

# nrtc **FUNDING ALERT!**

Professional Assistance for Today's Unprecedented Funding Opportunities

## Program Name

Kentucky Broadband Deployment Fund (Round One)

## Purpose

Aims to provide grant funding assistance for the construction, development, or improvement for fixed, terrestrial broadband service to unserved areas defined as those lacking 10/1 Mbps (downstream/upstream)

Note: For future rounds, the threshold will likely be 25/3 Mbps; the first round aims to target the most unserved areas at the 10/1 Mbps threshold

## Administrator

**Administrator:** Kentucky Infrastructure Authority (KIA)

**Receipt of Application:** Kentucky Finance and Administration Cabinet, Office of Procurement Services (Note: The format of this solicitation is an RFP.)

## Financials

**Total Fund Size:** \$250 million for broadband infrastructure construction

**First Round Size:** \$50 million (Note: Kentucky General Assembly limited funding to \$50 million before April 1, 2022)

**Maximum Grant Award per Application:** \$5 million

**Match Requirement:** Minimum of 50% (alternatively, maximum grant funding cannot exceed 50% of total eligible project costs)

## Funding Source

American Rescue Plan Act (ARPA): State Fiscal Recovery Fund

## Key Dates

**Application Submission Period Opens:** August 11, 2021

**Application Due Date:** October 25, 2021

**Public Disclosure of Geographic Scope from Applications**

**Filed:** November 1, 2021

**Challenges Due:** December 3, 2021

**Determination of Validity of Challenges:** TBD

**Award Announcement:** TBD



## Kentucky

**\$250 million**

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## Eligible Project Areas

**Speed Threshold for Round One:** Areas lacking access to 10/1 Mbps (download/upload); in addition, areas that are recipients of federal broadband grant awards are deemed ineligible.

**Map:** Kentucky posted a map to identify eligible service areas. The map reflects the FCC data and information obtained from the Kentucky Broadband Initiative's internet speed test survey results. The map reflects areas of Kentucky that were recent recipients of federal broadband grant awards, and therefore, ineligible project areas.

## Eligible Entities

Open to private and public entities.

## Eligible Costs

**Eligible Costs:** Project engineering/design plans; permitting; pre-construction costs (e.g. make-ready), outside plant materials (fiber, poles, hardware, conduit, splitters, etc.); labor; construction management; equipment; installation; testing/validation of the broadband service; planning and design costs necessary to the construction of the project (latter has to be attributed to the match and not grant).

**Ineligible Project Costs:** General broadband planning not associated with the project area; operational expenses; middle-mile infrastructure that is not directly servicing the project area; non-broadband services, such as the provision of video or voice services, marketing, or advertising. (Note: The broadband grant program cannot reimburse a grantee for any expenses incurred prior to the executed grant contract date.)

**Middle Mile Eligibility:** Middle mile infrastructure costs may be eligible if they are determined to be necessary for the construction and provision of last mile broadband service.

## Speed & Coverage Mandates

**Speed Threshold:** Provide a minimum speed of 100/100 Mbps downstream and upstream in the deemed unserved areas. (Note: For those cases where 100/100 Mbps may not be practicable because of the geography, topography, or excessive costs, then the project must offer 100/20 Mbps downstream but be scalable to a minimum of 100/100 Mbps symmetrical)

**Coverage:** Proposed project areas are required to be contiguous, except for an application that proposes to provide service to all of the unserved areas of a county.

## Buildout Requirement

**Two Years:** The entire project must be completed within two years of after the date of the Grant Assistance Agreement.

\*\*Note, Deadlines may be extended if extenuating circumstances require an extension of time.

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## Match Requirement

**Minimum Match:** Applicant must offer at least 50% match of the eligible project costs. Thus, if seeking a \$5M grant, then the applicant must contribute at least \$5M in non-state funds supported.

**Community Investment:** Priority consideration will be given to projects that have secured matching funds from community partners.

**Other Stipulations:** In-kind contributions may not be used to meet the minimum 50 percent applicant match. Applicant must provide documentation to validate match availability from each contributing partner (e.g., letter of credit, letter confirming funds from a bank, board resolution committing funding, loan documentation, or grant documentation).

