

BROADBAND ACCELERATION GRANT YEAR 2 BACKGROUND

The Kansas Office of Broadband Development (KOBD) at the Kansas Department of Commerce (KDC), was established to help ensure all Kansans have the opportunity to live, work, learn and compete in a global economy by improving universal access to quality, reliable and affordable broadband.

The Broadband Acceleration Grant Program is one critical program in Kansas' plan to address our broadband gaps. The Program is designed to offset the capital expenses in the deployment of broadband to unserved areas. The goal of this program is to facilitate broadband access to all Kansans while promoting practices that increase deployment and encourage adoption. Funds will be targeted to areas that are unlikely to receive broadband service without state or federal funding support.

The program launched in 2020 is poised to invest \$85 million over ten years toward bridging the digital divide in Kansas. It was created as a direct result of broadband modernization funding provided through the Kansas Department of Transportation's Eisenhower Legacy Transportation program (IKE) in the 2020 legislative session. Administered by the KOBD, the program allots \$5 million annually the first three years and \$10 million annually for the following seven years.

The Broadband Acceleration Grant program is the first state-funded competitive broadband grant opportunity, focusing on the construction of broadband infrastructure to bring access to high-quality internet service to Kansas homes, businesses and communities. The need for access to critical broadband infrastructure was significantly magnified in 2020. Demands of remote learning and work, telehealth services, online business and e-government shifts, and day-to-day quality of life implications crystalized that compelling need exists in many areas across Kansas.

The Broadband Acceleration Grant is intended to address the following priorities:

- Areas that lack access to broadband (unserved);
- Areas that lack quality, reliable access to broadband and have a compelling, unmet need;
- Areas deemed economically distressed by the state

In stewarding these public dollars, KOBD also encourages partnership projects that optimize public infrastructure through collective investment such as:

- Projects proposed in KDOT construction corridors or in conjunction with 'Dig Once' efforts
- Municipal, County or regional projects that are part of a community's strategic broadband plan
- Scalable robust co-investment projects



PROGRAM GUIDELINES

The Broadband Acceleration Grant program will invest \$5 million for the FY2022 program towards bridging the digital divide in Kansas. The maximum is \$1 million per award to provide access to high-quality, reliable broadband in Kansas with priority given to applications that address unserved areas, economically distressed communities and areas of compelling need. Applicants are expected to engage community leaders and stakeholders in the development of projects that are strategic, scalable and bridge critical access gaps to support quality of life considerations and economic viability for Kansas citizens and communities.

The Broadband Acceleration Grant seeks projects that will:

- Address priorities for areas that are unserved, economically distressed and areas with compelling needs.
- Incorporate partnership and community engagement through partnership commitments, letters of support, collective investment funding or other explicitly defined involvement.
- Share project information and associated proposed service area data in full transparency for a defined public comment period.
- Meet fiscal requirements including a 50% funding match for the proposed project.
- Be constructed, installed and operational by October 31, 2023, or 18 months from the award whichever is later.
- Commit to required documentation, communications, monitoring, reporting and validation requirements.

GRANT TIMELINE

Dec 15, 2021	Opportunity Announced, Guidelines Posted (available here)
Dec 15, 2021	Intent to Apply Opens – <u>Submit here!</u>
Dec 16, 2021	Broadband Acceleration Grant Webinar – Info available here! (1pm CST on 12/2/2021)
Jan 11, 2022	Application Submission Portal Opens
Jan 14, 2022	Intent to Apply Deadline
Feb 11, 2022	Application Window Closes (12 p.m. CST)
Feb 12 - April 13, 2022	Grant Application Evaluation
Feb 16 - March 8, 2022	Public Comment Window Opens
March 10 – March 22, 2022	Applicant Public Comment Response Window
March 23 April 8, 2022	KOBD Reviews Public Comments and Associated Applicant Responses
April 12 – April 15, 2022	Applicant Interviews
May 18, 2022	Awards Announced
Oct 31, 2023	Grant Project Completion – Operational Validation
Dec 30, 2023	Project Closeout Deadline

The proposed project period for the Broadband Acceleration Grant Year 2 is May 18, 2022 - Oct 31, 2023. Project extensions will be considered on a case-by-case basis.



ELIGIBLE APPLICANTS

Applicants must be authorized to provide broadband services in the area proposed to be served.

