, Municipalities are not considered an eligible applicant, but are encouraged to actively work with a provider to apply for funding.*

A “Small communications carrier” means a carrier: (A) a carrier that has elected to be regulated under subsection 227d(a) or (B) an Internet service provider that operates in not more than five counties

“Universal service plan” means a plan for providing each on-grid unserved and underserved location in a communications union district or in a municipality that was not part of a communications union district prior to June 1, 2021 access to broadband service capable of speeds of at least 100 Mbps download and 100 Mbps upload.

“Underserved Locations” means a location that has access to a wireline broadband connection capable of speeds of at least 4 Mbps download 1 Mbps upload but less than 25 Mbps download and 3 Mbps upload.¹

¹ The Interim Final Rule for State and Local Recovery Funds defines “unserved or underserved households or businesses” to mean one or more households or businesses that are not currently served by a wireline connection that reliably delivers at least 25 Mbps download speeds and 3 Mbps of upload speeds. The IFR provides that a recipient may use Coronavirus State and Local Fiscal Recovery Funds to make investments in broadband infrastructure that are designed to provide service to unserved or underserved households or businesses. The use of “reliably” in the IFR provides recipients with significant discretion to assess whether the households and businesses in the area to be served by a project have access to wireline broadband service that can actually and consistently meet the specified thresholds of at least 25Mbps/3Mbps—i.e., to consider the actual experience of current wireline broadband customers that subscribe to services at or above the 25 Mbps/3 Mbps threshold. Whether there is a provider serving the area that advertises or otherwise claims to offer speeds that meet the 25 Mbps download and 3 Mbps upload speed thresholds is not dispositive. . In evaluating such data, recipients may take into account a variety of factors, including whether users actually receive service at or above the speed thresholds at all hours of the day, whether factors other than speed such as latency or jitter, or deterioration of the existing connections make the user experience unreliable, and whether the existing service is being delivered by legacy technologies, such as copper telephone lines (typically using Digital Subscriber Line technology) or early versions of cable system technology (DOCSIS 2.0 or earlier).

“Unserved Locations” means a location that only has access to a reliable, wireline broadband connection capable of speeds of less than 4 Mbps download and 1 Mbps upload.

“Act 71 Compliant Business Plan” means a business plan for the proposed universal service plan. For the purposes of this grant, an actionable business plan is a document that a financial institution would find sufficient basis on which to provide financial support. The business plan shall include, but is not limited to: high level engineering and design plans, market analysis, take-rate assumptions, cash flow positive date, loan payoff date, financing models, pro forma financial projections, estimated construction costs, ideal operational models, and risk management plan accounting for all identified risks. Risks evaluated shall include labor needs and availability, supply-chain contingencies for equipment and materials, make-ready work, and any other relevant capital and operational expenses. This requirement applies to all eligible applicants.

“Incidental Overbuild” means overbuilding addresses areas currently serviced by a reliable wireline connection of at least 25/3 Mbps. The Broadband Construction program created by Act 71 § 8086 f(2) allows the Vermont Community Broadband Board to:

“provide a grant to an eligible provider that enables the provision of broadband service in a geographic area currently served, provided that: (1) the proposed project is a cost-effective method for providing broadband service to nearby unserved and underserved locations that is capable of speeds of at least 100 Mbps download and 100 Mbps upload; (2) any overbuild is incidental to the overall objectives of the universal service plan required for funding under this Program.”

As a rule, any overbuild of served addresses that is less than 20% of the total number of addresses passed will be considered incidental since the project is “designed to” provide service to unserved and underserved households.²³

Point to Point Fiber between hubs without drops and crossing areas with access to wireline connection of at least 25/3 do not count as overbuild.

<https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf> Item 6.11

² From FAQ - For broadband infrastructure investments, what does the requirement that infrastructure “be designed to” provide service to unserved or underserved households and businesses mean? [6/17] Designing infrastructure investments to provide service to unserved or underserved households or businesses means prioritizing deployment of infrastructure that will bring service to households or businesses that are not currently serviced by a wireline connection that reliably delivers at least 25 Mbps download speed and 3 Mbps of upload speed. To meet this requirement, states and localities should use funds to deploy broadband infrastructure projects whose objective is to provide service to unserved or underserved households or businesses. These unserved or underserved households or businesses do not need to be the only ones in the service area funded by the project.

<https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf> Item 6.8.

³ Section 60102 of the new infrastructure bill, H.R. 3684: (D) Underserved service project.--The term “underserved service project” means a project in which not less than 80 percent of broadband-serviceable locations served by the project are unserved locations or underserved locations.

Applicants should explain why any overbuild is necessary and how it is incidental to the overall objective of the project. The Board will review proposed projects and consider the justification given for all overbuild.

“Vermont Community Broadband Board Outside Plant Design (OSP) Requirements” means standards developed by the Vermont Community Broadband Board as outline in Addendum 1. (see pg 19) **Christine is meeting with the designs teams of various eligible applicants to finalize this section**

FUNDING AVAILABLE

The total amount of funding available will be established through the legislature. Total funding available to each Communications Union District and to towns not members of a Communications Union District will be determined by the percentage of road segments with unserved or underserved addresses and an incentive program to encourage contributions by communities’ benefit from the proposed projects.

1. **Percentage of Roads Unserved or Underserved in the District or Town(s) -- \$100 Million**

The Vermont Department of Public Service conducted an analysis showing 18,679 total road miles in Vermont. The Department then classified all road segments by whether they have access to service from fiber, cable, whether there are any E-911 addresses on those road segments. The resulting mileage (served or with no addresses) was subtracted from the total road mileage in each town or CUD.