## Challenge Process

**Areas Open to Challenge:** Existing providers can challenge the proposed project service by demonstrating one of the following:

- a) area is either served by the 10/1 Mbps threshold
- b) will be served within 12 months of the challenge
- c) federal award has been granted for service area

**Process to Challenge:** The Challenger must file a spreadsheet within 32 days of the publication of the proposed project areas.

**Review Process:** The Finance and Administration Cabinet will post on its website a list of challenges found to be valid and the project areas affected by those challenges. For each challenge found to be valid that involves future construction or funded by other government grant awards, the challenger must submit documentation no later than 12 months from the grant award date substantiating that the challenger has fulfilled its commitment.

## Application Requirements

- Executive Summary (two page maximum)
- Key Project Data
- Anticipated Broadband Improvements
- Documentation of Unserved and Underserved Areas
- Project Funds Requested
- Detailed Budget
- Community Participation
- Project Readiness (detailed engineering designs, diagrams, and maps, permits, approvals)
- Project Financials
- Project Sustainability (technical expertise, organizational support, audited statements)
- Adoption Assistance Programs
- Funding Partner Documentation

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## Scoring Framework

Scoring Methodology

**Total of 100 Points**

### **A) Project Impact (0-30 points)**

- Unserved total connections (passings) potentially served by the project
- Total connections include households, businesses, farms, educational facilities and community institutions

### **B) Project Readiness (0-25 points)**

- Reasonable project schedule, provides evidence of being prepared to begin construction following the grant award
- Financing information provided
- Sources and uses of funds are realistic
- Grant eligible activities are included
- Secured funding match and supporting documentation
- Funding partners are secured
- Detailed engineering design and diagrams, documentation of scalable equipment, and all preconstruction requirements identified

### **C) Speed, Scalability, & Affordability (0-20 points)**

- Emphasis on the highest broadband speeds for the least cost
- A minimum of 100 Mbps download and upload speeds (with some upload speed exceptions permitted)
- Speed tiers and service pricing with a set year commitment
- Industry-standard technical information to evidence network capacity and scalability
- Subscriptions for low-moderate households

### **D) Economic & Commercial Feasibility (0-10 points)**

- Applicant's technical, financial and managerial resources
- Applicant's experience in building, operating, and managing broadband serving citizens, households, and businesses in Kentucky
- Future scalability beyond the scope of the proposed project
- Financial statements
- Demonstrates the ability to sustain the broadband services made available by the project

### **E) Adoption Strategy (0-10 points)**

- Plan to encourage adoption of broadband services
- Community outreach to promote adoption
- Technical support and training on how to connect
- Digital literacy or online security events/trainings
- Participation in external low-income broadband program offerings

### **F) Community Participation & Support (0-5 points)**

- Substantive evidence of community support for the project
- May include letter of commitment, survey results or any other mechanism that shows commitment to subscribe

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## Other Compliance Policies

**Proposal Submission:** Two options include:

- a) submitting an electronic copy in Microsoft Word format on a USB drive
- b) electronic submission through the Vendor's Self Service through the E-Procurement System.

\*\*Note: If on-line submission is chosen, all bidders are required to be registered in the Commonwealth eProcurement System via the Vendor Self Service System at: <https://emars311.ky.gov/webapp/vssprdonline3111d/AltSelfService>

## Key Reference Links

**RFP Link:**

<https://emars311.ky.gov/webapp/vssprdonline3111d/AltSelfService>

**Press Release from Governor's Office:**

<https://kentucky.gov/Pages/Activity-stream.aspx?n=GovernorBeshear&prId=917>

**RFP ID:** 758 2200000038

## Do You Need Help?

**Contact NRTC for Funding Assistance:**

NRTC's Funding Practice offers key benefits including:

- Opportunity Evaluation
- Effective Grant Writing
- Track Record of Success

[funding@nrtc.coop](mailto:funding@nrtc.coop)

**Electric Cooperatives:**

Contact Mark Davis at

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**Telecom Companies**

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