Eligible applicants include:

- a. Political subdivisions or entities of political subdivisions
- b. Corporations
- c. Limited liability companies
- d. Partnerships or other business entities
- e. Non-profit organizations
- f. Any other entity authorized by state law to provide broadband services

ELIGIBLE AREAS

The purpose of the grant is to facilitate broadband access to areas with demonstrated need and may include residential, business and community anchor institution locations. Priority will be given to projects that address areas that are currently unserved, economically distressed communities, areas of compelling need and partnership projects that optimize stewardship of public infrastructure dollars through collective investment and include:

- An unserved area. An area in which households or businesses are without internet access service of at least 25 Mbps download and 3 Mbps upload speeds.
- An economically distressed area. An area is economically distressed if it has per capita income of 80 percent or less of the national average, or if it has an unemployment rate that is at least 1 percent greater than the national average for the most recent 24month period for which data are available per Stats America.
- Projects proposed in KDOT construction corridors or in conjunction with 'dig once' efforts.
- Municipal and/or County projects that are part of a local strategic broadband plan.
- Co-investment partnership projects involving local municipalities, community anchors and service providers
- Proposed service areas are not required to be contiguous. However, non-contiguous areas more than 10 miles apart must include an explanation of how the economic and community impact is the same for the proposed areas.
- Middle mile expenses are eligible for grant funding only when they are necessary for the provision of last mile services described in the application.



DETERMINATION OF THE AVAILABLE BROADBAND SERVICE:

- Applicants may refer to the most current FCC Form 477 data or the NTIA's National Broadband Availability Map (NBAM) to determine existing service levels and identify unserved areas.
- Because this data can overstate the availability of services in some instances, an applicant is
 permitted to provide additional information to demonstrate that the proposed service area is, in
 fact, unserved.
- If the applicant deems areas indicated as "served" per the FCC Form 477/NTIA-NBAM are not accurate for the area proposed to be served, the applicant shall provide evidence to demonstrate that actual service is not available. Evidence must be sufficient to conclude that an area is, in fact, eligible.
- Evidence may include but is not limited to:
 - Survey or speed test data for a majority of consumers in the designated area;
 - Documentation of the location of existing infrastructure attributes indicating eligibility; or
 - Documentation from the website of reported service provider stating service is unavailable in this area or for a specific address.
- The presence of existing infrastructure alone does not disqualify an area from the grant process.
- An area is excluded if service is available at terrestrial, fixed 25/3 speeds at specific locations.

For example, fiber for residential service may be constructed in an area but service is not yet available to specific locations, or address lacks a service drop. Additionally, fiber might run through an area but not be available for residential services along that route (e.g. back haul service to a tower location).

Applications must include a proposed service area map with proposed service locations clearly identified. Applications must include a spreadsheet listing the Census Block Identifiers (2010 Census Data) for the proposed project area as outlined in the Project Proposal and the Technical Project Plan.

Areas already receiving funding for broadband expansion from other sources are ineligible. Ineligible areas include but are not limited to:

- Areas awarded Broadband Acceleration Grants for Year 1 (Acceleration Year 1)
- Areas awarded Coronavirus Relief Fund Connectivity Emergency Response Grants (CERG)
- Areas awarded USDA grants, including ReConnect (Reconnect Map or LINK)
- Areas awarded NTIA grants through Broadband Infrastructure Program or Tribal Broadband
- Areas with certified awards thru the FCC Rural Development Opportunity Fund (LINK)

Applicants falsifying location eligibility may be subject to grant rescindment and/or restricted from future



ELIGIBLE COSTS

The Broadband Acceleration Grant program funds up to \$1 million of the eligible broadband infrastructure construction costs for an eligible broadband project. Eligible broadband project expenses are terrestrial capital expenses directly related to the construction of a qualified broadband project, including permitting, materials, supplies, equipment and construction of "last-mile" infrastructure expenses. Last mile is defined as the final leg connecting a broadband service provider's network to the end-user customer's on-premise telecommunication equipment. Middle-mile expenses are eligible for grant funding only when required to provision last-mile services described in the application. Maintenance oroperating expenses related to the project do not qualify as eligible costs.

Grant expenses must be incurred and funds *expended* during the project period per the official grant agreement.

