

9 Contract and License Agreements

The intent of NBDC is to act as a Community Champion to facilitate the growth of broadband services in Nunavut. From a contractual perspective NBDC has undertaken to carry out the following steps:

- determine the need for broadband services in Nunavut;
- administer an RFP to select a bidder for the required goods and services;
- prepare a Business Plan incorporating the projected need and the selected proposal;
- present the Business Plan to Industry Canada and other potential partners to gain financial and other assistance for broadband;
- negotiate and implement contracts that use the available financial and other assistance to implement broadband services.

Bidders should note that NBDC does not expect to operate any portion of the broadband infrastructure or related services or applications. Rather, NBDC intends to obtain financial and other assistance and deploy that assistance to assist private sector or NGO organizations.

To enable broadband NBDC needs to sign contribution agreements with partners providing assistance and commercial contracts with vendors to deploy broadband goods and services. This section and the related Appendix E – Contract and Certification Issues outlines the nature of the legal arrangements expected by NBDC.

9.1 Confidential and Proprietary Information

The RFP and associated documents are public documents and available on the NBDC web site.

Questions and comments regarding the RFP are public and may be published by NBDC as outlined in more detail in Appendix D – Evaluation Process.

Responses to the RFP will be evaluated by the NBDC Board and advisors who may be acting as volunteers. If a proposal is selected it may be included in the NBDC Business Plan and submitted to several potential funding parties. Bidders should assume that a number of parties may see

their response. A procedure is outlined in Appendix D – Evaluation Process to obtain and review confidential financial information.

9.2 Performance Bonds and Liability Insurance

During contract negotiations, NBDC reserves the right to request a performance bond and/or liability insurance from the vendor. The cost of such assurances may be added to the overall contract cost provided that the vendor provides documentation showing attempts to obtain more than one quotation for such services. Vendors should not attempt to obtain these services before they are selected for contract negotiation unless the vendor has such services routinely available.

9.3 Payment Schedules

Vendor proposals will be evaluated on the prices quoted without reference to cash flow details or payment schedules. Vendors should quote prices on the assumption that funds will be transferred from NBDC within 30 days of receipt by NBDC provided that agreed deliverables have been achieved. Vendors should assume that a maximum of 90% of the total contribution from NBDC will be paid based on deliverables with 10% being paid on full completion of the overall project or project phase.

9.4 Certifications

Vendors should assume that they will be expected to comply with various standards and other requirements as outlined in Appendix E – Contract and Certification Issues and as required by various contribution agreements from time to time. For example, the vendor will be required to certify that in implementing their proposed deployment of infrastructure, they will comply with the Canadian Environmental Assessment Act, as amended.

Vendors are expected to know their own subject matter area and the standards and regulations that normally apply to their industry sector. Should vendors be aware of a particular standard or requirement that they do not plan to meet, that should be noted in their proposal.

Appendices

Appendix A – NBDC – Moving Forward Overview

Appendix B – Proposal Submission Process

Appendix C – Sample Proposal

Appendix D – Evaluation Process

Appendix E – Contract and Certification Issues

Appendix F – NBDC Board Members and Advisors

Appendix G – List of Nunavut Communities

Appendix H – Current Levels of Connectivity

Appendix I – Expected Customer Base

Appendix J – Projected Requirements

Appendix K – Functional and Performance Specifications

1 Appendix A – NBDC – Moving Forward Overview

The web site, www.nunavut-broadband.ca, contains a PowerPoint presentation providing an overview of NBDC available in both English and Inuktitut.

The web site also contains a four page narrative in both English and Inuktitut.

2 Appendix B - Proposal Submission Process

2.1 Intentions of NBDC

Nunavut Broadband Development Corporation (NBDC) is seeking information from a wide variety of organizations that may wish to contribute to the evolution of Broadband in Nunavut. This information will be used to seek funding to advance the communications technology available in Nunavut.

Some of the information needed by NBDC will be collected in the form of responses to this Request for Proposal (RFP). Some of the potential bidders are well adapted to bidding on complex RFPs in a very technical environment. Other potential bidders may be in early stages of development, be focused on local community issues or may not have the experience or staff to respond to complex technology RFPs.

NBDC will make every effort to deal equitably with all bidders from both ends of this spectrum. We will, of course, expect more from organizations that have experience with complex technology RFPs.

All Bidders should carefully examine the section Sample Proposal and craft their response based on this guideline.

2.2 Proposal Submission and Format

The Proposal must be submitted in the form of 2 hard copies and 2 soft copies (CD-ROMs) as follows:

- a) For Bidders outside the Territory of Nunavut or Bidders in Iqaluit, proposals must be delivered at the expense and the risk of the Bidder to the address contained in Page 1 of this RFP **on or before the closing date of the RFP**. For Bidders inside Nunavut (excluding Iqaluit), proposals must be delivered at the expense and the risk of the Bidder to the address contained in Page 1 of this RFP **with a postmark or courier waybill dated on or before the closing date of the RFP**.
- b) The Bidder has the sole responsibility to ensure that proposals are received, in the form requested, on time as specified on Page 1 of the RFP. The Bidder cannot transfer this responsibility to NBDC. Proposals

received after the official closing time and date will be returned unopened.

- c) Proposals must be delivered in the form of 2 copies in hardcopy (paper) as outlined below and in the form of a softcopy CD-ROM containing files as described below. **Bidders that cannot meet the requirement for a CD-ROM copy should contact NBDC for special handling.**
- d) The medium for all hardcopy proposal data is 8½ x 11 inch paper with the exception of spreadsheets and schedules which may be wider and when in hard copy form must be folded into an 8½ x 11 inch size.
- e) The hardcopy version must be printed single side and enclosed in a binder that can be easily opened and closed for copying if required. Bidders are cautioned that glossy sales literature, two sided material and wide spreadsheets and schedules may not be evaluated completely if they cannot be copied automatically with black and white copiers.
- f) The softcopy must be a complete electronic copy of the hard copy and must be provided on CD-ROM in Microsoft Office Suite 97 (or more recent version) or RTF format. Sales literature or similar material may be provided in Acrobat 3.0 (or more recent version) but bidders are cautioned that evaluation may be limited since some standard printers may not effectively print this material. If the softcopy document consists of more than one file on the CD-ROM, a separate Office or RTF document on the CD-ROM should list the files in the order that they are displayed in the hardcopy document including notation of index tabs if any. The bidder should assume that NBDC may use clerical staff and the softcopy to create additional hardcopies for evaluation.
- g) It is requested that the Bidder's proposal use a numbering system as outlined in this RFP. See the section Sample Proposal for details. All references to descriptive material, technical manuals and brochures must be included within the Bidder's proposal. Evaluators will not reference material on web sites or in any location other than the Proposal submitted by the Bidder.
- h) Each binder is to have the RFP name, the Bidder's identity, volume(s) number if required, volume(s) title if required, and copy number printed on the cover. The same identifying data is to be placed on the spine of each binder. Pages are to be numbered sequentially by volume, identifying the RFP name, volume number, page number, and date of