For this initial launch of the Construction Program, the following percentages will guide Board decisions on the allocation of funds. The Board reserves the right to adjust this as additional information becomes available.

	% of underserved roads
Addison	8.98%
CV	9.70%
DV	10.40%
EC	8.07%
Lamoille	5.87%
NEK	24.75%
NW	7.85%
Otter	4.87%
SoVT	4.60%
No CUD	14.91%

This formula is subject to change based on new data and is for informative purposes only. The formula may also be used to analyze proposed projects in individual towns in Non-CUD areas.

[Note] This will be adjusted using the new CUD maps at the time of posting. We expect some slight changes as additional towns have joined CUDs or switched CUDs.

2. Community Match: The Board will match town contributions of State Fiscal Recovery Funds allocated on a first come first serve basis up to a total of \$16 Million

The total per single Communications Union District or from all towns not a member of a Communications Union District will receive from the pool of money is equal to the percentage allowed under the unserved and underserved road miles formula detailed above. This funding will be distributed on a first-come first serve basis. A letter of commitment must be included in the grant application. This additional pool of funds is to incentivize communities for contributing additional funds.

RFP OVERVIEW

The Board seeks proposals from Eligible Providers to provision broadband Internet service to each Unserved and Underserved Location included in a Universal Service Plan. The Board has identified each Unserved and Underserved Location by street address and its E-911 site ID number. These locations are shown at (link to new broadband planning map).

The Applicant will be required to take whatever steps are necessary, including constructing, laying conduit, leasing, or purchasing facilities, to serve these locations with broadband Internet access at speeds of at least 100/100Mbps. Applicants will be required to complete construction and offer service to those locations prior within Twenty-Four Months (24) of approval of the Application.

Applicants are committing to serving all underserved addresses as identified in the proposed Universal Service Plan for a Communications Union District or a non-CUD town that is eligible for funds under ACT 71.

The Board will award up to the maximum amount to each Applicant as determined by the underserved mileage formula plus any matching funds. At the Board’s discretion, unawarded preconstruction funds allocated but not awarded to a Communications Union District may added to the total amount available via this Program.

Applicants shall be subject to transparency and reporting requirements including, but not limited to, reporting, tracking, and documentation of incurred costs, and access to records in accordance with the State of Vermont Agency of Administration’s Bulletin No. 5 (“Bulletin 5”), available at https://aoa.vermont.gov/sites/aoa/files/Bulletins/Bulletin_5_eff12-26-14.pdf.

Communication Regarding this RFP: Board staff will not communicate directly with Applicants about the substance of the work to be performed but will answer questions about the RFP. All communications concerning this RFP should be sent by email to vcbb@vermont.gov.

Applicants who have questions concerning the substance of the RFP should follow the RFP Timetable below. All submitted questions will be distributed, along with answers from the Board, to all who have submitted a notice of intent to the Board.

The Board reserves the right to revise any part of this RFP at any time prior to the deadline for submission. The Board will post any changes to its website.

Notice of Intent to Respond: Applicants are encouraged to notify the Board of their intent to respond to this RFP by sending an email with a subject of “Intent to Respond: RFP – Act 71 Construction – Town/CUD” to vcbb@vermont.gov. The Notice to Respond must provide full contact info and information on the proposed service area (town or Communications Union District) to which the applicant will be proposing a Universal Service Plan.

At the Applicants discretion, the Applicant may also submit the Eligible Screening Pre-Proposal at this time.

Questions: Upon submission of Notice of Intent, the Applicant is permitted to post questions related to the RFP. The questions will be posted to the VCBB website. It is the obligation of Applicants to check the Board’s website for updates and changes.

Proposal Submission: Proposals will be accepted on a rolling basis. Eligibility decisions will be made by the Staff within five (5) business days. Review of invited proposal will be made at a future Vermont Community Broadband Board Meeting. Proposals should be sent via email to vcbb@vermont.gov in PDF format. Upon invitation for a Full Proposals, Applicants may be provided with a unique login to be used for uploading High Levels Design and mapping data. It is the responsibility of the Applicant to assure delivery of proposal(s) on or before the due date and time.

Oral Presentations/Questions/Site Visits: Applicants may be asked to answer written questions in advance of the Board Meeting, make oral presentations to the Board, or to make their facilities available for a site inspection by the Board. Any clarifications to a bid response resulting from these sessions will be in writing and will be incorporated in the bid response. Applicants are expected to attend the Board Meeting(s) where the application will be deliberated on by the Vermont Community Broadband Board.

Other Considerations: The Board reserves the right to conduct additional research into the Applicant before deciding on an application. This may include consultations with the Public

Service Board, Public Utilities Commission, and leaders and residents of communities in which the applicant currently or proposes to provide service.

Timeline: The Board will begin reviewing submissions starting on the next Board Meeting after January 15 and at subsequent board meetings. To be review an Application must be submitted at least 10 business days before the Board Meeting.

Term of Agreement: Any agreement resulting from this RFP will be for a term of six (6) years to commence on the execution of an agreement between the Applicant and Board that shall be in accordance with Bulletin 5. Applicant shall not commence work on its proposed project until an agreement is in place. Construction of the project must be completed within 24 months.

