

Broadband Construction Projects

This document provides specific guidance for traditional **broadband construction projects.** Applications may involve multiple activities as part of a single project; ARC encourages applicants to review the specific guidance for each type of activity included in an application.

All application guidance is grounded in the goals and principles of ARC's current strategic plan, which emphasize strategic focus, collaboration, sustainability, and measurable impact in ARC investments.

ARC invests in projects that promote the productive and strategic use of broadband and other telecommunications infrastructure to increase connectivity and strengthen economic competitiveness. Planning/feasibility studies and implementation investments in broadband infrastructure have helped reduce the Region's isolation and spur economic activity. Generally, ARC categorizes broadband-related projects under Goal 3 of its strategic plan; however, broadband activities may be components of projects under other goals.

Examples of broadband construction projects include, but are not limited to:

- Installation of fiber or a wireless system into an industrial park to supply the bandwidth necessary for an expanding industry
- Partnering with a competitively selected Internet Service Provider (ISP) to deploy broadband service to currently unserved homes and businesses
- Installation of a Wi-Fi system into an unserved downtown business district or other targeted area of special need
- Match funding for a construction project using Broadband Equity Access Deployment (BEAD) funds (where applicable)

* Note: Though planning activities that support broadband deployment would be classified by ARC as a non-construction project, planning studies to explore network options for a single district or a cluster of communities that lack broadband should be noted here as an additional example of projects related to broadband construction and eligible for ARC funding. These studies would assess the existing and future broadband needs, potential technology solutions, and costs for construction.

Basic Agencies (for construction projects only)

ARC does not administer any construction projects, including those involving broadband infrastructure. ARC operates in partnership with federal and state agencies under an MOU to manage federal construction grants throughout the region.

It is the applicant's responsibility to secure a letter from the appropriate federal or state agency, known as a basic agency letter, indicating their willingness to administer ARC funds for any proposed infrastructure project. A list of eligible basic agencies can be found at https://www.arc.gov/basic-agency-partners/.

Once an ARC construction grant is approved, grantees are encouraged to reach out directly to their basic agency to develop an implementation plan and schedule.

Key Principles of ARC Broadband Investments:

As outlined in ARC's strategic plan, activities should be strategic, collaborative, sustainable, and impactful.

Strategic:

- What are the critical circumstances that compel the project to be a priority for the community? The proposal should identify the problems and/or opportunities the project will address.
- Project should not duplicate existing projects or initiatives.

More Information

For general guidance on how to develop a complete and competitive application for ARC project funding, all applicants should refer to the application framework and instructions detailed in the Checklist for ARC Non-Construction Project <u>Applications</u> form or the Checklist for ARC Construction Proiect Applications form, as appropriate. available in the applicant resources section of our website.

Applicants should also consult their ARC State Program Manager*, their state's Appalachian Development Plan* and Annual Strategy Statement* for additional information. *This information can be found HERE by navigating to the page and clicking on the appropriate state link.

- A feasibility study should be conducted prior to applying for construction funds to examine current broadband availability.
- Applicants will be required to submit the census blocks that will encompass the proposed project area to
 ensure eligibility.

Sustainable:

- Depending on the project activity, applicants should explain how the project will be maintained after grant funds are used. Feasibility and planning studies should include a deployment strategy and a plan for securing resources for implementation.
- Identify the departments or organizations responsible for project activities and describe their capacity to handle project management. This might include plans to engage a 3rd-party consultant to develop RFP's, negotiate contracts, validate service availability and quality, and conduct training for in-house capacity building.

Collaborative:

- Describe how the project supports its state broadband strategy and the efforts to collaborate with its state broadband office.
- Identify all project partners, including local, regional, state and federal entities that will support the project, and any service providers.

Impactful:

- How will the project benefit the community and/or businesses and residents?
- Provide quantifiable output and outcome measures consistent with ARC's Guide for Performance Measures. Examples of suitable measures could include the number of homes or businesses expected to benefit from a new system or the speed of the new broadband service.

Other Considerations:

- In accordance with federal procurement rules, all broadband-related services must be competitively bid.
- In accordance with federal procurement rules, the grantee must retain an ownership interest in all grant-funded equipment or infrastructure be that direct ownership, use of a lien including indefeasible rights of use (IRU), etc.
- Contractors that are hired to plan and design a broadband system/project are prohibited from bidding on the project's construction.
- ARC Code states: ARC grant assistance shall not be used for projects that promote unfair competition between businesses with the same immediate service area.
- Many of ARC's grant programs require applicants to receive a coordination letter from their respective state broadband office to ensure that their projects are aligned with state broadband strategies and only include homes and businesses that the state certifies are currently underserved.

Helpful Resources:

- USDA Broadband https://www.usda.gov/broadband
- Procurement Standards https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d
- National Broadband Map https://broadbandmap.fcc.gov/home?version=jun2023
- Bipartisan Infrastructure Law broadband program overview https://www.internetforall.gov/
- National Broadband Resource Hub https://www.broadbandhub.org/
- NTIA Technical Resource Hub https://broadbandusa.ntia.doc.gov/technical-assistance-hub