submission in the upper right hand corner of the page. Tabbed dividers may be used if appropriate.

2.3 Price Format

Appendix C – Sample Proposal contains Tables requesting prices and related financial information.

Concurrent with this RFP process, NBDC is developing the factors that reflect a more detailed estimate of the demand for services on a community basis over the planning horizon. As of the date of issuing this RFP, the demand information is not finalized but an initial projection is included in the RFP to ensure all Bidders are evaluated using the same volume information. When the demand information is finalized, NBDC expects to be able to apply the proposal prices to the demand to derive total revenue, total cost and total funding required for the purposes of the Business Plan.

In the sections below where prices are requested, Bidders should provide reasonably detailed information at the level that would be supplied to standard commercial customers for similar services. Prices quoted should include any related conditions such as volume or commitment discounts, minimum or maximum purchases, and financing or payment terms as appropriate.

NBDC reserves the right to request more detailed information for the purpose of clarification, to develop information needed for the Business Plan and to better enable comparisons between Bidders.

See the sections below for more specific guidance by category of service.

2.4 Financial Capability of Bidders

This section addresses the Financial Capability of the Bidder. The intent is to gather information on this subject only when necessary and if gathered, to ensure that the information is held in confidence by NBDC.

Note that confidentiality applies to details regarding the Financial Capability of the Bidder, not the prices quoted by the Bidder which are addressed in a subsequent section. Prices quoted in Proposals cannot be held in confidence as they will be reviewed by the full Board of NBDC and may be included in public funding submissions to third parties.

The Bidder must certify as shown in the Sample Proposal that it has sufficient financial capacity to perform according to the requirements, terms and conditions of this Request for Proposal (RFP) and to deliver the goods and services it has proposed.

In order to assess and confirm the financial viability and capability of the Bidder as it relates to this proposal, the bidder must agree to provide the following information within 15 working days of it being requested by NBDC.

NOTE: Do not submit the following material with your proposal and do not submit this material until requested. If requested, this material will be treated as confidential and distribution within NBDC will be limited to professional advisors and a sub-committee of the Board of Directors of NBDC that does not include potential competitors of the Bidder.

Confidential information should not be submitted and will not be accepted from Bidders until a mutually agreed Non-disclosure Agreement is signed.

- a) Details of the financial structure of the Bidder(s) (i.e. related companies, ownership, etc.)
- b) Copy of the Bidder's legal registration or incorporation.
- c) Audited or appropriately certified financial statements (Balance Sheet, Statement of Income and Retained Earnings, Statement of Source and Application of Funds, and Accountant/Auditor Notes which form an integral part of the financial statement) for the most recent and prior four (4) years for the bidder(s) and all related companies (i.e. Parent, Subsidiary and Affiliate companies).
- d) Latest interim financial statements, if available.
- e) In the case of newly created entities, proforma financial statements supported by a professional opinion.
- f) Details and written confirmation from lenders regarding existing bank lines of credit (i.e. bank name, address, contact, the limit of each line, the amount presently utilized in each line, the security for each line). If the bidder also intends to obtain funds from parent or affiliate companies, written confirmation of commitment outlining the nature of such funding must be provided.
- g) Details of current work in progress (i.e. description of each contract, the value of each contract, terms of payment and surety requirements on each contract, the commencement and estimated completion dates, the percentage currently completed on each contract).

-
- h) Details of potential commercial contracts (i.e. the total value of contracts bid on, the value of contracts expected to be awarded, estimated timing of the commencement and duration of potential successful contracts).

NBDC reserves the right to request additional information and/or clarification regarding all financial information submitted under the Financial Capacity requirements of this RFP. When requested to provide additional information/clarification, the bidder shall provide the required information within ten (10) working days or such period as NBDC and the Bidder may agree.

NBDC reserves the right to request that the Bidder provide the financial information as described above for any significant subcontractor.

NBDC reserves the right to reject otherwise acceptable proposals based solely on the information gathered under this Financial Capability section. Alternatively, NBDC may request that the Bidder provide financial and performance guarantees including, where appropriate in the opinion of NBDC, financial and performance guarantees from parents of and/or suppliers to the Bidder.

3 Appendix C - Sample Proposal

A sample proposal is provided for the convenience of vendors and contains the required tables for submission of financial and contractual information.

The sample proposal is available in Acrobat (pdf) format as part of this RFP document. The authoritative requirements for the proposal are contained in this RFP document and the Acrobat version of the sample proposal.

The sample proposal is also provided in WORD format so that vendors may use that copy of the document as an outline for their response to this RFP. If there is a conflict between the two documents, please refer to the Acrobat (pdf) version, not the WORD copy of the sample proposal.

The sample proposal document in WORD format may be downloaded from the NBDC web site at www.nunavut-broadband.ca.

4 Appendix D - Evaluation Process

4.1 Purpose of the Evaluation

The purpose of evaluation is to select the appropriate organizations for the implementation of Broadband in Nunavut. More specifically, the proposals received will be used to determine the level of funding that is required to implement Broadband in Nunavut. The primary funding sources (e.g. Industry Canada) require requests for funding to be based on commercial market rates as determined by an RFP process. Once some or all funding is assured, NBDC will commence contracting procedures with the selected bidders.