- The maximum grant award is \$1 million.
- The grant will cover up to 50% of eligible construction related project expenses.
- A 50% match of the total project amount is required. Local ARPA funds are an eligible match.
- Matching funds may include an in-kind match of up to 50% of the total match. An In-Kind match requires valuation documentation and is subject to KOBD approval.
- Federal grants or other federal broadband funding are not eligible matches.
- Eligible project costs: construction related costs associated with the broadband infrastructure build required for installation and/or acquisition of middle-mile and last-mile broadband infrastructure to provide broadband access to additional residential, business and community anchor institution locations. Middle-mile expenditures are eligible only when necessary to provide last-mile services.

Examples: Project construction, construction permits, construction of facilities, construction-related engineering or re-engineering, network equipment, supplies, materials, direct labor, installation and test of network and end-user services.



INELIGIBLE COSTS INCLUDE:

- Preconstruction planning, design or preconstruction engineering associated with the project.
- Maintenance or operating expenses related to the project.
- Infrastructure not directly connected to service provision for an end user in the proposed area.
- Indirect labor costs (fringe/benefits, travel, meals, lodging, paid time off, etc.)
- Long term capital asset purchases/leases, although cost allocation for use during the project period will be considered on a case-by-case basis

Applicants are required to provide documentation validating network operations, speed tests, latency and throughput of the completed project.

Grantees are required to commit to maximum allowable service tiers/costs for 3 years upon project completion. Grantees must complete/submit the required financial documents, legal agreements and reports. KOBD reserves the right to amend the scope of grant awards or partially fund applications.

INTENT TO APPLY

Potential applicants should submit an Intent to Apply by the end of day on Jan. 14, 2022. The Intent to Apply is for communication purposes and capacity planning for the grant process. It does not eliminate potential grantees from applying should the deadline be missed. The intent to apply will include:

- Applicant Business/Organization Name & Business Address
- Primary Business Contact(s) (Name, Email, Phone)
- Proposed service area including County(s), City(s)
- Estimated Project Amount and Estimated Grant Request
- Proposed project scope, services and access speeds to be provided
- Proposed key partners, community anchors

The INTENT TO APPLY should be submitted by 11:59 P.M. CST, January 14, 2022 at this link.



PUBLIC COMMENT PERIOD

To ensure transparency and best use of taxpayer funds, the application process will include a public comment period. This period is intended to provide an opportunity for providers, elected officials and constituents to either express support or to inform us of any issues or concerns with an application or its proposed service area. All comments collected during the public comment period are subject to public disclosure, except for the specific location of infrastructure assets deemed "proprietary."

Within one week of the close of applications, the public project proposal and proposed service area map for each application will be posted for public comment.

- The online public comment period will begin Feb. 16, 2022 and close at 3pm on March 8, 2022.
- A form and instructions will be posted on the **KOBD** website by Feb. 16, 2022.
- Comments submitted relative to ineligibility of a proposed service area should include information beyond the FCC data.
- KOBD intends to publicly disclose all comments and responses received.

Providers are encouraged to submit comments and corresponding documentation with supporting evidence if:

- The area proposed to be served already has service available; or
- Construction is underway in the area proposed and will be completed within 12 months.
- The impact of planned builds disclosed in comments will depend on the totality of the circumstances including certainty of the build as demonstrated by the documentation and evidence submitted with the comment and the timeline for the expansion.
- Comments with insufficient evidence or documentation will not be considered.
- Should evidence demonstrate that an area is currently served (with a 25/3 fixed, terrestrial connection), that portion of the grant area may be disqualified. In order for a defined area to be considered served, service at or exceeding 25 Mbps download and 3 Mbps upload must be generally available to all residential customers in the defined area.
- Grant applicants for which public comments are received will be given March 23 April 8, 2022 to respond to comments.
- Commenters may be asked to provide additional information and/or work with KOBD to validate service availability.
- Any commenter found to have submitted inaccurate information will be disqualified from participation, submission comments will be disregarded, and they may be restricted from future participation in KOBD funding programs.



APPLICATION SUBMISSION

The application information below allows potential applicants to begin formulating a response to the grant opportunity. The application submission online portal will open on January 11, 2022 and close at12:00 p.m. CST, Feb. 11, 2022. The application contains three primary sections: Project Proposal, Technical Project Plan, and ProjectBudget. The submission will include documents designated (*) for public posting during a public comment period. A Technical Planning Guide and templates will be posted to assist applicants by Dec 20, 2021.