ELIGIBILITY

The Board will only consider applicants and projects that mean the following conditions:

- (A) Applicant is considered an “Eligible Provider.”
- (B) Applicant has produced and shared a Universal Service Plan. This plan must detail the Eligible Providers approach for providing service to all unserved and underserved location in a Town or Communications Union District. The approach may be phased and must contain binding commitments to provide or cause to be provided service to every on-grid unserved and underserved location.
- (C) Construction needs to be completed within 24 months.
- (D) Applicant has a viable business plan for its proposed project, which takes into consideration network engineering and design, labor needs and availability, supply-chain contingencies for equipment and materials, make-ready work, and any other relevant capital and operational expenses.
- (E) The proposed project does not conflict with or undermine the Universal Service Plan of an existing Communications Union District. If a non-CUD eligible applicant is applying to provide service to a member town in a Communications Union District, a letter of collaboration from the Communications Union Districts must be included in the application package.⁴ The Board reserves the right to offer consideration to projects without such letters, but it is the responsibility of the applicant to justify why the proposed project does not undermine or conflict with the Universal Service Plan of an existing Communications Union District. The Board reserves the options to review or dismissal such applications.
- (F) The proposed project involves only the Incidental Overbuilding of addresses currently served by a physical connection of at least 25/3.

⁴ Act 71 prohibits the Board from awarding a grant to an eligible provider who is not a communications union district unless the Board determines that the provider’s universal service plan does not conflict with or undermine the universal service plan of an existing communications union district.

- (G) All projects must adopt an industry-accepted engineering standard that promotes network reliability, resiliency, and interoperability. All projects must also follow the design standards set by the Vermont Community Broadband Board Outside Plant Design (OSP) Requirements. The applicant must certify their wiliness to follow the guidelines. Final designs are subject to review by an independent Engineer contracted through the Vermont Community Broadband Board.
- (H) All projects must provide broadband service that complies with the consumer protection and net neutrality standards established by the State.
- (I) The Applicant must agree to provisions contained in Act 71 or Act 71 as may be amended.⁵
- (J) The Applicant must agree to following the applicable Treasury Guidance on the eligible uses and other guidance related to the American Rescue Plan State and Local Fiscal Recovery Funds. In cases of conflicting legal opinions, the opinion of the State Vermont Department of Finance and Management and the State’s consultants shall take precedence. Failure to follow the guidance may result in a suspending the agreement or disallowing an expense.⁶

PROJECT PRIORITIZATION

Upon the determination that the Applicant is eligible for consideration, the Board shall give priority to broadband projects and applicants that:

- (A) Leverage existing other resources and assets, including
- (B) Demonstrate project readiness and Community Support.
- (C) Support low-income or disadvantaged communities.
- (D) Promote geographic diversity of fund allocations.
- (E) Provide consumers with affordable service options.
- (F) Include public broadband assets that can be shared by multiple service providers and that can support a variety of public purposes.
- (G) Quality of Service

APPLICATION PROCESS OVERVIEW

The application requirements for this Program as set my Act 71 are substantial. To ensure that no potential applicant expends extensive resources in developing a project that is not considered as a result of the nonconformance to criteria and requirements set forth in Act 71, the Board has as established a two step process:

⁵ Please see <https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT071/ACT071%20As%20Enacted.pdf>

⁶ Please review the rules and FAQ at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

1) Eligibility Screening Pre-Proposal - Staff will review the materials submitted for eligibility and invite proposals from those applicants who projects are deemed eligible

2) Full Proposals by Invitation Only - Full proposals will be accepted upon receipt of an invitation by the Board. The Applicant will have the option to between two paths. The first “Conventional” Path is a traditional bid for service. The second option, “Phased Approach” is for applicants that desire a more collaborative approach with additional oversight in exchange for performance payments.

Conventional	Phased
Open to All Eligible Applicants	Open to Eligible Applicants Constructing Publicly Owned Infrastructure
Requires “Not to Exceed” Price	Requires “Estimated” Cost
Payment once network is certified as complete. Payment shall not exceed the “Not to Exceed” Price.	Performance payments in exchange for additional accountability and transparency steps to be negotiated in the grant agreement.
All documentation provided in Full Proposal	Iterative Process to ensure network and retails serviced offered comply with Act 71 requirements.
Detailed Design Certified by Principal Engineer to be in compliant with VCBB Outside Plan Design Requirements due 120 days following grant execution. Failure to do so will result in possible forfeiture of the award.	Iterative process between Applicant and VCBB Staff and Contractors to ensure detailed design meetings all VCBB Outside Plant Design Requirements.
Quarterly Progress Reports	Monthly Reporting
Submission of “As Built” Plans and On-Site Inspection Required for final release of funds.	Submission of “As Built” Plans and On-Site Inspection Required for final release of funds.

STEP 1: PRE-PROPOSAL ELIGIBILITY SCREENING

To be invited to submit a full proposal, Applicants shall provide the following as a single PDF. Proposals will be evaluated based on meeting the basic eligibility requirements, the ability of the provider to perform the necessary work, estimated cost, and the appropriateness project towards advancing the goal of universal services.

Eligibility Screening Part 1: Transmittal Letter

1. Official name and full contact information for the Applicant and any collaborators
 - Communications Union Districts – The name, main office address, and a complete contact info.
 - Other Eligible Applicant -- If an Applicant is owned or controlled by a

parent company, the name, main office address, and parent company's tax identification number shall be provided in the proposal. If an Applicant company is independently owned, the name, main office address, and tax identification number of the bidding company shall be provided in the proposal(s).