In summary the process will be as follows:

- a) Receive proposals from bidders;
- b) Review proposals and identify Selected Bidder(s) for each category;
- c) Prepare the Business Plan based on prices quoted by Selected Bidders and present to Industry Canada and other parties for funding;
- d) When some or all of the requested funding is received, begin contract negotiation and awards for Selected Bidders.
- e) Implement the new services through the awarded contracts.

The overall purpose of Evaluation is to identify Selected Bidders that together allow a viable Business Plan, that support the request for funds, that are agreeable to the contract conditions outlined in the RFP and that will hold their prices and other parts of their offers firm through the funding period until a contract award by NBDC.

4.2 Process of Evaluation

Proposals will be evaluated by a subcommittee of the Board of Directors of NBDC assisted by technical and financial advisors. The evaluation process will be carried out as described below and will be documented for review and approval by the full Board. In summary the evaluation process will cover the following:

- a) All proposals will be evaluated for compliance. Proposals that do not meet mandatory requirements will be set aside and those Bidders notified;
- b) The category “Satellite Services” will be evaluated for those Bidders that have proposed this service. This category will be evaluated first as it will likely require the largest portion of funding and the selection of this Bidder or Bidders drives decisions in several of the other categories;
- c) Once a selection has been made in b) above, the category “Community Broadband Distribution” will be evaluated;
- d) Given a selection in b) and c) above, then the remaining categories of goods and services proposed will be reviewed for inclusion in the Business Plan.

The following provides more detail on the evaluation process for the services requested in the RFP:

4.2.1 RFP Evaluation - Phase 1 - Compliance

After closing of the RFP, all submissions will be reviewed for compliance with the mandatory requirements and certifications. Proposals that are clearly non-compliant will be set aside at this stage and not evaluated further. Proposals that require clarification will result in contact with the Bidder initially by telephone and subsequently in writing (e-mail and/or fax). When written clarification has been received, the subject proposal will be set aside or approved for the next phase. At the completion of this Phase, Bidders that will not move forward will be notified in writing with the reasons for the decision.

4.2.2 RFP Evaluation - Phase 2 - Satellite Services

Proposals from Bidders that offered services in this category will be evaluated first since this category will likely require most of the funding and the vendor selection in this category may drive the selection in subsequent categories.

This RFP allows Bidders to offer satellite services to all Nunavut communities or to a subset of communities. Bidders that chose to offer to cover all communities in Nunavut (hereinafter called full-coverage Bidders) should be aware that they may be competing with a set of Bidders that together may or may not cover all communities. Full-coverage Bidders need to decide if they will agree to a contract that awards fewer than all

Nunavut communities under their proposal. Alternatively, full-coverage Bidders may choose to bid two prices, one if all communities are awarded and a second price to be applicable if less than all communities are awarded. Another option for full-coverage Bidders is to provide a discount if awarded all communities. Tables to be completed by the Bidder ask full-coverage Bidders to document their decision on this issue.

Bidders that chose to offer coverage for less than all communities should be aware that NBDC is absolutely committed to cover all Nunavut communities with similar services. Therefore, to accept a Proposal for less than all communities, NBDC must locate another Bidder that will service the remaining communities. This other Bidder could be a full-coverage bidder that allows award of less than all communities. Together this set of Bidders that cover all communities can then be compared with the single Bidders offering to cover all communities.

To accommodate this situation, NBDC will examine all Proposals and select for evaluation all proposals that cover all communities. Then, NBDC will review Proposals that cover fewer than all communities and attempt to collect from all Bidders a set of proposals that cover all communities for evaluation. A set of Bidders constructed in this manner by NBDC will be evaluated as if it was a single Bidder.

Proposals that cover only a portion of Nunavut and that cannot be associated with other Proposals that together cover the remaining communities can not be evaluated further in this category.

NBDC strongly encourages Bidders that propose fewer than all communities to pre-establish partnerships that cover all communities. Such pre-established partnerships will be viewed more favourably by NBDC than artificial partnerships that are constructed on paper by NBDC.

It is important to remember that the final solution selected by NBDC must cover all Nunavut communities.

Full-coverage Bidders and sets of Bidders that together cover all communities will be evaluated on two factors as follows:

- a) The Project Deficit will be calculated as outlined in Section 8 – Revenue, Costs and Pricing and the related Tables in the Bidder's Proposal. This total Project Deficit for the defined volume of traffic and related services will be calculated for each Bidder or set of Bidders based on the prices quoted. Note that the Project Deficit incorporates revenue from customers calculated with a common price for all Bidders. The Bidder

with the lowest Project Deficit (the lowest total cost Bidder) will be allocated 75 points. Points for other bidders will be calculated based on the following formula: $(\text{Cost of Lowest Bidder} / \text{Cost of This Bidder}) * 75$ points. For example if the lowest cost Bidder has a Project Deficit of \$1.0 million and this Bidder has a Project Deficit of \$1.2 million then the formula is $1.0/1.2*75$ or 63 points.

- b) The Bidder's offerings will be evaluated from the perspective of service levels offered, technology features, future considerations, local employment and other items to be determined by NBDC. From 0 to 25 points will be allocated to bidders based on the above factors.
- c) The Bidder or set of Bidders with the largest number of points summed from a) and b) above will be identified as the Selected Proposal (compared to a maximum number of points of 100).

See Appendix D – Evaluation Process for more details on the prices to be quoted and the method of evaluation.

Bidders should note that they do not have to bid this section of the RFP to be able to subsequently use the third party PoP. In fact a Bidder can simply ignore this RFP and later connect to the PoP (assuming NBDC is successful and the PoP exists) and serve customers in one or more communities without any assistance from NBDC.

4.2.3 RFP Evaluation - Phase 3 - Distribution within Communities

Proposals from Bidders that offer services in this category will be evaluated after selection of the Satellite Services Bidder.

4.2.3.1 Distribution Associated with Satellite Services

First, some Bidders may have associated their Distribution offering with a specific Satellite Services response. Where that response was not selected in the section above, such tied Proposals will be set aside. This will leave only the Bidders that are prepared to connect to the third-party Point of Presence (PoP) supplied by the Selected Bidder for satellite services in each community.

