

Connect Anoka County Frequently Asked Questions

1. What is Connect Anoka County?

Connect Anoka County is the county-led effort to increase the amount of fiber optic cable in the county. The Connect Anoka County project has resulted in a partnership between Zayo Bandwidth, LLC and Anoka County. Through the partnership, Zayo Bandwidth applied for and received a National Telecommunications Information Administration (NTIA) grant paying 70 percent of the fiber construction cost and initial equipment. The grant project will construct an approximately 286 mile fiber network throughout Anoka County linking 145 governmental institutions.

2. Who owns the fiber optic cable?

The fiber optic cable that is installed as part of the grant will be owned by Zayo Bandwidth. Zayo will provide the capacity services for the governmental network and separately offer connectivity services to the private sector. The grant will also provide dark fiber strands for Anoka County use. The right to use these dark strands is conveyed to the county through a fiber Indefeasible Right to Use (IRU), which is similar to a long-term lease. Should the county decide to use the dark fiber, equipment will need to be purchased and a monthly maintenance fee paid to Zayo.

3. What are the project costs and how are they paid?

The total grant-funded project budget is \$19.1 million. Seventy percent of the costs (\$13.4 million) will be paid by the NTIA grant. The balance of the project (\$5.7 million) will be paid equally by Zayo Bandwidth and Anoka County (\$2.8 million each). The county intends to recoup a portion of the \$2.8 million match by charging the anchor institutions a proportional share based on a per connection charge.

4. What services are offered?

The project is only providing connectivity, meaning that any governmental institution will still need to have an Internet Service Provider (ISP). The county purchases its ISP service from the State of Minnesota, Office of Enterprise Technology (OET) and is in discussions with OET to expand ISP services to include cities that are a part of the project. If this option becomes available, Cities will be notified.

5. How were the 145 anchor institutions decided upon?

The agreements between Anoka County and Zayo Bandwidth specify 145 governmental and quasi-governmental anchor institutions as a part of the grant project. The list was made by asking each jurisdiction to submit a list of facilities to include in the project. As the project developed, some sites were added and others dropped at the request of the entities. NTIA will need to approve all changes.

6. Can sites be added in the future?

The agreements between Anoka County and Zayo Bandwidth limit the number of sites to 145. Any additional sites on the network will require a service request to Zayo Bandwidth. As additional governmental sites require fiber, each entity will need to conduct an analysis as to the most cost-effective way to serve the location. In some cases it may be possible to connect through one of the original 145 sites. In other cases it may be cost effective to have Zayo Bandwidth or another private company serve the facility.

7. What is the project schedule?

The project is currently underway. The environmental assessment is scheduled to be completed by spring 2011. Some connectivity service may be provided in 2011, but project completion will not be until 2012. Zayo Bandwidth is also working with road authorities to acquire the appropriate permits.

8. What are the decisions needed by my entity and when?

Thus far, entities have only been asked for good-faith non binding commitments. However, Anoka County will need to have written agreements in place with any entity that wishes to participate by April 1, 2011. Specifically, each jurisdiction will need to confirm the sites and the connection speed.

9. What are the costs to my entity?

Anoka County will charge each entity that connects a monthly fee. Any fee charged will be included in the agreement. The proposed agreement establishes a fee of \$75/month for 100 mbps service, and \$400/month for 1gbps service. Cities that do not need service immediately can elect through the agreement to have equipment placed at their facility as part of the project and then establish service during the term of the agreement. The monthly fee will not be charged until service is established. To establish service at that time or make some other change for sites that have equipment, the entity and Anoka County will need to modify Attachment A of the agreement.

10. What do I do if a business in my community asks me about service?

Zayo Group provides a full range of business products to the private sector. If you are interested in learning more, or getting information for business expos, chamber of commerce meetings, or specific businesses, the contact is Steve Kopp, Senior Account Manager, Zayo Enterprise Networks, at 952-230-4861 or steve.kopp@zayoenterprise.com, Web site www.zayo.com.