PROJECT DEMOGRAPHICS

Demographic data will be captured for the applicant and the project including:

- Primary Organizational Contacts (Project and Technical)
- Total Project Amount, Grant Funds Requested and Matching Amount
- City(ies) and County(ies) impacted
- Projected upload and download speeds of proposed project
- Anticipated impact: # of premises, # of households, # of businesses # of community anchors
- A brief narrative description of the project including proposed service tiers for the project

PROJECT PROPOSAL

The Project Proposal should provide a compelling case for this project and includes:

- 1. EXECUTIVE SUMMARY OF THE PROJECT* this narrative overview should include the goals of the project, needs addressed, a description of the proposed service area, community partners, stakeholders involved and the intended impact. It will be posted for public consumption.
- 2. PUBLIC PROPOSED SERVICE AREA MAP* for the proposed service area including detail for the proposed service locations. The detailed annotated map *for public consumption* (.kmz, .kml or .shp file) must include:
 - a. A shaded service area of the proposed area to be served.
 - b. The hardline routing and proposed service locations identified with a legend defining content.
 - c. Wireless projects: RF prediction map depicting the location of the transmitter, its footprint, and proposed service locations identified. A legend defining the content of the map.
- 3. COMMUNITY PARTNERS, ROLES & LETTERS OF COMMITMENT/SUPPORT
- 4. JUSTIFICATION FOR THE PROJECT EVIDENCE OF COMPELLING NEED & THE ECONOMIC & COMMUNITY IMPACT
- 5. ADOPTION EFFORTS



*Documents to be posted for Public Comment.

TECHNICAL PROJECT PLAN

The Technical Project Plan details the technical elements of the proposed build including:

- TECHNICAL PROJECT SUMMARY
- NETWORK ARCHITECTURE
- GIS maps for the proposed network in .kmz, .shp, or. kml format. Maps should be explicit for each proposed technology (fiber, fixed wireless or both) and include required annotations per submission requirements as outlined in the Technical Planning Guide.
- A list of Census Block Identifiers in a spreadsheet (.xls) for the proposed service area. (2010 Census geographic identifiers should be used for this and any provided sublocation data)
- PROJECT PLAN AND MILESTONES
 - Planning
 - Permitting
 - Construction
 - Equipment Installation
 - Operational Validation Certification of Completion
- LONG TERM INVESTMENT VIABILITY: Scalability, Future Proofing

A Technical Planning Guide will be posted online by Dec 20, 2021 to assist applicants in developing this portion of the grant application.

BUDGET FINANCIALS & ATTESTATIONS

Project budget and financial submission requirements include:

- BUDGET NARRATIVE
- PROJECT BUDGET SPREADSHEET
- FINANCIAL PROFIT/LOSS STATEMENT

Applicant attestations will include the following:

- The grant applicant is good financial standing with the State of Kansas
- The grant applicant is not currently involved in pending litigation in association with broadband infrastructure project.
- The grant applicant is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any federal department or agency;



BUDGET FINANCIALS & ATTESTATIONS CONTINUED

- The grant applicant has not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- The grant applicant is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local)
- The grant applicant has not within a three-year period preceding this application/proposal had one or more public transactions (federal, state, or local) terminated for cause or default.

APPLICATION EVALUATION & AWARD

Broadband Acceleration Grants will be vetted through a process that evaluates the project proposal, the technical project plan and the proposed budget. Business, economic and community development professionals and technical expertise will be enlisted to review project submissions. Applicants being considered for award will participate in a final interview to be held via an interactive meeting platform. Prior to evaluation, each application will undergo an initial administrative review to ensure applicants have met the following baseline eligibility requirements including:

- A Public Project proposal for the proposed project
- A Public GIS map of the proposed service area and proposed service locations in required format
- Detailed, technical GIS maps in required format outlined in the Technical Planning Guide to support for Technical Project Detail (.kmz, kml, or .shp format only).
- A spreadsheet (.xls) listing of the Census Block ID's for the proposed service area locations (use the 2010 Census Geographic Identifiers).
- Network Architecture Plan for the proposed project.
- Required financial documents including a complete Budget which includes the required 50% match.
- Application evaluation will be based on the overall quality of the application including the Project Proposal, Technical Project Plan and Financial information presented.