Note that Bidders in this section are to assume that there is a zero cost for satellite services at the PoP and that the price charged for distribution within

a community covers the distribution portion of the service only. The actual cost to the customer will include the prices from both evaluated sections. Bidders should not assume that their satellite services will necessarily be selected. In other words, Bidders cannot assume that their distribution response will be cross-subsidized by their satellite services.

4.2.3.2 Intent to Cover All Communities

The intent of NBDC is to ensure that Broadband is distributed in every Nunavut community. In fact, more than one distributor may offer services and in many communities there will be no need for support from NBDC to ensure these services are available. As a result, for many communities, one or more Bidders may propose to distribute Broadband within communities at no cost to NBDC (in other words there is no Project Deficit for these communities).

4.2.3.3 Prices Proposed by Bidders

For the purpose of this RFP, Bidders should assume that the required satellite services are provided at no charge at the Point of Presence (PoP) and quote only the price of distribution of the communications services within the proposed communities. (The actual cost of the satellite services to customers will be dependent on the Bidder(s) selected in the previous section.)

An optional Table provides an opportunity for Bidders to provide their opinion on the possible prices at the PoP. This information will not contribute to the evaluation.

4.2.3.4 Communities Needing Assistance

NBDC will review the Proposals in this section and will categorize communities as follows:

- a) Communities that will be served by one or more Bidders without any required support from NBDC (no Project Deficit). If there is only one Bidder proposing to distribute services in a community, NBDC will review the prices proposed for customers in the community and the underlying Business Plan to ensure that the proposed business has a reasonable probability of success. No further action by NBDC will be taken for Nunavut communities allocated to this category.

- b) Communities where every Bidder identified the need for support from NBDC to allow distribution of service. For these communities, NBDC will evaluate the Proposals and will identify a Selected Proposal.

For communities that fall into category b) above, where there is only one Bidder that Bidder will be selected. Where more than one Bidder exists per community, the Bidder with the lowest cost to NBDC will be selected.

Bidders and communities selected for this section will be identified in the NBDC Business Plan as requiring support to ensure that all Nunavut communities are covered.

4.2.3.5 No Assistance where Viable Distributors

It is not the intention of NBDC to intervene in communities with one or more viable distributors of Broadband services that do not need financial assistance.

4.2.3.6 Response not Required to Use PoP

Bidders should note that they do not have to bid this section of the RFP to be able to subsequently use the third party PoP. In fact a Bidder can simply ignore this RFP and later connect to the PoP (assuming NBDC is successful and the PoP exists) and serve customers in one or more communities without any assistance from NBDC.

However, it must be noted that if such a Bidder does not prepare a response and NBDC only receives responses requesting subsidies, NBDC will attempt to obtain financial assistance for those Bidders as requested. Therefore the unsubsidized vendor (that did not submit a proposal) may have to compete with another vendor that received financial assistance.

Bidders are strongly encouraged to bid even if assistance is not needed in some communities or circumstances. NBDC can only evaluate service offerings that are described in responses to this RFP. If you don't bid, NBDC may inadvertently provide assistance to your competitor when the assistance was not necessary.

4.2.4 RFP Evaluation - Phase 4 - Non-Financial Components

This section describes the non-financial components of the evaluation. The attached tables outline the weighting of the various components. This section provides direction to the Bidder on these components:

4.2.4.1 Nunavut Community Employment (5 points)

Proposals will be rated on a scale of 0 to 5 as to the probability that employment in Nunavut communities, directly or through sub-contractors, will be created and maintained as a result of the Bidder's activities.

4.2.4.2 Inuit Employment (5 points)

Proposals will be rated on a scale of 0 to 5 as to the probability that employment of Inuit, directly or through sub-contractors, will be created and maintained as a result of the Bidder's activities.

4.2.4.3 Support for Resale of Value-Added Services (5 points)

Proposals will be rated on a scale of 0 to 5 for planned activities that encourage the development and growth of community-based value-added services provided by Nunavut vendors incorporating broadband services for resale. For example, specific activities of the Bidder that encourage a Nunavut vendor to use the satellite services from the PoP and resell those services in the form of web site or e-mail services would receive points under this section.

4.2.4.4 Evolution of Technology (3 points)

Proposals will be rated on a scale of 0 to 3 for specific features and capabilities that encourage the evolution of the technology over the 10 year planning horizon as compared to a technology solution that needs to be rebuilt entirely to take advantage of future advances.

4.2.4.5 Consistency of Technology between Communities (3 points)

Proposals will be rated on a scale of 0 to 3 for specific features and capabilities that encourage the look and feel of the services and the specific technical standards used by the services to be effectively the same in all

communities. This consistency provides economies of scale in service, support and equipment procurement.

4.2.4.6 Risk of Implementation (4 points)

Proposals will be rated on a scale of 0 to 4 for the risk of failure, overruns or delay during implementation of the proposed solution. The proposal with the least risk will be awarded 4 points with more risky proposals receiving fewer points. Risk will be assessed based on the extent and scope of the technology being installed and supported, the availability or other similar installations and the experience and skills of the staff needed and available.

4.2.5 RFP Evaluation - Phase 5 - Other Categories

Given that proposals have been selected for satellite services to connect communities and distribution services within communities the next step is to review the remaining categories identified by the RFP. This information will be used to complete the Business Plan and is not subject to a formal selection process.

5 Appendix E - Contract and Certification Issues

All Bidders must certify acceptance of the following items in the form indicated in the Sample Proposal:

5.1 Cancellation

Bidder agrees that the entire RFP and all related processes may be delayed or cancelled by NBDC at any time without notice and without penalty for any reason whatsoever with or without providing a reason.

5.2 Compensation for Preparing the Proposal

Bidder agrees that Bidders will not be compensated for any costs of responding to or supporting this RFP at any stage in the process;

5.3 Unfunded RFP for Public Use

NBDC is expected to prepare submissions to various parties including Industry Canada for the purpose of obtaining funding and other assistance for Broadband in Nunavut. Submissions to these funding sources may include requests for assistance for initial infrastructure deployment, for ongoing capital investment as demand grows and for ongoing services and support for broadband and related content activities.