11. Who is Zayo and how were they selected for this project?

Anoka County developed a Request for Proposal (RFP) seeking a partner for the Connect Anoka County project and to submit for an NTIA grant. The county received five proposals and, after review, selected Zayo Bandwidth. Zayo Bandwidth is a part of the Zayo Group which provides telecom and bandwidth infrastructure solutions that span over 153 markets and 30 states plus the District of Columbia including over 21,000 miles of fiber optic infrastructure.

12. Will each Entity be required to provide easements without cost to Anoka County and/or Zayo?

Yes, it is contemplated that the easement will be provided without charge to get from the right of way to your facility across the private property of your facility. Entities retain authority to charge for building permits, franchises, etc. in the right of way.

13. Will physical access be required by Zayo?

The agreement contemplates that there may be specific requirements that vary from location to location. Zayo must abide by your written security requirements. For example, if you want equipment installed in a location that you do not want to give unaccompanied access to, simply state that requirement in writing. Also, you do not need to give keys, access codes, or access cards to Zayo, so presuming that you keep your facilities locked, they would not be able to enter them without someone to let them in. The access that Zayo needs to maintain your equipment is similar to other providers such as Qwest, Comcast, US Cable, etc.

14. What assurances are in place for Zayo performance?

Zayo has obligations under the agreement with the County to perform as well as NTIA grant requirements that Zayo must follow. In addition, Zayo will have an incentive to complete the fiber network so they can sell connectivity services to their commercial customers.

15. Does the County agreement with Zayo include a Performance Bond requirement?

No, there is no performance bond requirement. However, Zayo has notified the County that performance bonds will be required from Contractors that Zayo employs in the construction process.

16. What happens if Zayo goes bankrupt?

Prior to entering into an agreement with Zayo, an analysis was completed that determined that Zayo was in a healthy financial situation. If, in the future, Zayo files for bankruptcy, the outcome would be determined by the bankruptcy court. Additionally, Anoka County has an IRU in the dark fiber, there is added protection for the integrity of the network even if Zayo is no longer available to provide maintenance and support.

17. Concern was expressed with the warranty language in Section IX.D.

This type of warranty language is very typical of fiber agreements such as this. This warranty language is a pass through to the Entities of the warranties negotiated between Zayo and the County. Anoka County cannot bind Zayo to any other warranties than what is provided in the Master Service Agreement and the IRU which are attached to the agreement in Exhibits G and H.

18. How will equipment replacement be made after the expiration of the warranty on August 17, 2017?

If the equipment needs to be replaced after that time, the entity will need to pay the prorata costs for such replacement. In addition, consideration will need to be made for future maintenance of this new equipment. If the entity is not getting connectivity service, or no longer wants service, no replacement equipment at entity cost is required.

19. Will there be a forum for the entities to provide input in the future?

It is the County's intent to continue meetings with the entities. In addition, if there is interest, we could consider creating advisory committees (i.e. technical, administrative) to provide a forum for interested entities to meet more frequently.

20. Does the agreement only address the installation of equipment at the co-location site, or does it also include the construction of dark fiber to the site?

The entity needs to approve the agreement to allow the placement of equipment at the site as well as construction of the network including dark fiber to the co-location site. However, the entity may initially elect not to receive the connectivity service at a site.

21. I note the service site requirements in Attachment B (security, temperature and environmental, and space requirements). What is the size of the equipment; how much space is required, and; are there any special location requirements?

The County and Zayo staff will be conducting a review of each site location over the next couple of months. It should also be noted that the Zayo equipment will be owned and managed by Zayo. The equipment will be switches that will fit into standard racks commonly found in data closets. See #27.

22. Should additional language be included for waiver of subrogation?

No, the mutual indemnification language included in the agreement eliminates the need for any waiver of subrogation.

23. What is the point of demarcation contemplated in the Agreement? It is clear in the Agreement that the Entity is responsible for interconnection and wiring beyond the point of demarcation. Does this mean that the Entity will be required to wire to individual sites within the co-location service site?

Yes, the Entity is responsible for wiring within each co-location site. This wiring is likely the entity's existing network. See Exhibit H for definition of demarcation point.

24. What exactly will the Entity be paying for? Does the agreement contemplate the use of dark fiber, or any additional cost to add capacity in the future?

