NCDIT NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY
Division of Broadband and Digital Equity

Completing Access to Broadband Program

Award Decision Memorandum

To: Nate Denny
Deputy Secretary for Broadband and Digital Equity
Division of Broadband & Digital Equity
North Carolina Department of Information Technology

From: Angie Bailey
Director, Broadband Infrastructure Office
Division of Broadband & Digital Equity
North Carolina Department of Information Technology

Date: June 27, 2024

Subject: Award Decision Memorandum

Reference #: Polk County Scope of Work; CABSOWPOLK01

The award decision for the Polk County CAB Scope of Work is enclosed for your review.

The evaluation committee, consisting of members from the county and from the North Carolina Department of Information Technology (NCDIT), received and reviewed five (5) bids in response to the scope of work. The committee met and selected the following vendor for a contract award based on the evaluation criteria set out in the scope of work:

Description:	Broadband deployment to unserved and underserved locations in Polk County
Selected Vendor:	Skyrunner, Inc.
Cost:	The total project cost is: $8,117,499.00. The average cost per location is: $3,028.92.
Contract Term:	Two (2) years to construct the network (by October 31, 2026), plus three (3) years to maintain the network and offer service to subscribers

A description of the process, respondents, evaluation, and selection is set forth below. If additional information is required, please do not hesitate to contact me.

cc: Evaluation Committee

Introduction

North Carolina Session Law 2021-180 provides $400 million in American Rescue Plan Act (ARPA) funding to deploy crucial last-mile broadband infrastructure to serve remaining unserved and underserved areas in North Carolina through the Completing Access to Broadband (CAB) program. The CAB program provides an opportunity for individual North Carolina counties to partner with NCDIT to identify eligible project areas, develop a scope of work, and select a provider for the construction, installation and operation of broadband infrastructure within the county. NCDIT conducted a prequalification process to identify providers eligible to submit proposals in response to each county's scope of work. The resulting projects require matching investments from counties and the selected broadband service providers in addition to the funds provided by NCDIT.

The scope of work for Polk County was posted on March 28, 2024, and bids closed on May 13, 2024. The County received five (5) bids in response to the scope of work. Respondents were evaluated based on strengths and weaknesses to determine the best value to the state and county. Evaluation criteria, set out more fully below, included the ability of the provider to perform, technical merits of the proposal, and the cost and scope of the proposed project.

Evaluation Committee

The evaluation committee consisted of two representatives from the county and two representatives from NCDIT. The chart below lists the representatives.

Name	Title	Agency
Marche Pittman	County Manager	Polk County
Cathy Ruth	Planner/Economic Development	Polk County
Jim Corrin	Broadband Liaison	Broadband Infrastructure Office
Gretchen Ramirez	Program Analyst	Broadband Infrastructure Office

Only evaluation committee members served in a decision-making role to evaluate proposals and select a project for award. Additional individuals from the following organizations, supported the evaluation process in the following ways:

- Vetting for completeness - NCDIT staff vetted each proposal for completeness;
- Mapping - NCDIT GIS experts analyzed eligibility of locations proposed;
- Technical Merits - NCDIT broadband analysts provided insight regarding the proposed network design and technology;
- Financial Analysis – NCDIT engaged KPMG, LLP to perform a financial review of each respondent to determine financial capacity and risk level; and
- Procurement Support – NCDIT engaged Civic Initiatives, LLC, an entity specializing in public procurements, to help design, manage, and facilitate the evaluation and selection process. NCDIT legal counsel reviewed documents and processes.

Evaluation Methodology and Criteria

Best Value Evaluation Methodology

The committee conducted its evaluation of proposals using a best value methodology. A best value methodology is the "selection of a contractor based on a determination of which proposal offers the best trade-off between price and performance, where quality is considered an integral performance factor." N.C.G.S. § 143-135.9. Award decisions are made based on multiple factors, such as the total cost of the project, the technical merit of the proposal, and the probability of the respondent performing on time, with high quality, and in a manner that accomplishes the objectives stated in the SOW. The award is made to the respondent whose proposal is determined to be the most advantageous and best value, using all evaluation criteria set forth in the scope of work.