To support funding submissions, NBDC is expected to select appropriate proposals and include the information from these proposals in the required Business Plan and the funding submissions. Proposals selected for inclusion in the funding submissions are called Selected Proposals. Selected Bidders should expect that information in their proposals may be available to the public as a result of being reviewed by the Board of NBDC and as a result of being included in funding submissions. No financial or contractual commitment is implied by being identified as a Selected Proposal.

Bidder agrees that until funding submissions are prepared, delivered, accepted and funds are available to NBDC, no contractual commitments can be made.

5.4 Material in Proposal not Confidential

Bidders should not submit confidential material in their proposal as all proposals must be reviewed by several people operating on a voluntary basis within NBDC and Proposals may be attached to funding requests to parties outside NBDC.

Note that information related to Financial Stability of the Bidder should not be submitted with the Proposal as described in the Section Financial Stability.

Bidder agrees that Proposals containing confidential material will not be evaluated since confidential material cannot be reviewed by the Board of Directors of NBDC and cannot be used in submissions to obtain funding.

5.5 Validity of Proposal

Bidders must complete and/or certify the acceptance of the following in the form indicated in the Sample Proposal:

- a) Offers contained in the Bidder's proposal must remain firm and open for acceptance for a period of not less than one hundred and eighty (180) calendar days from the closing date of this solicitation valid in all aspects, including price; and,
- b) The Proposal must be signed by an authorized representative of the Bidder in the space provided on page 1 of the Bidder's Proposal; and,
- c) The Proposal must provide the name and telephone number of a representative who may be contacted for clarification or other matters relating to the Bidder's proposal.

5.6 Inquiries

Prospective Bidders should obtain their copy of this RFP directly from the NBDC web site and should register with NBDC to enable asking questions or providing comments on the RFP.

Written questions and comments from parties with a registered copy of the RFP may be submitted to NBDC at any time during the process by sending an e-mail to rfp@nunavut-broadband.ca. Acknowledgement of the e-mail will be provided within two business days. Should an e-mail acknowledgement not be received within two business days, the prospective bidder may call the NBDC Project Manager at 867-979-1303.

NBDC reserves the right to provide the response “no comment” to any submission and reserves the right to delay a response to questions received immediately before a significant date such as the RFP response date or a funding submission cut-off date.

All responses to questions or comments will be posted on the NBDC web site without identifying the party that submitted the question. Private questions will not be answered. NBDC reserves the right to amend the RFP or the responses to previous questions at any time by posting the amendment on the NBDC web site. Prospective bidders are solely responsible for checking the web site to determine if responses or amendments have been posted.

NBDC reserves the right to hold one or more bidder conferences by telephone instead of, or in addition to responses posted on the web site or for any other reason. Notice of such conferences will be given to registered holders of the RFP by e-mail.

No other inquiries will be answered formally or otherwise by NBDC.

Bidder agrees that all questions, answers, statements and amendments to the RFP will be located on the NBDC public web site for review at the option of the Bidder.

5.7 Contracting Authority

The Nunavut Broadband Development Corporation (NBDC) is a federally incorporated not-for-profit corporation with its head office in Nunavut. The Board of Directors of NBDC represents government, not-for profit, private sector and citizen interests within Nunavut. The objects of NBDC are to further the interests of Broadband in Nunavut. For more information see the web site www.nunavut-broadband.ca.

Bidders agree that the contracting authority is NBDC and nothing in this RFP or the related process creates a relationship between the Bidder and any of the NBDC funding sources.

5.8 Bidder’s Legal Entity and Relationships

Bidders must complete or certify the following in the form indicated in the Sample Proposal:

- a) The Bidder must have the legal capacity to contract with NBDC.

- b) If the Bidder has an interest in being included in a total solution with other potential Bidders but has not located any partners as of the closing date of the RFP this should be noted.
- c) If the Bidder has existing relationships with other potential Bidders that are relevant, these relationships should be noted and described.
- d) If the Bidder has contractual or marketing commitments or constraints due to regulation that could preclude or limit the Bidder's goods and services from being included in a total solution with any other potential Bidder, such constraints must be identified and described.

5.8.1 Joint Ventures

Bidders must be a single contractual entity. Responses that propose that the bidding entity be a joint venture or consortium will not be evaluated.

For the purposes of this RFP a joint venture (also called a consortium) is an association of two or more parties who combine their financial resources, property, knowledge, skills, time or other resources in a joint business enterprise agreeing to share the profits and the losses and each having some degree of control over the enterprise.

5.8.2 Prime/Sub Contractor Arrangement

Where a Bidder proposes a Prime/Sub Contractor arrangement an overview of contractual relationships must be provided. This overview should be signed by the Bidder and the Subcontractor and should describe the duration of the planned contractual arrangement and the scope and duration of the work to be done by the Subcontractor. This requirement does not apply where the contractual relationship is a Bidder acquiring goods from a vendor that normally supplies such goods. The intent of this requirement is to ensure that the proposed subcontractors are in agreement with their role as proposed by the prime contractor in the Proposal.

NBDC reserves the right to request more detailed information regarding contractual relationships. Bidders must agree, if requested, to provide evidence of the finalization of each contractual arrangement, prior to execution of any contract resulting from this RFP.

5.9 Proposal Conditions

The submission of a proposal by a Bidder and the receipt of such proposal by NBDC shall in no way commit or bind NBDC to enter into any contractual relation with such Bidder.

Proposals will not be returned.

Bidder agrees that NBDC reserves the right to:

- a) reject, in whole or in part, any or all proposals received;
- b) accept proposal(s) without negotiation for the purpose of funding submissions and contract award;
- c) enter into negotiations with Bidders on any or all aspects of their proposals;
- d) conduct a facility survey and/or request other evidence as necessary to verify the Bidder's capability, the viability of the proposal, and/or obtain clarifications of any Bidder's offer; and
- e) cancel and/or re-issue this requirement at any time.

5.10 *Applicable Laws*

Bidder agrees that the Contract shall be interpreted and governed, and the relations between the Parties, determined by the laws in force in Nunavut.

