

Grant County Digital Network Coalition
February 19, 2019
6:00 PM
John Day Fire Hall, 316 S. Canyon Blvd, John Day

AGENDA

- 1. OPEN AND NOTE ATTENDANCE**
- 2. APPROVAL OF PRIOR MEETING MINUTES**
- 3. APPEARANCE OF INTERESTED CITIZENS** – At this time the Board will welcome the public and ask if there is anything they would like to add to tonight’s agenda.

ACTION ITEMS

- 4. UPDATE ON 911/ESD LATERAL**
Attachments:
 - Blue Mountain Telecommunications Professional Services Agreement (Draft)
 - Seneca School to City Hall OPC
 - Seneca School to City Hall Map
- 5. UPDATE ON JOHN DAY CITY HALL LATERAL**
Attachments:
 - Draft RFP
 - Opinion of Probable Cost
 - Draft Construction Drawing Documents
- 6. NEW WEBSITE**
Attachments:
 - None
- 7. 2019 USDA COMMUNITY CONNECT GRANT**
Attachments:
 - 2019 Funding Opportunity Announcement
- 8. USDA RECONNECT GRANT**
Attachments:
 - ReConnect Checklist
- 9. ADMINISTRATIVE ASSISTANCE**
Attachments:
 - IT Fund Monthly Revenue and Expenditure Report - January 2019

OTHER BUSINESS

- 10. OTHER BUSINESS AND UPCOMING MEETINGS**
 - Board Meeting – Tuesday, March 19 – 6 P.M. Fire Hall

TO: Grant County Digital Board of Directors

FROM: Nicholas Green, Executive Director

DATE: February 19, 2019

SUBJECT: Agenda Item #4: Update on 911/ESD Lateral Attachment(s)

- Blue Mountain Telecommunications Professional Services Agreement (Draft)
- Seneca School to City Hall OPC
- Seneca School to City Hall Map

BACKGROUND

The board approved the bid by Blue Mountain Telecom at the February 5 board meeting. The draft PSA attached will be signed upon approval by the John Day city council and final pricing by Blue Mountain Telecom for the scope to include Seneca School to City Hall. Map and opinion of probable cost (OPC) for this addition are enclosed.

DISCUSSION

I have a teleconference scheduled for 8 A.M. Tuesday to review and finalize the scope, pricing and timelines for the proposed work. I will update the board on the status of these items during our meeting.

Commstructure's estimate for the Seneca School to City Hall lateral 1 is \$4,538.60. This scope adjustment would construct a 12-fiber count aerial run along 11 existing OTECC utility poles and would allow the City of Seneca to begin receiving internet service through the Grant Education Service District.

NEXT STEPS

The John Day city council will review and approve the final PSA at their February 26 council meeting.

TO: Grant County Digital Board of Directors

FROM: Nicholas Green, Executive Director

DATE: February 19, 2019

SUBJECT: Agenda Item #5: Update on John Day City Hall Lateral Attachment(s)

- Draft RFP
- Opinion of Probable Cost
- Draft Construction Drawing Documents

BACKGROUND

The enclosed documentation is being developed for the lateral fiber build from the John Day Fire Station to the John Day City Hall/JD Police Department.

DISCUSSION

Commstructure has completed the field surveying for this lateral extension. The OPC for this run is \$45,651.50. Our intent is to issue an RFP this week with a two-week response deadline. This project has been discussed previously with the board.

NEXT STEPS

The RFP will be posted by February 22 and will be due March 7. The bids will be reviewed by the John Day city council on March 12 with the Grant County Digital board to review March 19.

TO: Grant County Digital Board of Directors

FROM: Nicholas Green, Executive Director

DATE: February 19, 2019

SUBJECT: Agenda Item #6: New website
Attachment(s)

- None

BACKGROUND

The grantcountydigital.org website should be ready to preview during the board meeting. Municode is transferring the agendas and minutes from prior meetings over to the new site and expects to have the site ready for us to review.

TO: Grant County Digital Board of Directors

FROM: Nicholas Green, Executive Director

DATE: February 19, 2019

SUBJECT: Agenda Item #7: 2019 USDA Community Connect Grant Attachment(s)

- 2019 Funding Opportunity Announcement

BACKGROUND

The 2019 USDA Community Connect Grant is due April 15, 2019. Information on the grant is enclosed. Given the deadline extension on the ReConnect program, I am proposing we reapply under Community Connect program for the same route we proposed in 2018 (John Day to Seneca). By addressing the comments received from USDA after our 2018 application, in addition to several changes to our team and approach since last year, I believe we will be more competitively positioned to apply this year.