Evaluation Criteria

The scope of work set out the evaluation criteria in order of importance, a summary of which is as follows:

1. Ability of the Respondent to Perform
    a. Financial Qualifications
        i. Financial Solvency
        ii. Cash Match
        iii. Existing Deployment Grants
    b. Past Performance
    c. Experience
2. Technical Merits of the Project
    a. Technical approach for the project (infrastructure, technology type, equipment, etc.)
    b. Network redundancy and resiliency
    c. Proposed speed tiers to be offered to end users
    d. Affordability (examples of current pricing in nearby or similar areas)
    e. Operational systems
        i. Participation in FCC's Broadband Data Collection system
        ii. Commitment to protection of subscriber data
        iii. Subscriber support for network issues
        iv. Billing and customer service
3. Cost and Scope of the Project
    a. Project budget, to include a total cost per location and average cost per location
    b. Total number of locations to be served, identifying how many households, businesses, and community anchor institutions
    c. Mapping data
        i. Total number of unserved locations to be served
        ii. Total number of underserved locations to be served
        iii. Priority areas (if applicable)

Summary of Bid Submissions

Listed below is a synopsis of each proposal submitted. All responses proposed serving locations with fiber.

Vendor	Number of Eligible Locations to be served*	Avg. Cost / Location**	Total Project Cost
Spectrum Southeast, LLC (22045)	1,485	$6,508.88	$9,665,693.60
Spectrum Southeast, LLC (22046)	832	$8,322.25	$6,924,112.53
Windstream North Carolina, LLC	1,976	$4,914.94	$9,711,919.00
Wilkes Telephone Membership Corporation (RiverStreet Networks)	163	$8,712.26	$1,420,098.00
Skyrunner Inc.	**2,680**	**$3,028.92**	**$8,117,499.00**

*Locations verified as eligible by NCDIT
** Based on locations verified as eligible by NCDIT and total project cost

Strengths of Selected Vendor and Award Recommendation

The evaluation committee recommended awarding a contract to Skyrunner, Inc. This vendor and its proposed project represented the best value to the state and county among the submitted proposals, as it would serve the most locations at the lowest average cost per location. Skyrunner will build to 91.81% of the total unserved locations.

In addition to number of locations and cost, other strengths of the selected proposal, as noted by the evaluation committee members during their review, include the following:

- “Skyrunner has been operating since 2004. They demonstrate experience with similar sized projects.”
- “Skyrunner has a strong technical approach and demonstrates expertise.”
- “Incorporates a tiered system for customer response”
- “According to the response, Skyrunner has significant experience building out complicated networks in Western North Carolina.”
- “Good number of homes etc. in the proposed construction.”
- “technical approach centers on using fiber-to-the-premise (FTTP) with GPON technology, which supports the delivery of higher bandwidths and scalable solutions.”

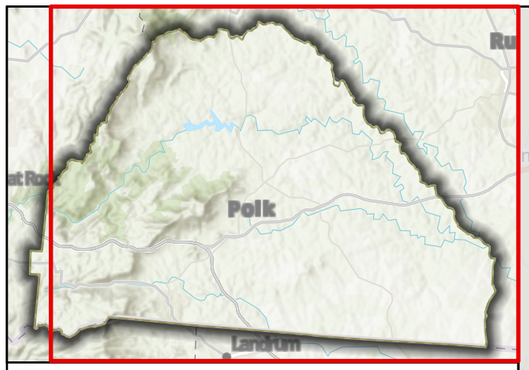
Based on the strengths noted herein, the evaluation committee selected Skyrunner, Inc. to deploy broadband infrastructure and provide access to 2,680 unserved locations in Polk County.

The Broadband Infrastructure Office recommends approval of this award decision and requests that the NC Department of Information Technology move forward with contracting of the selected CAB project(s).

A map of the selected project is attached which illustrates the locations to be served.

NCDIT NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

POLK COUNTY CAB AWARD



Eligible Locations: Requirements around use of Eligible Broadband Serviceable Locations (BSLs) for projects are addressed in the CAB Program Guidance, the Scope of Work and the data template required for submission of mapping locations. In the event that the number of Eligible Locations in the Mapping Data differs from the number of Locations Listed in the EBS Application Form , the number of locations in the mapping data supersedes the other data sources. Location data is analyzed by NCDIT to remove ineligible locations such as served locations, locations protected by other grant awards, duplicate locations, etc. If a project is selected for award, it will be contracted for building to the approved eligible locations (row 9) only. In instances where there is a significant difference in the number of locations submitted versus the approved eligible locations, and a project is selected for award, NCDIT may choose to negotiate with the respondent on the final project cost. Evaluators should be aware that the average cost per location may also be impacted in these instances.

Unserved locations for American Rescue Plan Act (ARPA) funded programs in NC are defined as locations without access to fixed terrestrial internet service, through Fiber, Cable, or non-mobile Licensed Fixed Wireless technologies, of at least 25mb/s Download and 3mb/s Upload speeds. Underserved locations are defined as locations without access to fixed terrestrial internet service of at least 100mb/s Download and 20mb/s Upload speeds, but greater than 25mb/s Download and 3mb/s Upload speeds.