6 Appendix F - NBDC Board Members & Advisors

Joe Aupaluktuk, Baker Lake
Clare Basler, Cambridge Bay
George Bohlender, Cambridge Bay
Neil Burgess, Iqaluit
Adamee Itorcheak, Iqaluit
Robert MacLean, Sanikiluaq
Ed McKenna, Iqaluit
Alison Rogan, Iqaluit
Ken Spencer, Iqaluit
Art Stewart, Cape Dorset
David E. Smith, Ottawa
Philip Tagoona, Iqaluit
Lorraine Thomas, Iqaluit

7 Appendix G – List of Nunavut Communities

A	B	C	D	E	F
#	Short Community Name	Name used in Nunavut	Name used by Industry Canada (Statcan)	Population 2001	Postal Code
1	Arctic Bay	Arctic Bay	Nanisivik	646	X0A 0A0
2	Arviat	Arviat	Arviat	1899	X0C 0E0
3	Baker Lake	Baker Lake	Baker Lake	1507	X0C 0A0
4	Cambridge Bay	Cambridge Bay	Cambridge Bay	1309	X0E 0C0
5	Cape Dorset	Cape Dorset	Cape Dorset	1148	X0A 0C0
6	Chesterfield Inlet	Chesterfield Inlet	Chesterfield Inlet	345	X0C 0B0
7	Clyde River	Clyde River	Clyde River	785	X0A 0E0
8	Coral Harbour	Coral Harbour	Coral Harbour	712	X0C 0C0
9	Goja Haven	Goja Haven	Goja Haven	960	X0E 1J0
10	Grise Ford	Grise Ford	Grise Ford	163	X0A 0J0
11	Hall Beach	Hall Beach	Hall Beach	609	X0A 0K0
12	Igoolik	Igoolik	Igoolik	1268	X0A 0L0
13	Iqaluit	Iqaluit	Iqaluit	5236	X0A 0H0, X0A 1H0
14	Kimmirut	Kimmirut	Kimmirut	433	X0A 0N0
15	Kugaaruk	Kugaaruk	Pelly Bay	605	X0E 1K0
16	Kugluktuk	Kugluktuk	Kugluktuk	1212	X0E 0E0
17	Pangnirtung	Pangnirtung	Pangnirtung	1276	X0A 0R0
18	Pond Inlet	Pond Inlet	Pond Inlet	1220	X0A 0S0
19	Qikiqtarjuaq	Qikiqtarjuaq	Broughton Island	519	X0A 0B0
20	Rankin Inlet	Rankin Inlet	Rankin Inlet	2177	X0C 0G0
21	Repulse Bay	Repulse Bay	Repulse Bay	612	X0C 0H0
22	Resolute	Resolute	Resolute	215	X0A 0V0
23	Sanikiluaq	Sanikiluaq	Sanikiluaq	684	X0A 0W0
24	Taloyoak	Taloyoak	Spence Bay	720	X0E 1B0
25	Whale Cove	Whale Cove	Whale Cove	305	X0C 0J0

8 Appendix H – Current Levels of Connectivity

The following material represents the status of Internet connectivity in Nunavut as of October 31, 2002 when the NBDC proposal was submitted to Industry Canada (this chart was contained in the NBDC Proposal to Industry Canada). This material was gathered through a series of phone calls in the Fall of 2002 and may not be complete as of March 2003.

Concurrent with this RFP, NBDC is carrying out a Needs Analysis and will be making additional information available on the web site as material from the analysis becomes available.

Nunavut Community Profiles

PS – Post Secondary (Nunavut Arctic College)
S(s) – K – 12 schools
Hsp – Hospital
HC – Health Centre

Lib – Community Public Library
CAP – Community Access Site
BW – Bandwidth
DCN – Digital Communications Network

NPC – Nunavut Power Corporation
Ham – Hamlet
Other – Organizations, business, residential
ISP – Internet Service Provider

DU – local dial-up Internet Access
WireL – local wireless Internet Access

Community	Pop '01	Postal Code	PS	S(s)	Institution				Provider BW DCN * (Kbps)	Other major customers			Provider, inbound and "Last Mile"				
					Hsp	HC	Lib	CAP		RCMP DCN* (Kbps)	NPC **	Ham ***	Other ***	ISP/ Wholesaler	BW **** (Kbps)	DU (\$)	WireL (\$)
Arctic Bay	646	X0A 0A0	X	X	-	X	X	X	64	64	-	-	X	Polar Land /Arctic Data Systems	128	90/m	-
Arviat	1899	X0C 0E0	X	X	-	X	X	X	256	64	X	-	-	-	-	-	-
Baker Lake	1507	X0C 0A0	X	X	-	X	X	X	128	64	X	X	X	Hamlet Nework	128	-	60/m
Cambridge Bay	1309	X0E 0C0	X	X	-	X	X	X	512	64	X	X	X	PolarNet /SSI Micro	384/5	125/m	495/m
Cape Dorset	1148	X0A 0C0	X	X	-	X	-	X	64	64	-	-	-	-	-	-	-
Chesterfield Inlet	345	X0C 0B0	X	X	-	X	-	-	64	64	-	-	-	-	-	-	-
Clyde River	785	X0A 0E0	X	X	-	X	X	X	64	64	-	-	-	-	-	-	-
Coral Harbour	712	X0C 0C0	X	X	-	X	-	X	64	64	-	-	-	Sympatico	64	-	-
Gjoa Haven	960	X0E 1J0	X	X	-	X	-	-	64	64	-	X	-	PolarNet/SSI Micro	384/5	125/m	-
Grise Fiord	163	X0A 0J0	X	X	-	X	-	-	64	64	-	-	-	-	-	-	-
Hall Beach	609	X0A 0K0	X	X	-	X	-	-	64	64	-	-	-	-	-	-	-
Igloolik	1286	X0A 0L0	X	X	-	X	X	-	64	64	-	-	-	-	-	-	-
Iqaluit	5236	X0A 0H0, X0A 1H0	X	X	X	X	X	X	1536	64	X	X	X	Nunanet,	512	90/ 50hrs	495/ 1Gb
														Sympatico	N/A	35	-
Kimmitut	433	X0A 0N0	X	X	-	X	-	X	64	64	-	-	-	-	-	-	-
Kugaaruk	605	X0E 1K0	X	X	-	X	-	-	64	64	-	X	X	PolarNet /SSI Micro	384/5	125/m	-
Kugluktuk	1212	X0E 0E0	X	X	-	X	X	X	128	64	X	X	X	PolarNet /SSI Micro	384/5	125/m	495/m
Pangnirtung	1276	X0A 0R0	X	X	-	X	X	-	128	64	X	-	-	-	-	-	-
Pond Inlet	1220	X0A 0S0	X	X	-	X	X	-	64	64	-	-	-	Iliniit Networks	128	80/m	80/m
Qikiqtarjuaq	519	X0A 0B0	X	X	-	X	-	-	64	64	-	-	-	-	-	-	-
Rankin Inlet	2177	X0C 0G0	X	X	-	X	X	X	512	64	X	X	X	Arctic Technologies/ SSI Micro	384	55/m	1/Mb
Repulse Bay	612	X0C 0H0	X	X	-	X	-	X	64	64	-	-	-	-	-	-	-
Resolute Bay	215	X0A 0V0	X	X	-	X	-	-	64	64	-	-	-	South Camp Inn	128/2	40/m	-
														Co-op Hotel	128/2	40/m	-
Sanikiluaq	684	X0A 0W0	X	X	-	X	-	X	64	64	-	-	-	Sanny Internet Service/ Arctic Data systems	64	4/hr	-
Taloyoak	720	X0E 1B0	X	X	-	X	-	X	64	64	-	X	X	PolarNet /SSI Micro	384/5	125/m	495/m
Whale Cove	305	X0C 0J0	X	X	-	X	-	-	64	64	-	-	-	-	-	-	-