Eligibility Screening Part 2: Applicant Certification

Applicant Certification: Applicant shall certify in writing they understand that the following conditions will apply to any project funded by the VCCB Construction Grant Program:

1. *Each person signing a proposal certifies that he or she is the person in the Applicant's organization responsible for, or authorized to make, decisions as to the prices quoted and that he or she has not participated, and will not participate, in any action contrary to the non-collusion requirements of this RFP.*
2. *Each person signing the proposal certifies that all information in the proposal is accurate.*
3. *Each person signing the proposal certifies that the Applicant organization has a Universal Service Plan for the entire town or Communication District in which the project will serve. Each person signing acknowledges that the Universal Service commitment is binding and that while plans may be revised, a failure to connect or cause to be connected all on grid unserved and underserved locations to service of at least 100/100 Mbps within three (3) years for an individual town or five (5) years for an entire Communications Union District for reasons other than a failure by the Board to provide funds as outlined in the Universal Service Plan cost estimate may result in a forfeiture of assets built using funds received as a result of this Application. Delays resulting from force majeure will be considered.*
4. *Each person signing the proposal certifies that the Applicant organization will comply with the Vermont Community Broadband Board Outside Plant Design (OSP) Requirements.*
5. *Each person signing the proposal certifies that the project when completed will offer broadband service that complies with consumer protection and net neutrality standards.*
6. *Each person signing the proposal certified that the sale or transfer of any project funded by the Vermont Community Broadband Fund is prohibited without the prior written approval from the Board.*
7. *Each person signing the proposal affirms that the final network will be reviewed by the VCBB before the project is deemed complete and final payment is made.*
8. *Each person signing the proposal agrees to follow the applicable Treasury Guidance on the allowable uses and requirements for usage of American Rescue Plan State and Local Fiscal Recovery Funds. In cases of conflicting legal opinions, the opinion of the State Vermont Department of Finance and Management and the State's consultants shall take precedence. Failure to follow the guidance may result in a suspending the agreement or disallowing an expense.*

9. *Each person signing the proposal certifies they have reviewed the following documents: [Attachment C, STATE OF VERMONT- FEDERAL TERMS SUPPLEMENT \(Construction\) for all Contracts and Purchases of Products and Services Connected with 2020 Pandemic, Applicability of Federal Requirements to Vermont State Fiscal Recovery Fund Projects, and State Fiscal Recovery Program Assurances v5.](#)*

Eligibility Screening Part 3: General Information

1. Responding Eligible Entity and Brief History of the Eligible Entity and Partners.

- a) Applicant shall provide a brief history. The history should include maps detailing where the company currently provides service or the towns that are included in the Communications Union District.
- b) Applicant shall indicate their experience and/or their partner(s)'s experience provisioning broadband Internet to residential and business customers. Applicant should be able to demonstrate a history of deploying broadband technologies in rural or other hard to serve areas.

2. Business Plan and Financial History

- a) Applicants shall certify they have a compliant business plan. If the Applicant does not have a business plan compliant with Act 71 at this time, the Applicant must describe the business model and steps that will be taken to develop such a plan. The plan will be required if the Applicant is invited to submit a full application.

Act 71 § 8086(d) requires the Board to “determine that the applicant has produced a viable business plan for its proposed broadband project, which takes into consideration network engineering and design, labor needs and availability, supply-chain contingencies for equipment and materials, make-ready work, and any other relevant capital and operational expenses.”

- b) The Board reserves the right to require the submission of an Applicants financial information before inviting a proposal.

3. Preferred Application Process

The applicant shall state their preferred application path

- Conventional: The conventional grant program requires the submission of extensive materials and a not to exceed price. Grantee is reimbursed for total incurred costs up to the “not to exceed” price once the project is completed and the final built design is signed off on by the Board.
- Phased: The phased approach requires an applicant interested in engaging in a collaborative and iterative process with the Board for projects that will

result in publicly owned infrastructure. In exchange for performance payments, Grantee will share plans, including detailed design and provide the opportunity for input from Board experts.

Eligibility Screening Part 4: Proposed Universal Service Area

1. Proposed Service Area

- a. Applicant shall detail the town(s) in which they propose providing universal service.
- b. Applicant shall provide a map showing current coverage in the proposed Universal Service Area and the total number of underserved addresses.
- c. Applicant shall describe who will own the resulting infrastructure.
- d. If the Applicant is proposing to serve a town currently a member of a Communications Union District, the provider shall explain the relationship with the Communications Union District. Letters of support confirming the support of the Communications Union District are encouraged.

According to Act 71, § 8086(e) The Board shall not award a grant to an eligible provider who is not a communications union district unless the Board determines that the provider's universal service plan does not conflict with or undermine the universal service plan of an existing communications union district

If there is no relationship, it is the responsibility of the Applicant to convince the Board that a full proposal should be invited. An Applicant seeking funding for a project in Communications Union District should provide the following information at a minimum:

- i. Whether the town was a member of the Communications Union District as of June 1, 2021.
- ii. An overview of the Applicant's relationship with the Communications Union District. The Board will consider whether the Applicant replied to RFPs and/or made a substantial attempt to forge a partnership.
- iii. Why the proposed project will not conflict or undermine the business plan of the Communications Union District.
- iv. Why it is in the best interest of the State to consider a full proposal.

The Staff shall make the decision whether the Applicant's complies with this requirement of Act 71, § 8086(e). A potential Applicant not invited to submit a

full proposal because of this clause may appeal to the VCBB Board.

2. Universal Service Plan

Successful Applicants will provide a plan to provide directly or cause to provide 100/100 Mbps service to all on grid unserved or underserved locations within 5 years. Applicants providing direct service to all locations should present a phased approach for serving all locations in the town(s) or Communications Union District. Applicants not serving all locations directly must detail who will provide service to all remaining locations. For example, an incumbent telephone company that provides service to 90% of the town, must provide a letter of commitment or jointly apply with another entity demonstrating that all remaining on grid unserved and underserved locations will be served, over what time period, and how. Applicants should attach any document support their commitment to universal service.