The entity is paying for connectivity which includes transport and ethernet service. The Entity will only pay if the connectivity service is used. The dark fiber will be installed with the network, but additional equipment will be required to utilize it. No specific use of the dark fiber is included in the agreement.

25. The Agreement states that the Entity will work with the County to manage bandwidth, but what does that mean?

If there are capacity issues, all the entities will need to work together to resolve them to the mutual benefit of the parties. We will also be working to monitor bandwidth utilization to identify potential problems before they impact the service.

26. Have the insurance issues been resolved so that the requirements coincide with what is currently provided through the League of Minnesota Cities?

We have made edits to the insurance language with input from the cities. It is the County's understanding that Kurt Glaser, City Attorney for Lexington and Centerville, has asked the League for an opinion. Kurt forwarded an email on March 2, 2011 to David Minke and Kathy Timm from the League with an opinion. We have forwarded the opinion to John Sullivan, Anoka County Risk Management for review.

27. What are the space and environmental requirements for the Zayo Equipment?

Ideally there would be rack space (19'X72" standard steel or aluminum telecom relay rack) available for the switch of 8u or about 12 inches, with sufficient space to access the equipment for repairs, maintenance and upgrades. The space should also be convenient to the entity's demarcation point. To maintain maximum uptime, it would be best to meet the specified requirements for space and environmental conditions. However, if all specifications cannot be met, the County and Zayo will work with the entity to determine an acceptable equipment location. See #21.

28. Why isn't Zayo a party to the Connectivity Services agreement?

Some attorneys have suggested that ZAYO should be a party to this agreement. The County's agreement with ZAYO provides that the County must secure the various co-location sites, whether the properties are County owned or owned by another governmental or quasi-governmental agency. ZAYO has expressed disinterest in directly contracting with the various entities.

29. Who is responsible if Zayo damages equipment or systems belonging to a third party that are at the co-location site during installation?

This agreement does not confer any third party benefits to anyone. The agreement is between the County and the Entity, with Zayo subordinate to the County. If the entity is concerned that Zayo will not use due care regarding a third party's equipment located at the co-location site, then the Entity should limit ZAYO's access to third party property.

30. We are not clear on the meaning of certain terms, such as Demarcation Point, Fiber Optic Network, Ducts, Network Availability, Transport Services, Ethernet Services, etc. Are these terms defined anywhere?

Many of these terms are defined in the Master Service Agreement and Indefeasible Right of Use Agreement executed between the County and Zayo on August 17, 2010. A copy of these two agreements will be attached to the Connectivity Services Agreement for reference as informational exhibits. Additionally, some of these terms are "terms of art" in the broadband and Information Technology industry, and are used here in standard industry usage.

31. Why doesn't the Entity gain ownership rights in the equipment if the city is required to pay a pro-rata share for repairs and/or replacement after the warranty period expires on August 16, 2017?

The initial equipment is paid for by the grant, at no cost to the Entity. Contrast this with more typical agreements, where the Entity pays a much larger monthly fee to a provider for both the service and the equipment. If, after 2017, equipment is replaced completely the situation may change. Options for total replacement at that time, if necessary, may include replacement with Zayo Equipment, Entity Equipment or County Equipment,

32. May the entity, in particular a city, charge building permit fees, franchises, etc. to Zayo outside of the co-location site?

Pursuant to Paragraphs II.C. and III.B., Entities retain franchising authority, and may issue building permits, franchise fees as allowed by Minnesota statutes. The entity may not charge these fees for the co-location site itself (for example, the entity may not charge fees for underlying rights needed to place equipment in City Hall, or a fire station which are the designated co-location sites described in Exhibit A.)

33. Will Zayo or Anoka County be providing cable services in competition with Comcast or other private cable carriers through this agreement?

No. Anoka County will not be a cable provider. Providing cable TV services is not consistent with Anoka County's mission statement. The County's fibers may only be used for governmental and quasi-governmental purposes. Zayo is not a cable provider, nor does it offer triple-play services (telephone/voice, data/internet, and cable/video). While no one can predict the future, a more likely scenario is that private carriers will contract with Zayo to use Zayo's fibers to provide services to private customers throughout the county.

34. Where can I get more information on the project?

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