Notes:

1. BW on Institutional network is pre-Public Benefits. See Table 2 for Public Benefits increments.
2. Ardicom and alternate providers rely on satellite – no inter-community terrestrial connectivity exists in Nunavut.
3. Ardicom Institutional and RCMP networks receive "Last Mile" connectivity via DSL or T1 lines.
4. NorthWesTel is telephone provider to all 25 communities.
5. Local dial-up general ranges: 28.8 to 33.6 Kbps. Long distance dial-up is typically 9.6Kbps.

Service Provider

*	Local Retailer	Ardicom DCN
**	Wholesaler	SSI Micro
***		Arctic Data, RamTel, SSI Micro
****	Some ISPs purchase bulk bandwidth and share amongst several communities. For example, PolarNet shares 384Kbps between 5 communities.	

9 Appendix I – Expected Customer Base

This Appendix provides a description of the expected customers across the 25 Nunavut communities. Concurrent with this RFP, NBDC is carrying out a Needs Analysis and will be making additional information available on the web site as material from the analysis becomes available.

9.1 Expected Customers attached to the PoP

The supplier of Satellite Services will serve customers attached to the community PoP using bandwidth for the customer's own purposes or to resell and distribute services to end user customers. The Satellite Supplier may also serve the Governments of Canada or Nunavut directly but may not supply services at a subsidized rate to these customers. Typical customers attached to the PoP may be as follows (actual customers may purchase bandwidth for more than one of these uses):

Table 1-1 -- Satellite Services – Expected Customer Base

A	B
Customer Type	Description of Customer
ISP	Internet Service Providers may purchase bandwidth from the satellite supplier and resell Internet access, E-Mail and web services to end user customers in the community using telephone wires, cable TV or wireless distribution.
Commercial Business	Commercial business within the community may purchase bandwidth directly at the PoP for internal use. Typical customers may include retail establishments, vendors of arts and crafts, construction companies, etc.
Reseller	It is expected that companies will emerge in some communities that purchase bandwidth at the PoP

	and resell that bandwidth to one or more commercial or government users. This would include businesses that purchase subsidized bandwidth at the PoP and resell the bandwidth to governments bundled with technical support, network management and application development and support.
NGOs	NGOs such as the Inuit organizations and various economic development organizations may purchase bandwidth for their own use and/or for resale to their partners and development investments.
Governments	The Governments of Canada and Nunavut may directly purchase bandwidth at the PoP at a price that does not include subsidization.

9.2 *Expected End User Customers*

Table 2-1 – Community Broadband Services – Expected Customer Base

A	B
Customer Type	Description of Customer
Citizens	Individual citizens are expected to be an important market for Broadband services in every community for personal use and for use by the self-employed and small businesses.
Businesses	Business without their own technology support staff may wish to purchase broadband services at the “retail” level from a community reseller rather than connect directly to the PoP.
NGOs	NGOs without their own technology support staff may wish to purchase broadband services at the “retail” level from a community reseller rather than connect directly to the PoP.
Governments	The Governments of Canada and Nunavut may purchase broadband services for administrative use or for health centres, schools, etc. from a reseller or local technology business (these governments and their agencies may not purchase subsidized bandwidth directly at the PoP).

10 Appendix J -- Projected Requirements

The following table contains the estimates of bandwidth required over the 5 year proposed contract term.

The columns in the Tables have the following meanings:

- A. Name of Community
- B. Line Number for Identification
- C. Description of the Item in this row of the table
- D. Size Factor – A number of indicators were reviewed to assess the relative size of each community for the purposes of broadband demand. For the purposes of preparation and evaluation of proposals, 2001 community population has been selected for the relative size factor for communities. The actual allocation of bandwidth by community will be determined during implementation after much more analysis and public discussion.
- E. to I. These factors represent a projection or estimate of the total bandwidth that will be required by customers. The projections are offered by year and were developed at the total level starting with the Year 1 estimate and applying the growth factor shown. Using the factor from Column D, projections are allocated to each community. The numbers shown represent Megabits per second (Mbps) of traffic at the community PoP equally allocated to transmit and receive. Bidders should note that the amount of frequency needed to transmit a given workload will increase the more northern the community.

The following Table is to be used for the two categories of Satellite Services and Community Broadband Services. For the Satellite Services category, the table represents the expected usage at the PoP for each community and in total, the demand for the Nunavut Territory. For the Community Broadband Services category, the table represents the total expected market for a local vendor in each community.