3. Estimated Cost for Universal Service Area

Applicants must be able to provide a total estimate for the serving the entire proposed Universal Service area. The Applicant should describe how the estimate was arrived upon and factors that will influence the final cost to serve the entire Universal Service Area. Included in the cost estimate will be the number of underserved and unserved locations that service will be offered to. This will result in an average cost per location.

4. Other Funding Sources for the Project

Applicant should detail any additional financial support to be provided to this Universal Service Project. This includes any federal grants or contracts; contributions from communities to be served; or private capital to be investment by the Applicant.

5. Community Engagement

Applicant shall detail all efforts to engage the local municipality or region subject to the potential grant proposal.

STEP 2: FULL PROPOSAL (BY INVITATION ONLY)

In response to this RFP, each bidder is required to submit a proposal organized into the sections as outline below.

The information required for the full proposal builds off the submission in the Eligibility Screening Phase. Applicants are encouraged to read each section carefully for additional information required in this phase and to further elaborate on previous answers. Applicants shall also respond to any questions posed in the invitation for a full proposal. The full proposal also requests information the specific phase of the Universal Service Plan Project for which the

Applicant is requesting funding and additional information related to other design and process concerns per Act 71.

Applicants shall refer to the following chart to determine which questions must be answered and answer those questions as outlined below.

Applications Steps	Conventional	Phased
Part 1 – Transmittal Letter and Proposal Overview	Required	Required
Part 2 – Applicant Certification	Required	Required
Part 2 – General Information	Required	Required
Part 3 – Proposed Universal Service Area	Required	Required
Part 4 - Project Description	Required	Questions 1, 2, 3, 5 are required at this time.
Part 5: Act 71 Considerations	Required with supporting information	Required
Part 6: Attachments	Required	Required

Full Proposal Part 1: Transmittal Letter and Proposal Overview

1. Official name and full contact information for the Applicant and any collaborators
 - *Communications Union Districts* – The name, main office address, and a complete contact info. A Communications Union District must also detail the partner(s) who will act as the Internet Service Provider (ISP) for the network construction.
 - *Other Eligible Applicant* -- If an Applicant is owned or controlled by a parent company, the name, main office address, and parent company's tax identification number shall be provided in the proposal. If an Applicant company is independently owned, the name, main office address, and tax identification number of the bidding company shall be provided in the proposal(s). If the Applicant is proposing to serve a town currently a member of a Communications Union District, the provider must explain the relationship with the Communications Union District.

2. *DUNS # and SAM #*

3. *Preferred Application Process*

4. *Total Estimated Cost to Complete the Universal Service Plan*

5. "Not to Exceed" or "Estimated Cost" for the Universal Service Project to be completed in the next 24 months.

6. Amount Secure Community Match and other funds to be contributed to the project

Full Proposal Part 2: Applicant Certification

Applicant Certification: Applicant shall certify in writing acceptance of the following conditions:

1. Each person signing a proposal certifies that he or she is the person in the Applicant's organization responsible for, or authorized to make, decisions as to the prices quoted and that he or she has not participated, and will not participate, in any action contrary to the non-collusion requirements of this RFP.
2. Each person signing the proposal certifies that all information in the proposal is accurate to the best of their knowledge.
3. Each person signing the proposal certifies that the Applicant organization has a Universal Service Plan for the entire town or Communication District in which the project will serve. Each person signing acknowledges that the Universal Service commitment is binding and that while plans may be revised, a failure to connect or cause to be connected all on grid unserved and underserved locations to service of at least 100/100 Mbps within three (3) years for an individual town or five (5) years for an entire Communications Union District for reasons other than a failure by the Board to provide funds as outlined in the Universal Service Plan cost estimate may result in a forfeiture of assets built using funds received as a result of this Application. Delays resulting from force majeure will be considered.
4. Each person signing the proposal certifies that the Applicant organization will comply with the Vermont Community Broadband Board Outside Plant Design (OSP) Requirements.
5. Each person signing the proposal certifies that the project when completed will offer broadband service that complies with consumer protection and net neutrality standards.
6. Each person signing the proposal certifies that the sale or transfer of any project funded by the Vermont Community Broadband Fund is prohibited without the prior written approval from the Board.
7. Each person signing the proposal affirms that the final network will be reviewed by the VCBB before the project is deemed complete and final payment is made.
8. Each person signing the proposal agrees to follow the applicable Treasury Guidance on the allowable uses and requirements for usage of American Rescue Plan State and Local Fiscal Recovery Funds. In cases of conflicting legal opinions, the opinion of the State Vermont Department of Finance and Management and the State's consultants shall take precedence. Failure to follow the guidance may result in a suspending the agreement or disallowing an expense.
9. Each person signing the proposal certifies they have reviewed the following documents: [Attachment C, STATE OF VERMONT- FEDERAL TERMS SUPPLEMENT \(Construction\) for all Contracts and Purchases of Products and Services Connected with 2020 Pandemic, Applicability of Federal Requirements to Vermont State Fiscal Recovery Fund Projects, and State Fiscal Recovery Program Assurances v5.](#)

Full Proposal Part 2: General Information

1. *Responding Eligible Entity and Brief History of the Eligible Entity and Partners.*

- Applicant shall provide a brief history. The history should include maps detailing where the company currently provides service or the towns that are included in the Communications Union District.
- Applicant shall indicate their experience or their partner(s)'s experience provisioning broadband Internet to residential and business customers. Applicant should be able to demonstrate a history of deploying broadband technologies in rural or other hard to serve areas.