DISCUSSION

The Community Connect Grant Program attracts hundreds of submissions during the 60-day application window. If program funding is available for the fiscal year, the Agency is often only able to finance a small fraction of the applications. To increase the range of applicants that will be successful in FY 2019, only ONE application per applicant is eligible for approval. If an applicant submits more than one proposal, then the Agency will only consider the application with the highest score.

Pursuant to 7 CFR part 1739.2, the Administrator has established that the minimum grant amount of \$100,000 and the maximum grant amount of \$3,000,000 will be applied to this grant opportunity. Grant applicants must demonstrate matching contributions in cash of at least 15 percent of the requested grant amount.

Grant funds may be used to finance the following:

- 1) The construction, acquisition, or leasing of facilities, including spectrum, land or buildings used to deploy service at the Broadband Grant Speed to all residential and business customers located within the Proposed Funded Service Area and all participating Essential Community Facilities, as defined in 7 C.F.R. 3570.53;
- 2) The improvement, expansion, construction, or acquisition of a Community Center that furnishes free internet access at the Broadband Grant Speed and provides Computer Access Points. Grant funds for the Community Center must not exceed the lesser of 10 percent of the requested grant amount or \$150,000; and
- 3) The cost of bandwidth necessary to provide service free of charge at the Broadband Grant Speed to each Essential Community Facility for the first two years of operation.

The applicant must provide a Community Center within the PFSA. Grant funds must be used to provide a minimum of 2, and up to 10, Computer Access Points at the Community Center. The Community Center must also provide wireless access at the Broadband Grant Speed, free of all charges, to all users for at least two years.

Prior to official submission of applications, applicants may request technical assistance or other application guidance from the Agency, as long as such requests are made prior to March 29, 2019.

APPLICATION REVIEW CRITERIA

The Agency will consider the following criteria based on a scale of 100 possible points.

- a) Needs Category (up to 50 points). The Agency analyzes the challenges related to the following criteria and the ways in which the project proposes to address these issues: i. Economic characteristics. ii. Educational challenges. iii. Health care needs. iv. Public safety issues.
- b) Stakeholder Involvement Category (up to 40 points). The Agency analyzes the extent of the project planning, development, and support from local residents, institutions, and Essential Community Facilities. Documentation must include evidence of community-wide involvement, as exemplified by community meetings, public forums, and surveys. In addition, applicants should provide evidence of local residents' participation in the project planning and development.
- c) Experience Category (up to 10 points). The Agency analyzes the management team's level of experience and past success of broadband systems operation.
- d) In making a final selection among and between applications with comparable rankings and geographic distribution, the Administrator may take into consideration the characteristics of the PFSA. Applicants should therefore specifically address the criteria identified in 7 CFR part 1739.17(d).

Grant applications are ranked by the final score. Grants are awarded in rank order, subject to the availability of funds and consistent with 7 CFR 1739.17.

CHANGES TO OUR PROPOSAL

We can now address several questions raised in our 2018 application that were less clear a year ago. These include:

- 1) Budget for matching contribution on operations, maintenance and replacement as well as the Seneca Community Center.
- 2) Pro-forma forecast showing operating gains or break-even based on revised business model.
- 3) System design parameters included in narrative.
- 4) The Network Design Diagram, Schedule D-1, showing bandwidth capacity as well as the backbone provider.
- 5) The Scope of Work, Schedule F-1, clearly identifying each of the Critical Community Facilities and Community Center.

In addition to these revisions to the prior application, we have several added advantages in 2019:

- Anticipated service provider agreements with both CenturyLink and Ortelco, including O&M agreement for backhaul with Ortelco.
- Proposed T-mobile cell towers along route added to facilities served.
- Grant County Digital is organized, will apply as applicant, and will be a fiber optic provider.
- Co-location facility is constructed (need signed agreement for joint use of facility).

NEXT STEPS

Board should discuss the application approach. The following additional information will be needed to submit the application:

- 1) Revised Professional Services Agreements (PSAs) for team members supporting the project
- 2) Updated letters of recommendation (include endorsement from John Huffman)
- 3) Agreement for joint use facility
- 4) Cost estimates for build-out of Seneca Community Center and equipment
- 5) Revised pro-forma cost estimate

TO: Grant County Digital Board of Directors

FROM: Nicholas Green, Executive Director

DATE: February 19, 2019

SUBJECT: Agenda Item #8: USDA ReConnect Grant Attachment(s)

- ReConnect Checklist

BACKGROUND

The enclosed information was provided to us by Joanne Hovis, CTC Technology & Energy, who assisted with the 2018 Community Connect Grant.