Table 1-2 and 2-2 – Projected Broadband Requirements

A	B	C	D	E	F	G	H	I
Community	Line	Item	Size Factor (Population)	Year 1	Year 2	Year 3	Year 4	Year 5
Growth Rate	a	Year over Year Growth Rate	na	na	250%	200%	175%	150%
Total Nunavut	b	Total Demand for Nunavut	26,565	15	38	75	131	197
Arctic Bay	1	Demand for this Community	646	0.36	0.91	1.82	3.19	4.79
Arviat	2	Demand for this Community	1,899	1.07	2.68	5.36	9.38	14.07
Baker Lake	3	Demand for this Community	1,507	0.85	2.13	4.25	7.45	11.17
Cambridge Bay	4	Demand for this Community	1,309	0.74	1.85	3.70	6.47	9.70
Cape Dorset	5	Demand for this Community	1,148	0.65	1.62	3.24	5.67	8.51
Chesterfield Inlet	6	Demand for this Community	345	0.19	0.49	0.97	1.70	2.56
Clyde River	7	Demand for this Community	785	0.44	1.11	2.22	3.88	5.82
Coral Harbour	8	Demand for this Community	712	0.40	1.01	2.01	3.52	5.28
Goja Haven	9	Demand for this Community	960	0.54	1.36	2.71	4.74	7.11
Grise Ford	10	Demand for this Community	163	0.09	0.23	0.46	0.81	1.21
Hall Beach	11	Demand for this Community	609	0.34	0.86	1.72	3.01	4.51
Igoolik	12	Demand for this Community	1,268	0.72	1.79	3.58	6.26	9.40
Iqaluit	13	Demand for this Community	5,236	2.96	7.39	14.78	25.87	38.80
Kimmirut	14	Demand for this Community	433	0.24	0.61	1.22	2.14	3.21
Kugaaruk	15	Demand for this Community	605	0.34	0.85	1.71	2.99	4.48
Kugluktuk	16	Demand for this Community	1,212	0.68	1.71	3.42	5.99	8.98
Pangnirtung	17	Demand for this Community	1,276	0.72	1.80	3.60	6.30	9.46
Pond Inlet	18	Demand for this Community	1,220	0.69	1.72	3.44	6.03	9.04
Qikiqtarjuaq	19	Demand for this Community	519	0.29	0.73	1.47	2.56	3.85
Rankin Inlet	20	Demand for this Community	2,177	1.23	3.07	6.15	10.76	16.13
Repulse Bay	21	Demand for this Community	612	0.35	0.86	1.73	3.02	4.54
Resolute Bay	22	Demand for this Community	215	0.12	0.30	0.61	1.06	1.59
Sanikiluaq	23	Demand for this Community	684	0.39	0.97	1.93	3.38	5.07
Taloyoak	24	Demand for this Community	720	0.41	1.02	2.03	3.56	5.34
Whale Cove	25	Demand for this Community	305	0.17	0.43	0.86	1.51	2.26

11 Appendix K – Functional Specifications

11.1 Functional Overview

NBDC is seeking funding to implement a set of broadband services that will provide the following functions to citizens, businesses and organizations in Nunavut:

- Connecting all 25 Nunavut communities with each other and with the outside world;
- Available to transmit and/or to receive directly between any community, for a community to directly transmit and receive from and to a point outside Nunavut and for users outside Nunavut to communicate directly with sites and users within Nunavut (to be specific, the goal is a single satellite “hop” from/to any Nunavut community to any other Nunavut community and from/to the outside world);
- To be used for data, voice, audio, video, graphics and other kinds of information destined for the Internet including using any of the above with two or more users directly connected “on-line” (to be specific, the requirements includes multipoint, single “hop” data, voice, audio and video “conferencing”);
- Using standards, architecture, security and technology that can evolve over time, that allow the interconnection of generally available computer and communications devices and that allow the use of broadband applications as they evolve over time;
- With all of the above to be deployed in a harsh climate with limited technology support in the local community.

NBDC does not intend to provide detailed functional specifications. We do expect that Bidders will provide solutions that do not arbitrarily limit the growth of Nunavut in the future and that do adhere to industry standards.

11.2 Performance Specifications

This RFP covers a broad range of technology and given this broad range, NBDC cannot precisely define the performance specifications for every possible technology that could be proposed.

Essentially the Bidder is invited to propose the performance levels that are reasonably applicable to the technology being proposed. The Bidder should then document those reasonable levels in the form of service levels as outlined in sections 4.2.1.10 Performance Targets and 4.2.2.7 Performance Targets. Bidders should expect that the performance levels proposed will be documented in any resulting contract.

11.3 Environment

Nunavut has four characteristics that should be considered by Bidders when proposing solutions and preparing costs and prices:

- The climate is harsh in terms of temperature and wind. For example, dishes and antennas may require extra attention and working conditions outside may be difficult during some seasons;
- Transportation from and to communities for people, equipment and parts may be limited compared to the south and may be unreliable due to weather;
- The available staff and expertise in communities may be limited but at the same time an important objective of NBDC is to enable local business and employment;
- The local language in most communities is not English and Bidders should assume that customer and technical communications must be offered in the local language, Inuktitut.

11.4 Typical Requirements of a Broadband Network

The following material was obtained from the Industry Canada BRAND web site, the program that may fund this activity. This material is a check list that should be considered by Bidders. NBDC recognizes that not all technologies and solutions proposed will cover all the items below. Bidders are advised to deal with each item in the check list by describing the Bidder's offering or indicating "not applicable".

Functional Requirements:

- Addressing (IP addressing)
- Interoperability with other products

- Conferencing features
- Electronic mail interface

Technical Requirements

- Alarm reporting capability
- Compliance with standards
- Physical interface requirements
- Emergency backup, power outage protection and power conditioning
- Remote maintenance and testing capability
- Security and firewall provisions
- Self-diagnostic capability
- Support for specific protocols
- Traffic and usage data collection

Support Requirements

- Remote monitoring capability
- Continuing availability of spares
- Documentation provided
- Installation and setup requirements
- Generic program updates
- Required in-service dates
- Project management requirements
- Training for users and administrators

Compatibility

- Physical interface
- Protocols supported
- Networks supported

Technical

-
- Range of speeds
 - Media access method
 - Switching method
 - Transmission medium
 - Blockage or congestion factors
 - System redundancy

Service Level Agreements

- Response time
- Latency
- Jitter
- Error-free seconds
- Percent availability
- Mean time between failures
- Mean time to repair