2. *Subcontractors*

Planned use of subcontractors shall be clearly explained in the proposal(s), including terms of any subcontract. Applicants must include a copy of any proposed subcontract(s) with the proposal(s), if available. All subcontracts must comply with the certification requirements in Section III. The primary contractor(s) shall be responsible for all contract performance, whether or not subcontractors are used. The only contact with the Board will be with the Applicant.

3. *Business Plan and Other Financial Information*

- a. A completed Act 71 Compliant Business Plan is required.
- b. The Board reserves the right to require the submission of additional financial information as part of the full application or during the subsequent review of applications submitted.

Full Proposal Part 3: Proposed Universal Service Area

1. *Proposed Universal Service Area*

- a. Applicant shall detail the town(s) in which they propose providing universal service. This includes describing the demographics, including the overall density of the underserved areas and whether the area includes any Qualified Census Blocks.
- b. Applicant shall provide a map showing current coverage in the proposed Universal Service Area and the total number of underserved addresses.
- c. Applicant shall describe who will own the resulting infrastructure.
- d. If the Applicant is proposing to serve a town currently a member of a Communications Union District, the provider shall provide a letter of support from the District and documentation explaining the relationship.

2. *Universal Service Plan*

Successful Applicants will provide a plan to provide directly or cause to provide 100/100 Mbps service to all on grid unserved or underserved locations within 5 years. Applicants

providing direct service to all locations should present a phased approach for serving all locations in the town(s) or Communications Union District. Applicants not serving all locations directly must provide commitment letters from partners who will provide service to all remaining locations. For example, an incumbent telephone company that provides service to 90% of the town, must provide a letter of commitment or jointly apply with another entity demonstrating that all remaining on grid unserved and underserved locations will be served and how. Preference will be given to Applicants submitting joint applications covering an entire community within the allowable timeframe. Applicants shall provide a timeline for achieving universal service. If the project requires multiple phases and will take more than 2 years to complete, the Applicant shall provide a timeline showing each phase. Applicants should attach any document support their commitment to universal service.

3. Estimated Total Cost to Serve All Unserved and Underserved Address in Universal Service Area

Applicants must be able to provide a total estimated cost for the serving all unserved and underserved addresses in the proposed Universal Service area. The Applicant should describe how the estimate was arrived upon and factors that will influence the final cost to serve the entire Universal Service Area. Included in the cost estimate will be the number of underserved and unserved locations that service will be offered to. This will result in an average cost per location.

4. Other Funding Sources for the Project

Applicant should detail any additional financial support to be provided to this Universal Service Project. This includes any federal grants or contracts; contributions from communities to be served; or private capital to be investment by the Applicant.

5. Community Engagement

Applicant shall detail all efforts to engage the local municipality or region subject to the grant proposal.

Full Proposal Part 4: Project Description

The Project description must contain the following information:

1. *Eligible Locations to Be Served:* Each proposal should identify all locations, underserved or otherwise, that the Applicant intends to serve in this phase of construction and the expected “in service date.”
2. *Not to Exceed or Estimated Price:* For “Conventional” Applications, Applicant shall provide a total, “not-to-exceed,” turn-key price for the proposed project. Applicants choosing the “Phased” approach shall provide an Estimate. This figure shall describe if

the price of drops is included in the application. These take-rate assumptions shall be included in the grant application. To prioritize network construction, the amount dedicated to drops should be consistent with the requirements of the feasibility plan. Applicants are encouraged to raise funds from communities to pay for drops to residents.

3. *Timeline:* While the proposed funding should be for a specific project of the universal service plan (unless the project can be completed in a single phase in the next 18 months), the proposal should detail the timeline for this project and for additional phases of the universal service plan.
4. *Retail Pricing:* Each proposal should list all proposed retail prices for service. Prices shall include additional fees (such as equipment rentals) that could be assessed against consumer accounts. Applicant should include details about how they address affordability.
5. *Additional Services:* Each proposal should describe what, if any, additional services will be offered using the facilities deployed through the proposed project (e.g. voice, video, etc.)
6. *Detailed Project Budget - Applicant shall provide a detailed budget outlining line item estimates for each activity.*
7. *Network Performance and Monitoring - Applicants shall describe a plan for monitoring, identifying, and responding to issues related to the management of the links between network head-ends, devices and users. The purpose is to identify congestion, maximize throughput, and improve network performance.*
8. *Other Information:* Any information the Applicant deems relevant to demonstrate the technical, financial, and economic feasibility of the project and project team.

Full Proposal Part 5: Act 71 Considerations

Act 71 requires the Board to evaluate how proposed projects addresses a variety of issues when reviewing Construction Grant proposals. Please explain how your proposal addresses the following concerns.

1. Collaboration and Coordination

The VCBB seeks projects that leverage existing public and private resources and assets. Please highlight any collaboration or coordination between the applicant and attach documentation, including a summary of any agreements of such collaboration with the following entities:

- a) Other CUDs or municipalities that were not part of a CUD on June 1, 2021.
- b) Utilities serving the district. For example, have you contacted the utility regarding the make-ready tariff reduction? Are you coordinating with the utility's construction schedule to reduce costs? How many addresses in your district are eligible for the reduced tariff?
- c) Incumbent telephone, cable providers, or another internet service provider
- d) Other entities. This would include Libraries, Public Safety, Agency of Transportation, Housing Organizations, Local Development Districts, Regional Planning Commissions, School Districts, and other community anchor institutions.