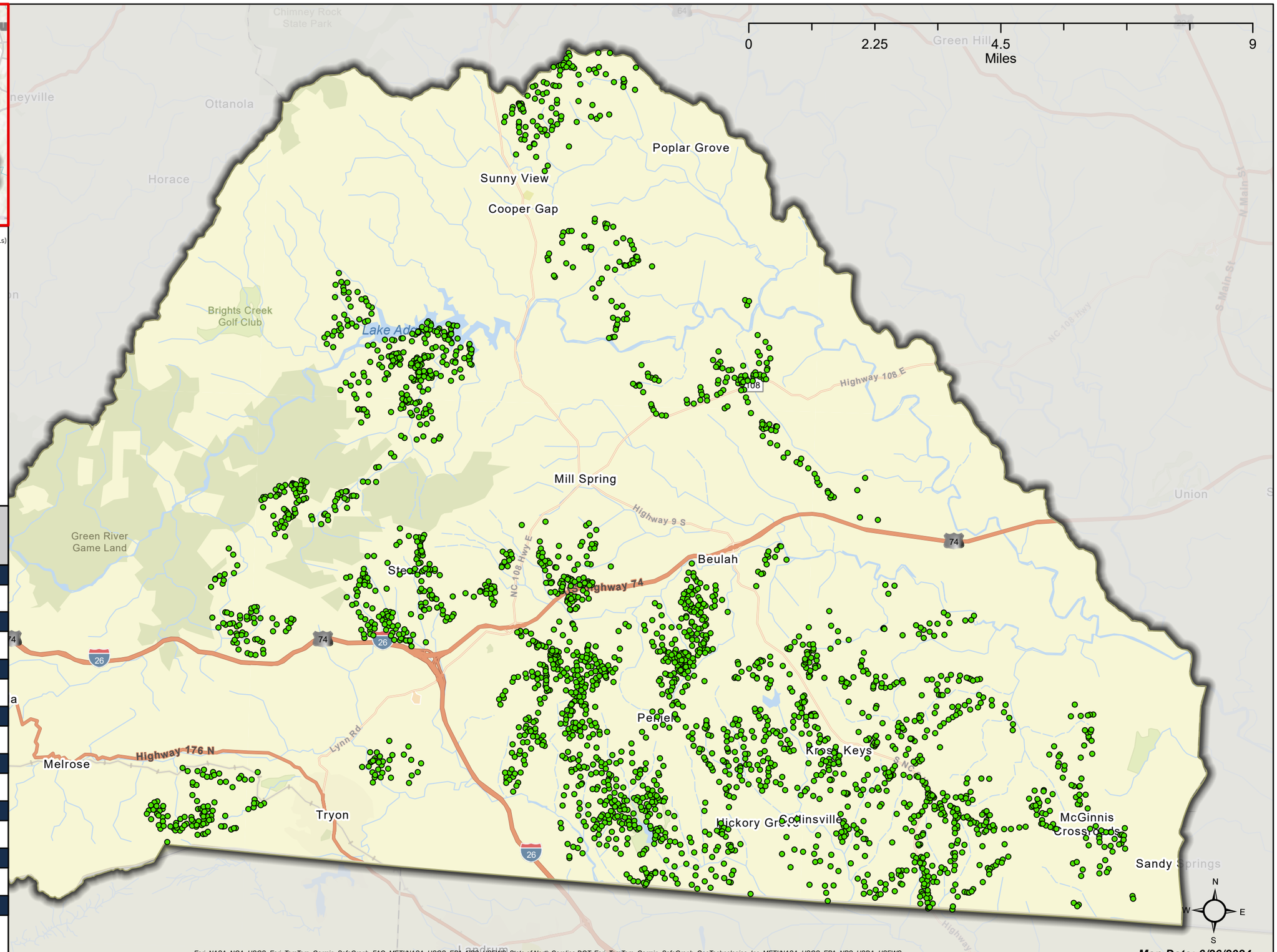
● **CAB Proposal Locations**

PROPOSAL MAPPING SUMMARY

Proposal ID: 1000022021

Provider: Skyrunner

Total Eligible Broadband Serviceable Locations Proposed	
2680 Locations	
Unserved Locations Proposed	
2680	**91.81% of Total Unserved in County**
Underserved Locations Proposed	
0	**0% of Total Underserved in County**
Fiber Locations Proposed	
2680	
Cable Locations Proposed	
0	
Fixed Wireless Locations Proposed	
0	
Average Download Speed Proposed	
1000 Mb/s	
Average Upload Speed Proposed	
1000 Mb/s	



Map Date: 6/26/2024