DISCUSSION

Below is our working list of the critical tasks necessary for a competitive ReConnect grant application. RUS has not yet issued the Application Guide or the Construction and Procurement Guide, so this analysis is based on the December rules and CTC's experience with how RUS has structured programs (like BIP and Community Connect) in the past. I have also attached CTC's preliminary checklist of the various items required for the application.

CTC is currently working on a scoring strategy for maximizing points, as well as a detailed list of sub-tasks, and will share that information later. To review, scoring is based on the following criteria:

1. Rurality of Proposed Funded Service Area (25 points)
2. Farms Served (20 points)
3. Performance of the Offered Service (20 points)
4. Businesses (15 points)
5. Healthcare Centers (15 points)
6. Educational Facilities (15 points)
7. Critical Community Facilities (15 points)
8. Tribal Lands (5 points)
9. State Broadband Activity (20 points)

The following is a list of the central tasks necessary to build a competitive grant application:

1. Develop a grant *strategy*, including how to ensure that the story told by the application addresses RUS's key goals and concerns, as well as how to maximize points given RUS's objective scoring criteria and past experience with their subjective scoring items
2. Develop the grant and budget narratives, as well as the other many narrative elements of the application
3. Define and refine the PSFA (the area you propose to serve), and develop an engineering methodology to demonstrate that the PSFA is indeed eligible for funding because of lack of service; develop a count of the number of rural premises to be connected, including homes, farms, schools, libraries, healthcare facilities, and businesses (these are also important because they confer additional points in the application)
4. Collect required documents, such as the state broadband plan, that confer additional points in scoring (the state will help with this)

5. Research required background information to establish eligibility under the program rules and to provide content for the grant narrative
6. Develop engineering and cost estimates and get PE certification -- including project plan/buildout timeline, design, diagram, and costs
7. Develop a NEPA analysis
8. Develop the pro forma, in the format provided by USDA, and the business plan, including subscriber projections and descriptions of service and pricing
9. Develop data to support the pro forma revenue projections, ideally in the form of statistically-valid market research, to ensure that RUS is convinced by the revenue projections (this is possibly the most critical item in the application, given their interest in funding projects they consider sustainable and low-risk)
10. Develop a market narrative, including discussion and data regarding service in the region (required for the application), as well as a narrative discussion of why the proposed services will be both marketable and affordable
11. Collect the appropriate forms from farms and businesses to demonstrate market interest and maximize points for that application item (this is something that can be done through one-on-one conversations or by mailing the forms, with a cover letter, to all the farms and businesses in the PSFA)
12. Verify that no CAFII award census blocks are included in the PFSA and that your project area is not located in what is known as a Protected Broadband Borrower Service Area (service areas of borrowers that have RUS broadband loans)
13. Set up accounts and then navigate Sam.gov and Grants.gov, including input of the grant application into online grants system.
14. Reach out to state and federal representatives, the Governor's office, and your local elected officials, for letters of support. It will also be helpful to get letters from a range of community organizations, including the Chamber of Commerce.
15. Commission the required legal opinion and reviews

There are many more smaller subtasks, but this is the overview.

NEXT STEPS

To begin, we will need to define our PFSA under ReConnect. Because farms, businesses and other organizations must pre-subscribe for the service, we will need to determine the optimal route to connect these organizations and who the internet service provider will be to service these areas. We will discuss this further during the board meeting.

TO: Grant County Digital Board of Directors

FROM: Nicholas Green, Executive Director

DATE: February 19, 2019

SUBJECT: Agenda Item #9: Administrative Assistance
Attachment(s)

- IT Fund Monthly Revenue and Expenditure Report – January 2019

BACKGROUND

The IT Fund had a positive fund balance of \$1,786,512.08 at the end of January 2019. Given the administrative tasks anticipated for March through June 2019 related to the Community Connect grant and the ReConnect grant, I am recommending the board consider adding administrative support for two City of John Day staff (Chantal DesJardin and Julie Larson). I am working on a cost analysis for this support and will provide it to the board at the meeting.

TO: Grant County Digital Board of Directors
FROM: Nicholas Green, Executive Director
DATE: February 19, 2019
SUBJECT: Agenda Item #10: Other Business and Upcoming Meetings
Attachment(s)

- None

OTHER BUSINESS

- None

UPCOMING MEETINGS

- Board Meeting – Tuesday, March 19 – 6 P.M. Fire Hall