2. *Resiliency and Redundancy*

Applicant shall describe steps being taken, as well as plan to provide interconnection locations, to ensure a resilient and redundant network that is interoperable with other networks and capable of support future growth.

3. *Overbuilding*

Applicants must provide the percentage of addresses to be served by this project that already have access to a reliable wire-line connection that reliably achieves speeds of at least 25/3 Mbps. Applicants should explain why any overbuild is necessary and how it is incidental to the overall objective of the project.

Point to Point Fiber between hubs without drops and crossing areas with access to wireline connection of at least 25/3 does not count as overbuild.

The Broadband Construction program created by Act 71 § 8086 f(2) allows the Vermont Community Broadband Board to:

“provide a grant to an eligible provider that enables the provision of broadband service in a geographic area currently served, provided that: (1) the proposed project is a cost-effective method for providing broadband service to nearby unserved and underserved locations that is capable of speeds of at least 100 Mbps download and 100 Mbps upload; (2) any overbuild is incidental to the overall objectives of the universal service plan required for funding under this Program.”

As a rule, any overbuild of served addresses that is less than 20% of the total number of miles passed will be considered incidental since the project is “designed to” provide service to unserved and underserved households.

4. *Sustainability*

Applicant shall describe in detail how they plan to fulfil their Universal Service Plan within the required timeframe. Applicant shall describe all other sources of funding and the status. How will this grant if approved increase your long-term network and business

sustainability? Please describe how this grant is consistent with your existing business plan.

5. *Affordability*

Applicant shall also certify they are participating in the Federal Emergency Broadband Benefit or subsequent program. The Applicant should explain the reasons if they are not participating and other steps they are taken to ensure their network is affordable to all Vermonters.

Full Proposal Part 6: Attachments

1. *Viable Business Plan*

Applicants are required to provide viable business plan for the proposed broadband project, which takes into consideration network engineering and design, labor needs and availability, supply-chain contingencies for equipment and materials, make-ready work, and any other relevant capital and operational expenses.

2. *Letters of Support*

Non-CUD applicants are required to include letters of support from municipality to be served.

3. *Documentation of Any Community Matching Funds*

4. *Response to Service Quality Complaints*

The Applicant is advised that the Board may review complaints and service quality investigations involving the proposed service provider. The Applicant should be prepared to explain.

4. *Operating Agreements and Other Partnership Agreements*

Applicant shall provide an overview of any operating or partnership agreement entered into by the Communications Union District. If the Applicant has not entered into such agreement, the applicant shall provide an overview of discussions and a timeline. If an applicant is not pursuing such agreements, the Applicant shall detail its plan for operating the network

5. *Maps, Spreadsheets and High-Level Network Design*

Applicants are required to provide a map and accompanying spreadsheet showing the project addresses, E-Site IDs, current level of service, and expected date that service will be available. The Applicant will be given directions on where to upload project information upon the extension of an invitation to submit a full application.

6. *Requests for Confidentiality*

Applicant should include a memo detailing materials that it requests to be held confidential by the Vermont Community Broadband Board (VCBB) and include an explanation as to why such material should be exempted from disclosure under the Vermont Public Records Act (1 V.S.A. §§ 315 et seq.). Applicant must mark all pages or sections that are covered by the exemption. For example, use bold redheaders and footers on pages that should be excluded from public inspection and records requests.

PERFORMANCE

The Applicant will be obligated to take whatever steps are necessary, including constructing, leasing, or purchasing facilities, to extend service to every location identified in the grant agreement.

Conventional Applications - Submission of Detailed Design

Within One-Hundred-Twenty (120) Days of execution of a grant agreement, Applicant choosing the “conventional” path must provide the Detailed Project Plans to the Board. The Principal Engineer must certify that plans are in full compliance with the Vermont Community Broadband Outside Plant Design Requirements. The plans will be subject for review by the Board’s Fiber Optics Engineer. Any construction occurring before the Detailed Design is accepted is at the Grantees own risk. A failure to submit a design within the allotted time may result in the cancelation of the grant award.

Phased Approach Applications – Submission of Detailed Design

Applicants pursuing the “phased” approach will negotiate a timeline with the Board for the various performance reviews required in exchange for access to funds. This includes a timeline for the formal, iterative process to ensure that the Detailed Design meets all Outside Plant Standards. This timeline will be negotiated with the Applicant and included in the grant agreement. A failure you to agree on a timeline will result in the cancellation of the grant award.

Progress Reports

Applicants selecting to pursue the “Conventional” Path will be required to file quarterly progress reports consistent with the grant agreement and state and federal requirements.

Applicants pursuing the “Phased” Path will be required to file monthly reports and meet other performance requirements to be outlined in the grant agreement.

Construction of the Network

Within Twenty-four (24) months from entering into an agreement with the Board, the Applicant must perform the following:

1. Offer broadband Internet access service with speeds of least 100/100 Mbps. The Applicant may also offer broadband service at lower tiers of service at a lower price, but consumers must be able to purchase broadband service at speeds of at least 100/100 Mbps. Speed guarantees are to be verified through an acceptance test with the customer and are subject to verification by the Board .
2. If applicable, offer service to the identified locations at the same rates and terms and conditions or better than offered to Applicant’s existing customers.
3. Offer retail broadband service to every eligible location identified in the award for a period of at least five (5) years from the date service is offered to eligible locations.

4. Once addresses begin to be connected provide quarterly updates via the online portal detailing service availability at each location in the project. Applicant must also notify those addresses that service is now available.
5. Final, “as built network designs” must be provided upon the completion of construction.
6. The Board reserves the right to inspect the network before certifying project completion.