APPLICANT INTERVIEW

Interviews for the final grant candidates will take place between April 12-15, 2022. This final opportunity for grantees to 'make their case' should include organization and financial contacts, key project personnel and partners critical to the overall success of the effort. Co-investment projects should include partner investors. Participants should be prepared to speak to specific aspects of the proposed project, the technical project plan, financials submitted and the demonstrated need that support the project. This interactive meeting will provide an opportunity for gran tees to call into focus key aspects of the project, compelling needs of the proposal and answer the question, "why should the state of Kansas invest in this project?"

Grant awards are expected to be announced by May 18, 2022.

FUNDS DISBURSEMENT

The Broadband Acceleration Grant is a reimbursement-based grant opportunity which will provide monthly reimbursements for validated grant expenditures submitted through a monthly reporting process. Grantees are expected to submit supporting documentation for expenditures (ie. Invoices, receipts) and proof of payment, if requested. Grantees must submit all required legal and contractual agreements/documents prior to funds disbursement. Project extensions will be considered in light of current supply chain and pandemic-related delays on a case-by-case basis.

Should actual project costs exceed the proposed/approved budget, grantees will be responsible to complete the proposed project without an increase in the grant award. KOBD reserves the right to partially fund projects that are not completed during the approved project period.

REPORTING - ACCOUNTABILITY - PROJECT COMPLETION

The KS Office of Broadband Development will provide collaborative, partnership and support for Broadband Acceleration Grantees in this effort. In addition to periodic Grantee meetings, KOBD will streamline reporting by providing baseline reporting templates and clear expectations for grantees participating in the program. The monthly reporting includes:

- A narrative update on the status of the project, including notification of any delays
- A monthly budget expenditure report of the project
- A monthly .pdf containing supporting project expenditure documentation for reimbursement requested (i.e. Invoices/receipts)
- KOBD reserves the right to desk or field audit the project at any time
- Projects must be complete and operational by October 31, 2023.
- Grantees will be required to submit a final project report including an as-built service area map prior to final funds disbursement.



REPORTING - ACCOUNTABILITY - PROJECT COMPLETION CONTINUED

- Grant closeout will include validation that the broadband infrastructure project build has been completed, the design and installation conform to all applicable federal, state and local requirements and standard engineering practice; and that the installed infrastructure will provide service at the locations and service level speeds specified in the application.
- Grantees are expected to offer service at the pricing and speed levels specified in the application for a minimum of three (3) years after closeout of the project. While not a contractual requirement, it is expected that the selected applicants will have incorporated these criteria into their business plan



KEY DEFINITIONS

Broadband

Broadband or high-speed Internet access allows users to access the Internet and Internet-related services at significantly higher speeds than those available through "dial-up" services. Broadband speeds vary significantly depending on the technology and level of service ordered.

For additional information, visit the source of this information: the FCC

Adoption Efforts

Adoption goes beyond access to high-speed internet and speaks to the ability of individuals and communities to harness access for quality of life implications. These efforts may include digital literacy training, low-income assistance programs (for equipment and/or broadband service), partnerships with co-working or entrepreneurship organizations, awareness or marketing campaigns, service provision to community anchor institutions and/or additional programing and other programs designed to meet the needs of the local community

Economically Distressed Community

An area is economically distressed if it has a per capita income of 80 percent or less of the national average, or if it has an unemployment rate that is, for the most recent 24-month period for which data are available, at least 1 percent greater than the national average unemployment rate. http://www.statsamerica.org/distress/distress.aspx

Last Mile

Last mile refers to the network infrastructure that carries signals from the network to and from the enduser premise. Depending on the network design and density of the area served, the actual distance of the last mile can be relatively short or may be considerably longer than a mile.

Middle Mile

Middle mile refers to the portion of the telecommunications network that connects a network operator's core network to the local network (last mile) plant. Middle-mile facilities provide fast, large capacity connections and can range from a few miles to a few hundred miles. Grant funding can only be used for middle-mile related costs if it is necessary in order to provide last-mile service.

Unserved

For purposes of the Broadband Acceleration Grant program, an unserved area is defined as a designated geographic area in which households or businesses are without a fixed, terrestrial connection supporting at least 25 Mbps download and 3 Mbps upload speeds.