PROPOSAL REVIEW AND SELECTION

Method of Award: Awards will be made in the best interest of the State. All other considerations being equal, priority will be given first to those projects that align with the goal and priorities outline in this Request for Proposals. Qualitative determinations will be made regarding community need and community impacts. Scoring will not be numerical.

Selection without Further Discussion: The Board reserves the right to select without further discussion of proposals received. Therefore, it is important that each proposal be submitted in the most complete and accurate manner possible.

Rejection of Proposal: The Board reserves the right to reject any or all proposals and to waive informalities and minor irregularities in proposals received, and to accept any portion of a proposal if deemed in the best interest of the State and in accordance with the applicable provisions of law.

Negotiations with Applicants: Upon completion of the evaluation process, the Board may select one or more Applicants with which to simultaneously negotiate grant agreements for the provision of service in a proposed Universal Service area, based on the evaluation, findings and other criteria deemed relevant for ensuring that the decision made is in the best interest of the State of Vermont. In the event the Board is successful in negotiating with one or more Applicants, the Board will issue a notice of award. In the event the Board is not successful in negotiating a grant agreement with a selected Applicant, the Board reserves the option of negotiating with another Applicant or choosing not to issue an award.

⁵<https://legislature.vermont.gov/Documents/2020/Docs/BILLS/H-0966/H-0966%20As%20Passed%20by%20Both%20House%20and%20Senate%20Official.pdf>

⁶ See 30 V.S.A. § 7515b. The Vermont Telecommunications Plan is available at [://publicservice.vermont.gov/publications-resources/publications/telecom_plan](https://publicservice.vermont.gov/publications-resources/publications/telecom_plan).

Grant Award: The basis for the selection of the winning Applicant (s) will be made based on the sole opinion of the Board that the proposal(s) submitted will promote the general good of the State and are in accordance with Vermont law.

Appeal Process: If an application is rejected, the applicant can appeal the decision. The applicant must submit an appeal letter to the VCBB within 30 days of the rejection. The letter must explain why the applicant disagrees with the decision and provide documentation detailing as to why the applicant thinks it should have been approved. Grounds for appeal shall include evidence of at least one of the following:

- The proposal was reviewed on the basis of criteria other than those appearing in the RFP.
- The staff or the Board decisions was influenced by members who failed to disclose conflicts of interest
- The rejection decision was made based on erroneous information or calculations.

TERMS AND CONDITIONS

Binding Offer: A proposal submitted in response to this RFP shall constitute a binding offer, until approval by the Board of a finalized agreement to be drafted in accordance with Bulletin 5. Acknowledgment of this condition shall be indicated by the signature in the Transmittal Letter of the Applicant or an officer of the Applicant legally authorized to execute contractual obligations.

Limited Liability: The Board assumes no liability with respect to this RFP or any matters related thereto. All prospective Applicants and their assigns and successors, by their participation in the RFP process, shall indemnify, save and hold the Board and its employees and agents free and harmless from all lawsuits, causes of action, debts, rights, judgments, claims, demands, accounts, damages, costs, losses and expenses of whatsoever kind in law or equity, known and unknown, foreseen and unforeseen, arising from or out of this RFP and/or any subsequent acts related thereto, including but not limited to the notification of a Applicant to the Board and any action brought by an unsuccessful prospective Applicant .

Agreement Cancellation: The Board reserves the right to cancel any agreements resulting from this RFP, for cause, as will be defined in the Terms and Conditions of the final agreement.

Agreement Modification: The agreement may be modified to comply with updated Treasury Guidance, administrative, judicial or legislative decisions.

Governing Law: The laws of the State of Vermont shall govern in connection with this RFP and the formation, performance, and the legal enforcement of any resulting contract or agreement.

Proposal Ownership: All deliverables submitted as a response to this RFP shall become the property of the Board and the State of Vermont. All submitted responses may be reviewed by any person after the grant agreement has been signed. The Board reserves the right and sole discretion to use any or all information/material presented in reply to this RFP, including the right to destroy any information. Disqualification of a Applicant does not eliminate this right.

Warranty: As a condition of delivery of the grant funds, Applicant warrants to the Board that:

- (i) the facts and estimates provided in its response to Broadband Infrastructure Program request for proposal are, to the best of Applicant 's knowledge, correct and true;
- (ii) grant funds are economically necessary to fulfill Applicant 's proposal, build, or produce the grant project, and operate the required services to the locations listed in Applicant 's proposal, and;
- (iii) Applicant does not already provide service of at least 100/100 Mbps to the locations listed in the Applicant 's proposal.

Secondary Public Funding Resources: Applicant shall attest that it has not received support from additional federal or state program for any of the locations awarded to Applicant under any other round of grant funding. Furthermore, Applicant shall attest that it will not seek additional federal or state support for any of the locations awarded to Applicant under any round of support for the duration of the grant award. Applicants may only apply secondary public funding sources to awarded locations upon prior written approval from the Board. The Board reserves the right to withdraw or reclaim funding for any location found to be counted toward Applicant's federal Universal Service obligations.

Note: Must seek additional information from F&M and PSD on this item

News Releases: News releases pertaining to this RFP, grant award, or the project shall not be made without prior documented approval from the Board.

Equal Opportunity: Any Applicant submitting a proposal shall be an Equal Opportunity Employer. During the duration of the performance of the grant agreement, the selected Applicant (s) will be expected to comply with all federal, state, and local laws respecting nondiscrimination in employment.

Funding: All Grant awards are subject to the availability of funding.

Payment: Payment will be made on a performance schedule detailed to be detailed in the grant agreement.